



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Mainstreaming Sustainable Land and Forest Management in Dry Mountain Landscapes of Northeastern Armenia			
Country(ies):	Armenia	GEF Project ID: ¹	5353
GEF Agency(ies):	UNDP (select) (select)	GEF Agency Project ID:	4416
Other Executing Partner(s):	Ministry of Nature Protection of Armenia	Submission Date:	May 26, 2015
GEF Focal Area (s):	Multifocal Area	Project Duration(Months)	48
Name of Parent Program (if applicable):		Project Agency Fee (\$):	282,831
<ul style="list-style-type: none"> ➤ For SFM/REDD+ <input checked="" type="checkbox"/> ➤ For SGP <input type="checkbox"/> ➤ For PPP <input type="checkbox"/> 			

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
(select) BD-2	2.1 Increase in sustainability of managed landscapes and seascapes that integrate biodiversity conservation	2.1. National and sub-national land-use plans (11) that incorporate biodiversity and ecosystem services valuation	GEF TF	443,031	2,110,892
(select) LD-2	2.3 Sustained flow of services in forest ecosystems in drylands	2.3 Suitable SFM interventions to increase/maintain natural forest cover in dryland production landscapes	GEF TF	554,685	2,599,065
(select) LD-3	3.1 Enhanced cross-sector enabling environment for integrated landscape management	3.1 Integrated land management plans developed and implemented	GEF TF	969,342	4,546,741
CCM-5 (select)	5.2 Promote conservation and enhancement of carbon stocks through sustainable management of land use, land use change and forestry	5.2 Number of tons of CO2 equivalent (tCO2e) avoided and/or sequestered	GEF TF	265,819	1,245,537
(select) SFM/REDD+ - 1	1.2. Good management practices applied to existing forests	1.2 Forest area (hectares) under sustainable management, separated by forest type	GEF TF	744,292	3,487,500
Total project costs				2,977,169	13,989,935

¹ Project ID number will be assigned by GEFSEC.

² Refer to the [Focal Area Results Framework and LDCF/SCCF Framework](#) when completing Table A.

B. PROJECT FRAMEWORK

Project Objective: Sustainable land and forest management in the Northeastern Armenia secures continued flow of ecosystem services						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1. Enabling environment for the marzes in Northeastern Armenia to plan, monitor and adapt sustainable forest and land management	TA	<p>Reduced degradation of forests landscapes in two marzes in NE Armenia (covering 0.65 ha) leading to unabated provision of ecosystem services such as water supply and carbon sequestration evidenced by 15-20% increases in LD-PMAT and SFM tracking tool</p> <p><i>-revised guidelines for integrated sustainable forest management planning</i></p> <p><i>-forest inventory and mapping in support of sustainable forest management for 11 forest enterprise branches</i></p> <p><i>- biodiversity, climate mitigation, ecosystem services and community use mainstreamed into forest decision-making in 11 forest enterprise branches</i></p> <p><i>-at least five communities adjacent to forests integrating biodiversity and ecosystem</i></p> <p><i>-- Around 250,000 hectares effectively zoned and managed for multiple forest and ecosystem benefits (biodiversity, carbon hotspots, forest ecosystem conservation and sustainable use)</i></p> <p><i>- monitoring protocols to assess effectiveness of adoption of sustainable forest management</i></p>	<p>1.1. Forest management plan guidelines/protocols updated for mainstreaming ecosystem, climate risk mitigation and biodiversity considerations into forest management planning in North-east Armenia</p> <p>1.2. Geo-spatial information systems support forest inventory and mapping for forest management planning, development, implementation and monitoring</p> <p>1.3. Revised forest management plans integrate considerations of biodiversity, ecosystem services, climate mitigation, and community resource use.</p> <p>1.4. System for effective monitoring and enforcement of forest management plans, including clear delineation of roles and responsibilities of key partners and management of participatory processes in forest development</p> <p>1.5. Recommendations for national policy and regulations for facilitating adoption of sustainable forest management practices</p> <p>1.6 Package of capacity building interventions reaching central agencies, district administration and forest enterprise branches, local communities and other stakeholders, including (i) training workshops (ii) vocational training modules (iii) on-the-ground demonstration and training</p>	GEFTF	1,175,400	5,516,895

		<p><i>-recommendations for accounting for ecosystem services values and community use</i></p> <p>Enhanced local capacities for enforcement of sustainable land and forest management in NE Armenia</p> <p><i>-at least 60 marz forest staff trained in the use of ecosystem based forest inventory, mapping, planning, enforcement and monitoring</i></p> <p><i>-at least 100 pasture stakeholders undergone technical skills training and development in sustainable pasture management</i></p> <p><i>-at least 500 forest-dependent community members undergone technical skills training and development in sustainable forest resource use</i></p>	and (iv) patrolling skills training for enhanced capacity for sustainable land and forest management within key agencies and communities			
2: Investment in demonstrating improved sustainable forest and land management practices to reduce pressure on high conservation forests and maintain flow of ecosystem services.	Inv	<p>Demonstrated sustainable forest management as evidenced by:</p> <p><i>-At least 85,000 ha of high value forests in the two marzes identified and effectively managed for biodiversity and carbon</i></p> <p><i>- Population trends for indicator bird species remain stable or increase, and population trends for indicator butterfly species remain stable or do not decrease</i></p> <p><i>-at least 4,932 ha of degraded forests regenerated through assisted natural regeneration</i></p> <p><i>-at 1,000 ha of</i></p>	<p>2.1. Designation of High Conservation Value Forests covering 85,000 ha of current production and protection forests for species conservation and climate mitigation</p> <p>2.2. Restoration of degraded forests and pasture lands, and rehabilitation of multiple use forestlands through community engagement covering around 8,932 ha.</p> <p>2.3. Alternative livelihood programs for forest and non-forest products for around 600 households as incentive to conserve forests and biological resources</p> <p>2.4. An integrated strategy for management of firewood</p>	GEFTF	1,659,999	7,773,040

		<p><i>degraded pasture lands restored or rehabilitated</i></p> <ul style="list-style-type: none"> -At least 3,000 ha of forests under multiple use regimes with participation of forest dependent communities --Decrease in number of livestock using forests for unsustainable grazing in targeted forest areas by around 30% - At least 20% of reporting increased income and other benefits from forest and non-forest based livelihoods -At least 15% reduction of annual forest area from targeted areas where fire wood is collected -Alternative strategy for management of fire wood collection developed and approved by Ministry of Agriculture -At least five community development plans integrating ecosystem, biodiversity and multiple forest use values -Carbon stock assessment and monitoring system for key forest types - Avoided emissions and sequestered carbon benefits over a ten-year period estimated at least at 559,110 metric tCO₂-eq and 122,880 metric tCO₂ respectively. 	<p>collection and distribution from forests to reduce forest degradation.</p> <p>2.5. Carbon stock assessments and coefficients for key forest types in northeast Armenia</p>			
Subtotal					2,835,399	13,289,935
Project management Cost (PMC)³				(select)	141,770	700,000
Total project costs					2,977,169	13,989,935

³ PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Ministry of Nature Protection	In-kind	6,055,000
National Government	Ministry of Nature Protection	Cash	2,595,000
National Government	Hayantar SNCO	In-kind	1,277,235
National Government	Hayantar SNCO	Cash	2,500,000
Non-Governmental Organization	World Wide Fund for Nature (Armenia)	Cash	376,500
Foundation	Caucasus Nature Fund	Cash	286,200
GEF Agency	UNDP	Cash	180,000
GEF Agency	UNDP	In-kind	720,000
Total Co-financing			13,989,935

