



## ADAPTATION FUND

AFB/PPRC.24/16  
27 February, 2019

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Adaptation Fund Board  
Project and Programme Review Committee  
Twenty-Fourth Meeting  
Bonn, Germany, 12-13 March, 2019

Agenda Item 9 i)

### **PROPOSAL FOR IRAN, REPUBLIC ISLAMIC OF**

## Background

1. The Operational Policies and Guidelines (OPG) for Parties to Access Resources from the Adaptation Fund (the Fund), adopted by the Adaptation Fund Board (the Board), state in paragraph 45 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 endorsement of the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC, and would ultimately require the Board's approval.

2. The Templates approved by the Board (Annex 5 of the OPG, as amended in March 2016) 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:

- (i) Country Eligibility,
- (ii) Project Eligibility,
- (iii) Resource Availability, and
- (iv) Eligibility of NIE/MIE.

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

5. It is worth noting that at the twenty-second Board meeting, the Environmental and Social Policy (ESP) of the Fund was approved and at the twenty-seventh Board meeting, the Gender Policy (GP) of the Fund was also approved. Consequently, compliance with both the ESP and the GP has been included in the review criteria both for concept documents and fully-developed project documents. The proposal template was revised as well, to include sections requesting demonstration of compliance of the project/programme with the ESP and the GP.

6. At its seventeenth meeting, the Board decided (Decision B.17/7) to approve "Instructions for preparing a request for project or programme funding from the Adaptation Fund", contained in the Annex to document AFB/PPRC.8/4, which further outlines applicable review criteria for both concepts and fully-developed proposals. The latest version of this document was launched in conjunction with the revision of the Operational Policies and Guidelines in November 2013.

7. Based on the 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 Fund was sent out on April 8, 2010.
8. According to the Board Decision B.12/10, a project or programme proposal needs to be received by the secretariat no less than nine weeks before a Board meeting, in order to be considered by the Board in that meeting.
9. The following fully-developed project document titled “Reducing vulnerability to climate change in the Lake Bakhtegan Basin” was submitted for Iran, Republic Islamic of by the United Nations Development Programme (UNDP), which is a Multilateral Implementing Entity of the Adaptation Fund.
10. This is the second submission of the proposal using the one-step submission process. It was first submitted to the thirty-second Board meeting, but was withdrawn by the proponent following the initial review of the secretariat.
11. The current submission was received by the secretariat in time to be considered in the thirty-third Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the diary number IRN/MIE/Water/2018/1, and completed a review sheet.
12. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with UNDP, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.
13. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25.15, the proposal is submitted with changes between the initial submission and the revised version highlighted.

## **Project Summary**

Iran, Islamic Republic of – Reducing vulnerability to climate change in the Lake Bakhtegan Basin

Implementing Entity: United Nations Development Programme (UNDP)

Project/Programme Execution Cost: 829,839 USD

Total Project/Programme Cost: 9,092,766 USD

Implementing Fee: 772,885 USD

Financing Requested: 9,865,651 USD

## **Project Background and Context**

Iran is highly vulnerable to the adverse impacts of climate change. It is a country with arid and semi-arid areas, limited water availability, low forest cover, liable to drought and desertification, prone to floods, high urban atmospheric pollution, and fragile mountainous ecosystems.

The objective of the proposed project is to increase the resilience of communities and the natural environment of the Bakhtegan Basin to climate variability and change through integrated landscape management.

Component 1: A data and information management system for decision support and communications is developed and implemented to support development of long-term climate resilience in the Bakhtegan basin (USD 1,080,277)

This component will focus on enhanced management and processing of relevant climate, hydrological, land use and other identified data and information aimed at supporting decision making and actions that enhance the climate resilience of the Bakhtegan Basin.

Component 2: The resilience of communities in the Bakhtegan Basin is strengthened through implementation of climate smart agriculture and alternative livelihoods (USD 3,049,300)

This component will focus on the development and implementation of climate smart agriculture and alternative livelihood practices which are aimed towards achieving significant reductions in the demand for, and pressure on, land and water resources in the Bakhtegan Basin.

