



# Transforming Policy and Investment through Improving Ecosystem Management and Restoration of Degraded Drylands of Dedoplistskaro Biosphere Reserve in Georgia to Generate Multiple Environmental and Socio-Economic Benefits

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

11141

**Countries**

Georgia

**Project Name**

Transforming Policy and Investment through Improving Ecosystem Management and Restoration of Degraded Drylands of Dedoplistskaro Biosphere Reserve in Georgia to Generate Multiple Environmental and Socio-Economic Benefits

**Agencies**

UNEP

**Date received by PM**

6/20/2024

**Review completed by PM**

8/26/2024

**Program Manager**

Ulrich Apel

**Focal Area**

Multi Focal Area

**Project Type**

FSP

**PIF  
CEO**

**Part I - General Project Information**

**1. a) Is the Project Information table correctly filled, including specifying adequate executing partners?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**2. Project Summary.**

- a) Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected outcomes?
- b) Does the summary capture the essence of the project and is it within the max. of 250 words?

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**3. Project Description Overview**

- a) Is the project objective statement concise, clear and measurable?
- b) Are the components, outcomes, and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?
- c) Are gender dimensions, knowledge management, and M&E included within the project components and budgeted for?
- d) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?
- e) Is the PMC equal to or below 10% (for MSP) or 5% (for FSP)? If above, is the justification acceptable?

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**4. Project Outline**

**A. Project Rationale**

- a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?
- b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and/or adaptation benefits and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?
- c) If this is an NGI project, is there a description of how the project and its financial structure are addressing financial barriers?

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**5 B. Project Description**

**5.1 a) Is there a concise theory of change (narrative and an optional schematic) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the focus and basis (including scientific) of the proposed solutions, how they provide a robust approach? Are underlying key assumptions listed?**

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

**c) Are the project components (interventions and activities) described and proposed solutions and critical assumptions and risks properly justified? Is there an indication of why the project approach has been selected over other potential options?**

**d) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits and/or adaptation benefits identified?**

**e) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?**

**f) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?**

**g) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options (as applicable for this FSP/MSP)?**

**h) Are the relevant stakeholders (including women, private sector, CSO, e.g.) and their roles adequately described within the components?**

**i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and description/s?**

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

**k) Policy Coherence: Have any policies, regulations or subsidies been identified that could counteract the intended project outcomes and how will that be addressed?**

**l) Transformation and/or innovation: Is the project going to be transformative or innovative? Does it explain scaling up opportunities?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

07/15/2024: Additional comment on Gender:

Please ensure that gender dimensions are monitored and reported on thoroughly during the project implementation and PIR/MTR/TE.

08/26/2024: Addressed (see response below).

Cleared

#### Agency Response

08/22/2024

This comment is Addressed in Annex K Monitoring and Evaluation: ?Gender dimensions will be thoroughly monitored and reported during the project implementation and Project Implementation Review reporting, midterm and terminal review/evaluation.?

#### **5.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project**

- a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?**
- b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?**
- c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed projects/programs (such as government and/or other bilateral/multilateral supported initiatives in the project area, e.g.).**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

#### Agency Response

##### **5.3 Core indicators**

- a) Are the identified core indicators calculated using the methodology and adhering to the overarching principles included in the corresponding Guidelines (GEF/C.62/Inf.12/Rev.01)?**
- b) Are the project's targeted contributions to GEBs (measured through core indicators and additional listed outcome indicators) /adaptation benefits reasonable and achievable?**
- Are the GEF Climate Change adaptation indicators and sub-indicators for LDCF and SCCF properly documented?**

Secretariat comment at CEO Endorsement Request

07/01/2024: No.

Core indicators at CEO endorsement stage have not been entered into the core indicator table in the portal. Please insert.

07/15/2024: Addressed.

Cleared

Agency Response

09/07/2024

Core indicators entered

#### 5.4 Risks

**a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?**

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

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

07/15/2024: Additional comment:

Please provide explanation of risk and mitigation measures for the 'innovation' and 'execution' section of 'Key Risks' table.

