



# GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: Capacity Building Initiative for Transparency

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## PART I: PROJECT INFORMATION

Project Title: Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement			
Country(ies):	Azerbaijan	GEF Project ID:	10043
GEF Agency(ies):	UN Environment	GEF Agency Project ID:	01637
Other Executing Partner(s):	Ministry of Ecology and Natural Resources (MENR) with execution support from the Regional Environmental Centre for the Caucasus (RECC)	Re-submission Date:	08 Jan. 2020
GEF Focal Area (s):	Climate Change	Project Duration:	36 months
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP	
Name of Parent Program	N/A	Agency Fee (\$)	123,310

### A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES<sup>1</sup>

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
CBIT	CBIT	CBIT	1,298,000	350,000
<b>Total project costs</b>			<b>1,298,000</b>	<b>350,000</b>

### B. PROJECT DESCRIPTION SUMMARY

Project Objective: Strengthen institutional and human capacities in Azerbaijan to meet the reporting requirements of the enhanced transparency framework of the Paris Agreement by establishing a tracking system to support reliable domestic MRV arrangements						
Project Components	Financing Type <sup>2</sup>	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
Component 1. Strengthening Azerbaijan's enabling environment and capacity for implementing the Paris Agreement's transparency framework	TA	1. Enhanced institutional capacity to report and monitor progress of the implementation of the country's Nationally Determined Contributions	1.1. Institutional arrangements for inter-ministerial cooperation on systemizing data collection and processing for preparing GHG inventory are established	CBIT	811,000	200,000
			1.2. National GHG database management system for GHG data is developed			

<sup>1</sup> When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#).

<sup>2</sup> Financing type can be either investment or technical assistance.

			1.3. National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions for mitigation actions established and operationalized			
			1.4. Training programme on enhanced transparency processes provided			
			1.5. Knowledge-sharing and coordination mechanism with the CBIT Global Coordination Platform established			
Component 2. Developing a strategy to secure financial resources for the implementation of the country's Nationally Determined Contributions, including an implementation tracking system	TA	2. Enhanced institutional capacity to identify sources of funding and to track financial support	2.1. Financial strategy outlining means to identify sources of funding needed, and to track financial support received, developed	CBIT	357,000	100,000
			2.2. Capacity building and training programme on identifying sources of funding and tracking financial support processes provided			
Subtotal					1,168,000	300,000
Project Management Cost (PMC) <sup>3</sup>				CBIT	130,000	50,000
<b>Total Project Cost</b>					<b>1,298,000</b>	<b>350,000</b>

### C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Please include evidence for co-financing for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Recipient Government	Ministry of Ecology and Natural Resources	In-kind	350,000
<b>Total Co-financing</b>			<b>350,000</b>

<sup>3</sup> For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

**D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS**

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee <sup>4</sup> (b)	Total (c)=(a)+(b)
UNEP	CBIT	Azerbaijan	Climate Change	CBIT	1,298,000	123,310	1,421,310
<b>Total Grant Resources</b>					<b>1,298,000</b>	<b>123,310</b>	<b>1,421,310</b>

**E. PROJECT'S TARGET CONTRIBUTIONS TO GEF 6 CORE INDICATORS**

Update the relevant sub-indicator values for this project using the methodologies indicated in the Core Indicator Worksheet (as used in GEF 7 Endorsement template – Annex E) and aggregating them in the table below. Progress in programming against these targets is updated at mid-term evaluation and at terminal evaluation. Achieved targets will be aggregated and reported any time during the replenishment period.

Project Core Indicators		Expected at CEO Endorsement
1	<b>Terrestrial protected areas</b> created or under improved management for conservation and sustainable use (Hectares)	
2	<b>Marine protected areas</b> created or under improved management for conservation and sustainable use (Hectares)	
3	Area of <b>land restored</b> (Hectares)	
4	Area of <b>landscapes under improved practices</b> (excluding protected areas) (Hectares)	
5	Area of <b>marine habitat under improved practices</b> (excluding protected areas) (Hectares)	
	Total area under improved management (Hectares)	
6	<b>Greenhouse Gas Emissions Mitigated</b> (metric tons of CO <sub>2</sub> e)	
7	<b>Number of shared water ecosystems</b> (fresh or marine) under new or improved cooperative management	
8	Globally over-exploited <b>marine fisheries</b> moved to more sustainable levels (metric tons)	
9	<b>Reduction, disposal/destruction, phase out, elimination</b> and avoidance of <b>chemicals of global concern</b> and their waste in the environment and in processes, materials and products (metric tons of toxic chemicals reduced)	
10	Reduction, avoidance of emissions of <b>POPs to air</b> from point and non-point sources (grams of toxic equivalent gTEQ)	
11	Number of <b>direct beneficiaries disaggregated by gender</b> as co-benefit of GEF investment	<b>106 women 114 men</b>

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided.

<sup>4</sup> Refer to the Fee Policy for GEF Partner Agencies

## F. PROJECT TAXONOMY

Please update the table below for the taxonomic information provided at PIF stage. Use the GEF Taxonomy Worksheet provided in Annex F to find the most relevant keywords/topics/themes that best describe the project.

Level 1	Level 2	Level 3	Level 4
Influencing Models	Transform policy and regulatory environments Strengthen institutional capacity and decision-making		-
Stakeholders	1- Private Sector 2- Civil society 3- Type of engagement	1-1 Large corporations 1-2 SMEs 2-1 Non-Governmental Organization 2-2 Academia 3-1 Information Dissemination 3-2 Consultation 3-3 Co-designing MRV projects and indicators	-
Capacity, Knowledge and Research	1- Enabling Activities 2- Capacity Development 3- Knowledge Generation and Exchange 4- Learning 5- Knowledge and Learning	1-1 Indicators to Measure Change  5-1 Knowledge management 5-2 Capacity Development	-
Gender Equality	1- Gender result area	1-1 Capacity Development	-
Focal Area/Theme	1- Climate Change	1-1 United Nations Framework on Climate Change  1-2 Climate Finance (Rio Markers)	1-1-1 CBIT  1-2-1 Mitigation 1 1-2-2 Adaptation 1

## **PART II: PROJECT JUSTIFICATION**

### ***A.0. Describe any changes in alignment with the project design with the original PIF***

There are no significant changes to the project’s logical framework compared to the PIF. The only adjustments are related to project Outputs 1.1, 1.2, 1.3 and 2.2, based on recommendations that were provided by stakeholders during the second consultation workshop held in Baku, Azerbaijan on 5<sup>th</sup> February 2019. These changes are described in the table here below:

<b>PIF Output wording</b>	<b>CEO Endorsement Output wording</b>	<b>Explanations</b>
Output 1.1.1 Review of current national policies and legal frameworks for the implementation of the Paris Agreement’s transparency framework developed	Output 1.1. Institutional arrangements for inter-ministerial cooperation on systemizing data collection and processing for preparing GHG inventory are established	The stakeholders recommended that Output 1.1.1 from the PIF would be more suitable as a project Activity, rather than an Output. The review of current national policies and legal frameworks will therefore now be undertaken as part of project “ <i>Activity 1.1.4. Draft a regulation that defines the roles and responsibility of relevant ministries, agencies and stakeholders for GHG data collection</i> ”.
Output 1.1.2 National coordination mechanism to enhance transparency in implementation of the Paris Agreement established	Output 1.2. National GHG database management system for GHG data is developed	The stakeholder pointed out that Output 1.1.2 from the PIF was too general in formulation. Firstly, they recommended the need to establish a GHG inventory since the country does not have a permanent one in place, and the current set-up is based on <i>ad-hoc</i> process rather than a structured mechanism. Secondly, they recommended the need to have the implementation of Azerbaijan’s NDC for mitigation actions in place by the end of the CBIT project in 2022. This decision was based on emerging needs for setting-up an efficient GHG inventory management database as a prerequisite for enhancing transparency in tracking mitigation actions for NDC commitments. Therefore, in order to be more specific and avoid overlap, they recommended that Output 1.1.2 from the PIF be replaced with this new Output 1.2 statement.
1.1.3 National system for tracking progress of the implementation of Azerbaijan’s Nationally Determined Contributions developed	1.3 National system for tracking progress on the implementation of Azerbaijan’s Nationally Determined Contributions for mitigation actions established and operationalized	The output’s wording has been slightly refined to be more specific and better reflect its purpose.
2.1.2 Training programme on identifying sources of funding and tracking financial support processes provided	2.2 Capacity building and Training programme on identifying sources of funding and tracking financial support processes provided	The output’s wording has been slightly refined (i.e. adding “Capacity building and” at the beginning of the statement) to be more specific.

Adjustments on Outputs 1.1 and 1.2 will help overcome the lack of coordination and cooperation among ministries

and agencies regarding existing GHG inventories in Azerbaijan. The modified Outputs have been designed to help address the need for institutional arrangement and coordination by ensuring greater participation from relevant agencies including, the Ministry of Agriculture, (2) the Ministry of Energy, (3) the Ministry of Economic Development and (4) the Ministry of Finance.

The GEF budget distribution per main project Component has also undergone very minor changes compared to the PIF:

<b>Project Component</b>	<b>PIF budget</b>	<b>CEO Endorsement budget</b>	<b>Explanations</b>
Component 1	810,000	811,000	Minor touch up to meet project needs
Component 2	370,000	357,000	Minor touch up to meet project needs
PMC	118,000	130,000	Audit fees have been included in PMC
<b>Total</b>	<b>1,298,000</b>	<b>1,298,000</b>	

Finally, the Ministry of Ecology and Natural Resources (MENR) has decided to delegate its authority to the Regional Environmental Centre for the Caucasus (RECC) to act as the project's Executing Agency.

### ***A.1. Project Description***

#### **1) Global environmental and/or adaptation problems, root causes and barriers that need to be addressed**

Climate change represents an urgent and existential threat to humanity. All countries need to increase their ambition to mitigate their Greenhouse Gas (GHG) emissions and to adapt to the impacts of climate change in order to secure the future livelihoods of their citizens. Nations around the world met in Paris in 2015 to discuss the serious and urgent threat of climate change and to reach a global consensus to reduce GHG emissions to help set national economies on a low-carbon development path.

As a developing country, the Republic of Azerbaijan also considers climate change as one of the most difficult environmental challenges and supports international cooperation on this issue. Upon ratification of the UN Framework Convention on Climate Change (UNFCCC) in 1995 and the Kyoto Protocol of the Convention in 2000, the Republic of Azerbaijan has actively joined international efforts to mitigate the negative impacts of global climate change. As a non-Annex I country, Azerbaijan has undertaken the obligations such as preparation of inventory of anthropogenic greenhouse gas emissions and emission removals, its regular updating, and the preparation of national communications and submission of this information to the UNFCCC, as well execution of public awareness activities.

For ensuring good coordination of the commitments stipulated in the UNFCCC, the State Commission on Climate Change was established by Decree of the President of the Republic of Azerbaijan on April 30, 1997. Additionally, by Decree of the President of the Republic of Azerbaijan (on April 1, 2005), the Ministry of Ecology and Natural Resources (MENR) was appointed as the Designated National Authority for the Clean Development Mechanism (CDM).

The National Parliament of the Republic of Azerbaijan on April 14, 2015, ratified The Doha Amendment which was subsequently approved by the President.

The country ratified the Paris Agreement in January 2017 and it is working towards fulfilling the obligations outlined in its Nationally Determined Contribution (INDC)<sup>5</sup>. According to its INDC, Azerbaijan's GHG reduction target by 2030, as a contribution to the global climate change efforts, is 35% (using 1990 as the base year).

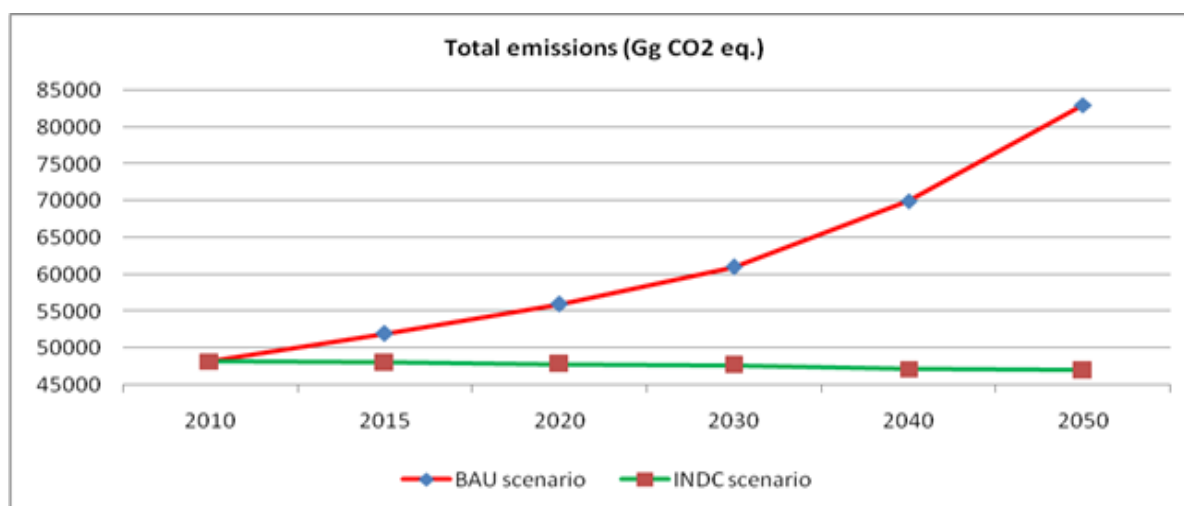


Figure 1: Illustration of BAU scenario and INDC scenario till 2050

According to official national statistics, the increase in Azerbaijan's population by approximately 1.1%, or 100,000 people per year, will consequently increase the demand for energy and other natural resources. Social, educational and health protection demand to meet the need of the growing population would require significant financial resources, which is currently limited.

Constraints in implementation of the INDCs and specific risks for the country could be listed as follows:

- The ongoing occupation of 20% of the territory of Azerbaijan by Armenia and the existence of more than one million refugees and Internally Displaced People (IDP) present a serious burden for Azerbaijan's socio-economic development.
- Justification of pessimistic forecasts / scenarios regarding the expected rise of the level of the Caspian Sea (3-4 m sea level rise) risk to create environmental migrants. Substantial funds might be required to accommodate these migrants and may complicate the implementation of the INDCs;
- Declining prices of oil in the global markets might lead to diminished revenues that could complicate the implementation of the INDCs.

Key sectors identified in the submitted INDC include energy (renewable energies, oil and gas), transport, agriculture, waste and Land Use, Land-Use Change, and Forestry (LULUCF).

The country considers that compliance with its climate mitigation commitments has to be considered against the following background, that is:

<sup>5</sup> <https://www4.unfccc.int/sites/submissions/INDC/Published%20Documents/Azerbaijan/1/INDC%20Azerbaijan.pdf>

- the country's national circumstances;
- the fundamental principles of the Convention, especially the “common but differentiated responsibilities and respective capabilities” of the various Parties to the United Nations Framework Convention on Climate Change;
- the provision of financial, technology and capacity building assistance by developed countries.

The Republic of Azerbaijan (a non-Annex I Party to the Convention) has implemented a number of measures towards climate ambition. This includes the increased use of renewable energy sources, the deployment of more efficient energy technologies, the use of gas instead of fuel oil in thermal power stations, the restoration of forests, the establishment of new forest areas, and the improvement of waste management practices.

Along with contributing to the global effort to combat global warming and reduce ecosystem vulnerability, Azerbaijan is promoting a shift toward a so-called ‘green economy paradigm’ based on the principles of sustainable development. Azerbaijan is also pursuing cooperative efforts aimed at mobilizing investments to support climate change mitigation.

Based on Azerbaijan's national reports, the country faces many gaps and barriers to address climate change. These have been listed in its Biennial Update Report (BUR). On-going national-level processes, such as the formation of working group on adaptation planning, and the establishment of a working commission to develop a low-carbon development strategy have been recommended. Key areas that present opportunities for improvements include:

- Strengthening institutional arrangements for the preparation of the national GHG inventory;
- Development of a data management system for tracking and archiving inventory data;
- Development and application of methodologies to prepare emission scenarios and projections;
- Improvement of the national coordination mechanism for implementing the Paris Agreement, including its transparency mechanism.
- Development of a national tracking system as part of the approach to implement the country's Nationally Determined Contribution;
- Integration of low-carbon and adaptation strategies into sectoral policies;
- Strengthening of the human, institutional and financial capacities required to conduct vulnerability assessments.

In support of this project, two stakeholder workshops were held during the project preparation phase (on 10th December 2018 and 5th February 2019 respectively). Key findings on existing gaps and needs from the stakeholder workshops have been summarized below:

- Despite of the fact that the country does not have a unique and specific climate change policy document, climate change policy in Azerbaijan has been reflected in a number of policy documents and roadmaps. However, tracking the progress of the actions is challenging due to lack of proper national tracking tools in place.
- Most stakeholders are aware of the NDC commitments and the need for enhanced climate transparency in implementation.
- Stakeholder stressed on the need for international finance and technical supports to achieve even higher climate ambitions.
- They indicated that there is a lack of climate finance tracking system.
- The country is committed to the implementation of its NDC commitments. The country has created a Working Group by the Cabinet of Ministers who are responsible to help formulate low carbon development policy for



the country. However, there is a lack of proper institutional arrangement for coordination and establishment of transparent tracking system for mitigation actions.

In addition to the above, the current project will address the main capacity-building needs identified by the technical analysis of Azerbaijan's first BUR and the second BUR which were submitted in 2015<sup>6</sup> and 2018<sup>7</sup> respectively. Specifically, the project will build national capacities with a view to strengthening the institutional arrangements and enhancing the level of knowledge of experts, mainly related to monitoring the implementation of mitigation actions and associated results. This project will establish a tracking system to support reliable domestic Monitoring, Reporting and Verification (MRV) arrangements, including performance indicators for mitigation policies, programmes and actions. It will ensure that experts of the relevant organizations responsible for the implementation of the intended measures have the necessary knowledge of and skills in the new applied technologies, tools and processes.

Azerbaijan, as many other countries, has limited experience with relatively new MRV systems of international standard. This significant gap needs to be addressed.

