



GEF SECRETARIAT REVIEW FOR PROGRAMMATIC FRAMEWORK DOCUMENT*

GEF Program ID:	4664		
Country/Region:	Russian Federation		
Program Title:	ARCTIC GEF-Russian Federation Partnership on Sustainable Environmental Management in the Arctic under a Rapidly Changing Climate (Arctic Agenda 2020)		
GEF Agency:	UNEP, EBRD and UNDP	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-1; CCM-1; CCM-2; CCM-2; CCM-2; CCM-3; CCM-5; CCM-5; BD-1; BD-2; BD-2; IW-2; IW-3; IW-3; IW-3; CCM-3; CCM-3;		
Anticipated Financing PPG:	\$0	Project Grant:	\$383,092
Co-financing:	\$0	Total Project Cost:	\$383,092
PFD Approval:	October 11, 2011	Council Approval/Expected:	November 09, 2011
		Expected Program Start Dt:	
Program Manager:	Ivan Zavadsky	Agency Contact Person:	Takehiro Nakamura

Review Criteria	Questions	Secretariat Comments on Program Framework Document
Eligibility	1. Is the participating country eligible?	Yes.
	2. Has the operational focal point endorsed the program?	Yes. The Russian Federation OFP endorsed the programme on July 27, 2011.
Agency's Comparative Advantage	3. Are the Agencies' comparative advantages for this program clearly described and supported?	All four GEF agencies envisaged to implement this programme and projects therein have both proven record of implementing projects within their comparative advantage in field of environmental governance, development and implementation of Strategic Action Programmes, desing and management of dedicated trust funds and implementing projects aimed at CC mitigation through investment in energy efficiency and renewable energy.
	4. If there is a non-grant instrument in the program, is the GEF Agency(ies) capable of managing it?	N.A. Sep 22, 2011 (IZavadsky): The submitted revised PFD proposes to use a small portion of GEF funds in project # 6 be used as a capital grant or potentially as a risk guarantee mechanism for a small number of pilot projects. The EBRD has capability to manage such a non-grant instrument.

	5. Does the program fit into the Agencies' programs and staff capacity in the country(ies)?	Yes, the baseline programmes in Russian Federation associated with this Programmatic Approach fits in the existing and planned agencies programmes in the country. All four agencies have sufficient nationally and regionally based staff to manage and supervise the individual projects and assure coordination of their actions at the programmatic level.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):	
	• the STAR allocation?	Yes.
	• the focal area allocation?	Yes.
	• the LDCF under the principle of equitable access?	N.A.
	• the SCCF (Adaptation or Technology Transfer)?	N.A.
Program Consistency	7. Is the program aligned with the focal /multifocal areas/ LDCF/SCCF results framework?	<p>In principle yes but there are some inconsistencies with alignment of individual project with correct FA Objectives. For example, on page 7 under B.1.1 CCM-5 is improperly recorded as CCM-4, please correct or clarify; the EBRD EE project writeup references CCM-4 (Urban), though this is clearly inconsistent with the Table A, which has not mention of CCM-4. And the submitted PIF has no mention of CCM-4. Please clarify.</p> <p>In addition, the programme results framework is expected to be less general and more focused on specific outcomes and outputs, including targets and indicators of the GEF 5 respective focal areas strategies.</p> <p>Sep 22, 2011 (IZavadsky): The requested corrections and clarifications were provided in revised PFD. The programme results framework was revised, additional details were added. Measurable outputs will be elaborated in individual PIFs. Cleared.</p>
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF objectives identified?	<p>DER, Sept. 16, 2011. Table A is missing the appropriate focal area outcome and output coding as specified in the document: GEF5-Template Reference Guide 9-14-10rev11-18-2010_0. For example, under CCM-2, the "energy savings achieved" is output 2.3. Please supply the proper coding.</p> <p>Sep 19, 2011 (IZavadsky): The same applies for IW 3, please apply the correct GEF 5 IW output.</p>

