

# Conservation and Sustainable Management of Land Resources and High Nature Value Ecosystems in the Aral Sea Basin for Multiple Benefits

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10352

**Countries**

Turkmenistan

**Project Name**

Conservation and Sustainable Management of Land Resources and High Nature Value Ecosystems in the Aral Sea Basin for Multiple Benefits

**Agencies**

UNDP

**Date received by PM**

6/4/2021

**Review completed by PM**

8/4/2021

**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.

However, please check the submission date: currently entered is 10/03/2019 (?)

08/04/2021: Date has been corrected.

NEW clarification request:

- Please clarify if, as stated in the coordination section, "all financial and procurement functions will be executed by a third party institution". If this is the case, then the enterprise ?Ynamly Kepil? should be added as an Executing Partner in Part I alongside the Ministry.

08/23/2021: Thank you for the clarification. In this case both UNDP and Ynamly Kepil should be listed in Part I under "Other Executing Partner(s)". Please include.

08/31/2021: Inserted.

Cleared

## Agency Response

Agency Response to GEF Sec comment from 08/23/2021:

We added both names under Part 1 in CEO ER.

08/04/2021: Agency Response

Thank you for this comment. The enterprise ?Ynamly Kepil? and UNDP are both having execution support functions. We have added more clarity on that particular sentence in the overall Coordination Section, the text reads now as follows :

*? The MAEP will have substantive supervisory functions and roles, while the project administration capacities and functions (contracting, recruitment of personnel and experts, finance administration and administrative support to project processes) will be sought from a qualified third party/ Responsible Party (RP) and UNDP, as clarified further in this paragraph and in the Audit Checklist?*

This paragraph under the Coordination Section then further clarifies the RP's limitations and the UNDP CO support, as follows:

*The private enterprise ?Ynamly Kepil? has been selected as Responsible Party (RP) as a result of the HACT Micro Assessment conducted. The PCAT Assessment has also demonstrated that private enterprise ?Ynamly Kepil? is well capacitated to provide partial execution support for the project. Necessary due diligence has been conducted as part of PCAT for the private entity. The decision on selection has been discussed and consulted with the IP (MAEP). In line with UNDP rules, actual contracting of RP(s) will take place after project approval during the inception phase. At the same time, PCAT and HACT assessments as well as extensive consultations with the MAEP and the potential RPs have indicated certain capacity limitations related to the national legislation and internal regulations of the RPs, especially related to the capacity of executing international payments and procurement and coordination with other international donors and development partners. Due to the RP identified capacity constraints, support services of UNDP will be specifically requested on an exceptional basis, in accordance with the GEF Guidelines on Project Cycle C95.Inf.03 dated 20 July 2020. A strict firewall will be maintained between the delivery of project oversight and quality assurance performed by UNDP and charged to the GEF Fee and UNDP supported project execution charged to the project management costs. The Government of Turkmenistan will request UNDP direct services for this project, according to its policies and convenience. Upon request, the UNDP project support services would follow the UNDP policies on the recovery of direct costs. The requested support services and their estimated costs are specified in the Letter of Agreement (Annex 21).*

## 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: Not fully

- Please strive for proportionality between the overall and PMC co-financing.

08/04/2021: Addressed.

Cleared

Agency Response

**UNDP Response.** Thank you for the comment. PMC co-financing is now revised and proportionally increased.

**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.

Cleared

Agency Response

**GEF Resource Availability**

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Table D is adequate. However, please address comments on the budget:

- The total travel costs for the project with approximately \$370,000 seem to be comparably high, especially considering that not many international experts are travelling. Please justify the costs.

- Miscellaneous costs are not eligible.

- Operational costs for cell phone contracts and internet, postal cost and pouches, as well as bank charges are GOE and should be included in the PMC. Please use co-financing resources to cover.

08/04/2021: Not fully addressed & NEW requests:

- Miscellaneous expenses still appear in the budget. The response has been made on the review sheet that it has been removed, but the expenses remain in the budget table. Please double check.

- The item ?Travel? that is included in the budget under M&E costs is not stipulated in the M&E Budget Table. Although the total budgets do match (\$62,500) the travel costs are not included in the M&E Budget. Please double check.

- The item Direct Project Cost services to UNDP is based on the letter of support included in the Documents tab (\$45,832). However, according to the coordination arrangement the third party (Ynamly Kepil) will provide all financial and procurement functions. Please clarify - the same functions executed by different parties cannot be charged twice. One option would be to: (i) request a new Letter of Support with the precise functions that UNDP will execute; and/or (ii) adjust in the budget the cost that UNDP will charge for such functions.

- Portable computers and office equipment should be charged to the PMC. In addition, can you please confirm that the total budget of \$46,000 for video conference cameras, loudspeakers and projectors (\$34,200 + \$6,100 + \$6,000) is a cost-effective investment.

08/23/2021: Addressed.

Cleared

#### Agency Response

08/04/2021: Agency Response:

Thank you. We have carefully analyzed the comments and addressed these aspects as follows:

- Thank you for your comment. The Miscellaneous expenses have been deleted from the Annex H- GEF budget table now in CEO ER.