## **2) Baseline scenario or any associated baseline projects**

The Republic of Azerbaijan ratified the UNFCCC in 1995. Since the ratification of the UNFCCC, the country has adopted and implemented several national strategies and sectoral policies aimed at reducing GHG emissions and safeguarding the country from the impacts of climate change. The country established the State Commission on Climate Change in 1997, ratified the Kyoto Protocol in 2000, and ratified the Doha Amendment on April 14, 2015. To improve the coordination of climate change policy and related issues, a Climate Change Centre was established in 2000 within the Hydrometeorology Department of the Ministry of Ecology and Natural Resources.

The Ministry of Ecology and Natural Resources (MENR) serves as UNFCCC's National Focal Point (NFP) and the National Designated Authority (NDA) for the CDM. The Ministry of Ecology and Natural Resources (MENR) oversee the implementation of the UNFCCC activities within the country. As a sign of Azerbaijan's commitment to the global course to combat climate change, the nation prepared and submitted its NDC in October 2015 in response to the Lima Call for Action and swiftly joined the Paris Agreement in April 2016. Implementation of the NDC is receiving maximum attention in the country.

### ***2.1) Baseline situation of the GHG Inventory Process in Azerbaijan***

After the ratification in 1995, one of Azerbaijan's commitments was to carry out, update and submit an inventory of GHG emissions and reporting.

The first GHG inventory process was done within the period 1998-2000 for Azerbaijan's First National Communication (FNC). The GHG inventory covered the period 1990-1994 and made use of the Intergovernmental Panel on Climate Change (IPCC) 1996 revised guidelines.

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<sup>6</sup> [https://unfccc.int/files/national\\_reports/non-annex\\_i\\_parties/ica/technical\\_analysis\\_of\\_burs/application/pdf/aze.pdf](https://unfccc.int/files/national_reports/non-annex_i_parties/ica/technical_analysis_of_burs/application/pdf/aze.pdf)

<sup>7</sup> <https://unfccc.int/documents/182955>, SBUR Azerbaijan

In 2003-2006, the regional project on GHG inventory quality improvement was implemented with the assistance of United Nations Development Programme (UNDP) in a GEF sponsored project. The project considered inventory quality improvement in transportation, energy, agricultural and the waste sectors. A GHG inventory was carried out under that project, GHG emissions as of 1990-1994 were compared, uncertainties related to wastes were calculated and issues related to quality assurance, quality control and documentation were reviewed.

GHG inventory processes were regularly conducted in the framework of the Initial National Communication (INC), Second National Communication (SNC) and Third National Communication (TNC), as well as the Biennial Update Report (BUR). It is worth noting that, during the final GHG inventory process, the inventory was conducted in accordance with 2006 IPCC Guidelines, Tier 1 approach and default emission factors for non-Annex 1 countries were used in the calculation. Latest inventory included, information about emissions of main gases, such as CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, including hydrofluorocarbons, perfluorocarbons, SO<sub>2</sub> and SF<sub>6</sub>, precursor gas emissions (CO, NO<sub>x</sub> and NMVOC) as well.

Table 1 below shows projects in Azerbaijan that are part of national reporting to UNFCCC and the status of the GHG Inventory under each project.

**Table 1: National projects receiving capacity building to develop national inventory reporting to UNFCCC**

Project	Funding Source	Period	Description of support
First NC	GEF	2000-2001	Capacity building, institutional arrangements, inventory for 1990-1994
Second NC	GEF	2005-2006	Capacity building, institutional arrangements, inventory 1995-2000
Third NC	GEF	2011-2012	Capacity building, institutional arrangements, inventory 2001-2005
First BUR	GEF	2013-2014	Capacity building, institutional arrangements, inventory 2006-2010
Second BUR	GEF	2016-2017	Capacity building, institutional arrangements, inventory 2011-2013

At present, there is an on-going GEF-funded UNDP project which is supporting Azerbaijan in the preparation of its Fourth National Communication to UNFCCC. It includes GHG inventory works covering period from 2014 to 2016.

Several gaps and challenges related to the existing national GHG inventory have been identified by the Ministry of Ecology and Natural Resource that are listed below:

- There is no well-defined permanent institutional arrangement in place for data collection, analysis, and reporting for the GHG inventory. The mandate for preparing and reporting of GHG inventory is with Ministry of Ecology and Natural Resource;
- The Initial National Communication (INC), Second National Communication (SNC) and Third National Communication (TNC) procedures have developed specific implementation arrangements to work with the key ministries and stakeholders, including the Ministry of Agriculture, (2) the Ministry of Energy and (3) Ministry of Economic Development and (4) Ministry of Finance. Although, there have been some improvements of the national inventory process, Azerbaijan's institutional setup for the preparation of GHG inventories is still in its early stages;
- The GHG inventory compilations have not been conducted on a regular basis and rely predominantly on international experts for their preparation, which makes the process rather unsustainable;
- There are no formal mandates and data sharing agreements in place between different sectors and the lead ministry responsible for preparing NCs and BURs, the Ministry of Ecology and Natural Resource, which makes data collection challenging and inefficient;

- Quality assurance (QA) is done at a minimal level since there are few national experts trained in the field of GHG inventory compilation, and academia lacks expertise in the field.

Another pressing gap is that existing data collection systems are not suitable for preparing GHG inventories and thus may add to uncertainties in the GHG inventory estimation.

Azerbaijan, assisted by this CBIT project, would be able to resolve the existing challenges by migrating the current ad hoc inventory process into a permanent and robust system that is based on the current IPCC guidelines.

## ***2.2) Baseline situation of the country's institutional capacity to track the NDC implementation progress / Paris Transparency framework***

The Republic of Azerbaijan has highlighted the importance of climate change related issues in its national development strategy document, "Azerbaijan 2020: Vision to Future", which defines the country's national priorities until 2020. The strategy indicates that Azerbaijan plans to decrease its carbon intensity to Organization for Economic Cooperation and Development (OECD) levels by the end of the decade. For instance, in the section dedicated to environmental issues, the strategy document states that: *"During the period covered by the concept, it is planned to bring the amount of energy used for the production of one unit of GDP in Azerbaijan and the amount of carbon dioxide in line with the appropriate indicator of member countries of the OECD, and this is important in terms of implementing the development goals of the millennium."*

Climate change mitigation and adaptation is on the top of the agenda of the government, and thus represented in almost all long-term strategic development plans and programs. It is the same for the Strategic Roadmaps for National Economy and Main Economic Sectors adopted in December 2016. The roadmaps include the developmental prospects of the national economy (a national economic outlook) and focus on eleven major sectors of the economy.

The outlook includes a detailed short-term action plan for 2017-2020, a long-term strategy for the period to 2025, and a vision for the post 2025 period. The documents also provide a review of the current situation of every economic sector, a Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis, action plans, benchmarks, an overview of required investments, and a description of foreseeable risks, and expected outcomes. Each sectoral plan has specific chapter devoted to actions on climate change mitigation, especially in the energy, industry and agricultural sectors.

In addition to mitigation and low-carbon development issues, these Strategic Roadmaps also consider issues related to adaptation. Notably, the road maps include the following overall objectives: (a) effective adaptation, (b) social development and (c) mitigation. Achievement of these objectives will rely on efforts under way to strengthen the following issues: (1) governance and coordination, (2) capacity-building, (3) science, technology and innovation, (4) finance, (5) international cooperation, (6) information, communication and education, (7) monitoring and reporting.

The Technology Needs Assessment (TNA) of Azerbaijan, finalised in 2012, identified key technological needs for adaptation and mitigation. The TNA report focused on the followings types of barriers: (1) economic/financial, (2) policy/regulatory, (3) technology, (4) environmental and (5) capacity building and information. Following the identified technological needs, a technology action plan (TAP) was subsequently developed.

During previous years, several donor-funded projects related to climate change mitigation and adaptation in Azerbaijan were implemented (e.g. projects funded by the European Union (EU), the Asian Development Bank

(ADB), USAID, and GIZ, among others). Most of the projects provided capacity building on institutional arrangements and training for the relevant national stakeholders, mainly on the use of assessment and inventory methodologies. For example, ADB funded a project focused on emission forecasts using the Long-range Energy Alternatives Planning system (LEAP) model. As a part of this project, only emission forecasts until 2050 in the energy and transport sectors were provided. Therefore, there is a need to expand the capacity building to other sectors. This CBIT project will build upon and incorporate lessons learnt from all past and on-going donor-funded project in the climate change area.

Against this background, the following main gaps and barriers to develop an MRV system were identified in the first and second BUR and the latest NC:

- *Capacity*- limited awareness about the economic and environmental benefits of key cleaner energy technologies.
- *Social*- the likely perception by many stakeholders that MRV is solely a control instrument by the central authorities.
- *Economic and financial*- high investment costs, long payback periods, inappropriate financial initiatives and low tariffs, all hindering the cost-effectiveness of the MRV system.
- *Technological*- limited knowledge of new technologies and expertise in research institutions are limiting factors when trying to set-up a robust and innovative MRV system.

The above addresses the significant challenges Azerbaijan faces with respect to tracking progress towards its NDC commitments.

Azerbaijan communicated its INDC to the UNFCCC Secretariat on 29<sup>th</sup> of September 2015, and submitted its first NDC on the 9<sup>th</sup> of January 2017. A working group composed of all relevant state and non-state stakeholders and led by the Ministry of Ecology and Natural Resources developed both documents. The country set an ambitious 35% GHG emission reduction target below 1990 levels.

The Government of Azerbaijan submitted its First, Second and Third NC in 2001, 2010 and 2016 respectively. In addition to the NC, Azerbaijan also submitted its First BUR on 31<sup>st</sup> of March 2015 and Second BUR in September 2018. At present, efforts to prepare the Fourth NC are underway with the support of UNDP.

The government identified and prioritized gaps during the preparations of the First and Second BUR, the third NC and the INDC. The Cabinet of Ministers of Azerbaijan leads the process of creating working groups on low-carbon development strategy and on adaptation planning, which are tasked to identify relevant follow up actions. These working groups include representatives from all relevant state ministries and agencies. Each from its own perspective, the various members of the working groups examine the opportunities offered by existing financial mechanisms, with a view of fulfilling the identified national needs in the area of climate change.

Azerbaijan's most significant challenge is its inability to track the progress of NDC implementation in accordance with the requirements in the Paris Agreement's Enhanced Transparency Framework. As both the NDC concept and the transparency framework in the Paris Agreement have been introduced recently, domestic capacity for NDC implementation is limited. The current national system for data management is rudimentary, not systematic and inefficient in tracking mitigation actions. In addition, there are challenges associated with data management for the emissions inventory, which is not online. At present, the mechanism of emission reporting is simple, relies on

submissions by relevant entities to the national institute of statistics and lacks a verification mechanism. An improved national system for data management is urgently needed.

The government of Azerbaijan has launched procedures for preparing sectoral NDC implementation strategies. However, these exclude transparency elements, as there is still no tracking system in place. There is an urgent need to increase both the awareness and capacities of relevant stakeholders, and of decision-makers responsible for implementing the NDC.

The project will also benefit from the results of “Clima East: Support to Climate Change Mitigation and Adaptation in ENP<sup>8</sup> East Countries and Russia”, a regional project that was implemented in the period 2013-2015. The specific objective of the Clima East Policy Project was to foster improved climate change policies, strategies and market mechanisms in the Partner Countries that are more in line with the European Union acquis, by supporting regional cooperation and improving information-access to EU climate change policies/acquis. The project had a specific component on “State-of-the-art national climate change mitigation and adaptation policies developed, fine-tuned and implemented”, with specific actions geared toward improving MRV practices. During the project implementation process, Clima East has provided advice and supported consultation aimed to review MRV options that meet Azerbaijan’s needs, and developed a roadmap for the establishment of appropriate MRV regulations and systems in the country. Building on the Clima East 2014 Study Tour to Germany and Poland, to experience and understand MRV processes within EU Member States, the Project has utilised and tailored the training package already developed by the Germany Federal Minister for the Environment, Nature Conservation, and Nuclear Safety (BMU<sup>9</sup>) to support Azerbaijan to move forward quickly in this area.

The current CBIT project will help to ensure transparency in fulfilment of sectoral commitments through the establishment of a national NDC tracking system to record and monitor sectoral mitigation actions. To do so, it will build on ongoing and recent initiatives:

- a technical assistance project funded by the Climate Technology Centre and Network (CTCN) to develop vulnerability and impact indicators through an iterative process that involves consultations with a wide range of stakeholders (both at national and municipal levels);
- on-going project funded by the Green Climate Fund's (GCF) Readiness Support Program, aimed to strengthen the National Designated Authority, enhance Azerbaijan’s capacity to implement mitigation and adaptation actions, support stakeholders’ engagement, and galvanise private sector engagement in national consultations and in the GCF financing mechanisms;
- UNDP/GEF project “Nationally Appropriate Mitigation Actions (NAMAs) for low-carbon end-use sectors in Azerbaijan”, which has a component on MRV and national registry for mitigation actions in the energy generation and end-use sectors.

The current CBIT project will build on the baseline provided by the activities outlined above, taking full advantage of the lessons learned through them. Please see table 2 below an overview of previous MRV capacity-building support projects:

**Table 2: Overview of previous MRV capacity-building support projects**

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<sup>8</sup> European Neighbourhood Policy

<sup>9</sup> Bundesministerium für Umwelt, Naturschutz und nukleare Sicherheit

Project	Funding Source	Time Period	Description of support	Climate Relevance	Institution
1 <sup>st</sup> BUR	GEF	2013-2014	This project supports Azerbaijan in the preparation of its first BUR, including an update of its GHG inventory for the years 2006 to 2010 and as stocktaking exercise focused on MRV for mitigation actions.	Elaboration of a GHG inventory from the year 2006 to 2010. Assessment of MRV system in the country. Recommendations on how to establish domestic an MRV system.	Ministry of Ecology and Natural Resources
4 <sup>th</sup> NC and 2 <sup>nd</sup> BUR	GEF	2016-2019	This project supports Azerbaijan in the preparation of its Second BUR, including an update of its GHG inventory for the years 2011 to 2013. In addition, it includes a stocktaking exercise for the MRV of mitigation actions.	Elaboration of a GHG inventory from the year 2011 to 2013. Analysis of a domestic MRV system with detailed plan of actions proposed.	Ministry of Ecology and Natural Resources
NAMAs for low-carbon end-use sectors in Azerbaijan	GEF	2015-2019	The project builds upon a strong national commitment to reduce domestic use of gas and oil in the power generation sector, by increasingly substituting them with renewable energies, and energy- savings measures to help identify, develop and leverage financing for NAMAs in the oil & gas end-use sector.	Project has 4 Components related to 1) Energy/GHG emission inventories, baselines and reduction targets; 2) Development of mitigation actions for oil & gas end-use sectors; 3) Implementation of NAMAs in the oil & gas end-use sectors; 4) MRV system and national registry for mitigation actions in the energy generation and end-use sectors	UNDP, SOCAR, (national oil company of Azerbaijan), GEF funding

### ***2.3) Baseline situation of the country's capacity for climate finance transparency and to track both needed and received financial support***

In Azerbaijan, the Ministry of Economic Development tracks socio-economic and environmental developments on an annual basis. The main purpose of this tracking is to appraise all sectoral achievements and synthesize them in a countrywide overview. The information on on-going projects is collected by means of a special template that is used to request financial data. There is no specific indicator for the collection of climate-related financing data. According to the OECD, in 2016, 81% of the climate-related financial resources received in Azerbaijan came from multilateral development banks. The major contributors included the World Bank Group, the Asian Development Bank and the European Bank for Reconstruction and Development. In terms of bilateral vs. multilateral split, 13% of the funding came from bilateral Development Assistance Committee (DAC) member banks, and 6% from climate funds and other multilateral institutions.<sup>10</sup> However, Azerbaijan has limited experience with tracking its financial needs and finance received, and no system in place to track this information. The Ministry of Finance, the governmental entity managing the state budget, tracks all expenditures incurred by the state but there is no specific tracking of climate change finance. The only information available from line ministries and agencies is the information collected during the

<sup>10</sup> "Green Action Programme ,OECD. 2016. Financing Climate Action in Azerbaijan 2016. [https://www.oecd.org/environment/outreach/Azerbaijan\\_Financing%20Climate%20Action.Nov2016.pdf](https://www.oecd.org/environment/outreach/Azerbaijan_Financing%20Climate%20Action.Nov2016.pdf)

development of the NC and BUR reports. There is a need for an efficient system to assess financial support needs and for tracking financial support received.

*Financial support received:*

Some of the financial support received is from GEF System for Transparent Allocation of Resources (STAR) allocations. Energy and waste sectors mostly benefited from international finance support under different governmental programmes aimed to implement a range of climate change mitigation actions. In addition, some of the financial support received focuses on climate change adaptation, mostly pilot projects of adaptive actions. Since joining the UNFCCC, the Republic of Azerbaijan has implemented a number of actions related to mitigation and adaptation, mostly using its own resources. The information on financial sources provided (for climate change mitigation and adaptation, and including capacity building activities) is not available in a structured manner. As a result, it is possible that some of the financial resources used have not been reflected in the data, especially when it comes to sector-specific resources.

*Financial support needed:*

The NDC document of the Republic of Azerbaijan clearly indicates all sectoral mitigation actions to be implemented. However, the NDC does not provide a financial strategy outlining the sources (both national and international) of funding required to implement those mitigation actions. As a result, relevant governmental, non-governmental and private stakeholders, representing the energy, industry, agriculture, and waste sectors, among others, lack a clear vision of the most appropriate financial strategy to identify sources of funding (both national and international), as well as to track the financial resources received.

A GCF Readiness project implemented by UNDP includes a component related to “country framework development and financial strategy preparation”, aimed to support the achievement of the country’s NDC commitments. It is expected that related project outputs will provide sectoral-based information on financial needs.

The CBIT project will draw on the activities under way in the GCF project, notably the review of financial needs at the sectoral level. Further, the CBIT project will complement the GCF project by establishing a financial tracking system.

An initial challenge for the design of a climate change tracking system is that climate change is not recognized as a category of public expenditure in the national government financial system, which would allow an automatic compilation of relevant spending. As a result, an examination of budget spending, potentially leading to a tailored budget-tracking tool, is required to identify climate change-relevant expenditures. To ensure consistency, such a tool may have to adopt a specific definition of climate finance.

