Global Environment Facility

GEF

Monique Barbut
Chief Executive Officer
and Chairperson

1818 H Street, NW
Washington, DC 20433 USA
Tel: 202.473.3202
Fax: 202.522.3240/3245
Email: mbarbut@TheGEF.org

February 6, 2008

Dear Council Member,

The Asian Development Bank (ADB) as the Implementing Agency for the project entitled ***Tajikistan: Rural Development Project-under CACILM Partnership Framework, Phase 1*** has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with the ADB procedures.

The Secretariat has reviewed the project document. It is consistent with the proposal approved by Council on August 28, 2006 and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by the ADB satisfactorily details how Council's comments and those of the STAP have been addressed.

If by February 27, 2008, I have not received requests from at least four Council Members to have the proposed project reviewed at a Council meeting because in the Member's view the project is not consistent with the Instrument or GEF policies and procedures, I will complete the Secretariat's assessment with a view to endorsing the proposed project document.

We have today posted the proposed project document on the GEF website at www.TheGEF.org. If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

Attachment: Project Document

cc: Alternates, GEF Agencies, STAP

REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: **Full-sized Project**
THE GEF TRUST FUND

Submission Date: 7 November 2007
Re-submission Date: 4 February 2008

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3234
GEF AGENCY PROJECT ID: 37530
COUNTRY: Tajikistan
PROJECT TITLE: Rural Development Project
GEF AGENCY: AsDB
OTHER EXECUTING PARTNER(S): Ministry of Agriculture
GEF FOCAL AREA(S): Land Degradation
GEF-4 STRATEGIC PROGRAM(S): LD-SP1, LD-SP2
NAME OF PARENT PROGRAM/UMBRELLA PROJECT: CACILM

Expected Calendar	
Milestones	**Dates**
Work Program (for FSP)	N/A
GEF Agency Approval	29 Jan 2007
Implementation Start	14 Sept 2007
Mid-term Review (if planned)	March 2011
Implementation Completion	31 March 2014

A. PROJECT FRAMEWORK (See next page)

B. FINANCING PLAN SUMMARY FOR THE PROJECT ($)

	*Project Preparation**	*Project*	*Agency Fee*	*Total at CEO Endorsement*	*For the record: Total at PIF*
GEF	0	3,500,000	315,000	3,815,000	Not applicable
Co-financing	850,000	19,810,000		20,660,000	Not applicable
Total	850,000	23,310,000	315,000	24,475,000	

***** Note that this project benefited from PDF resources allocated for preparation of the CACILM program.

C. SOURCES OF CONFIRMED CO-FINANCING, including co-financing for project preparation for both the PDFs and PPG. (expand the table line items as necessary)

Name of co-financier (source)	*Classification*	*Type*	*Amount ($)*	*%**
ADB Loan	Executing Agency	Loan	8,800,000	43
ADB (ADF IX Grant)	Executing Agency	Loan	8,300,000	40
ADB	Executing Agency	Grant (for preparation)	850,000	4
Government (cofinancing for loan)	National Government	In-kind	1,660,000	8
Beneficiaries	Beneficiaries	In-kind	1,050,000	5
Total Co-financing			20,660,000	100

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

D. GEF RESOURCES REQUESTED BY FOCAL AREA(S), AGENCY(IES) OR COUNTRY(IES): NOT APPLICABLE

PROJECT FRAMEWORK

Project Objective: Farm and non-farm incomes of rural households increased through improvements in the productivity of farms and rural enterprises within an environmentally sustainable management framework								
Project Components	**Indicate whether Investment, TA, or STA****	**Expected Outcomes**	**Expected Outputs**	**GEF Financing***		**Co-financing***		**Total ($)**
				($)	%	($)	%	
1. Policy & Institutional Development and Reform	Investment/ TA	Land-use rights secured	*Raion* administrations operating efficiently; transparent, fair, and effective land registration systems by end of year 3 100% of *dekhan* farms with land certificates (30% of farms owned by women) Incidents of land disputes identified and resolved No farmers reporting compulsary land use	535,000	25	1,640,000	75	2,175,000
		Policies and institutions for pasture lands improved	National policy and strategy for pasture land management by year 2 Restructured institutions for pasture land management by year 6 Legislation approved by year 4 Equitable access to all categories of pastures					
		Administration and institutional aspects of business development improved	Streamlined business registration process installed in all *raions* by year 3 Reduced registration time Reduced inspection frequency and duration Incidence of business interference by *raion* authorities eliminated					

2. Pasture, Arable, & Forest Land Management	Investment/ TA	Pasture and Livestock planning and management skills demonstrated Capacity for effective land management improved Degraded lands rehabilitated	At least five pasture user groups established by year 3 At least 4 pilot sites based on at least two different livestock production systems and reformed pasture land and management systems by year 2 Methodologies for reorganization of pasture land administration and tenure extended by *raion* authorities to all areas by year 6 Improved land condition and associated biodiversity status by year 6 New approaches and techniques for monitoring livestock and pastures adopted by *raion* authorities by year 4 Trained pasture land planning and management graduates by year 5 Trainers demonstrate competency in new approaches and techniques Institutional link established between foreign and local training institutions by year 4 35% of farmers practicing appropriate land management techniques Farming on sloping land above 30 degrees eliminated 25% of pasture and sloping agriculture land managed sustainably 20% of degraded arable land rehabilitated At least five community forest groups established by year 2	2,725,000	61	1,775,000	39	4,500,000
3. Agriculture & Rural Business Support	Investment/ TA	Demand-driven farm and rural business advisory services established and sustainably operated Market information system operational	Advisory centers established Master farmers trained and competent to deliver required training Farmers adopting improved farming practices Service centers privatized by year 5 Staff of appropriate agriculture training institutions competent to deliver farm management, extension, and farm business development courses Enterprises supported and established or expanded Diversity of enterprises increased Contracts developed with marketing outlets and agribusiness Export links established and maintained Entrepreneurs trained in organizational, management, and financial arrangements for business enterprises Market information regularly reaches 50% of farmers Number of farmers requesting services and willing to pay	115,000	2	6,300,000	98	6,415,000

4. Rural Infrastructure	Investment/ TA	*Raion* and *jamoat* infrastructure planning and maintenance capacity improved *Raion* and community infrastructure improved with sustainable O&M arrangements	Infrastructure plans developed for sectors with projects being submitted for project financing Each project proposal includes realistic physical and financial maintenance plan *Raion* and community infrastructure projects completed with 100% O&M funding User associations formed and responsibilities for O&M agreed on for each relevant project site *Raion* administrations establish effective systems for maintenance Infrastructure effectively maintained	-		6,645,000		6,645,000
5. Project management	Investment/ TA	Project managed effectively Project monitored and evaluated effectively	Timely implementation of work schedule and delivery of inputs and outputs for the project Timely, accurate, and comprehensive reporting of Project's progress to Government, ADB, GEF and other partners Effective project management and monitoring systems, including project performance management system operationalized	125,000	4	3,085,000	96	3,210,000
Subtotal				3,500,000	15	19,445,000	85	22,945,000
Financial Charges						365,000		365,000
Total Project Costs				3,500,000	15	19,810,000	85	23,310,000

* List the $ by project components. The percentage is the share of GEF and Co-financing respectively to the total amount for the component.

** TA = Technical Assistance; STA = Scientific & technical analysis.

E. PROJECT MANAGEMENT BUDGET/COST

Cost Items	*Total Estimated person weeks*	*GEF ($)*	*Other sources ($)*	*Project total ($)*
Locally Recruited Personnel	4,260	38,000	499,000	537,000
Internationally Recruited Personnel	104	83,000	978,000	1,061,000
Office facilities, equipment	-	-	492,000	492,000
Vehicles and Communications	-	-	-	-
Travel**	-	-	331,000	331,000
Studies and Surveys	-	-	405,000	405,000
PIU Staff	-	-	366,000	366,000
Miscellaneous	-	4,000	14,000	18,000
Total	4,364	125,000	3,085,000	3,210,000

* Provide detailed information regarding the consultants in Annex C.
** Provide detailed information and justification for these line items.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component*	**Estimated person weeks**	**GEF($)**	**Other sources ($)**	**Project total ($)**
Local consultants	4,044	185,000	604,000	789,000
International consultants**	632	1,076,000	2,361,000	3,437,000
Total	4,676	1,261,000	2,965,000	4,226,000

** Detailed information regarding the consultants provided in Annex C.*
*** Includes international travel and per diem costs*

G. DESCRIBE THE BUDGETED M&E PLAN:

The Project will be monitored and evaluated in two ways. First, as an ADB project, it will be subject to the standard monitoring and evaluation (M&E) procedures of the principal lender, with most of its elements carried out jointly with the Government of Tajikistan. Second, as part of the National Program developed under CACILM, the Project's M&E provisions will be integrated with the M&E provisions of the CACILM national and multi-country activities. In addition, the Project will prepare reports required by GEF such as the annual monitoring reports and will respond to monitoring and evaluation studies that will be conducted by the GEF Secretariat and the GEF Evaluation Office.

The monitoring and evaluation plan for the project is described in Annex D of the Project Document. Information from this plan feeds into the national M&E system, which will cover all CACILM projects in Tajikistan and will target four types of variables:

(i) land degradation and SLM indicators of the logical frameworks;
(ii) compliance with environmental and social safeguards that may be prescribed by Strategic Partnership Agreement (SPA)[1] members' cofinancing agreements;

[1] Strategic Partnership Agreement for United Nations Convention to Combat Drought and Desertification (UNCCD) Implementation in the Central Asian Countries. Present members are Asian Development Bank (ADB), Canadian International Development Agency (CIDA), CCD Project of the German Agency for Technical Cooperation (GTZ), Global Mechanism (GM), International Center for Agricultural Research in Dry Areas (ICARDA), International Fund for Agriculture Development (IFAD), Swiss Agency for Development and Cooperation (SDC),

(iii) project implementation, including recording and tracking work plan progress, all project inputs, and all activities; and
(iv) project finances, including annual disbursements, contracts awarded, and annual audited financial statement.

The M&E system will consist of:

(i) project financial monitoring and capacity building to strengthen financial management performance of the national secretariats and the CACILM implementing agencies (as necessary).
(ii) monitoring progress of project implementation and procedures and formats for reporting the monitoring results; and
(iii) mechanisms for monitoring compliance with environmental and social safeguards, such as with environmental management plans and resettlement plans, that may be stipulated in SPA members' cofinancing agreements.

The M&E will also be supported by a CACILM-wide sustainable land management information system (SLMIS), organized at the multi-country level but implemented nationally, directed toward monitoring the performance indicators in the logical framework of the national planning framework with broad applicability as a tool for long-term monitoring of SLM in each country and across the CACs.

PART II: PROJECT JUSTIFICATION

A. DESCRIBE THE PROJECT RATIONALE AND THE EXPECTED MEASURABLE GLOBAL ENVIRONMENTAL BENEFITS:

Rationale

Tajikistan is a small, mountainous, landlocked country, whose geographic location and history present formidable barriers to sustainable growth and development. Of the total area of 14.3 million hectares (ha), 30% is agricultural land, comprising pasture land (82%), arable land (16%), and perennial crops (2%). The total irrigated area of about 732,000 ha serves 504,000 ha of arable land, 122,600 ha of household plots, 79,500 ha of orchards and vineyards, and 25,900 ha for other uses. The main irrigated crops are cotton, grains (wheat and corn), fruits, and vegetables. About 46% of the total irrigated land is served by pumped systems. The country has a narrow economic base, with agriculture contributing about 24% of gross domestic product (GDP), 66% of employment, 26% of exports, and 39% of tax revenue. Thus, sustainable agricultural growth and rural development hold the key to the country's economic growth and poverty reduction. The two major challenges facing the country are high incidence of poverty and degradation of its natural resource base.

Tajikistan's topography and climate makes it one of the most environmentally diverse but also ecologically fragile countries. Land degradation matters hugely in Tajikistan, given the fact that three quarters of the country's population depend on land for their livelihood and almost two thirds of that population is poor (65% earning less than US$2.15 equivalent a day in 2003). A poorly functioning economy tends to be an enemy of good land management and, conversely, degradation of land resources contributes to poor economic performance. As elsewhere in Central Asia, a dynamic interplay of anthropogenic factors and increasing climatic variability is driving land degradation processes in Tajikistan.[2]

United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), and World Bank.

