



**GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS\***  
**THE GEF/LDCF/SCCF TRUST FUNDS**

GEF ID:	4422		
Country/Region:	Tajikistan		
Project Title:	Increasing Climate Resilience through Drinking Water Rehabilitation in North Tajikistan		
GEF Agency:	EBRD	GEF Agency Project ID:	
Type of Trust Fund:	Special Climate Change Fund (SCCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCM-2; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$2,727,067
Co-financing:	\$23,011,400	Total Project Cost:	\$25,738,467
PIF Approval:	January 28, 2011	Council Approval/Expected:	March 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Saliha Dobardzic	Agency Contact Person:	Craig Davies

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	N/A	
	3. Has the operational focal point endorsed the project?	Yes, the Operational Focal Point has endorsed the project and the letter is available on file.	
Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	Yes, namely in the comparative advantage of the EBRD in the central Asia region, including Tajikistan, and in ensuring sustainability through private sector and municipal environmental infrastructure projects at the country and regional level in the countries of eastern and central Europe and central Asia.	

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 9-8-2010

	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	Yes, the EBRD will bring \$10,000,000 in investment funds and \$1,070,000 in technical funds for non-investment and investment-related technical assistance. Additional cofinancing of \$11,000,000 in grant funding will be provided by the Swiss Government and SECO.	
	6. Does the project fit into the Agency's program and staff capacity in the country?	<p>The EBRD has a substantial portfolio in Tajikistan predominantly in microfinance, agriculture, and the municipal and transport sectors, and is working on three water supply rehabilitation projects, one one of which under implementation. The regional office of the EBRD is based in Dushanbe and has a permanent professional staff of five and administrative staff of two.</p> <p>Recommended action: Please elaborate on the project management team -- what are the institutional arrangements for the implementation of this project?</p> <p>Update 01/25/2011: This has been resolved. The project team consists of bankers and specialists from the specialist Municipal Environmental Infrastructure team based in the EBRD Moscow Regional Office and the Dushanbe Regional Office. All project activities funded by donors will be used either directly for investment or to hire engineering and other specialist company consortia, and project management costs for both the baseline and SCCF-funded activities will be entirely covered by sources other than SCCF. More information will be provided at CEO endorsement.</p>	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	N/A	
	• the focal area allocation?		
	• the LDCF under the principle of equitable access?	N/A	

	<ul style="list-style-type: none"> <li>the SCCF (Adaptation or Technology Transfer)?</li> </ul>	Yes, under adaptation.	
	<ul style="list-style-type: none"> <li>focal area set-aside?</li> </ul>	N/A	
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	Yes, the project is aligned with the LDCF/SCCF results framework in terms of objectives, outcomes and outputs.	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	Yes, the project's focal area objectives include reducing vulnerability to climate change and climate variability, and increasing the adaptive capacity.	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, and NCSA?	Yes. Tajikistan has been identified (by the World Bank) as the the most climate vulnerable country in the ECA region. In addition to giving resilience to climate change top priority, the Government of Tajikistan considers urban water sector a high priority, in terms of improving supplies, climate change adaptation, and water resource management. The project is consistent with the National Development Strategy, the National Environment Action Plan, the National Action Plan on Climate Change Mitigation and the Poverty Reduction Strategies.	
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	Yes. The water companies for the participating cities and city administrations will be actively involved in all project activities, as will local population stakeholder groups, with efforts towards a balanced (in terms of gender, in particular) representation. It is clear from this, therefore, that capacity and involvement of institutions will be developed.	
	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	The baseline project(s) are alluded to in the project framework, but not described. For example, project component 1 "Water conservation and rational use of drinking water" is financed solely by co-financing. Recommended Action: Please describe the project(s) that are or will be funded by the "co-financing" in listed in table C, as well as the problems that this project or these projects seek to address (not climate change adaptation.)	

Project Design		Update 1/25/2011: This has been resolved. The PIF now includes a clear description of baseline project.	
	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	No. Please see the previous comment.  Update 1/25/2011: The PIF now includes a good description of the problems that the baseline seeks to address.	
	14. Is the project framework sound and sufficiently clear?	Yes, the project framework is quite strong and clear. However, please see comment under question 27 on project management costs.  Update 1/25/2011: This issue has been resolved/clarified in a highly satisfactory manner. The project management costs will be borne solely by non-SCCF sources of funding.	
	15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?	Linked to the clarification of the baseline project, as requested under point 12., the additional activities proposed to be funded under the SCCF need to be highlighted out of the whole list of activities. Recommended Action: Please highlight the additional activities, and clarify how they are complementary and appropriate.  Update 1/25/2011: The additional activities, vs. baseline activities, have been made clear. This is satisfactory.	
	16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?	Yes, the assumptions are correct. For example, the proposal calls for financing interventions that will be less subject to climate change, i.e. developing/maintaining deepwater infrastructure instead of relying on surface water sources.	
	17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative	No. It is unclear why this project design approach was chosen as opposed to an alternative. Recommended Action: Please provide justifications on the cost-effectiveness of	

