



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	10043		
Country/Region:	Azerbaijan		
Project Title:	Capacity Building to Meet Enhanced Transparency Framework of the Paris Agreement		
GEF Agency:	UNEP	GEF Agency Project ID:	
Type of Trust Fund:	Capacity-building Initiative for Transparency	GEF Focal Area (s):	Climate Change
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CBIT-1;		
Anticipated Financing PPG:	\$45,000	Project Grant:	\$1,298,000
Co-financing:	\$350,000	Total Project Cost:	\$1,648,000
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Milena Vasquez	Agency Contact Person:	Geordie Colville

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	MGV/JDS, April 2, 2018: Yes, this project is aligned with the CBIT Programming Directions.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	MGV/JDS, April 2, 2018: Yes, the PIF is aligned with its national development strategy, Azerbaijan's Vision 2020, and its INDC and other reports under the UNFCCC.	
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental	MGV/JDS, April 2, 2018: Please see below comments:	

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

² Need not apply to LDCF/SCCF projects.

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
	<p>degradation, issues of sustainability, market transformation, scaling, and innovation?</p>	<p>a) Under Section 5 on Global Environmental Benefits, consider elaborating on how this project may help Azerbaijan increase ambition in the future given the support for integrating emissions projections and other transparency information into decision-making.</p> <p>b) Under potential for scaling up, it is mentioned that the experience gained through this project could be expanded to renewable energy and energy efficiency for example. Please clarify. Would these sectors not already be included under the project? What does the proposal refer to regarding scaling up the system?</p> <p>MGV, June 4, 2018: a) Information on increased ambition added. Comments cleared. b) Information on scale up has been clarified. Comment cleared.</p>	
	<p>4. Is the project designed with sound incremental reasoning?</p>	<p>MGV/JDS, April 2, 2018: While key areas of support needs have been identified and clearly stated, there is some information missing on the assessment of needs carried out and coordination with ongoing initiatives:</p> <p>a) Please elaborate on current work under process with UNDP for BUR 2 and 4NC and how this project will</p>	

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		<p>coordinate with that work, including through the training programs envisioned, as well as on the existing institutional arrangements and capacities to carry out this work.</p> <p>b) Please elaborate on the capacity-building needs and gaps identified through the International Consultation and Analysis process for Azerbaijan's first BUR, including as identified via the technical analysis and the facilitative sharing of views and how this project will address some of those needs and gaps identified.</p> <p>c) On p. 5, mention of a case study that helped identify gaps and barriers to develop a MRV system is made. Please further clarify the purpose and scope of the case study and what "MRV system" exactly refers to in this case.</p> <p>d) Also, please provide more detail in Section 2 about the 'significant' challenges Azerbaijan faces with respect to tracking progress towards its NDC commitments.</p> <p>e) Under section 4, Incremental reasoning, how specifically this project will complement domestic climate change policy and relevant international support should be clearer.</p> <p>MGV, June 4, 2018:</p>	

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		<p>a) PIF elaborates now on current work under the BUR 2/4NC project, as well as existing capacities and arrangements. Comment cleared.</p> <p>b) Additional information on the needs and gaps identified including through the ICA process added. Comment cleared.</p> <p>c) From analysis carried out during first BUR project. Comment cleared.</p> <p>d) More details on section 2 has been added. Comment cleared.</p> <p>e) Incremental reasoning has been enhanced. Comment cleared.</p>	
	<p>5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?</p>	<p>MGV/JDS, April 2, 2018: No, components are not yet sufficiently clear. Please see below:</p> <p>Component 1</p> <p>a) It is not clear why a national policy needs assessment is needed nor how the project will address the needs identified in particular with regards to policies, regulation and legislation.</p> <p>b) Please describe how the "climate change data hub" (Output 1.1.2) will differ from the country's existing data management system(s), as well as its relationship to the national system for data management as described in Output 1.1.3.</p> <p>c) It is not clear how the national system will build on the existing system from the Ministry of</p>	

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		<p>Economy. What is the existing MRV mechanism? Who will be responsible for compiling the annual report and for which purpose?</p> <p>d) Which relevant national experts and institutions are expected to be trained under Output 1.1.4 and on which topics? How will this training be sustainable? Will it involve training of trainers or integration with academia?</p> <p>Component 2</p> <p>a) Under the baseline scenario, there was no discussion of the gaps and needs relating to assessing financial support needs and tracking financial support received. Please add relevant information.</p> <p>b) What is meant by "financial strategy"? Please elaborate on the design, scope, institutional arrangement, etc. of the outputs under this outcome, including clarifying whether it will look at domestic resources only, whether it will include non-state actors as well, how it will expect to be implemented and where it would reside, who would be responsible for submitting the relevant information, which sectors are expected to be included, etc.</p> <p>c) Please share how lessons learned and increased capacity from prior</p>	

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		<p>donor-funded work in this area (e.g. USAID and ADB) can be incorporated into the design of the project, especially for Outputs 2.1.1. and 2.1.2.</p> <p>d) In particular, regarding the assessment of financial resources needed to implement the NDC, please clarify any related work carried out under the TNA process and expected to be carried out by the GCF readiness support and how this project may address remaining gaps.</p> <p>e) Please clarify further the expected scope of the training program (what sectors and how? Who will be trained? How will it be sustainable?).</p> <p>Finally, please consider adding an output on knowledge sharing and coordination with the CBIT Global Coordination Platform and overall knowledge management to ensure adequate resources.</p> <p>MGV, June 4, 2018: Component 1</p> <p>a) Formulation for Output 1.1.1 has been revised. National policy needs assessment will focus on new requirements. Comment cleared.</p> <p>b) The climate change data hub has been furthered explained. Comment cleared.</p>	

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		<p>c) The finance tracking system would build on the existing system in the Ministry of Economy, which currently does not tag for climate finance. Comment cleared.</p> <p>d) Sectoral stakeholders as well as stakeholders from NGOs, academia and private sector would participate in the training. Comment cleared.</p> <p>Component 2</p> <p>a) Information on gaps and needs to track financial support needed and received added. Comment cleared.</p> <p>b) Financial strategy has been further clarified. It will aim to identify sources of funding, and track financial support received to implement the NDC. Comment cleared.</p> <p>c) Additional information on lessons learned from donor-funded work has been added. Comment cleared.</p> <p>d) Additional information on work under the TNA process and the GCF readiness support has been added. Comment cleared.</p> <p>e) Further information on training has been added. Comment cleared.</p> <p>An output on knowledge sharing and coordination has been added. Comment cleared.</p>	
	<p>6. Are socio-economic aspects, including relevant gender elements,</p>	<p>MGV/JDS, April 2, 2018: Yes. Some CSOs have been identified and gender</p>	

PIF Review

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	indigenous people, and CSOs considered?	elements have been included.	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> • The STAR allocation? 	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
	<ul style="list-style-type: none"> • The focal area allocation? 	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
	<ul style="list-style-type: none"> • The LDCF under the principle of equitable access 		
	<ul style="list-style-type: none"> • The SCCF (Adaptation or Technology Transfer)? 		
	<ul style="list-style-type: none"> • Focal area set-aside? 	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	MGV/JDS, April 2, 2018: Please address comments above. MGV, June 4, 2018: All comments have been adequately addressed. P.M. recommends CEO PIF Approval.	
Review Date	Review	April 02, 2018	
	Additional Review (as necessary)	June 04, 2018	
	Additional Review (as necessary)		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.