

Conservation and sustainable management of lakes, wetlands, and riparian corridors as pillars of a resilient and land degradation neutral Aral basin landscape supporting sustainable livelihoods

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10356

Countries

Uzbekistan

Project Name

Conservation and sustainable management of lakes, wetlands, and riparian corridors as pillars of a resilient and land degradation neutral Aral basin landscape supporting sustainable livelihoods

Agencies

UNDP

Date received by PM

6/11/2021

Review completed by PM

8/5/2021

Program Manager

Ulrich Apel

Focal Area

Multi Focal Area

Project Type

FSP

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Project description summary

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

08/05/2021: NEW request:

- On the PMC: there is no proportionality in the co-financing contribution to PMC. If the GEF contribution is kept at 5%, for a co-financing of \$57,670,000 the expected contribution to PMC should be around \$2,883,500 instead of \$1,920,000 (which represents 3.3%). Per the composition of the co-financing, it seems to be that there is room to increase the co-financing portion to PMC beyond the parallel co-financing.

08/23/2021: Addressed.

Cleared

Agency Response

Agency Response for comments dated 08/05/2021:

Thank you for this comment. Indeed, as advised, we have analyzed the resource allocation carefully and increased the PMC co-financing contribution from \$1,920,000 to \$2,883,500. The adjusted amounts are highlighted in the CEO ER Table B (Project Description Summary).

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

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

Co-financing

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

08/05/2021: NEW correction request:

? Council of Farmers (4M - Grant / Investment mobilized)

oSource: Private sector - Please double check the type of the entity. Could it be ?beneficiaries?? If none of the options fit, select ?Other?.

oGrant & Investment mobilized ? The co-financing letter indicates ?in-kind? while the description of IM section indicates ?soft loans ? under the State Fund managed by the Council of Farmers?. On the basis of the soft loan financing structure, change the Type from ?Grant? to ?Loan?.

08/23/2021: Addressed.

Cleared

Agency Response

Agency Response for comments dated 08/05/2021:

Thank you very much for this comment and advice. We have adjusted (and highlighted) the information in Table C/Co-financing (CEO Request) as follows:

- (i) Replaced the initial Source listed as ?Private Sector? with ?Beneficiaries?. Indeed, the Council of Farmers and its members (the farmers in the targeted regions) are beneficiaries of the project.

- (ii) We have adjusted the item Type of co-financing and replaced the ?Investment mobilized? with ?Loan?.

GEF Resource Availability

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

A detailed budget table has also been provided and inserted in Annex E.

08/05/2021: ADDITIONAL correction requests:

- Total costs for cell phone (\$3,500) do not match the amount in the table (\$4,000). This issue appears twice in the same budget table.

- The item ?Travel?, that is in the budget table, was not specified in the M&E Budget - all items related to M&E need to match across the M&E Budget Table and overall Project Budget.

- As per GEF Guidelines, expenses related to project execution (i. e. Project Manager) should be charged to the GEF portion and co-financing portion allocated to PMC (see \$58,470 cost item lists among others the Project Manager).

- On the purchase of vehicles: The Program manager confirms that the justification for the 2 FWD vehicles has been discussed, found appropriate in the context of the project, and was approved by the Program Manager accordingly.

08/23/2021: Addressed.

Cleared

Agency Response

Agency Response for comments dated 08/05/2021:

Thank you for your comments. We have analyzed them carefully and have included the following corrections:

-- We have corrected the Budget notes to reflect the amounts in the Budget table. The correct costs (i.e. \$ 4,000) for cell phone/communication are now reflected under the Budget notes 6,16, 26, and 36 in the overall Project Budget .

-- The item Travel has been inserted as a distinct line in the M&E Table, which now faithfully reflects the overall Project Budget Component 5 (M&E) budget lines.

--Thank you and as advised, the funding for the project manager position has been carefully revised such that now 50% of the Project manager salary will be covered from co-financing (as reflected in the overall Project Budget under the Budget line 53)

--Thank you indeed for the positive resolution on the purchase of the vehicles.

Project Preparation Grant

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Core indicators

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Clarification and corrections requested.

