

GEF-8 REQUEST FOR CEO ENDORSEMENT/APPROVAL

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General Project Information

Project Title	
RESILAND: ARMENIA RESILIENT LANDSCAPES PROJECT	
Region	GEF Project ID
Armenia	11046
Country(ies)	Type of Project
Armenia	FSP
GEF Agency(ies):	GEF Agency Project ID
World Bank	P179988
Project Executing Entity(s)	Project Executing Type
Ministry of Environment - Environmental Project Implementation Unit	Government
GEF Focal Area (s)	Submission Date
Multi Focal Area	12/1/2023
Type of Trust Fund	Project Duration (Months)
GET	60
GEF Project Grant: (a)	GEF Project Non-Grant: (b)
5,450,000.00	0.00
Agency Fee(s) Grant: (c)	Agency Fee(s) Non-Grant (d)
517,750.00	0.00
Total GEF Financing: (a+b+c+d)	Total Co-financing
5,967,750.00	30,466,278.00
PPG Amount: (e)	PPG Agency Fee(s): (f)
55,000.00	5,225.00
Total GEF Resources: (a+b+c+d+e+f)	
6,027,975.00	
Project Tags	
CBIT: No NGI: No SGP: No Innovation: No	
Project Sector (CCM Only)	
AFOLU	

Taxonomy

Focal Areas, Climate Change, Climate Change Mitigation, Agriculture, Forestry, and Other Land Use, Climate Change Adaptation, Climate resilience, Livelihoods, Land Degradation, Land Degradation Neutrality, Sustainable Land Management, Sustainable Pasture Management, Integrated and Cross-sectoral approach, Income Generating Activities, Sustainable Livelihoods, Restoration and Rehabilitation of Degraded Lands, Ecosystem Approach, Community-Based Natural Resource Management, Forest, Forest and Landscape Restoration, Biodiversity, Biomes, Wetlands, Protected Areas and Landscapes, Community Based Natural Resource Mngt, Mainstreaming, Agriculture and agrobiodiversity, Influencing models, Transform policy and regulatory environments, Demonstrate innovative approach, Strengthen institutional capacity and decision-making, Convene multi-stakeholder alliances, Stakeholders, Communications, Education, Public Campaigns, Behavior change, Awareness Raising, Type of Engagement, Information Dissemination, Consultation, Participation, Civil Society, Non-Governmental Organization, Private Sector, Beneficiaries, Gender Equality, Gender results areas, Capacity Development, Knowledge Generation and Exchange, Access to benefits and services, Gender Mainstreaming, Sex-disaggregated indicators, Gender-sensitive indicators, Capacity, Knowledge and Research, Learning, Theory of change, Indicators to measure change, Knowledge Exchange, Conference, Knowledge Generation, Training, Workshop

Rio Markers

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

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. (max. 250 words, approximately 1/2 page)

Armenia is a small, mountainous, landlocked country, which is situated between 375 and 4090 meters above sea level. Such an elevation range creates a variety of ecosystems, including semi-deserts, juniper woodlands, deciduous forests, grasslands, and wetlands. As a part of the Caucasus ecoregion, Armenia is included in one of 35 global biodiversity hotspots. Many biotopes of the country are unique, as they are either relict habitats or a result of local combination of the soil and climate. It is not an occasion therefore that this small country hosts 17,700 species of animals (including over 500 endemic species) and 17,700 species of vascular plants (including 144 endemic species). Among other ecosystems, wetlands and forests have been considered of highest global importance for biodiversity conservation and the mitigation of climate change worldwide and in Armenia as well, as those two ecosystems host highest level of biodiversity (including a number of highly specialized species and endemic species), play a crucial role in carbon sequestration, and contribute to a regulation of climate at the regional scale.

About 70% of Armenia's forests are currently degraded, and forest-covered areas are gradually turning into grasslands. Pastures and meadows cover about 25% of the territory. Lands of the forest fund that are not covered by forests are often used for pastures and haymaking, which often results in soil and flora degradation, and slows down regeneration of the forests. Balancing forest and pasture management is a major challenge for the land-use sector of the country. Wetlands, especially bogs and marshes, have generally been seen to impede the development of agriculture, and they have been reduced consistently for over a century. This has resulted a strong decline in wetland biodiversity (including number of endemic species and a variety of game birds), water retention capacity, carbon storage; and drying up of springs and other wetland areas. Land degradation is a serious challenge in Armenia where 82% of the land area is, to varying extents, exposed to desertification; 27% of these lands face extremely severe desertification (UNCCD 2017). Joint or collaborative management of forests and protected areas with communities has high potential but there is a need for creation of an appropriate legal basis for community forestry in Armenia as these institutions have not yet been formed.

Landscapes restoration in mountainous countries such as Armenia is a sustainable way to improve biodiversity, which makes the ecosystems more resilient towards external stresses, including climate change. The project follows an integrated landscapes approach to restore forests, pastures and wetlands will create a formal legal basis for community engagement in the management of these landscapes. The project focuses on three key issues: (i) reduction of forest fragmentation and increase in density of tree cover by managing pastures and grazing, restoring land in protected areas degraded due to mining and forest enrichment planting; (ii) improving management of neglected wetlands – mainly bogs and marshes of Ararat Plains which are important for biodiversity and, (iii) improving biodiversity management through establishment of a model Emerald Network site (Araks Wetland) to demonstrate community management. To enhance community engagement, the project will focus on supporting capacity of state forest agency officials on joint management efforts, and piloting ecotourism and other livelihoods opportunities for communities.

Project Description Overview

Project Objective

The Project Development Objective (PDO) are (i) to increase the area under sustainable landscape management in selected locations and (ii) to promote sustainable economic activities to communities in targeted landscapes in Armenia.

Project Components

Institutional Capacity and Policy Development

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
600,000.00	4,169,180.00

Outcome:

- 1.1. Improved understanding of overlaps, duplications and contradictions between the major institutions
- 1.2. Improved clarity on procedures and technical requirements for community-based forest management, and private forest plantations (using a gender sensitive and participatory approach)
- 1.3. Improved capacity of operational and technical staff on integrated landscape management (gender sensitive; increase access for women to decision-making in local decision-making)

Output:

- 1.1 Review reports of existing policy, legal, frameworks for forests, pastures, and protected areas to help align these with national and international obligations
- 1.2. Regulatory and operational guidelines required for community-based forest management, and private forest plantations
- 1.3. Number of trainings, workshops, seminars organized and number of tools, software and equipment purchased

Landscape Restoration

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
3,293,435.00	16,676,725.00

Outcome:

- 2.1. Restoration of degraded forests and improved management of existing forests
- 2.2. Restoration of degraded wetlands and improved wetland biodiversity
- 2.3. Restoration of natural ecosystems at abandoned mining sites

Output:

- 2.1. Hectare of afforestation and reforestation, and silvicultural treatments on the existing forest
- 2.2. Number and area of wetlands restored
- 2.3. Areas of abandoned mines restored

Promoting Communities' Benefits

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
1,090,000.00	6,948,635.00

Outcome:

- 3.1. Increased sources of income for local communities supported under the project; with of a focus on gender sensitive and participatory stakeholder engagement
- 3.2. Decrease of unsustainable use of forests by local communities

Output:

- 3.1. Number of Non-timber forest products developed
- 3.2. Number of ecotourism trails designed and developed
- 3.3. Number of forest-based enterprises supported by the project

M&E

Component Type	Trust Fund
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Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
207,565.00	1,221,738.00

Outcome:

Tool for the M&E process; reporting and monitoring and evaluation functions

Output:

System of monitoring of bioindicators of forests, grasslands, and wetlands.

- (i) preparation of info notes, briefings, and public events on lessons, best practice and expertise generated during implementation.
- (ii) knowledge and learning events, trainings, outreach, awareness raising and dissemination of project outputs through public service announcements, billboards, respective agencies' websites, and platforms.
- (iii) decision makers, forest communities, stakeholders, and practitioners participate in knowledge and learning events and trainings
- (iv) new information generated through the project implementation will be captured using remote sensing and other technologies.

Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
Institutional Capacity and Policy Development	600,000.00	4,169,180.00
Landscape Restoration	3,293,435.00	16,676,725.00
Promoting Communities' Benefits	1,090,000.00	6,948,635.00
M&E	207,565.00	1,221,738.00
Subtotal	5,191,000.00	29,016,278.00
Project Management Cost	259,000.00	1,450,000.00
Total Project Cost (\$)	5,450,000.00	30,466,278.00

Please provide Justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

Country Context

Armenia had substantial economic progress in 2017-2019, with an average annual economic growth of 6.8 percent. However, the economy has been hit hard in late 2020 by the worst military confrontation since the early 1990s and a large second wave of COVID-19 pandemic. The effects triggered by these twin shocks are still unfolding and resulted in one of the sharpest contractions of Gross Domestic Product (GDP) [7.4 percent] in Europe and Central Asia (ECA) region. The poverty rate rose from 44 percent in 2019 to 44.7 percent in 2020. In Yerevan, the poverty rate increased from 25.7 percent in 2019 to 33.4 percent in 2020^[1]. As of 2022, Armenia is categorized as a country in a Fragile and Conflict-Affected Situation (FCS). In 2021, growth rebounded by 5.7 percent owing to the recovery of the industry and service sectors but was estimated to remain below the trend projected before the war in Ukraine erupted. The war has imposed new obstacles to economic growth, with the estimate for 2022 lowered to 1.2 percent^[2]. Armenia is also considered to be one of the most vulnerable countries negatively impacted by climate change. Its economy is largely dependent on agriculture whilst around a third of the population is rural.

Sectoral and Institutional Context

Forests and wetlands of Armenia are among the most valuable ecosystems. Armenia is a mountainous country located between 375 and 4,090 meter and is home for a variety of ecosystems, including semi-deserts, juniper woodlands, deciduous forests, grasslands, and wetlands. It hosts 17,700 species of animals (including over 500 endemic species) and 3,500 species of vascular plants (including 144 endemic species). Armenia is one of 35 global biodiversity hotspots and is part of the Caucasus ecoregion that makes a biogeography bridge between Europe and Asia. Among other ecosystems, wetlands and forests are of highest importance for biodiversity conservation and the mitigation of climate change worldwide.

Armenian forests are among the most threatened ecosystems in temperate biomes, with accelerating degradation, largely attributable to over-exploitation. Armenia is one of the least forested countries in the region, with 9.3 percent^[3] forest cover largely concentrated in the north-east and south-east of the country. Deforestation and forest degradation are the major environmental problems in the country. According to FAO FRA (2020)^[4], during 1990 - 2020 Armenia lost 62,600 ha of forests. Moreover, 11,000 ha of naturally regenerated primary forests was degraded into secondary forests during the same period. The proximate drivers of such degradation are overcutting, overgrazing, mining, and infrastructure development. Degraded forests are increasingly exposed to forest fires, pests, and diseases. The key underlying drivers are economic: high costs of gas and electricity and low-income of the households. Negative outcomes include soil erosion, uncontrolled surface runoff, landslides, disturbance to the hydrological cycle and flooding are commonly attributed to deforestation and forest degradation in Armenia. During 1990 – 2020 forest cover losses resulted in net greenhouse gas (GHG) emissions of about 93,000 tCO₂ eq per year. The economic costs of deforestation – in terms of GHG emissions and loss of other ecosystem services - are estimated to be over US\$8 million per year (in 2021 cost US\$). Overall land degradation in Armenia is estimated to have a total economic cost of US\$111 million per year (in 2021 constant US\$). The situation with the forests is exacerbated by a severe fragmentation of the forests, causing an increase of the forests' edge and decrease in the forest interior. In turn, it results in faster degradation of the forest ecosystems and affects over 80 percent of the forest specialist species, which strongly depend on the forest interior. All this will lead to a deterioration in the regenerative capacity of forests, making them even more vulnerable to climate change.

Wetlands are highly productive ecosystems rich with biodiversity. The water bodies of Armenia make up 492,200 ha or 16.5 percent of the country's area (Ramsar Convention 2022) that provide habitat for a diversity of wildlife species, serve as breeding or feeding place for 40 per cent of all plant and animal species and deliver various

ecosystem services such as protection and improvement of water quality, provision of habitat for fish and wildlife, storage of floodwaters, maintenance of surface water flow during dry periods and carbon sequestration.

Wetlands have been the subject of purposeful drainage for over a century. Despite their values, wetlands in Armenia have been a subject of overuse and purposeful draining (particularly during the Soviet period). Over 30,000 ha of brackish wetlands of Ararat Plain, have been reduced via special drainage system down to less than 2,000 ha, and about 3,000 ha the mountain grassy marshes have been reduced by 80% through increased water extraction. This has resulted in a strong decline in wetland biodiversity (including number of endemic species, threatened species, and a variety of game birds), water retention capacity, carbon storage; and drying up of springs and other wetland areas, which would serve as habitat for many species of flora and fauna. Reduction of the wetlands results in a change of humidity in the lowland semi-desert areas and the highland steppes and meadows. This process, exacerbated by climate change, causes increased droughts and decreased productivity of those grasslands, and creates additional risks for livestock husbandry. Proper wetland management would reverse this situation and enable forest restoration. Drought has also weakened trees and made them susceptible to insect outbreaks, which have damaged large areas of the forest. The several past episodes of drought have decreased crop yields and led more people to engage in illegal logging and poaching activities.