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	GEF TF	Biodiversity	Armenia	443,031	42,088	485,119
UNDP	GEF TF	Land Degradation	Armenia	1,524,027	144,782	1,668,809
UNDP	GEF TF	Climate Change	Armenia	265,819	25,253	291,072
UNDP	GEF TF	SFM/REDD-1	Armenia	744,292	70,708	815,000
Total Grant Resources				2,977,169	282,831	3,260,000

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	159,000	0	159,000
National/Local Consultants	50,000	250,000	300,000

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁴

- A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.)
N/A (no changes)
- A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. N/A (no changes)
- A.3 The GEF Agency's comparative advantage: N/A (no changes)
- A.4. The baseline project and the problem that it seeks to address: The overall baseline and problem is as described in the PIF (Part II, Section A.1) and in Section I of the accompanying UNDP project document, specifically under the headings relating to "Threats to the Land and Forest Resources of North-eastern Armenia" and "Barriers to addressing threats." Elaborating on that provided in the PIF, the baseline project scenario defined as what would be anticipated in terms of what would be realized in the absence of GEF funding including associated portion of the co-financing is provided in Section I of the project document under the heading "Baseline activities/programs and scenario without GEF support".
- A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project: The basis for the incremental reasoning supporting the project and GEF funding is provided in the description of the Project Baseline in Section I of the UNDP project document with particular reference to the summary provided in Table in the UNDP Project Document in Section I under the heading relating to "Rationale and Summary of GEF Alternative." The Global environmental benefits as described in the referenced of the accompanying project document as summarized below:

The global benefits that will be delivered primarily include the adoption of SLM and SFM practices that will reduce land degradation and secure ecosystem services and mainstream biodiversity conservation within the planning and management of the forested area in two regions in Northeast Armenia (covering a total land area of 650,000 ha) and testing particular SFM approaches. Mainstreaming SLM/SFM principles into forest management planning, compliance monitoring and enforcement will ensure: (i) that all forest land in the marzes will be classified in line with the principle of retaining the highest ecological and environmental carrying capacity of land and forest resources; (ii) that the management of High Biodiversity Conservation Value Forests is incorporated into forest management planning in NE Armenia; (iii) that biodiversity values and provisions are made in the Forest Management Plans for the conservation of static and migratory biodiversity; and (iv) the involvement of community in forest planning and resource use. The outcome would be the reduction of pressures on forest landscapes in the two marzes and the establishment of functioning ecosystem services (such as water supply at forests and land slide protection), decrease in grazing pressure in forestland and improved condition of forest ecosystems; and reduced illegal cutting and approaches to reduction of fuel-wood collecting pressure in forest and pasture defined with long term perspective of prevention of loss of carbon.

Further the operationalization of new model for forest planning in the 11 forest enterprise branches and implementation of sustainable forest management practices will result in (i) establishment of forest exclusion zones and set aside of 85,000 ha as High Conservation Value Forests and replacement of productive logging by conservation forestry with possible engagement of local communities; (ii) development of strategies for reducing wood collecting pressures; (iii) restoration of biological and ecosystem values in 4,932 ha of degraded forests through assisted natural forest regeneration; (iv) improved conservation values in 1,000 ha of degraded grazing lands; and (v) improving sustainable community resource use through NTFP use and alternative livelihood schemes to generate economic benefits to conservation as incentive to unsustainable forest use.

⁴ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter "NA" after the respective question.

The Climate Change benefits from protection of 85,000 ha of high conservation value forests and regeneration of 4,932 ha of degraded forest lands would yield a nett global benefit of avoided emissions of 559,110 metric tCO₂ and 122,880 metric tCO₂ eq. avoided and sequestered respectively, over a period of ten years.

The table below summarizes the changes made, and the rationale for these changes, to the components and outputs from the PIF.

	PIF	GEF CEO ER	Rationale
Project Objective	<i>Sustainable land and forest management in the NE Armenia secures continued flows of multiple ecosystem services (such as water provision, land slide control and carbon sequestration) and ensures conservation of critical wildlife habitats</i>	To enhance sustainable land and forest management in the NE Armenia to secure continued flow of multiple ecosystem services	Removal of specific references to water provision and land slide control as these are difficult to measure and attribute to the limited activities under the proposed project. For simplicity, the reference to conservation of critical wildlife habitats is removed because biodiversity (and/or wildlife) constitute functional elements of the ecosystem that provide specific ecosystem services (food, genetic resources, components of ecosystem functioning) whose conservation of which, including their critical habitats are essential ingredients for ensuring flows of ecosystem services
Outcomes	<i>1. Reduced degradation over 0.65 million ha of forest landscapes in NE Armenia</i>	1. Reduced degradation of forested landscapes in the two marzes in NE Armenia (covering 0.65 million ha).....	The referenced 0.65 m ha in the PIF represents the total land area of the two marzes and forests only constitute 0.25 m ha of the total land area, so the PIF assumption of "reduced deforestation over 0.65 m ha of forest landscape in NE Armenia" is not very accurate and practical.
	<i>- Enhanced local capacities for enforcement of sustainable land and forest management in NE Armenia increase by 20% as evidenced in UNDP-GEF Development Capacity Scorecard and reduction in deforestation</i>	1. Enhanced local capacities for enforcement of sustainable land and forest management in NE Armenia as evidenced by the following: -at least 60 marz forest staff trained in the use of ecosystem based forest inventory, mapping, planning, enforcement and monitoring -at least 100 pasture stakeholders undergone technical skills training and development in sustainable pasture management -at least 500 forest-dependent community members undergone technical skills training and development in sustainable forest resource use	UNDP has discontinued the use of the UNDP-GEF Capacity Development Scorecard. The new indicators are now disaggregated among the various recipients of the capacity development programs and are more readily monitored.
	<i>2. Demonstrated sustainable forest management at 190,000 ha, evidenced by:</i>	Not replicated	The adoption of SFM is integral to all outcomes and output of Component 1 (planning) and 2 (investment) and is therefore not defined as an

	- <i>Adoption of SFM by forest enterprises</i>		outcome by itself, as it is the key objective of the objective of the project, and not an outcome.
	- <i>Improved water provision services and reduced threats of landslides</i>	N/A	Reference to improved water provision and reduced threats of landslides excluded as outcome for reasons outlined in justification for change of project objective (above)
	- <i>Increased connectivity between Core Biodiversity Rich Areas resulting in stable populations of Bear and Lynx in NE Armenia</i>	2. Population trends for indicator bird species remain stable or increase, and population trends for indicator butterfly species remain stable or do not decrease	Using large mammals population changes as an indicator for measuring conservation outcomes is not considered desirable for short term projects for the following reasons: (i) establishing stable populations need longer periods of time (over 10-20 years at minimum); and (ii) that external factors un-related to the project can cause drastic changes in population (such as disease) that might provide a false perspective of the project. The number of bird and butterfly species and total number of bird and butterfly individuals correlate with overall forest conditions and level of disturbance, use of these indicators is easier to measure.
	- <i>Avoiding emissions of 66,792 tCO₂ –eq/y from unsustainable logging and sequestration of 18,660 tCO₂ –eq/y as a results of forest restoration efforts</i>	2. Avoided emissions and sequestered carbon benefits over a ten-year period estimated at least at 559,110 metric tCO ₂ -eq and 122,880 metric tCO ₂ respectively	Revised figures calculated for 10-year period based on a more detailed estimations taking into consideration annual forest growth dynamics that are specific to Armenia and an increase of area for rehabilitation from 3,000 to 4,395 ha.
	- <i>Reduced Annual Area in NE Armenia Forests where firewood collection led to forest degradation</i>	2. At least 15% reduction of annual forest area from <u>targeted</u> areas where fire wood is collected	Providing more specificity that the reduction will be from targeted areas (and not for the total marzes), the baseline of which can only be defined after the forest enterprise areas have been inventoried and mapped and areas for intervention have been selected after consultative process with targeted local communities
Outputs	<i>1.1 Integrated Forest and Land Use Plans (IFLUPs) developed for the two districts (marzes) totally 650,000 ha enabling optimal allocation of land between different uses to generate development benefits and critical LD, BD and carbon benefits in tandem</i>	Now considered as Output 1.3 Revised Forest Management Plans integrate consideration for biodiversity, ecosystem services, climate mitigation and community resource use. (Outputs 1.1 and 1.2 in GEF CEO ER are disaggregation to enable sequencing of steps leading to development of FMPs in Output 1.3)	The consultations at PPG stage with institutional stakeholders indicated that development of IFULPs was not practical for the following reasons: (i) there is no concept of IFLUPs in existing policy, legislation of practice, so developing IFLUPs requires a change in policy that entails reaching agreement among the myriad of sector agencies/institutions that operate within each of the marzes as well as at the national level: (ii) the institutional mandates for forests and land management fall under a myriad of different agencies (sector agencies, municipalities, marze administration, etc.) that would entail agreement on a common planning approach. Achieving such a consensus through a small project that will operate through a sector agency rather than through a national planning agency is difficult or even impossible; (iii) the land tenure arrangements for forests, pastures, agricultural lands, protected areas, etc.) is