[2] In Tajikistan, during the period 1961-1990, the increase of 0.7-1.2°C in the annual mean air temperature was observed in the wide valleys of Tajikistan. For the period from 1961 to 1990, annual mean flow in major rivers has decreased from 57.1 km^3/year to 53.2 km^3/year (i.e. the annual decrease was 0.13 km^3/year). By 2050, the ice

It is now generally acknowledged that land and water management practices, which among other things have failed to consider climate change and climatic variation, are among the primary causes of land degradation. Throughout Central Asia, the major risk from climate change and its increased variability is a combination of thermal (i.e., higher temperatures) and water (i.e., less water available in the summer) stresses. Central Asian countries are already quite vulnerable to extreme climatic events such as droughts and floods. The frequency and magnitude of these events may well increase. Agricultural productivity in Central Asia is likely to suffer losses because of higher temperatures, more severe droughts, worsening flood conditions, and increased soil erosion from wind (during dry periods) and rain (during extreme storm events).

The principal manmade cause of degradation has been the lack of incentives to invest in safeguarding or enhancing long-term land productivity. In Tajikistan, these underlying causes typically include one or more of the following: (i) insufficient stake in the outcome of the investment (linked to restricted ownership, or incomplete management autonomy), (ii) an environment that makes investment risky (extortion, corruption, etc.) or lowers its profitability (e.g. high transport cost, trade barriers, dysfunctional regulations, etc.), (iii) low capacity on the part of the authorities to impartially enforce laws and regulations and uncertain and changing policies, and (iv) lack of agricultural support services, including undeveloped use of credit and insufficient or inappropriate technical know-how. Where integrity of ecosystems matters, the causes also include factors that contribute to the decline of the ecosystems' critical mass – unsustainable production, over-grazing, wasteful use of water, cutting of forests, and investment support conceived without taking into account ecosystem conservation requirements.

The principal categories of land degradation in Tajikistan include (i) irrigation-related land degradation, in particular secondary salinity, waterlogging and irrigation-related soil erosion, (ii) soil erosion in rainfed farmlands, (iii) pasture degradation, (iv) degradation of forests and related loss of biodiversity, and (v) other forms of land degradation (e.g., soil contamination, damage created by careless infrastructural development, etc.). Concerns also exist about degradation of parts of the protected areas network and fragmentation and reduced resilience of important land ecosystems such as semi-desert pastures or several of the special types of forest and shrubs of the middle mountains. As for land degradation in category (i), year 2000 data indicate that about 90,000 ha of irrigated land (out of 720,000 ha of irrigable land) were in an "unsatisfactory" condition, about half of that on account of waterlogging, a quarter because of salinity, and the remaining 25% experiencing both conditions. With respect to category (ii), its significance and trends are affected by a surge in wheat growing on former pasturelands at the height of food shortages during the emergency conditions of the mid-1990s. According to the National Action Plan for Sustainable Land Management, currently 97.7% of the country's agricultural lands are suffering from erosion, as compared to 68% in 1973. The erosive processes have been especially active in the foothill regions.

The Government of Tajikistan recognizes land degradation as a major concern in its Program of Economic Development until 2015. In the national report of the Republic of Tajikistan to combat desertification (2002) prepared by the State Committee for Land Management, several initiatives to address land degradation are included. As an example, two laws related to land degradation - on the economic estimation of land and on land management - were passed in 2001. The centrepiece of the Government's efforts to raise land productivity and to address land degradation has been its land reform program. The aim is to transform about 500 large kolkhozes (collective farms) and sovkhozes (state farms) into the basis for a more responsive and efficient agriculture sector by creating new forms of farm enterprises supported by the right to lease land.

---

cover in the Zeravshan River basin will be reduced by 20-25%, and the ice volume will decrease by 30-35%. As a result, the flow contribution of glaciers will be almost halved due to the melting of hundreds of small glaciers in the Zeravshan River basin.

Global Environmental Benefits

The expected impact of the proposed project is increased scope and depth of economic opportunities for farm and non-farm rural households. The outcome is to increase the productivity of farms and non-farm enterprises within a sustainable land management framework. With GEF involvement, the incremental benefits will be an improved enabling environment for sustainable management of arable, pasture and forst lands. A total of 350,000 hectares of degraded pasture lands, besides arable and forest lands, will benefit from rehabilitation and introduction of sustainable land management practices, benefiting some 35,000 farm families and increasing their incomes and assets significantly. The GEF assisted incremental project activities will generate global, multi-country and national benefits, which will be tracked and assessed under the CACILM Program's system for project monitoring and evaluation.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL PRIORITIES/PLANS:

The project is consistent with the priorities of the Government as identified in the national programming framework (NPF) under Central Asian Countries Initiative for Land Management (CACILM). The NPF was prepared by the ten-member Tajikistan UNCCD National Working Group, which was established in 2003 and is chaired by the UNCCD Focal Point, the Chairperson of the State Committee on Land Management. The NPF includes a reform and investment program, of which the overall objective is to help restore, sustain and enhance the productive functions of Tajikistan's land resources. The process of developing the NPF referenced existing national documents relating to the land degradation situation in the country, such as the National Action Plan to Combat Desertification (NAPCD) which was endorsed by the Government in 2001, the National Strategy and Action Plan on Biodiversity Conservation and Sustainable Use (completed in 2002) and the Poverty Reduction Strategy Program (PRSP). This proposed Project has been included as one of the sub-projects in the investment program, to be funded during Phase 1 of the CACILM Multi-country Partnership Framework, as approved by the GEF Council in August 2006.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

The proposed project is consistent with the guidelines of GEF's land degradation focal area. It is in line with the GEF Operational Program 15 on Sustainable Land Management. The project is aimed at removing the major SLM barriers in order to improve productivity, devise innovative practices for SLM, disseminate relevant knowledge, and generate benefits across several GEF focal areas. Through an area-based project, the policy and institutional development and reform component of the project is intended to foster system-wide changes through addressing some crucial institutional and policy barriers from the perspective of SLM. Through a process of exchange and sharing of experiences, these changes will influence policy orientation in other countries in the region, through a process of mutual interaction and cross-fertilization, with potential global benefits. Thus, the project conforms to the LD Strategic Objective 1: "To develop an enabling environment that will place SLM in the mainstream of development policy and practice at regional, national and local levels." The Project will also undertake demonstrations to promote best practices in crop production technologies, pasture land management and improved land use. Many of these activities will be suitable for up-scaling and replication within and outside of the country. The dissemination and sharing of knowledge on sustainable pasture management, an important activity of the project, is in full conformity with GEF LD Strategic Objective 2, which emphasizes "upscaling SLM investments to generate mutual benefits for the global environment and local livelihoods**".** The Project is in line with LD Strategic Program 1: Supporting sustainable agriculture and rangeland management and LD Strategic Program 2: Supporting forest management in production landscapes.

Through rehabilitation of degraded pasture lands, the project seeks to arrest and possibly reduce the current trends in land degradation through the operation of sustainable land management. The proposed

GEF assistance will be crucial to enhance the benefits, outreach and depth of the outcomes of the Project. Under the baseline scenario, advances are made on a number of fronts (against a large number of underlying problems) but the advances stop short of realizing the decisive environmental improvement that, in the context of Central Asia, demands the adoption of improved farm practices on a sufficiently wide scale in order to realize environmental benefits also at landscape, ecosystem, and global levels. Without GEF, the ADB cofinancing would focus on increased productivity of farms and non-farm enterprises within an environmentally sustainable management framework, but its scope and depth will be limited. The GEF alternative will make it possible to address project activities from the perspective of cross-cutting issues, such as sustainable forest management, harmonizing sustainable pasture lands management and balanced increase of carrying capacity, adaptation to climate change, carbon sequestration, and conservation of agro-biodiversity.

With the GEF alternative, a number of more sharply pro-SLM activities will be supported which will not only enhance domestic benefits but will also generate significant local and global benefits in controlling land degradation, aiding climate change and promoting biodiversity. Under the GEF Alternative, the incremental activities are organized as sub-components to be grafted onto components 1, 2, 3 and 5.

Integrated with Component 1 of the Baseline (Policy and Institutional Development and Reform), will be, a *Sub-component A - Strengthening Planning and Incentives for Ecologically Sustainable Pasture Land Management*. This component broadens and deepens the Policy and Institutional Development and Reform component of the baseline project. Specifically, it will contribute to an international conference on pastureland management to: (i) examine current practice in Tajikistan, (ii) identify good international practices relevant to Tajikistan; and (iii) raise awareness regarding problems of pasture land management. It will assist with a major pasture land sector assessment study and prepare a roadmap for policy strategy, legislation, capacity building, and investments. The assessment will include (a) a strategic analysis of pastureland systems for livestock production in Tajikistan, (b) a comparison of global good practice in comparable environments to assess the potential improvements for Tajikistan. Particular attention will be paid to establishing framework conditions to address (i) pastureland degradation (ii) the winter feed issue, (iii) reducing the vulnerability to climate change and promoting climate change adaptation practices (iv) long distance transhumance and alternatives, (v) householders' access to grazing resources, (vi) improving practices in the use of pastureland, and (vii) reforms to introduce incentives for land users to improve management and production levels. Subcomponent A will also contribute to the preparation of a national vision, policy, strategy, and investment program for sustainable pastureland management.

Integrated with Component 2 of the Baseline Project (Sustainable Pasture, Arable, and Forest Land Management) will be two sub-components. *Sub-component B - Capacity Building for Integrated Land Management* will finance incremental support to: (i) scale these activities up to a level where they can effectively support the delivery of national and global environmental benefits and make it possible for the relevant institutions to play an active part in the global exchange of experience; (ii) enlarge the pool of stakeholders involved in training and dissemination of the globally most relevant lessons of sustainable land management; (iii) provide support for community based planning and rural awareness program with (also) agro-cultural heritage and gender perspectives; and (iv) promote public/private workshops and study tours to learn from the experience of SLM.

The second addition to Component 2 under the GEF Alternative will be: Sub-component C - *Management and Rehabilitation of Pasture Lands, Arable Land, and Forest Land for Livelihood and Environmental Benefits*, which will also demonstrate land improvement techniques and measures to address land degradation which occurs in a variety of conditions. While the project will focus on pasture lands, it will also improve arable and forest lands. The Alternative will allow the project to test innovative management approaches to managing pasture, arable, and forest lands. It will also allow for more rigorous and scientific monitoring to both evaluate the success of new techniques but also provide information for

examining environmental changes contributing to global environmental benefits. The Alternative will also provide additional resources to expand and upscale pasture land restoration, community forestry and reduction of arable land improvement activities.

Integrated with Component 3 of the Baseline Project (Agricultural and Rural Business Support) will be: *Sub-component D – Advisory Services on Pasture Land Management and forage conservation*. This sub-component will assist with the establishment of advisory services to support pasture land management. In conjunction with activities under component 2 - Sustainable Pasture, Arable, and Forest Land Management, training courses for groups of farmers will be provided on livestock production techniques, pasture land management and forage conservation.

Integrated with Component 5 of the Project (Project Management) will be: *Sub-component E – Monitoring and Evaluation of Project environmental impacts*. This sub-component will provide for a more comprehensive project monitoring and evaluation in which a common set of indicators will be used to monitor and evaluate such variables as the nature and status of land degradation, carbon sequestration; biodiversity; on-and off-site environmental impacts; and socio-economic-factors. It will (1) develop a system for monitoring the Project's environmental impacts (in coordination with the CACILM Program's Knowledge Management System); (2) develop a proposal for a comprehensive pastureland, arable, and forest land management database in Tajikistan, and (3) mainstream the most suitable international practices of participatory monitoring of environmental impacts.

The above incremental activities, injected into the Project with GEF support, will considerably reinforce the project benefits with many global benefits (see Annex A). Further, the information generated and lessons learned from the implementation of the above activities will be incorporated into the CACILM Knowledge Management System and will be disseminated regionally and globally, in conformity with the GEF Land Degradation focal area strategic objectives.

D. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The proposed project is consistent with the ADB country strategy and program (CSP) for Tajikistan, which argues that given the large share of the population working in agriculture, rural development presents one of the best opportunities to end the cycle of low incomes, high poverty, and the resulting low demand for domestic products. The CSP also seeks to address environment issues as a cross-cutting theme, and specifically mentions limiting land degradation and introducing more environmentally sustainable farming practices. In the most recent CSP Update (CSP) for Tajikistan (2006–2008), it is stated that with Tajikistan's preparation towards accession to the World Trade Organization, the agricultural sector in the country is diversifying beyond cotton to other crops and mentions the importance of RDP in facilitating private investments in cash crops other than cotton as well as downstream (agro-processing) and upstream (input development) using an integrated area approach focussing on poverty reduction.

The CACILM Partnership is built on the principles of partnership, inclusiveness and transparency, and the level of collaboration achieved to date establishes a solid foundation for this proposed project. Building on the strong foundation established through the SPA, CACILM will continue to actively seek participation of all interested GEF Agencies and to maintain close coordination with both the UNCCD and GEF Secretariats. The preparation of the Tajikistan NPF was done in this mode of partnership and hence should reduce the risks of duplication of efforts among GEF Agencies and other partners.

As the Project is implemented refined, opportunities for further on-the-ground collaboration will be explored. Collaboration possibilities between the Focal Point for UNCCD, the PMU and the Focal Points for the Convention on Biological Diversity and UNFCC will also be pursued in course of project implementation.

The Project Management Unit (PMU) will be responsible for overall project coordination and for some outputs. A project steering committee (PSC) will facilitate inter-agency coordination. The executing agency for the Project will be the Ministry of Agriculture and Nature Protection. The State Agency on Management, Geodesy, and Cartography will have a major role in project implementation, especially where related to land management activities. ADB will be the GEF Agency for the GEF components. Implementation arrangements in the project raions were developed in further detail and confirmed during the appraisal of the Project.

The project is part of the Tajikistan NPF and will be coordinated by the National Coordination Council through the Tajikistan national secretariat. As the Project represent a subproject under the CACILM Multicountry Partnership Framework (CMPF), it also will be guided by the CACILM steering committee and will be coordinated through the CACILM Multicountry Secretariat.

E. DESCRIBE THE INCREMENTAL REASONING OF THE PROJECT:

An incremental cost analysis of the project is added as Annex C to this CEO Endorsement Form. The incremental activities also are discussed in Part II.C above.

As described above and in Annex C, subcomponents that will be primarily supported by GEF have been identified and grafted into the baseline components to address global environmental benefits. These subcomponents will address policy and institutional barriers, sustainable pasture development, arable and forest land management, and monitoring and evaluation of environmental indicators and impacts, particularly those pertaining to global environmental benefits. The subcomponents are envisaged to improve the policy and institutional environment for sustainable land management, translate these policies into concrete results in project sites in terms of reducing land degradation, monitor impacts, and disseminate lessons learned nationally and within the CACILM program.

F. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

The effectiveness of project performance is predicated on a number of assumptions, such as: (i) improved land use security through facilitation of the ongoing farm restructuring and land registration process; (ii) increased productivity due to assured access to credit, agricultural support services, and timely input supply; (iii) sustainable management of ecological resource base, pasture, arable and forest lands; and (iv) improved incentive framework for farmers and pasture land users. Political and macro-economic stability and continued commitment to the reform process are important assumptions for any change management.

While primarily an investment project, the inputs include a combination of investments, policy reforms, capacity development, and dissemination of technical and business-related knowledge. The knowledge and capacity development components generally have much higher multiplier impact, but the benefits are long-term and mostly intangible. There is a risk that investment components, particularly infrastructure components, may assume a prominent role in the Project and take resources away from the policy, capacity development, and knowledge components. The Project will address this risk by setting a cap on the infrastructure component. The development partner community has noted corruption, fraud, and abuse of funds in previous and current projects. ADB will address these issues by ensuring proper accounting and procurement staffing of the PMU. In addition, an independent audit of accounts will be conducted by a certified and reputable auditing firm to reduce the risk of misuse of ADB funds.

It is now generally acknowledged that land and water management practices, which among other things have failed to consider climate change and climatic variation, are among the primary causes of land degradation. Throughout Central Asia, the major risk from climate change and its increased variability is a combination of thermal (i.e., higher temperatures) and water (i.e., less water available in the summer) stresses. Central Asian countries are already quite vulnerable to extreme climatic events such as droughts and floods. The frequency and magnitude of these events may well increase. Agricultural productivity in Central Asia is likely to suffer losses because of higher temperatures, more severe droughts, worsening flood conditions, and increased soil erosion from wind (during dry periods) and rain (during extreme storm events).

While, there has been little analysis of how to deal with climate change, there is ongoing work to deal with climate adaptations. There are a number of interventions (see box) that will reduce vulnerability and increase the ability of people to adapt to the impacts of climate change. Most are not novel or new, but rather are currently being used or tested in Central Asia. A better understanding of the potential impacts of climate, may hasten their adoption on a more wide spread basis.

- Institute reforms in land and water management policy and land use planning
- Changing crops, varieties, and cropping patterns
- Breeding of new crop varieties (heat and salt tolerant crops, low water use crops)
- Introduction of sustainable crop land management practices, including conservation agriculture
- Promoting efficiency of irrigation and water use and dissemination of conservation management practices
- Rehabilitation and redesign of inefficient irrigation and drainage infrastructure
- Introduction of sustainable pasture land management and improve livestock husbandry
- Improved flood control, flood warning and forecasting, community based flood management
- Transnational cooperation to promote sustainable water resources management and flood risk management
- Improve disaster management and preparedness
- Revised operations of multiple purpose reservoirs
- Rehabilitation of degraded forests or watersheds (restoring the hydrologic functions and increasing biodiversity)

G. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

The project takes a holistic approach to rural development to address problems and constraints, enhance opportunities, and integrate agriculture more effectively into the rural economy. With the GEF alternative, this approach is further reinforced to focus on some key constraints facing SLM through a result-oriented approach. The project supports a systematic monitoring and evaluation of project environmental impacts which will generate local benefits with global spin-offs.

The blending of the GEF financing with the baseline investment project ensures that the design and implementation of baseline activities incorporate consideration of global environmental objectives through development better agricultural practices with wider application, with the GEF grant achieving considerable leveraging. Replication activities further ensure good cost-effectiveness, as the lessons learned from the project will be transferred to other sites, not only in Tajikistan but also in other Central Asian countries through the CACILM program.

Specifically, the project will develop awareness of land and business rights. This heightened sense of end user awareness which can be important disincentive against wasteful practices by public functionaries. In the same manner, the strong emphasis on performance monitoring and built-in criteria and reporting

requirements wills serve as safeguards against misuse of funds which is encourage by excessive recourse to discretionary decision-making.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. PROJECT IMPLEMENTATION ARRANGEMENT:

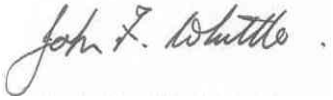
The Project Management Unit (PMU) will be responsible for overall project coordination and for some outputs. A project steering committee (PSC) will facilitate inter-agency coordination. The executing agency for the Project will be the Ministry of Agriculture and Nature Protection. The State Agency on Management, Geodesy, and Cartography will have a major role in project implementation, especially where related to land management activities. ADB will be the GEF Agency for the GEF components. Implementation arrangements in the project raions were developed in further detail and confirmed during the appraisal of the Project.

The project is part of the Tajikistan NPF and will be coordinated by the National Coordination Council through the Tajikistan national secretariat. As the Project represents a subproject under the CACILM Multicountry Partnership Framework (CMPF), it also will be guided by the CACILM steering committee and will be coordinated through the CACILM Multicountry Secretariat.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

Not Applicable – a PIF was not prepared for this project.

PART V: AGENCY(IES) CERTIFICATION

<table>
<tr><td colspan="2">This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.</td></tr>
<tr><td> 
David McCauley
Senior Environmental Economist
GEF Agency Coordinator</td><td> 
John Whittle
Principal Agricultural Economist
Project Contact Person</td></tr>
<tr><td>Date: October 12, 2007
Tel: +(632) 632 4161
Email: dmccauley@adb.org</td><td>Tel: +(632) 632 5684
Email: jwhittle@adb.org</td></tr>
</table>

ANNEX A: PROJECT RESULTS FRAMEWORK

Refer to Part I.A – Project Framework of this form (CEO Endorsement).

The Design and Monitoring Framework (DMF) in ADB format is pasted below. The DMF is part of the ADB appraised project document (Report and Recommendations of the President – RRP) that is in the Project Document.

ANNEX A: Project Logical Framework in ADB Format

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
Impact Farm and non-farm incomes of rural households increased	Farm incomes of rural households increase from about TJS 200 to TJS 580 (rainfed farms) TJS 800 (irrigated farms) Non-farm incomes of rural households increase 35% Number of poor households reduced by 25%	Farm and business survey national and regional statistics Project Completion Report National and regional statistics Project Completion Report Income and poverty surveys Project Completion Report	**Assumptions** Macroeconomic conditions are stable or improved Commodity prices remain stable
Outcome Productivity of farms and rural enterprises in five Project raions increased within an environmentally sustainable management framework	Yields (mt/ha) increase by 2014: Rainfed: From To Wheat 1.4 1.7 Potatoes 10.0 12.5 Orchards 1.0 1.5 Fodder 20.0 24.0 Irrigated: From To Wheat 3.0 3.8 Potatoes 22.5 29.5 Orchards 2.2 4.2 Fodder 40.0 48.0 25% of participating farms reach a commercial level of production (over 50% of produce sold for cash) Rural enterprise turnover increased Carrying capacity of pastures is to be maintained or increased	National and regional statistics Farm surveys Project Completion Report Project surveys Project Progress Reports Project Completion Report Project surveys Project Progress Reports Project Completion Report Project environmental monitoring	**Assumptions** Security of land use maintained Farmers have freedom to farm and operate independently of any outside interference Substantially reduced interference of public officials in private business maintained **Risk** Continued delays in the land reform process

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
	on target pasture lands (targets to be identified) Carbon storage per hectare increases (targets to be identified) Agro-biodiversity increases (indicators and targets to be identified)	 Project environmental monitoring Project environmental monitoring	
Outputs **1. Policy and Institutional Development and Reform** 1.1 Land Use Rights Secured	Raion Administrations operating efficient, transparent, fair and effective land registration systems by end of year 3 100% dekhan farms with land certificates (30% of women) Incidents of land disputes identified and resolved No farmers reporting compulsory land usage	Farm surveys Farm surveys Agency reports Farm surveys	**Assumptions** Farmers willing and able to participate in Project activities Raion Administrations actively participate in the project and adopt a positive attitude to improving land use security and farm productivity **Risk** Change in Government strategy
1.2 Policies and Institutions for Pasture Lands Improved	National policy and strategy for pasture land and livestock management by year 2 Restructured institutions for pasture land management by year 6 Legislation approved by year 4 Equitable access to all categories of pastures	Presidential Decree issued Reduced number of institutions and changed functions and responsibilities Legislation enacted Raion Administration reports Project surveys	**Assumption** Government accepts the recommendations of the study and moves quickly to implement

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
1.3 Administration and Institutional Aspects of Business Development Improved	Streamlined business registration process installed in all raions by year 3 Reduced inspection frequency and duration Incidence of business interference by raion authorities eliminated	Raion Administration reports Project surveys Raion Administration reports Project surveys Raion Administration reports Project surveys	**Assumption** Raion Administrations actively participate in the project and adopt a positive attitude to enable businesses to register and operate in a fair and transparent business environment
2. Sustainable Pasture, Arable and Forest Land Management Improved			
2.1 Pasture and Livestock Planning and Management Skills Demonstrated	At least 5 pasture user groups established by year 3 At least four pilot sites based on at least two different livestock production systems and reformed pasture land and management systems by year 2 Methodologies for reorganization of pasture land administration and tenure extended by raion authorities to all areas by year 4 Improved land condition and associated biodiversity status by year 6 Improved winter feeding and economic performance by year 6 New approaches and techniques for monitoring livestock and pastures is adopted by raion authorities in year 4	Project reports Project reports Project survey Project reports Project surveys Project reports Raion monitoring reports	**Assumption** Raion authorities prepared to adopt new methodologies for pasture land administration and tenure **Risks** Households and institutions not prepared to change from present pasture land and livestock management system Unable to dislodge current 'elite' capture of prime pasture land