Opportunities in wetlands' restoration. The pilot project on restoration of 1.61 ha of brackish marshes in Khor Virap Sanctuary was performed by BirdLinks Armenia NGO with a financial support of Caucasus Nature Fund, showing fast recovery of biodiversity of the restored area. Expansion of wetlands' restoration can support in further development of the nature-based tourism, driven by birdwatching, as well as create a reservoir for the game birds, supporting their sustainable harvesting for over 20,000 hunters. However, there is a need for revision of policies related to wetland restoration and maintenance, as well as capacity and institutional development.

As part of its commitment under the Nationally Determined Contribution 2021-2030, Armenia has committed to a mitigation target of 40 percent reduction of its GHG emissions by 2030. The sectors included in the contribution to the mitigation target include forestry and other land use. Restoration of wetlands would help Armenia achieve these targets considering the significant capacity of carbon sequestration of the country's wetlands. The wetland areas covered by the Project include the brackish marshes, which are characterized by higher carbon sequestration potential and lower levels of methane and other greenhouse gas emissions.

The country is exposed to multiple forces of land degradation. Land degradation severely affects people's livelihood by reducing the availability of vital ecosystem services such as food, wood, water, and soil fertility and thus increase the risks of poverty particularly in rural areas of Armenia. Currently, 82 percent of the land area of Armenia is, to varying extents, exposed to desertification; 27 percent of these lands face extremely severe desertification[5]. Land lost to infrastructure, industry, and similar uses has also increased by 27,230 ha and now represents about 3.5 percent of the total country area. Chemical pollution occurs on 272,000 ha, with most of the land contaminated by mineral substances used in agriculture, and by chemicals in urban areas. Pollution by minerals has increased due to the relative low cost and incorrect application of chemical fertilizers, especially nitrate. Acidification is mainly associated with natural soil properties, but salinization has intensified due partly to poor irrigation practices. The area of overgrazed land now covers about 170,000 ha.

Mining causes direct and indirect impacts on forests and biodiversity. At the mining site, land preparation and expansion and waste management change abiotic and biotic conditions, and in some cases, transform natural forests and threaten species and ecosystems. As a result of mining activities, about 8,000 ha of land have been degraded with an additional 1,500 ha used to store tailings dumps. Pollutants from these are commonly leached out, affecting waterways and local biodiversity.[6] According to recent data (2018) from the Hydrometeorology and Monitoring Center, 16 rivers in Armenia have been identified as having the highest degree of pollution due to mining activities.[7] There has been an expansion of mining across the country, affecting 34,900 ha of forest land in 2013, primarily in the Lori and Syunik provinces, where primary forested areas of the country are (Syunik constituting 36 percent of all the forests in the country, and Lori and Tavush – 62 percent of forest cover).

Expansion of forests has been one of the main goals for Armenia, not only for their protective role, but also to develop forest-related businesses, including the sustainable supply of fuelwood as part of the energy mix in the country. The Forest Code makes the implementation of forest rehabilitation measures a national priority. In particular, the rehabilitation of clear-cut and partially deforested areas and the promotion of afforestation measures to increase the current low forest cover are prioritized. *The Draft National Forest Development Policy, Strategy and Action Plan 2021-2030 (NFP 2021-2030) identifies priority tasks*, including (i) restoration of degraded forest landscapes, (ii) Increase of the forest cover; (iii) maintenance and development of environmental, social, and economic functions of forests; and (iv) continuous and effective use of forest resources.

[1] US\$5.5 per day 2011 PPP

[2] World Bank, 2022

[3] The figure of current forest cover of Armenia varies in different sources. Here we take the figure obtained by FAO 2010: Global Forest Resources Assessment, The UN Food and Agriculture Organization.

[4] FAO FRA. 2020. FRA Country Reports – Armenia. Rome.

[5] UNCCD. 2017. Armenia - Investing in Land Degradation Neutrality: Making the Case. Bonn, Germany.

[6] See <https://documents1.worldbank.org/curated/en/289051468186845846/pdf/106237-WP-P155900-PUBLIC.pdf>.

[7] Source: Armenian Ministry of Energy infrastructures and Natural Resources.

B. PROJECT DESCRIPTION

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the guidance document. (Approximately 3-5 pages) see guidance here

PDO Statement

1. The Project Development Objective (PDO) are (i) to increase the area under sustainable landscape management in selected locations and (ii) to promote sustainable economic activities to communities in targeted landscapes in Armenia.

PDO Level Indicators

2. The following are the indicators to measure the achievement of the PDO and the project's key results:
 - (a) Land area under selected sustainable landscape management practices (CRI^[1], Ha)

(b) People benefiting from sustainable economic activities in targeted landscapes (Number, sex disaggregated)

[1] CRI = Corporate Result Indicator.

The project follows an integrated landscapes approach to restore forests and wetlands and will rely on four key issues: (i) reduction of forest fragmentation and increase in density of tree cover by restoring the forest land degraded due to mining and by forest enrichment planting; (ii) improving management of neglected and abandoned wetlands, (iii) increasing community economic benefits, and (iv) strengthen the institutional foundation for the sustainable management of landscapes, creating green jobs, and increasing community benefits. Project activities are grouped into the following four interrelated components and their respective subcomponents. Under its main three components, the project will finance consulting services, non-consulting services, goods, equipment, training, workshops, as well as small works.

Component 1. Institutional Capacity and Policy Development (Estimated budget: US\$1,000,000; GEF US\$600,000 and Sida US\$400,000)

The project supports integrated landscape management such as restoration of degraded wetland and rebuilding of fragmented forests. Integrated landscape management of such kinds of activities require development of appropriate policies and strengthening institutional capacities.

Sub-component 1.1: Policy Review and Development

Overview. The project will finance analysis and revisions of existing policy and legal frameworks for forests, wetlands, and protected areas to help align these with national and international obligations including NDC commitments. The expected outcomes will include a technical report that will describe policy gaps, institutional duplications, and contradictions in the management of forests, wetlands, and protected areas, as well as increasing economic opportunities for communities to decrease the pressure on forest and wetland.

Activities. The major interventions will include a) review overlaps, duplications and contradictions between the major policies and institutions involved in the management of Armenia's forests; b) provide technical assistance to review and improve policies, regulatory and operational guidelines required for the management of landscape restoration and increasing economic benefits of forest dependent communities c) review guidelines for development of and management of ecotourism ; d) provide technical assistance to review and strengthen regulatory and operational guidelines required for community-based wetland management.

Approach. The main principles of the subcomponent include stakeholder feedback, monitoring, data collection and analysis that inform the nature, extent, and outcome of the review and update of policy gaps and institutional overlaps.

Sub-component 1.2: Institutional Capacity Development

Overview. The project will finance a range of important and necessary capacity-building activities and awareness raising programs. The relevant training, therefore, will be delivered to the suitable departments and structural units of the Ministry of Environment, forest economies, protected areas, and communities.

Activities. Capacity development activities will be provided to operational and technical staff as well as to community representatives, through on-the-job training, workshops, seminars etc., on a range of topics related to integrated landscape management and alternative livelihood business models. The training modules will be developed for three different levels: (1) policy and decision makers, (2) local administrations responsible for implementation of landscape management, and (3) communities around restored landscape activities and protected lands. The relevant training, therefore, will be delivered to the suitable departments and structural units of the Ministry of Environment, forest economies, protected areas, and communities. In addition, the project will finance the purchase and installation of necessary tools, software, and equipment. The project will support awareness activities on the global and local benefits of wetlands and other landscape management issues.

Additionally, knowledge and learning activities under component 1 will include: (i) public awareness program on sustainable landscape management will be developed and implemented (ii) there will be special emphasize on awareness activities on Wetland Management. (iii) to ensure the sustainability of the awareness program on wetland management a full fledged knowledge management system based on harmonized guiding principles for information management will be developed and implemented.

Approach. The capacity development will follow the process of (i) engaging stakeholders on capacity development; (ii) assessing capacity assets and needs; (iii) formulating a capacity development response; (iv) implementing a capacity development response; and (v) evaluating capacity development.

Component 2: Landscape Restoration (Estimated budget: US\$5,500,000; GEF US\$3,293,435 and Sida US\$2,206,565)

The component describes the main actions and approaches of forest and wetland restoration in Ararat Plain, Lori Plateau Lakes and in vicinity of Lake Sevan in Gegharkunik province.

Sub-component 2.1: Forest Restoration

Overview: The subcomponent will finance a restoration of degraded forests and improvement of forest management. The expected outcome from this subcomponent will include the increased forest interior, diversified forest ecosystems, improved conditions for forest biodiversity, and increased resilience of the forest ecosystems towards climatic stresses. The target areas will include fragmented deciduous forests of Lori and Syunik provinces and degraded coniferous plantations around Lake Sevan in Gegharkunik province.

Activities: The subcomponent's actions in Lori and Syunik provinces include planting of the indigenous trees and bushes, sowing of the seeds of the same species, fencing of the critical sites to prevent the livestock penetration, and accompanying monitoring of the biodiversity's recovery in the restored ecosystems. In the surroundings of Lake Sevan, the pilot action will include a transformation of the monoculture pine plantation into fully functioning ecosystems, via removing the infected pine trees and planting the deciduous trees and bushes.

Approaches: The main approach of the forest restoration will be based on the principles of: (a) use of ecosystem services as much as possible using a modeling approach; (b) involvement of the local communities into the restoration process whenever relevant; (c) restoration of fragmented forest areas to increase the forest interior and decrease the forest edge and the negative edge effect; (d) use of indigenous tree species only; and (e) careful planning of the supply of restoration work by saplings. The mentioned approaches will contribute to decrease of the restoration costs and increase of the restoration's efficiency and sustainability.

Sub-component 2.2: Wetland Restoration

Overview: Considering the general principles of water level management and vegetation management, as well as the lessons learned from a pilot project implemented in Khor Virap sanctuary, this component would finance activities such as on i) diversification of wetland habitats; ii) restoration of degraded wetlands and transitioning existing wetlands to closed water-use system; iii) decrease of water extraction and ensuring seasonal flooding, where feasible, iv) setting up food plots to provide additional high-energy food resources for wildlife; v) control encroachment of non-native plants that are detrimental to functional wetland ecosystems; and vi) monitoring of bioindicators of the state of wetland ecosystems for tracking the efficiency of the conservation efforts during implementation of the project and beyond it. The expected outcomes include restored brackish marshes and developed schemes for restoration of the wetlands.

Activities: Specific actions to restore the wetlands will include : (a) development of the short-term and long-term goals for the selected sites in regards of biodiversity restoration, i.e., the list of the indigenous species that are aimed to return after restoration of the habitat; (b) design of the wetland to be restored, considering the habitat requirements of the targeted biodiversity, water-plants to be sowed and potential for carbon sequestration; (c) revision of the water supply; and identification of the sources of seeds of the water-plants; (d) modelling the benefits of the wetlands' restoration including carbon sequestration; (e) construction works and sowing of the selected water-plant species; and (f) monitoring of the biodiversity recovery in the restored ecosystems.

Approaches: The main approaches to the wetland restoration include (a) community participatory approach (b) covering habitat requirements of various specialized species of plants and animals; (c) use of the most optimal opportunities for water supply. The restoration will be supported by biodiversity monitoring to track the efficiency of the intervention.

Sub-component 2.3: Mining Site Restoration

Overview. The project will finance restoration of the forest ecosystems on two targeted abandoned mining sites: a relatively small scale abandoned open pit in Tandzut (Lori province) – 3.1 ha of the ore, which is washed down by rain, contributing in acidification of the streams and rivers below, and an abandoned waste-ore disposal site in Northern Kapan (Syunik province) – 49 ha of fragmented ore disposal areas, where in some patches the arid scrublands started growing. Also, the project will finance feasibility study of abandoned mining site Kavart – about 61 ha of open pit and waste ore disposal. The expected outcome includes created conditions, which initiate natural restoration of the forest ecosystem on 52.1 ha, prevention of the soil and water contamination, and better connectivity of the forest ecosystem.

Activities. The project activities include restoring abandoned waste-ore disposal site in Northern Kapan (Syunik province) and abandoned open pit in Tandzut (Lori province). It will also include conducting feasibility studies for abandoned Kavart mining site (Syunik province). The initial soil test in Northern Kapan waste ore disposal site and Tandzut open-pit mining site indicate that the chemical compositions are within the acceptable range, even though the acid drainage exists in Tandzut site. Therefore, decontamination may not be needed, however there will be another round of the soil test. In Northern Kapan side the soil is stable, although leveling may be needed followed by the reforestation activities. In Tandzut site stability checking could be needed followed by leveling of the soil layers, and terracing, finalizing the actions by the reforestation. Feasibility study on Kavart abandoned mining site will be conducted, including analysis of geomorphology, hydrology, soil analysis, environmental and social analysis, as well as financial analysis. Considering the high steepness of Kavart area, reforestation here may not be the most optimal scenario for reclamation, and the alternative scenarios should be investigated.

Approach. The main approach for the restoration of natural forest ecosystems on the mining sites will be based on the principles of: (a) simulation of the natural leaching process for development of the proper soil layers; (b) use of indigenous pioneer tree and bush species to secure soil stability; (c) careful engineering planning of the areas logistics and acid drainage; (d) monitoring of the whole process. The described principles will contribute to a decrease of the possible risks of forest restoration at the completely destructed sites.