08/26/2024: Not fully addressed.

Please provide explanation of risk and mitigation measures for the 'innovation' and 'execution' section of 'Key Risks' table

Agency Response

08/22/2024

Two rows have been added to the risks table in the 'Risks to Project Implementation' section of the CEO Endorsement Request, addressing 'Innovation' and 'Execution' risks.

10/01/2024

We added the missing measures under the innovation and execution sections of the risk mitigation measures.

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

Secretariat comment at CEO Endorsement Request n/a

Agency Response

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

**6.1 a) Is the project adequately aligned with Focal Area objectives, and/or the LDCF/SCCF strategy?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**7 D. Policy Requirements**

**7.1 Are the Policy Requirement sections completed?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**7.2 Is the Gender Action Plan uploaded?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes, as part of the project document.

Cleared

Agency Response

**7.3 Is the stakeholder engagement plan uploaded?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes, as part of the project document.

Cleared

Agency Response

08/22/2024

The SRIF rating has been revised to "moderate risk" in accordance with UNEP's Project Review Committee safeguards reviewer. The assessment will be validated through a comprehensive field-based Environmental and social Impact Assessment to inform the preparation of an Environmental and Social Management Plan for the Project. The ESIA and ESMF will be developed within the first 3 months of project implementation by the Project Executing Agency.

**7.4 Have the required applicable safeguards documents been uploaded?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes, as part of the project document.

07/15/2024: Additional comment:



- We note that the project's overall ESS risk is classified as low downgraded from PIF stage (moderate). However, the attached revised environmental and social screening document (Annex F) in the CEO endorsement stage said moderate risk. Please make these (including environmental and social risks (low) in the Key risks in the Portal) consistent and revise, and attach the revised environmental and social screening document at the CEO endorsement stage.

08/26/2024: Not fully addressed.

The SRIF rating has been revised to 'moderate risk' in accordance with UNEP's Project Review Committee safeguards reviewer. It said that the assessment will be validated through a comprehensive field-based Environmental and Social Impact Assessment to inform the preparation of an Environmental and Social Management Plan for the Project. The ESIA and ESMF will be developed within the first 3 months of project implementation by the Project Executing Agency. However, environmental and social risks in the Key risks table in the Portal are 'low' and the summary does not reflect the SRIF.

1) Please revise the key risk table based on the revised SRIF and include the mitigation plans for preparing ESIA and ESMF including budget and timeline.

In addition, we could not find 'D. Safeguard Review Summary' in the SRIF in the updated CEO endorsement, Annex F.

2) Please provide the updated SRIF with the Safeguard Review summary.

10/02/2024: Addressed.

## Agency Response

08/22/2024

The SRIF rating has been revised to 'moderate risk' in accordance with UNEP's Project Review Committee safeguards reviewer. The assessment will be validated through a comprehensive field-based Environmental and social Impact Assessment to inform the preparation of an Environmental and Social Management Plan for the Project. The ESIA and ESMF will be developed within the first 3 months of project implementation by the Project Executing Agency.

10/01/2024

1. The 'Environmental and Social' risk under the risk table has been changed to Moderate and the following text has been added.

?The ESIA and ESMF will be developed within the first 3 months of project implementation with a total budget of \$20,000.?

We erroneously uploaded an earlier version of the SRIF. The final version has been uploaded. Below is the text under Safeguard Review Summary: ?This is a Moderate Risk Project triggering Safeguard Standard 1, 3, 4, 5 and 6. It is advisable that appropriate E&S safeguards assessments and management plans will be required regarding these safeguards standards and corresponding national laws. The project should pay attention to UNEP's Guiding Principles? leave-no-one behind; human rights and gender equality and women's empowerment; accountability; sustainability and resilience, which are applicable to all UNEP projects irrespective of risk classification.?