		substantially different; and (iv) the user groups for forests, pastures, agriculture, mining, private enterprises, etc. are varied. Consequently, Output 1.1 has been restructured to support a more practical approach to forest management that integrates the needs of biodiversity conservation, ecosystem, and community use into management of the forest resources in NE Armenia, that would include incorporation of sustainable forest and pasture land management, sustainable community resource use into forest management plans. This introductory paragraph of the PIF (Project Overview) correctly states that "the project is designed to engineer a paradigm shift from unsustainable to sustainable forest management in NE Armenia" and highlights the need to promote an integrated approach towards fostering sustainable forest management. This is exactly what the project is now designed to achieve. It now sets a realistic and achievable program rather than focus on a much wider agenda, which would have been very unlikely to have been achieved.	
	<i>1.2 GIS system to support IFLUPs development, implementation and monitoring</i>	1.2 Geo-spatial information systems support forest inventory and mapping for forest management planning, development, implementation and monitoring	Revised in response to changes in Output 1.1
	<i>1.3 Multi-sectoral stakeholder committees, including local community representatives, at each of the 2 marzes oversee IFLUPs development, implementation and enforcement</i>	N/A	In light of this change, discussed in Output 1.1 the need for "Multi-stakeholder committees at each of the two marzes to oversee IFLUP development, implementation and monitoring is relevant anymore.
	<i>1.4 System for effective monitoring and enforcement of IFLUPs....</i>	1.4 System of effective monitoring and enforcement of forest management plans....	Revised in response to changes in Output 1.1
	N/A	ADDED new Output 1.6 Enhanced capacity for sustainable land and forest management within key agencies and stakeholders	Included as output, to capture specific impacts of this key project activity
	<i>2.1 Multi-sectoral stakeholder committees including local community representatives revise management plans of 10 Forest Enterprise Branches to be reconciled with SFM Principles</i>	N/A	The establishment of multi-sectoral stakeholder committees is not considered an output, but a means to achieve the output of revision of forest management plans (which is captured in Output 1.3). However, although not listed as an output of the project, the forest management planning process will entail stakeholder participation in the decision-making process as discussed in Section B.1 of the Request for CEO Endorsement Document
	<i>2.1a Biodiversity and ES</i>	N/A	This is now reflected in new Output 1.4 (above)

	<i>monitoring protocols integrated in the revised forest management plans</i>		
	<i>2.1b Carbon stock and fluxes monitoring system</i>	Now Output 2.5 Carbon stock assessment and coefficients for key forests types in NE Armenia	Based on STAP recommendation that carbon stock monitoring system is too ambitious and potentially unnecessary and confirmed by PPG work, this output will focus on assessing carbon stocks in key forest types in NE Armenia as long-term strategy for establishing a carbon stock monitoring system in the country
	<i>2.3 Set asides for High Conservation Value Forests created at 85,000 ha of current production forests, prescribing their non-exhaustive use.</i>	Now covered under Output 2.1	Changed to ensure appropriate sequencing of activities
	<i>2.4 Restoration of approximately 3,000 ha of degraded forests to productive forests to counterpart ongoing and past land degradation</i>	Now Output 2.2 Restoration of forests and pasture lands and rehabilitation of multiple use forestlands through community forest resource management	Restoration of degraded natural forests will be supported through assisted natural regeneration as it is considered the most cost-effective and viable option for enhancing tree cover, and now covers 4,932 ha rather than 3,000 ha envisaged in the PIF. Addition of a new activity of multiple use forestry with participation of forest dependent communities.
	N/A	New Output 2.4 Integrated Strategy for management of firewood collection and distribution from forests	The issue of fuel wood use is complex and requires a strategy that encompasses fuel wood collection and use, identification of alternative sources of energy, addressing issues relating to subsidies and others. The project will support the development of an integrated strategy to address the issue of fuelwood requirements at the community level, including alternative options to replace fuelwood use, where applicable.
Project Design Aspects	<i>Investigate potential for developing a PES program to support forest conservation</i>	The outline of component 2 in the PIF mentioned that the feasibility of establishing an innovative PES scheme would be explored during the PPG stage.	There is PES activity in the country. The previous study that was undertaken by the Ministry of Nature Protection in two forest enterprises and the methodology and procedures for potential PES options was developed. However no progress has been made. Given the magnitude of the task and cost to set up such a program (requiring new policy and legislation, guidelines, payment rates, coefficients for different forest types, management responsibilities, etc.), the PPG team determined that designing and establishing a PES program in the country is not realistic for a small GEF project that is being operated at a regional level.

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

The risks section has been modified from the PIF, to the extent relevant and is presented in Annex I of the UNDP Project Document. The changes in the risk table in the PIF are not significant.

A.7. Coordination with other relevant GEF financed initiatives This section has been revised from the original PIF and is presented in elaborate detail in Section I of the UNDP Project Document under the heading "Coordination with Other Initiatives"

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

The project included a wide range of consultations during the PPG stage. Initial stakeholder analysis during the PIF stage was followed up with consultation during the PPG stage of the project in terms of the design and expectation of the project. During the PPG stage, this stakeholder analysis was updated and elaborated following consultations undertaken by the national consultants addressing both institutional stakeholders in the context of their statutory involvement in the project, and more broadly for non-governmental stakeholders including forest dependent communities in the two marzes in NE Armenia. Two major workshops were held during project preparation, namely: (i) Inception workshop on October 2014, and (ii) Draft Project Document Stakeholder Consultation Workshop in March 2015. Additionally, a formal stakeholder analysis was undertaken by the national consultant team and documented as part of the project.

The formulation of the stakeholder participation plan has the following objectives: (a) to clearly identify the basic roles and responsibilities of the main participants in this project in relation to the project, including in Outcome 2 for the testing of sustainable forest management activities on-the-ground: and (b) to ensure full knowledge of those involved concerning the progress and obstacles in project development and to take advantage of the experience and skills of the participants to enhance project activities. The ultimate purpose of the stakeholder participation plan will be the long-term sustainability of the project achievements, based on transparency and the effective participation of the key stakeholders.

