



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

GEF ID:	5104		
Country/Region:	Russian Federation		
Project Title:	Sustainable Land Management and Ecosystem-based Climate Change Mitigation in the Altai-Sayan Ecoregion		
GEF Agency:	UNDP	GEF Agency Project ID:	4430 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	LD-3; LD-1; Project Mana; CCM-5; SFM/REDD+-1; LD-3; LD-3; CCM-5; CCM-5; SFM/REDD+-1;		
Anticipated Financing PPG:	\$0	Project Grant:	\$8,170,000
Co-financing:	\$29,500,000	Total Project Cost:	\$37,670,000
PIF Approval:		Council Approval/Expected:	April 01, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Franck Jesus	Agency Contact Person:	Maxim Vergeichik

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	(CCM-MB, 9/7/12)Yes	
	2. Has the operational focal point endorsed the project?	(CCM-MB, 9/7/12) Yes, letter from Mr. Rinat GIZATULIN dated 08/08/12 20 November 2012. Updated letter from focal point with new budget figures needed for CEO endorsement.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	(CCM-MB, 9/7/12)Yes	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	(CCM-MB, 9/7/12) n/a	
	5. Does the project fit into the Agency's program and staff capacity in the country?	(CCM-MB, 9/7/12)Yes	
	6. Is the proposed Grant (including the		

Resource Availability	available from (mark all that apply):		
	<ul style="list-style-type: none"> the STAR allocation? 	(CCM-MB, 9/7/12)Yes	
	<ul style="list-style-type: none"> the focal area allocation? 	6 Sep 2012 UA: Yes for LD. (CCM-MB, 9/7/12)Yes for CCM	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	(CCM-MB, 9/7/12) n/a	
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	(CCM-MB, 9/7/12) n/a	
	<ul style="list-style-type: none"> Nagoya Protocol Investment Fund 	(CCM-MB, 9/7/12) n/a	
	<ul style="list-style-type: none"> focal area set-aside? 	(CCM-MB, 9/7/12) Please clarify if the use of SFM/REDD+ incentive may be justified. 20 November 2012. SFM/REDD+ incentive used, within the ceiling for SFM/REDD+ at 1:4. Cleared.	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	6 Sep 2012 UA: Please clarify why the project has not been aligned with the SFM/REDD+ strategy. (CCM-MB, 9/7/12) TBD - see comments in #8 20 Nov. 2012 - Thank you for revision. Cleared	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	6 Sep 2012 UA: Not fully. a) Please clarify why only LD-3 has been selected. The project appears to also address objectives LD-1 and LD-2. b) The project framework includes several outputs, that are closely related to SFM/REDD+ activities (e.g. 1.1, 2.2, 2.3, 2.4, and partly 2.1) and could be aligned with GEF's SFM/REDD+ strategy. The project management should	

		<p>why this has not been done.</p> <p>20 Nov. 2012 Thank you for clarification. Cleared</p> <p>(CCM-MB, 9/7/12) Similar to the comment provides for LD above, many of the expected outputs are more appropriately aligned with the SFM/REDD+ incentive than CCM5. Please revise or clarify.</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>(CCM-MB, 9/7/12) Not fully. Please clarify how this project is consistent with Russia's Fifth National Communication. The PIF is supportive and consistent with the national priorities and global environment conventions and is in line with the Climate Doctrine of the Russian Federation supporting UNFCCC implementation.</p> <p>20 November 2012 Addressed.</p>	
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>(CCM-MB, 9/7/12) TBD</p> <p>a)There is a need for a clearer description of the framework and mechanisms for this situation rather than this generic description. Please describe the project activities that will lead to transformational impacts beyond the project. It would be more effective to clearly describe fewer outputs that can have more impact over time.</p> <p>b)Please justify why the sustainability of the project will depend on real time measurements of carbon stock and fluxes when there are more elegant and accurate means for estimating the status</p>	

		<p>countries. For example, a national forest inventory and monitoring program can be established and linked with remote sensing to have a powerful tool to assess land use trends and C stocks. This capacity would be quite valuable over the long term for land use planning and regulation and policy development and would have more sustainable impact than those described in expected outputs 1.6 and 2.5. Please justify the approach taken or modify.</p> <p>20 November 2012. Thank you for your detailed explanation and revisions. Cleared.</p>	
<p>Project Design</p>	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>(CCM-MB, 9/7/12) TBD</p> <p>a) The baseline projects are not adequately described and do not provide clear rationale and demonstrations of the situation without GEF investment and how value would be added with this project. Please more closely tailor the framework for the project to the situation. Please clarify what projects would continue without the GEF investment and clarify the incrementality of the proposed project.</p> <p>b) The description of the baseline project is 4.5 pages in length and provides much background information that is not specific to the project. Please modify and clarify.</p> <p>c) The discussion on Barrier 2, regarding Steppe and Forest management and Integrated Forest</p>	