Component 3: The resilience of the natural environment of the Bakhtegan Basin is strengthened (USD 3,572,630)

This component will focus on implementation of a range of soil and water conservation measures in rangelands and forests; and the rehabilitation and conservation of national parks and protected areas.

Component 4: Institutional Capacity at the local, regional and national level is strengthened for improved governance and decision making in relation to climate risk management and effective implementation of adaptation measures (USD 560,720)

This component will implement comprehensive communications, education and capacity building programme on climate resilience and will form a Basin Council to facilitate the long-term sustainable and climate resilient management of the Bakhtegan Basin.



ADAPTATION FUND

## ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Full Proposal

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Country/Region:	<b>Iran, Islamic Republic of</b>		
Project Title:	<b>Reducing vulnerability to climate change in the Lake Bakhtegan Basin</b>		
Thematic Focal Area:	<b>Water Management</b>		
Implementing Entity:	<b>United Nations Development Programme (UNDP)</b>		
AF Project ID:	<b>IRN/MIE/Water/2018/1</b>		
IE Project ID:		Requested Financing from Adaptation Fund (US Dollars): <b>9,865,651</b>	
Reviewer and contact person:	<b>Mr. Hugo Remaury</b>	Co-reviewer(s): <b>Mr. Dirk Lamberts</b>	
IE Contact Person:	<b>Mr. Reis Lopez Rello</b>		

Review Criteria	Questions	Comments January 22, 2019	Comments February 14, 2019
Country Eligibility	1. Is the country party to the Kyoto Protocol?	Yes.	
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes.	
Project Eligibility	1. Has the designated	No. The letter of endorsement, dated August 2018, is signed by a different	

	government authority for the Adaptation Fund endorsed the project/programme?	<p>person than the DA listed on the AF website.</p> <p>CR1: Please provide an official letter by the DA, or a letter officially nominating the signatory as the DA.</p>	<b>CR1:</b> Addressed.
	2. Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes; or One hundred pages for the fully-developed project document, and one hundred pages for its annexes?	<p>No.</p> <p>CAR1: Please reduce the length of the main text and its annex to a maximum of 100 pages each.</p>	<b>CAR1:</b> Addressed.
	3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the	<p>Potentially.</p> <p>Despite the additional information provided, the link between the expected climate scenarios and the proposed interventions is still missing. Indeed, according to the information currently provided, the conditions of the target region appear to be more the</p>	