General resource requirements in developing countries have been estimated through the Climate Public Expenditures and Institutional Review (CPEIR) (e.g. Nepal (Overseas Development Institute ODI, 2011)) or more recently EU Global Climate Change Alliance (GCCA) in Seychelles. These estimates can guide the development of a system aimed at tracking the resources available in Azerbaijan.

To address this need, the CBIT project will include a component aimed at conducting sectoral assessments of the financial resources needed to implement the NDC, which would make it possible to prepare a countrywide financial

strategy for NDC implementation. Best international practice will be adopted, in close collaboration with all relevant sectoral institutions in the country. The development of a financial strategy will be preceded by the preparation of a detailed list of considered mitigation actions by sector.

The Government of Azerbaijan is strongly interested in a national system for tracking implementation of the country's NDC, including a financial strategy that identifies sources of funding and a mechanism to track financial support. This would help Azerbaijan develop climate change mitigation actions into bankable components, making it possible for the government to identify possible sources of finance and develop appropriate financing strategies for each of the various mitigation actions.

### **3) Proposed alternative scenario, GEF focal area strategies, with a brief description of expected activities, outputs, outcomes and components of the project**

The current CBIT project seeks to strengthen Azerbaijan's enabling environment and capacity to implement the Paris Agreement as well as facilitate the identification and tracking of financial resources available for the implementation of the NDC. Both elements are crucial for the country to be in a position to scale up its climate change mitigation efforts and to be able to fulfil its obligations under the Paris Agreement. The project will be based on the two Outcomes described below.

#### **Outcome 1: Enhanced institutional capacity to report and monitor progress of the implementation of the country's Nationally Determined Contributions.**

Azerbaijan is preparing its first NDC implementation plan, covering mitigation actions within the Energy, agriculture, waste, and LULUCF sectors. These actions are included in several sectoral plans such as those on renewable energy, and waste to energy, among others. Monitoring of mitigation actions is vital to understand the effectiveness of implementation and extent to which those actions have served to achieve the NDC mitigation goal, and to determine whether policy adjustments and further resources are required for their implementation. In order to fulfil the Enhanced Transparency Framework of the Paris Agreement, parties are required regularly to provide necessary information to track progress made in implementing and achieving its nationally determined contributions. Thus, Azerbaijan needs to establish institutional and technical capacities for transparency on NDC implementation. Tracking progress is also crucial for increasing ambition, since in each NDC submission the Parties must update information previously presented in previous submissions.

As mentioned in the baseline section, Azerbaijan currently does not have a system for tracking the implementation of climate actions in place. There is an overall government programme monitoring system which is more focused on fund dispersal and, in some cases, targets achieved. The system is not designed to assess the GHG reductions of the mitigation actions, nor are the data collection protocols of this system designed to collect data that is relevant to such assessment. Further, the country lacks methodologies and capacities to undertake this kind of assessments.



Thus, the first component of the current CBIT proposal is aimed at establishing systems for tracking progress on implementing mitigation actions to achieve the NDC goals. This Outcome focuses on enhancing existing institutional arrangements in Azerbaijan, in the context of monitoring progress and reporting on NDC implementation. This Outcome will support the following key accountability functions:

- identifying additional steps to be undertaken by the end of the NDC implementation period;
- revealing synergies between the Sustainable Development Goals (SDGs) and the NDC goals;
- showing the extent to which the requirements of the Paris Agreement have been fulfilled;
- providing transparent and comparable information to both national and international stakeholders.

To achieve the above key functions, it is imperative to strengthen initially the institutional capacity for reporting and tracking the progress of NDC implementation in Azerbaijan. Below is a description of the Outputs and Activities under Outcome 1.

➤ **Output 1.1. Institutional arrangements for inter-ministerial cooperation on systemizing data collection and processing for preparing GHG inventory are established**

Institutional arrangement options for GHG inventories had already been explored during the Initial National Communication (INC), Second National Communication (SNC), Third National Communication (TNC) and the Biennial Update Report (BUR). Stakeholder consultations during preparation of CEO Endorsement revealed that there were gaps related to the existing institutional arrangements for GHG inventories, which need to be addressed in the CBIT project. This output will therefore directly address the barrier of temporary, insufficient and incompletely defined coordination and cooperation mechanisms with regard to the existing institutional arrangements for GHG inventory.

Furthermore, the output makes it possible to reduce reliance on external consultants and ad-hoc working groups. Indeed, under the existing arrangement, The Ministry of Ecology and Natural Resources (MENR) has the coordinating role but the whole set up is not sustainable as there is no permanent arrangement between all relevant stakeholders for data sharing and data collection and estimation for inventories. In addition, the country is using large number of external consultants to prepare the GHG inventory.

Under the permanent arrangement recommended by the CBIT project, the MENR will take the leadership and have a coordination role for the national inventory. Other relevant ministries, including (but not limited to), the Ministry of Economic Development, Ministry of Industry and Energy, Ministry of Agriculture and others, will play a key role in the elaboration of the National GHG Inventories, as they are responsible for the estimation of the respective sectoral emissions, in accordance to the IPCC guidelines. This will be done under the guidance of the Ministry of Ecology and Natural Resources. There will be development of data sharing agreements and mandates in order to facilitate data sharing among ministries and stakeholders. Additionally, ministerial staffs and stakeholders will be further equipped with the knowledge on the role and responsibilities of their respective ministries in the project.

The following table shows how the planned activities under Output 1.1 will address the gaps and needs identified by the different stakeholders that were consulted during the PPG phase.

Existing Gaps and needs for inventories	CBIT activity
<p>Absence of a well-defined permanent institutional arrangement in place for data collection, analysis, and reporting for the GHG inventory.</p> <p>The INC, SNC and TNC procedures have developed specific implementation arrangements to work with the key ministries and stakeholders, Although there have been some improvements of the national inventory process, Azerbaijan’s institutional setup for the preparation of GHG inventories is still in its early stages and ministerial staffs need trainings on their role and responsibilities.</p> <p>Quality assurance (QA) is done at a minimal level since there are few national experts trained in the field of GHG inventory compilation, and academia lacks expertise in the field.</p> <p>The GHG inventory compilations have not been conducted on a regular basis and rely predominantly on international experts for their preparation, which makes the process rather unsustainable;</p>	<p><i>Activity 1.1.1 Conduct a stocktaking exercise of existing institutional arrangements</i></p> <p><i>Activity 1.1.2. Define options for institutional arrangements and conduct consultations on these options to find an initial proposal</i></p> <p><i>Activity 1.1.3. Establish permanent structures and processes for the GHG inventory in line with the roles and responsibilities of all sectoral stakeholders involved</i></p> <p><i>Activity 1.1.5. Organize a stakeholder workshop with all involved ministries to inform about the inter-ministerial cooperation mechanism and the related roles and tasks</i></p>
<p>There are no formal mandates and data sharing agreements in place between different sectors and the lead ministry responsible for preparing NCs and BURs, the Ministry of Ecology and Natural Resource, which makes data collection challenging and inefficient;</p>	<p><i>Activity 1.1.4. Draft regulation defining the roles and responsibility of relevant ministries, agencies and relevant stakeholders for the preparation of the GHG Inventory including data-sharing agreements with the private sector and subnational institutions</i></p>
<p>With respect to the gender dimension, women are meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities. However, stakeholder consultations during PPG process revealed that women could play stronger role for inventories</p>	<p><i>Activity 1.1.6. Workshop to establish the framework for mainstreaming gender perspectives into NDC implementation</i></p>

As such, an institutional mechanism for inter-ministerial cooperation to systematize data collection and processing will be developed as a part of this CBIT project. The associated institutional arrangements defined for this mechanism will outline clear and detailed roles, mandates and responsibilities of all the institutions involved.

This will be based on a gap analysis, encompassing a review of the existing institutional arrangements and capacities for data collection, analysis and reporting. It will build on the temporary institutional arrangements established under the NC and BUR processes for the GHG inventory preparation process. The gap assessment will provide a broader overview of the current institutional set-up as well as of the remaining gaps that need to be addressed to comply with the Enhanced Transparency Framework of the Paris Agreement, with regard to the preparation of the GHG inventory.

Required regulations will be drafted as a part of this project to provide a clear definition of responsibilities and roles in all ministries concerned, agencies and other relevant stakeholders (i.e. data providers such as the private sector) as well as organization and management of the information generated, data processing and storing, including QA/QC concepts. This also includes the identification and strengthening the lead agency in charge of the overall national GHG inventory process. The regulation will be complemented by specific mandates and data-sharing agreements to further enhance and sustain production, collection, and timely reporting of emission data to support the GHG inventory process over time. This mechanism will strengthen collaboration between relevant ministries and agencies, and thus facilitate learning and identification of synergies and overlaps in data collection processes and other data-related activities. Inclusive coordination with agencies and ministries in the inventory process early in the process will build mutual trust and ensure overall buy-in for the process, which is key to building long-lasting transparency system in the country.

This output directly addresses the barrier of temporary, insufficient and incompletely defined coordination and cooperation mechanisms with regard to the existing GHG inventory, which is mentioned above. Further, the output makes it possible to reduce reliance on consultants and ad-hoc working groups. Not least, it addresses the need for institutional arrangement and coordination by ensuring greater participation from relevant agencies, as identified in the key stakeholder consultation.

The following activities will be undertaken under Output 1.1:

- ***Activity 1.1.1. Conduct a stocktaking exercise of existing institutional arrangements***

The activity targets all relevant ministries and agencies and other data providers, and focuses on establishing their roles, responsibilities, resources, and personnel and data collection capacities, in the context of the process of managing and storing data, as well as the process of preparing of the GHG Inventory (estimation of emissions) and reporting Inventory results.

- ***Activity 1.1.2. Define options for institutional arrangements and conduct consultations on these options to find an initial proposal***

- ***Activity 1.1.3. Establish permanent structures and processes for the GHG inventory in line with the roles and responsibilities of all sectoral stakeholders involved***

Building on existing processes, this activity aims to strengthen procedures for collection, reporting, and quality control of GHG estimations for mitigation measures, especially in the Energy sector (including transportation).

- ***Activity 1.1.4. Draft regulation defining the roles and responsibility of relevant ministries, agencies and relevant stakeholders for the preparation of the GHG Inventory including data-sharing agreements with the private sector and subnational institutions***

- ***Activity 1.1.5. Organize a stakeholder workshop with all involved ministries to inform about the inter-ministerial cooperation mechanism and the related roles and tasks***

- ***Activity 1.1.6. Workshop to establish the framework for mainstreaming gender perspectives into NDC implementation***

The stakeholder workshop will have a session dedicated to gender, to facilitate the establishment of a framework for gender-balanced team and to determine how to address existing barriers regarding mainstreaming gender considerations into NDC implementation. The workshop would explore how the government has supported gender-neutral resilience programmes, or how women and men have been engaged to adopt for example, climate-smart agriculture practices and in the energy and climate finance sectors. Where appropriate, international guidance and tools will be used to support this activity. Following CBIT Programming Directions and the GEF Policy on Gender Mainstreaming and its Gender Equality Action Plan, a gender-responsive results-based framework for GHG data collection across sectors will be developed.

- **Output 1.2. National database management system for GHG data is developed**

This output focuses on the development of a national data management system to support the country's annual inventories preparation effort. This database management system will significantly improve the transparency, accuracy, comparability, completeness and consistency of the National GHG Inventory of Azerbaijan. Therefore, it will enable GHG data collection from line ministries and other relevant actors (i.e. public and possibly private sectors) and their incorporation and harmonization in national systems, thereby make future inventory processes easier to undertake in the country.

The data management system will have the following functions: (1) aggregation and storage of activity data, emission factors, calculated annual total emissions; (2) data analysis and emission calculations; (3) documentation of procedural information and published national inventory methodologies; (4) facilitating quality assurance and quality control (QA/QC); (5) reporting to the UNFCCC (or relevant entity); (6) data sharing among the national inventory team, government agencies, and relevant stakeholders; and (7) archiving of datasets, calculations, relevant studies, communications among inventory team members, and final submitted reports. The CBIT project will consider having the system tested by the BUR3.

This output will result in a robust, systematic and long-lasting national GHG database management system. The BUR preparation process as well as the associated stakeholder consultation revealed that the institutional arrangements and database management procedures currently in place are ad-hoc and insufficient to support inventory activities.

This data management system will be strengthened, maintained and updated with the aim of continuously improving the quality of the data used to prepare the GHG inventory of Azerbaijan. Improved activity data, revised emission factors, guidelines, toolkits, spreadsheets and protocols for data collection and methodological developments important to the inventory process will form part of this support system. Spreadsheets will be developed with help from sectoral experts to show the unique needs and characteristics of all relevant domestic sectors, based on IPCC software and guidelines. Specific guidelines will also be developed, showing procedures for how to use the spreadsheets and for the details associated with each step of the inventory compilation process. The establishment of a national GHG database management system will also enable a more frequent update of inventory data to comply with the new requirements under the ETF.

The following activities will be undertaken under Output 1.2:

○ ***Activity 1.2.1. Build the database management system***

This activity includes:

- Designing the database management system for data storage related to the GHG inventory, accessible to ministries, to allow them to feed in data and undertake sectoral inventory provisions, and including mechanisms for QA/QC.
- Preparing a manual of rules to operate the GHG database system, in collaboration with all parties involved in the inventory process. Organizing a validation workshop for the designed data management system and draft guidelines.
- Conducting a consultation workshop with key stakeholders involved in the inventory process, to collect input on the draft design of the GHG database management system and to define the guidelines for operating the system. The workshop shall also seek input on the use of the database management system to include data for other reporting requirements, for example mitigation data or SDG data.

○ ***Activity 1.2.2. Pilot the database management system***

The piloting of the National GHG database management system will run for six months. The system will become the online dashboard for climate reporting in Azerbaijan.

○ ***Activity 1.2.3. Prepare ancillary materials for the operation of the Platform***

The activity includes:

- Developing guidelines, templates and protocols for data collection and reporting to ensure consistency and maintain data quality standards through the implementation of state-of-the-art QA/QC procedures.
- Developing sector-specific GHG emission spreadsheets, toolkits and guidelines for relevant key categories identified in the GHG Inventory.

➤ **Output 1.3. National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions for mitigation actions established and operationalized**

The Ministry of Economy currently tracks socio-economic and environmental actions with the aim of having a countrywide overview of yearly achievements. Currently, the tracking system is not linked to any climate change mitigation actions. It is anticipated that, in the future, the tracking system will be linked with the national data management system for the GHG inventory under output 1.2. A slightly different approach is needed for tracking NDC progress, compared to the existing MRV mechanism led by the Ministry of Ecology and Natural Resources.

Azerbaijan lacks relevant methodologies and tools, and related human capacities, for tracking progress of mitigation actions outlined in its NCs and upcoming NDC Implementation Plan, which will be addressed through this output. Under this output, an information matrix and monitoring indicators will be developed to track NDC progress about relevant mitigation actions.

This output will also result in the design of institutional arrangements for the tracking of mitigation actions. The goal will be to enable the effective implementation of Azerbaijan's NDC Implementation Plan, starting in 2021, with the total emission reduction goal of 35% by 2030, compared to Business-as-Usual. The BUR processes have established an ad hoc working group to collect information on mitigation actions and assess associated impacts in terms of GHG emission reductions. The current exercise will build on this, while integrating the arrangements for NDC coordination and implementation in the country. This output will frame the necessary institutional arrangements of the monitoring of GHG emission reductions, including processes and procedures and modalities for the collection, reporting and QC/QA of GHG estimates. This output will also develop roles and responsibilities for line ministries and other actors responsible for implementing mitigation actions, procedures and processes for collecting and reporting information on GHG emissions reduction estimates, and mitigation actions as well as systems for quality check of estimates. The focus of the work will primarily be on the *Energy sector, including the alternative energy sources sector and the transport sector* as the primary targets in Azerbaijan' NDC Implementation Plan, and the sectors with the largest emission reductions potential in the country.

This output will address the procedure to archive data from different sources such as the GHG inventory, impact assessments of mitigation actions and data related to the technology transferred. A central web-based platform will be developed to monitor, collect, store, evaluate, document and report on such data. In addition, the undeveloped process of accessing and sharing relevant data across key Azerbaijan agencies and sectors working at various levels of governance (i.e., from national to sub-national levels) will be advanced and facilitated by the Platform.

This will enable stakeholders to continue, beyond the project lifetime, using data to feed their sectorial and national decision-making processes. The platform will need dedicated resources (human and financial) for regular maintenance and enhancement.

All the data sharing platforms to be established under the CBIT support will be hosted by the Ministry of Ecology and Natural Resources to ensure maintenance and continuous update. The design and development of the platform will be undertaken through a participatory process where all key agencies and stakeholders will be involved. This process fosters ownership; helps develop new partnerships and collaboration, through which expert knowledge and advice can be incorporated. A pilot phase of the platform will be run, to assess its utility and subsequently undertake re-adjustments as required. The pilot phase will run for a period of six months.

Finally, it is noteworthy to mention that Azerbaijan has the intention to update its NDC in the future, however there is currently no detailed information yet as to what the revision would entail and when the revision is planned for. In this instance, the current poor tracking system has been one of the most important barriers impeding proper NDC planning. Indeed, sectoral ministries/agencies are having difficulties to properly track on-going and planned mitigation actions which in turn hinders in long-term planning. The CBIT project will therefore help in addressing this problem by strengthening governmental capacities and institutional arrangements for inter-ministerial cooperation on systemizing regular data collection for preparing GHG inventories (under Output 1.1) and by developing a national database management system for GHG data (under Output 1.2). This will also be useful to inform the country in the preparation of its 1<sup>st</sup> NDC implementation plan.

The following activities will be undertaken under Output 1.3:

○ ***Activity 1.3.1 Design and strengthen the institutional arrangements for the monitoring of mitigation actions***

This activity includes:

- Conduct a review and gap analysis of current national policies, and develop an institutional arrangement for the implementation of the Paris Agreement's transparency framework.
- Outline relevant legal frameworks, roles, and responsibilities of ministries and agencies with regard to delivering the inputs required to track progress (according to the monitoring indicators to be developed in this project under activity 1.3.2).
- Hold a consultative workshop with key players to gather information and identify MRV/transparency needs and gaps, as well as relevant institutions for the implementation of the Transparency Framework.