- Indicator 6.1: please include start year and duration of accounting

- Indicator 4.3: Please clarify on whether the project's work on irrigated agricultural land has been reflected in indicator 4.3. Table B mentions total are of 1,050,910 ha that may be positively impacted by recommendations for sustainable water management and specifically 112,810 ha of water saving demonstrations that will directly lead to reduced land degradation. If this figure is not yet included in indicator 4.3, please consider or clarify why it is not included.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you for these comments.

- The start year of accounting is added to Table E.

-Indicator 4.3 is updated; it now includes the 112,800 ha of irrigated areas under improved practices. The information has been updated as follows: (i) Table B; (ii) Annex F (GEF 7 Core Indicator Worksheet) and GEF-UNDP Project Document Annex 10 (GEF Core Indicators Worksheet).

Part II ? Project Justification

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Project Map and Coordinates

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Child Project

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

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

Stakeholders

**Does the project include detailed report on stakeholders engaged during the design phase?
Is there an adequate stakeholder engagement plan or equivalent documentation for the**

implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

06/25/2021: Please include the stakeholders table with their roles as presented in the project document here in the portal section as well.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you, the Stakeholder table is now included in the relevant portal section.

Gender Equality and Women's Empowerment

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

08/05/2021:

HOWEVER, please provide a short summary of the gender analysis in the portal section in line with the referenced submitted annexes.

08/23/2021: Addressed.

Cleared

Agency Response

Agency Response for comments dated 08/05/2021:

Thank you for this comment. We have included a brief gender analysis in the CEO Endorsement document under Section 3 (Gender Equality and Women Empowerment) and in the portal section, in line with the Gender Analysis (Annex 16 in the Project Document). The text reads as follows:

Gender equality is one of the fundamental democratic principles enshrined in the Constitution of the Republic of Uzbekistan, which proclaims the equality of men and women. Uzbekistan has acceded to more than 60 international human rights agreements and has joined a number of international organizations and conventions dedicated to the promotion of gender equality and the protection of women's rights. An important achievement was the development and approval of the Law of the Republic of Uzbekistan "On guarantees of equal rights and opportunities for men and women", adopted in 2019, which regulate public relations in the field of ensuring guarantees of equal rights and opportunities for men and women, and prevent discrimination based on gender". However, despite the current state policy, there are still issues regarding the status of women and gender equality that need to be addressed, such as lack of equal opportunities in property ownership; horizontal and vertical segregation in the labor market, where women are underrepresented in high positions at the decision-making level in all sectors, and employed predominantly in the social sectors of the economy, in seasonal, low-paid, unskilled jobs in the formal and informal labor markets; as well as traditional stereotypes regarding the role of women and men in family and broader society. According to the PPG conducted surveys, lack of women involvement in the field of environment and in the management of the natural resources is due to the lack of highly qualified, professional female staff in the environmental sector (64% of respondents noted this), gender stereotypes about women's role in society (20%) which are diminishing their interest in working in this sector (18%); there is also a problem of insufficient managerial skills among women (15%), and they lack full awareness of their rights (12%). The project will promote sustainable land management practices in productive landscapes surrounding lake, wetland and riparian ecosystems. Integrated land management plans will be developed for 4 administrative districts of the Aral Sea region (Muynak and Amudarya in Karakalpakstan and Alat and Karakul in Bukhara province). The project's micro-grants program will include targeted support for development of sustainable livelihoods with a reduced impact on biodiversity, including measures to reduce competition for feed and water between cattle and wildlife, as well as support for sustainable fishing practices. Integrated gender aspects will be mainstreamed in the project activities, in particular: (i) expansion of microfinance projects and sub-loans for women entrepreneurs; (ii) stimulating an increase in the number of small business enterprises headed by women in the areas of consumer goods production, food production and agricultural production; (iii) increasing the number of female farmers by developing conditions for women to use property and assets as collateral and seed money (addressing the fact that in most cases property is registered on men), developing time management skills, improving knowledge on use of bank loans and marketing and sales management, etc.; (iv) development of women's family budget management skills (family financial resources are accumulated in the hands of men who manage family budget.