Component 3: Promoting Communities' Benefits (Estimated Budget: US\$1,900,000; GEF US\$1,090,000 and Sida US\$810,000)

The component described the major actions directed to increasing community economic benefits from the creation of more green jobs, and economic benefits from Non-Timber Forest Production and ecotourism from restored forests and wetlands landscapes.

Sub-component 3.1: Improving Community Based Forestry Management

Overview. The expected outcomes of the sub-component would be decreased pressure from communities on forest and wetlands. The project will finance economic activities that could create green jobs and enhance benefits from landscape restoration activities including agroforestry, commercialization of the traditional use of non-timber forest products – NTFPs. The specific target communities include in Lori Province: minority communities such as Molokans and Yazidis, as well as other settlements such as Spitak, Vanadzor, Stepanavan, Tashir, Halavan, Shahumyan, Gugark, Vahagni, Vahagnadzor, Yeghegnut, Chkalovka, Fioletovo, Margahovit, Lermontovo, Lernapat, Gargar, Pushkino, Medovka, Kruglaya Shishka, Saratovka, Urasar; in Syunik Province: Kapan, Vanek, Dzorastan, Antarashat, Arachadzor, Verin Khotanan, Yegheg, Shrevenants, Okhtar.

Activities. The project interventions of the subcomponent include (i) provide technical assistance to review and strengthen the legal basis for participation of the forest-dependent communities in landscape management of forestry and/or sanctuary; (ii) increasing community economic benefits through the development of apiculture or beekeeping, agroforestry, and commercialization of traditional use of non-timber forest products – NTFPs such as collection and processing of wild fruits, berries, edible and medicinal herbs, edible mushrooms; and (iii) construction of infrastructures that could reduce pressure on forest resources: this infrastructure will be selected based on certain criteria including cost effectiveness, level of communities needs and impact on reducing pressure on forest. The initial list of activities proposed by communities and local administration includes water points at the buffer zone for the community livestock, livestock access road, etc.

Approach. While the main approach of the revision includes gap analysis, development of suggestions, and their discussion with relevant stakeholders, the development of the non-timber forest products and other alternatives should be based on the principles of sustainability and will be supported by the system of monitoring of the objects of wild harvest (fruits, berries, herbs, edible mushrooms, and others).

Sub-component 3.2: Ecotourism Development

Overview. The project will support ecotourism activities both in wetlands and forest areas. The expected outcomes will include developed infrastructure for ecotourism, improved knowledge and skills of the local communities in ecotourism and hospitality. The target communities that will benefit from forest-based ecotourism include the following settlements. In Lori Province: Spitak, Vanadzor, Stepanavan, Tashir, Halavan, Shahumyan, Gugark, Vahagni, Vahagnadzor, Yeghegnut, Chkalovka, Fioletovo, Margahovit, Lermontovo, Lernapat, Gargar, Puhkino, Medovka, Kruglaya Shishka, Saratovka, Urasar; in Syunik Province: Kapan, Vanek, Dzorastan, Antarashat, Arachadzor, Verin Khotanan, Yegheg, Shrevenants, and Okhtar. The project will give due attention to minority communities.

Activities. Development of ecotourism in both forests and wetlands will include construction and renovation of birdwatching and other wildlife watching trails, hiking and horse-riding trails including ; trail-entry spots with info-materials, info-boards on the trains, watching towers for birds and other wildlife, trail markers for easy navigation, and so on); (c) market analysis (d) development of promotion and information infrastructure on the trails (e.g., trail-entries, info-boards, watching towers, trail markers, etc.; and (e) developing benefit sharing framework to enhance the benefits of communities.

Approach. The general approach will be strong community engagement, involvement of the private sector and developing benefit sharing between communities, forestry enterprises, state sanctuaries, and developers.

Component 4. Project Management, M&E, and Communication (Estimated budget: US\$700,000; GEF US\$466,565 and Sida US\$233,435)

This component will finance the following sub-components:

Subcomponent 4.1: Project Management, Communication (GEF US\$259,000 and Sida US\$150,000). This component will finance the operating costs of the Project Implementation Unit (PIU) in the Ministry of Environment to carry out project management functions. Support will be provided for procurement, financial management (FM), technical support, environmental and social risk management, and coordination.

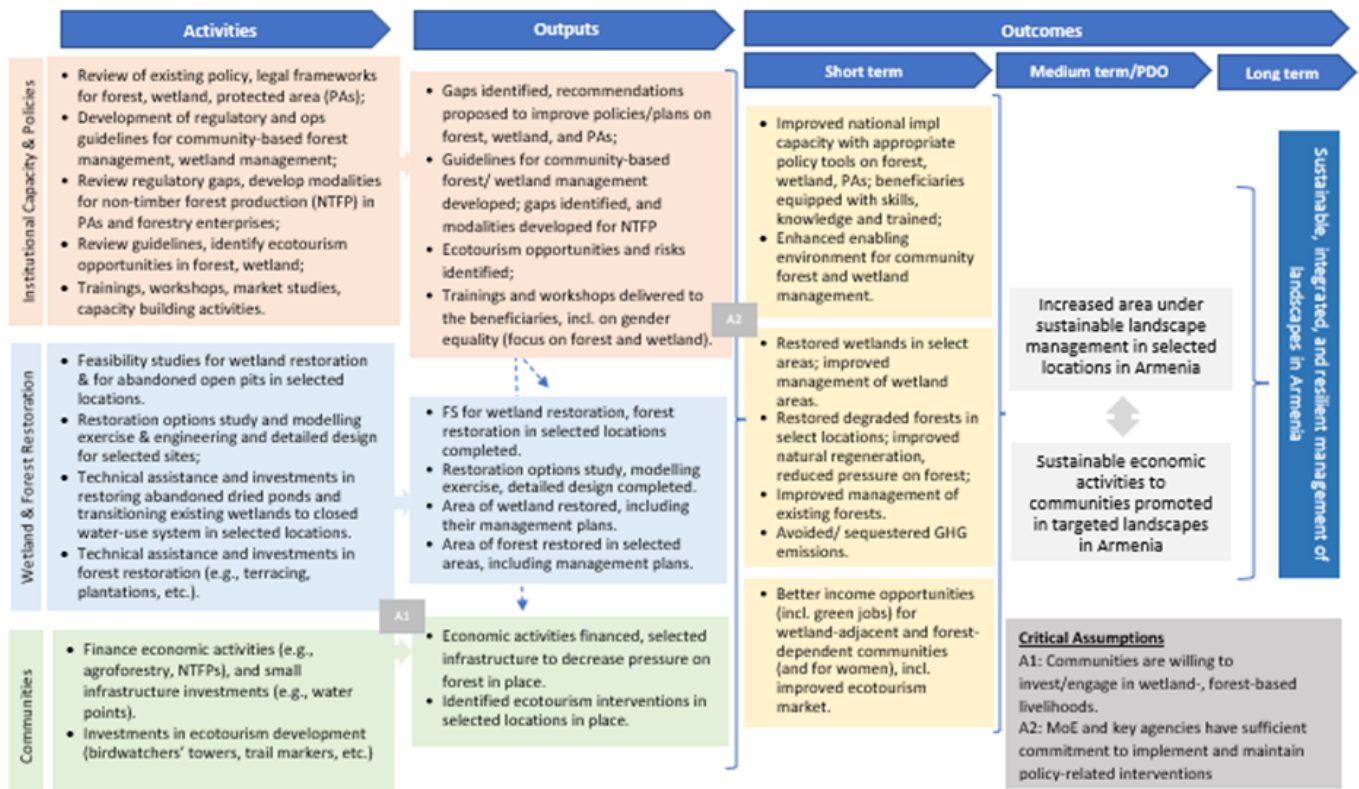
Subcomponent 4.2: Monitoring and Evaluation (GEF US\$207,565 and Sida US\$83,435). This component will finance the reporting and monitoring and evaluation (M&E) functions. The introduced system of monitoring of bioindicators of forests, grasslands, and wetlands will become an additional objective tool for the M&E process.

Communication and KM products will be produced including (i) preparation of info notes, briefings, and public events on lessons, best practice and expertise generated during implementation. (ii) It will include knowledge and learning events, trainings, outreach, awareness raising and dissemination of project outputs through public service announcements, billboards, respective agencies' websites, and platforms. (iii) the audiences for knowledge and learning events and trainings include decision makers, forest communities, stakeholders, and practitioners, (iv) new information generated through the project implementation will be captured using remote sensing and other technologies. The information will be used to build capacities key stakeholders and establish sustainable transparent and accessible database.

A key challenge the proposed project will address is degradation of natural resources (forests and wetlands). Their continued degradation and reduced productivity worsen rural livelihoods and aggravates the negative cycle of poverty leading to over-exploitation of natural resources and further land degradation. To address this issue, the project follows an integrated approach to restore and sustainably manage these resources with active involvement of local communities. The project will contribute to capacity development through institutional building, address policy gaps in forest and wetlands, trainings, and equipment, and invest in landscape restoration in selected areas by involving local communities, as well as in development of alternative resource management models, based on the improved wild harvest and ecotourism. Specific outputs and outcomes, which would lead to overall outcome of strengthening community engagement and improving their livelihoods, integrated with the improved management of forests, wetlands, and protected areas as presented in the Figure 1 below.

Problem statement: country's exposure to multiple forces of land degradation and growing capacity and investment needs to improve management of neglected wetlands, reduce forest fragmentation, and restore land in areas degraded due to mining and forest enrichment planting, as well as growing importance to create a legal basis and opportunities for community engagement in the management of these landscapes.

PDO: to increase the area under sustainable landscape management in selected locations and to promote sustainable economic activities to communities in targeted landscapes in Armenia.



Project Beneficiaries

The Project will aim to bring benefits to a wide range of stakeholders including the public and private sectors, as well as a wider population. Direct beneficiaries at the national level include the Ministry of Environment, including its Department of Protected Areas and Biodiversity, Department of Bioresource Management, Department of Forest Policy, Department of Climate Policy, Forest Committee, and Hayantar SNCO, as well as the Ministry of Territorial Administration, Ministry of Economy, and the State Tourism Committee. At the local level, beneficiaries include stakeholders of the Vanadzor, Stepanavan, Tashir, and Kapan Forestry Enterprises, as well as Margahovit, Gyulagarak, Caucasian Rose-Bay, Zangezur and Khustup sanctuaries. Direct beneficiaries also include selected communities that will participate in the Project activities, including the following settlements (i) Lori Province: Spitak, Vanadzor, Stepanavan, Tashir, Halavan, Shahumyan, Gugark, Vahagni, Vahagnadzor, Yeghegnut, Chkalovka, Fioletovo, Margahovit, Lermontovo, Lernapat, Gargar, Puhkino, Medovka, Kruglaya Shishka, Saratovka, Urasar; (ii) Syunik Province: Kapan, Vanek, Dzorastan, Antarashat, Arachadzor, Verin Khotanan, Yegheg, Shrvnants, Okhtar; and (iii) Ararat Province: Pokr vedi, Lusarat, Surenavan, Armash. The benefits will have the social and gender dimension noting the vulnerability of the most exposed groups and focus on reducing such vulnerability accordingly. The project interventions will also bring substantial benefits to the private sector, with opportunities in trade, tourism, and hospitality areas.

Bank Involvement and Role of Partners

The World Bank would convene global experience, financing, and sectors to support the client in leveraging action to enhance the management of integrated landscape for economic benefits, ecosystem services and public global

benefits. In this regard the involvement of the World Bank would add value in four pillars: first, the World Bank has strong experience in integrated landscape management in the region and beyond where Armenia could benefit through the implementation of the project. Similar Integrated Climate Resilient Landscape Projects are being implemented in other countries which will offer opportunities for south-south collaboration and peer learning. Second, the World Bank would provide strong technical assistance, enhanced implementation support and strong operational supervision to the client. This strong support includes modernized E&S risk management, high standard financial management, and procurement requirements. Third, currently the World Bank is leading several ASAs in Armenia in the areas of forest, natural resource management, climate change etc., which will directly support the implementation of the project through analytical evidence, advisory services, and technical assistances.

In addition, the project will benefit from the complementarities and synergies of other World Bank investment projects in Armenia including Tourism project, Climate Smart Agriculture etc. Fourth, the World Bank long standing experience in implementing GEF projects and convening power in development finance would help in ensuring additional finance from other donors and the government own financing. GEF and SIDA co-financing with a possible blending with IBRD would help enhancing local community benefits, increasing government economic revenues, and secure multiple global climate and environmental benefits through forest and non-forest products, ecotourism, better-managed wetland and forest landscapes, biodiversity conservation and better functioning ecosystems due to restored wetlands, reclaimed abandoned mining sites, reduced wetland forest degradation, forest loss, and restoration.

Stakeholders & Gender:

Gender. In the past few years, Armenia has been making progress in Global Gender Gap index developed by the World Economic Forum, from being 102nd in numeric position in 2016, to advancing to 61st position in 2023. Armenia is ranked relatively high on educational attainment (35th). As for access to economic participation and opportunities, Armenia is ranked 52nd. Women tend to be out of the labor market in child rearing age and, according to the data of National Statistical Committee, spend more than twice as much time on unpaid domestic work, care for sick, old, or disabled family member, and care for children.