	<p>adverse effects of climate change and build in climate resilience?</p>	<p>consequences of past and on-going mismanagement of water resources in a complex governance environment than of climate change.</p> <p>CR2: Please highlight further the role of climate change in the current conditions observed in the region.</p> <p>As necessary as they may be, the interventions seem to be “business-as-usual” agricultural, development or environmental protection measures aiming at addressing such current challenges rather than interventions reducing vulnerability and increasing the adaptive capacity of human and natural systems to respond to the impacts of climate change.</p> <p>CR3: Please demonstrate how each intervention is suited to the identified climate threats. In other words, explain how they would reduce the vulnerability and increase the adaptive capacity of human and natural systems to respond to the impacts of climate change.</p> <p>As raised in the last technical review, the project includes some activities that are not yet clearly defined, nor are their technical specifications provided. Para 88</p>	<p><b>CR2:</b> Addressed, as per the information provided in the response sheet, although the description of the interventions could be better linked to the expected climate scenarios.</p> <p><b>CR3:</b> Addressed, as per the information provided in the response sheet and in para 181.</p>
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		<p>now includes elements that could provide justification for this Unidentified sub-projects (USPs) approach: “putting into practice many of the elements of the project, in particular drawing on results of the assessments in Component 1 and guided by the governance arrangements in Component 4.” However, this sequence is not reflected in the detailed budget nor the implementation schedule.</p> <p>CR4: Activities should be identified to a point where ESP risks can be effectively and comprehensively identified. Please identify and where necessary reformulate project activities in a way that compliance with the ESP is possible.</p> <p>CR5: Although the proposal provides a list of target zones, villages and their respective characteristics, it does not explain how the target villages have been selected. Please describe the criteria used to select the target villages, including any climate change-related criteria.</p> <p>CR6: The proposal should further explain how the Bakhtegan Basin Council that the project will set up will address in an effective way the governance issues</p>	<p><b>CR4:</b> Not addressed. Please describe the rationale for not fully identifying the activities of components 2 and 3 and reflect this in the implementation schedule and the detailed budget. Indeed, the activities have not been further identified. The rationale for not fully identifying at the proposal stage the activities of components 2 and 3 – i.e. building on the outcomes of components 1 and 4 – is not reflected in the implementation schedule nor the detailed budget and is therefore inadequate.</p> <p><b>CR5:</b> Addressed, as per information provided in the response sheet and in the annex document.</p> <p><b>CR6:</b> Addressed, as per the information provided in the response sheet and in para 317.</p>
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		<p>fueling the degradation of the basin.</p> <p>CR7: Please add directly into the proposal the information provided as responses to CRs 7, 27, 37, 38, 41, 45, 48, 49, 50 of the previous review.</p>	<p><b>CR7:</b> Addressed, as per the information provided in the response sheet.</p>
	<p>4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>Likely.</p> <p>As noted in the previous review, some information provided in that section are irrelevant, whereas other are crucially missing.</p> <p>CR8: Please elaborate for each outcome the economic, social and environmental benefits expected from the project. While doing so, please link the project outcomes more specifically to existing and expected related challenges.</p> <p>The proposal remains too elusive on the expected beneficiaries. Some sections suggest that they will be selected by contracting companies (e.g. output 2.1) while others clearly indicate no information on the selection process.</p> <p>CR9: Please clarify the process through which the beneficiaries will be selected; including the criteria that will be used to select them, in compliance with the AF policies and guidelines, and explain how</p>	<p><b>CR8:</b> Addressed, as per information provided in the response sheet and on pages 37 to 39.</p> <p><b>CR9:</b> Not addressed. Please i) describe the process through which the project benefits will be distributed among the target villages' beneficiaries; including the criteria that will be used to select the final beneficiaries and how these will comply AF policies, and ii) explain how the project will ensure an equitable distribution of benefits among all potential beneficiaries (not only</p>

		<p>the project will ensure an equitable distribution of benefits.</p> <p>CR10: Please confirm whether any minority group has been identified in the target areas. If there are any such group, please describe the particular benefits provided by the project/programme to those groups.</p>	<p>between men and women). Finally, iii) the response sheet mentions that “18% of the total grant request is entirely dedicated to direct support to women”. This is not in line with the AF GP which requires to set targets towards equal participation and representation of women and men.</p> <p><b>CR10:</b> Addressed, as per information provided in the response sheet.</p>
	5. Is the project / programme cost effective?	Yes.	
	6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant	<p>Yet to be demonstrated.</p> <p>CR11: As opposed of just stating that the project aligns with each strategy/plan identified, the proposal should explain in an evidence-based manner how the project interventions are consistent with such strategies/plans.</p> <p>CR12: Please clarify whether there are any sub-national development plans, poverty reduction strategies, agricultural, water and forests strategies in the Bakhtegan basin (i.e., any sub-national plans or strategies), besides the Bakhtegan Wetland Basin Integrated Management Plan. For each sub-national strategy or plan identified, please demonstrate how the project interventions would be consistent with these</p>	<p><b>CR11:</b> Addressed, as per information provided in the response sheet and on pages 45-47.</p> <p><b>CR12:</b> Addressed, as per the information provided in the response sheet.</p>

