



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

|  |   |                              |                             |
|--|---|------------------------------|-----------------------------|
| GEF ID:                                    | <b>6962</b>   |                              |                             |
| Country/Region:                            | <b>Regional (Azerbaijan, Georgia)</b>   |                              |                             |
| Project Title:                             | <b>Advancing IWRM Across the Kura River Basin through Implementation of the Transboundary Agreed Actions and National Plans</b> |                              |                             |
| GEF Agency:                                | <b>UNDP</b>   | GEF Agency Project ID:       | <b>5325 (UNDP)</b>          |
| Type of Trust Fund:                        | <b>GEF Trust Fund</b>   | GEF Focal Area (s):          | <b>International Waters</b> |
| GEF-5 Focal Area/ LDCF/SCCF Objective (s): |   |                              |                             |
| Anticipated Financing PPG:                 | <b>\$150,000</b>  | Project Grant:               | <b>\$5,329,452</b>          |
| Co-financing:                              | <b>\$187,070,000</b>  | Total Project Cost:          | <b>\$192,549,452</b>        |
| PIF Approval:                              |   | Council Approval/Expected:   | <b>October 01, 2014</b>     |
| CEO Endorsement/Approval                   |   | Expected Project Start Date: |                             |
| Program Manager:                           | <b>Christian Severin</b>  | Agency Contact Person:       | <b>Vladimir Mamaev</b>      |

| Review Criteria    | Questions   | Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>   | Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP) |
|--------------------|---|--|--|
| <b>Eligibility</b> | 1. Is the participating <b>country eligible</b> ? | <p>22nd of January 2014 (cseverin): Yes both Azerbaijan and Georgia are eligible countries. It is noted that Armenia have dropped out of this SAP Implementation phase, whereas the country were part of the TDA/SAP formulation process. Please do explain if this will have any major impacts on the planned implementation plan for the SAP.</p> <p>18th of August 2014 (cseverin): The planned activities will according to responds matrix from UNDP have no major impact from the fact that Armenia have opted to not be part of the SAP</p> |  |

\*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 January 2013

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|-----------------------|---|---|--|
|                       |   | <p>implementation project. further, the planned activities and the project as a whole has been designed in a way that will allow Armenia to part take if Armenia during project implementation opts for this.</p> <p>25th of August (cseverin): Addressed</p> |  |
|                       | 2. Has the <b>operational focal point</b> endorsed the project?   | 18th of August 2014 (cseverin): Yes   |  |
| Resource Availability | 3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply):   |   |  |
|                       | • the STAR allocation?  |   |  |
|                       | • the focal area allocation?  | <p>18th of August 2014 (cseverin): Yes, the funds are available within the IW Focal Area Allocation, however, pleased change the IW strategy to be IW 2 and program 4, instead of the presently selected</p> <p>25th of August (cseverin): Addressed</p>      |  |
|                       | • the LDCF under the principle of equitable access  |   |  |
|                       | • the SCCF (Adaptation or Technology Transfer)?   |   |  |
|                       | • the Nagoya Protocol Investment Fund   |   |  |
| Strategic Alignment   | 4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives</b> ?<br><i>For BD projects: Has the project</i> | <p>18th of August 2014 (cseverin): The resubmitted proposal focuses on the Kura River. However, please note in the PIF to what extent Turkey is a regional partner in the Kura basin.</p>   |  |

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|                 | <i>explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</i> | 25th of August (cseverin): Addressed  |  |
|                 | 5. Is the project consistent with the recipient <b>country's national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?  | 18th of August 2014 (cseverin): The planned activities on the Kura River will according to responds matrix from UNDP have no major impact from the fact that Armenia have opted to not be part of the SAP implementation project.<br><br>25th of August (cseverin): Yes   |  |
| Project Design  | 6. Is (are) the <b>baseline project(s)</b> , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?                | 18th of August 2014 (cseverin):Yes  |  |
|                 | 7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?   | 18th of August 2014 (cseverin): Capacity build during the Initial year(s) of SAP implementation will enable the countries to address the above mentioned SAP priorities and activities.<br><br>The project still has a high portion of its funds to support capacity building (component 4 and 5, summing up to \$1.63 mio or 32% of the entire investment) but seems to be needed towards supporting implementation of the SAP identified priorities.<br><br>The proposed project still mentions Pilots, please be aware that this is a SAP implementation project and hence it is |  |