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
2.2 Capacity for Effective Land Management Improved	Trained pasture land planning and management graduates by year 5	University reports	
	Trainers demonstrate competency in new approaches and techniques	Project reports	
	Institutional link is established between foreign and local training institution by year 4	Project reports	
2.3 Degraded Lands Rehabilitated	35% of farmers practicing appropriate land management techniques	Project surveys Project reports	**Assumption** Households and institutions readily adopt new practices
	Farming on sloping land above 30 degrees eliminated	Farm surveys Project reports	
	25% of pasture land and sloping agriculture land managed sustainably	Project surveys Project reports	
	20% of degraded arable land rehabilitated	Project surveys Project reports	
	At least 5 community forest groups established by year 2	Project surveys Project reports	
3. Agriculture and Rural Business Support			
3.1 Demand-driven Farm and Rural Business Advisory Services Established and Sustainable Operated	Advisory centers established	Project reports	**Assumptions** Participants are willing to implement training in practice
	Master farmers trained and competent to deliver required training (% of women)	Advisory center reports Project reports	Government supports the adoption of new techniques and improved farm practices
	Farmers adopting improved farming practices (% of women)	Farm survey Advisory center reports Project reports	All inputs are available and accessible in adequate quantities and on a timely basis

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
	Service centers privatized by year 5	Project reports	Private sector develops in input supply, machinery services, marketing and agroprocessing
	Staff of appropriate agriculture training institutions competent to deliver farm management, extension, and farm business development courses	Project reports	Farmers access adequate levels of working capital and investment finance **Risk** Transport costs and informal charges remain prohibitive to exporting produce
	Number of enterprises supported and established/expanded	Advisory center reports Project reports	
	Diversity of enterprises increased	Advisory center reports Project reports	
	Number of contracts developed with marketing outlets and agribusinesses	Advisory center reports Project reports	
	Number of export links established and maintained		
	Entrepreneurs trained in organizational management and financial arrangements for business enterprises		
3.2 Market Information System Operational	Market information regularly reaches 50% of farmers	Project surveys Project reports	
	Number of farmers requesting services and willingness to pay	Project surveys Project reports	
4. Rural Infrastructure Development			
4.1 Raion and Jamoat Infrastructure Planning and Maintenance Capacity Improved	Infrastructure plans developed for sectors with projects being submitted for Project financing	Raion and jamoat plans Project reports	
	Each project proposal includes realistic physical and financial maintenance plan	Project proposals	

Design Summary	Performance Targets/Indicators[a, b]	Data Sources / Reporting Mechanisms	Assumptions and Risks
4.2 Raion and Community Infrastructure Improved with Sustainable O&M Arrangements	Raion and community level infrastructure projects completed with 100% O&M funding User associations formed and responsibilities for O&M agreed for each relevant project site Raion Administrations establish effective systems for maintenance Infrastructure effectively maintained	Raion report Project report Raion report Project report Raion report Project report	**Assumptions** Identification and prioritization process is sufficiently participative to ensure community is willing to maintain completed infrastructure Raion allocates required maintenance resources **Risk** Insufficient funds available for regular maintenance
5. Project Management			
5.1 Project Managed Effectively	Timely implementation of work schedule and delivery of inputs and outputs for the Project Timely, accurate, and comprehensive reporting to Project's progress to Government and ADB	Annual work plans and budgets Project reports	**Assumptions** International and national consultants provide effective support to MOA and implementing agencies Implementation and management arrangements can deal effectively with interference from influential parties
5.2 Project Monitored and Evaluated Effectively	Effective project management and monitoring systems, including Project Performance Management System (PPMS) operationalized	M&E reports	

Activities	**Inputs**
1.1.1 Prepare and conduct awareness program for raion official and farmers 1.1.2 Conduct survey of practices in land registration and agree good practices for implementation 1.1.3 Prepare and conduct legal literacy and legal aid initiatives 1.1.4 Identify and complete registration of all dekhan farms 1.1.5 Develop mechanism for resolution of land disputes 1.1.6 Develop monitoring mechanisms to assess performance to raion administration in improving land security 1.2.1 Conduct international conference on pasture land management 1.2.2 Undertake a sector assessment on pasture land and livestock management 1.2.3 Establish a sustainable land management data base	ADB Loan – $ 8.8 million ADB Grant – $ 8.3 million GEF– $3.5 million Government – $ 1.66 million Beneficiaries – $1..05 million

1.2.4	Conduct national workshop and disseminate findings and recommendation of sector assessment	
1.2.5	Prepare national vision, policy, strategy and investment program for pasture land and livestock management	
1.2.6	Prepare legislation, regulations and institutional reforms	
1.2.7	Conduct regional workshops to disseminate recommendations	
1.3.1	Conduct economic study of costs of administrative interference	
1.3.2	Conduct training for raion and jamoat staff in business legislation	
1.3.3	Prepare pilot and revise a simplified registration procedure for businesses and dekhan farms	
1.3.4	Develop mechanisms for monitoring business environmental performance of raion and jamoat authorities	
2.1.1	Establish pasture user groups	
2.1.2	Establish pilot sites to demonstrate new pasture land planning and management techniques	
2.1.3	Design monitoring protocols for farm level planning and management	
2.1.4	Rehabilitate and revegetate selected pasture lands	
2.1.5	Develop and implement appropriate monitoring mechanism, including surveys	
2.1.6	Review and adapt methodology and planning for Project wide expansion	
2.2.1	Contract international institutions	
2.2.2	Select a Tajikistan educational institutions	
2.2.3	Prepare, deliver, and evaluate a curricula on pasture land management for either university or vocational level institution	
2.2.4	Establish a network of cooperating institutions	
2.2.5	Conduct training for students on demonstration sites	
2.2.6	Establish links with extension services	
2.2.7	Identify candidates of relevant educational institution for overseas university level training	
2.3.1	Undertake assessment of degradation of arable land in association with CACILM activities	
2.3.2	Conduct activities and revegetate degraded areas	
2.3.3	Develop pilot demonstration to introduce improved land reclamation practices and on-farm water management technologies and practices	
2.3.4	Conduct activities to improve community forestry management.	
3.1.1	Undertake assessment of demand for agricultural and rural business advisory services and determine appropriate size of advisory center and training and advise to be provided.	
3.1.2	Develop bidding documents and contract NGOs to establish advisory centers	
3.1.3	Monitor performance of NGOs and advisory centers	
3.1.4	Explore options for developing agriculture extension and farm management programs at appropriate institution	
3.1.5	Explore mechanism for the prioritization of advisory centers	
3.1.6	Identify appropriate MFIs for channeling microcredit and develop appropriate contracts	
3.2.1	Prepare bidding documents and contract appropriate agency for establishment of MIU	
3.2.2	Provide assistance to MIV for import substitutes and export promotion	
4.1.1	Support raions in establishing appropriate community-based organization and consultative process for both raion and jamoat	
4.1.2	Assist with preparation of subsector plans	
4.1.3	Conduct training in planning process and preparation of investment proposal	
4.1.4	Assist in developing linkages between investment maintenance proposals and available funding	
4.2.1	Assist raions and community groups in identifying and prioritizing infrastructure project	

4.2.2	Assess and finance feasible raion and community infrastructure projects	
4.2.3	Undertake appropriate training at jamoat level	
5.1.1	Recruit international and national consultants	
5.1.2	Establish financial management system	
5.1.3	Prepare procurement documents for approval, tender and evaluation	
5.1.4	Contract service providers	
5.2.1	Establish monitoring and evaluation system	
5.2.2	Conduct baseline and regular surveys	
	Submit quarterly progress and other required reports	

[a] Indicators without targets will be identified following the purpose baseline survey to be conducted in the first six months of Project implementation.

[b] Year refers to years after project effectiveness.

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)

a) Convention Secretariat comments and IA/ExA response
b) STAP expert review and IA/ExA response
c) GEF Secretariat and other Agencies' comments and IA/ExA response

*****

STAP REVIEW

Project:	**Rural Development Project**
Country:	**Republic of Tajikistan**
STAP Reviewer:	Professor Martin Williams ScD, University of Adelaide, Australia.
Date:	June 17, 2007

1. Introduction.

The Rural Development Project in the Republic of Tajikistan is one of a series of projects foreshadowed in the Central Asian Countries Initiative for Land Management (CACILM) 2005 proposal approved by the GEF Council in 2006. The CACILM proposal was given substance in the form of the Multi-country Partnership Framework (MCPF) through which the GEF supports national projects that fall within the rubric of the MCPF. The overall objective of the CACILM Multi-country Partnership Framework is specified as: 'The restoration, maintenance and enhancement of the productive functions of land in Central Asia leading to improved economic and social well-being of those who depend on these resources while preserving the ecological functions of these lands in the spirit of UNCCD'

The Rural Development Project (RDP) reviewed here is located in the Republic of Tajikistan and was identified during the initial phase of the MCPF (2006-2008) for which GEF support is now being sought in the GEF Focal Area of Land Degradation (GEF Strategic Objectives SLM-1 and SLM-2, and GEF Operational Program 15). The project area covers 8,350 km^2 within about a hundred kilometer radius of the capital city of Dushanbe. The rural population in this area consists of 552,100 people, 40% of whom are classed as poor. They are mainly confined to the valleys, and provide 10% of the GDP, 77% from agriculture.

In the Republic of Tajikistan, agriculture provides about 24% of the gross domestic product (GDP), 66% of employment, 26% of exports, and 39% of the tax revenue. The Executive Summary emphasizes that 'sustainable agricultural growth and rural development hold the key to the country's economic growth and poverty reduction. The two major challenges facing the country are high incidence of poverty and degradation of its natural resource base'.

The December 2006 ADB Report [3] succinctly identified five key constraints in the project area:

- Limited freedom to farm and conduct business.
- Severe land degradation

[3] ADB Report and Recommendations of the President to Board of Directors (December 2006). 'Proposed Loan and Asian Development Fund Grant and Technical Assistance Grant, Republic of Tajikistan Republic: Rural Development Project.' ADB, Manila.

- Limited availability of support systems
- Poor infrastructure.
- Weak institutions.

By way of examples, households within the project area presently own about 90% of all livestock but control fewer than 1% of the pastures and a mere 10% of the cultivated area for fodder. Some 90, 000 ha of land are degraded, and accelerated soil erosion on rain-fed farmland is a result of the move to cultivating wheat on sloping pasturelands since the mid 1990s. Both central and local government is still imbued with the top-down philosophy of decision-making and policy implementation. However, as recent analyses of the structural causes of land degradation and desertification have amply demonstrated, top-down natural resource management interventions have failed to achieve lasting and ecologically beneficial outcomes.[4]

The proposal authors consider that there are five prerequisites for achieving sustainability in the project area:

- Land use security
- Sustainable land management
- Continuous provision of agricultural extension and business development services
- Maintenance of rural infrastructure
- Continuous provision of credits for on-farm investments and agribusinesses

As requested by ADB, the focus of this STAP review is on the proposal's global priority in the area of GEF Operational Program 15, its cost-effectiveness in achieving OP 15 objectives, the adequacy of the project design, and the feasibility of its implementation, operation and maintenance. The second half of the review deals with the global significance and technical merits of the proposal, highlighting its strengths and potential weaknesses and suggesting appropriate improvements.

This review is based on three sets of documents: the Executive Summary, the Project Document, and the Annexes. Some sections of the Project Document contain errors (words missing or sections repeated) but overall the writing is lucid and logically structured.

As with my previous STAP reviews, I will take into account the following questions in evaluating this proposal:

- Will the approach taken in the project proposal achieve the objectives of addressing land degradation?
- What are the risks and constraints associated with the approach?
- Are there any gaps in the project? Are there any controversial aspects about the project?
- What aspects of the interventions proposed require further research?
- How will the model of sustainable use outlined in the project be developed?
- How effective will the proposed model be?
- Is there sufficient evidence in the document that the project offers the best long-term solutions?