The stakeholders participation will be secured by using the following mechanisms: a) regular meetings and conference calls will be scheduled and organized (on a monthly basis for instance, etc.) to communicate and disseminate project progress or identify difficulties in achieving the development outcomes and milestones; b) face to face meetings will be also organized (e.g. each quarter or bi-annually) with the different stakeholders with the aim of discussing forest planning and development progress, steps taken and future corrective actions needed for the full achievement of the project objectives; c) exchange of reports (written and oral) will be established to inform all the stakeholders adequately about project implementation; and d) the contractual arrangement to be negotiated with the private companies involved in this project will also set coordination mechanisms. These mechanisms will promote and ensure that all the relevant shareholders receive and share information and provide technical advice on the project implementation.

A description of the roles of key stakeholders is presented in the following table:

Stakeholders	Roles and Responsibilities	Potential Role in the Project
<p>Ministry of Nature protection (MNP), including:</p> <ul style="list-style-type: none"> - Bio-resources Management agency; -State environmental Inspectorate; -Dilijan national park>> SNCO; -Environmental project Implementation Unit” state entity 	<p>The MNP has overall legal and regulatory authority for natural resource management and environmental protection in the country.</p> <p>MNP has oversight for scientific research, conservation, reproduction and sustainable use of ecosystems as well as support development and management of policies affecting natural resources</p> <p>Management of national parks</p> <p>The Ministry is responsible for ensuring compliance with the provisions of the relevant international conventions, in particular UNFCCC, UNCBD and UNCCCD as a designated national authority.</p> <p>Provision of State Management for prevention or reduction of harmful effects on environment, including mineral resources, land, water, air,</p>	<p>MNP will serve as a major implementing partner for the project.</p> <p>Co-chair the project management board and advisory committee.</p> <p>Support the project management unit in facilitating negotiations and cooperation with the relevant government authorities to ensure integration of conservation and sustainable use measures into forest and land use plans.</p> <p>Support identification of HCVF areas,</p> <p>Development of relevant monitoring protocol and guidelines for mainstreaming ecosystem services, biodiversity and climate change aspects in forest and local development planning.</p> <p>Provide technical support and guidance for elaboration and consideration of monitoring mechanism in protected areas, as well as forest management and operational work plans.</p>

	flora and fauna, including specially protected nature areas, as well as conservation of specially protected nature areas, reasonable use and	Facilitate coordination with other internationally funded programs and initiatives related to the subject and will actively participate in the monitoring of project implementation.
Ministry of Agriculture, including: -Hayantar SNCO, - State Forest Monitoring Centre, SNCO -State Forestry Monitoring Council	<p>Design and implementation of programs in forest conservation, protection, reproduction, as well as efficient use of forest resources</p> <p>Design and implementation of monitoring programs in compliance with legislation aimed at increase in productivity and reclamation of agricultural land use</p> <p>Hayantar SNCO is responsible for implementation of the state programs for conservation, reproduction and use</p> <p>The State Monitoring Centre is responsible for research for purpose of prevention of illegal logging, wood transportation and other negative activities on forests</p> <p>The State Forest Monitoring Council responsibilities are prevention of illegal forestry activities, coordination of activities amongst state bodies engaged in control of illegal activities, etc.</p>	<p>MOA will be the primary beneficiary of the project based on the mandate in addressing state policy in agriculture and forestry and exercises control over the forest management and use of agricultural lands.</p> <p>MOA will co-chair the project management board.</p> <p>The project beneficiary role will also rest with “Hayantar” SNCO that will act as a main proponent for regulating field level activities, developing SFMs, monitoring system, maintaining information database, etc.</p> <p>MOA and Hayantar will be directly involved in forest and land use integrated planning process, developing and approval of monitoring protocols and guidelines for multi-functional zoning, setup of HCVF, including delineation of protected areas.</p> <p>MOA will provide technical and financial input into pasture rehabilitation and management, as well as forest protection and rehabilitation activities.</p> <p>MOA (through Hayantar and Forest Enterprise Branch Offices) It will be involved in the implementation of forest management plans and community-based forest monitoring program, including public awareness raising and capacity building activities.</p> <p>State Forest Monitoring Center will ensure maintenance of updated GIS based forest inventory database, will conduct Performance Monitoring and will be involved in the improvement of the overall monitoring and information management system and capacity building programmes.</p> <p>MOA will help coordinate with other internationally funded programs and initiatives related to the project.</p>
Ministry of Territorial Administration and Emergency	<p>Elaboration and application of provisions of territorial administration policy, laws, programs and plans, socio-economic development of territorial administration and local self-government bodies, secure and safe use of state-owned water infrastructures, elaboration and implementation of investment procedures for water infrastructure policy. This ministry provides preventive measures for the protection of the population in case of emergency situations. Improvement of the efficiency of the territorial administration bodies and ensuring the links between the state and local self-governance bodies is among major tasks.</p>	<p>Member of the project advisory board.</p> <p>Provide operational direction and coordination of overall territorial planning and development processes.</p> <p>Provide support in multi-functional zoning and mapping exercises, and support in community mobilization activities.</p> <p>Facilitate coordination with other agencies working in regional and local development areas and ensures project coordination between national, regional and local levels.</p>

Ministry of Urban Development	<p>The goals and tasks are to be implemented though, but not limited to the following functions:</p> <ul style="list-style-type: none"> - Elaboration of the main provisions of the state policy on urban development and the territorial development programmes and monitor the implementation thereof; - Coordination of the drafting of layouts and zoning projects of communities, elaborate the strategy on the sustainable urban development of territories and residential areas; <p>Supporting spatial planning and overseeing Master plans development processes, including for communities. Establishing the principle of "green urban development", ensuring the harmonious, mutually complementary development of natural and cultural landscapes.</p>	<p>Member of the project advisory board</p> <p>Involved in the activities related to the development of integrated forest and community development plans.</p> <p>Guide and support development/update and approval of norms, standards and guidelines related to multi-functional zoning,</p> <p>Participate in design of community development plans and clarifications of inconsistencies in maps.</p>
State Committee of Real Estate Cadastre adjacent to the government of the Republic of Armenia	<p>Development of the balance of the land surface of the Republic of Armenia according to the regulations;</p> <p>Development of the real estate cadastre and topographic maps, formation of digital cadastral and topographic mapping;</p> <p>Development and implementation of the targeted geodesic and cartographic programs.</p> <p>Within its jurisdiction development of the principles of land relationships, land policy and land resources management, in terms of land rights and land market formation.</p> <p>Within its jurisdiction support to development of targeted land construction and lands consolidation programs;</p> <p>Development and implementation of the targeted geodesic and cartographic programs.</p>	<p>The committee will be a member of the project advisory board within its competence in formulation land policy and land management principles, supervision of land use, preparation of land balance of the RA.</p> <p>Support project in clarification of cadastral and topographic maps, including digital ones, to avoid inconsistencies in land distribution between state forest and adjacent communities.</p>
Marz administration (nature resource and agricultural units, program development units, land management units)	<p>Responsible for state policy elaboration and implementation in marzes, including implementation of the state programs on nature protection, development of the projects of state programs on nature and environment protection;</p> <p>Ensuring compliance and enforcement of the environmental legislation at the territory of the marz. Responsible for implementation of the studies and surveys of the situation with forests protection, safeguard and usage in the marz, analysis of the results of the aforementioned studies and provision of corresponding recommendations. Coordinate community development programmes and budget allocations.</p>	<p>Representatives from the regional administration will be involved into the project advisory board.</p> <p>Two regional administrations will be involved in development of forest management and community development plans and will support the alignment of those plans at different sectors of government.</p> <p>Support PMU in coordination of community involvement, participatory and awareness campaigns, as well as participate in field inventory and mapping for clarification of land distribution schemes.</p> <p>Involve in design and selection of communities for livelihood development activities.</p>
Local self-	<p>LSGs participate in state policy formulation,</p>	<p>Key project stakeholder with executive authority</p>