	instruments?	<p>strategies/plans.</p> <p>CR13: Given its high relevance with respect to the proposed project, the proposal should explain how it will be consistent with the Bakhtegan Wetland Basin Integrated Management Plan.</p>	<p><b>CR13:</b> Addressed, as per the information provided in the response sheet.</p>
	7. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?	<p>Yet to be demonstrated. Fully developed proposals should describe how projects would meet relevant national technical standards such as standards for environmental assessment, building codes, etc.</p> <p>CR14: Based on the guidance provided in Annex 5 of the AF Operational Policies and Guidelines (OPG), please explain how the project will meet relevant national standards (notably environmental assessments and building codes). If a specific activity of the project/programme requires compliance with technical standards, the legal source of the requirement, the steps taken to comply with it and the nature of the authorization / clearance granted for the project to be implemented will have to be explained.</p>	<p><b>CR14:</b> Not addressed. Please explain how the project will meet relevant national standards (notably environmental assessments, building codes and any other relevant standards that would apply to the project interventions). If a specific activity of the project/programme requires compliance with technical standards, the legal source of the requirement, the steps taken to comply with it and the nature of the authorization / clearance granted for the project to be implemented will have to be explained. Although not listed, water quality regulations, agricultural-related regulations and building codes are likely to apply to the project interventions as well.</p>
	8. Is there duplication of project / programme with other funding	<p>Yet to be demonstrated. Although some sections of the proposal point out that key lessons have been learned from similar projects and that they will be taken into account, the proposal still does not</p>	

	sources?	<p>demonstrate any potential overlap/complementarity between the proposed project and the initiatives listed.</p> <p>CR15: Please outline clearly the linkages and synergies with all relevant potentially overlapping projects / programmes (including but not limited to the Rural Women Trust Fund and the initiatives mentioned as part of response to CR 39 of the previous review). Please include areas of overlap and complementarity, identify lessons drawn from the earlier initiatives, provide evidence that such lessons are taken into the design of the project, and establish a framework for coordination during implementation.</p>	<p><b>CR15:</b> Not addressed. Please clarify for all the relevant initiatives identified (including the Women Trust Fund) areas of overlap and complementarity, describe their lessons learned, and explain how they were taken into account in the design of the project activities. Whenever relevant for some initiatives, please describe a framework for coordination during implementation.</p>
	9. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	<p>Yes.</p> <p>CR16: Please describe the target audience of the KM strategy tools listed, emphasizing the benefits of using such tools for the interests and benefits of direct stakeholders (i.e. target communities).</p> <p>CR17: The proposal does not suggest any viable solution to sustain the outcomes of the KM strategy overtime, apart from the Department of Environment's possible willingness to maintain such assets. The proposal should propose concrete steps</p>	<p><b>CR16:</b> Not addressed. Please describe the target audience of the KM strategy tools listed, emphasizing the benefits of using such tools for the interests and benefits of direct stakeholders (i.e. target communities).</p> <p><b>CR17:</b> Not addressed. Please propose concrete steps to sustain the outcomes of the KM strategy at project closure, beyond the hypothetical maintenance from local NGOs or DoE potential willingness to maintain them.</p>

		to sustain them.	
	10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Yes. However, the proposal contains no evidence that direct stakeholders have been consulted, nor that their views and concerns have been taken into account in the design of the project. Such consultations have to take place to comply with AF OPG. This is of utmost importance given the social-related risks described in the proposal (social upheaval related to water management, pressures and tensions in the surroundings of national parks etc.), the major role that communities would play in the proposed project, and the fact that the project sustainability strategy relies on building ownership of local communities.</p> <p>CR18: Following the guidance provided in the Annex 5 of the AF OPG, please proceed with a comprehensive, gender-responsive consultative process involving all direct stakeholders of the target villages. The proposal should describe direct stakeholders' interests and concerns and demonstrate how their views are taken into account in the project interventions. The proposal should include the consultative process' necessary documentation.</p>	<p><b>CR18:</b> Addressed, as per information provided in annex 12.</p>
	11. Is the requested financing	Yes.	

	justified on the basis of full cost of adaptation reasoning?		
	12. Is the project / program aligned with AF's results framework?	Yes.	
	13. Has the sustainability of the project/program me outcomes been taken into account when designing the project?	<p>Yet to be demonstrated.</p> <p>Although useful, the additional information provided regarding the sustainability of the institutional arrangements do not sufficiently explain the governance arrangements that the project will set up to sustain the project from an institutional standpoint, nor provide clarity with respect to the "specific measures" listed in para 250.</p> <p>CR19: The proposal should detail such governance arrangements and substantiate that the "specific measures" will ensure the sustainability of these institutional arrangements.</p> <p>Despite the additional information provided, the proposal remains too elusive on the economic/financial sustainability of the interventions planned under components 2. For example, there is no description of stakeholders' knowledge</p>	<p><b>CR19:</b> Not addressed. Please describe the governance arrangements that the project will set up to sustain the project from an institutional standpoint.</p>