Overall, Armenia's legislative frameworks support gender equality and advancing women's empowerment. The Women's Global SDG Database scores Armenia to have 83.3 percent of the overall legislative frameworks in place for gender equality and women's empowerment. Albeit a 25 percent quota is in place in the legislation, women represent only 2 percent of community heads, 12 percent of local council members (data from CY2016), zero governors, 10 percent of vice-governors.

Gender action. The project, through Components 2 and 3, will have direct impacts on women in the project target areas. Previous efforts have shown that women, and young women in particular, have less voice and access to decision-making in local decision-making. Gender equality will form part of the project implementation, such as (but not limited to) gender sensitive and participatory stakeholder engagement.

Gender indicator. To measure the effectiveness of the proposed gender actions, the project includes the following indicators: (i) 'Female-headed new businesses developed/established as a result of project interventions' (end target: at least 40 percent); and (ii) 'Percentage of female beneficiaries with improved knowledge and skills on integrated landscape management' (end target: at least 50 percent). The PDO level indicator on 'People benefiting from sustainable economic activities in targeted landscapes', as well as intermediate results indicators (IRIs) on 'People benefitting from selected landscape management practices', 'People reached by awareness raising program on wetland management and restoration', and 'Number of green jobs created as a result of project-supported interventions' will be also gender disaggregated.

Citizen Engagement. The project will have extensive interaction with the communities through a comprehensive consultative process. Regular stakeholder consultations and/or community mobilization workshops will not only inform about project activities but also include them in participatory decision-making and monitoring processes. The consultations processed will be also organized through focus groups and surveys, and employ monitoring mechanisms such as satisfaction surveys, grievance redress mechanism (GRM) and multi-stakeholder forums and deploy tools for

remote consultations and where appropriate. All relevant project information documents will be made easily available and accessible to the public throughout project implementation. The proposed citizen engagement activities will be measured through the following indicator: “People reached by awareness raising program on wetland management and restoration (female participants tracked separately)”. A communication plan that highlights mechanisms and actions for enhancing multi-stakeholder dialogue and inclusion throughout the project cycle will be also designed.

Lessons Learned and Reflected in the Project Design

The project design and preparation hugely benefited from the recent World Bank analytical works in Armenia, namely “Towards a Green Taxonomy in Armenia”, and “ARMENIA Forest Landscapes Restoration Note”. The project also builds on the experience gained from Integrated Landscape projects of the World Bank from other countries in the region such as “Uzbekistan Resilient Landscapes Restoration Project (P174135)”, “Tajikistan Resilient Landscape Restoration Project (P171524)” and “Kyrgyz Republic Resilient Landscapes Restoration Project” (P177407) . It also builds on the World Bank engagement in Armenia in a number of projects in agriculture, energy, water and urban GPs, including “Armenia - Second Community Agriculture Resource Management and Competitiveness Project” (P133705) (closed), “Local Economy and Infrastructure Development Project” (P150327), “Electricity Transmission and Network Improvement Project” (P146199), and “Enabling the Energy Transition Program-For-Results” (P179336). The project preparation also benefitted from consultations with colleagues from the abovementioned GPs, who all have pipeline and projects under preparation. The project design was informed by the following important lessons drawn from decades of World Bank engagements in Armenia and implementations of Integrated Landscape Projects in the region.

- a. Multiple agencies coordination is essential for multiple wins in landscape projects. Landscape projects are multisectoral by nature in which strong interagency coordination is a prerequisite for their success and sustainability. However, the integrated landscape projects that were implemented in the regions have indicated that there is weak interagency coordination in most countries of the region which could hinder the success of landscape projects. As a result, it is essential to include project activities that could enhance coordination between agencies to increase the success rate of landscape projects.
- b. Maximizing community benefits is essential to ensure the sustainability of landscape restoration activities; The recently completed analytical works in Armenia indicated that community engagement that can go beyond consultations activities to focus on maximizing community benefits is key to ensure successful implementation of forest rebuilding and wetlands restoration activities. The studies indicated that restoration of brackish marshes in Ararat Plain can create significant benefits not only for ecosystems and their biodiversity but also for adjacent communities creating new economic opportunities. Therefore, it is important to support project activities that build financial security at the community level which could finance income-generating livelihoods activities such as non-forest products, value addition, alternative livelihoods, and so on.
- c. The lead time for community-level project activities is significant. The “Armenia - Second Community Agriculture Resource Management and Competitiveness Project (P133705)’ demonstrated that project activities that targeted communities and livelihood activities require significant time for project preparation time to extensive engaging communities identifying proper project activities, defining the scope of the project activities, etc. Hence, sufficient time will be needed for good preparation and establishing of sound implementation plans at the province level. Community-level activities, whether related to wetland restoration, reforestation, or ecotourism, should be well integrated and anchored within the local development planning process.

Results Monitoring and Evaluation Arrangements

The M&E Plan for the project will include a robust monitoring, evaluation, and reporting system that will enable evidence-based decision-making, foster learning, and promote a results-oriented project culture. Information and data will be collected throughout the entire impact pathway, such as inputs, activities, outputs, outcomes, and impacts. The primary objective will not only be to track progress towards targets but also to identify unforeseen

changes, if any, and facilitate effective learning and adaptive management, leading to successful project implementation. The project monitoring process will be conducted regularly, assessing progress, intermediate outcomes and development results, compliance with safeguards policies and fiduciary regulations, and third-party validation. To monitor the progress of the results framework indicators, questionnaire surveys would be considered and administered as needed. In addition, an independent impact evaluation study might be conducted for individual activities to assess the project's results, impacts, and implementation performance at the mid-term review and completion stages. The mid-term evaluation study will provide valuable insight into lessons learned, the progress made towards achieving PDO and respective indicators, and necessary modifications to the targets, if any.

The M&E arrangement for the project will be overseen by the EPIU, who will be responsible for monitoring and reporting on the project indicators and outcomes specified in the Results Framework. The EPIU Director will provide overall supervision of the M&E function, ensuring that the agreed procedures are being followed as well as enhancing the M&E process as needed. Semi-annual progress reports will be prepared and submitted to the World Bank to inform the project implementation progress. The M&E arrangement, third-party validation, and impact evaluation will be covered within Component 4: Project Management, M&E, and Communication.

Institutional Arrangement and Coordination with Ongoing Initiatives and Project.

Please describe the Institutional Arrangements for the execution of this project, including financial management and procurement. If possible, please summarize the flow of funds (diagram), accountabilities for project management and financial reporting (organogram), including audit, and staffing plans. (max. 500 words, approximately 1 page)

The key implementing agency would be the Environmental Projects Implementation Unit (EPIU) of the Ministry of Environment, with a dedicated Project Implementation Team housed inside the EPIU. The EPIU will coordinate the implementation of the project with HayAntar SNCO (State Non-Commercial Organization) and the SPNA SNCOs (Specially Protected Nature Area SNCOs) as well as with the respective departments in the Ministry of Environment the Department of Specially Protected Areas of Nature and Biodiversity Policy Department and the Department of Forest Policy. The EPIU will also secure cooperation with the Ministry of Territorial Administration and Infrastructure to work with communities where the project will be implemented. The EPIU will coordinate the activities on eco-tourism with the Tourism Committee of the Ministry of Economy. The EPIU will also contract specialized international and national NGOs, such as, for example, the founding NGOs of the Forest Alliance of Armenia – the Armenia Tree Project, My Forest Armenia and Shen NGOs. These national NGOs have extensive experience working with the Ministry as well as with communities. Other relevant NGOs, research and consulting organizations will also be involved in implementation of the project activities.

A Project Steering Committee will be established to coordinate activities across ministries and agencies. Such high-level coordination has been proven effective in other projects implemented by the EPIU. The Project Steering Committee will include representatives of the following agencies: Ministry of Environment, Ministry of Finance, Tourism Committee of Ministry of Economy, and Ministry of Territorial Administration & Infrastructure.

Project Operational Manual (POM) will be developed and approved to regulate details of the processes and procedures, as well as roles and responsibilities of the institutions.

Will the GEF Agency play an execution role on this project?

If so, please describe that role here and the justification.

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

The project design and preparation hugely benefited from the recent World Bank analytical works in Armenia, namely “Towards a Green Taxonomy in Armenia”, and “ARMENIA Forest Landscapes Restoration Note”. The project also builds on the experience gained from Integrated Landscape projects of the World Bank from other countries in the region such as “Uzbekistan Resilient Landscapes Restoration Project (P174135)”, “Tajikistan Resilient Landscape Restoration Project (P171524)” and “Kyrgyz Republic Resilient Landscapes Restoration Project” (P177407) . It also builds on the World Bank engagement in Armenia in a number of projects in agriculture, energy, water and urban GPs, including “Armenia - Second Community Agriculture Resource Management and Competitiveness Project” (P133705) (closed), “Local Economy and Infrastructure Development Project” (P150327), “Electricity Transmission and Network Improvement Project” (P146199), and “Enabling the Energy Transition Program-For-Results” (P179336). The project preparation also benefitted from consultations with colleagues from the abovementioned GPs, who all have pipeline and projects under preparation. The project design was informed by the following important lessons drawn from decades of World Bank engagements in Armenia and implementations of Integrated Landscape Projects in the region.

1. Multiple agencies coordination is essential for multiple wins in landscape projects. Landscape projects are multisectoral by nature in which strong interagency coordination is a prerequisite for their success and sustainability. However, the integrated landscape projects that were implemented in the regions have indicated that there is weak interagency coordination in most countries of the region which could hinder the success of landscape projects. As a result, it is essential to include project activities that could enhance coordination between agencies to increase the success rate of landscape projects.
2. Maximizing community benefits is essential to ensure the sustainability of landscape restoration activities; The recently completed analytical works in Armenia indicated that community engagement that can go beyond consultations activities to focus on maximizing community benefits is key to ensure successful implementation of forest rebuilding and wetlands restoration activities. The studies indicated that restoration of brackish marshes in Ararat Plain can create significant benefits not only for ecosystems and their biodiversity but also for adjacent communities creating new economic opportunities. Therefore, it is important to support project activities that build financial security at the community level which could finance income-generating livelihoods activities such as non-forest products, value addition, alternative livelihoods, and so on.
3. The lead time for community-level project activities is significant. The “Armenia - Second Community Agriculture Resource Management and Competitiveness Project (P133705)’ demonstrated that project activities that targeted communities and livelihood activities require significant time for project preparation time to extensive engaging communities identifying proper project activities, defining the scope of the project activities, etc. Hence, sufficient time will be needed for good preparation and establishing of sound implementation plans at the province level. Community-level activities, whether related to wetland restoration, reforestation, or ecotourism, should be well integrated and anchored within the local development planning process.

Core Indicators

Indicate expected results in each relevant indicator using methodologies indicated in the GEF-8 Results Measurement Framework Guidelines. There is no need to complete this table for climate adaptation projects financed solely through LDCF and SCCF.

Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
51	17780	0	0

Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0	10595	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
Armash Wetlands Protected Landscape		Protected Landscape/Seascape		5,902.00		
Lori Lakes Protected Landscape / Sanctuary		Protected Landscape/Seascape		4,693.00		

Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
51	7185	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Caucasian Rose-Bay State Sanctuary	555549373	Habitat/Species Management Area		1,000.00					
Gyulagarak State Sanctuary	93999	Habitat/Species Management Area		2,576.00					
Khor Virap Sanctuary	555549377	Habitat/Species Management Area	51.00	51.00					
Lake Sevan NP	67760	National Park		190.00					
Margahovit State Sanctuary	555549381	Habitat/Species Management Area		3,368.00					

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
18000	33006	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

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

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
12,000.00	18,120.00		

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
Woodlands	5,000.00	13,686.00		

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
1,000.00	1,200.00		

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)
17051	61440	0	0

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)
	29,816.00		

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
17,051.00	0.00		

Type/Name of Third Party Certification

Emerald Network Candidate sites: Rhododendron caucasicum Sanctuary, Debet Gorge Area, Khor Virap - Armash Area - 17,000ha

Ramsar Site: Khor Virap - 51ha

Indicator 4.2 is no longer relevant to the project. the areas improved management (29,816) are cumulative area of those listed under indicator 1.1 and 1.2

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)
	17,938.00		

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
High Conservation Value Forest		6,966.00		
Other forest		6,720.00		

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Documents (Document(s) that justifies the HCVF)

Title

Indicator 5 Area of marine habitat under improved practices to benefit biodiversity (excluding protected areas)

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

Indicator 5.1 Fisheries under third-party certification incorporating biodiversity considerations

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
	1		

Type/name of the third-party certification

Armash fish-farm (area 5902 ha) will be under 3rd party certification

Indicator 5.2 Large Marine Ecosystems with reduced pollution and hypoxia

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

LME at PIF	LME at CEO Endorsement	LME at MTR	LME at TE

Indicator 5.3 Marine OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO₂e (direct)	1560000	896848	0	0
Expected metric tons of CO₂e (indirect)	0	1795000	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 CO₂e (direct)	1,560,000	649,000		
Expected metric tons of CO₂e (indirect)		1,580,000		
Anticipated start year of accounting	2024	2025		
Duration of accounting	20	20		

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 CO₂e (direct)		247,848		
Expected metric tons of CO₂e (indirect)		215,000		
Anticipated start year of accounting		2025		
Duration of accounting		20		

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)
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Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	64,200	13,940		
Male	63,200	8,560		
Total	127,400	22,500	0	0

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

The targets have been reviewed after the PCN, thoroughly assessed during project preparation, and updated. Current values have been arrived based on expert judgement, unit cost of similar interventions taking place in the country, and restoration potential assessment at national level.