This activity encompasses, as its first step, a review of current national policies and legal frameworks and an assessment of policy needs pertaining to transparency. The assessment will help to explore the current state of the national policy and institutional framework for transparency, GHG inventory and tracking of mitigation actions. The analysis will also look at neighboring countries good practices regarding transparency framework. As a second step, the activity will use the results of the stocktaking to suggest design options for institutional arrangements in the area of monitoring and tracking of mitigation actions in Azerbaijan. For all data production, collection and reporting processes included, the institutional arrangements will outline clear and detailed institutional roles, mandates and responsibilities for the ministries involved, of all other relevant governmental agencies and external data providers. This activity will be coordinated with the MENR, in consultation with relevant stakeholders.

○ ***Activity 1.3.2 Establish an online national system for tracking progress for mitigation actions***

The activity focuses on:

- Data collection (aggregation and archival of data, to make it available to ministries and decision-makers);
- Design of website
- Development of the website, including acquisition of the required hardware and software
- Maintenance and update of the technical content of the website
- Develop a user-friendly manual on how to maintain and update the website

This will initially entail a stock take of existing data collection formats to identify gaps and opportunities for enhancing the performance and thus avoiding the duplication of data collection and monitoring activities across agencies and programs.

A group of national experts under the coordination of the Ministry of Ecology and Natural Resources will develop sector-specific indicators for mitigation actions, effects and co-benefits for key policies and measures, to track progress with NDC implementation. These sector-specific indicators will be included in the national M&E framework. The same group of national experts will also develop MRV/M&E framework templates to be incorporated into the existing reporting template. The M&E framework will track the implementation of national and sector policies and programmes and report annually on their progress. The annual report will then become the main M&E framework for the tracking of mitigation actions and their GHG impacts and co-benefits.

To increase the efficiency of the national coordination mechanism, the existing MRV mechanism will be integrated into the national M&E system at the national, sectoral and district levels, wherever possible.

Table 3 below shows the relationship between the Monitoring and Evaluation (M&E) systems and the Monitoring, Reporting and Verification (MRV) systems.

**Table 3: M&E systems and MRV systems**

	<b>Governance</b>	<b>Objectives</b>	<b>Outputs</b>
Monitoring and Evaluation	Rationale linked to domestic policy-making: - support policy planning - facilitate learning  Scope and frequency determined by domestic needs	Analyse individual issues that are of interest for domestic policy-making, at any time of the policy cycle  Consult and secure buy-in from domestic stakeholders	Greenhouse-gas emissions data  Policy evaluation evidence: - barrier and gap analysis - quantification of co-benefits
Monitoring, Reporting and Verification	Rationale linked to accountability with regard to the UNFCCC: -common but differentiated responsibilities; -fairness and ambition.  Scope and frequency (in certain cases) determined by UNFCCC COP decisions.	Provide an overview of climate change mitigation goals, progress with implementing those goals and the difficulties encountered.  Contribute to implementing the provisions of the Paris Agreement	Summary report (in the context of the technical analysis conducted as part of the International Consultation and Analysis (ICA) process)  Reporting on: -support needed and received -mitigation actions

○ **Activity 1.3.3 Conduct a pilot for an online national climate change data hub**

The piloting an online national climate change data hub will run for six months. The data hub will constitute an online dashboard for Azerbaijan’s climate reporting. The proposed “national climate change data hub” will be an integrated data management system, enabling Azerbaijan to track all sectoral actions by government towards NDC implementation, as well as actions by non-state actors. The Ministry of Economy or the Ministry of Ecology and Natural Resources or its relevant unit will host the online hub (final decision will be provided by the government during the project implementation phase). There will be a working group including representatives (climate change focal points) of all related governmental agencies. The group will be responsible for the hub, to collect the data from the relevant entities and upload it.

➤ **Output 1.4. Training programme on enhanced transparency processes provided**

Limited human capacities and skills remain a major problem for the government agencies involved in preparing the national emissions inventory, emissions scenarios, and related reporting activities. For this reason, training programmes will be prepared and delivered to increase the skills of the relevant national experts. National Research institutes and academia will be invited to contribute with the coordination body, the Ministry of Ecology and Natural Resources, in developing the training materials.



This Output addresses the barrier of the limited awareness at the local level. It does so by developing the training materials and by preparing short-term courses for all relevant stakeholders. It focuses on training of trainers. The training programmes will be expected to address current gaps in capacities within all relevant sectoral institutions.

All related sectoral stakeholders involved in climate change mitigation will benefit from capacity building training sessions, including non-governmental organizations, the private sector, and academia. The main training topics will be GHG inventory development, assessment of tracking of the effects of mitigation actions, and their effects, mitigation and adaptation policies, appraisal of the impact of the support received, and identification assessment of the additional of support needed.

To promote future uses of the training programs, all the materials will be documented and submitted to the Ministry of Ecology and Natural Resources, and made available to all relevant stakeholders. A 'knowledge management unit', including a group of national experts, responsible for training activities, will be established at the Ministry of Ecology and Natural Resources, to provide continuous training support to stakeholders. The main target groups have been specified in a table in section A.3 (Stakeholders section).

The following activities will be undertaken under Output 1.4:

- ***Activity 1.4.1. Conduct a detailed Capacity Needs Assessment in climate change topics, relevant for the objectives and activities covered in this project.***

This assessment will differentiate the needs according to the different groups of stakeholders. A special focus will be devoted to Government officials and Academia. This activity will provide training and equip government officials and academic staff with the skills to undertake capacity needs assessment needed in the following areas:

- to identify gaps in institutional arrangements in relevant ministries and agencies (in relation to output 1.2) and their strengthening for the monitoring of mitigation actions (in relation to output 1.3);
- to establish permanent structures and processes for GHG inventory in line with the roles and responsibilities of involved sectoral stakeholders (in relation to output 1.1);
- to draft regulations bearing high relevance to country's unique needs, establishing a dialogue fora in the process to ensure subsequent buy-in by the government to secure their adoption and implementation (in relation to output 1.1)
- mainstreaming gender perspectives into NDC implementation (in relation to output 1.1)

- ***Activity 1.4.2. Design a Training Programme and workshops based on the capacity needs assessment and preparation of materials to use in the trainings***

It is planned that training includes an initial workshop for academics and for government staff at both national and sub-national levels. The first step will be training of trainers and then providing training to other staffs by the trained trainers. Workshops for government staff will be organized to complement the first one, as well as workshops for selected civil society groups and the private sector.

- ***Activity 1.4.3. Conduct training the trainers on enhanced transparency processes for tracking progress for mitigation actions***

The activity will provide training sessions<sup>11</sup> (four sessions within the project period) for trainers (experts from government or from relevant stakeholder groups). The aim of the training is to increase the capacity of relevant stakeholders in the following areas: GHG Data Management and its QA/QC, MRV, GHG Inventories (Activity Data, and Emissions factors), Mitigation and Projections, including Long Term Mitigation, Climate Finance, Cross cutting issues, such as the use of Big Data for climate purposes.

- ***Activity 1.4.4. Conduct training sessions on enhanced transparency processes for tracking progress for mitigation actions***

The implementation programme will have to take into account that several of the activities will take place in different cities of the country, to cover government staff at both national and sub-national levels, and also different groups of civil society and the private sector. This final activity will bring to an end the previous activities of this output, summarizing the main findings and providing feedback on the implementation of the training following the format proposed.

- ***Activity 1.4.5. Provide training to staff that are maintaining the GHG database system***

The activity encompasses the design and delivery of training programmes to staff that are maintaining the GHG database system, as well as to officials in line institutions that are contributing data to the system. This is because maintaining the effective functioning of the GHG database management system is key in order for the country to report on its GHG emissions in a transparent, accurate, comparable, complete and consistent manner. This capacity development activity also supports to the work undertaken under Output 1.2 (i.e. National database management system for GHG data).

- ***Activity 1.4.6. Provide training on use of indicators for tracking progress of mitigation actions***

The activity entails the design and provision of training to staff officials and data provider representatives on how to make use of indicators for tracking progress of mitigation. This activity is essential to address the lack of human capacities skills needed for the tracking progress of mitigation actions outlined in the country's NCs. This training activity also supports to the work undertaken under Output 1.3 (i.e. National system for tracking implementation progress of Azerbaijan's NDCs).

- **Output 1.5. Knowledge sharing and coordination with the CBIT Global Coordination Platform established**

The present output will provide support inputs for the coordination and collaboration with other countries, to facilitate learning and the sharing of lessons-learned. This output will focus on promoting stronger regional and global cooperation and knowledge-sharing in the area of transparency.

At present, it is felt that coordination between Azerbaijan and other neighbouring countries needs to improve. Other countries in the region, such as Georgia and Turkey, are also implementing CBIT activities. Collaboration with these countries can help reap synergies and disseminate lessons-learned. Azerbaijan will have an active role in the CBIT Global Coordination Platform. All the documents and outcomes from the CBIT project in Azerbaijan will be shared

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<sup>11</sup> The language will be in English and translation will be provided as needed.  
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via the Global Coordination Platform and will be made available to other countries. The climate change data hub will collect the data and documents in Azerbaijan. The knowledge exchange outline above is expected to:

- Enable coordination, maximize learning opportunities, and facilitate transparency enhancements;
- Encourage other countries, the GEF Partner Agencies, and other relevant entities and institutions with related programming activities to enhance national, multilateral, and bilaterally supported capacity-building initiatives;
- Facilitate the coordination of transparency-related initiatives and support.

The following activities will be undertaken under Output 1.5:

- *Activity 1.5.1. Attend international conferences and workshops linked to the Transparency Framework of the Paris Agreement.*
- *Activity 1.5.2. Attend regional peer exchange workshops*
- *Activity 1.5.3. Share knowledge through the CBIT Global Coordination Platform*

## **Outcome 2: Enhanced institutional capacity to identify sources of funding and to track financial support**

The current institutional set-up in Azerbaijan is not designed to track financial flows for climate change-related purposes. This is true both for the tracking of existing financial flows as well as for the budgeting of future activities, notably the implementation of actions to achieve NDC goals. Specific governance arrangements are required for: identifying the roles and responsibilities of the different government actors, including coordination mechanisms; the 'tagging' of climate finance, and the financial oversight rules applied to identifying the finance flows during implementation of activities. Clear and consistent tracking of climate change related financial flows will help Azerbaijan in its interaction with finance and planning agencies. Specifically, it will help the country achieve better results and strengthening trust among partners, both internally and in relation to external stakeholders, particularly donors and private-sector financiers.

It is proposed that a 'Climate Finance Unit' is established at the Ministry of Finance, which would be responsible for collecting data from all relevant stakeholders. Data from non-state actor would be collected and analysed as well. The working group will also identify existing systems for tracking climate finance in collaboration with ministry staff. To do so it will be focusing on any existing relevant logs or reports and comparing these with central donor contributions to Azerbaijan over the past 3 years as registered by Organisation for Economic Co-operation and Development-Development Assistance Committee (OECD)-DAC, Multilateral Development Bank (MDBs) and UNFCCC to assess the effectiveness of current systems.

To ensure successful implementation, it will be important that the financial management entities in Azerbaijan are properly trained to follow international fiduciary standards as well as international good practice principles, with a view to ultimately facilitating dialogue with, and scrutiny by, domestic or international actors.

Integrating climate change priorities into the national budget cycle is one of the central objectives of the governance arrangements to be developed. Doing so is expected to help mobilise international finance. However, to achieve this a number of measures are required, namely: revising guiding principles for budget formulation and investment appraisal; piloting new budget transparency and accountability measures, including through the national parliament; developing guidelines for interaction with civil-society organisations and the media, and bringing climate change subjects forward in important budget documents<sup>12</sup>.

Lessons learned from the previous donor funded project will be used for designing the two outputs described below. For example, the information concerning the institutional arrangements for the existing donor procedures/guidelines for tracking, reporting and verifying the support received for climate change mitigation and adaptation in Azerbaijan will provide a good baseline for outlining a financial strategy for identifying sources of funding needed and tracking support received. In addition, information on implemented capacity buildings activities related to tracking MRV and finance will help assess gaps and better design the training programmes for the financial tracking system.

This Outcome will be achieved through the following two Outputs:

➤ ***Output 2.1. Financial strategy outlining means to identify sources of funding needed and to track financial support received, developed***

At present, the government's sectoral financial strategies<sup>13</sup> lack the detail required to attach financing proposals to them. As a result, expected or even potential sources of finance (national or international) are not indicated, which hampers the ability to implement the strategies.

This output will deliver legal/institutional framework to enhance the coordination and information flow among ministries in order to design a system that enables easy registration of information on all international supported projects by all government actors, so that a central clearinghouse can report on what finance was received for what type of climate action. In addition, it will be also linked to the government budgeting of similar actions. Further, it will also devise a mechanism for non-state actors to report in climate finance received. The output will also help develop required protocols and strategies, mandates and guidelines to collect data, measure and track the financial flows, and identify the institutional arrangements for the existing guidelines for tracking, reporting and verifying the support received towards climate change mitigation and adaptation in Azerbaijan.

The following activities will be undertaken under Output 2.1:

○ ***Activity 2.1.1. Take stock of present institutional arrangements for MRV of climate finance, and mapping relevant stakeholders***

The first step is to conduct a stocktaking of present institutional arrangements for MRV of climate finance and mapping relevant stakeholders. Interviews with donor parties/agencies will be conducted to assess the current situation and challenges. These interviews aim to understand what type of information they have and how it can be of use for

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<sup>12</sup> Bird *et al.* 2012.

<sup>13</sup> "Financial strategy" considers all financial support provided by all relevant actors in the context of a specific mitigation action.  
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the reporting/quality control. Interview results and some additional research will provide inputs about the existing gaps and barrier on tracking climate finance data and will allow to:

- identify and assess existing national systems and protocols to measure and track financial flows;
- identify the institutional arrangements for the existing donor procedures/guidelines for tracking, reporting and verifying the support received for climate change mitigation and adaptation in Azerbaijan;
- identify best practices on support received tracking in similar countries;
- identify the gaps and barriers for the implementation of existing systems.

○ ***Activity 2.1.2. Develop a proposal of institutional arrangement and flows of data needed for an optimal gathering of financial data***

The activity will formalize and strengthen an institutional arrangement, outlining the responsibilities of ministries and agencies to deliver the necessary data and information to track progress and develop the mandates required for data sharing procedures and outlining reporting responsibilities. For example, the activity develops legal framework for reporting by non-state actors (e.g. Non-governmental Organizations (NGOs) and private sector) on climate finance received and invested in actions relevant to climate change. This activity will also focus on establishing mechanisms to verify the quality of the reported information (QA/QC). Guidelines to establish a national mechanism to track financing received towards climate related activities and tracking of national budgetary expenditure on climate change will be prepared to support the institutional arrangement agreed.

This activity will be conducted in coordination with the Ministry of Finance and the Ministry of Economic Development.

○ ***Activity 2.1.3. Develop the tagging system and validation and piloting***

This activity includes the development of a methodology, in close collaboration with Ministry of Finance, for identifying budgetary allocations to address climate change and integrating it into the national budget making process, including methodology and guidelines for implementation. Ideally, the system to track climate finance must characterize financial sources as domestic, bilateral or multilateral, divided into financing instruments (grants, concessional loans, non-concessional loans as well as in-kind contributions), and tag these with purpose of the finance. Such tagging can follow CPEIR<sup>14</sup> principles, should differentiate between mitigation and adaptation purposes, and identify the finance flow as recurrent spending or investment.

➤ **Output 2.2 Capacity building and training programme on identifying sources of funding and tracking financial support processes provided.**

To make the system operate successfully it is important to train the various stakeholders using the methodologies and developing reports to feed into the climate financing system. A training plan is required to integrate progressively the ministries and stakeholders. This includes the scope and objectives associated with reporting climate expenditure and piloting the instruments designed to report information. It is expected to have a broad group of professionals trained in the reporting of climate expenditure.

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<sup>14</sup> <https://www.climatefinance-developmenteffectiveness.org/about/what-cpeir>  
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The material will be developed by a consultancy firm with the technical approval of a group of experts (national experts, academia and research institutes) collaborating with the coordinating entity, Ministry of Ecology and Natural Resources. To ensure the sustainability of the training programs all the materials will be documented and submitted to the Ministry of Ecology and Natural Resources and available to all relevant stakeholders. A ‘knowledge management unit’, including a group of national experts, responsible for training activities, will be established at the Ministry of Ecology and Natural Resources, to provide continuous training support to stakeholders. An initial "train the trainers" process should be conducted

The following activities will be undertaken under Output 2.2:

- ***Activity 2.2.1 Provide training of trainers on identifying sources of funding and tracking financial support received***

The activity will deliver two (2) training to trainers’ sessions, focused on how the methodologies can be used for identifying and reporting climate finance as well as creating a good understanding of reporting process and procedures<sup>15</sup>.

- ***Activity 2.2.2 Provide training for governmental staff on identifying sources of funding and tracking financial support received***

As its first step, this activity identifies the main training needs to be addressed by the training programme. The second step, it will develop a training programme. Based on the assessment of training needs, the project will produce a training programme with relevant training modules to be used in the training sessions. The third step is to design and Publish a Training Manual about the climate finance reporting system using inputs from the piloting step. The last step is to deliver three training sessions to the stakeholders, focused on using the methodologies for identifying and reporting climate finance as well as creating understanding of process and procedures of reporting. The training material will be developed by a group of experts (national experts, academia and research institutes) collaborating with the coordinating entity, Ministry of Ecology and Natural Resources, Ministry of Finance and Ministry of Economic Development. To ensure the sustainability of the training programs all the materials will be documented and submitted to the Ministry of Ecology and Natural Resources and available to all relevant stakeholders. A ‘knowledge management unit’, including a group of national experts, responsible for training activities, will be established at the Ministry of Ecology and Natural Resources, to provide continuous training support to stakeholders.

#### **4) Incremental/additional cost reasoning and expected contributions from the baseline, the CBIT and co-financing**

The CBIT project will complement activities by related international efforts in Azerbaijan, including the GCF, CTCN and TNA and also including UNDP’s Second BUR project, in which a new MRV system is considered to be applied. None of the aforementioned projects will ensure that capacities for tracking progress with NDC implementation in Azerbaijan will be increased. In short, the current project will be the only tool at the disposal of the government to meet the provisions contained in the Paris Agreement’s Enhanced Transparency Framework. Indeed, national

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capacities to implement the Paris Agreement’s transparency framework are largely insufficient at present. While the government is committed to doing so, and some modest steps have been taken, the resources required are unavailable.