2. Conceptual approach

The conceptual basis for the approach to be adopted in this project is that of Sustainable Land Management (SLM). This approach has been used with success in other poor, dry developing regions of the world and

[4] Williams, M.A.J. (2000). Desertification: general debates explored through local studies. *Progress in Environmental Science* 2 (3), 229-251.

accords well with the principles of sustainable natural resource use identified by other workers [5]. In this context, it is again worth stressing that the dynamics of dryland systems are determined by certain biophysical and socio-economic variables with an inherently slow response time [6]. The 'fast' variables with relatively rapid turnover rates (e.g., crop yields or household disposable cash) are often poor indicators of land degradation or the need for intervention. In the monitoring and evaluation section of this proposal it might be useful to distinguish between these 'slow' and 'fast' variables. At present, a whole series of indicators are tabulated but there is no attempt to group them into those indicative of short-term economic responses and those more appropriate as indicators of long-term ecological trends.

3. Global priority under GEF Operational Program 15

Operational Program 15 of the GEF deals with Sustainable Land Management (SLM) under the Land Degradation focal area. Within OP 15, the two strategic objectives SLM-1 and SLM-2 relate to this proposal and are explicitly identified in the Executive Summary and Project document. The aim of SLM-1 is to foster system-wide change through removal of policy institutional, technical capacity and financial barriers at the country level. SLM-2 concerns the demonstration and scaling up of successful SLM practices to prevent or control desertification and deforestation.

The supporting documents provided with this proposal and section 21 of the Executive Summary show very clearly that this project is fully consistent with the objectives of GEF OP 15. The outcomes of an effective SLM approach to the management of arable and grazing lands in the project area would be an overall reduction in land degradation and an increase in ecosystem stability.

Any improvement in current farming and grazing practices will yield short-term social and economic benefits. If the SLM practices are widely adopted and maintained, the project will have enduring environmental benefits. These are the long-term or slow-response changes identified by Reynolds et al (2007)[7]. Without such an approach there will be continued loss of productive land, a decline in soil structural stability, reduced infiltration capacity and soil water storage, further loss of organic matter and soil nutrients, leading to a reduction in plant biomass and species diversity and of ecosystem resilience in the face of extreme events [8]. The long-term consequences would be a reduction in plant and animal productivity and a decline in human living standards.

4. Cost-effectiveness in achieving Operational Program 15 objectives

The aim of the Rural Development Project is to halt and reduce land degradation through rehabilitation of presently degraded pasturelands and implementation of sustainable land management principles. The Executive Summary claims that the 'GEF Alternative will make it possible to address project activities from the perspective of cross-cutting issues, such as sustainable forest management, harmonizing sustainable pasture lands management and balanced increase of carrying capacity, adaptation to climate change, carbon sequestration, and conservation of agro-biodiversity.' These are admirable sentiments, but it is not clear to this reviewer just how the last three desiderata are in practice to be achieved. Nor is it at all evident from text and tables how success in achieving these aims will be monitored.

---

[5] Williams, M. (2004). Desertification in Africa, Asia and Australia: Human impact or climatic variability? *Annals of Arid Zone* 42, 213-230.

[6] Reynolds, J.F. et al. (2007). Global desertification: building a science for dryland degradation. *Science* 316, 847-851.

[7] Reynolds, J.F. et al. (2007). Global desertification: building a science for dryland degradation. *Science* 316, 847-851.

[8] Williams, M.A.J and Balling, R.C., Jr. (1996) *Interactions of Desertification and Climate.* (Arnold, London, 270 pp.).

The December 2006 ADP report [9] considered that the baseline project could realistically increase milk production by at least 50%, the total number of calves reared by 100%, lambing percentages by 100% and kidding percentages to 150%. As a result, the income and assets of the 35 000 farming families with livestock in the project area would be significantly increased.

In order to ensure financial responsibility, the report stipulates that 'satisfactory progress in safeguarding land use and freedom to farm will be a condition for the release of the second and third tranches for infrastructure rehabilitation/development, as will progress in improving the local enabling environment for business registration and development.' This caveat is very sound.

The economic rate of return of the baseline project is estimated at 18%, with associated improvements in social capital, public health, institutional and agricultural development, watershed conditions, rangeland productivity and soil and water resources.

Provided that the assumptions specified in Annex D (Monitoring and Evaluation) prove to be valid and that the Stakeholder Participation Plan (Annex F) achieves its aims and minimises or mitigates future conflicts over land, this project should be cost-effective in achieving the GEF OP 15 objectives.

5. Project design and feasibility

5.1 General comment

This project accords with the priorities of the government of Tajikistan specified in the national programming framework (NPF) formulated under the Central Asian Countries Initiative for Land Management, namely, 'to help restore, sustain and enhance the productive functions of Tajikistan's land resources'. The NPF was drawn up by the Tajikistan UNCCD National Working Group chaired by the UNCCD Focal Point, the Chairperson of the State Committee on Land Management.

The baseline project combines 'investments, policy reforms, capacity development, and dissemination of technical and business-related knowledge.' Both the Executive Summary and the December 2006 ADB Report emphasise that 'the knowledge and capacity development components generally have a much higher multiplier impact, but the benefits are long-term and mostly intangible.' This is a very valid and important observation, with as its rider the need to avoid slavish attachment to purely physical quantitative indicators. In this context it is worth reiterating three of the key lessons learned during the operation of an earlier project in the north of neighbouring Kyrgyz Republic. These were the need to establish a monitoring and evaluation programme very early in the project, the need to include advisers with expertise in social and environmental monitoring, and the need to diversify the range of financial institutions involved in providing credit.

The baseline project has five components: (a) policy and institutional development and reform; (b) sustainable land management (pasture, arable, and forest); (c) agriculture and rural business support; (d) rural infrastructure development; and (e) project management.

Four of these five components (a, b, c and e) are incorporated into the GEF Alternative in the form of five sub-components. These are:

- Strengthening planning and incentives for ecologically sustainable pasture land management.
- Capacity building for integrated land management; and

[9] ADB Report and Recommendations of the President to Board of Directors (December 2006). 'Proposed Loan and Asian Development Fund Grant and Technical Assistance Grant, Republic of Tajikistan Republic: Rural Development Project.' ADB, Manila.

- Management and rehabilitation of pasturelands, arable and forest lands for livelihood and environmental benefits.
- Advisory services on pasture land management and forage conservation.
- Monitoring and evaluation of project environmental impacts.

For each of these five sub-components there are listed a very specific set of outputs, actions, targets and performance indicators. The same is true of the five components identified for the baseline project. Provided the monitoring and evaluation programme is finalised reasonably rapidly in the early stages of project implementation, and provided the endemic issues of fraud, corruption, abuse of funds and interference with selection of staff are squarely overcome, there are reasonable grounds for anticipating a positive outcome for both project and GEF Alternative.

5.2 Questions relating to certain performance indicators

The Project Logical Framework/Design and Monitoring Framework (Annex B) outlines an impressive list of targets and of specific activities designed to achieve these targets. However, it also indicates that targets and indicators are yet to be identified for three key aspects of the project relevant to GEF objectives:

- Carrying capacity of pastures,
- Increases in carbon storage per hectare
- Increases in agro-biodiversity.

In order to demonstrate a relevant decrease or increase in these parameters, existing baseline data are needed for comparison. Are such data indeed available? If not (as I suspect) on what basis will improvements be demonstrated? More detail would be useful here.

5.3 Project implementation, operation and maintenance

As always, the selection of team leader is crucial, as is the whole-hearted cooperation from the government agencies and ministries. A Project Management Unit will be responsible for running the project as specified in the Work Plan (Annex E of the Baseline Proposal). Annex F is a detailed Stakeholder Participation Plan. So far, attempts to involve stakeholders have been relatively limited, pace the claimed ‘wide participatory process.’ The future success of this project will depend on effective consultations with a far greater number of stakeholders and their genuine involvement in formulating the decisions that affect their long-term future.

6. Global significance of the proposal

The Executive Summary states that this project will lead to the rehabilitation and sustainable land management of 350,000 hectares of degraded pasture lands and will increase the incomes and assets of will 35,000 farming households.

The main types of land degradation in Tajikistan are:

- Secondary salinization and waterlogging related to irrigation
- Accelerated soil erosion in rain-fed farmlands
- Pasture degradation
- Degradation of forests and related loss of biodiversity
- Fragmentation of nature reserves
- Reduced resilience of important terrestrial ecosystems, including semi-desert pastures and montane forests and shrubs.

The baseline project will deal effectively enough with the first three categories of land degradation, albeit in a less comprehensive manner than with the GEF Alternative, but will not have much long-term impact on the last three, which is where the GEF Alternative becomes important. The Executive Summary states that 'the GEF Alternative will make it possible to address project activities from the perspective of cross-cutting issues, such as sustainable forest management, harmonizing sustainable pasture lands management and balanced increase of carrying capacity, adaptation to climate change, carbon sequestration, and conservation of agro-biodiversity.' What is lacking is precise practical information on how these latter three activities are to be carried out and monitored.

The Executive Summary makes mentions the potential global benefits of this project. There is passing mention of carbon sequestration and biodiversity, but no quantitative information is given anywhere as to how much carbon is presently stored in the soils and plants in the project area and how much additional carbon storage might be expected under the GEF alternative. The same criticism applies to the issue of biodiversity, a point reiterated in section 8.

7. Scientific and technical merits of the proposal

The scientific and technical merits of this proposal may be summarized as follows.

7.1 Thorough analysis and identification of the institutional causes of land degradation in the project area.
7.2 Approach based on already well-tested methodology used in regions of similar physiography.
7.3 Integration into a well conceived and managed baseline project.
7.4 Project structure and monitoring procedures ensure financially responsible use of well-targeted resources designed to achieve very specific outcomes in five GEF Alternative sub-components of the baseline project.
7.5 Management structures designed to achieve effective stakeholder involvement at local, regional and national levels.
7.6 Scope for application of lessons learned well beyond the targeted areas.
7.7 Some attention given to possible impacts of long-term regional climatic change (but see section 8.3 below).
7.8 Lies within the wider CACILM framework, with scope for regional exchanges of information and techniques.
7.9 Specific attention given to disseminate lessons learned more widely.

8. Weaknesses of the proposal and suggestions for improvement

The risks inherent in this project are lucidly identified and some apt counter-measures are mentioned. I do not construe these potential risks as proposal weaknesses.

8.1 In neighbouring Kyrgyz Republic precipitation is predicted to increase by 10-40% by 2100 relative to the 1961-1990 values. The Executive Summary refers to water stresses and makes specific reference to the likelihood of there being 'less water available in the summer' in the project area. Since it is highly unlikely that regional precipitation would show such opposite trends within such a geographically restricted region, some clarification is needed. Is the issue one of spring and summer snowmelt?

8.2 The Executive Summary refers to a decrease in mean annual flows in major rivers from 57.1 km^3 to 53.2 km^3 for the period 1961-1990, equivalent to an annual decrease of 0.13 km^3. Do these figures relate to the total flows of all rivers in the project area averaged for each year? What is the coefficient of variability and are these values statistically

significant?

8.3 There is no specific analysis of risk management strategies that will be needed to cope with the impacts of climatic change. One approach might be to identify the potential degree of exposure (a function of the magnitude and probability of a given change in climate). The next step would specify the sensitivity of particular systems to climate change, noting possible thresholds. Potential impacts could then be identified, followed by evaluation of adaptive capacity and concluding with identification of vulnerability. For example, are the foothills more or less vulnerable than the plains?

8.4 In the assessment of performance indicators in this proposal it might also be useful to draw a distinction between 'slow' and 'fast' variables.

8.5 Frequent mention is made of the potential global benefits of this project. There is passing mention of carbon sequestration and biodiversity, but no quantitative information is given anywhere as to how much carbon is presently stored in the soils and plants in the project area and how much additional carbon storage might be expected under the GEF alternative. The same criticism applies to the issue of biodiversity.