2. Latest version has been uploaded.

#### **8 Annexes**

##### **Annex A: Financing Tables**

**8.1 GEF Financing Table and Focal Area Elements: Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):  
STAR allocation?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Not fully. If the project activities include restoration, please also select LD-2 as a programming objective with funding as appropriate.

07/15/2024: Addressed.

Cleared

Agency Response

09/07/2024

LD-2 has been added, GEF TF and co-finance amount have been readjusted.

**Focal Area allocation?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**LDCF under the principle of equitable access?**

Secretariat comment at CEO Endorsement Request

Agency Response  
**SCCF A (SIDS)?**

Secretariat comment at CEO Endorsement Requestn/a

Agency Response  
**SCCF B (Tech Transfer, Innovation, Private Sector)?**

Secretariat comment at CEO Endorsement Requestn/a

Agency Response  
**Focal Area Set Aside?**

Secretariat comment at CEO Endorsement Requestn/a

Agency Response  
**8.2 Project Preparation Grant (PPG)**  
**a) Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?**

Secretariat comment at CEO Endorsement Request  
07/01/2024: Yes.

Cleared

Agency Response  
**8.3 Source of Funds**  
**Does the sources of funds table match with the amounts in the OFP's LOE?**  
**Note: the table only captures sources of funds from the country's STAR allocation**

Secretariat comment at CEO Endorsement Request  
07/01/2024: Yes.

Cleared

Agency Response

**8.4 Confirmed co-financing for the project, by name and type: Are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?**

**e.g. Have letters of co-finance been submitted, correctly classified as investment mobilized or in-kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?**

**Secretariat comment at CEO Endorsement Request**

07/15/2024: Additional comments:

- Please submit letter of co-financing commitment for Ministry of Environmental Protection and Agriculture of Georgia amount of \$1,000,000 and for Municipality of Dedoplistskaro amount of \$3,000,000. The OFP endorsement letter is uploaded instead of letter of commitment.

- In-kind is ?recurrent expenditure? normally. Please revise investment mobilized for REC Caucasus to ?recurrent expenditures?.

08/26/2024: Not fully addressed.

Please provide detailed information on the nature and allocation of the in-kind contributions (e.g., staff wages, facilities, travel, transportation) for Municipality of Dedoplistskaro amount of \$3,000,000. This time, you may include this information in the cofinancing description field in Annex A or within the applicable sections of the form. However, please ensure that such details are also included in cofinancing letters for future projects.

10/02/2024: Addressed.

**Agency Response**

08/22/2024

All co-financing letters have been submitted (including for Ministry of Environmental Protection and Agriculture of Georgia \$1,000,000 and for Municipality of Dedoplistskaro \$3,000,000). Co-financing from REC Caucasus has been adjusted to reflect a portion as ?Recurrent Expenditures? and the remainder as ?Investment Mobilized? (see the revised Table ?Confirmed Co-financing for the Project, by Name and Type?, in Annex A).

REC Caucasus co-financing contribution commitment letter has been updated and now reflects the split of REC Caucasus and SABUKO's joint co-financing. The initial joint in-kind initial contribution ?\$9,333,402? has been split, with REC Caucasus portion reduced by \$4,500,000. SABUKO's separate commitment letter (for amount \$4,500,000) has also been submitted. See the revised Table ?Confirmed Co-financing for the project, by name and type? in Annex A for details.

Co-financing budget has been revised accordingly (see Annex G, revised **Annex G-2: Co-Financing Budget in GEF Format**, available as a separate Excel File).

**10/01/2024**

Detailed information on the nature and allocation of the in-kind contributions (e.g., staff wages, facilities, travel, transportation) for Municipality of Dedoplistskaro amount of \$3,000,000 is included in the cofinancing description field in Annex A.