The national restoration assessment was commissioned by the Bank and was completed recently. The main data sources for this assessment included as follow: WorldClim was used in order to derive precipitation and temperature data. The land cover mapping was done based on the ESRI LULC 2020 map, which displays a global map of land use/land cover (LULC). For mapping the topography, Shuttle Radar Topography Mission (SRTM) digital elevation data were used. To map the distribution of the main forest tree species as well as some forest characteristics such as bonitet (site quality) and forest canopy density, the team consulted the forest management plans of 2007-2008 that were elaborated based on the taxation and inventory in each forest enterprise. To make sure that proposed restoration measures don't fall in any Protected Areas, the team eliminated these areas with the help of data derived from the "World Database on Protected Areas in its 2017 version. The team also mapped the overall physio-geographic setting for restoration in Armenia. To identify the regions that are most in need of restoration interventions, the team analyzed the soil map of Armenia derived from the Armenian Soil Information System (ArmSIS), which includes a layer with soil erosion types ranging from non-eroded to severely eroded.

Risks to Project Implementation

Summarize risks that might affect the project implementation phase and what are the mitigation strategies the project will undertake to address these (e.g. what alternatives may be considered during project implementation-such as in terms of delivery mechanisms, locations in country, flexible design elements, etc.). Identify any of the risks listed below that would call in question the viability of the project during its implementation. Please describe any possible mitigation measures needed. (The risks associated with project design and Theory of Change should be described in the "Project description" section above).

The risk rating should reflect the overall risk to project outcomes considering the country setting and ambition of the project. The rating scale is: High, Substantial, Moderate, Low.

Risk Categories	Rating	Comments
Climate		
Environment and Social	Substantial	The Environmental and Social risk of the project is rated as Substantial. The Environmental risk is rated as substantial, while the Social risk is classified as moderate. Overall, the project implementation will have a long term positive environmental impact on the targeted ecosystems. No high, significant, or irreversible impacts are anticipated unless not managed since the project proposes landscape restoration and conservation activities and measures

in chosen landscapes of forests, wetlands ecosystems, and abandoned mining sites. Restoration and conservation activities for forest landscapes and wetlands are likely to have negative environmental impacts that are commonly associated with small-scale physical works. The reclamation of abandoned mining waste disposal sites may significantly impact air, water, and soil quality, as well as lead to generation of hazardous waste. It may also result in the release of acidic leachate and the loss and disturbance of natural habitat causing environmental degradation. Additionally, the project activities linked to restoration of abandoned mining waste sites may pose OHS risks for the project investigators and workers involved, particularly in terms of exposure to hazardous chemicals. Considering the listed environmental risks and impacts, the project, environmental risk is assessed as substantial, with the magnitude of potential negative impacts varying significantly across different project interventions. However, all types of impacts can be effectively managed through the implementation of risk screening and customized mitigation measures, including environmental sensitive project design and diligent project oversight. Whilst the Project expects to bring overall benefits to communities neighboring forests, wetlands in terms of the environment and sustainability of livelihoods, there may be concerns of impacts to livelihoods from the changes to policy, legal, regulatory, and administrative frameworks, as well as from limiting activities in forests and to grazing. To manage these

		risks, environmental and social considerations should be built-in to any studies, analyses and resultant changes to policy, legal, regulatory, and administrative frameworks, and guidelines.
Political and Governance	Moderate	
Macro-economic	Moderate	
Strategies and Policies	Moderate	
Technical design of project or program	Moderate	
Institutional capacity for implementation and sustainability	Substantial	<p>The Institutional Capacity for Implementation and Sustainability is assigned a risk rating of Substantial due to the technical capacities needed to sustain interventions across scales, regions, stakeholders, and sectors. The risk also arises due to frequent turnover of decision makers of the relevant agencies; delays in scheduled tree plantings, watering, and other critical activities due to insufficient capacity; and lack of knowledge on ecosystem restoration approaches. The latter is explained by the fact that, while the capacity for reforestation may generally exist, a nature-based approach is not commonly applied. This may lead to less sustainable and resilient outcomes, an issue which may arise equally in wetland restoration and abandoned mining reclamation. To address these risks, the project includes capacity building which will entail hiring international experts and providing respective in-time trainings in all stages of the project implementation, which would ensure effective knowledge transfer and strengthening of the institutional capacity at all levels of project implementation. Risks will be further mitigated at the project level through:</p>

		(a) focused capacity development, (b) applying lessons and experience from restoration projects around the world; (c) contracted international expertise, (d) focusing within agreed landscapes with government and donor agencies; and (e) documenting and promoting benefits that arise through project M&E, and strategic communication.
Fiduciary: Financial Management and Procurement	Substantial	The Fiduciary risk is assessed as Substantial. The FM risk is rated as Moderate and Procurement risk is rated as Substantial and will be revised during implementation based on quality and progress data. This is due to the implementing agency, the EPIU, has no past experience in implementation of the projects following the Bank's procurement Regulations. Although the EPIU has a separate procurement division, and the procurement staff has experience in public procurement system, none of them has adequate knowledge of Bank's procurement rules and skills for processing STEP. To mitigate this risk, the EPIU will hire experts for key positions, such as Procurement Specialist and FM Specialist, with adequate capacity to be involved in the project implementation.
Stakeholder Engagement	Moderate	
Other		
Financial Risks for NGI projects		
Overall Risk Rating	Moderate	The Low risk rating is assigned to two categories, and Moderate risk rating is assigned to the remaining categories, including political and governance, sector strategies and policies, financial management aspects, and stakeholders.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Explain how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this. (max. 500 words, approximately 1 page)

The project is fully aligned with Armenia Country Partnership Framework (CPF) 2019-2023 and with its Focus Area 3: Sustainable Management of Environmental and Natural Resources, CPF Objective 8: Improved management of natural resources, and CPF Objective 9: Enhanced climate-change resilience, water security, and disaster risk management capacity. Focus Area 3 specifically responds to Armenia's stated goal of protecting the environment, improving the management and governance of natural resources, and managing environmental and climatic risks. Forward-looking management of environmental and natural resources provides the foundation for sustained inclusive growth through improved performance and citizen engagement in sectors such as agriculture, mining, tourism, and forestry, as well as providing a buffer against climate change and extreme weather events.

It aligns with the WBG Climate Change Action Plan (2021-2025) and its ECA Implementation Roadmap. The Project will help mitigate climate change and build resilience through and will support: (i) reduced vulnerability and enhanced resilience through improved adaptation of landscapes to expected risks posed by climate change, as well as (ii) climate mitigation by, for example, enhanced carbon sequestration through the project activities such as afforestation, reforestation, joint forest management²[1].

The project is also underpinned by the World Bank Green, Resilient and Inclusive Development (GRID) approach and aligns with the World Bank Global Crisis Response Framework paper, "Navigating Multiple Crises, Staying the Course on Long-Term Development: The World Bank Group's Response to the Crises Affecting Developing Countries". Specifically, it will contribute to Pillar 4 on 'Strengthening Policies, Institutions and Investments for Rebuilding Better' to utilize long-term policies to improve development outcomes.

The RESILAND Armenia is highly relevant to and contributes towards the country's sustainable development aspirations as detailed in the GoA's Development Strategy 2021-2026. Some of the relevant policy actions included in the government program cover: a) sustainable management of forests - protection, preservation, use and expanding forested areas, and continuous development of capacities; b) conservation of biodiversity and increasing the effectiveness of management regimes of specially protected areas; c) approximation of the national legislation to the EU environmental legislation in accordance to the EU-Armenia Comprehensive and Enhanced Cooperation Agreement. While wetlands are not explicitly mentioned in the program, they are inherently interlinked to sustainable forest management and biodiversity conservation. The program objectives and other national international commitments Armenia made remain unachievable without due consideration of proper restoration, conservation and management of forests, wetlands, and protected areas.

The project is consistent with the Armenia's Nationally Determined Contributions (NDC) 2021 update, which seeks to reduce the country's GHG emissions by 40 percent from 1990 emission levels, with the implementation plan covering the increase of the forest cover to 12.9 percent by 2030, corresponding to an increase of 60,000 ha of forests. At the time of adopting the updated NDC, Armenia also adopted a 10-

year NDC implementation plan. The project will help to further promote climate change mitigation and adaptation by supporting the sustainable use of land and better forestry management.

The proposed project directly aligns with three GEF-8 Focal Areas outlined in GEF-8 Strategic Positioning and Programming Directions (April 6, 2021). These include a) Biodiversity Focal Area, b) Climate Change Focal Area and c) Land Degradation Focal Area. Specifically, the project will aim to enhance conservation, sustainability, and restoration of degraded natural resources and their ecosystem functions, with a strong focus on adoption of an integrated approach to manage forests and wetlands and to increase benefits to communities. The project will focus on increasing landscape resilience and providing opportunities to optimize ecosystem goods and services for communities, as well as to promote ecotourism. Importantly, the project will also increase carbon sequestration and improve land management practices to enhance the resilience of ecosystems in the face of climate change challenges.

[1] Joint Forest Management (JFM) takes place in government forest reserves, where management responsibilities are shared between local communities and the state.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment

We confirm that gender dimensions relevant to the project have been addressed during Project Preparation as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

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

Yes

If the project expects to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment, please indicate in which results area(s) the project is expected to contribute to gender equality:

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

Yes

Improving women's participation and decision-making; and/or

Generating socio-economic benefits or services for women.

Yes

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

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during Project Preparation as required per GEF policy, their relevant roles to project outcomes has been clearly articulated in the Project Description (Section B) and that a Stakeholder Engagement Plan has been developed before CEO endorsement.

Yes

Select what role civil society will play in the Project

Consulted only; **Yes**

Member of Advisory Body; Contractor; **Yes**

Co-financier;

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

Executor or co-executor; **Yes**

Other (Please explain)

Private Sector

Will there be private sector engagement in the project?

And if so, has its role been described and justified in section B project description?

Environmental and Social Safeguards

We confirm that we have provided information regarding Environmental and Social risks associated with the proposed project or program, including risk screenings/ assessments and, if applicable, management plans or other measures to address identified risks and impacts (this information should be presented in Annex E).

Yes

The WB was able to provide a preliminary ESRS rating for the project, however a detailed ESRS will follow in the coming weeks.

Please provide overall Project/Program Risk Classification

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate	High or Substantial		

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described during Project Preparation in the Project Description and that these activities have been budgeted and an anticipated timeline for delivery of relevant outputs has been provided.

Yes

Socio-economic Benefits

We confirm that the project design has considered socio-economic benefits to be delivered by the project and these have been clearly described in the Project Description and will be monitored and reported on during project implementation (at MTR and TER).

- 1. The project will implement innovative measures in integrated forest and wetland restoration including rebuilding of fragmented forests and mining site restoration to the benefit of local communities in Armenia.** Project sites in Ararat, Lori and Syunik provinces as well as in vicinity of Lake Sevan in Gegharkunik province that were selected based on restoration opportunity and relevance to local communities and will jointly contribute to improved land conditions on 25,800 hectares of land, while acting as a replicable model for scaling-up resilient landscape restoration in other vulnerable rural areas in Armenia. Landscape restoration and sustainable land management practices are a core pillar of Armenia's Mitigation, Adaptation and Disaster Risk Reduction strategies^[1], with estimates suggesting 0.16 percent of GDP at risk of floods alone that could be reduced by NBS^{[2][3]}. The project will furthermore implement measures to support and grow non-timber forest production and infrastructure for ecotourism development, generating sustainable employment and income diversification opportunities in vulnerable communities.
- 2. The EIRR is calculated at 11.9 percent and the NPV at US\$4.87million with a 6 percent discount rate, which proves the project's overall economic viability.** The EIRR is estimated higher for the investment Components 2 and 3 (at 15.3 percent and 13.2 percent, respectively). Direct and indirect economic benefits are expected from multiple sources, of which this analysis quantifies the following direct benefits under conservative assumptions: (i) avoided costs associated with resilience gains (reduced infrastructure damage from mudflows, reduced crop loss from floods, among others); (ii) benefits from increased GVA of non-timber forest production and ecotourism respectively; (iii) benefits from increased carbon sinks. This analysis compares the component and total project costs with their estimated economic benefits for the first 25 years, discounted to 2023. Costs are discounted assuming disbursement will take place during 2024-2028. The NPV remains positive under alternative discount rates (11.2 percent, US\$0.37million) and increases significantly when adding the economic benefits of additional carbon sink from the analysis (NPV is US\$13.35million at 11.2 percent discount rate and a carbon price of \$10/tCO₂, EIRR at 32 percent).
- 3. Development Impact and Poverty Reduction.** The project makes significant effort to address the situation of poverty in forest villages, where income is heavily reliant on forest dependent sources. By improving agricultural productivity and diversifying incomes away from forest products, the project is projected to increase incomes of direct beneficiaries by generating additional ecosystem services per farming household.
- 4. Non-quantifiable and in-direct benefits.** In addition to the quantifiable benefits described above, the project is expected to generate other non-quantifiable benefits that will contribute to improving the resilience and well-being of local communities. These include indirect use values that determine the reduced loss of lives, pollution abatement and better water resource regulation, while other non-quantified benefits include the future use of recreational areas, ecotourism and bioenergy, but also benefits of biodiversity preservation.