<p>government (including forest dependent communities)</p>	<p>drafting state program in land and forestry sectors at local level.</p> <p>The Activity of the Chief of a Community in the Sphere of Urban Development and Land Use related to compilation of the draft of master plan, as well as the community lands zoning and use schemes, which upon agreeing with the respective authorized state body through the Regional Governor, shall submit to the Community Council for approval;</p> <p>The Community Carry out land balance of the community in accordance with the established procedures, manages pasture and hayfield have rights to dispose of, manage and use its lands in accordance with the order defined by the legislation.</p> <p>Supporting national authorities in implementation of environmental plan and policies, incusing compliance enforcement. Cooperate with local braches and territorial unit of state ministries.</p>	<p>for regulating and administering community land resources.</p> <p>Will be main partner in the development, approval and implementation of community development plans as well as forest management and, partially, monitoring activities.</p> <p>Will be main partner in the development, approval and implementation of community development plans as well as forest management and, partially, monitoring activities.</p> <p>Communities will be directly involved into mapping and site inventory activities, and will approve new territorial maps and plans.</p> <p>Will be engaged in strategy development to improve fire wood and NTFP collection and use, in consultation during the forest inventory, mapping and management plan preparation process</p> <p>Will take lead and be a major proponent for alternative livelihood development projects and pasture rehabilitation activities,</p> <p>Will be engaged in strategy development to improve fire wood and NTFP collection and use.</p> <p>Community administration will support project activities through enabling interaction with land users, different resource association and cooperatives, ordinary farmers and other local stakeholders.</p> <p>Will provide technical and logistical support to project activities at local level.</p> <p>The LSG will coordinate with other internationally funded programs and initiatives related to the project at local level.</p>
<p>CSOs (including NGOs, media, private companies),</p>	<p>Organizations, on their own initiative or on the initiative of the state or the local self-governance bodies, may fully implement or participate in the social, healthcare, educational, teaching, cultural, sport and other socially significant programs and actions of the state or the local self-governance bodies by concluding written contracts or other agreements of mutual understanding.</p>	<p>Important stakeholders will be involved in forest planning, management and sustainable land and ecosystem protection program.</p> <p>Sector experienced CSOs representatives will be member of the project advisory board.</p> <p>Will be involved in information dissemination and awareness campaigns, public monitoring.</p> <p>Will provide knowledge-driven advice, support the development of community development plans, and design of alternative income-generation activities.</p>
<p>WWF Armenia</p>	<p>Developing and strengthening protected areas (PAs) of Armenia (reserves, national parks, sanctuaries, etc.)</p> <p>Ensuring conservation of threatened species, conservation and restoration of ecosystems as a whole</p> <p>Supporting environmental awareness and education.</p> <p>Proceeding with research and analysis,</p>	<p>Key partner for the project and member of the project advisory board.</p> <p>Will provide financial input into optimisation of three forest sanctuaries in Tavush region, including mapping and clarification of boundaries, development and implementation of management plans.</p> <p>Will support PMU and state authorities in identification and developing national toolkit on</p>

	<p>inventory and monitoring of biodiversity, landscape management.</p> <p>Introduction of economic mechanisms for alternative livelihood for local communities in order to promote sustainable use of natural resources and to protect biodiversity is among priorities in their mandate.</p>	<p>HCVF, as well as support with methodology for bio-resources inventory and monitoring.</p> <p>WWF will be involved into preparation and implementation of alternative income-generation activities in communities.</p>
Caucasus Nature Fund	<p>Inter-governmental foundation providing long-term support and management assistance for the protected areas of Caucasus.</p> <p>CNF seeks to conserve the unique flora, fauna and ecosystems of the Caucasus for future generations while at the same time improving the lives of local people today.</p>	<p>Key partner to ensure operationalization and financial sustainability of HCVF areas.</p> <p>Will support preparation of Dilijan management and operational plans.</p> <p>Will provide technical guidance on developing MFZ and integrated FM plans, as well as support in preparation of tourism development plan.</p>

The MNP will serve as a major implementing partner for the project, MOA will be the primary beneficiary of the project based on the mandate in addressing state policy in agriculture and forestry and exercises control over the forest management and use of agricultural lands.

2. Approach to stakeholder participation

The approach to be employed by the project for involvement and participation of stakeholders during project implementation is premised on the principles of ensuring inclusiveness of all relevant stakeholders, transparency, and fair access to information and results, accountability on the part of the government agencies and all stakeholders, fairness in treatment of all stakeholders, accessibility and access to information, flexibility in design and implementation, good coordination, ensure management of the project in terms of public interest, developed on the basis of needs of all stakeholders, providing options for redress of grievances, and value addition of the project.

4. Stakeholder Involvement Plan

The project's design incorporates several arrangements to ensure effective stakeholder consultation and participation in the implementation of the project. The mechanisms for facilitating involvement and active participation of different stakeholders in project implementation and monitoring is presented in the text that follows:

(i) Project inception workshop to enable stakeholder awareness of the start of project implementation

Project implementation will be initiated or launched by a multi-stakeholder workshop. This workshop, that will be held, within the first three month of project effectiveness, will provide an opportunity to provide all stakeholders with the most updated information (objectives, components, activities, roles and responsibilities of stakeholders, financial information, timing of activities and expected outcomes) on the project and the project work plan. It will also establish a basis for further consultation as the project's implementation commences.

The inception workshop will address a number of key issues including: assisting all partners to fully understand and take ownership of the project; detail the roles, support services and complementary responsibilities of the MNP and MOA, and their respective agencies, Marz and local administration, NGOs and local communities in terms of implementation of sustainable forest and land planning and management; and discussion of the roles, functions, and responsibilities within the project structure, including reporting and communication lines, monitoring and conflict resolution mechanisms.

ii) Constitution of Project Advisory Board to ensure representation of all stakeholder in the project

A Project Advisory Board will be constituted to ensure broad representation of all key interests throughout the project's implementation. The representation, and broad terms of reference, of the Advisory Board are further described in Section II, Part 5 (Management Arrangements) of the Project Document. The Project Advisory Board will be established to provide technical and operational guidance for project implementation policy ensuring the project's consistency and synergy with the other ongoing development processes in the country. In addition to Ministries of Nature Protection (MNP) and Ministry of Agriculture, it would include representatives of the line ministries, such as Ministries of Territorial Administration and Emergency Situations, Finance, Health and Regional Administration of both marzes, representatives of local support groups, community organizations and non-governmental organizations.

The Advisory Board will give guidance on the annual work-plans and project implementation and progress to ensure that the project's resources made available and the outputs produced meet the requirement of beneficiaries and the Government. The Advisory Board will be co-chaired by MNP and MOA and will meet annually and additional meetings can be arranged if deemed necessary.

(iii) The Project Management Unit

The Project Implementation Unit (PIU) - comprising a Project Manager (PM), Project Administrative Assistant (PAA), Human Resources specialist and other technical staff as relevant. The PIU, in collaboration with the Marz administration and Hayantar will have operational and administrative responsibility for facilitating stakeholder involvement and ensuring increased local ownership of the project and its results. The PM, PAA and other technical specialists HR specialist will be located in Yerevan to ensure coordination among key stakeholder organizations at the federal level during the project period, while some technical staff will be located in or close to the projects targeted Marz Administrative locations Districts to ensure close working relationships with operational field staff of the partner institutions and with the local stakeholders and communities.