		Sep 22, 2011 (IZavadsky): Coding for outcomes and outputs were added and corrected. Cleared.
	9. Is the program consistent with the recipient country(ies)' national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	Yes, the programme is consistent with national policies and plans related to Russian Arctic, in particular with the SAP-Arctic, the strategic action programme for protection of the Russian arctic environment, approved by the Russian Government Maritime Board in 2009. The programme is consistent with the RF NBSAP and with National Action Plan to support CBD and with major RF's policy documents on climate change.
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of program outcomes?	The programme and projects therein are not specifically targeted at capacity building – except for programme interventions to strengthen the capacity of indigenous people to manage the Arctic natural resources in sustainable manner, providing socioeconomic benefits and healthy livelihood. However, the proposed national reforms, policies and investment tools and improved governance will contribute to the sustainability of the programme results by increased capacity of national institutions, local governments and other stakeholders to sustain the programme results at regional, national and community levels.
Program Design	11. Is the description of the baseline scenario/baseline project – what would happen without GEF financing – reliable, and based on sound data and assumptions?	The document provides lot of information on the programme intervention itself, including the description of activities and legislative and policy changes envisaged in RF related to improved management of the resources of Russian Arctic. However, the baseline programme description is expected to provide more detail information on activities and expected results. A clear characteristic of the baseline scenario, means what would happen without GEF investment is not well articulated. Please clarify. Sep 22, 2011 (IZavadsky): Explanation of the baseline scenario and the GEF increment has been revised in the resubmitted PFD. Detailed baseline information will be presented in each individual PIF. Cleared.
	12. Are the activities to be undertaken by the program partners (or for which they will provide funding) sufficient given the nature of the program and is it likely that these activities (or funding) will not materialize if the GEF does not fund this program?	Yes. The programe is designed in a complementarity of GEF and other programme partners interventions in the Russian Arctic in support of improved environmental management of the territory and its NR. The proposed funding seems sufficient to achieve programme outcomes; however, the partial or full dependence of these interventions on the GEF grant is not articulated in the programme. Please clarify. Sep 22, 2011 (IZavadsky): The revised PIF provided requested clarification. Cleared.

	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	N.A.
	14. Is the program framework sound and sufficiently clear?	<p>Not yet.</p> <p>DER, Sept. 16, 2011.</p> <p>a) Annex A provides a list of proposed projects and indicative financing. The annex appears to have several formatting issues and mixes totals inside columns, making it very difficult to read the table. Please reformat.</p> <p>b) On project 1 - Env. governance & KM, (\$1M CCM, \$2.5M total, with fees) there is a question on the use of CCM funding and on the claim of meeting CCM-1 objective on black carbon. The project description does not provide any justification for the use of CCM funding. Further, CCM-1 focal area objective is not included in Table A, so there is no linkage of the project with appropriate focal areas. Without a clear justification there should be considered zero CCM funding for this project.</p> <p>c) On project 2, (\$4.2M CCM with fees), there is no mention of any RE elements, does it mean that the project will address only EE? Please clarify. There is potential overlap between this project and project 5 "Targeted support for EE and RE." Please clarify the specific CCM contribution to project 2 and clarify potential overlap with project 5.</p> <p>d) On project 6 (at many instances mentioned as project 5), (\$7M CCM with fees) some clarification is provided in the PFD and in the attached PIF on the GEF investment portion and and justification for need for two separate financial windows. The project number is inconsistent throughout the PFD. Please correct. The project writeup in the PFD references CCM-4 (Urban), though this is clearly inconsistent with Table A which has no mention of CCM-4. And the submitted PIF has no mention of CCM-4. Please clarify.</p> <p>e) On project 6, there is a significant share of the GEF funding allocated to an investment component. This is appropriate and recognized as positive. Please consider the option to offer this investment component in the form of a non-grant instrument that would generate reflows.</p> <p>f) On project 6, we note that gas-flaring reduction is still included as a potential technology investment area under this project. Please clarify the consistency of this with GEF focal area objectives and clarify the global environmental benefits. Please clarify if national and international commitments will require reductions of gas-flaring in the baseline.</p> <p>g) Regarding LULUCF, please describe or clarify "other GEF projects under preparation".</p> <p>h) On project 3, Annex A describes an activity for "conserving biodiversity in</p>

references restoration of peatlands, but no further description of activities is provided. Please clarify what types of "peatland restoration" activities are proposed for this project; how they relate to the baseline project; and justify the GEF contribution.