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|                 |  | <p>not about piloting and demonstrating, but full scale implementation of the SAP.</p> <p>Please include a more concrete output along the lines of a "an agreement of a data exchange protocol" instead of the softer "mechanisms for information exchange".</p> <p>To what extend is hydropower a driver in the basin, please indicate how hydropower descisions, will the project aim at assessing and potentially modify the hydropower operation to benefit the hydrological flows as well as flood protection.</p> <p>There is a lack of description of Governance in relation to the investments on the ground, please include wording to this effect.</p> <p>Conjunctive management, Private sector engagement, harmonisation of water quality standards, environmental flow methodologies, gender, SGP engagement have been addressed through more explicit explanations in the PIF.</p> <p>25th of August 2014 (cseverin):Above points addressed, but specificity on the Data sharing Exchnage Protocol is still weak, please address at time of endorsement.</p> |  |
|                 | <p>8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning</p> | <p>18th of August 2014 (cseverin):Yes the GEBs have been identified and incremental reasoning applied.</p>   |  |

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|                 | sound and appropriate?  |   |  |
|                 | 9. Is there a clear description of:<br>a) the <b>socio-economic benefits</b> , including gender dimensions, to be delivered by the project, and<br>b) how will the delivery of such benefits support the achievement of incremental/ additional benefits? |   |  |
|                 | 10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?   | <p>18th of August 2014 (cseverin):Yes, the PIF includes some language. However, Please be much more specific, especially on the GENDER Activities at the time of CEO Endorsement.</p> <p>Please be aware that the PIF mentions indigenous people. is this infact indigenous people or local people. "Indigenous people" is a legal term with potential safeguard triggers. Please advice if this is indeed Ingenious people.</p> <p>25th of August (cseverin): clarified and addressed.</p> |  |
|                 | 11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)   | 18th of August 2014 (cseverin):Yes, risks including Mitigation measures have been included.   |  |
|                 | 12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country   | 18th of August 2014 (cseverin):Yes  |  |

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|                   | or in the region?   |   |  |
|                   | <p>13. Comment on the project's <b>innovative aspects, sustainability, and potential for scaling up.</b></p> <ul style="list-style-type: none"> <li>Assess whether the project is innovative and if so, how, and if not, why not.</li> <li>Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</li> <li>Assess the potential for scaling up the project's intervention.</li> </ul> | <p>18th of August 2014 (cseverin): The proposed project will be focusing on implementing IWRM across the Kura Basin. This integrated approach is innovative in a region where integration of knowledge and disciplines traditionally have not been taking place. It is believed that IWRM will offer potential for upscaling into other neighboring countries in the basin.</p> |  |
|                   | 14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?   |   |  |
|                   | 15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?   |   |  |
|                   | 16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?  | 28th of January 2014 (cseverin): Yes, ratio between the GEF funds and the co-finance is fine  |  |
| Project Financing | 17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate?   | 18th of August 2014 (cseverin): Will the project be managing the Cash contributions listed in table C and to what   |  |

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|                                   | Is the amount that the Agency bringing to the project in line with its role?<br><u>At CEO endorsement</u> : Has co-financing been confirmed?  | extend will the funds be aligned with the project activities??<br><br>Further, please specify what co-financing the agency is bringing to the project.<br><br>25th of August (cseverin): Clarified. |  |
|                                   | 18. Is the funding level for <b>project management cost</b> appropriate?  | 22th of August (cseverin): Yes  |  |
|                                   | 19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs?<br><u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund? | 22th of August (cseverin): Yes, PPG is requested, it does not deviate from the norm.  |  |
|                                   | 20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?   | 25th of August (cseverin): (cseverin): NA   |  |
| Project Monitoring and Evaluation | 21. Have the appropriate <b>Tracking Tools</b> been included with information for all relevant indicators, as applicable?   |   |  |
|                                   | 22. Does the proposal include a <b>budgeted M&amp;E Plan</b> that monitors and measures results with indicators and targets?  |   |  |
| Agency Responses                  | 23. Has the Agency adequately responded to comments from:   |   |  |
|                                   | • STAP?   |   |  |
|                                   | • Convention Secretariat?   |   |  |
|                                   | • The Council?  |   |  |

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|  | <ul style="list-style-type: none"> <li>Other GEF Agencies?</li> </ul> |   |  |
| <b>Secretariat Recommendation</b>                  |   |   |  |
| <b>Recommendation at PIF Stage</b>                 | <b>24. Is PIF clearance/approval being recommended?</b>               | 18th of August 2014 (cseverin):Please address above comments and resubmit<br><br>25th of August (cseverin): Yes PIF is being recommended  |  |
|  | 25. Items to consider at CEO endorsement/approval.                    | At time of CEO Endorsement, please make sure that the project, as one of its outputs, will feature an agreement of setting up a data exchange protocol between the participating nations. |  |
| <b>Recommendation at CEO Endorsement/ Approval</b> | <b>26. Is CEO endorsement/approval being recommended?</b>             |   |  |
|  | First review*   |   |  |
| <b>Review Date (s)</b>                             | Additional review (as necessary)                                      |   |  |
|  | 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. Greyed areas in each section do not need comments.**