		<p>what is known and what is needed. Please clarify. The last paragraph in Barrier 2 is more focused than the other paragraphs and can serve as a model for some of the other discussion on barriers.</p> <p>20 November 2012. Thank you for your revisions. Cleared.</p>	
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>(CCM-MB, 9/7/12) a) Please see comment in #11 involving the baseline scenario that will allow a clear discussion of incremental/additional reasoning.</p> <p>At CEO endorsement please clarify issues related to incremental reasoning and present quantitative indicators including ha and tC.</p> <p>20 November 2012. Thank you for clarification. Cleared.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>6 Sep 2012 UA: No.</p> <p>As mentioned under #8, the project could be aligned with the SFM/REDD+ strategy. This may allow the project to qualify for the SFM incentive. Entry points would be the following outputs: 1.1.: In order to protect High Conservation Value Forests (HCVF), the project could work towards their identification and assessment and make results available beyond the project. Support could be provided for such an</p>	

1.2.: SFM plans could be an element of the decision support systems for INRM.
2.1a: PES schemes are within the scope of the SFM/REDD+ incentive program, provided that they benefit forests. Besides, a more favorable ratio of investment to number of households, by increasing the number of households to benefit, should be achieved.
2.2 - 2.4.: These are core SFM activities and could benefit from additional incentive funding in order to increase area coverage.

At the same time, LD resources could be freed to more specifically target production steppe pasture lands and/or increase SLM coverage.

(CCM-MB 9/7/12) No

a) This section should explain why there is a problem, how it will be addressed, and where. It would be better to try to be more limited and focused in the problems addressed than having too many outputs. Please reconsider the number of outputs and focus on the problems that need answering and the indicators of success in solving those problems in Part 1.B.

b) Expected outputs 1.6 and 2.5 are most closely aligned with CCM5 but it is not clear how monitoring sites before, during and after implementation of the project(Outputs 2.1-2.4) will provide the quality of information needed to determine effectiveness of "mitigation".

Outputs 2.1a-2.4 are most closely aligned with SFM/REDD plus objectives. Please revise outputs and budget to reflect SMF/REDD objectives and funding.

d) Consider revising the project by adding a component for development of a forest inventory and monitoring program that can be linked with remotely sensed data to estimate changes in land use and C stocks.

e) Please revise to focus the framework on the specific barriers.

f) It would be better to solve a few problems sufficiently well than include such a long list of problems and address them so generically. Please consider dropping some of the project activities or more fully justify them to meet objectives leading to sustainable project outcomes. For example, consider dropping fire suppression and gas flux measurements. The project should describe mechanisms that lead to transformational impacts that are sustained beyond the life of the project.

g) The administration of the financial incentive mechanism to residents is not clear, nor is it clear whether this is an appropriate use of project funds. Please justify why it is appropriate and clarify how it would be administered. Has the country considered subsidized de-risking rather than paying incentives?

h) Please justify why the investment in

		<p>address your objectives.</p> <p>20 November 2012. Thank you for your revisions and reconsideration of gas flux measurements. Cleared.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>(CCM-MB, 9/7/12) No.</p> <p>a)The baseline projects are not adequately based on sound data and assumptions in some aspects. For example, is the timber that is removed with logging assumed to enter the atmosphere as CO2 when in fact it may be retained as wood products? By limiting logging will less C be sequestered due to reduced growth rates than if the timber was not logged out? Another example is the assumption that fire suppression activities will adequately reduce the risk of wildfire even when forest fuels build up with reduced logging. Please consider these and other assumptions in developing the objectives of the project.</p> <p>b) Refer to #14f. The project subcomponent on "C emissions from fire" is not clearly linked to the baseline program on fire management. Please clarify if this part of the project will focus on fire suppression and avoidance activities or will it be based on natural fire ecology? Please justify how fire suppression in the short term will mitigate carbon emissions from wildfire in the long term.</p> <p>c) Please clarify how sustainable integrated forest and land management will be accomplished, and how relieving</p>	

competing uses will enhance carbon stocks and generate benefits.

d) Please justify why Eddie Covariance, vegetation proxy, and aerial photo analysis are the best methods for this project and not some of the other Forest Inventory and Analysis protocol. Also, please explain how eddie covariance will be used and if it will require installation of an instrumented tower? Because this was presented as a major component of the GEF investment in this PIF (Table A, CCM-5.1) there is a need for more deliberate explanation on how this C stock monitoring system will be developed.