Sep 19, 2011 (IZavadsky):

- Distinction of co-financing sources by categories (grants, loans, in-kind) would be needed in terms of overall programme as well as for individual projects, listed in the programme annex;
- With regard to background information on potential threats and future challenges to biodiversity more information on status, past and ongoing activities and gaps the programme intends to address is needed. Please clarify;
- The global environment benefits of the programme are stated rather general, it requested to be clarified both on programme and project levels;
- Regarding the WB project (#2) is expected to be blended in the financing envelope of the Arctic Fund; GEF has supported at least two Environmental trust funds development in Russia under BD in the past (Kamchatka and salmon), and lessons learned from their failures would be useful;
- On the UNEP project (3), further information on the prioritization and site info on the PAs would be very useful. More clarity on the mainstreaming outside of the PA, what kind of partnership will be build and what type of actions are envisioned with the key industries is needed;
- please add the UNDP Bering Sea project in the Annex 1 under submitted project category, this project was officially submitted.

Sep 22, 2011 (IZavadsky):

Corrections and clarifications were made in the revised PFD according to questions above. More specific description of GEB will be provided in each individual PIF. Remaining issues still to be addressed in the PFD:

- (i) For project #1 on black carbon, the response provided in a separate file was useful. It is still expected that the bulk of the CCM-1 funding will be going into the referenced technology transfer demonstrations. The other referenced activities, such as centers, should not be supported with the CCM-1 funding. Please clarify in the PFD and in the subsequent PIFs submitted for review.
- (ii) Description of the key differences between project # 2 and project #5 need to be reflected in the PFD;
- (iii) Explanation on the gas flaring to be addressed in project # 6, provided in a separate file, need to be incorporated into the PFD and project #6 write-up;
- (iv) The clarification on peatland ecosystems and justification of the GEF contribution (project #3), provided in a separate file, need to be incorporated into the PFD.

		<p>relates to GHG emissions needs to be in the PFD. This reference should be in section B.2, and should also be referenced in the description of Project #1, and any other project that uses CCM funding, and in the subsequent PIFs.</p> <p>(v) In Table A, each outcome element must have a separate funding level assigned to it. The agency is asked to revise this table accordingly.</p> <p>Sep23, 2011 (IZavadsky): The PFD was revised accordingly to pending comments. Cleared. However, we make note of the very outdated references to the third National Communications (NC) of the Russian Federation. Given that the referenced NC was submitted in 2002, but the fifth NC was submitted in 2010, its not clear that the material presented in the PFD document are consistent with the up-to-date NC.</p>
	<p>15. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the program, and b) how they will support the achievement of incremental/ additional benefits?</p>	<p>Yes.</p>
	<p>16. Is public participation taken into consideration, and the roles of the various stakeholders identified and addressed properly?</p>	<p>Yes.</p>
	<p>17. Does the program take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>yes.</p>
	<p>18. Is the program consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>DER, Sept. 16, 2011.</p> <p>a) There is tremendous opportunity to include coordinated chemicals and POPs related projects within the program. The program document notes the potential for POPs programs, but does not include them in the PFD. Instead the document says they could be done "in close cooperation." Please consider and clarify if POPs related efforts can be included within the PFD to enhance synergy.</p> <p>b) Project 2 and Project 5 address barriers and opportunities for energy efficiency and renewable energy investments, with a focus on the Arctic region. Existing projects by both IBRD and EBRD address these same issues across the Russian Federation. Please clarify the unique aspects of the proposed projects within the PFD and describe coordination with existing efforts.</p> <p>Sep 22, 2011 (IZavadsky):</p>