(iv) Project communications to facilitate awareness and participation of project

The project will develop, implement and maintain a communications strategy to ensure that all stakeholders are informed on an ongoing basis about: the project's objectives; the projects activities; overall project progress; and the opportunities for involvement in various aspects of the project's implementation. This strategy will ensure the use of communication techniques and approaches that appropriate to the local contexts such as appropriate languages and other skills that enhance communication effectiveness. The project will develop and maintain a web-based platform for sharing and disseminating information on forest planning, grazing management, community forestry and management practices across the project area.

(v) Stakeholder consultation and participation in project implementation

An extensive stakeholder consultation and participation process will be developed and implemented for the following activities:

- Output 1.1 – assisting with MOA in updating of the forest management planning guidelines for mainstreaming ecosystem, climate risks and biodiversity considerations for management of forests.
- Output 1.2 – assisting Hayantar and the consortium of forest management staff to collect and validate geo-spatial forest and land-use information, including correcting of existing deficiencies in forest and land use data.
- Output 1.3 – Participating in the forest management planning process to assess needs and requirements of local communities for grazing, fuel wood, timber and minor forest products to guide decision making on allocation of land for different uses and prescriptions in the use of the forests and land resources
- Output 1.4 – assisting the State Forest Monitoring Center in assessing the effectiveness and enforcement of forest management plans, in particular to ensure that decisions made in outputs 1.2 and 1.3 are effectively implemented on the ground, including ensuring that implementation actions are in harmony with sustainable forest management practice
- Output 1.5 – reviewing practices to assess impact of on-going programs and outcomes of forestry and land management programs, identifying underlying policy, institutional and other constraints to sustainable practice and provide recommendations for facilitating adoption of new approaches
- Output 1.6 – participating in capacity and skills development training and engagement
- Output 2.1 – assisting in the identification of existing forest areas that are suitable for conservation, assessing biodiversity values of these areas, participating in field-based species monitoring exercises, assessing habitat improvement and protection measures, etc.
- Output 2.2 – assisting Hayantar in identifying locations for forest and pasture restoration, and for multiple use management; participating in restoration and maintenance works, supporting social fencing to reduce pressure on rehabilitating areas, and in terms of multiple use areas supporting planning, forest resource enrichment, engaging in sustainable harvest and protection and monitoring of the status of these lands
- Output 2.3 – collaborating in alternative livelihood improvement programs, defining and implementing reciprocal

commitments in protecting adjacent forests, monitoring state of the forests, etc.

- Output 2.4 –assisting MOA in evaluating alternatives to current practice of unsustainable use of forest resources as fire wood
- Output 2.5 – assisting MNP in plot selection, laying out sample sites, assessing carbon in forest types and monitoring.

A participatory approach will be adopted to facilitate the continued involvement of local stakeholders including the vulnerable and marginalized members of the community (including women) and institutions (such as NGOs and CSOs) in the implementation of the project activities within the targeted Administrative/Forest Districts. Wherever possible, opportunities will be created to train and engage local residents (particularly forest dependents) from proximity to the forests targeted for project intervention (e.g. sites targeted for restoration/rehabilitation of degraded forests and pasture; sites targeted for multiple use forestry, etc.

To facilitate the participation of local communities in project activities, the project will support establishment of forest protection committees, pasture development committees and forest use communities as institutional mechanisms to improve communication, collaboration and cooperation between forest dependents, tenure holders, natural resource users and the local forest and marz administration.

(vi) Capacity building

All project activities are strategically focused on building the capacity - at the systemic, institutional and individual level - in order to ensure sustainability of initial project investments. Significant resources are directed at building the capacities of: regional and district forest management staff; local pasture and forest tenure and rights holders; regional and local professional and technical land use planners; administrative district land use planning enforcement staff; administrative district pasture extension support staff; pasture and forest users, etc. Wherever possible, the project will also seek to build the capacity of local communities (e.g. local community groups and vulnerable and marginalized segments) to enable them to actively participate in project activities. The project will, wherever possible, use the services and facilities of existing local training and skills development

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

The main livelihood options of local communities in North-east Armenia are related to livestock husbandry, forestry, and collection of firewood and other NTFP. The project will enhance the resilience of the resource base on which people depend, in the case of the no-project scenario the resilience of the ecosystems to withstand threats would keep declining. Specifically, under the business as usual scenario, the forest enterprise branch planning does not consider the long-term resilience of the resource base on which surrounding communities rely on. Under the GEF alternative, local communities living in and around the forest branches in 2 marzes covering over 650,000 ha of multiple use lands will, through the forest management planning process benefit from the improved forest resource base on which they depend on agriculture and livestock, that will be more productive in the long term, that will ensure a more stable water quality and supply and other ecosystem services. This will yield national benefits in the form of reduced costs associated with erosion and increased flooding in the Caucasus mountain regions of northeastern Armenia. This will yield local benefits in the form of improved land productivity, which translates into improved animal health and increased incomes for pastoralists selling healthier animals, while also reducing erosion and destructive mud-slides and other costly natural disasters.

By rough assessments, over 400,000 people living in semi-arid and mountain landscapes of North-eastern Armenia would directly or indirectly benefit from the project through improved forest ecosystem services. Through the project, local graziers will have improved knowledge, and skills on improving livestock management, which ultimately will translate into higher productivity. It is estimated that degraded pastures reduce the productivity of livestock by at least 15%, which translates to significant loss to local economies. As discussed in the description of the baseline projects, this would not be available under the business as usual scenario. 600 families are expected to directly benefit from pasture improvement, sustainable forest resource use and livelihood opportunities, leading to at least a 20% rise in the yearly family income after year 4 from the start of business activity. The project expects that at least 30% of the recipients of

training in pasture and forest management will be women. The project will further seek to involve women as community leaders/representatives in the discussion of forest management plans, and implementation of forest regeneration, pasture land management and multi-purpose forestry and agro-forestry systems. Targeting communities as primary recipients of capacity building and incentives is justified not only from the micro-economic reality, but also from the global Land Degradation benefit perspective. Since communities is the key category of land users, a transformative change to a more sustainable land use ultimately depends on them, and the achievement of the global land degradation benefits (such as rise in productivity, retention of ecosystem services such as water supply) depends on the adoption of the SLM practices primarily by communities. As can be seen from the overall project design, the project addresses this through a systemic approach – targeting policy, forest management planning, capacity, know-how, and micro-economic aspects of forest land use decision making at the local level.

Sustainable management of forests and protection of biodiversity and ecosystem services in the northeast will result in multiple, interlinked benefits. At a global scale, it will contribute to climate change mitigation by enhancing carbon storage while simultaneously conserving biodiversity within a diverse and threatened terrestrial biome. At the local level, the project is expected to bring about visible and long-standing benefits as a significant portion of the project focuses on working with poorer communities in rural areas whose practices are currently unsustainable but who require incentives and support to shift to sustainable alternatives. The activities are expected to have a strong impact on family and local economies and would reach around 2,500 direct beneficiaries who will receive training for adoption of sustainable management practices in their properties. This in turn will generate in the medium and long term increased incomes of these families as a result of diversified production and higher yields, hence improving their livelihoods.

