



ADAPTATION FUND

AFB/PPRC.7/9  
2 December, 2011

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Adaptation Fund Board  
Project and Programme Review Committee  
Seventh Meeting  
Durban, 12 December, 2011

## **PROPOSAL FOR GEORGIA**

## I. Background

1. The Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, adopted by the Adaptation Fund Board, state in paragraph 41 that regular adaptation project and programme proposals, i.e. those that request funding exceeding US\$ 1 million, would undergo either a one-step, or a two-step approval process. In case of the one-step process, the proponent would directly submit a fully-developed project proposal. In the two-step process, the proponent would first submit a brief project concept, which would be reviewed by the Project and Programme Review Committee (PPRC) and would have to receive the approval by the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC, and would finally require Board's approval.

2. The Templates Approved by the Adaptation Fund Board (Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, Annex 3) do not include a separate template for project and programme concepts but provide that these are to be submitted using the project and programme proposal template. The section on Adaptation Fund Project Review Criteria states:

*For regular projects using the two-step approval process, only the first four criteria will be applied when reviewing the 1st step for regular project concept. In addition, the information provided in the 1st step approval process with respect to the review criteria for the regular project concept could be less detailed than the information in the request for approval template submitted at the 2nd step approval process. Furthermore, a final project document is required for regular projects for the 2nd step approval, in addition to the approval template.*

3. The first four criteria mentioned above are:

1. Country Eligibility,
2. Project Eligibility,
3. Resource Availability, and
4. Eligibility of NIE/MIE.

4. The fifth criterion, applied when reviewing a fully-developed project document, is:  
5. Implementation Arrangements.

5. Based on the Adaptation Fund Board Decision B.9/2, the first call for project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Adaptation Fund was sent out on April 8, 2010.

6. According to the paragraph 41 of the operational policies and guidelines, a project or programme proposal needs to be received by the secretariat not less than nine weeks before a Board meeting, in order to be considered by the Board in that meeting.

7. The following project concept titled "Developing Climate Resilient Flood and Flash Flood Management Practices to Protect Vulnerable Communities of Georgia" was submitted by the United Nations Development Programme (UNDP), which is a Multilateral Implementing Entity of the Adaptation Fund. This is the third submission of the project. It was first submitted as a project concept, using the two-step proposal process, for the 12<sup>th</sup> Adaptation Fund Board meeting, and the concept was endorsed by the Board. It was submitted as a fully-developed project document for the 15<sup>th</sup> Adaptation Fund Board meeting, and the Board decided to:

- a. *Not approve the project document, as supplemented by the clarification response provided by the United Nations Development Programme (UNDP) to the request made by the technical review;*
- b. *Request that UNDP reformulates the proposal taking into account the following issues:*
  - i. *The proposal should elaborate the actual adaptation benefit, as opposed to the general development benefits, of the project; which should be quantified to the greatest extent possible, and also explain why the described project approach was chosen instead of other possible ways of allocating similar funds;*
  - ii. *The proposal should provide an analysis on the viability or risks related to the proposed insurance scheme, and describe where that type of scheme would draw examples from;*
  - iii. *The basis for “direct” beneficiaries should be clarified in terms of economic, agricultural, or ecosystem-based benefits. The proposal should quantify expected results to be achieved in the 1,200 km<sup>2</sup> to be covered by agroforestry, and other bioengineering measures;*
  - iv. *The proposal should explain how the goal setting of this project takes into account the previous and on-going projects, as well as how lessons learned from those projects would be used to help set the goals of this project and be integrated into the learning and knowledge management activities of this project. It should also be explained how coordination with other initiatives during the project would be arranged;*
  - v. *The proposal should provide more information on the community consultations in the target regions, including information on their timing, the main issues discussed, community approval of planned project activities, and any feedback that was used to inform the development of the project;*
  - vi. *The proposal should explain how long-term maintenance will be assured by the government of Georgia, as stated in terms of adequacy of staff and allocations; and*
  - vii. *The proposal should clarify the ability of the proposed coordinating executing entity to coordinate activities related to infrastructure development as well as the other areas not listed under its mandate.*
- c. *Request UNDP to transmit the observations referred to in paragraph (b) above to the Government of Georgia, on the understanding that a revised project document might be submitted at a later date.*

*(Decision B.15/15)*

8. The current submission was received by the secretariat in time to be considered in the 16th Adaptation Fund Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the diary number GEO/MIE/DRR/2010/1, and filled in a review sheet.

9. In accordance with a request to the secretariat made by the Adaptation Fund Board in its 10th meeting, the secretariat shared the review sheet with the UNDP, and offered it the opportunity of providing responses before the review sheet was sent to the Project and Programme Committee of the Adaptation Fund.