This CBIT project will address transparency gaps identified through, for example, the ICA process. It will do so by strengthening institutional arrangements, enhancing the GHG inventory and MRV systems, tracking climate finance and promoting domestic capacity development. These improvements will allow Azerbaijan to increase the quality of the next BUR, and improve the efficiency of the preparation process for it, not least by drawing on better data collection and processing procedures. In the absence of the CBIT support, Azerbaijan will continue to rely heavily on consultants in undertaking its national and international reporting obligation for transparency action and support, an approach that prevents capacity development within government.

The CBIT programme is designed to improve mandatory reporting by parties to the UNFCCC. As such, the project is financed on a full-agreed-cost basis. In the case of this programme, eligible activities have been described in the GEF document Programming Directions for the Capacity Building Initiative for Transparency (GEF/C.50/06). The activities of this project are consistent with the scope of relevant programming directions. Co-financing is not a necessary requirement for this project. Nonetheless, there is a set of activities that are considered co-financing and have been included in table C. Thus, the Ministry of Ecology and Natural Resources will provide in-kind contributions, consisting of venue and facilities to organize some of the events envisaged in the current project. In addition, the Ministry will provide the necessary human resources, notably by involving relevant experts during the project implementation cycle. This has been estimated to be equivalent of USD 350,000 of in-kind co-finance during the project period as stated in the commitment letter included in Annex N.

## **5) Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)**

The CBIT will ensure that Azerbaijan has a national system that is able to support national strategies and planning of climate action. It will improve the coordination and sustainable development of monitoring, reporting and verification of national mitigation and adaptation actions. Upon ratification of the Paris Agreement, the government of Azerbaijan started domestic procedures to identify sectoral strategies for fulfilling the commitments undertaken. It has already established working groups representing all relevant sectors, with the objective of developing the “National Strategy for Low carbon development” and the “National Adaptation Plan”. However, capacity at all levels – starting from expert level to decision-makers level remain weak. Lack of capacities mainly emerge in issues related to projecting sectoral emissions and tracking adequate mitigation actions for both governmental and non-governmental stakeholders.

In addition to formulating national and sectoral strategies, there is also a need for undertaking integrated emissions projections and improving transparency to track climate change mitigation actions. The current project will support establishing an efficient tracking system that will help the country to increase ambitions in future.

This project is linked to the GEF-6 Climate Change Mitigation Focal Area Indicator 3 on MRV systems for emissions reductions in place and reporting verified data. The indicator has 10 levels and the baseline and target can be found in Annex A (Project Results Framework) of this document.

The project will monitor an additional indicator for qualitative assessment of institutional capacity built for transparency-related activities under Article 13 of the Paris Agreement. The baseline and target were set (refer to Annex A) following the scale of 1-4 as per the guidance from the GEF CBIT Programming Directions.

## **6) Innovation, sustainability and potential for scaling up**

### *Innovation*

Developing and operationalizing a cost effective MRV system that will be integrated into the current national development M&E structure (as opposed to setting-up new layers of institutional structures) is seen as an innovative, cost-effective and a sustainable approach to undertaking MRV activities at all levels in Azerbaijan (that is, at the project, sector and national levels). The establishment of the MRV system will not require a new law in order to be implemented. Rather, it will be possible to make the system operational under the existing legal framework, which is an innovative approach, and can ease substantially all aspects of policy implementation.

The project will implement an innovative online MRV system that brings together all information and requirements under climate action MRV systems. This online system will be tailored to the domestic needs and priorities whilst ensuring a best practice approach to national MRV with effective stakeholder engagement and management. The historical and projected national GHG emission estimates will be calculated using transparent Excel spreadsheets developed to reflect national data availability whilst linking these estimates to online databases that facilitate the dissemination and analysis of these important data. Data visualization software will be used to improve the accessibility of the data.

Azerbaijan's MRV system will seek to ensure that current sectoral and national M&E systems are designed such that:

- greenhouse gas emissions or reductions attributed to a particular mitigation action (policy, programme, measure or project) are effectively monitored;
- climate-related support provided by the Government of Azerbaijan or received from donors or the market in the form of finance, technology transfer and capacity to enable implementation of a certain action (or as a result of an action taken in a particular sector of the economy) is effectively monitored;
- the proposal will also develop a system for monitoring Azerbaijan's progress towards achieving the Sustainable Development Goals (SDGs), also aligned with the GEF-6 Programming Directions: "The GEF support may also generate information that supports the development of other major international goals, such as the Sustainable Development Goals." This will be achieved through the development of a process within the climate change MRV system to monitor various indicators related to climate change mitigation and adaptation, which can positively or negatively affect the progress towards the SDGs. This will be carried out in consultation with the proposed transparency unit, sectoral focal points and technical working groups to identify the mechanisms for integration of a broader scope of reporting to the MRV system, as outlined in activity 1.2.3.
- extensive, interactive stakeholder engagement activities will be implemented throughout the project using, where applicable, online solutions for participation and recording of these activities. By supporting research communities and tertiary education to focus on GHG inventories and methodologies, local academic



institutions will have potential to develop into national and regional centers of excellence and research on MRV systems and methodologies.

Another innovative aspect of the project is the development of a national system for tracking progress of the NDC. The experience gained with implementing this system will be of use in the context of reporting on the performance of other strategies and plans. Similarly, the experience associated with the preparation of a financial strategy detailing the types of finance required and the potential sources for this finance and making it possible to track financial support received can be of use in other sectors.

### *Sustainability*

This project is sustainable because it builds on lessons learned from previous initiatives and strengthen the expertise and maintain the capacities even with turnover of staff, through the development of long-lasting institutional arrangements.

The project will enable Azerbaijan to continually monitor, report and verify its mitigation and adaptation climate actions, thanks to the implementation of a sustained and transparent MRV system that can easily be maintained by a small team. Capacity gaps will be identified at the outset of the project, and a team of external experts will provide in-country training to ensure the long-term sustainability of the project. Likely future reporting priorities and related measures will be explored, to minimize the need to implement new tools in the future.

Specifically, the following components will secure the sustainability of the project:

- Once the national tracking system has been piloted and tested in the selected sectors, an assessment will help determine the system's performance in the selected sectors; as well as the sustainability of the associated institutional set-up, including computer-based tools and processes, and data collection templates and guidelines. Regular revisions of these guidelines, templates and tools will be needed before the system can be transferred to other sectors;
- A robust national system for generating and storing data on time. Therefore, clear data collection templates, timelines and supply arrangements will have to be developed and agreed with data suppliers, to maximize the possibility of creating a sustainable data collection process. All potential tools to be implemented during the project will be assessed for their longevity, taking into account future reporting priorities, with a view to ultimately minimizing the need to implement new tools in the future.
- The Ministry of Ecology and Natural Resources, as the national coordinating body, will spearhead the transparency effort, notably vis-à-vis line ministries. Further, it will conduct training to relevant staff, notably with regard to new guidance in international transparency processes.

### *Potential for scaling up*

The project will build local capacity to do in depth GHG inventory in key sectors and build capacity to expand to other sectors as well as improve methodologies over time. For instance, in the energy sector the current project would cover the most common renewable energy and energy efficiency technologies. The experience gained with this work (e.g. data collection, monitoring, stakeholder consultation, data management and documentation, tools and so on) would

allow Azerbaijan to scale up the approach to other areas such as Renewable Energy policy and its underlying monitoring systems. These systems could also be applied at a regional level as well as national level. For example, this project could provide the framework to implement city-level MRV systems, which could, feed into the national MRV system.

As well as scaling up within Azerbaijan, there is potential for applying this process to other countries. The project will promote that Azerbaijan actively exchanges lessons learned with regional peers, such as Georgia, currently preparing a CBIT project, and other neighbouring countries. Azerbaijan will participate in regional and global platforms and networks aimed to exchange experiences, such as the CBIT Global Coordination Platform.

### **A.2. Child Project**

*If this is a child project under a program, describe how the components contribute to the overall program impact.*

Not applicable to this project.

### **A.3. Stakeholders**

*Please provide the Stakeholder Engagement Plan or equivalent assessment. (Type response here, if available, upload document or provide link).*

The key stakeholders and brief description of their engagement in the project design and preparation is provided in the table 4 below.

**Table 4 - Key stakeholders and engagement in the project design and preparation**

<b>Name of key stakeholders</b>	<b>Responsibility/expertise</b>
Ministry of Ecology and Natural Resources	<p>The Ministry is a Designated National Authority (DNA) to UNFCCC and leads climate change-related activities in the country. The main unit responsible for climate change related issues is the Climate Change and Ozone Center.</p> <p>The Ministry was a key stakeholder consulted during the process of development of the project proposal, and provided suggestions to shape the project’s approach, outputs, activities, work plan and budget. The Ministry will be a key project beneficiary and partner, and will play a coordinating role vis-à-vis other stakeholders. Relevant Ministry staff will receive training on MRV and Climate finance.</p>
Regional Environmental Centre for the Caucasus (RECC) Azerbaijan office	<p>The status of the RECC as an independent and non-profit organization has become a model for transparent, efficient and participatory agency for use in multi-stakeholder activities, climate projects in the Caucasian region. RECC's mission, mandate and strategy position the organization as a neutral organization and a catalyst for accelerating sustainable, inclusive development in Azerbaijan in partnership with different stakeholder groups at local and national level.</p> <p>MENR has delegated the authority of Executing Agency to the RECC.</p>

Name of key stakeholders	Responsibility/expertise
Ministry of Economic Development	<p>The Ministry leads economic policy in the country and supports low-carbon industrial development.</p> <p>The Ministry will be mainly involved in the activities related to the development of a national system to track the implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV and Climate finance.</p>
Ministry of Agriculture	<p>The Ministry leads agricultural policy in the country and has expertise in climate change mitigation and adaptation in the area of Land use, land-use change, and forestry (LULUCF).</p> <p>The Ministry will participate in both components mentioned above. The staff will receive trainings on MRV and Climate finance.</p>
Ministry of Finance	<p>The Ministry leads financial policy in the country and supports initiatives related to climate change mitigation and adaptation in the country.</p> <p>The Ministry will be mainly involved in the activity related to the preparation of a financial strategy, outlining means of identifying sources of funding and tracking financial support received. The staffs will receive trainings on MRV and Climate finance.</p>
State Statistical Committee	<p>Governmental agency in charge of collecting national statistics, including related monitoring, verification and reporting tasks.</p> <p>The State Statistical Committee will be involved in both project components and will contribute to the selection and identification of relevant indicators.</p>
Ministry of Transport, Communication and High Technologies	<p>The Ministry coordinates transport policy and has expertise in the development and implementation of a low-carbon transport strategy in the country.</p> <p>The Ministry will be mainly involved in the activities related to the development of a national system to track implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV and Climate finance.</p>
Ministry of Energy	<p>The Ministry coordinates energy policy and has expertise in the development and implementation of a low-carbon energy and energy-efficiency strategy in the country.</p> <p>The Ministry will be mainly involved in the activities related to the development of a national system to track implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV and Climate finance</p>
Center for Analysis of Economic Reforms and Communication	<p>The Center for Analysis of Economic Reforms and Communication develops proposals for the introduction of cross-sectoral economic reforms in the country. To this end it relies on data obtained through both macro - and micro - economic analyses.</p> <p>The Center will be mainly involved in the activities related to the assessment of national policy, legal and institutional frameworks, as well as in the formulation of a financial strategy.</p>

Name of key stakeholders	Responsibility/expertise
State Oil Company of Azerbaijan Republic (SOCAR)	<p>A state-owned company, SOCAR focuses on oil and gas production, transport and sale. SOCAR has expertise in the development and application of low-carbon strategies in the oil and gas sector.</p> <p>The company will be mainly involved in the activities related to the development of a national system to track implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV and Climate finance.</p>
Azerenergy OSC	<p>A state-owned company, Azerenergy OSC concerns itself with oil-gas production, transport and sale. Azerenergy OSC has expertise in the development and application of low-carbon strategies in the oil and-gas sector.</p> <p>The organization will be mainly involved in the activities related to the development of a national system to track implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV and Climate finance.</p>
State Agency on Renewable and Alternative Energy Sources (former)	<p>The Agency was leading national policy efforts in the area of alternative energy and has expertise in the development and application of renewable and alternative energy strategies and initiatives. It was abolished by presidential decree dated 16 January 2018 to be transformed to Public Entity in near future.</p> <p>The Agency will be mainly involved in the activities related to the development of a national system to track implementation of the Nationally Determined Contribution. The staffs will receive trainings on MRV.</p>
National Academy of Sciences	<p>The Academy leads scientific-research activities in the country and has expertise in climate change-related research.</p> <p>The Academy will be involved in the activities related to the development of methodologies and training programmes.</p>
The State Committee for Family, Women and Children Affairs of Azerbaijan Republic	<p>The Committee is a governmental agency within the Cabinet of Azerbaijan. It concerns itself with the regulation women's and children's, and with overseeing activities of non-governmental organizations involved in family-related matters.</p> <p>The Committee will be involved in all gender-related project activities.</p>
Non-governmental organizations	<p>NGOs play an important role in the formulation and implementation of climate change policy in the country.</p> <p>Relevant NGOs and other non-state actors will be engaged for the development of all project activities. These will include NGOs working on gender and climate issues such as International Dialogue for Environmental Action (IDEA), Ekoleks Ecological Juridical Center and Women Association for Rational Development (WARD).</p>
Private sector (energy and transport sector)	<p>Private companies will be consulted in the process of designing the private sector's role in the tracking system. Not least, the project will offer relevant companies capacity development activities related to climate finance tracking.</p>

*In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of*  
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*engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement.*

Strong participation of several actors from both the public and private sectors plays an important role in achieving the project's goals through the implementation of the project's proposed activities. The diversity of stakeholders involved responds to the complexity of climate change related activities in a country that has a large and highly regulated energy sector. In light of this, the role of public entities is especially crucial to ensure that the project succeeds in building a strong transparency system for mitigation; not just for establishing monitoring procedures, but also for generating quality data that can support public policy.

A stakeholder-driven approach will be applied throughout the project to achieve the envisaged project outputs. Specifically, stakeholder engagement will be key with regard to the implementation of the project activities.

All related stakeholders will be mobilized through existing structures such as *Climate Change Commission* and *Working Group on Low Carbon Strategy* under the Cabinet of Ministers. In addition to this, the project will establish technical-level Working Groups bringing together representatives from non-governmental organisations, academic and the private sector. Under "project outputs", there is no specific budget allocation to stakeholder engagement, because national stakeholders are already involved in relevant consultation and engagement processes in the area of national policy-making for climate change. As a result, existing mechanisms are deemed sufficient to engage stakeholders.

Concerning the development of the online tracking platform, it is critical to coordinate this with other public entities that also report on multi-lateral protocols, to allow for synergies when structuring the data in the platform. Therefore, a key goal of the planned workshops will be that the platform is designed in a way that allows other public entities to benefit from it, without compromising the platform's original objective. It is believed that, by making it relevant to a larger number of users, the relevance of, and activity around, the platform will increase.

The development of indicators to track implementation of NDC actions will be done through three stakeholder engagement workshops. Such a participatory process will inform the baseline scenario and the alternative NDC scenario. It is hoped that, by providing a space for targeted input from the private sector, academia, NGOs and related community-based organizations, the quality of the resulting indicators will be higher.

The formulation of a financial strategy to track climate finance received will also rely on a comprehensive stakeholder engagement process. Targeted in-depth consultations will be conducted with key actors, inter alia line ministries, other public entities, private companies, researchers and NGOs, through a series of meetings and workshops that will aim at ensuring a participatory process through which all inputs are considered and properly integrated. To complement the targeted stakeholder engagement process, a broader public consultation process will be conducted for all actors involved, directly or indirectly, whose input will be analysed and fed into the main stakeholder consultations.

*Select what role civil society will play in the project:*

Consulted only;

- Member of Advisory Body; contractor;
- Co-financier;
- Member of project steering committee or equivalent decision-making body;
- Executor or co-executor;
- Other (Please explain)

#### ***A.4. Gender Equality and Women's Empowerment***

*Provide the gender analysis or equivalent socio-economic assessment.*

Azerbaijan ratified the Convention on the Elimination of All Forms of Discrimination against Women in 1995, and signed its optional protocol in 2000. The country exhibits near gender parity in some spheres (education and literacy rates) but shows distinctive inequalities in terms of women's empowerment overall, especially in women's participation in public and political spheres, and in decision making. Azerbaijan has a Global Gender Gap Index of 0.67 in 2018. This index refers to four key areas: ***health, education, economy and politics to gauge the state of gender equality*** in the country.

Azerbaijan has been successful at closing the gender gap related to education. Nonetheless, the country remains among the worst-performers globally with regard to the Health and Survival sub index. A Gender Development Index value of 0.949 in 2017<sup>16</sup> placed the country in the high human development category, positioning it at 80 out of 189 countries and territories.

Azerbaijan has a Gender Inequality Index (GII) value of 0.318, ranking it 71 out of 160 countries in the 2017 index. In Azerbaijan, 16% of parliamentary seats are held by women. About 65% of women have reached secondary or higher level of education compared with nearly 62% of their male counterparts. Female participation in the labor market is nearly 60% compared with 67% for men — higher than other countries of the former Soviet Union.

Based on previous experience with past projects/programs on climate change, it could be noted that participation of women in climate change related initiatives in the country is suboptimal. In order to improve this situation, it is planned to consider gender mainstreaming in all project activities. In particular, gender participation will be a key criterion in the context of capacity building events and seminars, and all relevant stakeholders will be made aware of this requirement.

The Government of Azerbaijan acknowledges the need to ensure fair and full participation of women and men at all levels of development for this CBIT project. Thoughtful efforts will be employed to ensure that the barriers that prevent full and effective participation of women and men in all sectors are removed. Therefore, this project will leverage the advancement that Azerbaijan has made in gender equality and empowerment of women in political, economic and social spheres.

The relevant governmental agency responsible for women and gender issues is *The State Committee for Family, Women and Children's Issues*. The State Committee is working closely with relevant non-governmental organizations

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<sup>16</sup> [http://hdr.undp.org/sites/all/themes/hdr\\_theme/country-notes/AZE.pdf](http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/AZE.pdf)  
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(NGOs). However, the majority of gender-focused NGOs are weak from an institutional capacity point of view. In 2002, the Open Society Fund established the Azerbaijan Gender Information Center (AGIC), a conglomerate of several women's rights organisations. However, nearly all NGOs included in the conglomerate are presently inactive. The project will reach out to Women's Association for Rational Development (WARD), presently the most active gender parity-related NGO in the country.

*Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women's empowerment?*

Yes

No

*If yes, please upload gender action plan or equivalent here.*

It is important to understand the availability of information and data on gender equality within Azerbaijan and its accessibility for a range of outcomes, including:

- The national climate change gender action strategy and how it can help inform the NC or BUR;
- Whether cross-sector situational analysis of gender equality can inform the 'National Circumstances' chapter of the NC or BUR;
- Whether gender constituencies or organizations have prepared policy platforms related to climate change;
- Whether sex-aggregated data is available to inform mitigation and adaptation actions.

An initial analysis of the national experts will be performed. The results of these analyses will be made available and will be incorporated into the project communications and documentation. Throughout the project, the team will endeavor to ensure an equal gender balance (as much as it is possible especially with respect to available skill set) and will, where possible, communicate the importance of maintaining gender equality.

Under activity 1.1.6 there will be a dedicated section of the workshop focusing on gender equality to agree on approach for gender balanced project implementation. Where appropriate, international guidance and tools will be used to support these activities. Institutions to be consulted on gender engagement will include, but not be limited to: the Gender Coordination Unit, the gender focal point for the convention on climate change, civil society organizations as well as research institutions and development partners working in the fields of gender and climate change. Following CBIT Programming Directions and the GEF Policy on Gender Mainstreaming and its Gender Equality Action Plan, a gender responsive results-based framework for GHG data collection across sectors will be developed through the engagement of gender specialists from government, private sector and civil society. The goals of the framework are as follows:

- Increased sustainability
- Better representation of interest across social groups
- More specific sex-disaggregated evidence, more accurate indicators
- Improved planning
- More efficient implementation
- Increased ownership and commitment by men and women

Gender considerations will be cross-cutting in this project, in terms of both its products and its processes. Indeed, with its focus on transparency, shedding light on how women and men participate in climate change-related decision-making, the project will contribute to women's equal engagement in, and benefit from, climate change activities.

Gender analyses will be conducted for all workshops and webinars.

The relevant governmental agency responsible for women and gender issues is *The State Committee for Family, Women and Children's Issues*. The State Committee is working closely with relevant non-governmental organizations (NGOs). Key among these is the Azerbaijan Gender Information Center (AGIC), made up of several women's rights organisations: the Research Center of Modern Social Processes; the Association of Creative Women and the Azerbaijan Association of Organizational and Technical Development, the Shams Women and Youth Center and the Hudat Center of Youth Programme Development. Nonetheless, as mentioned above, most of the individual NGOs are inactive now. The project will reach out to the Women's Association for Rational Development - WARD NGO, which has the right expertise and credibility, and remains active.

The Gender Equality Action Plan (GEAP) shall also be utilized to ensure that gender is mainstreamed within MRV and transparency system. It is anticipated that women will be direct beneficiaries, constituting almost 50% of all participants at the training and capacity building sessions. Procurement processes will strongly encourage women, including young women, elderly women, differently-abled women and those living with HIV/AIDS, to apply for consulting opportunities. Evaluation teams to review bids are also gender balanced.

To close, it is important to highlight that gender-disaggregated data are not always sufficient to determine whether project outputs have responded appropriately to the differentiated needs of women and men. Therefore, further qualitative information needs to be gathered on whether equal opportunities have indeed been provided. Such qualitative information can be obtained through surveys that assess the effectiveness of the training provided, and analyses of gender barriers to appointed positions. This information should be gathered throughout the project and the lessons learnt should feed back into the development process.

*If possible, indicate in which results area(s) the project is expected to contribute to gender equality:*

- Closing gender gaps in access to and control over natural resources;
- Improving women's participation and decision making; and or
- Generating socio-economic benefits or services for women.

*Does the project's results framework or logical framework include gender-sensitive indicators?*

- Yes
- No

### **A.5 Risk**

*Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.*



**Table 5 - Identified risks in achievement of the Project objectives**

Main category	Risk description	Rating	Risk Mitigation Measures
<b>Institutional</b>	Poor institutional coordination	Medium	In recent years, the country had a good experience putting in practice the INDC Working Group for the preparation of NDC implementation. It was an effective tool to help establish coordination channels. Along with this, the Project Steering Committee will be in charge of briefing all relevant stakeholders and supporting effective institutional coordination.
	Some sectoral institutions do not show interest to participate in project interventions	Medium	As the coordinating institution, the Ministry of Ecology and Natural Resources will conduct regular consultations and negotiations with key relevant institutions, to explain the importance of the planned project interventions.
	Staff turnaround at the national level, which results in lost institutional memory and the need to constantly build capacities.	Medium	This project will develop systems and processes to ensure that the impact of staff turnaround is minimized. Key information will be stored and maintained in a manner that is accessible to all future staff members. Training processes will be in place to ensure that new staff are able to learn quickly and effectively in order to become a successful member of the team.
<b>Political</b>	Lack of political buy-in and therefore lack of willingness to allocate budget to transparency-related activities.	High	Current financial difficulties due to the oil price crisis may lead the government to neglect the preparation of a financial strategy to identify sources of funding for NDC implementation and tracking. Nonetheless, through effective communication on the possibilities associated with the use of the different financial mechanisms within the UNFCCC, it is expected that this risk can be mitigated. For this reason, it is important that the training programmes touch upon this issue, possibly with references to the Green Climate Fund.
	Lack of political buy-in on the importance of transparency and long-term planning tools	Medium	Regular communication with sectoral institutions through working groups and the Project Steering Committee will serve to increase the buy-in by high-level officials.
	Lack of passage of regulations drafted under the project	Medium	This will be addressed by ensuring the appropriate institutional arrangement that involves all relevant government ministries. Additionally, regular dialogue and communication with relevant government ministries through working groups and project steering committee will help ensure high relevance of the draft regulations in accordance to country's unique needs and subsequent buy-in by the government to secure the regulations are adopted and implemented.
<b>Technical</b>	Lack of skill and capacities within key sectoral institutions	Medium	This shortcoming will be addressed by developing targeted capacity building approaches for different sectors and also for different skill sets.

Main category	Risk description	Rating	Risk Mitigation Measures
	Data confidentiality.  This could mean that useful data are not available to the project team.	Medium	Open discussions with data providers will be held, to understand whether there are ways in which data can be used without breaching legitimate confidentiality concerns (e.g. by aggregating sensitive datasets). For key datasets, these issues will be raised at a higher level, to try to find a way in which the data can still be used. In some cases, confidentiality agreements can be drawn up, to grant selected technical experts' access to the data.
	Limited access to necessary data and/or information.	Medium	To address this risk, the project will take stock of, and obtain access to, all relevant databases. Further, the project will reach out to the full range of institutions involved in climate change issues, to increase the chances that access to data and information generated or used by these institutions can be granted. Where data cannot be identified, proxies from countries experiencing comparable situations will be used.
	The project is not completed within the planned timeframe	Low	The Chief Technical Advisor will meet regularly with experts and Steering Committee members, and will monitor progress with project implementation, as well as the technical support needed, ultimately with a view to minimizing delays and reaching all project milestones within schedule.
<b>Financial</b>	Inability for the government to secure funding for ETF related activities beyond the end of the project	Medium	The government is in the process of preparing the Low Carbon Development Strategy (LCDS) and the NDC implementation plan. Therefore, the Enhanced Transparency Framework is an urgent need for the government to properly track mitigation actions and finance. In this regard, the government has a very strong incentive to provide necessary funding to secure the process' sustainability beyond the project's completion.

#### ***A.6. Institutional Arrangement and Coordination***

*Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.*

##### *Institutional Arrangement:*

As per the request of the country, UN Environment has the role of the GEF Implementing Agency. The Ministry of Ecology and Natural Resources (MENR) has delegated authority of the Executing Agency to Regional Environmental Centre for the Caucasus (RECC) Azerbaijan for this project. MENR as a coordinating institution for climate change projects in the country is also participating in all other GEF projects as coordinator or counterpart, therefore MENR will ensure that there is a continuous monitoring of the activities and the synergies that can be created among initiatives. Moreover, since MENR is participating in different international and regional platforms there is a great potential to share with other developing countries the lessons learned in this project.

The MENR has sound experience in coordinating climate change-related initiatives in the country. As for all previously implemented projects and programmes, the Ministry has closely coordinated all interventions with key stakeholders. This was done through the setting up of Working Groups and a Project Steering Committee, representing all relevant sectors. It is planned to establish a Project Steering Committee at the beginning of the project, representing all relevant sectors. Representatives of on-going GEF-financed projects (“NAMA for low-carbon end-use sectors in Azerbaijan”, “Development of the Fourth NC and Second BUR”, and any future relevant projects) will also be invited to all project events, to share experience and lessons learned in similar climate change-related undertakings. Additional Working Groups will be set-up throughout the project cycle, as relevant.

*Coordination with other projects:*

Regular consultations will be organised with the key stakeholders and donors in the climate change sector, to reap synergies in the context of the expected/forthcoming GCF second Readiness and National Adaptation Plan (NAP) projects.

This project will feed into the CBIT Global Coordination Platform. As indicated in activity 1.5.3, a knowledge-sharing mechanism will be established, to link the MRV system and the Global Coordination Platform. This mechanism could take the form of a webinar or a workshop. The mechanism will be structured around lessons learned, overall highlights of, and innovations resulting from, the MRV system, and associated climate data and information.

The project will coordinate efforts with the Fourth NC and will also closely collaborate with the GCF Readiness project, mainly on components devoted to the development of a country programme and climate finance analysis and strategy development focusing on private sector engagement.

Finally, synergies will also be sought with the other GEF funded CBIT projects in the region, such as Georgia – which is also being executed by the Regional Environmental Centre for the Caucasus (RECC). The Azerbaijan project will also benefit from lessons learned from the other UN Environment CBIT projects already under implementation.

### ***A.7 Benefits***

*Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?*

National MRV systems that support the tracking of climate change mitigation actions and finance can provide primary and secondary socioeconomic benefits. Primarily, they do so through the creation of sustainable job opportunities at a local level through the commitment to strengthen institutional arrangements and standardize processes. Secondary benefits of increased transparency for climate change reporting and tracking of NDCs can be far reaching.

Enhanced coordination between government ministries, line ministries, private sector, civil society, research institutes and local communities ensures that a broad range of potential socioeconomic benefits are taken into consideration. This can include variety of issues such as responsive energy planning, reducing reliance on energy imports and freeing government resources, mitigating conflicts over scarce resources, improving the national and local economies, gender balance, improving the health and wellbeing of the population and empowering communities and citizens.

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The CBIT project will support Azerbaijan in meeting enhanced transparency requirements as defined in Article 13 of the Paris Agreement, the implementation of which is crucial for achievement of the 2030 Agenda for Sustainable Development and Sustainable Development Goal 17 (SDG-17) in particular. The MRV system will enable and promote a holistic reporting on climate actions (i.e. reporting across sectors which highlights linkages and causalities). It will also support the MRV of sustainable development co benefits of mitigation actions. This process will contribute to a deeper collaboration between key sectors from the point of view of MRV and transparency, and relevant stakeholders, thus promoting wider environmental, social and economic benefits, which the project will seek to appraise with the help of measurable (SMART) indicators.

The capacity building associated with the setting up of the MRV system strengthens Azerbaijan's ability to track climate change mitigation actions and finance through the establishment of state-of-the-art processes and approaches, including the strengthening of related institutional arrangements and coordination mechanism. Specifically, the activities proposed include sectoral assessments of the financial resources needed to implement the NDC, which ease greatly the task of preparing a country-wide financial strategy for NDC implementation. Best international practice will be adopted, in close collaboration with all relevant sectoral institutions. The development of a financial strategy will be proceeded by the preparation of a detailed list of considered mitigation actions by sector.

The proposed project will show that the development of the MRV system includes measures to promote and monitor socioeconomic benefits at a national and local level, where appropriate. This will include an analysis of co-benefits from climate actions documented by the MRV system.

### ***A.8 Knowledge Management***

*Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.*

According to its role as the responsible entity for coordinating climate change actions in the Republic of Azerbaijan, the Ministry of Ecology and Natural Resources will be responsible for managing all project documents and for implementing and managing the national transparency system. As such, it will give special importance to preparing capacity-building materials for use in the project, as well as to making them available to the wider public on an online platform. There will be continual webinars to ensure effective knowledge transfer between stakeholders and team members throughout the project. Applying cutting-edge software to improve the user-friendliness and effectiveness of the reporting process is a key aim of knowledge-management efforts under the project. Such software can strongly facilitate the management and archiving of relevant data, and help secure regularity with the data compilation process, while facilitating efforts to make data accessible in a user-friendly format.

In the process of designing and consolidating the national transparency system, it will be necessary to consider methodologies and previous experiences associated with information tracking. Indeed, one key thrust of the project will be to collect and integrate the knowledge gathered through previous efforts, with a view to ensuring that resources

are spent in an effective manner, that work already done is not duplicated, and that an approach that has already been unsuccessfully attempted is not considered. To this end, a stock-taking exercise will be conducted, aimed to assess the projects that have been undertaken and those that are ongoing. The outcome of this exercise will be a clear list of lessons learned, referenced to the relevant projects, and the subsequent action points relevant to the implementation of the CBIT project. Specifically, close collaboration with other on-going climate change related projects (namely the ongoing projects “NAMA for low-carbon end-use sectors in Azerbaijan”, and “Development of the 4<sup>th</sup> NC and 2<sup>nd</sup> BUR”, and the up-coming projects Green Climate Fund (GCF) sponsored project on Readiness Support) is planned.

Furthermore, the Republic of Azerbaijan will participate in the CBIT global coordination platform and other relevant platforms and networks, providing and receiving inputs. The Chief Technical Advisor will share and update national CBIT information can be through the Global platform. Sharing lessons learned and experiences under the platform will ensure alignment of this CBIT project with related national, regional and global transparency initiatives.

## **B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH NATIONAL PRIORITIES**

*Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs..*

The current project is well-aligned with the national socio-economic and environmental priorities of the Republic of Azerbaijan. Notably, the project goals are fully consistent with the broad policy directions included in “Azerbaijan 2020: Vision to Future”, the national development blueprint. Similarly, the various sector-specific Strategic Roadmaps, laying out key policy priorities for the main sectors of the economy, reflect the need to reduce greenhouse gas emissions, as contemplated in the country’s NDC. Proposed project actions will lead to establishment of an efficient climate change mitigation tracking system enabling the country to track sectoral mitigation actions.

Not least, the proposed project is consistent with the current governmental goal to implement a low-carbon strategy for the country. The project will contribute to the work of the Working Group formed by the government to spearhead the challenge of developing the low-carbon strategy, which directly supports NDC implementation. Therefore, the proposed project is considered to be a significant contribution to the country’s ability to implement the Paris Agreement’s transparency framework.

Along with this, the project is well-aligned with Azerbaijan's financial strategy, set-up by the Strategic Roadmap on financial services and specifically with its Priority 4.4: Increase transparency in financial services. Project component related to the formulation of a financial strategy on climate finance and the setting-up of a financial tracking system will contribute to the efforts of the country to increase its transparency in the area of finance.

The project is aligned with Azerbaijan’s priorities communicated in its NDC and will be vital to facilitate the coordinated implementation of activities and measures contained within. Specifically, the capacity building actions within this CBIT funded project will increase the capability of the country to produce transparent, complete, comparable, consistent and accurate GHG inventories included in the National Communications and in the Biennial Update Reports.

Additionally, intended project activities related to the development of an MRV system will help the country to meet the associated UNFCCC requirements. The MRV systems developed in this project will also increase Azerbaijan's capacity to develop a National Adaptation Plan by 2020 to be prepared in the context of the up-coming GCF Readiness project.

Based on its intended results and achievements, the current project is fully aligned with the TNA, BUR, NC and INDC processes. In this context, the CBIT project will see to coordinate with ongoing activities that support these processes, notably the UNDP project to prepare the country's 4<sup>th</sup> NC, NAMA-related projects, an up-coming CTCN project, and the GCF Readiness 2 and NAP projects. Close coordination will avoid duplications and will enhance the quality of all interventions.

Not least of all, the project is aligned with United Nations Azerbaijan Partnership Framework (UNAPF) which builds on the United Nations Development Assistance Framework (UNDAF) for the period 2016-2020, especially with regard to Strategic Priority 3 focusing on improving environmental management and resilience to hazards and disasters. During project implementation, the Chief Technical Advisor shall pay close attention to the post-2020 UNDAF (once it is issued), to ensure sustained consistency of the project with it.

### **C. DESCRIBE THE BUDGETED M&E PLAN**

The project will be reviewed yearly through the Project Implementation Review (PIR). The purpose of the review is to assess project performance, to analyze whether the project is on track, what problems and challenges the project is encountering, and which corrective actions are required so that the project can achieve its intended outcomes by project completion in the most efficient and sustainable way. It is the responsibility of the UN Environment Task Manager to monitor whether the agreed recommendations are being implemented.

In-line with UN Environment Evaluation Policy and the GEF's Monitoring and Evaluation Policy the project will be subject to a Terminal Evaluation (TE) commissioned by the Evaluation Office of UN Environment (EOU).

The EOU will be responsible for the TE and will liaise with the UN Environment Task Manager throughout the process. The TE will provide an independent assessment of project performance (in terms of relevance, effectiveness and efficiency), and determine the likelihood of impact and sustainability. It will have two primary purposes:

- to provide an independent evidence of the results achieved, thus meeting UN accountability requirements, and
- to promote learning, feedback, and knowledge sharing through results and lessons learned among UN Environment and the executing partners.

The direct costs of the evaluation will be charged against the project evaluation budget. The TE will be initiated no earlier than six months prior to the operational completion of project activities and, if a follow-up phase of the project is envisaged, it should be completed prior to completion of the project and the submission of the follow-up proposal. TE must be initiated no later than six months after operational completion.

The EOU will send the draft TE report to all project stakeholders for comments. Formal comments on the report will be shared by the EOU in an open and transparent manner. The project performance will be assessed against standard evaluation criteria using a six-point rating scheme. The final determination of project ratings will be made by the EOU when the report is finalized and further reviewed by the GEF Independent Evaluation Office upon submission. The evaluation report will be publicly disclosed and may be followed by a recommendation compliance process.