^[1] See NDC 2021-2030 of the Republic of Armenia (2021); National Adaptation Plan of the Republic of Armenia (2021); Disaster Risk Management National Strategy of the Republic of Armenia (2017)

^[2] World Bank (2021), Overlooked: Examining the impact of disasters and climate shocks on poverty in the Europe and Central Asia region

[3] In addition, according to the Disaster Risk Management National Strategy of the Republic of Armenia (2017), one third of the country's territory is located on landslide-prone area and a total of 470,000 people or 15% of the whole population is subject to landslides

ANNEX A: FINANCING TABLES

GEF Financing Table

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing (\$)
World Bank	GET	Armenia	Climate Change	CC STAR Allocation: CCM-1-4	Grant	953,358.00	90,569.00	1,043,927.00
World Bank	GET	Armenia	Land Degradation	LD STAR Allocation: LD-1	Grant	1,496,642.00	142,181.00	1,638,823.00
World Bank	GET	Armenia	Biodiversity	BD STAR Allocation: BD-1	Grant	2,000,000.00	190,000.00	2,190,000.00
World Bank	GET	Armenia	Land Degradation	LD STAR Allocation: LD-2	Grant	1,000,000.00	95,000.00	1,095,000.00
Total GEF Resources (\$)						5,450,000.00	517,750.00	5,967,750.00

Project Preparation Grant (PPG)

Was a Project Preparation Grant requested?

true

PPG Amount (\$)

55000

PPG Agency Fee (\$)

5225

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
World Bank	GET	Armenia	Climate Change	CC STAR Allocation: CCM-1-4	10,000.00	950.00	10,950.00

World Bank	GET	Armenia	Land Degradation	LD STAR Allocation: LD-2	30,000.00	2,850.00	32,850.00
World Bank	GET	Armenia	Biodiversity	BD STAR Allocation: BD-1	15,000.00	1,425.00	16,425.00
Total PPG Amount (\$)					55,000.00	5,225.00	60,225.00

Please provide Justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
World Bank	GET	Armenia	Climate Change	CC STAR Allocation	1,043,927.00
World Bank	GET	Armenia	Land Degradation	LD STAR Allocation	2,733,823.00
World Bank	GET	Armenia	Biodiversity	BD STAR Allocation	2,190,000.00
Total GEF Resources					5,967,750.00

Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
CCM-1-4	GET	953,358.00	5788595
BD-1-1	GET	2,000,000.00	11272522
LD-1	GET	1,496,642.00	8405161
LD-2	GET	1,000,000.00	5000000
Total Project Cost		5,450,000.00	30,466,278.00

Confirmed Co-financing for the project, by name and type

Please include evidence for each co-financing source for this project in the tab of the portal

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)

Recipient Country Government	Ministry of Environment	In-kind	Recurrent expenditures	16466278
Donor Agency	Swedish International Development Cooperation Agency	Grant	Investment mobilized	4100000
GEF Agency	World Bank	Grant	Investment mobilized	6000000
Others	Caucasus Nature Fund	Grant	Investment mobilized	3900000
Total Co-financing				30,466,278.00

Please describe the investment mobilized portion of the co-financing

The mobilized investment includes the contribution of the Government of Armenia to provide in-kind support to the project focus areas, based on the current plans and programs available in the country that are linked to the landscape restoration activities. Additional financing was also mobilized from the Swedish International Development Cooperation Agency (Sida) to co-finance the project, in the amount of US\$4.48, inclusive of administrative fees, US\$4.1 million of which will go directly to cover the project activities. There is a strong interest from other development partners to support similar activities on the ground and contribute to the project, with discussions launched with the Swiss and JICA, which could provide additional co-financing and join the project at the stage of implementation.

The EU4Environment program (EU4E), financed by the European Commission, align with the RESILAND project's objectives. The development objective of the EU4E is to help EU's Eastern partner countries (EaP) (Armenia, Azerbaijan, Georgia, Moldova, and Ukraine) preserve their natural capital and increase people's well-being. The program for Armenia focuses on ecosystems services and livelihoods. It includes three sub-components: (1) support to protect biodiversity and natural ecosystems; (2) economic development and participation at local community level; and (3) enhancing strategic financing to the forest and natural resource management sectors. Armenia RESILAND and EU4E projects are aligned and support the implementation of the 5-year action plan (2021-2026) of the Government of Armenia. the contribution towards the objectives of the GEF project over the next 5 years (2024-2028) is US\$ 6 million.

Additional co-financing is also provided through the Caucasus Nature Fund. The objective of the Protected Nature Areas program financed by the Caucasus Nature Fund (CNF) is to increase the area under sustainable landscape management in selected locations and to promote sustainable economic activities to communities in targeted landscapes in Armenia and is fully aligned with the RESILAND project's objectives. In joint support to promote green, resilient, and inclusive development in Armenia, the CNF's contribution towards the objectives of the GEF project over the next 5 years (2024-2028) is EUR 3.6 million (or around US\$3.9 million).

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	11/21/2023	Angela Armstrong		aarmstrong@worldbank.org
Project Coordinator	11/21/2023	Fisseha Tessema Abissa		fabissa@worldbank.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Please attach the Operational Focal Point endorsement letter(s) with this template.

Name of GEF OFP	Position	Ministry	Date (MM/DD/YYYY)
Hakib Simidyan	GEF Political & Operational Focal Point - Minister	Ministry of Environment	9/15/2022

ANNEX C: PROJECT RESULTS FRAMEWORK

Please indicate the page number in the Project Document where the project results and M&E frameworks can be found. Please also paste below the Project Results Framework from the Agency document.

Annex 1. Results Framework

RESILAND: Armenia Resilient Landscapes Project

Project Development Objectives(s) (PDO): to increase the area under sustainable landscape management in selected locations and to promote sustainable economic activities to communities in targeted landscapes in Armenia.

Proposed draft PDO Indicators:

Indicator Name	PBC	Baseline	End Target
(1) Land area under sustainable landscape management practices (CRI[1] ³ , Ha)		0	25,800
(2) People benefiting from sustainable economic activities in targeted landscapes (Number, sex disaggregated)		0	5,000

Proposed draft Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Landscape Restoration			
(1) Wetland area restored (ha)		0	1,200
(2) People reached by awareness raising program on wetland management and restoration (Number)		0	1,000
(3) Forest area restored and/or reforested (ha)		0	12,500
(4) Feasibility package for repurposing of the abandoned Kavart mining site in Kapan developed (No/Yes)		No	Yes
(5) People benefitting from selected landscape management practices (Number, gender disaggregated)		0	22,500
(6) Net greenhouse gas (GHG) emissions avoided/sequestered (CRI, Metric tons/year)		0	178,000
Institutional Capacity and Policy Development			
(7) Regulatory and operational guidelines for community-based forest and wetland management developed and submitted for approved (No/Yes)		No	Yes
(8) Guidelines for development and management of ecotourism updated (No/Yes)		No	Yes
(9) Number of beneficiaries with improved knowledge and skills on integrated landscape management (Number)		0	3,000
Percentage of female beneficiaries with improved knowledge and skills on integrated landscape management (Percentage)		0	50
Promoting Communities' Benefits			
(10) Business model for non-timber forest production (NTFP) developed and operational (Number)		0	1
(11) Number of green jobs created as a result of project-supported interventions (Number, gender disaggregated)		0	800
(12) Number of new businesses developed/established as a result of the project (Number)		0	16
Female-headed new businesses developed/established (Percentage)		0	40
(13) Ecotourism market increased as a result of project interventions (Percentage)		0	10
Project Management			
(14) Grievances registered related to delivery of project activities and addressed (Percentage)		0	100

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Land area under sustainable landscape management practices (CRI, Ha)	<p>The indicator measures, in hectares, the land area for which new and/or improved sustainable landscape management practices have been introduced. Land is the terrestrial biologically productive system comprising soil, vegetation, and the associated ecological and hydrological processes. Adoption refers to change of practice or change in the use of a technology promoted or introduced by the project. Sustainable landscape management (SLM) practices refer to a combination of at least two technologies and approaches to increase land quality and restore degraded lands.</p> <p>Assumptions: This includes area of land planned to be restored (13,800ha) and improved (wetland, forest) (12,000ha), including protected areas in the project target communities.</p>	Annually	EPIU report on the project implementation progress	Data will be collected through project reports annually studies that will be carried out at the mid-term review and project completion	EPIU; Evaluation Team at mid-term and project-end
People benefiting from sustainable economic activities in targeted landscapes (Number, sex disaggregated)	<p>This indicator measures the number of people in the project areas that benefit from the range of sustainable economic activities that the project is able to promote and/or introduce in targeted landscapes. Sustainable economic activities mean economic activities promoted through the activities implemented under the project such as the development of apiculture or beekeeping, agroforestry, and commercialization of traditional use of non-timber</p>	Annually	EPIU report on the project implementation progress	Data will be collected through project reports annually studies that will be carried out at the mid-term review and project completion	EPIU; Evaluation Team at mid-term and project-end

Monitoring & Evaluation Plan: PDO Indicators

	forest products (NTFPs) such as collection and processing of wild fruits, berries, edible and medicinal herbs, edible mushrooms, as well as ecotourism activities, etc.				
Net greenhouse gas (GHG) emissions avoided/sequestered (CRI, Metric tons/year)	Project net greenhouse gas (GHG) emissions are calculated as an annual average of the difference between project gross (absolute) emissions aggregated over the economic lifetime of the project and the emissions of a baseline (counterfactual) scenario aggregated over the same time horizon. They are reported in metric tons of carbon dioxide equivalent per year.	Annually	Project implementation progress reports; baseline assessment	GHG accounting will be carried out using the FAO EX-ANTE Carbon-Balance Tool (EX-ACT); Data will be also collected through project reports annually, studies that will be carried out at the mid-term review and project completion	EPIU; consultants, Evaluation Team at mid-term and project-end

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology f Data Collector	Responsibility f Data Collection
Wetland area restored (ha)	<p>This indicator measures the area in hectares that has been restored and brought under integrated wetland management and restoration supported by the project interventions.</p> <p>Assumption: The area includes brackish marshes in Khor Virap and Armash (82ha), salt marshes in Ararat (68ha), area of Lori lakes (1000ha) and a pilot area in Sevan (Masrik) (50ha).</p>	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU
People reached by awareness raising program on wetland management and restoration (Number, sex disaggregated)	This indicator will measure number of beneficiaries with improved knowledge on and awareness of wetland management and restoration, which would cover, <i>inter alia</i> , wetland restoration and conservation, management, development of other alternative economic or ecotourism activities, etc.	Regularly collected, Annually compiled	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and other materials related to capacity building activities	EPIU
Forest area restored and/or reforested (ha)	This indicator measures the area in hectares that has been reforested and/or restored and brought under sustainable forest	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	Forest Economy, EPIU

	<p>management as a result of the project interventions.</p> <p>This indicator will cover:</p> <ul style="list-style-type: none"> (i) reforestation of the fragmented forest; (ii) assisted natural regeneration; (iii) restoration of the forest on targeted abandoned mining dumpsites <p>Assumptions: This includes area of forest to be restored and/or reforested in two target marzes (Lori, Syunik) as well as a pilot in Sevan lakes area (120ha).</p>				
Feasibility package for repurposing of the abandoned Kavart mining site in Kapan developed (No/Yes)	This indicator includes a Feasibility package for repurposing of the abandoned Kavart mining site in Kapan, Syunik Marze. The package will cover analyses, such as of geomorphology, hydrology, soil analysis, environmental and social analysis, as well as financial analysis.	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU, Ministry of Environment
Number of green jobs created as a result of project-supported interventions (Number, sex disaggregated)	This indicator will measure the number of people reached by project interventions that generate income (monetary/in-kind) through more/better/inclusive jobs (green jobs supporting forest, wetland, and PAs related interventions). Beneficiaries are individual, workers, farmers, SME members, other target group members, and their household members.	Regularly collected, Annually compiled	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports; aggregated data from communities	EPIU, Communities Administrations
People benefitting from landscape management practices (Number, sex disaggregated)	This indicator measures the number of people in the project areas that benefit from the range of sustainable landscape management (SLM) practices that the project is able to implement. Benefits include monetary (employment, income) and	Annually	EPIU report on the project implementation progress; socio-economic baseline study	Data will be collected through project reports annually and studies that will be carried out at the mid-term review	EPIU; Evaluation Team at mid-term and project-end