Signed: Date: June 17, 2007

Martin Anthony Joseph Williams

Response to STAP Review

Project: Rural Development Project
Country: Tajikistan
STAP Reviewer: Professor Martin Williams ScD, University of Adelaide, Australia.
Date of STAP Review: June 17, 2007

The STAP reviewer summarized the main questions that need to be addressed in point 8. We have responded to each of these points. In addition, the STAP Reviewer raised some additional issues in other sections of the review. We have also responded to the issues raised.

1. Introduction.

We concur with STAP reviewer and no response is needed.

2. Conceptual Approach

This approach has been used with success in other poor, dry developing regions of the world and accords well with the principles of sustainable natural resource use identified by other workers [10]. In this context, it is again worth stressing that the dynamics of dryland systems are determined by certain biophysical and socio-economic variables with an inherently slow response time [11]. The 'fast' variables with relatively rapid turnover rates (e.g., crop yields or household disposable cash) are often poor indicators of land degradation or the need for intervention. In the monitoring and evaluation section of this proposal it might be useful to distinguish between these 'slow' and 'fast' variables. At present, a whole series of indicators are tabulated but there is no attempt to group them into those indicative of short-term economic responses and those more appropriate as indicators of long-term ecological trends

Response: Please see our response to 8.4 below

3. Global priority under GEF Operational Program 15

We concur with STAP reviewer and no response is needed

4. Cost-effectiveness in achieving Operation Program 15 Objectives.

The Executive Summary claims that the 'GEF Alternative will make it possible to address project activities from the perspective of cross-cutting issues, such as sustainable forest management, harmonizing sustainable pasture lands management and balanced increase of carrying capacity, adaptation to climate change, carbon sequestration, and conservation of agro-biodiversity.' These are admirable sentiments, but it is not clear to this reviewer just how the last three desiderata are in practice to be achieved. Nor is it at all evident from text and tables how success in achieving these aims will be monitored.

[10] Williams, M. (2004). Desertification in Africa, Asia and Australia: Human impact or climatic variability? *Annals of Arid Zone* 42, 213-230.
[11] Reynolds, J.F. et al. (2007). Global desertification: building a science for dryland degradation. *Science* 316, 847-851.

Response. Please see point 8.5 below

5. Project design and feasibility

5.1 General comment

Response: We concur with STAP reviewer and no response is needed.

5.2 Questions relating to certain performance indicators

The Project Logical Framework/Design and Monitoring Framework (Annex B) outlines an impressive list of targets and of specific activities designed to achieve these targets. However, it also indicates that targets and indicators are yet to be identified for three key aspects of the project relevant to GEF objectives:

- *Carrying capacity of pastures,*
- *Increases in carbon storage per hectare*
- *Increases in agro-biodiversity.*

In order to demonstrate a relevant decrease or increase in these parameters, existing baseline data are needed for comparison. Are such data indeed available? If not (as I suspect) on what basis will improvements be demonstrated? More detail would be useful here.

Response: At present the needed data are not available. A priority of CACILM is to establish the baseline and this project will provide additional impetus towards that goal. For our approach, please see our response to 8.5 below.

5.3 Project implementation, operation and maintenance

Response: We concur with STAP reviewer and no response is needed.

6. Global significance of the proposal

The Executive Summary states that 'the GEF Alternative will make it possible to address project activities from the perspective of cross-cutting issues, such as sustainable forest management, harmonizing sustainable pasture lands management and balanced increase of carrying capacity, adaptation to climate change, carbon sequestration, and conservation of agro-biodiversity.' What is lacking is precise practical information on how these latter three activities are to be carried out and monitored.

The Executive Summary makes mentions the potential global benefits of this project. There is passing mention of carbon sequestration and biodiversity, but no quantitative information is given anywhere as to how much carbon is presently stored in the soils and plants in the project area and how much additional carbon storage might be expected under the GEF alternative. The same criticism applies to the issue of biodiversity, a point reiterated in section 8.

Response How we intend to address carbon sequestration and biodiversity is provided in point 8.5 below. The terms of reference (Annex H) includes positions for sustainable land and water management specialists a monitoring and evaluation specialist, and environmental monitoring specialists. In addition there will be rangeland management specialists, pastureland rehabilitation specialists, and biodiversity rangeland ecologist. It will be their collective responsibility to ensure that carbon sequestration and biodiversity changes are adequately identified, measured, and monitored.

7. Scientific and Technical Merits of the Proposal

Response. We generally concur with STAP reviewer.

8. Weaknesses of the proposal and suggestions for improvement

The risks inherent in this project are lucidly identified and some apt counter-measures are mentioned. I do not construe these potential risks as proposal weaknesses.

8.1 In neighbouring Kyrgyz Republic precipitation is predicted to increase by 10-40% by 2100 relative to the 1961-1990 values. The Executive Summary refers to water stresses and makes specific reference to the likelihood of there being 'less water available in the summer' in the project area. Since it is highly unlikely that regional precipitation would show such opposite trends within such a geographically restricted region, some clarification is needed. Is the issue one of spring and summer snowmelt?

Response: Our understanding of current predictions for Central Asia is that regional average annual temperature will increases and that the regional average annual precipitation will also increase. Although there may be increase in the average annual precipitation, it is likely that there will be a decline in summer precipitation, and hence increased likelihood of drought. Estimates of the availability of water in stream are confounded by the potential for increased flows from continued reduction of glaciers volume.

8.2 *The Executive Summary refers to a decrease in mean annual flows in major rivers from 57.1 km^3 to 53.2 km^3 for the period 1961-1990, equivalent to an annual decrease of 0.13 km^3. Do these figures relate to the total flows of all rivers in the project area averaged for each year? What is the coefficient of variability and are these values statistically significant?*

Response: The source of this information is: *The First National Communication of the Republic of Tajikistan to the United Nations Framework Convention on Climate Change. Republic of Tajikistan Ministry for Nature Protection, Main Administration on Hydrometeorology and Environmental Monitoring Dushanbe 2002*

We have again reviewed the report. We could find no information reported on the coefficient of variability. Additional information explaining the changes in the main river flow is provided below:

"For the period from 1961 to 1990, annual mean flow has decreased from 57.1 km^3/year to 53.2 km^3/year, i.e. the annual decrease was 0.13 km^3/year. In 30 years, the biggest decrease in annual flow has been observed on the Kyzylsu, Zeravshan, Vakhsh and Pyanj rivers (up to 7%). To a lesser extent, the flow has decreased in the Kafirnigan River (3%). In the Eastern Pamir annual river flow changed insignificantly, and slightly increased (0.5-1%) in some regions of Western Pamir."

8.3 *There is no specific analysis of risk management strategies that will be needed to cope with the impacts of climatic change. One approach might be to identify the potential degree of exposure (a function of the magnitude and probability of a given change in climate). The next step would specify the sensitivity of particular systems to climate change, noting possible thresholds. Potential impacts could then be identified, followed by evaluation of adaptive capacity and concluding with identification of vulnerability. For example, are the foothills more or less vulnerable than the plains?*

Response: We recognize that little analysis of risk management has been undertaken to date in the context of this project. However, it should also be noted the CACILM program is already looking at broadening its scope to more specifically include adaptation to climate change. While it is premature to say CACILM will undertake "climate proofing" of all projects, we have begun to examine ways to reduce vulnerability and to increase adaptive capacity to the adverse impacts of climate on the proposed activities.

While, there has been little analysis of how to deal with climate change, there is ongoing work to deal with climate adaptations. There are a number of interventions (see box) that will reduce vulnerability and increase the ability of people to adapt to the impacts of climate change. Most are not novel or new, but rather are currently being used or tested in Central Asia. A better understanding of the potential impacts of climate, may hasten their adoption on a more wide spread basis.

- Institute reforms in land and water management policy and land use planning
- Changing crops, varieties, and cropping patterns
- Breeding of new crop varieties (heat and salt tolerant crops, low water use crops)
- Introduction of sustainable crop land management practices, including conservation agriculture
- Promoting efficiency of irrigation and water use and dissemination of conservation management practices
- Rehabilitation and redesign of inefficient irrigation and drainage infrastructure
- Introduction of sustainable pasture land management and improve livestock husbandry
- Improved flood control, flood warning and forecasting, community based flood management
- Transnational cooperation to promote sustainable water resources management and flood risk management
- Improve disaster management and preparedness
- Revised operations of multiple purpose reservoirs
- Rehabilitation of degraded forests or watersheds (restoring the hydrologic functions and increasing biodiversity)

Within the proposed project, the following interventions are proposed:

i. Institute reforms in land and water management policy and land use planning
ii. Changing crops, varieties, and cropping patterns
iii. Introduction of sustainable crop land management practices, including conservation agriculture
iv. Introduction of sustainable pasture land management and improve livestock husbandry; and
v. Improved flood control, flood warning and forecasting, community based flood management

8.6 In the assessment of performance indicators in this proposal it might also be useful to draw a distinction between 'slow' and 'fast' variables.

Response. We have modified (as below) the monitoring and evaluation plan (annex D) to take account of "slow; and 'fast" variables.

"The proposed monitoring and evaluation plan is designed to track biophysical and socio-economic variables that are indicators of immediate (fast) and longer term (slow) changes. Indicators have been developed for two different but related purposes: (i) project performance, which requires the monitoring of many economic, social and environmental indicators; and (ii) monitoring changes in key environmental variables to ultimately estimate changes that may contribute to global environmental changes. Most of the variables monitored are "fast" variables (e.g. changes income, crop yields); but some are "slow" variables. We have included three indicators at outcome level that tend to change slowly over time: (i) capacity of

pasturelands; (ii) carbon stocks; and (iii) agro-biodiversity. Monitoring protocols and reporting will be adjusted accordingly for these "slow" indicators."

8.7 Frequent mention is made of the potential global benefits of this project. There is passing mention of carbon sequestration and biodiversity, but no quantitative information is given anywhere as to how much carbon is presently stored in the soils and plants in the project area and how much additional carbon storage might be expected under the GEF alternative. The same criticism applies to the issue of biodiversity.

Response:

Sub-component E: Monitoring and evaluation of Project environmental impacts of the GEF Alternative will provide for a more comprehensive monitoring in which a common set of indicators will be used to monitor and evaluate such variables as the nature and status of land degradation; carbon sequestration; biodiversity; on- and off-site environmental impacts, biodrain siltation; salinization; and socio-economic-factors.

The CACILM team has been closely following the work of the GEF STAP work on "Ensuring Impacts for SLM – Development of Global Indicator System, including the results of the discussions in Rome in January 2007. In particular, we have taken note of the proposed indicators for measuring the impact of SLM on Climate Change, Biodiversity, International Waters, and human well-being.

Focal Area	**Indicator**	**Reference**
Climate Change	Carbon Stock	Niemeijer, David, 2007. Measuring the Impacts for SLM Interventions – Technical Discussion Paper for and Expert Meeting on "Ensuring Impacts from SLM – Development of Global Indicator System". Rome Italy ,8 -10 January 2007.
Biodiversity	Agricultural Biodiversity	Neimeijer - above Bunning, Sally & Lane, Annie Proposed framework for indicators of biodiversity, land and socio-economic condition FAO, Rome, July 2003.

The proposed expansion of the monitoring scope for environmental impacts for the Rural Development Project will also be coordinated with the Sustainable Land Management Information System (SLMIS) being developed as part of the CACILM Multicountry Partnership Support Project. The SLMIS will provide the methodological guidance for indicators, data collection and management.

Carbon Sequestration

Our basic approach will be to establish a baseline estimate of carbon (t/ha) and then use monitoring of net primary productivity to estimate annual carbon sequestration rates (t/ha/yr).

Agricultural Biodiversity

Our approach will first focus on agrobiodiversity and consider using a range of measurement indicators, for example: total crop production, number of crop varieties/species diversity, area under cultivation, number of species that are cultivated, incidence and spread of pests and diseases, and changes in tillage and sowing methods.

The project management unit will be responsible for putting into place the necessary monitoring system. However, RDP is part of the Tajikistan National Programming Framework of Sustainable Land Management, a national program of coordinated investment activities to counter land degradation. NPF's management structure[12] requires that each Project within NPF be monitored under four main areas (work progress, financial performance, safeguard compliance and SLM performance) and the results centralized to become a tool of monitoring and evaluation of the effectiveness of the entire National Program.