- Thank you for the comment. As advised, we introduced the Travel expenditures under a distinct line in the M&E Table (Project Document and CEO ER) and operated corresponding corrections so that the M&E table now exactly reflects the M&E Budget component.

- Thank you for this comment, the Coordination arrangements stipulate that the execution support functions will be ensured by both ?Ynamly Kepil? and UNDP and they have different functions, as clarified in the Audit Checklist and the Letter of Support.

- For example: as clarified in these documents the execution support of the Responsible Party ?Ynamly Kepil? include: (i) Contracting and contract management for procurement of goods, services, and works for the project at national level; (ii) Certification for contract performance and acceptance of goods and services as per Project Procurement Plan;(iii) Financial management, including payments for goods and services involving national consultants and made in national currency. (iv) Logistical support, including duty travel for project personnel and consultants, project event management within the country (to be detailed through an LOA with the Responsible Party); (v) Equipment and Asset Management services, including IT equipment maintenance, licenses, and ICT support for the project team and project activities; (vi) Administrative support for the project.

Furthermore, the requested UNDP support services include: (a) Transparent and competitive process for complex procurement of goods, services, and works for the project which involves foreign currency transactions. The specific procurement cases where UNDP assistance is required will be identified through a detailed annual procurement plan for the project.(b) Procurement of goods and services from international suppliers (including contracting). (c) Identification and/or recruitment of key project personnel (PM, PA and key specialists/component leads with contracts of 12 months and above) and international consultants according to UNDP norms and requirements, management of international consultant activities. (d) Limited financial services, including processing of payments under the contracts concluded by UNDP, which includes creating vendors, payment reconciliation, and preparation of expenditure reports (such as CDRs) to partners and donors; e) International travel support and travel settlement at the request of the project Responsible Party (when the latter is unable to provide such service).

- Thank you for your comment. The IT equipment (e.g. portable computers, scanners, printers) will support different capacity building events, and are not needed for the Project management office. The computers for the PM office will be covered from co-financing. With regard to the audio-visual equipment, this will be owned by the Ministry of Agriculture and Environmental Protection and by the International Fund for Saving the Aral Sea (IFAS)- the latter holds a pivotal role in organizing the Aral Sea Basin negotiations, and represents long term capacity building investment, to serve the purpose of delivering multiple professional events either on-line or in-person, in the years to come.

**UNDP Response:** Thank you for the comments.

**-Travel costs:** We understand that the travel costs may seem high, but these costs have been estimated based on PPG expert team recommendations and consultations with national partners. These are, we hope, appropriately reflecting the complexity of the field assessments that are needed to accomplish the project outputs. There are different field assessments to be conducted e.g. water pattern consumption related data; pastures inventories; species inventories and habitat mapping, land use inventories, socio-economic assessments and community outreach (interviews, focus groups). The collection of field data is in fact of utmost importance considering the lack of data in the country and the novelty of LDN related assessments. Unfortunately, the information in Turkmenistan is very scarce. Most data exist on irrigated areas, regularly monitored by state agencies. However, there are for example no pasture monitoring arrangements and hence there is little or no data on pasture condition. Comprehensive pastures assessments have not been conducted in the past 10-15 years. There is very scarce data on pasture infrastructure and condition of water wells. Similarly, there is very scarce data on species and habitats- which need to be inventoried at least twice during the project life time for monitoring purposes. These difficulties are compounded by the fact that the project targeted areas are located at very large distances from one another and from the project office. There are approximately 45 proposed technical positions to carry out the technical assessments; an estimated 60% of the scope of work of these technical assignments will consist in actual field works, which would add to the travel expenses. There are 5 international experts that would likely need at least 2 missions per year in the country. Apart from that, there will be a number of short-term international experts and keynote speakers participating at the international events organized (or sponsored) by the project. The budget notes provided under the GEF-UNDP Project Document, under the Section VII Financial Planning and Management in the Total Budget and Workplan are hopefully explanatory of these estimated travel costs, which will be refined by the project team, at the inception stage.

**-Miscellaneous costs** were removed from the GEF budget.

**-Operational costs** for cell phone contracts and internet and pouch were removed from the GEF budget and will be covered from co-financing. The GEF funds were repurposed to support audio-visual equipment for remote work, Zoom meetings and trainings.

**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: Yes.

Cleared

Agency Response

**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 overview table with stakeholder and their roles in the portal section.

08/04/2021: Addressed.

Cleared

Agency Response **UNDP Response:** The overview table with stakeholders and their roles were included in the 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: Please provide a short summary of the gender analysis in line with the referenced project document annex in this section.

08/04/2021: Addressed.

Cleared

Agency Response **UNDP Response:** Thank you for this comment. A brief summary of the gender analysis is included under Section 3 Gender Equality and Women's Empowerment.