	<p>non-monetary (changes in aspects of well-being, and improved condition of natural resources, etc).</p> <p>Assumptions: The total number of people in the project communities is around 148,200. The number of beneficiaries is considered with the assumption of respective project interventions (wetland, forest) and the share of total population that would benefit from the project.</p>			and project completion	
Policy and legal frameworks for forests, wetlands, and protected areas developed or updated (No/Yes)	This indicator will focus on policies and legal frameworks developed an/or updated as a result of project activities on forest, wetlands, and protected areas to help align these with national and international obligations including NDC commitments.	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU, Ministry of Environment
Regulatory and operational guidelines for community-based forest and wetland management developed and submitted for approved (No/Yes)	This indicator includes Regulatory and operational guidelines for community-based forest and wetland management	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU, Ministry of Environment
Guidelines for development and management of ecotourism updated (No/Yes)	This indicator includes the update of Guidelines for development and management of ecotourism	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU, Ministry of Environment
Business model for non-timber forest production (NTFP) developed and operational (Number)	This indicator includes development of a business model for NTFP for communities in the project areas	Annually	EPIU report on the project implementation progress	Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs	EPIU, Ministry of Environment

<p>Number of new businesses developed/established as a result of the project (Number)</p>	<p>This indicator measures number of new businesses either developed (with a business plan) and/or established as a result of project interventions. New businesses could include, inter alia, development of apiculture or beekeeping, agroforestry, and commercialization of traditional use of NTFPs such as collection and processing of wild fruits, berries, edible and medicinal herbs, edible mushrooms, etc. These could be individual entrepreneurs, microfirms, small enterprises.</p>	<p>Annually</p>	<p>EPIU report on the project implementation progress</p>	<p>Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs</p>	<p>EPIU, Communities Administrations</p>
<p>Female-headed new businesses developed/established (Percentage)</p>	<p>This indicator will measure percentage of female-headed new businesses</p>	<p>Annually</p>	<p>EPIU report on the project implementation progress</p>	<p>Data for this indicator will be collected through review of project reports and activities' deliverables/ outputs</p>	<p>EPIU</p>

<p>Number of beneficiaries with improved knowledge and skills on integrated landscape management (Number)</p>	<p>This indicator will measure number of beneficiaries with improved knowledge and skills on integrated landscape management, which would cover, <i>inter alia</i>, forest conservation, wetland restoration/conservation, management, development of ecotourism and other alternative livelihood business models, etc.</p> <p>Beneficiaries include:</p> <p>(i) central and local government officials working on forest, wetland, PAs;</p> <p>(ii) communities in the project target areas</p>	<p>Regularly collected, Annually compiled</p>	<p>EPIU report on the project implementation progress</p>	<p>Data for this indicator will be collected through review of project reports and other materials related to capacity building activities</p>	<p>EPIU</p>
<p>Percentage of female beneficiaries with improved knowledge in skills on integrated landscape management (Percentage)</p>	<p>This sub-indicator will measure percentage of female beneficiaries with improved knowledge and skills on integrated landscape management</p>	<p>Regularly collected, Annually compiled</p>	<p>EPIU report on the project implementation progress</p>	<p>See above for this sub-indicator, data will report on the trained female staff</p>	<p>EPIU</p>
<p>Ecotourism market increased as a result of project interventions (Percentage)</p>	<p>This indicator will measure the improved ecotourism market as a result of project interventions in the target areas. A baseline study will be also conducted during the first year of implementation. The interventions include, <i>inter alia</i>, technical assistance to communities related to NTFPs business models, as well as some basic infrastructure, such as observation points, trails, camping and picnic areas, zipline facilities, waste disposal facilities, or other infrastructure that supports ecotourism in the project target areas.</p>	<p>Regularly collected, Annually compiled</p>	<p>EPIU report on the project implementation progress; baseline assessment</p>	<p>Data for this indicator will be collected through review of project reports; baseline study as well as mid-term and end-project studies</p>	<p>EPIU</p>

[1] Corporate Results Indicator

ANNEX D: STATUS OF UTILIZATION OF PROJECT PREPARATION GRANT (PPG)

Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To date	Amount Committed
Project needs assessment, preparation of ESF tools/documents and POM	25,000.00	0.00	25,000.00
Laboratory tests for the abandoned mine dumpsites in Syunik (North Kapan) and Lori (Tandzut)	5,000.00	0.00	5,000.00
Preparation of the Project Procurement Strategy for Development and Procurement Plan, management of the procurement procedures under the Grant Project	3,000.00	0.00	3,000.00
Preparation of financial documents, financial management of the Project	3,000.00	0.00	3,000.00
Financial Audit	1,500.00	0.00	1,500.00
Development of initial ToRs/procurement packages for the RESILAND Armenia (Component 1, 2, and 3)	5,000.00	0.00	5,000.00
Capacity building activities (Trainings)	4,500.00	0.00	4,500.00
Operational Costs	5,500.00	0.00	5,500.00
Travel/ Field Visits	2,500.00	0.00	2,500.00
Total	55,000.00	0.00	55,000.00

ANNEX E: PROJECT MAP AND COORDINATES

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

Location Name	Latitude	Longitude	GeoName ID
Abandoned mining site Tandzut	40.7579	44.6002	

Location Description:

N 40.7579°; E 44.6002. Abandoned mining site Tandzut with an area of 3.1 ha. Is located inside the oak and hornbeam dominated forest and is represented by the waste rock dump, which fragments the forest and creates a high risk of acidification and possible contamination with arsenic.

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Abandoned mining site Bashkend	40.7579	44.6002	

Location Description:

N 40.7579°; E 44.6002. Abandoned mining site Bashkend with an area of 49 ha. Is located at the degraded forest dominated by oak and hornbeam and is represented by several waste rock dumps, which fragment the habitat and create a high risk of acidification and possible contamination with arsenic.

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Vanadzor as the central point of the Gugark forestry	40.813661	44.482085	

Location Description:

ID 616530, town Vanadzor as the central point of the Gugark forestry, involved in the project. Gugark forestry represents over 30,228 ha of forest lands. The area is presented by mountain ridges, covered by beech and oak dominated forests, which have been severely fragmented, and their current management, in terms of logging plans, still undergoes in unsustainable manner. The zone over the timberline and the flatter areas at the lower parts of the ridges are covered by meadows, intensively used for livestock grazing.

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Stepanavan, as the lower point of the Stepanavan forestry	41.0112	44.384512	

Location Description:

ID 616194, town Stepanavan, as the lower point of the Stepanavan forestry, involved in the project, which makes over 6,665 ha of forest lands. The area is presented by a mountain ridge, covered by beech and oak dominated forests, which also have been severely fragmented, and continue suffering from an unsustainable management. The zone over the timberline and the flatter areas at the lower parts of the ridges are also covered by meadows, intensively used for livestock grazing.

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Kapan forestry	39.2077	46.4068	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Margahovit State Sanctuary and Caucasian Rose-bay State Sanctuary	40.7348	44.6830	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Gyulagarak State Sanctuary	40.9645	44.4741	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Khor Virap Sanctuary	39.8783	44.5762	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Armash wetlands	39.7662	44.8087	

Location Description:

Activity Description:

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

Project map upload produces error.

Detailed project maps uploaded in the roadmap.

ANNEX F: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

Attach agency safeguard datasheet/assessment report(s), including ratings of risk types and overall project/program risk classification as well as any management plans or measures to address identified risks and impacts (as applicable).

Title

Appraisal ESRS

ANNEX G: BUDGET TABLE

Please upload the budget table here.

Appendix A: Indicative Project Budget Template

Expenditure Category	Detailed Description	Component (USD eq.)										Total (USD eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency) [1]
		Component 1: Institutional Capacity and Policy Development		Component 2: Forest and Wetland Restoration and Conservation for Climate Resilience			Component 3: Increasing Communities' Benefits		Sub-Total	M&E	PMC*		
		Subcomponent 1.1: Policy Review and Development	Subcomponent 1.2: Institutional Capacity development	Subcomponent 2.1: Forest Restoration	Subcomponent 2.2: Wetland Restoration	Subcomponent 2.3: Mining Site Restoration	Subcomponent 3.1: Improving Community Based Forestry Management	Subcomponent 3.2: Ecotourism Development					
Small Works	Support to small infrastructure investments (small works) to reduce pressure on forest, as well as for ecotourism development (e.g., water points, trails, hiking routes, etc.)	-	-	-	-	-	100,000	216,000	316,000	-	-	316,000	EPIU, Ministry of Environment
	Support to interventions for forest and wetland restoration, reforestation	-	-	900,000	600,000	200,000	-	-	1,700,000	-	-	1,700,000	EPIU, Ministry of Environment
Goods	Support to economic activities (e.g., agroforestry, NTFPs)	-	-	-	-	-	300,000	-	300,000	-	-	300,000	EPIU, Ministry of Environment

	Support to small infrastructure investments, including for ecotourism (e.g., water points, trails, hiking routes, etc.)	-	-	-	-	-	100,000	200,000	300,000	-	-	300,000	EPIU, Ministry of Environment
	Support to interventions for forest and wetland restoration, reforestation	-	-	450,000	250,000	93,435	-	-	793,435	-	-	793,435	EPIU, Ministry of Environment
Contractual Services – Individual/Company; International/Local Consultants	Review of existing policy, legal frameworks for forest, wetland, protected area (PAs), as well as for communities and for ecotourism development [policies, guidelines, regulations, plans, programs]	170,000	80,000	-	-	-	-	-	250,000	-	-	250,000	EPIU, Ministry of Environment
	Facilitating organization/service provider for work with communities	-	-	-	-	-	84,000	-	84,000	-	-	84,000	EPIU, Ministry of Environment
	Preparation of Feasibility studies and plans; engineering detailed designs, technical studies, modelling exercises	-	-	200,000	200,000	150,000	-	-	550,000	-	-	550,000	EPIU, Ministry of Environment
	Technical assistance to support restoring abandoned dried ponds and transitioning existing wetlands to closed water-use system in selected locations; to support forest restoration	-	-	70,000	80,000	50,000	-	-	200,000	-	-	200,000	EPIU, Ministry of Environment
Salary and benefits / Staff costs	Technical Coordinator, as well as project field coordinators	30,000	20,000	30,000	20,000	-	20,000	10,000	130,000	-	-	130,000	EPIU, Ministry of Environment

	and component coordinators. Technical Coordinator: A dedicated technical coordinator will be hired to oversee implementation of the overall new GEF financed activities. Technical staff (for example, forestry, wetland, protected area management, ecotourism specialists), and environmental and social/gender specialists.												Environment
	Project Director or Coordinator (non-technical); finance, procurement, & FM specialized staff										245,000	245,000	EPIU, Ministry of Environment
Monitoring & Evaluation	Project monitoring and learning, including site visits, annual reporting, midterm and terminal evaluations. Support to the implementation of the knowledge products as well as information management. Undertaking baseline surveys and studies, as well as at mid-term and end-project. Monitoring and Evaluation and Knowledge Management Specialists/Consultants.	-	-	-	-	-	-	-	-	157,565	-	157,565	EPIU, Ministry of Environment

	International consultants to support the implementation of the knowledge generation and management strategy, as well as information management, including Monitoring and Evaluation and Knowledge Management Specialists										50,000	50,000	EPIU, Ministry of Environment
Trainings, Workshops, Meetings	Technical assistance and capacity building workshops, including knowledge products and tools, awareness campaigns (for public and private sector agencies/entities, communities and NGOs/civil society)	100,000	170,000	-	-	-	50,000	-	320,000	-	-	320,000	EPIU, Ministry of Environment
Travel	International and Domestic travel and transportation (air, terrestrial, and fluvial), as needed, directly related to the major activities.	-	30,000	-	-	-	-	10,000	40,000	-	-	40,000	EPIU, Ministry of Environment
Office Supplies	Office supplies for the Project Implementation Unit over project lifetime (laptops, printers, desks, etc.)	-	-	-	-	-	-	-	-	-	14,000	14,000	EPIU, Ministry of Environment
Grand Total		300,000	300,000	1,650,000	1,150,000	493,435	654,000	436,000	4,983,435	207,565	259,000	5,450,000	

[1] In exceptional cases where GEF Agency receives funds for execution, Terms of Reference for specific activities are reviewed by GEF Secretariat

* These costs are largely covered by the EPIU in PAD as part of Component 4: Project Management, M&E, and Communication

Appendix G: Indicative Project Budget Template

Expenditure Category	Detailed Description	Component (USDeq.)										Total (USD eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency) [1]
		Component 1: Institutional Capacity and Policy Development		Component 2: Forest and Wetland Restoration and Conservation for Climate Resilience			Component 3: Increasing Communities' Benefits		Sub-Total	M&E	PM C*		
		Subcomponent 1.1: Policy Review and Development	Subcomponent 1.2: Institutional Capacity development	Subcomponent 2.1: Forest Restoration	Subcomponent 2.2: Wetland Restoration	Subcomponent 2.3: Mining Site Restoration	Subcomponent 3.1: Improving Community Based Forestry Management	Subcomponent 3.2: Ecotourism Development					
Small Works	Support to small infrastructure investments (small works) to reduce pressure on forest, as well as for ecotourism development (e.g., water points, trails, hiking routes, etc.)	-	-	-	-	-	100,000	216,000	316,000	-	-	316,000	EPIU, Ministry of Environment
	Support to interventions for forest and wetland restoration, reforestation	-	-	900,000	600,000	200,000	-	-	1,700,000	-	-	1,700,000	EPIU, Ministry of Environment
Goods	Support to economic activities (e.g., agroforestry, NTFPs)	-	-	-	-	-	320,000	-	320,000	-	-	320,000	EPIU, Ministry of Environment
	Support to small infrastructure investments, including for ecotourism (e.g., water points, trails, hiking routes, etc.)	-	-	-	-	-	100,000	220,000	320,000	-	-	320,000	EPIU, Ministry of Environment