[12] Described in ADB.2006. CACILM Multicountry Partnership Framework, GEF Council Submission

*****

Responses to GEF Secretariat Review
Review Sheet Dated November 29, 2007

6. Council will receive only the COE endorsement template and the project brief. Hence, all information in the project summary that are not covered by the endorsement template need to be pasted into the endorsement template.

Response

Refer to the following sections of the CEO Endorsement Form:

a) Annex A: The Design and Monitoring Framework in ADB format is appended.
b) Section E. The Incremental Cost Reasoning has been expanded. The Incremental Cost Analysis has been appended as Annex C of the CEO Endorsement Form.

7. *GEB, indicators, baseline and targets. This need to be done prior to endorsement (see Council paper on results-management).*

Response

We understand the importance of having a rigorous monitoring and evaluation framework. The monitoring of global benefits has been included into the project monitoring and evaluation framework. However, monitoring for global environmental benefits requires additional data collection and monitoring beyond that normally necessary for Government or Asian Development Bank performance monitoring. Our approach is defined below.

The Rural Development project was approved by the ADB Board of Directors in 2007. Project preparation began in 2005 and was completed in July 2006. During project preparation, the GEF funded activities were integrated with other project components to generate maximum leverage for GEF cofinancing. It was realized that significant financial resources would be needed to monitor global environmental benefits throughout the project area. The project work plan and budget makes provision for this monitoring.

As it was not called for when the project was prepared and is, in any case impractical to begin project inception collecting the baseline data relating to tracking impacts on global environmental benefits, we will establish the baseline and the targets during the very first stage of project implementation.

Approach to Monitoring and Evaluation

Sub-component E: Monitoring and Evaluation of Project environmental impacts of the GEF Alternative will provide for comprehensive monitoring covering common set of indicators to monitor and evaluate such variables as the nature and status of land degradation; carbon sequestration; biodiversity; on- and off-site environmental impacts, biodrain siltation; salinization; and socio-economic-factors.

The CACILM team has been closely following the work of the GEF STAP work on "Ensuring Impacts for SLM – Development of Global Indicator System, including the results of the discussions in Rome in 2007. In particular, we have taken note of the proposed indicators for measuring the impact of SLM on Climate Change, Biodiversity, International Waters, and human well-being.

Focal Area	Indicator	Reference
Climate Change	Carbon Stock	Niemeijer, David, 2007. Measuring the Impacts for SLM Interventions – Technical Discussion Paper for and Expert Meeting on "Ensuring Impacts from SLM – Development of Global Indicator System". Rome Italy ,8 -10 January 2007.
Biodiversity	Agricultural Biodiversity	Neimeijer - above Bunning, Sally & Lane, Annie Proposed framework for indicators of biodiversity, land and socio-economic condition, FAO, Rome, July 2003.

The proposed expansion of the monitoring scope for environmental impacts for the Rural Development Project will also be coordinated with the Sustainable Land Management Information System (SLMIS) being developed as part of the CACILM Multicountry Partnership Support Project. The SLMIS will provide the methodological guidance for indicators, data collection and management.

Carbon Sequestration

Our basic approach will be to establish a baseline estimate of carbon (t/ha) and then use monitoring of net primary productivity to estimate annual carbon sequestration rates (t/ha/yr).

Agricultural Biodiversity

Our approach will first focus on agrobiodiversity and consider using a range of measurement indicators, for example: total crop production, number of crop varieties/species diversity, area under cultivation, number of species that are cultivated, incidence and spread of pests and diseases, and changes in tillage and sowing methods. Refer to response to comment #5 pertaining to agrobiodiversity indicators that may have been developed in the regional UNEP/GEF project.

The project management unit will be responsible for putting into place the necessary monitoring system. However, RDP is part of the Tajikistan National Programming Framework of Sustainable Land Management, a national program of coordinated investment activities to counter land degradation. NPF's management structure[13] requires that each Project within NPF be monitored under four main areas (work progress, financial performance, safeguard

[13] Described in ADB.2006. CACILM Multicountry Partnership Framework, GEF Council Submission

compliance and SLM performance) and the results centralized to become a tool of monitoring and evaluation of the effectiveness of the entire National Program

8. *GEF funds will be used to a large extent for consultancies. It is strongly recommended to lower this amount in favour of more on-the-ground activities paid by GEF.*

Response

During project preparation, the GEF funded activities were integrated with other project components to generate maximum leverage for GEF financing. Most of the project is indeed geared toward on-the-ground activities, and GEF financed activities are integrated into the overall design. During loan negotiations with the Government, the consulting services were carefully reviewed and the international consultant inputs were minimized. The estimates for consulting services are part of the allocation and withdrawal tables in the ADB loan agreements. Any change in these amounts would need to be renegotiated with the Government.

During project preparation and subsequent negotiations on implementation arrangements, it was decided that GEF funds would be best used to support technical assistance in aid of policy reform to reduce barriers to sustainable land management as opposed to civil works and project management costs. Because of the nature of these project components, there is need for significant consulting inputs in order to generate the desired project outputs and enable effective results from on-the-ground actions. Moreover, the extent of consultancies also reflects the weak capacity among the implementing partners in this project.

As a reallocation of expenditure categories among financiers will have no impact on the overall implementation of the integrated structure of project, we do not feel it necessary to approach the Government on this matter at this time. However, in the course of project implementation, the allocation of funds across line items will be reviewed and re-allocated in a way to optimize project impacts and achieve cost efficiency, with the GEF Secretariat's desire to reduce use of GEF funds for consulting services considered.

9. *Since the project addresses agricultural and forest lands, relevant sector programs and policies need be mention as well.*

Response

This project is part of the National Programming Framework (NPF) for Tajikistan developed under CACILM. Preparation of this framework reviewed all relevant polices and program related to sustainable land management before defining the overall programming framework. During project preparation, the ADB feasibility study and Report and Recommendation of the President (RRP) also reviewed the institutional framework. These documents are part of our submission for this project. In particular, Appendix II: Country and Sector Analysis of the RRP described in detail relevant agriculture sector programs and policies. Relevant sections pertaining to forests and forest management are abstracted below from the NPF.

The forest sector in Tajikistan does not have a well developed set of policies and programs. Under CACILM, the sustainable use of forest land is to be considered in the context of the overall legal, regulatory and institutional framework for sustainable land management. During the preparation of the Tajikistan National Programming Framework for Sustainable Land Management, a detailed review and analysis of the legal, regulatory and institutional framework for sustainable land management was undertaken

Forest Management

Forests and shrubs occupied 543 thousand ha in 2004 or nearly 4 % of the total land area. This is the smallest percentage of forest among all Central Asian countries.

All forests are a state property. From 1947 state timber enterprises were in charge of forest management and state and collective farms managed large parts of what became the state forest fund in 1966. In 1956 production of lumber by state timber enterprises was discontinued and the forest has since been managed for non-productive uses only. The only form of sanctioned logging now is sanitary cutting, i.e. removal of trees affected or threatened by disease.

The state forest fund officially amounts to 1,758,000 hectares. Of this, about a fourth (410 thousand ha) is actually forested and even within this total, significant area is represented by scattered forest. Some 1 million hectares are forest lands in name but essentially pastures used by collective and state farms during the period of collectivized agriculture, now largely unmanaged. Forest and shrub lands are widely used by the local population to gather wild berries (hawthorn, sea buckthorn, barberries, raspberries, etc.), nuts and stone fruits (wild apple, plum, cherry plum, pistachio, almond, pear etc.), mushrooms and medicinal plants. Some local people hunt and fish.

The composition of the state forest fund at the turn of the decade was as follows:

COMPOSITION OF THE STATE FOREST FUND, 2004

Category	000 ha	
A. Forest land	State forest fund (SFF)	Outside SFF
1.Forest	410	133
(Of which forest plantations)	(88)	
2.Scattered forest	27	
3. Other forest land (poorly stocked, other)	299	
Sub-total A	736	
B. Non-forest land		
1.Pastures	840	
2. Hayfields	5	
3. Arable land	7	
4. Other	170	
Sub-total B	1,022	
Total	1,758	

Source: State Committee for Land Management (2004)

Reforestation in Tajikistan did not start until late 1960s with (1) planting of hillsides, ravines, and other low-value areas by collective and state farms and (2) creation of field-protecting forest strips on irrigated lands. Both were seriously curtailed after 1990 as a result of the changed fortunes of collective farms and other factors. At present, several thousand hectares of plantations are established annually by the State, the exact area subject to some uncertainty, with low survival rates. Difficult climatic and soil conditions, remoteness, and derisory financing all conspire to make a state-implemented reforestation a difficult task.

Interesting experience gained during the period of greater plantation efforts include establishment of walnut and pistacchio nut plantations combining income potential with environmental virtues and use of medicinal plants on a semi-industrial scale. More recently, vegetative propagation of poplar has gained in importance. Planting of saxaul (*Haloxylon persicum*) on sandy soils in Sugd and Khatlon was restarted with the aim of combining environmental protection with production of fodder for livestock.

Legal, Regulatory, Policy and Institutional Environment

Tajikistan's first post-Soviet Law on Nature Protection (LNP) dates back to 1993. It has since been amended twice, in 1997 and 2002. The Law assigns responsibilities to "specially authorized state bodies of the Republic of Tajikistan", in practice the State Committee for Environmental protection and Forestry (SCEPF), and oblast, rayon and city environmental committees[14].

Other laws and regulations that have implications for land management in Tajikistan include the 1992 Regulations about the Ministry of Nature Protection (adopted prior to the passage of the Law of Nature Protection, but never withdrawn), the 1993 Forest Code, the 1994 Mineral Resources Law, the 1995 Administrative Code (amended in 1996 and 2000), 1998 Land Code (amended in 2004) and the 2002 Law on Specially Protected Territories. Some fifty environment-related implementing decrees and decisions have been issued since 1992, addressing a variety of environment-related subjects including some that relate to land management, Tajikistan's participation in international environmental conventions, regional environmental cooperation, setting up of specialized committees (e.g. National Sustainable Development Committee) and others. These and more detailed instructions taken together are the reference framework for policy-makers in SCEPF.

The basic purpose of the Forest Code, adopted by Majlisi Oli (Parlament) of the Republic of Tajikistan in 1993, is the preservation of forest fund of theRepublic, and also protection and rational use of lands, waters, animal and vegetative world of a forest, taking place in its territory.

State Committee for Environmental Protection and Forestry[15]

The Committee, created in 2003 to succeed the erstwhile Ministry on Nature Protection, has inherited an overall mandate for environmental protection in Tajikistan. Like MOA, MWR and

[14] Three *oblast* environmental committees exist (Sukhd, Khatlon and GBAO) and one for Kulyab zone (within Khatlon). These four committees and their strengthening are the focus of existing plans of the Government to decentralize environmental management.
[15] The State Committee for Environmental Protection and Forestry has been restructured and is now part of the Ministry of Agriculture.

SCLM, SCEPF has a number of subordinate organs, which include the State Meteorological and Hydrological Agency (or Hydromet) and several units directly or indirectly concerned with land degradation (Research Laboratory on Water Protection, Research Laboratory on Nature Protection, Environmental Monitoring and Standards Department, Forest and Hunting Agency, Forest Research Institute), all of which, one way or another, have something to say about environmental and forest management

10. Tajikistan has an interesting portfolio of BD projects dealing with agro-biodiversity. A link is suggested. This might also help with the GEF indicator on agrobiodiversity.

Response

We reviewed the GEF projects in Tajikistan and the other Central Asia Countries during the preparation of the CACILM Multicountry Partnership Framework and during the preparation of National Programming Framework. We have updated this review with a focus on agrobiodiversity. The most relevant GEF project is the "In Situ/On Farm Conservation and Use of Agricultural Biodiversity (Horticultural Crops and Wild Fruit Species) in Central Asia implemented by UNEP. The purpose of this project is to provide farmers, institutes and local communities with knowledge, methodology and policies to conserve globally significant in situ/on-farm horticultural crops and wild fruit species in Central Asia. This will contribute to achieving sustainable agricultural development, food security and environmental stability.