Limited access to financing and assets, significantly affects women's economic opportunities and rights); (v) expanding access of rural women to housing loans (improved housing situation in rural areas sharply increased the quality of life of rural families and reduced the household chores burden on women, freeing up time, which many women may use to set up home-based businesses). Clearly, both women and men make crucial contributions in commodity value chains, agricultural landscapes and rangelands and forest sectors as farmers, workers, processors and entrepreneurs, and yet women are seldom recognized for doing so, much less empowered to shift toward more sustainable practices. They generally possess fewer assets (land, livestock, and human capital), have less access to productive inputs (seed, fertilizer, labor, and finance), and have less access to rural advisory services (extension, technical trainings) than men (FAO). While integrated landscape management approaches are being pursued for the enhancement of food security and ecosystem services, these efforts are often not inclusive of women and other less empowered groups. GEF identifies three critical gender gaps in its *Guidance to Advance Gender Equality in GEF Projects and Programs?* (GEF, 2018):

- Unequal access to and control over natural resources
- Unbalanced participation and decision-making in environmental planning and governance at all levels
- Uneven access to socio-economic benefits and services

The gender action plan (developed during project preparation) identifies and supports opportunities to include women in the implementation activities especially in support of an increased participation and leadership in decision-making processes relating to the natural resources and providing opportunities to ensure that economic benefits coming from the sustainable use of pastures and forests resources and land restoration efforts are shared equitably between men and women.?

Private Sector Engagement

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Risks to Achieving Project Objectives

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Not fully.

The risk table that is inserted here seems to come from the UNDP SESP. While some of the included risks are relevant, what GEF is looking for in this risk assessment section is a summary table of the major risks that might prevent project objectives from being achieved. Please note that the assessment of climate change related risks must be included in the table.

Further, please also discuss COVID-19 related opportunities in the context of green recovery, if any, preferably under the table.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you for the comments. Please see the explanations below:

i) The UNDP Risk Register under Annex 7 includes all the Risks. The risk to project success is listed immediately below the safeguards (Risk 16-22). The climate change related risks posed to the project results is reflected under Risk 11.

ii) COVID-19 related opportunities in the context of green recovery are described under Section 3.6 para 164-165, now reflected under the Risk Register table (Annex 7).

Coordination

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Not fully

(1) On execution arrangements: Please make reference to the OFP request for exceptional arrangement for UNDP support and summarize the arrangement here.

The program manager finds the arrangement justified and will recommend to Manager's clearance.

(2) Please explore synergies with the GEF financed and UNDP implemented International Waters Project titled "Strengthening the Resilience of Central Asian Countries by Enabling Regional Cooperation to Assess High Altitude Glacio-nival Systems to Develop Integrated Methods for Sustainable Development and Adaptation to Climate Change" (GEF ID 10077) and update Annex 24 and 19 of the Project Document, as appropriate. Note that Uzbekistan is one of five countries part-taking in this regional project that will promote and facilitate the establishment/strengthening of national and regional glacier centers and with an eye towards continuously assessing current and future water flow in key rivers, including the Amu Darya, Syr Darya and the Illi River. The regional project is fully coordinated with IFAS and will deliver national action plans informed by inter-ministerial dialogues and knowledge and data exchanges and may provide key building blocks for other planned/ongoing projects specific to increasing climate change adaptation and informing management practices.

The following Uzbekistan national ministries/agencies will be involved in the execution of the regional project: State Committee for Ecology and Environmental Protection of the Republic of Uzbekistan (GosKom-Ekologiya); Center of Hydrometeorological Service under the Ministry of Emergency Situations of the Republic of Uzbekistan (UzHydromet) and its Scientific-Research Institute on Hydrometeorology; Ministry of Water Resources; Institute of Geology and Geophysics under the State Committee on Geology and Mineral Resources.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you for the comments.

(i) On execution arrangements: Thank you for the positive review of the management arrangements. As advised, we have now added references to the OFP request for exceptional arrangement for UNDP support and have summarized the arrangements.