**Annex B: Endorsements**

**8.5 a) If ? and only if - this is a global or regional project for which not all country-based interventions were known at PIF stage and, therefore, not all LOEs provided:**

**Has the project been endorsed by the GEF OFP/s of all GEF eligible participating countries and has the OFP name and position been checked against the GEF database at the time of submission?**

Secretariat comment at CEO Endorsement Requestn/a

Agency Response

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

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

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**Annex C: Project Results Framework**

**8.6 a) Have the GEF core indicators been included?**

**b) Have SMART indicators been used; are means of verification well thought out; do the targets correspond/are appropriate in view of total project financing (too high? Too low?)**

**c) Are all relevant indicators sex disaggregated?**

**d) Is the Project Results Framework included in the Project Document pasted in the Template?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

Cleared

Agency Response

**Annex E: Project map and coordinates**

**8.7 Have geographic coordinates of project locations been entered in the dedicated table? Are relevant illustrative maps included?**

Secretariat comment at CEO Endorsement Request

07/01/2024: Yes.

07/15/2024: Additional request:

In Annex E on Project Map and Coordinates, please consider inserting the geographic location of the site directly under the dedicated data entry fields in the portal.

08/26/2024: Addressed (see response below).

Cleared

Agency Response

08/22/2024

Tables with coordinates have been added in Annex E. These have been uploaded on the portal.

**Annex G: GEF Budget template**

**8.8 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?**

**b) Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?**

**c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?**

Secretariat comment at CEO Endorsement Request

07/01/2024: No.

The GEF budget template is missing, please upload it into the portal template.

07/15/2024: Budget table has been uploaded. Please address the following comments:

i. A Project director is being charged across components and PMC. Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC. Requesting the costs associated with the execution of the project to be covered by the PMC is reasonable ? by so doing, asking the proponents to utilize both portions allocated to PMC (GEF portion and co-financing portion) is also reasonable. That said, when the situation merits (i.e. not enough co-financing funds), the project's staff could be charged to the project's components with ?clear Terms of Reference describing unique outputs linked to the respective component? (paragraph 4 ? page 42 of the Guidelines).

ii. Office supplies, office rent, office utilities should be charged 100% to PMC but not to project components. Please revise the budget accordingly.

08/26/2024: Not fully addressed.

Office supplies, office rent, office utilities are still being charged to project components and PMC and we have found the uploaded budget table remains unchanged. Please revise the budget and upload new version to Portal.

10/02/2024: Addressed.

## Agency Response

08/22/2024

i. Terms of Reference have been revised to better reflect outputs linked to the respective component. See Clear Terms of Reference for Project director describing unique outputs linked to the project components/outcomes in Annex J.

ii. Office supplies, office rent, and office utilities are now charged to PMC exclusively.

01/10/2024

A Revised budget has been uploaded addressing the PMC comments.

### Annex H: NGI Relevant Annexes

**8.9 a) Does the project provide sufficient detail (indicative term sheet) to assess the following criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments.**

**b) Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments.**

**c) Is the Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat comment at CEO Endorsement Requestn/a

Agency Response

**Additional Annexes**

**9. GEFSEC DECISION**

**9.1.GEFSEC Recommendation**

**Is the project recommended for approval**

Secretariat comment at CEO Endorsement Request

07/01/2024: No. The submission is incomplete and the review could only be partially completed. Please address initial comments and provide missing information.

07/15/2024: No. Please address the consolidated comments made in this review.

08/26/2024: No. Please address issues that have not been fully addressed as highlighted in this review.

10/02/2024: Outstanding comments have been addressed. Program manager recommends CEO endorsement.

**9.2 Additional Comments to be considered by the Agency during the inception and implementation phase**

Secretariat comment at CEO Endorsement Request

**9.3 Review Dates**

	<b>CEO Approval</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>7/1/2024</b>	
<b>Additional Review (as necessary)</b>	<b>7/15/2024</b>	
<b>Additional Review (as necessary)</b>	<b>8/26/2024</b>	
<b>Additional Review (as necessary)</b>	<b>10/2/2024</b>	



**CEO  
Approval**

**Response to Secretariat  
comments**

**Additional Review (as  
necessary)**