		<p>sharing activities with the stakeholders involved in the Lake Urmia project, despite the acknowledgment that farmers have become the advocates of new farming practices.</p> <p>CR20: The proposal should make an effort in identifying such lessons learned from other project (see above) and strengthen the sustainability section based on such evidences.</p>	<p><b>CR20:</b> Not addressed. The proposal should describe the lessons learned from other initiatives in sustaining their outcomes overtime that the proposed project will take into account to sustain its outcomes at project end.</p>
	<p>14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>The relevant section of the proposal (II.K of the template) is identical to that of the previous submission, despite the corrective action request.</p> <p>The ESP risks findings presented in the table on p. 67 and the subsequent justification of the findings are not in line with the ESP that requires evidence-based risks findings. Generally, the risk findings lack evidence-based substantiation, and required data collection is announced to be undertaken during the inception phase. Considering the USP nature of most of the project interventions, effective comprehensive risks identification is not possible at this stage, and therefore the findings presented cannot relate to these activities. Guidance on complying with the ESP of the Adaptation Fund is available at</p>	



		<p><a href="https://www.adaptation-fund.org/wp-content/uploads/2016/07/ESP-Guidance_Revised-in-June-2016_Guidance-document-for-Implementing-Entities-on-compliance-with-the-Adaptation-Fund-Environmental-and-Social-Policy.pdf">https://www.adaptation-fund.org/wp-content/uploads/2016/07/ESP-Guidance_Revised-in-June-2016_Guidance-document-for-Implementing-Entities-on-compliance-with-the-Adaptation-Fund-Environmental-and-Social-Policy.pdf</a></p> <p>CAR3: Please demonstrate compliance of the project with the ESP.</p> <p>CR21: Please note that according to the AF OPG, “The results of the environmental and social screening and a draft environmental and social assessment, including any proposed management plan, shall be made available for public consultations that are timely, effective, inclusive, and held free of coercion and in an appropriate way for communities that are directly affected by the proposed project/programme.”. Please ensure compliance with such requirement. Whilst compliance with the IE’s ESMF is recommended, compliance with the AF ESP is mandatory for funding eligibility.</p> <p>CR22: Please clarify the grievance mechanism to include that grievances that may also be addressed directly to the AFB Secretariat at the address mentioned in the ESP (para 34).</p>	<p><b>CAR3:</b> Not adequately addressed. Please demonstrate compliance of the project with the ESP. Only minor changes were made to the proposal, none of the substantive matters have been addressed.</p> <p><b>CR21:</b> Not addressed. Please ensure compliance with the following ESP requirement “<i>The results of the environmental and social screening and a draft environmental and social assessment, including any proposed management plan, shall be made available for public consultations that are timely, effective, inclusive, and held free of coercion and in an appropriate way for communities that are directly affected by the proposed project/programme.</i>”.</p> <p><b>CR22:</b> Not addressed. Please clarify the grievance mechanism to include that grievances that may also be addressed directly to the AFB Secretariat at the address mentioned in the ESP (para 34).</p>
Resource	1. Is the requested	Yes.	

Availability	project / programme funding within the cap of the country?		
	2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/program me budget before the fee?	Yes.	
	3. Are the Project/Program me Execution Costs at or below 9.5 per cent of the total project/program me budget (including the fee)?	Yes.	
Eligibility of IE	4. Is the project/program me submitted through an eligible Implementing Entity that has	Yes.	