The project is designed to recognize important gender dimensions of its work both at the national and regional level and at the local community level. At the national level, project resources will mainstream a gender perspective into the forest management planning process under Outcome 1. For example, forest management guidelines will provide clear instructions on integration and recognition of gender-specific roles in forest and pasture management and integrate such understanding into SLM and SFM measures such as improved forest resource use and prescribed grazing regimes. At the local level, the project will use participatory approaches to involve all members of the community in planning. The project's stakeholder engagement work will further clarify gender roles, including the different types of gender specific roles in natural resource-dependent communities. Men and women have distinct roles and responsibilities, which give rise to differences in vulnerability. In mountain communities of the Caucasus, women are adversely affected by land degradation and its impacts on water availability and/or domestic animal health and thus income to the family. The project will address gender issues by promoting full and equitable participation of women in the conservation and landscape management approach, particularly through their involvement in the investments and capacity building activities that will provide sustainable livelihoods and ecosystem services upon which they depend. The Project will facilitate the access of women to project benefits, and will take into account: (i) proportional representation of women in community organizations associated to the project; (ii) contents and schedule of training activities will be tailored to ensure that women are proportionally represented in each event. Moreover, the project interventions will benefit women in several manners. In regards women are expected to benefit indirectly from the increased family incomes through diversified production and higher yields to be achieved through adoption of more sustainable practices. Socio-economic benefits derived from the implementation of sustainable value chains will have direct and positive impacts over women and the active participation of women in production, harvesting and processing of non-timber products. The project will also promote access of women to existing credit lines, to the extent feasible.

In terms of activities and outputs that explicitly include the gender dimension, the proposed project will use the same existing mechanisms available through the State agencies to encourage and ensure that women participate in the benefits of the project. Specifically village committees at the project level will have at least 30% of its members who are rural women. The project provides training specific for women both to improve agro-forestry, grazing management skills as well as to generate additional family income from agricultural and non-agricultural activities. Women participation in Value Chains (SVC) to be promoted by the project, improved pasture management (Component 2) and agro-forestry systems will involve and benefit women directly. Training and technical assistance activities will be designed with this in mind.

B.3. Explain how cost-effectiveness is reflected in the project design: The project is designed primarily to ensure

that investments are the most cost-effective to ensure that project approaches and institutional mechanisms are easily replicated and scaled up existing budgetary constraints that operate within the region and country. Removing the barriers to the sustainable forest and land management as discussed in previous sections of this document that currently impede the sustainable and efficient conservation of such resources will increase the conservation dividend of the resources and provide a real incentive for local communities to engage in sustainable management and conservation of the resource. Cost effectiveness will be ensured by the following project design features:

The project will use existing government, marz and local level institutional arrangements for delivery of project interventions, rather than create additional and costly alternative project-specific institutions. The project will operate through the existing institutional arrangements within the Ministry of Agriculture, including in particular Hayantar SCO to help coordinate, oversee and implement project related activities and will work within the existing protected areas through the Ministry of Nature Protection and protected area administration. At the village level, the project will work through existing village institutions to the extent feasible, but will institute a local level planning process to plan and deliver activities that are related to community forest management, agro-forestry and community forestry, grazing and livestock management and community livelihood investments, as well as help coordinate other socio-economic development investments available at the marz and local level. The planning process will be instituted through administrative approaches that are envisaged under existing government policy rather than create new systems that are not cost-effective

The project will make available lower-cost methods and tools to aid in SLM and SFM. Improved livestock production is dependent on proper management of pastures, proper health and fodder management. The proper management of pastures is critical as this is the least expensive feed source for animals. The environmental benefits of the project's proposed alternative also contribute to the cost-effectiveness, sustainability and feasibility of the low cost project alternative. These benefits include a maintenance and enhancement of natural pasture and forest ecosystem functioning through better grazing and reforestation measures reliant upon natural regeneration and re-forestation of forests in areas where forests were before as opposed to afforestation in areas that are not naturally fit for forests to grow. Finally an important measure of cost-effectiveness is that the GEF benefit is comparable with the below the presently known climate change mitigation approaches.

C. DESCRIBE THE BUDGETED M & E PLAN: Detailed and budgeted M&E plan has been elaborated in the UNDP project document and presented as such for guidance during the project implementation. The Monitoring and Evaluation Framework is elaborated in Section 6 of the accompanying UNDP Project Document


PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):**
 (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Aram Harutyunyan	Minister	MINISTRY OF NATURE PROTECTION	MARCH 21, 2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Adriana Dinu, UNDP-GEF Executive Coordinator.		May 26, 2015	Maxim Vergeichik, Regional Technical Advisor, IRH UNDP		maxim.vergeichik@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Refer Project Document: Section II Strategic Results Framework

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Response
GEF Review	
NONE	
STAP Review	
In the project framework, STAP recommends specifying the outcome and output indicators. Doing so, will assist UNDP to measure and monitor the intended activity. This will include assigning indicators on what will be measured (example: number of multi-sectoral stakeholder committees created to oversee the integrated forest and land use plans).	The UNDP Project Document Section II Strategic Results Framework and Request for CEO Endorsement Document Table B Project Framework provides indicators for each activity and means of verification and responsibilities.
In the project description, it would be helpful to further describe the ecological characteristics of the two marzes that will be targeted by the project (Lori and Tavush). This information can be used to further inform the design and implementation of the project. Wherever possible, STAP also encourages the project developers to reference literature sources in the project description	Information regarding the characteristics of marzes is provided in Annex 5 of the UNDP Project Document, and has been used to inform the refinement of the Outputs under Component 1.
Furthermore, STAP recommends providing socio-economic indicators disaggregated by gender wherever possible. This data can be used to further inform the design and implementation of the project. Additionally, it would be useful to describe the general climate in the targeted areas, and provide some data on trends or projections on climate change. This information could be obtained at the World Bank's Climate Change Knowledge Portal http://sdwebx.worldbank.org/climateportal/index.cfm?page=climate_data ; which includes (for example) UNDP's climate change country profiles http://www.geog.ox.ac.uk/research/climate/projects/undp-cp/ among other tools. Together, the data will strengthen the proposal description and the barriers it intends to address, and buttress further the rationale of the proposed interventions.	Please refer to UNDP Project Document Section II Strategic Results Framework for gender disaggregated indicator. The weather conditions in Armenia are influenced by its geographical diversity. The microclimatic features of Armenia climate result from its craggy landscape. The plain lands of Armenia are characterized by temperate climatic pattern, while the mountainous part remains cold throughout the year (refer UNDP Project Document, Section 1: Part 1.1 “Geographic and Environmental Context”) In terms of climate change impacts, refer to Section 1.4 of the UNDP Project Document.
STAP also recommends defining a framework to help assess the value and trade-offs of the multiple ecosystem services the project intends to focus upon. This information also will help identify the various landscape functions, and what potential trade-offs may exist between them. The project developers may find the following source useful for valuing the multi-functional benefits of ecosystems, and identifying potential trade-offs between land uses de Groot, R. Functional-analysis and valuation as a tool to assess land use conflicts in planning for sustainable, multifunctional landscapes. Landscape and Urban Planning. 75. 175-186. 2006.	New guidelines for forest management planning and monitoring protocols to be developed under the project will help assess trade-offs between competing environmental, social and economic objectives in forest planning and management and associated investments. Revised protocols for monitoring the implementation of forest management plans would make specific reference to assessing impacts on ecosystem service delivery and benefits from biodiversity conservation and community use of NTFPs and other productive forest management operations. Under Output 1.2, (UNDP Project Document, Section I, Part 2.2 “Project Objectives, outcomes and Outputs”) in order to ensure that Forest Management Plans are based on up-to-date and verifiable information, the project would support the inventory and mapping of the forest resources. This will enable to undertake inventory and classification of forest land in NE Armenia, that would present information on the location of critical habitats, build in thresholds for the use of natural resources (land, freshwater, forests), have indicators on ecosystem resilience, carbon stocks, impact of climate change and community use. Through the inventory and mapping