A summary of M&E activities is provided in Annex I. The GEF contribution for M&E activities is US\$ 42,000.

### PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

#### GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies<sup>17</sup> and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

<b>Agency Coordinator, Agency Name</b>	<b>Signature</b>	<b>Date</b>	<b>Project Contact Person</b>	<b>Telephone</b>	<b>Email Address</b>
Kelly West Senior Programme Manager GEF Coordinator Corporate Services Division UN Environment		06/03/2019	Sudhir Sharma Task Manager Climate Mitigation Unit UN Environment	+662-288-1441	sharma66@un.org

<sup>17</sup> GEF policies encompass all managed trust funds, namely: GEFTE, LDCF, and SCCF  
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## ANNEX A: PROJECT RESULTS FRAMEWORK

	Indicator statement	Baseline	Target	Means of verification	UN Environment Medium Term Strategy 2018-2021
<b>Objective</b>	<b>Strengthen institutional and human capacities in Azerbaijan to meet the reporting requirements of the enhanced transparency framework of the Paris Agreement by establishing a tracking system to support reliable domestic MRV arrangements.</b>				<i>Subprogramme Climate Change<sup>18</sup>, Mitigation</i> <i>Expected Accomplishment: Countries increasingly adopt and/or implement low greenhouse gas emission development strategies and invest in clean technologies;</i>  <i>Adaptation Expected Accomplishment: Countries increasingly advance their national adaptation plans, which integrate ecosystem-based adaptation.</i>
A	Number of ministries with strengthened capacities (institutional and human) that provide information meeting the Paris Agreement ERF requirements to produce sectoral chapters of BURs, NCs and the updated NDC 2020	1 (MENR)	5 <sup>19</sup> (=+4)	<ul style="list-style-type: none"> <li>- Reports from the General Directorate of the Ministry of Ecology and Natural Resource (MENR)</li> <li>- BUR (Emission Projection)</li> <li>- NC</li> <li>- NDC</li> </ul>	
<b>Outcome 1</b>	<b>Enhanced institutional capacity to report and monitor progress of the implementation of the country's Nationally Determined Contributions</b> <u>Outputs:</u> <ol style="list-style-type: none"> <li>1.1. Institutional arrangements for inter-ministerial cooperation on systemizing data collection and processing for preparing GHG inventory are established</li> <li>1.2. National GHG database management system for GHG data is developed</li> <li>1.3. National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions for mitigation actions established and operationalized</li> <li>1.4. Training programme on enhanced transparency processes provided</li> <li>1.5. Knowledge-sharing and coordination mechanism with the CBIT Global Coordination Platform established</li> </ol>				
1.1	Qualitative rating of the MRV system in its ability to track mitigation actions focusing on the energy sector <i>Based on the GEF 1-10 rating scale, outlined in Annex III of the CBIT's Programming Directions (the detailed statement for each rating level is provided below).</i>	2	7 (=+5)	Stakeholders' feedback reports on the quality / ability of the MRV system in tracking mitigation actions: <ul style="list-style-type: none"> <li>- CTA's monitoring reports</li> <li>- Assessment report on the tracking system's functionality, including inputs from climate change focal points within key ministries<sup>20</sup>.</li> </ul>	
1.2	Qualitative rating of Azerbaijan's institutional capacity for transparency-related activities <i>Based on the GEF 1-4 rating scale outlined in Annex IV of the CBIT's Programming Directions (the detailed statement for each rating level is provided below).</i>	1	4 (=+3)	Stakeholders' feedback reports on the quality of Azerbaijan's institutional capacity for transparency-related activities: <ul style="list-style-type: none"> <li>- CTA's monitoring reports</li> <li>- Assessment report on the country's institutional capacity for transparency, including inputs from climate change focal points within key ministries.</li> </ul>	

<sup>18</sup> Objective: Countries increasingly transition to low-emission economic development and enhance their adaptation and resilience to climate change. Mitigation Indicators: 1 Emission reductions of GHG and other pollutants from RE and EE; 2 Share of gross domestic product invested in EE and RE. Adaptation Indicators: 1 Number of people benefiting from vulnerability reduction interventions; 2 Type and extent of physical and natural assets strengthened and/or better managed to withstand the effects of climate change.

<sup>19</sup> The 4 additional ministries are: (1) the Ministry of Agriculture, (2) the Ministry of Energy and (3) Ministry of Economic Development and (4) Ministry of Finance.

<sup>20</sup> Key ministries to be consulted are: Ministry of Ecology and Natural Resources, Ministry of Agriculture, Ministry of Energy, Ministry of Economic Development and Ministry of Finance.

	<b>Indicator statement</b>	<b>Baseline</b>	<b>Target</b>	<b>Means of verification</b>	<b>UN Environment Medium Term Strategy 2018-2021</b>
1.3	% of training participants (Output 1.4) declaring to be in a better position to implement the MRV system to track mitigation actions (disaggregated by gender)	0%	At least 70%	Survey / questionnaire to be completed by all training participants before and after each training session (disaggregated by gender) and list of attendees	
<b>Outcome 2</b>	<b>Enhanced institutional capacity to identify sources of funding and to track financial support</b> <u>Outputs:</u> 2.1. Financial strategy outlining means to identify sources of funding needed, and to track financial support received, developed 2.2. Capacity building and training programme on identifying sources of funding and tracking financial support processes provided				
2.1	Qualitative rating of the MRV system in its ability to track financial support received <i>Based on the GEF 1-10 rating scale outlined in Annex III of the CBIT Programming Directions (the detailed statement for each rating level is provided below).</i>	1	6 (=+5)	Stakeholders' feedback reports on the quality / ability of the MRV system in tracking financial support received: - CTA's monitoring reports - Assessment report on the tracking system's functionality, including inputs from climate change focal points within key ministries.	
2.2	% of training participants (Output 2.2) declaring to be in a better position to implement the MRV system to track financial support received (disaggregated by gender)	0%	At least 70%	Survey / questionnaire to be completed by all training participants before and after each training session (disaggregated by gender) and list of attendees	

### Qualitative rating levels for MRV systems (1 to 10):

1. Very little measurement is done, reporting is partial and irregular and verification is not there
2. Measurement systems are in place but data is of poor quality and/or methodologies are not very robust; reporting is done only on request or to limited audience or partially; verification is not there
3. Measurement systems are in place for a few activities, improved data quality and methodologies, but not cost or time efficient; wider access to reporting is still limited and information is partial; verification is rudimentary/non-standardized
4. Measurement systems are strong in a limited set of activities however, analyses still needs improvement; periodic monitoring and reporting although not yet cost/time efficient; verification is only upon specific request and limited
5. Measurement systems are strong for a limited set of activities and periodically report on key GHG related indicators i.e. mainstreamed into the activity implementation; reporting is improved through few pathways but limited audience and formats; verification limited
6. Measurement systems are strong and cover a greater percentage of activities – feedback loops exist even if they are not fully functioning; reporting is available through multiple pathways and formats but may not be complete/transparent; verification is done through standard methodologies but only partially (i.e. not all data is verifiable)
7. Measurement regarding GHG is broadly done (with widely acceptable methodologies), need for more sophisticated analyses to improve policy; Reporting is periodic with improvements in transparency; verification is done through more sophisticated methods even if partially
8. Strong standardized measurements processes established for key indicators and mainstreamed into institutional policy implementation; reporting is widely available in multiple formats; verification is done for a larger set of information
9. Strong Monitoring and Reporting systems – robust methodologies, cost effective and efficient, periodic; verification done to a significant degree
10. Strong MRV systems that provide quality GHG related information in a transparent, accurate and accessible to a wide audience, with feedback of information from MRV flowing into policy design and implementation

**Qualitative rating levels of institutional capacity for transparency-related activities (1 to 4):**

1. No designated transparency institution to support and coordinate the planning and implementation of transparency activities under Article 13 of the Paris Agreement exists.
2. Designated transparency institution exists, but with limited staff and capacity to support and coordinate implementation of transparency activities under Article 13 of Paris Agreement. Institution lacks authority or mandate to coordinate transparency activities under Article 13.
3. Designated transparency institution has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities under Article 13 of the Paris Agreement. Institution has authority or mandate to coordinate transparency activities under Article 13. Activities are not integrated into national planning or budgeting activities.
4. Designated transparency institution(s) has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities. Institution(s) has clear mandate or authority to coordinate activities under Article 13 of the Paris Agreement, and activities are integrated into national planning and budgeting activities

ANNEX B: RESPONSES TO PROJECT REVIEWS



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

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

<b>PIF Review</b>			
<b>Review Criteria</b>	<b>Questions</b>	<b>Secretariat Comment</b>	<b>Age</b>
	1. Is the project aligned with the relevant GEF strategic objectives and results framework? <sup>1</sup>	MGV/JDS, April 2, 2018: Yes, this project is aligned with the CBIT Programming Directions.	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Age
	degradation, issues of sustainability, market transformation, scaling, and innovation?	<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>	
	4. Is the project designed with sound incremental reasoning?	MGV/JDS, April 2, 2018: While key areas of support needs have been	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Age
		<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>	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agreement
		<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</p>	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agreement
		<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</p>	



PIF Review			
Review Criteria	Questions	Secretariat Comment	Age
		<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:</p>	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Age
		<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.</p>	

<b>PIF Review</b>			
<b>Review Criteria</b>	<b>Questions</b>	<b>Secretariat Comment</b>	<b>Age</b>
	relevant gender elements, indigenous people, and CSOs considered?	CSOs have been identified and gender elements have been included.	
<b>Availability of Resources</b>	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> <li>The STAR allocation?</li> </ul>	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
	<ul style="list-style-type: none"> <li>The focal area allocation?</li> </ul>	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
	<ul style="list-style-type: none"> <li>The LDCF under the principle of equitable access</li> </ul>		
	<ul style="list-style-type: none"> <li>The SCCF (Adaptation or Technology Transfer)?</li> </ul>		
	<ul style="list-style-type: none"> <li>Focal area set-aside?</li> </ul>	MGV/JDS, April 2, 2018: This project is requesting resources from the CBIT TF.	
<b>Recommendations</b>	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.	

**ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS<sup>21</sup>**

*Provide detailed funding amount of the PPG activities financing status in the table below:*

<b>PPG Grant Approved at PIF: US\$ 45,000</b>			
<b><i>Project Preparation Activities Implemented</i></b>	<b><i>GEF/LDCF/SCCF Amount (\$)</i></b>		
	<b><i>Budgeted Amount</i></b>	<b><i>Amount Spent To date</i></b>	<b><i>Amount Committed</i></b>
International Consultant	19,000	19,000	0
Local consultant	15,000	15,000	0
International Travel	6,000	6,000	0
DSA for national participants to workshops	4,000	4,000	0
Translation (if needed)	1,000	1,000	0
<b>Total</b>	<b>45,000</b>	<b>45,000</b>	<b>0</b>

<sup>21</sup> If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.

**ANNEX D: CALENDAR OF EXPECTED REFLOWS** (if non-grant instrument is used)

*Provide a calendar of expected reflows to the GEF/LDCF/SCCF Trust Funds or to your Agency (and/or revolving fund that will be set up)*

**Not Applicable to this project.**

**ANNEX E: GEF 7 CORE INDICATOR WORKSHEET**

*Use this Worksheet to compute those indicator values as required in Part I, Table E to the extent applicable to your proposed project. Progress in programming against these targets for the program will be aggregated and reported at any time during the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and SCCF.*

Core Indicator 11	Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment				220	
			Target		Number Achieved	
		CEO Endorsement		MTR	TE	
		Female	106			
		Male	114			
		<i>Total</i>	<i>220</i>			

## ANNEX F: GEF PROJECT TAXONOMY WORKSHEET

Use this Worksheet to list down the taxonomic information required under Part I, item F by ticking the most relevant keywords/ topics/themes that best describe this project.

Level 1	Level 2	Level 3	Level 4
<input type="checkbox"/> Influencing models			
	<input type="checkbox"/> Transform policy and regulatory environments		
	<input checked="" type="checkbox"/> Strengthen institutional capacity and decision-making		
	<input type="checkbox"/> Convene multi-stakeholder alliances		
	<input type="checkbox"/> Demonstrate innovative approaches		
	<input type="checkbox"/> Deploy innovative financial instruments		
<input type="checkbox"/> Stakeholders			
	<input type="checkbox"/> Indigenous Peoples		
	<input checked="" type="checkbox"/> Private Sector		
		<input type="checkbox"/> Capital providers	
		<input type="checkbox"/> Financial intermediaries and market facilitators	
		<input checked="" type="checkbox"/> Large corporations	
		<input checked="" type="checkbox"/> SMEs	
		<input type="checkbox"/> Individuals/Entrepreneurs	
		<input type="checkbox"/> Non-Grant Pilot	
		<input type="checkbox"/> Project Reflow	
	<input type="checkbox"/> Beneficiaries		
	<input type="checkbox"/> Local Communities		
	<input checked="" type="checkbox"/> Civil Society		
		<input type="checkbox"/> Community Based Organization	
		<input checked="" type="checkbox"/> Non-Governmental Organization	
		<input checked="" type="checkbox"/> Academia	
		<input type="checkbox"/> Trade Unions and Workers Unions	
	<input checked="" type="checkbox"/> Type of Engagement		
		<input checked="" type="checkbox"/> Information Dissemination	
		<input type="checkbox"/> Partnership	
		<input checked="" type="checkbox"/> Consultation	
		<input type="checkbox"/> Participation	
	<input type="checkbox"/> Communications		
		<input type="checkbox"/> Awareness Raising	
		<input type="checkbox"/> Education	
		<input type="checkbox"/> Public Campaigns	
		<input type="checkbox"/> Behavior Change	
<input checked="" type="checkbox"/> Capacity, Knowledge and Research			
	<input checked="" type="checkbox"/> Enabling Activities		
	<input checked="" type="checkbox"/> Capacity Development		
GEF6 CEO Endorsement /Approval	<input checked="" type="checkbox"/> Knowledge Generation and Exchange		
	<input type="checkbox"/> Targeted Research		
	<input checked="" type="checkbox"/> Learning		

		<input type="checkbox"/> Theory of Change	
		<input type="checkbox"/> Adaptive Management	
		<input checked="" type="checkbox"/> Indicators to Measure Change	
	<input type="checkbox"/> Innovation		
	<input checked="" type="checkbox"/> Knowledge and Learning		
		<input checked="" type="checkbox"/> Knowledge Management	
		<input type="checkbox"/> Innovation	
		<input checked="" type="checkbox"/> Capacity Development	
		<input type="checkbox"/> Learning	
	<input type="checkbox"/> Stakeholder Engagement Plan		
<input type="checkbox"/> Gender Equality			
	<input type="checkbox"/> Gender Mainstreaming		
		<input type="checkbox"/> Beneficiaries	
		<input type="checkbox"/> Women groups	
		<input type="checkbox"/> Sex-disaggregated indicators	
		<input type="checkbox"/> Gender-sensitive indicators	
	<input checked="" type="checkbox"/> Gender results areas		
		<input type="checkbox"/> Access and control over natural resources	
		<input type="checkbox"/> Participation and leadership	
		<input type="checkbox"/> Access to benefits and services	
		<input checked="" type="checkbox"/> Capacity development	
		<input type="checkbox"/> Awareness raising	
		<input type="checkbox"/> Knowledge generation	
<input type="checkbox"/> Focal Areas/Theme			
	<input type="checkbox"/> Integrated Programs		
		<input type="checkbox"/> Commodity Supply Chains (22 Good Growth Partnership)	
			<input type="checkbox"/> Sustainable Commodities Production
			<input type="checkbox"/> Deforestation-free Sourcing
			<input type="checkbox"/> Financial Screening Tools
			<input type="checkbox"/> High Conservation Value Forests
			<input type="checkbox"/> High Carbon Stocks Forests
			<input type="checkbox"/> Soybean Supply Chain
			<input type="checkbox"/> Oil Palm Supply Chain
			<input type="checkbox"/> Beef Supply Chain
			<input type="checkbox"/> Smallholder Farmers
			<input type="checkbox"/> Adaptive Management
		<input type="checkbox"/> Food Security in Sub-Sahara Africa	
			<input type="checkbox"/> Resilience (climate and shocks)
			<input type="checkbox"/> Sustainable Production Systems
			<input type="checkbox"/> Agroecosystems
			<input type="checkbox"/> Land and Soil Health
			<input type="checkbox"/> Diversified Farming
			<input type="checkbox"/> Integrated Land and Water Management
			<input type="checkbox"/> Smallholder Farming
			<input type="checkbox"/> Small and Medium Enterprises
			<input type="checkbox"/> Crop Genetic Diversity



		<input type="checkbox"/> Food Value Chains
		<input type="checkbox"/> Gender Dimensions
		<input type="checkbox"/> Multi-stakeholder Platforms
	<input type="checkbox"/> Food Systems, Land Use and Restoration	
		<input type="checkbox"/> Sustainable Food Systems
		<input type="checkbox"/> Landscape Restoration
		<input type="checkbox"/> Sustainable Commodity Production
		<input type="checkbox"/> Comprehensive Land Use Planning
		<input type="checkbox"/> Integrated Landscapes
		<input type="checkbox"/> Food Value Chains
		<input type="checkbox"/> Deforestation-free Sourcing
		<input type="checkbox"/> Smallholder Farmers
	<input type="checkbox"/> Sustainable Cities	
		<input type="checkbox"/> Integrated urban planning
		<input type="checkbox"/> Urban sustainability framework
		<input type="checkbox"/> Transport and Mobility
		<input type="checkbox"/> Buildings
		<input type="checkbox"/> Municipal waste management
		<input type="checkbox"/> Green space
		<input type="checkbox"/> Urban Biodiversity
		<input type="checkbox"/> Urban Food Systems
		<input type="checkbox"/> Energy efficiency
		<input type="checkbox"/> Municipal Financing
		<input type="checkbox"/> Global Platform for Sustainable Cities
		<input type="checkbox"/> Urban Resilience
	<input type="checkbox"/> Biodiversity	
	<input type="checkbox"/> Protected Areas and Landscapes	
		<input type="checkbox"/> Terrestrial Protected Areas
		<input type="checkbox"/> Coastal and Marine Protected Areas
		<input type="checkbox"/> Productive Landscapes
		<input type="checkbox"/> Productive Seascapes
		<input type="checkbox"/> Community Based Natural Resource Management
	<input type="checkbox"/> Mainstreaming	
		<input type="checkbox"/> Extractive Industries (oil, gas, mining)
		<input type="checkbox"/> Forestry (Including HCVF and REDD+)
		<input type="checkbox"/> Tourism
		<input type="checkbox"/> Agriculture & agrobiodiversity
		<input type="checkbox"/> Fisheries
		<input type="checkbox"/> Infrastructure
		<input type="checkbox"/> Certification (National Standards)
		<input type="checkbox"/> Certification (International Standards)
	<input type="checkbox"/> Species	
		<input type="checkbox"/> Illegal Wildlife Trade
		<input type="checkbox"/> Threatened Species
		<input type="checkbox"/> Wildlife for Sustainable Development