However, it is indicated in the GEF projects database that the project has yet to sign a collaborative agreement with Tajikistan. Nevertheless, the ADB project will establish links with the UNEP project with respect to, e.g., the development of agrobiodiversity indicator(s) that may be applied in other countries covered by the regional UNEP/GEF project. Other areas that the ADB project will benefit from will also be assessed in the course project implementation.

ANNEX C. INCREMENTAL COST OF THE PROJECT UNDER GEF ALTERNATIVE

Baseline	GEF Alternative *(elements of design generating global benefits in italics)*	Domestic benefits of enhanced ('GEF") alternative	Global benefits of GEF alternative	Incremental cost of GEF alternative
Main features of Project baseline and the alternative design				
1. Policy and Institutional Development and Reform				
	1.1 Land Use Rights Secured	Improved environment for SLM investment	Social and global environmental benefits of future investment in SLM in Tajikistan and in the region that reliably target such environmental benefits while delivering local livelihood improvements.	Costs of additional measure to remove provide secure land tenure and remove policy and institutional barriers to SLM.
	1.2 Policy and Institutional for pasture lands improved ***Sub-component A**: Strengthening Planning and Incentives for Ecologically Sustainable Pasture Land Management*	Natural policy, strategy, and investment program for pasture lands developed and barriers to sustainable pasture land management removed Improved environment for SLM investment in pasture lands. Establishment of a baseline and creation of a geo-referenced data set for ecological and social economic conditions	Geo-reference data incorporate into CACILM regional assessments and Sustainable Land Management Systems.	$535,000
	1.3 Administration and Institutional Aspects of Business Development Improved			
2. Sustainable Pasture, Arable, and Forest Land Management				
	2.1 Pasture Land and Livestock Planning and Management Skills Improved ***Sub-component B**: Capacity Building for Integrated Land Management*	Improved pasture land management practices leading to improved grasslands quality and productivity with associated, biodiversity, soil and hydrological benefits	Reduce soil erosion and increased carbon sequestration	*Costs of additional measures to improve sustainable land management practices, in particular pasture land management.* *Costs of additional*

Baseline	GEF Alternative *(elements of design generating global benefits in italics)*	Domestic benefits of enhanced ('GEF") alternative	Global benefits of GEF alternative	Incremental cost of GEF alternative
	2.2 Capacity for Effective Land Management Improved ***Sub-component B**: Capacity Building for Integrated Land Management*	Development of a cadre of professionals to disseminate knowledge of sustainable land management to trigger innovation in SLM in Tajikistan. Enhanced sharing of scientific and technical information through national and regional networks	Dissemination of knowledge products and best practices to other Central Asian countries through CACILM knowledge management systems and SLM Research Program	*measures to build capacity for dissemination of sustainable land management.* *Costs of additional measures to rehabilitate degraded lands.* $2,725,000
	2.3 Degraded Lands Rehabilitation ***Sub-component C**: Management and Rehabilitation of pasture lands, arable land and forest land for livelihood and environmental benefits.*	Land degradation assessment to design land improvements Rehabilitated lands with associated, biodiversity, soil and hydrological benefits	Land degradation assessment integrated into CACILM regional assessment and Sustainable Land Management Systems Reduce soil erosion and increased carbon sequestration	
	3.1 Demand-driven Farm and Rural Business Advisory Services Established and Sustainably Operated ***Subcomponent D:** Advisory Services on Pasture Land Management and forage conservation*	Enhanced sharing of scientific and technical information through national and regional networks		**$115,000**
	3.2 Market Information System Operational			
	4.1 Raion Infrastructure Improved with Sustainable O&M Arrangements			
	4.2 Community Infrastructure Improved with Sustainable O&M Arrangements			
	4.3 Raion and Jamoat Infrastructure and Maintenance Capacity Improved			
5. Project Management				

Baseline	GEF Alternative *(elements of design generating global benefits in italics)*	Domestic benefits of enhanced ('GEF") alternative	Global benefits of GEF alternative	Incremental cost of GEF alternative
	5.1 Project Effectively Managed			
	5.2 Project Monitored and Evaluated Effectively **Sub-component E:** *Monitoring and Evaluation of Project Environmental Impacts.*	Improved knowledge of environmental impacts and resulting ability better to calibrate SLM investments		Cost of: Inclusion of a common set of indicators in the Project's M&E system to monitor environmental variables of local and global relevance Mainstreaming the most suitable practices of participatory monitoring of environmental impacts of global interest. $125,000
			Total Incremental Cost	**$3,500,000**

ANNEX D: CONSULTANTS TO BE HIRED FOR THE PROJECT

Information in Annex E of the Project Executive Summary is summarized below.

Position Titles	*$/ person week*	*Estimated person months*	*Tasks to be performed*
For Project Management			
Contract 1: Project Management Unit			
Local			
Deputy Team Leader	Average of $160 for all local consultants	312	National consultants will assist the international consultants, and take over responsibility for specific tasks as soon as practicable. In addition, they will provide: (i) ongoing oversight of progress in improving land-use rights; (ii) ongoing maintenance of accounting systems according to specifications; (iii) advice and assistance to all contractors in the incorporation of participatory techniques and gender issues into project components; (iv) legal advice and guidance, in particular in relation to land tenure, business registration and development, and the implications of proposed policy and legislative changes; (v) coordination, design, enumeration and analysis of all surveys specified in the project design; (vi) monitoring and evaluation of all aspects of the Project; and (vii) infrastructure prioritization, and design and supervision.
Accountant		312	
Assistant Accountant		312	
Raion Coordinators		312	
Social and Gender Dev't Specialist		312	
Community Participation Specialist		312	
Environment Specialist		312	
M&E Specialist		312	
IT Specialist		312	
Legal Specialist		182	
Procurement Specialist		286	
Internal Auditor		91	
International			
Team Leader/Farm Management Specialist	Average of $2,750 for all international consultants	113	The international consultants will have the following Project-wide responsibilities: (i) supporting the project steering committee (PSC) in defining and tendering contracts, and selecting bidders; (ii) training national consultants and counterpart staff to enable them to assume control of the Project as soon as possible; (iii) establishing and implementing sound and auditable financial systems and controls; (iv) providing overall project coordination, including coordinating surveys such as the baseline survey which provide information of value to more than one project component; (v) setting up M&E procedures, and training national and counterpart staff in their use; (vi) setting up procurement systems, and ensuring that these are understood by all relevant partners; and (vii) providing initial supervision of the audit process. The project management unit (PMU) will ensure due diligence of microfinance institutions interested in becoming lenders under the microfinance contract, and compliance of funding requests for investments under the infrastructure component with all requirements.
M&E Specialist		30	
Environmental Monitoring Specialist		17	
Procurement and Contracts Specialist		17	
Social and Gender Dev't Specialist		30	
Financial Management Specialist		39	

For Technical Assistance			
Contract 2: Sustainable Pasture, Arable, and Forest Land Management			
Local			
Rangeland Management Specialist	Average of $161 for all local consultants	234	The first output (1.2) in this contract will provide a national sector assessment and road map for the sustainable land management of pastures and associated arable and non-timber forestry land. It will produce policies and a strategy for pasture land, and draft regulations and legislation. The second output (2.1) will build on the sector assessment in output 1.2, but within the project area. It provides for the demonstration of skills in pasture land and livestock planning and management. It will build on the implementation of the policies and improved practices identified as necessary, using demonstration sites where pasture user groups will be formed and trained. The training will cover farming systems, basic livestock and pasture husbandry, and issues such as winter feed and the restoration and management of trees and shrubs. The work will include follow-up geobotanic surveys in each project raion; midterm national and regional workshops, where experiences and results can be shared; a contribution toward revegetation costs; and progressive increases in the numbers of field trials and demonstration sites.
Pasture Rehabilitation Specialist		234	
Livestock Specialist		234	
Institutional and policy specialist		117	
Social specialist		117	
Legal Specialist		78	
International			
Rangeland Management Specialist	Average of $4,615[16] for all	26	
Pasture Rehabilitation Specialist		13	
Biodiversity Rangeland Ecologist		13	
Local			
Sustainable Land Management Specialist	Average of $161	234	The final output of this contract (2.3) is the rehabilitation of degraded lands. The focus will be on degraded arable land, especially sloping land that has been converted from pasture to arable land.[17] The Project provides for the restocking of vegetation ($100,000), remote-sensing imaging ($50,000), national workshops to disseminate results more widely ($30,000), and a study tour ($10,000) as well as field days and demonstration sites .
Land Degradation and Soil Erosion Specialist		234	
Community Forestry Specialist		234	
Crop Agronomist		234	
Water Management Specialist		234	
Remote sensing and GIS Specialist		234	
Social Specialist		130	
Institutional and Policy Specialist		117	
International			
Sustainalable Land Management Specialist	Average of $4,615	43	
Land Degradation and Soil Erosion Specialist		17	
Community Forestry Specialist		21	
Contract 3: Improved Capacity for Effective Land Management			
Local			
Faculty Course Coordinator	Average of $161	208	This contract will address the need to develop capacity to deliver updated training and education in an existing education institution, to degree or diploma course level. Training will cover both introductory and advanced pasture
Demonstration Site Coordinator		208	
International			

[16] International consultants are budgeted at about $20,000 per month. Actual costs will be confirmed during contracting negotiations in accordance with ADB procurement procedures.

[17] Local officials often insist on this, in exchange for granting land-use rights to farmers.

Pastureland Education Specialist	Average of $4,615	69	land management. The Project will deliver full curricula and teaching aids, and provide co-teaching with national staff and the establishment of a training demonstration field station to be used in conjunction with the teaching. In addition, there will be a program of visiting lecturers. The improved curricula will be mainstreamed into the Tajikistan teaching program. There will be provision for Tajiks to attend appropriate international short courses ($36,000) and to upgrade library resources ($10,000).
Visiting Lecturers		13	
Contract 4: Agriculture and Rural Business Support			
Local			
Extension and Business Advisory Specialist	Average of $161	260	This contract will cover the delivery of advisory services to farmers and rural businesses in each of the project raions. Contract funding will have two elements—overall management and development of the support centers themselves, and the employment of specialist advisers to be based in the centers, providing the outreach services and demonstrations to farmers. Overall supervision of the development of the contract will come from the PMU. This responsibility will include monitoring performance and outcomes, using national and, where applicable, international specialists. The consultants will train and supervise the outreach specialists, who will comprise, for each center, an agronomist, a livestock specialist, an engineer, a gender specialist, a business development planner, and a lawyer. Significant emphasis will be given to practical outreach and advice to farmers and rural businesses. Training, field days, and demonstration sites will form an important part of this outreach. The centers will also be available to disseminate market intelligence collected under contract 5 (below), provide advice on developments to raion officials, and act as a resource and referral center for individuals experiencing difficulties with land tenure.
Farm Management Specialist		260	
Small and Medium Enterprise Development Specialist		156	
International			
Extension and Business Advisory Specialist	Average of $4,615	47	
Contract 5: Market Information System			
Local			
Marketing and Management Information Officers	Average of $161	624	This contract will address the need for farmers and rural businesses to have access to up-to-date and accurate information on market prices; availability of good-quality agricultural inputs; potential markets for products; and, in the medium term, opportunities to establish new export markets or substitute local products for imported goods. The contract will cover ongoing research on market prices and trends, and the dissemination of this information to farmers and interested parties by whatever media are considered most appropriate for the users—possibly including a Web site, local newspapers or radio, and mobile phone hotlines. At the start, the service will cover both local markets in the raions, and the Dushanbe market. If appropriate, the information database will be extended to include wider national and regional markets and networks of suppliers and agro-processing facilities.
Market Information Officers		858	
IT Specialist		312	
International			
Marketing and Management Information Specialist	Average of $4,615	190	

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

Not Applicable - the project did not request for PPG funds.

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

B. DESCRIBE IF ANY FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION.

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMTATION STATUS IN THE TABLE BELOW:

Project Preparation Activities Approved	*Implementation Status*	*GEF Amount ($)*				*Co-financing ($)*
		Amount Approved	*Amount Spent To-date*	*Amount Committed*	*Uncommitted Amount**	
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
Total						

* Uncommitted amount should be returned to the GEF Trust Fund. Please indicate expected date of refund transaction to Trustee.