10. The secretariat is submitting to the Project and Programme Review Committee the summary of the project, prepared by the secretariat, in the following section. The secretariat is also submitting to the Committee the technical review sheet and the responses provided by the UNDP, in an addendum to this document.

## II. Project Summary

Georgia – Developing Climate Resilient Flood and Flash Flood Management Practices to Protect Vulnerable Communities of Georgia

Implementing Entity: UNEP

Project/Programme Execution Cost: USD 330,000

Total Project/Programme Cost: USD 4,900,000

Implementing Fee: USD 416,500

Financing Requested: USD 5,316,500

### Project/Programme Background and Context:

Georgia is a lower middle-income country, but many Georgians remain affected by high levels of poverty and unemployment, despite the comprehensive reforms. Poverty is particularly entrenched in rural areas, where incidence of extreme poverty is almost twice that in urban areas. Of Georgia's territory, 54% is located at an altitude of 1,000 m above sea level. A complex mountainous topography makes the country more prone to the hydro-geomorphological processes and climatic hazards. As such, Georgia is vulnerable to natural hazards including floods, flash floods, earthquakes, droughts, landslides, avalanches, and mud flows. According to Georgia's Second National Communication, precipitation patterns have changed in Georgia; rainfall becoming more and more intense and prolonged, concentrated in the short period of time. The SNC long term climate change scenarios indicate more extremes and anomalies, such as prolonged rainfall events, concentrated in a short period of time. These high intensity precipitation events have the potential to generate more runoff during these short periods, thereby increasing the potential for flash flooding (due to high peak river flows). Increased inter-seasonal variability of precipitation will have a 5-10% increase in river run-off during the spring season in the River Rioni and its tributary Tskhenistskali and thus a strong negative effect on the flood frequency and the occurrence of landslides, flash-floods and mudflows. In addition, seasonal runoff is also expected to increase due to early snowmelt.

The project objective is to improve resilience of highly exposed regions of Georgia to hydrometeorological threats that are increasing in frequency and intensity as a result of climate change. The project is planned to help the governments and the population of the target region of Rioni River Basin to develop adaptive capacity and embark on climate resilient economic development. The project is comprised of three main components:

1. Floodplain development policy introduced to incentivize long term resilience to flood / flash flood risks;
2. Climate resilient practices of flood management developed and implemented to reduce vulnerability of highly exposed communities;
3. Early warning system in place to improve preparedness and adaptive capacity of population.

Component 1: Floodplain development policy introduced to improve long term resilience to flood / flash flood risks (USD 670,000)

This component would produce hazard and inundation maps, and review and change land use regulations (land use planning, including zonings and development controls, e.g. on protection / buffer zones, settlement expansion; economic development categories etc) to internalize climate change risks into floodplain management and spatial planning. It would also review and

streamline new building codes for the housing rehabilitation schemes to flood-proof new buildings (e.g. material standards, traditional house raising etc) taking into account alternative climate change scenarios. It would also arrange targeted training of national and local authorities responsible for climate risk management in advanced methods of forward looking climate risk management planning and flood prevention measures, and design and implement a community-based flood insurance scheme that would cover highly exposed villages under 6 municipalities.

Component 2: Climate resilient practices of flood management developed and implemented to reduce vulnerability of highly exposed communities (USD 2,900,000)

This component would design direct measures of long term flood prevention and risk mitigation with participation of local governments and population in 6 municipalities (Lentekhi, Oni, Ambrolauri, Tskaltubo, Samtredia, Tsageri). It would also implement community-based adaptation measures, such as bank terracing, vegetative buffers, bundles and tree revetments, building on an existing municipal employment guarantee scheme. The component would also allocate funds to designing and implementing flood plain seasonal productive systems (e.g. short season annual cropping, cattle rearing plots or seasonal pastures, agro-forestry), which would benefit 200,000 people and improve resilience to flood threat. Finally, lessons learned and best practices would be documented and disseminated to raise awareness of effective climate risk management options for further up-scaling.

Component 3: Early warning system in place to improve preparedness and adaptive capacity of population (USD 1,000,000)

This component would digitize long term historical observation data and promote its use in policy formulation and risk management practices. A multi-hazard risk assessment for the Rioni river basin would be conducted (floods, flash floods, associated mudflows and landslides, linked with climatic alterations under alternative scenarios). The components would deliver a series of targeted training for the National Environment Agency (NEA) staff and partner organisations in the advanced methods of climate change risk assessment and forecasting, and procure and install essential equipment to increase monitoring and forecasting capabilities in the target basin. The component would also establish systems established at the national and sub-national level, led by the NEA, for long and short term flood forecasting of hydrological risks; including dissemination and communication of forecasts.