	been accredited by the Board?		
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	<p>Yet to be demonstrated. The proposal now does contain an elaborate Gender Assessment and Action plan (Annex 9), with provisions in line with the use of USPs.</p> <p>According to the information currently presented in the proposal, the role of the National Technical Committee would be limited to guiding the proposal development. No reference is made with respect to its possible role during the project implementation.</p> <p>CR23: Please explain the role that the National Technical Committee will play during implementation and update accordingly the implementation arrangements of the proposal, including the organigram and the composition of the project Board.</p> <p>The response sheet provided suggests in CR 48 that the Ministry of Foreign Affairs might be involved in the project implementation. However, there is no reference to it in this section.</p> <p>CR24: Please confirm if the MoFA will be involved during the implementation and</p>	<p><b>CR23:</b> Addressed, as per the information provided in the response sheet.</p> <p><b>CR24:</b> Not addressed. Please reflect the involvement of MFA in the project organigram.</p>

		<p>update the implementation arrangements section accordingly.</p> <p>Several contradictions persist in that section. For instance, the MoE and the MoJA are still not listed in the project Board composition, nor the Bakhtegan Basin Council is listed in the organigram.</p> <p>CR25: Please update that section by clarifying the project Board composition, the role of the Bakhtegan Basin Council in the organigram, and describe the roles and responsibilities of each implementing and executing entity (both those listed in the organigram and the ones missing from it), in a clear and consistent manner.</p> <p>CR26: As acknowledged by the letter of agreement between UNDP and the DoE "UNDP country office shall provide support services for the project". As previously requested, please provide a rationale for this request.</p>	<p><b>CR25:</b> Not addressed. Please reflect the project Board composition in the project organigram. Please describe briefly the roles and responsibilities of each implementing and executing entity that will be involved in the project.</p> <p><b>CR26:</b> Not addressed. Please add the rationale provided in the response sheet and the "<i>Letter of agreement between UNDP and government of Iran for the provision of support services</i>" to the proposal, if still applicable. As per the AF OPG, such costs should be covered by the execution costs of the project.</p>
	<p>2. Are there measures for financial and project/program me risk management?</p>	<p>Yes. However, some risks mentioned in other sections of the proposal are still not listed in the current analysis (e.g. allocation of water rights, droughts-related migration, illegal wells digging, overexploitation of legal wells).</p> <p>CR27: Please identify all major risks,</p>	<p><b>CR27:</b> Addressed, as per information provided on page</p>

		consider their significance and include a plan for monitoring and mitigating them.	71-72.
	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	<p>No. The proposed measures for management of environmental and social risks are not in line with the ESP and GP of the AF.</p> <p>CAR4: Please provide implementation arrangements for the management of the environmental and social risks of the project in line with the ESP and GP.</p>	<p><b>CAR 4:</b> Not addressed. Please provide implementation arrangements for the management of the environmental and social risks of the project in line with the ESP and GP.</p>
	4. Is a budget on the Implementing Entity Management Fee use included?	<p>Yes.</p> <p>CR28: Please include the IE fee breakdown in the overall project budget presented in part III G.</p> <p>CR29: Please add the mid-term evaluation cost and any other costs currently not listed to the IE fee breakdown. For more information on costs and fees, please visit: <a href="https://www.adaptation-fund.org/generic/costs-and-fees/">https://www.adaptation-fund.org/generic/costs-and-fees/</a></p>	<p><b>CR28:</b> Not addressed. Please add the IE fee breakdown in the overall budget presented in part III G.</p> <p><b>CR29:</b> Not addressed. Please add the mid-term evaluation cost and any other costs currently not listed to the IE fee breakdown.</p>
	5. Is an explanation and a breakdown of the execution	<p>Yes.</p> <p>CR30: Please change the naming from “project management cost” to “project</p>	<p><b>CR30:</b> Addressed.</p>