	19. Is the project implementation/ execution arrangement adequate?	<p>Yes, the mechanism proved to work well on implementation of the past GEF Russian Arctic SAP project is proposed to be transformed for the programme implementation and coordination needs. The higher level strategic programme coordination body will be tasked by providing strategic guidance to and coordination at the programme level. Please consider to add a word "Russian" in to the proposed title of this body to avoid potential confusion with the Arctic Council- the multi-government body of Arctic nations.</p> <p>Sep 22, 2011 (IZavadsky): Requested revision was provided. Cleared.</p>
Program Financing	20. Is funding level for program management cost appropriate?	<p>Yes, the PCB grant of \$500k is envisaged, it seems appropriate according to complexity of the tasks the programme seeks to address and to number of GEF agencies and external partners.</p> <p>Sep 22, 2011 (IZavadsky): Please make sure that the PCB grant is not included in any of the PFD budget tables (e.g. table C); it may remind as a footnote to all those tables.</p> <p>Sep23, 2011 (IZavadsky): The PFD was revised accordingly. Cleared.</p>
	21. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>Yes, the funding and indicative co-financing per programme component seems adequate, assuming the clarity requested in above comments will be provided. Please note: The totals in tables A and B do not correspond to the amount listed in individual lines, please correct. Secondly, mixed grant types are no longer accepted, please categorize particular component by TA and Investments in Table B or indicate amounts envisaged to specific type of grant in relevant component.</p> <p>Sep 22, 2011 (IZavadsky): The totals in Tables A and B still do not much, please check and correct. Also the division of grant type in component 5 (EBRD project # 6) was noted. Please clarify.</p> <p>Sep23, 2011 (IZavadsky): The PFD was revised accordingly to pending comments. Cleared.</p>
	22. Comment on the indicated co-financing.	<p>DER, Sept. 16, 2011. Co-financing levels for project 6 (EBRD EE project) are lower than expected based on earlier discussion. Please justify if the co-financing levels provided are adequate.</p> <p>Sep 19, 2011 (IZavadsky): In table C please indicate . if possible at this stage. the type of co-financing</p>

		<p>will be a must. With regard to the footnote on the WB loan of \$100 mill as co-financing to the project 2 more specific expression of commitment of Russian Federation Government to this project is needed.</p> <p>Sep22, 2011 (IZavadsky): Additional information provided. Cleared.</p>
	23. Are the co-financing amounts that the Agencies are bringing to the program in line with their roles?	Yes.
Program Monitoring and Evaluation	24. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?	N.A.
	25. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?	N.A.
Agency Responses	26. Has the Agency responded adequately to comments from:	
	<ul style="list-style-type: none"> • STAP? 	
	<ul style="list-style-type: none"> • Convention Secretariat? 	
	<ul style="list-style-type: none"> • Council comments? 	
	<ul style="list-style-type: none"> • Other GEF Agencies? 	
Secretariat Recommendation		
PFD Clearance	27. Is PFD clearance being recommended?	<p>Sep 19, 2011 (Izaavadsky): Not yet. The agency is kindly asked to provide clarifications requested in above comments.</p> <p>Sep 22, 2011 (IZavadsky): Not at this stage. The agency is kindly asked to provide clarifications requested in not yet cleared comments.</p> <p>Sep23, 2011 (IZavadsky): The PFD was revised accordingly to pending comments. The PM recommends clearance of this programme into next WP.</p>
	28. Items to consider at subsequent individual project submissions for CEO endorsement.	<p>Sep 19, 2011 (Izaavadsky): Due to complexity of the programme and importance of coherence of all the projects it will be not recommended endorsement of any individual project prior to the approval of all PIFs of the programme.</p>

		According to revisions and responses received, several issues should be considered at the requests for individual PIFs approval and CEO endorsement: (i) clear description of the baseline situation, specification of the GEB and results frameworks in line with related GEF 5 FA strategies; (ii) use of non grant instruments in the project # 6. (iii) Precise and up-to-date references to the Russian Federation National Communications should be included.
Review Date (s)	First review*	September 19, 2011
	Additional review (as necessary)	September 22, 2011
	Additional review (as necessary)	
	Additional review (as necessary)	
	Additional review (as necessary)	

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

REQUEST FOR PROGRAM COORDINATION BUDGET/PROJECT PREPARATION GRANT FOR PROGRAM APPROVAL

Review Criteria	Decision Points	Program Manager Comments
Program Coordination Budget/Project Preparation Grant for Program	1. Are the proposed activities for program coordination appropriate?	Yes, the activity proposed correspond with the needs of coordination of this complex multi-agency, multi-focal area programme, namely coordination of programme's M&E and reporting, organization of coordination meetings of programme's partners at various levels, outreach and communication activities and activities needed for cooperation with Arctic Council and other inter-governmental bodies.
	2. Is itemized budget justified?	Yes, the breakdown budget items correspond with proposed activities and outputs of every PPG component.
Secretariat Recommendation	3. Is PCB/PPG for Program approval being recommended?	Yes, the PM recommends approval of the PCB.
	4. Other comments	
Review Date (s)	First review*	February 15, 2013
	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.