	<p>exercise, it would be possible to determine where specific ecosystem, biodiversity and socio-economic values are priority. Part of the FMP development exercise will be dedicated to analysis of the trade-off between systems for sustainable land and forest management, including valuation of costs/benefits of different SFM/SLM practices and production systems and those that are dedicated for biodiversity conservation, climate protection and community resource use. The new forest management planning represent a paradigm shift from the current emphasis on forest production to a more holistic approach of management of forest for multiple benefits of biodiversity conservation, climate amelioration, water retention and erosion control, sustainable non-timber forest product management and community benefit sharing and livelihood improvement. The new and revised management plans would emphasize management practices for the different parcels of land within the forest estate to ensure multiple benefits and conservation outcomes.</p>
<p>Additionally, STAP encourages for the project developers to include the trade-offs between the various land use options in the risk section (A.3). Doing so, may help strengthen the mitigating response on stakeholders' competing uses for land and forestry resources.</p>	<p>See response above</p>
<p>In component 1, STAP encourages UNDP to define further the intended interventions described in the document. For example, the component indicates that community participatory forestry will be integrated into the into the forest and land use plans. However, this activity is only briefly described in the proposal.</p>	<p>UNDP Project Document Section I, Part 2.2 titled "Project objectives, outcomes and outputs" provides great detail on the intended activities, including the sequencing of activities for each proposed project output.</p>
<p>It would be useful to have further clarification on whether land use plans are enforceable. STAP believes further details about this aspect will help strengthen the interventions and project rationale given it has a strong reliance on land use planning.</p>	<p>Based on further elaboration during the PPG phase, it was concluded that the expectation of integrated land use plans was unrealistic given the myriad of institutions and agencies that were involved in land use related activities in the project areas. Rather a more realistic approach was to focus on improving forest management planning to enhance the many ecosystem values of the forest (see Table on "Changes in Project since PIF" in Request for CEO Endorsement Document).</p>
<p>In component 2, UNDP may wish to consider the methodology developed by the UNEP/GEF project on estimating and monitoring carbon stock changes in particular, the detailed assessment since the project seeks to set up sites to obtain measurement data.</p>	<p>The estimation of the carbon stock and monitoring follows the guidance provided in the National GHG Inventory Report of Republic of Armenia published in 2014 that is based on guidance of the UNCCCDD.</p>
<p>STAP also recommends reassessing the method used to estimate greenhouse gas savings since it appears overly simplistic for example, it does not take account of forest growth dynamics. STAP suggests recalculating the estimates during the proposal development.</p>	<p>Please refer to Annex 6 of UNDP Project Document for estimating GHG gas savings. The estimations take into consideration annual forest growth dynamics that are specific to Armenia.</p>
<p>The table on page 9 defines a series of ecosystem services that will be generated through sustainable forest management, land management and biodiversity. STAP recommends assigning indicators to each intended benefit to monitor the intended global environmental outcomes. Currently, the climate change benefits and the sustainable land management benefits (carbon sequestration) appear to be further specified (supported by estimates) than benefits derived from biodiversity conservation, and other benefits provided by sustainable land management (example: decrease in grazing pressure in forestland).</p>	<p>Refer UNDP Project, Section II Strategic Results Framework (log-frame) for specific indicators for sustainable land management and biodiversity.</p>
<p>It would be useful to clarify the point about "non harvested</p>	<p>Non-harvested wood products refers to fallen and decaying</p>

<p>wood products" under the climate change benefits derived from sustainable forest management. Currently, it is not clear what is meant.</p>	<p>logs, branches and other debris that is not taken out from the forest, and remains as part of the forest floor. It serves as a carbon sink.</p>
<p>Furthermore, STAP recommends specifying the stakeholders' roles (identified in section A.2) in relation to the project's components specifying the stakeholders' comparative advantages. It also is not clear whether the community groups, private sector and NGO's have been involved in the development of the proposal at this stage. If they have not been involved, STAP recommends they are brought into the process as soon as possible.</p>	<p>The participation of stakeholders and in particular forest dependent communities is key to the project success. During project preparation stakeholder consultations were held to discuss the broad scope and outline of the project design. The mapping and allocation of forests to different use categories will be based on a consultative process that integrates the ecological and conservation values of the forests and the needs of the local people. In addition, the identification of alternative income generation activities, community forest use and non-timber product use would be defined through a consultative process and its implementation undertaken through local community groups. Refer Section b.1 of Request for CEO Endorsement Document) for Stakeholder Involvement Plan. The project will seek collaboration with small scale private sector entities for supporting alternative rural energy, NTFP and agro-product processing and marketing, etc. to support income generation and livelihood activities and alternatives to use of fuelwood for cooking and heating.</p>
<p>Under component 2, STAP recommends defining further the livelihood alternatives. At the moment, these are only briefly touched upon in the proposal. If UNDP wishes to consider further PES schemes, STAP recommends for the project developers to consider the STAP advisory document on "Payment for Ecosystem Services and the Global Environment Facility", March 2010. The publication is available on the STAP website www.stapgef.org</p>	<p>While, the livelihood alternatives would be defined through a participatory planning process and identified during project implementation, there are some likely options that might be entailed to offset dependencies on the forests. Forest related activities such as apiculture, processing of non-wood forest products (berries, mushrooms, medicinal herbs), fruit and timber species nurseries and community-based ecotourism ventures will be the focus. The need for increasing the income of local communities from forest-friendly small-business support has been confirmed by national stakeholders. The GEF alternative would support assistance in marketing of the product scheme to local communities; assistance with feasibility assessments and application process for forest product development; technical guidance on implementation of specific cultivation and production activities and small-business development; and monitoring of sustainability of production forests and agro-forestry systems. As part of the effort to ensure the sustainability of these production systems, the project would facilitate private-public partnerships to ensure that the scheme will be continued without GEF support after project end. The PPG team feels that establishment of PES systems through the project might be premature, given that there has been limited dialogue and movement in this direction. Refer Table on "Changes since PIF" in Request for CEO Endorsement Document</p>
<p>Additionally, component 2 raises measurement of carbon flux and another measurement of carbon stock. STAP believes the former may be too ambitious and potentially unnecessary. Further clarification would be useful about the project's intention to measure carbon flux.</p>	<p>Agreed. Have omitted reference to Carbon flux measurements</p>
<p>STAP believes that regulation and enforcement are valuable measures to reduce fuel wood harvest, but these measures will not be effective in reducing net greenhouse gas emissions unless an alternative energy source, and alternative income sources, is available. It would be useful for the proposal to acknowledge these factors influencing the reduction in fuel wood harvest.</p>	<p>The team recognizes that the issue of fuel wood use is rather complex and requires a strategy that encompasses fuel wood collection and use, identification of alternative sources of energy, addressing issues relating to subsidies and others. The project will support the development of an integrated strategy to address the issue of fuelwood requirements at the community level, including alternative sources to replace</p>

	fuelwood dependencies (refer UNDP Project Document, Page 48 Output 2.4)
The proposal is not clear with respect to alternative energy source for cooking. Its purpose is not clear in the proposal.	This activity is not relevant to the project and has been excluded following PPG work.

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS⁵

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF: \$ 91,324			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent to date</i>	<i>Amount Committed</i>
Technical review	28,000	27,610.00	390.00
Institutional arrangements, monitoring and evaluation	46,024	34,186.79	11,837.21
Financial planning and co-financing investments	16,000	15,981.45	18.55
Validation workshop	1,300	1,013.76	286.24
Total	91,324	78,792	12,532.00

⁵ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A