	Support to interventions for forest and wetland restoration, reforestation	-	-	450,000	250,000	93,435	-	-	793,435	-	-	793,435	EPIU, Ministry of Environment
Contractual Services – Individual/Company; International/Local Consultants	Review of existing policy, legal frameworks for forest, wetland, protected area (PAs), as well as for communities and for ecotourism development [policies, guidelines, regulations, plans, programs]	200,000	100,000	-	-	-	-	-	300,000	-	-	300,000	EPIU, Ministry of Environment
	Facilitating organization/s service provider for work with communities	-	-	-	-	-	84,000	-	84,000	-	-	84,000	EPIU, Ministry of Environment
	Preparation of Feasibility studies and plans; engineering detailed designs, technical studies, modelling exercises	-	-	200,000	200,000	150,000	-	-	550,000	-	-	550,000	EPIU, Ministry of Environment
	Technical assistance to support restoring abandoned dried ponds and transitioning existing wetlands to closed water-use system in selected locations; to support forest restoration	-	-	100,000	100,000	50,000	-	-	250,000	-	-	250,000	EPIU, Ministry of Environment
Salary and benefits / Staff costs	Project Director or Coordinator, Technical Coordinator, as well as project field coordinators and component coordinators. The project will finance procurement, FM, M&E,	-	-	-	-	-	-	-	-	-	200,000	200,000	EPIU, Ministry of Environment

	technical (for example, forestry, wetland, protected area management, ecotourism), and environmental and social/gender specialists.												
Monitoring & Evaluation	Project monitoring and learning, including site visits, annual reporting, midterm and terminal evaluations. Support to the implementation of the knowledge products as well as information management. Undertaking baseline surveys and studies, as well as at mid-term and end-project. Monitoring and Evaluation and Knowledge Management Specialists/Consultants.	-	-	-	-	-	-	-	-	207,565	-	207,565	EPIU, Ministry of Environment
Trainings, Workshops, Meetings	Technical assistance and capacity building workshops, including knowledge products and tools, awareness campaigns (for public and private sector agencies/entities, communities and NGOs/civil society)	100,000	200,000	-	-	-	50,000	-	350,000	-	-	350,000	EPIU, Ministry of Environment
Travel	International and Domestic travel and transportation (air, terrestrial,	-	-	-	-	-	-	-	-	-	40,000	40,000	EPIU, Ministry of Environment

	and fluvial), as needed, directly related to the major activities.												
Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	EPIU, Ministry of Environment
Other Operating Costs	Operating costs associated with project operation on a day-to-day basis related to technical and M&E activities and administrative management, among others.	-	-	-	-	-	-	-	-	-	19,000	19,000	EPIU, Ministry of Environment
Grand Total		300,000	300,000	1,650,000	1,150,000	493,435	654,000	436,000	4,983,435	207,565	259,000	5,450,000	

[\[1\] In exceptional cases where GEF Agency receives funds for execution, Terms of Reference for specific activities are reviewed by GEF Secretariat](#)

* These costs are largely covered by the EPIU in PAD as part of Component 4: Project Management, M&E, and Communication

Please explain any aspects of the budget as needed here

ANNEX I: 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.

Responses to comments at PIF uploaded as annexes in the roadmap.

REVISED STAP SCREENING TEMPLATE,

11046

OCTOBER 2022 GEF ID Project title

Armenia Integrated Resilient Landscape Improvement Project (AIR LIP)

**Date of screen
STAP Panel Member
STAP Secretariat**

**08 November 2022
John Donaldson
Alessandro Moscuza**

1. Summary of STAP's views of the project	WB response
<p>This project proposal provides a good description of the situation in Armenia and the issues it aims to tackle. It also includes a project structure, which presents a couple of incongruencies but is overall acceptable.</p> <p>The "Project Outline" section in the PIF is incomplete and does not include the "project rationale" and "project description" sub-sections. The WB also submitted a Project Information Document (PID) form, which provided additional information on the project approach, components structure and results, as well as a Theory of Change (ToC) and risk framework. While most of the relevant information is contained in the two documents, the dual system is not ideal for effective screening of projects.</p> <p>In general, the proposal makes a strong case for restoring and managing forests, pastures and wetlands and the proposed integrated approach, together with an ecosystem-based approach to restoration, reflects a sound technical basis. The proposal provided good detail on some of the actions but was not always clear on the goals and objectives of the restoration activities, i.e., whether it was intended to restore biodiversity to some level, increase productivity or function, or provide additional resources to communities. These are mentioned generically but it would help to tease them out in project documents so that the restoration activities can be more closely tied to the anticipated global environmental benefits.</p> <p>Additional comments and recommendations have been provided below.</p>	<p>Thank you and noted.</p>

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?	WB response
<p>See annex on STAP's screening guidelines.</p> <p>The PIF and PID combined provide an extensive description of the baseline situation in Armenia, which includes a comprehensive geographical profile, as well as a sectoral and institutional context and places the problem and issues to be addressed in the wider country context. This description also provides elements of the wider system that affects the country's landscapes and includes economic development, climate change, sociocultural and political factors.</p>	<p>n/a</p>
<p>The project rationale is also solid and builds upon the description of the baseline issues, as well as a comprehensive assessment, commissioned by the World Bank and analytical case studies from an ongoing program (EU4Environment). The project follows an</p>	<p>n/a</p>

integrated approach, which combines the restoration and sustainable management of a combination of different landscapes that include forests, pastures, and wetlands.	
The project structure, which is articulated through the project components, follows a sound logic, which comprises interventions across three main areas: policy development and capacity building; landscape restoration, conservation, and management; and community forestry and livelihoods. The PID provides a ToC, which is underpinned by a sound logic but is also quite basic and superficial, and it is only broadly aligned with the components structure presented in the same document. For example, the TOC does not show how the logic results in better GEBs; it refers only to “improved management” of forests, pastures, and wetlands. Nor does it address assumptions and tradeoffs, which in this case can be important when biodiversity conservation, productivity and resource use may not afford a win-win outcome.	Thank you. The ToC has been revised and updated in the Project Appraisal Document (PAD).
Neither the PIF nor the PID indicate how uncertain futures could unfold or provide alternative scenarios. The proposal also provided little evidence to explain how the project will be insulated or made resilient to possible future changes. The project does address the current institutional context and aims to make changes in that area but does not address behavioral change at the grassroots or community level.	We do expect alternative scenarios to be detailed in either the ESRs or the ESMP. There is a dedicated activity called “Awareness Program” which will target the communities
The PIF does include a stakeholder engagement section, but this is quite limited and covers only institutional stakeholders. The PIF also mentions that local communities and civil society organizations have not been consulted yet and that the Project Preparation Grant stage will be used to undertake extensive consultation, although no further details are provided about the intended list of relevant stakeholders other than these will satisfy the requirements set under the World Bank Environmental and Social Framework.	The SEP details it further and let’s know if the SEP will not be sufficient.
We could not find any specific evidence in the project documents provided of a strategy or plan to generate, manage and exchange knowledge, although the PID mentions that the project will hire international experts and will provide training at all stages of project implementation to ensure effective knowledge transfer.	“Communication Strategy” will be developed under comp.4 and this will address the knowledge management issues
The PID included a section on risk, but it was quite broad and only identified two categories of risk. This provided a rather generic list and description of mitigation measures, which was not very specific and included a number of high level measures that did not clearly explain how risks will be effectively mitigated e.g: focused capacity development, contracting of international expertise and focusing within agreed landscapes with government and donor agencies.	The PAD has already detailed it

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	WB response
<p>This proposal did not really follow the new PIF format and template closely, nor did it provide all the information required under the STAP screening guidelines. The documentation provided consisted of two separate documents, a PIF and a PID, which, as described above, presented a number of weaknesses.</p> <p>STAP recommends the following changes and improvements:</p>	

<p>1. The project design should aim to submit one document instead of two separate ones and should try to follow the instructions provided in the new PIF template, which has been recently revised and streamlined to reduce the burden on project designers and reviewers alike;</p>	
<p>2. The project design team should try to follow the STAP screening guidelines, which provide a revised streamlined overview of the elements that will be sought during the screening process and will determine the assessment and scoring of the proposal;</p>	<p>Okay. Will look at it</p>
<p>3. The ToC should be expanded and strengthened by including a more comprehensive list of assumptions as well as barriers and enablers in addition to a more systematic list of outputs and outcomes;</p>	<p>The ToC was updated and expanded</p>
<p>4. The stakeholder engagement section of the proposal should be expanded to include a more detailed list of stakeholders that will be consulted during the next phase of project design, as well as (at least) an outline of the role these will play and how any underlying power dynamics will be addressed;</p>	<p>The SEP has detailed it</p>
<p>5. The proposal should also include a more detailed knowledge management plan that at the very least provides some details of how the project will generate, manage, and exchange knowledge in practice;</p>	<p>Knowledge management will be addressed in the communication strategy document which will be prepared under comp.4</p>
<p>6. The risk section should be strengthened and expanded to provide a more detailed description of the risk that goes beyond the Climate and Disaster Risk Screening Report and includes all categories of risk (e.g. institutional, financial, technical, operational, fiduciary etc.) and an explanation of how these will be monitored, managed and mitigated.</p>	<p>The PAD has already detailed it</p>

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

Response to Council Comment:

<p><i>Comment by James Woodsome, International Economist, Office of Climate and Environment International Affairs, U.S. Department of the Treasury, UNITED STATES, Council, made on</i></p> <p>Comment:</p> <p>ü <u>United States Comments</u></p>	<p>WB response:</p> <p>Thank you and noted. The Bank team will be also happy to collaborate.</p>
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<p>Comment on projects 11046 and 11054:</p> <ul style="list-style-type: none"> In relation to these two proposals, there is some convergence with U.S. Forest Service ongoing projects on: (1) wildfire and emergency management; and (2) youth engagement/development of a Caucasus Conservation Corps (e.g. climate resilience re: fire/disasters; approach to community engagement/livelihoods; ecotourism and restoration; etc.). The U.S. Forest Service is happy to coordinate and collaborate, as appropriate. 	
<p><i>Comment by Annette Windmeisser, GEF Council Member, Head of Climate Finance Division, German Federal Ministry for Economic Cooperation and Development, GERMANY, Council, made on 12/19/2022</i></p> <p>Comment:</p> <p>ü <u><i>Germany Comments</i></u></p> <p><u>Germany approves the PIF in the work program but asks that the following comments are taken into account:</u></p> <p>Germany welcomes this proposal, which will strengthen community engagement and improve the management of forests, pastures, wetlands and protected areas in selected locations in Armenia. At the same time, Germany has the following comments that it suggests being addressed in the next phase of finalizing the project proposal.</p>	<p>WB response:</p> <p>Thank you and noted.</p>
<p><u>Suggestions for improvements to be made during the drafting of the final project proposal:</u></p> <ul style="list-style-type: none"> Germany welcomes the plans to undertake further stakeholder engagement and suggests considering other important stakeholders from public organizations already involved in reforestation/afforestation activities in the country (e.g. Armenia Tree Project (ATP), My Forest, Shen, other NGOs and environmental organizations). 	<p>Thank you. Consultations (during project preparation and implementation) will target broader range of stakeholders, including the public organizations mentioned and other NGOs and CSOs active in the country in respective areas.</p>
<ul style="list-style-type: none"> Germany welcomes the ambitious restoration goals and suggests considering flexible approaches to support interested communities in their efforts to set up future forest stands, as in many areas in northern Armenia natural forest regeneration takes place on community lands, due to long-run absence of cultivation of agricultural lands. These communities often lack knowledge and capacity in active restoration methods. 	<p>Thank you. Knowledge and capacity building activities, including the overall strengthening of institutions and communities, will be important elements as part of the project implementation.</p>
<ul style="list-style-type: none"> Germany suggests taking the community enlargement process in Armenia into account, as enlarged communities neighboring forests may have an impact on the “equal, fair and transparent” participation in livelihood programs and afforestation efforts. 	<p>We have considered this potential impact in the PAD as well as in the SEP</p>
<ul style="list-style-type: none"> WB in 2020-2021 conducted the “Forest Landscape Restoration” study with the goal to justify and identify potential areas in Armenia that would be applicable (from juridical, natural condition, etc.) for large-scale afforestation/reforestation activities to meet the NDCs, Bonn challenge and Astana declarations. Germany would like to point out that public discussions on the results of that important study were not organized, meanwhile several parallel processes and new initiatives (e.g. recently established “Forest Alliance” between “ATP”, “My forest” and “Shen” NGOs) on 	<p>There have been consultations with development partners in Armenia to avoid duplication and enhance synergies.</p>

<p>afforestation/reforestation is taking place in Armenia. Germany therefore recommends outlining in the Project Document, how project activities will be coordinated with these ongoing initiatives to increase synergies and reduce duplications</p>	<p>The PAD has annex on implementation plan that outlines the coordination mechanisms.</p>
<ul style="list-style-type: none"> • There is some general statistical data in the Project Document that Germany recommends checking for accuracy e.g., percentage of pasture lands in Armenia. 	<p>Thank you. The team will address it in the Project Appraisal Document.</p>