(ii) Thank you for your recommendation. We have added the reference to the GEF IW project under the Coordination section and further amended the annexed Knowledge Management Plan (Project Document Annex 17) and List of Baseline Programme and Projects (Project Document Annex 25).

Consistency with National Priorities

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Knowledge Management

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

Environmental and Social Safeguard (ESS)

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes. However, it is suggested to provide the detailed part B of this assessment in a separate document and upload it to the document section of the portal.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Part B of the UNDP SESP is uploaded as a separate document.

Monitoring and Evaluation

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

Secretariat Comment at CEO Endorsement Request

08/05/2021: Yes.

08/05/2021: DISCREPANCY found:

- The total allocated for Co-financing seems to be incorrect as when adding all the amounts are equal to 65k. Could you kindly double check?

08/23/2021: Addressed.

Cleared

Agency Response

Agency Response for comments dated 08/05/2021:

Thank you very much for this comment. Indeed, we have adjusted the co-financing in the M&E Table in both Project Document and CEO ER Document, and increased the co-financing of the Item ?Supervision missions? to \$15,000. The items are now reflecting the M&E envisaged \$75,000 in co-financing.

Benefits

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

Secretariat Comment at CEO Endorsement Request

08/05/2021: Yes.

Cleared

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

06/25/2021:

Annexes provided, however, response to US Council comment needs to be included in Annex B.

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you for the comment. The responses to the Council member (United States) comments have been provided in the GEF-UNDP Project Document under Annex 18 and included in the CEO ER document under Annex B.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

06/25/2021: has been provided

Cleared

Agency Response

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

06/25/2021: UNDP checklist has been submitted. Program Manager found it in order.

Cleared

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

06/25/2021: Not fully.

Comments from Germany have been responded to. Please also respond to US comments (as filed in the portal).

08/05/2021: Addressed.

Cleared

Agency Response

UNDP Response to GEF Sec comments from 06/25/2021:

Thank you for the comment. The responses to the Council member (United States) comments have been provided in the GEF-UNDP Project Document under Annex 18 and included in the CEO ER document under Annex B.

STAP comments

Secretariat Comment at CEO Endorsement Request

06/25/2021: Have been responded to.

Cleared

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

06/25/2021: has been provided in Annex C.

Cleared

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

06/25/2021: have been provided.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

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

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

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

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: No. Please address comments made in this review.

08/05/2021: No. Please address comments made in this review.

08/23/2021: Yes. Program Manager recommends CEO endorsement.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	6/25/2021	
Additional Review (as necessary)	8/5/2021	
Additional Review (as necessary)	8/23/2021	
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations

This project in Uzbekistan will enhance the resilience and sustainability of landscapes and livelihoods in the Aral basin, and progress towards Land Degradation Neutrality (LDN), through integrated management of land, lake, wetland, and riparian ecosystems, with the engagement of private sector and local communities. The project is designed in accordance with the key LDN objectives to increase resilience of landscapes to improve their productivity and ensure sustainable delivery of ecosystem services. As a long-term solution, the Government of Uzbekistan is shifting from cotton-based agriculture with models integrated natural resource use practices that are biodiversity friendly and support healthy soil and vegetation. The project will provide for improved water management for 670,000 ha of irrigated arable and pasture land and offer SLM models for at least 212,000 ha of pastures and forest land. Biodiversity benefits are associated with the improved protection and management status on 900,000 ha of key biodiversity areas (KBA), directly targeting 49,300 beneficiaries. The project will provide for expansion of the protected area estate by an additional area of more than 3,094,000 ha covering 6

KBAs. The GEF investment will also contribute to strengthening the management effectiveness of the 757,000 ha of existing protected areas.

The risks and opportunities of the COVID-19 pandemic have been assessed and adaptive management measures are in place. In addition, this UNDP/GEF project is part of UNDP's approach to supporting the country's green recovery in three main directions: (i) accelerating transition towards the use of clean renewable energy (ii) support to reorienting business and finances towards green investment and policies that are promoting green jobs and (iii) support to sustainable agricultural practices and facilitation of innovative 'climate smart' knowledge in agriculture sector, in partnership with the European Union.