	<p>approaches to achieve similar benefits?</p>	<p>the project.</p> <p>Update 1/25/2011: This has been resolved. A number of alternatives were considered prior to deciding upon this approach, both in terms of investment and project delivery.</p>	
	<p>18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the achievement of environmental/ adaptation benefits (for SCCF/LDCF)?</p>	<p>Yes, and these include resource savings in the form of reduced drinking water consumption, reduced leakage and water losses, and better access to cleaner and more climate resilient sources of water. The associated economic benefits of reduced resource use will make participating cities more competitive, which is expected to serve well the local populations, particularly the vulnerable and women who can be particularly affected by the hardship of domestic water unavailability.</p>	
	<p>19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?</p>	<p>Local populations will be engaged through the establishment of Water User Committees which will be set up at the level of neighborhood associations, and efforts will be made to ensure balanced (i.e. gender) representation in these committees.</p>	
	<p>20. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>Yes, the project takes into account climate risks, environmental and social risks, and institutional risks and provides mitigation measures.</p>	
	<p>21. Is the provided documentation consistent?</p>	<p>Yes.</p>	
	<p>22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?</p>	<p>Yes, as covered under point 11 and point 19.</p>	
	<p>23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>Yes, the project is coordinated with the PPCR for Tajikistan, whereby the EBRD, along with the World Bank and the Asian Development Bank, is supporting the Government of Tajikistan in developing</p>	

		<p>and implementing a strategic program for Tajikistan's capacity to cope with the consequences of climate change. The SCCF project is complementary to this broader initiative in that it will link specifically to the rehabilitation of the urban water supplies in the seven cities, an issue for which PPCR is not well suited due to the length of the process involved and time required for the requisite resources to be released. While the impacts of climate change on the availability of safe drinking water for Tajikistan's population were considered during analytical work and stakeholder discussions during the preparation of the PPCR, the EBRD has chosen not to include this in the PPCR programme, but rather aim to fund this activity under the SCCF, finding it better suited and more flexible for this case. This approach has been agreed with the Government of Tajikistan. The project is also coordinated with the activities funded by the international donor agencies focusing on rural supplies and sanitation, including the World Bank, SECO (Switzerland), EC, and JICA. The project is also coordinated with the government of Tajikistan on several levels.</p>	
	<p>24. Is the project implementation/ execution arrangement adequate?</p>	<p>This is unclear.  Recommended Action: please clarify the project implementation/execution arrangements (this is also relevant to the comment under point 6.)</p> <p>Update 1/25/2011:  Consistent with the update under point 6., the information on the project implementation/execution arrangements is currently satisfactory for this stage. There is an understanding that more information will be provided at CEO endorsement stage.</p>	

	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	<p>No costs are provided under management cost.  Recommended Action:  Please elaborate how the costs of managing the project will be covered. Please list the costs, if any, that will be covered under the SCCF. Please note that the ratio of PM costs covered by the SCCF vs. by the cofinancing should be pro-rata with respect to the ratio of SCCF total grant vs. total cofinancing for the project.</p> <p>Update 1/25/2011:  The costs of managing the project will be covered entirely by EBRD and other, non-SCCF funding sources.</p>	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	<p>Recommended action: please address the comments under question 15, which should provide sufficient information in order to answer this question.</p> <p>Update 1/25/2011:  Yes, the funding per objective is appropriate.</p>	
	29. Comment on indicated cofinancing at PIF. At CEO endorsement, indicate if cofinancing is confirmed.	<p>The cofinancing is at an adequate level. However, as previously requested, please describe precisely what the cofinancing is funding, i.e. the baseline project.</p> <p>Update 1/25/2011:  This has been clarified, as explained in the updates under point 12,13,14, and 15.</p>	
	30. Is the budget (GEF/LDCF/SCCF funding and co-financing) per objective adequate to achieve the expected outcomes and outputs?	<p>Yes, the funding and the cofinancing per objective appears adequate for achieving the expected outcomes and outputs.</p>	

Project Monitoring and Evaluation	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?	N/A at this time.	
	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	33. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
<b>Secretariat Recommendation</b>			
Recommendation at PIF Stage	<b>34. Is PIF clearance/approval being recommended?</b>	No. Revisions are required on items raised under question 6, 12, 13, 14, 15, 17, 24, 27, and 28.  Update 1/25/2011: All issues have been resolved to satisfaction. The PIF clearance/approval is now being recommended.	
	35. Items to consider at CEO endorsement/approval.	Please ensure that additional information on project implementation arrangements is provided.	
Recommendation at CEO Endorsement/ Approval	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	<b>37. Is CEO endorsement/approval being recommended?</b>		
Review Date (s)	First review*	December 17, 2010	
	Additional review (as necessary)	January 25, 2011	
	Additional review (as necessary)		

\* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.



## REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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