	costs included?	<p>execution costs”.</p> <p>CR31: Staffing costs and travel costs related to execution have to be charged under the execution costs (<a href="https://www.adaptation-fund.org/generic/costs-and-fees/">https://www.adaptation-fund.org/generic/costs-and-fees/</a>). Please amend the budget and the execution costs breakdown accordingly.</p>	<p><b>CR31:</b> Not addressed. Please amend the budget and the execution costs breakdown to comply with costs and fee rules for AF projects (<a href="https://www.adaptation-fund.org/generic/costs-and-fees/">https://www.adaptation-fund.org/generic/costs-and-fees/</a>). For instance, travel costs related to project execution should be charged under the execution costs, as well as salaries of project staffs and consultations with project stakeholders, among others.</p>
	6. Is a detailed budget including budget notes included?	Yes.	
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	<p>Not yet.</p> <p>Only a few indicators and targets are gender disaggregated and the project overall target of benefiting to 900 women mean that women will only be targeted by output 2.2 although output 2.1 for instance will target a total of 4,425 farmers.</p> <p>CR32: In compliance with the Gender Policy of the Fund, please disaggregate indicators by gender, wherever possible, and set targets towards a goal of equal participation and representation of women and men.</p>	<p><b>CR32:</b> Not addressed. Please set targets towards a goal of equal participation and representation of women and men, in line with the AF Gender Policy.</p>
	8. Does the M&E Framework include a breakdown of how	<p>No.</p> <p>CR33: Please provide a breakdown of how the IE fee will be utilized in the</p>	<p><b>CR33:</b> Addressed, although the total indicative cost do not add up.</p>

	implementing entity IE fees will be utilized in the supervision of the M&E function?	supervision of the M&E function and clarify among all the items listed in the "M&E workplan and budget" which ones will be charged under the EE cost and the IE fee.	
	9. Does the project/program me's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	CR34: Please provide a target for the AF core indicator "Number of beneficiaries" ( <a href="https://www.adaptation-fund.org/wp-content/uploads/2015/01/AF%20Core%20Indicator%20Methodologies.pdf">https://www.adaptation-fund.org/wp-content/uploads/2015/01/AF%20Core%20Indicator%20Methodologies.pdf</a> )	<b>CR34:</b> Not addressed. Please provide a target for the AF core indicator "Number of beneficiaries" ( <a href="https://www.adaptation-fund.org/wp-content/uploads/2015/01/AF%20Core%20Indicator%20Methodologies.pdf">https://www.adaptation-fund.org/wp-content/uploads/2015/01/AF%20Core%20Indicator%20Methodologies.pdf</a> )
	10. Is a disbursement schedule with time-bound milestones included?	Yes.	

Technical Summary	The objective of the proposed project is to increase the resilience of communities and the natural environment of the Bakhtegan Basin to climate variability and change through integrated landscape management. This is planned to be achieved through the implementation of the following components:
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- Component 1: Strengthened knowledge of climate risk, climate change and the environmental situation to support development of long-term climate resilience in the Bakhtegan Basin using a decision support system;
- Component 2: Strengthened resilience of communities in the Bakhtegan Basin through community empowerment and implementation of climate smart agriculture and alternative livelihoods;
- Component 3: Strengthened resilience of local ecosystems through targeted interventions in key locations
- Component 4: Reinforced capacity at the local, regional and national level for improved governance and decision making in relation to climate risk management and effective implementation of adaptation measures.

The initial review raised several issues related to the suitability of the proposed measures with respect to the climate threats identified, to the technical specifications of the proposed interventions, and to the compliance of the project with the Adaptation Fund Environmental and Social Policy and the Gender Policy among others, as discussed in the number of Clarification Requests (CR) and Corrective Action Requests (CAR) raised in the review.

The final review finds that the fully-developed proposal document has not addressed most of the requests and does not provided sufficient information at this stage. The following observations are made:

1. The proposal should describe the process through which the project benefits will be distributed among the target villages' beneficiaries, including the criteria that will be used to select the them, in line with the Environmental and Social Policy (ESP) and Gender Policy (GP);
2. The proposal should explain how the project will meet relevant national standards (notably environmental assessments, building codes and any other relevant standards) that would apply to the project interventions;
3. The proposal should clarify for all relevant initiatives identified (including the Women Trust Fund) areas of overlap and complementarity, describe their lessons learned, and explain how they were taken into account in the design of the project activities;
4. The proposal should, based on lessons learned from earlier initiatives, describe the governance arrangements that the project will set up to sustain the project from an institutional standpoint;
5. The proposal should explain the rationale for not fully identifying the activities of components 2 and 3 and reflect this in the implementation schedule and the detailed budget;
6. The proposal should identify and manage environmental and social risks in line with the Environmental



	and Social Policy of the Adaptation Fund.
Date:	02/14/2019