**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 adequately

What is included here seems to be the UNDP SESP, which is repeated further below. In this risk section GEF is requesting a summary table of the major risks that might prevent project objectives from being achieved. Assessment of Climate change related risks and COVID-19 pandemic are mandatory. Please also include, preferably under the table, an assessment of the opportunities for green recovery, if any.

08/04/2021: Addressed.

Cleared

#### Agency Response

**UNDP Response:** Thank you for the comments.

The UNDP Risk Register under Annex 7 includes all the Risks (as per UNDP requirements). The risk to project success are listed immediately below the safeguards (Risk 16-18). The climate change related risks posed to the project results is reflected under Risk 8 and COVID-19 related risk under Risk 18. A brief assessment of the opportunities for green recovery is included under the Risk Register Table (GEF-UNDP Project Document 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) In this section, no reference is being made to the OFP request for execution support. Please summarize the exceptional arrangement and reference the support letter.

The Program Manager finds the request justified and will recommend 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 Turkmenistan 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 Turkmenistan national ministries/agencies will be involved in the execution of the regional project: Ministry of Agriculture and Environment Protection, State Committee for Water Management and National Committee for Hydrometeorology (Turkmengidromet).

08/04/2021: Addressed.

Cleared

#### Agency Response

UNDP Response: Thank you for the comments.

(1) 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.

(2) 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 19) and List of Baseline Programme and Projects (Project Document Annex 24).

#### 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 information in Part B in a separate document uploaded to the portal documents section.

08/04/2021: Addressed.

Cleared

Agency Response **UNDP Response: 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

06/25/2021: Yes.

08/04/2021: NEW discrepancy found:

- The item ?Travel? is not stipulated in the M&E Budget Table. Although the total budgets do match (\$62,500) the travel costs are not included in the M&E Budget (see also same comment above under budget).

08/23/2021: Addressed.

Cleared

Agency Response

08/04/2021: Agency Response:

-Thank you indeed for this comment. We have addressed this discrepancy and now the M&E Table (in the Project Document) faithfully reflects the M&E Component in the Project Budget. The Travel costs are grouped under a distinct line under the M&E Table (in the Project Document).

**Benefits**

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

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

Cleared

Agency Response

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

06/25/2021: Not fully.

Annex B: Please also include a response to the Council comment from France (as filed in the portal under stakeholder comments).

08/04/2021: Addressed.

Cleared

Agency Response **UNDP Response:** Thank you for the comment. The responses to the Council member (France) comments has been provided in the GEF-UNDP Project

Document under Annex 18 and further included in the CEO ER document under Annex B.

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request

06/25/2021: Yes.

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.

Annex B: Please also include a response to the Council comment from France (as filed in the portal under stakeholder comments).

08/04/2021: Addressed.

Cleared

Agency Response **UNDP Response:** Thank you for the comment. The responses to the Council member (France) 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: Yes. Has 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. Unused portion will be returned to GEF TF.

Cleared

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

06/25/2021: Has been provided.

08/04/2021: NEW request: Please reupload the map as it is not possible to read the legends or the city names in the map in the current resolution.

08/23/2021: Has been uploaded in better resolution.

Cleared

Agency Response

08/04/2021: Agency Response:

The map is re-uploaded.

**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.

08/04/2021: No. Please address comments made in this review.

08/23/2021: No. Please include UNDP and Ynamly Kepil in PArt I under "Other Executing Partner(s)" alongside the Ministry.

08/31/2021: Yes. Program Manager recommends CEO endorsement.

## Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
<b>First Review</b>	<b>6/25/2021</b>	
<b>Additional Review (as necessary)</b>	<b>8/4/2021</b>	
<b>Additional Review (as necessary)</b>	<b>8/23/2021</b>	
<b>Additional Review (as necessary)</b>	<b>8/31/2021</b>	
<b>Additional Review (as necessary)</b>		

## CEO Recommendation

### Brief reasoning for CEO Recommendations

This MFA project will promote land degradation neutrality, restore and improve the use of land and water resources in Turkmenistan's Amu Darya watershed and enhance the sustainability and resilience of livelihoods and globally significant ecosystems. The project covers three types of geographic areas: irrigated agricultural land, pasture land, and critical ecosystems. The project aims to put the different types of on-the-ground management practices in place that are necessary for an integrated approach to landscape management: efficient water management, sustainable and biodiversity friendly land management for arable land and pasture land, and effective protected area management. Furthermore, the project will make a targeted set of investments for selected existing protected areas (PA) addressing their most important needs and improving their management effectiveness by supporting management planning, including financial gap analysis and business planning, as well as monitoring and research capacities. The project will improve management in 1,137,500 ha of protected areas, restore 60,000 ha of land, bring 746,000 ha of landscape under improved practices, generate 2.0 million tCO<sub>2</sub>e<sub>q</sub> in carbon benefits, and benefit 5,000 people.

The risks and opportunities of the COVID-19 pandemic have been assessed and mitigation measures proposed, including putting in place adaptive management

structures to respond to further developments. Furthermore, UNDP issued corporate guidance on 'Managing programmes and projects in the age of Covid-19'. These guidelines will be included in the Project COVID-19 Response Strategy.