(CCM-MB (/7/12). At CEO endorsement,

a) Please clarify throughout the PIF the methodology that will be used by the project for monitoring carbon stocks and fluxes. (Annex A provides details on how initial estimates are calculated, but this project proposes more accurate measurements, at least on selected sites. There is a reference to these data feeding into a database, but little discussion on how this will be used to scale up and refine C stock and flux estimates.)

d) Please clarify the calculations that will be used to assess the impact of the project on C stocks relative to the baseline.

e) Please clarify how estimates of

		<p>management will be calculated.</p> <p>f) Please clarify the plan for reducing the frequency and severity of fires on the steppe and how this change will reduce emissions of GHG over the long term.</p> <p>20 November 2012. Thank you for your detailed clarification and revisions. Cleared.</p>	
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?</p>	<p>(CCM-MB, 9/7/12). No. The description is general and it does not provide a clear and specific explanation of the socio-economic benefits. Please clarify what the socio-economic situation would be without project funding, what specifically will be achieved regarding socio-economic benefits, including gender dimensions, with the project funding, and how these achievements will support global environmental benefits.</p> <p>200 November 2012. Cleared.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>(CCM-MB, 9/7/12) TBD. Key stakeholders are listed. At the CEO Endorsement stage please provide more detailed information on how a participatory agenda will be pursued in the implementation of project's subcomponents.</p> <p>Deferred to CEO endorsement stage.</p>	
	<p>18. 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>(CCM-MB, 9/7/12) TBD.</p> <p>a) Please discuss the risk of fuel build-up from fire suppression efforts.</p> <p>b) Please address risks that would make</p>	

		(ie, the need for incentives) and the possibility of subsidized de-risking rather than providing incentives to the residents. 20 November 2012. Cleared.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	(CCM-MB, 9/7/12) TBD a) The project is coordinated with some of the related initiatives in the country. Also, there are several other UNDP projects in this area that are either under implementation or are CEO endorsed at the GEF. Please discuss how this PIF does not duplicate but is complementary to those efforts. b) There are other efforts and in particular assessments that can provide information on what. These resources can help to provide a summary of the "state of the science" and can identify assumptions and gaps in knowledge for this Ecoregion. For example, other the Russian Federation environmental projects, the Millennium Ecosystem Assessment, the WWF effort in the area, and other UNDP environmental project efforts (fire danger mitigation strategy). 20 November 2012. Addressed.	
	20. Is the project implementation/ execution arrangement adequate?	(CCM-MB, 9/7/12) Not clearly described. 20 November 2012. Thank you for clarification.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		

	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	20 November 2012 Currently at 5.2%	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	(CCM-MB, 9/7/12) No Refer to comments in question 8 to reallocate funding requests within more appropriate categories. Also, please detail and justify the budget needed to provide the capacity to measure C fluxes (tower? Instruments?). Financing for a PPG is requested. Co-financing is 3.5:1 20 November 2012. Cleared.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.		
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	(CCM-MB, 9/7/12) Yes	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		

	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	(CCM-MB, 9/7/12) No, please address clarification requests. CCM -MB 20 November 2012. All requests made by the first reviewer have been adequately address. The project is technically cleared by CCM. NR-UA 11 November 2012: All clarification requests made by the second reviewer have been adequately addressed. The project is technically cleared from NR side.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	September 07, 2012	
	Additional review (as necessary)	November 20, 2012	
	Additional review (as necessary)	January 03, 2013	
	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.**

REQUEST FOR PPG APPROVAL

PPG Budget	1. Are the proposed activities for project preparation appropriate?	2 Jan 2013 CCM: Yes. The PPG process will engage stakeholders and will support activities that will inform the preparation of the full project document and CEO endorsement request for the full-size project. The SFM funding sought for the PPG will be used exclusively to prepare the studies on the multiple environmental benefits and ecosystem value of forests. The PPG activities will consolidate and supplement the existing information on the state of ecosystems in the Altai-Sayan area of Russia. The PPG activities will use lessons learned from past and ongoing projects and will establish contact with the GEF Carbon Benefits Project to test opportunities for using that software as a carbon-benefit measuring tool in project implementation.
	2. Is itemized budget justified?	2 Jan 2013 CCM: Yes. The PPG budget is appropriate and is justified. The project partners listed as co-financiers have ensured proportional co-funding for the PPG and will fully participate in the preparation of the full-sized project documentation.
Secretariat Recommendation	3. Is PPG approval being recommended?	20 Dec 2012 UA NR: The NR team has no comments or clarification requests. 2 Jan 2013 CCM: Yes. The CCM team has cleared the PPG request.
	4. Other comments	
Review Date (s)	First review*	January 02, 2013
	Additional review (as necessary)	

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