		<input type="checkbox"/> Crop Wild Relatives
		<input type="checkbox"/> Plant Genetic Resources
		<input type="checkbox"/> Animal Genetic Resources
		<input type="checkbox"/> Livestock Wild Relatives
		<input type="checkbox"/> Invasive Alien Species (IAS)
	<input type="checkbox"/> Biomes	
		<input type="checkbox"/> Mangroves
		<input type="checkbox"/> Coral Reefs
		<input type="checkbox"/> Sea Grasses
		<input type="checkbox"/> Wetlands
		<input type="checkbox"/> Rivers
		<input type="checkbox"/> Lakes
		<input type="checkbox"/> Tropical Rain Forests
		<input type="checkbox"/> Tropical Dry Forests
		<input type="checkbox"/> Temperate Forests
		<input type="checkbox"/> Grasslands
		<input type="checkbox"/> Paramo
		<input type="checkbox"/> Desert
	<input type="checkbox"/> Financial and Accounting	
		<input type="checkbox"/> Payment for Ecosystem Services
		<input type="checkbox"/> Natural Capital Assessment and Accounting
		<input type="checkbox"/> Conservation Trust Funds
		<input type="checkbox"/> Conservation Finance
	<input type="checkbox"/> Supplementary Protocol to the CBD	
		<input type="checkbox"/> Biosafety
		<input type="checkbox"/> Access to Genetic Resources Benefit Sharing
<input type="checkbox"/> Forests		
	<input type="checkbox"/> Forest and Landscape Restoration	
		<input type="checkbox"/> REDD/REDD+
	<input type="checkbox"/> Forest	
		<input type="checkbox"/> Amazon
		<input type="checkbox"/> Congo
		<input type="checkbox"/> Drylands
<input type="checkbox"/> Land Degradation		
	<input type="checkbox"/> Sustainable Land Management	
		<input type="checkbox"/> Restoration and Rehabilitation of Degraded Lands
		<input type="checkbox"/> Ecosystem Approach
		<input type="checkbox"/> Integrated and Cross-sectoral approach
		<input type="checkbox"/> Community-Based NRM
		<input type="checkbox"/> Sustainable Livelihoods
		<input type="checkbox"/> Income Generating Activities
		<input type="checkbox"/> Sustainable Agriculture
		<input type="checkbox"/> Sustainable Pasture Management
		<input type="checkbox"/> Sustainable Forest/Woodland Management
		<input type="checkbox"/> Improved Soil and Water Management Techniques
		<input type="checkbox"/> Sustainable Fire Management
		<input type="checkbox"/> Drought Mitigation/Early Warning
	<input type="checkbox"/> Land Degradation Neutrality	

			<input type="checkbox"/> Land Productivity
			<input type="checkbox"/> Land Cover and Land cover change
			<input type="checkbox"/> Carbon stocks above or below ground
		<input type="checkbox"/> Food Security	
	<input type="checkbox"/> International Waters		
		<input type="checkbox"/> Ship	
		<input type="checkbox"/> Coastal	
		<input type="checkbox"/> Freshwater	
			<input type="checkbox"/> Aquifer
			<input type="checkbox"/> River Basin
			<input type="checkbox"/> Lake Basin
		<input type="checkbox"/> Learning	
		<input type="checkbox"/> Fisheries	
		<input type="checkbox"/> Persistent toxic substances	
		<input type="checkbox"/> SIDS : Small Island Dev States	
		<input type="checkbox"/> Targeted Research	
		<input type="checkbox"/> Pollution	
			<input type="checkbox"/> Persistent toxic substances
			<input type="checkbox"/> Plastics
			<input type="checkbox"/> Nutrient pollution from all sectors except wastewater
			<input type="checkbox"/> Nutrient pollution from Wastewater
		<input type="checkbox"/> Transboundary Diagnostic Analysis and Strategic Action Plan preparation	
		<input type="checkbox"/> Strategic Action Plan Implementation	
		<input type="checkbox"/> Areas Beyond National Jurisdiction	
		<input type="checkbox"/> Large Marine Ecosystems	
		<input type="checkbox"/> Private Sector	
		<input type="checkbox"/> Aquaculture	
		<input type="checkbox"/> Marine Protected Area	
		<input type="checkbox"/> Biomes	
			<input type="checkbox"/> Mangrove
			<input type="checkbox"/> Coral Reefs
			<input type="checkbox"/> Seagrasses
			<input type="checkbox"/> Polar Ecosystems
			<input type="checkbox"/> Constructed Wetlands
	<input type="checkbox"/> Chemicals and Waste		
		<input type="checkbox"/> Mercury	
		<input type="checkbox"/> Artisanal and Scale Gold Mining	
		<input type="checkbox"/> Coal Fired Power Plants	
		<input type="checkbox"/> Coal Fired Industrial Boilers	
		<input type="checkbox"/> Cement	
		<input type="checkbox"/> Non-Ferrous Metals Production	
		<input type="checkbox"/> Ozone	
		<input type="checkbox"/> Persistent Organic Pollutants	
		<input type="checkbox"/> Unintentional Persistent Organic Pollutants	
		<input type="checkbox"/> Sound Management of chemicals and Waste	
		<input type="checkbox"/> Waste Management	
			<input type="checkbox"/> Hazardous Waste Management
			<input type="checkbox"/> Industrial Waste
			<input type="checkbox"/> e-Waste
		<input type="checkbox"/> Emissions	

	<input type="checkbox"/> Disposal	
	<input type="checkbox"/> New Persistent Organic Pollutants	
	<input type="checkbox"/> Polychlorinated Biphenyls	
	<input type="checkbox"/> Plastics	
	<input type="checkbox"/> Eco-Efficiency	
	<input type="checkbox"/> Pesticides	
	<input type="checkbox"/> DDT - Vector Management	
	<input type="checkbox"/> DDT - Other	
	<input type="checkbox"/> Industrial Emissions	
	<input type="checkbox"/> Open Burning	
	<input type="checkbox"/> Best Available Technology / Best Environmental Practices	
	<input type="checkbox"/> Green Chemistry	
	<input checked="" type="checkbox"/> Climate Change	
	<input type="checkbox"/> Climate Change Adaptation	
		<input type="checkbox"/> Climate Finance
		<input type="checkbox"/> Least Developed Countries
		<input type="checkbox"/> Small Island Developing States
		<input type="checkbox"/> Disaster Risk Management
		<input type="checkbox"/> Sea-level rise
		<input type="checkbox"/> Climate Resilience
		<input type="checkbox"/> Climate information
		<input type="checkbox"/> Ecosystem-based Adaptation
		<input type="checkbox"/> Adaptation Tech Transfer
		<input type="checkbox"/> National Adaptation Programme of Action
		<input type="checkbox"/> National Adaptation Plan
		<input type="checkbox"/> Mainstreaming Adaptation
		<input type="checkbox"/> Private Sector
		<input type="checkbox"/> Innovation
		<input type="checkbox"/> Complementarity
		<input type="checkbox"/> Community-based Adaptation
		<input type="checkbox"/> Livelihoods
	<input type="checkbox"/> Climate Change Mitigation	
		<input type="checkbox"/> Agriculture, Forestry, and other Land Use
		<input type="checkbox"/> Energy Efficiency
		<input type="checkbox"/> Sustainable Urban Systems and Transport
		<input type="checkbox"/> Technology Transfer
		<input type="checkbox"/> Renewable Energy
		<input type="checkbox"/> Financing
		<input type="checkbox"/> Enabling Activities
	<input type="checkbox"/> Technology Transfer	
		<input type="checkbox"/> Poznan Strategic Programme on Technology Transfer
		<input type="checkbox"/> Climate Technology Centre & Network (CTCN)
		<input type="checkbox"/> Endogenous technology
		<input type="checkbox"/> Technology Needs Assessment
		<input type="checkbox"/> Adaptation Tech Transfer
	<input checked="" type="checkbox"/> United Nations Framework on Climate Change	
		<input checked="" type="checkbox"/> Capacity Building Initiative for Transparency
		<input checked="" type="checkbox"/> Paris Agreement
		<input type="checkbox"/> Sustainable Development Goals

		<input checked="" type="checkbox"/> Climate Finance (Rio Markers)	<input checked="" type="checkbox"/> Climate Change Mitigation 1 <input type="checkbox"/> Climate Change Mitigation 2 <input checked="" type="checkbox"/> Climate Change Adaptation 1 <input type="checkbox"/> Climate Change Adaptation 2
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## ANNEX G: TERMS OF REFERENCE FOR KEY PERSONNEL AND CONSULTANTS

### CHIEF TECHNICAL ADVISOR

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** Chief Technical Advisor

**Duration:** Three years (full-time)

**Date Required:** Month 1

**Duty station:** Baku, Azerbaijan

**Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire a Chief Technical Advisor who undertake the following task:

Component 1:

- Organize a stakeholder workshop with all involved ministries to inform about the inter-ministerial cooperation mechanism and the related roles and tasks (Output 1.1, 1.3, 2.1)
- Participate in international conferences and workshops related to the Transparency Framework of the Paris Agreement (Output 1.5)
- Attend Global and Regional peer exchange workshops (Output 1.5)
- Participate actively in the CBIT Global Coordination Platform by attending meetings, but also preparing materials to be shared through the platform (Output 1.5)

General management tasks:

- Take responsibility for day to day oversight of project execution
- Ensure that the project meets its objectives and achieves expected outcomes
- Prepare annual work plans in consultation with project partners
- Manage and coordinate the day-to-day activities
- Provide technical input to the implementation of the activities
- Review and approve technical deliverables from national and international experts
- Participate in the preparation of TORs for consultants and participate in the process of interviewing the candidates
- Prepare Project Steering Committee (PSC) meetings
- Prepare progress reports
- Ensure coordination with relevant national institutions and government ministries to ensure that project activities are distinct and fully complementary to other national initiatives
- Define the procedures of approval for recommendations related to the design and implementation of the NDC tracking system
- Coordinate activities related to enhanced institutional capacity to identify sources of funding and to track financial support
- Be responsible for the quality of the activities and the coordination of experts
- Take responsibility for day to day project financial operations
- Prepare all annual/year-end project revisions
- Attend all key project workshops and national steering committee meetings
- Monitor risk management plan
- Periodic reporting to UN Environment and the Project Steering Committee for allocation of the GEF grant according to the work plans and budgets in coordination with UN Environment and the Ministry of Ecology and Natural Resources of Azerbaijan
- Notify UN Environment and the PSC in writing if there is need for modification to the agreed implementation plan and budget, and to seek approval;

- Address and rectify any issues or inconsistencies raised by the Executing Agency;
- Support compilation and submission of progress and financial reporting to the Executing Agency;
- Provide accurate and up-to-date technical advice and guidance on issues related to the implementation of the project activities;
- Day-to-day project operations
- Liaise with national stakeholders
- Provide national insights for all experts involved
- Co-draft all products assigned to local experts
- Engage with local climate change involved entities

**Reporting structure:**

The Chief Technical Advisor will report to the Executing Agency and the International Division of the Ministry of Ecology and Natural Resources of Azerbaijan.

**Qualifications:**

- Advanced degree or higher (Master or higher) in areas relevant to climate change, environment and national development or a bachelor degree relevant to climate change, environment and national development complemented by many years of professional experience.
- Excellent understanding of global climate change issues in particular related to transparency and MRV as well as Azerbaijan's climate targets in the NDC.
- A minimum of 7 years of professional experience in managing projects in the areas of climate change mitigation or adaptation (or a minimum of 10 years professional experience if the candidate is a BSc degree holder).
- Language(s): English (full working proficiency), Azerbaijani

## ADMINISTRATIVE ASSISTANT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** Administrative Assistant

**Duration:** Three years (part-time)

**Date Required:** Month 2

**Duty station:** Baku, Azerbaijani

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire an Administrative Assistant who will undertake the following task:

### **Detailed activities:**

- Support the Chief Technical Advisor to deliver day-to-day activities
- Administration of the project including procurement and hiring of service vendors
- Support Chief Technical Advisor to prepare expenditure report for submission to UN Environment as per the reporting requirements indicated in the legal agreement
- Facilitate annual and final audit of the project account.
- Ensure adherence to accounting control and standard in the financial administration of the project.
- Response to audit queries or all financial matters together with the Chief Technical Advisor
- Support the CTA active participation in the CBIT Global Coordination Platform by attending meetings, but also preparing materials to be shared through the platform (Output 1.5)
- Use of professional photographic cameras and archiving photographic records of meetings conducted in the project to support Chief Technical Advisor and the Communications Expert in project and workshop reporting

### **Reporting structure:**

The Administrative Assistant will report to the Chief Technical Advisor.

### **Qualifications:**

- Degree in financial administration or financial accountant or equivalent
- A minimum of 5 years professional experience with project administration and/or project accounting.
- Language: English; Azerbaijani



## NATIONAL COMMUNICATIONS EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** National Communications Expert

**Duration:** 7.5 months (part-time)

**Date Required:** Month 2

**Duty station:** Baku, Azerbaijani

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire a National Communications Expert who will undertake the following task:

### **Detailed activities:**

The National Communications Expert will conduct the following activities related to project Component 1, as well as others deemed necessary in the course of the project development:

- Design and implement a public engagement mechanism to improve the transparency of climate information
- Prepare public engagement and communication work plans for the project
- Take responsibility for quality of public engagement and communications activities
- Liaise with national stakeholders related to the public engagement and communications of the project
- Provide locally and nationally-relevant insights to public engagement and communications experts
- Participate actively in the CBIT Global Coordination Platform by attending meetings and in preparation of country materials for sharing on the CBIT platform (Output 1.5)
- Preparation of a report based on results from experience sharing activities through the CBIT Global Coordination Platform (Output 1.5)
- Preparation of reports from workshops attended and participation in exchange activities under the CBIT Global Coordination Platform (Output 1.5)
- Support dissemination of CBIT project results
- Development and update project website.
- Popularize project results on social media
- Engage traditional media to disseminate project results
- Liaise with the Chief Technical Advisor to regularly collate and share key lessons and experiences from the implementation of Azerbaijan's CBIT with the CBIT Global Coordination Platform (Output 1.5).

### **Reporting structure:**

The National Communications Expert will report to the Chief Technical Advisor.

### **Qualifications:**

- Minimum requirements: Undergraduate degree in social communications, public relations or marketing;
- Experience: Minimum of 5 years of professional experience:
  - In the design and implementation of communication plans and strategies;
  - Use of professional photographic cameras;
  - Developing and archiving photographic records of meetings conducted in the project;
  - Knowledge of the Azerbaijani market in the context of climate transparency communication niche;
- Languages: English (working proficiency); Azerbaijani

## INTERNATIONAL CLIMATE TRANSPARENCY EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** International Climate Transparency expert

**Duration:** 7.2 months (part time)

**Date Required:** Month 5

**Duty station:** Home based with considerable stay in Azerbaijan

**Background:** The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire an International Climate Transparency Expert who will undertake the following tasks related to project Component 1:

### **Detailed activities:**

- Undertake a stocktaking exercise of existing institutional arrangements, in particular relevant ministries, agencies and other data providers, including their roles, responsibilities, resources, personnel and data collection capacity, as well as mapping related international best practices applicable to Azerbaijan and support the work done by the International climate change expert (Output 1.1)
- Conduct institutional mapping and assess option for effective long-term functioning of the proposed system
- Develop design options for institutional arrangements and finalizing the design through consultations and to support the work done by the International climate change expert (Output 1.1)
- Assist in establishing permanent structures and processes for GHG inventory in line with the roles and responsibilities of involved sectorial stakeholders (Output 1.1)
- Assist the National Legal expert in establishing the framework for drafting regulation that defines the roles and responsibility of relevant ministries, agencies and stakeholders for GHG data collection (Output 1.1, 1.2)
- Assist in the design and provision of recommendation for institutional arrangements and institutional strengthening for the monitoring of mitigation actions (Output 1.4)
- Support the Chief Technical Advisor in his/her functions of knowledge sharing and participation in exchange activities via the CBIT Global Coordination Platform and other related activities (Output 1.5)

### **Reporting Line:**

The International Climate Transparency Expert will be under the overall guidance of the Chief Technical Advisor and will work closely also with the International Climate Change expert and the Legal expert.

### **Qualifications:**

- Advanced degree or higher (Master's or higher) in areas relevant to climate change and environment;
- Experienced in international discussions and developments at the UN climate meetings for at least 7 years;
- Excellent understanding of global and national climate change issues in particular related to transparency and MRV
- A minimum of 7 years of professional experience in managing projects.
- Well informed in national development and climate change matters within the country.
- Language(s): English.

## NATIONAL GENDER EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** National Gender Expert

**Duration:** 3 months

**Date Required:** Month 2

**Duty station:** Baku, Azerbaijan

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire a National Gender Expert who will undertake the following tasks related to project Component 1:

### **Detailed activities:**

- Establish the framework for mainstreaming gender perspectives into NDC implementation (Output 1.1)
- Define strategies that facilitate the adequate incorporation of the gender perspective and gender mainstreaming of Azerbaijan's climate transparency activities (Output 1.1)
- Design the implementation of gender perspective in the processes of institutional arrangements and institutional strengthening for climate transparency work (Output 1.1)
- Conduct the follow-up and evaluation of the incorporation of the gender perspective in the corresponding activities of the project
- Preparation of a report on gender mainstreaming in NDC implementation (Output 1.1)

### **Reporting structure:**

The National Gender Expert will be under the overall guidance of the Chief Technical Advisor.

### **Qualifications:**

- Advanced degree or higher (Master or higher) in areas relevant to climate change,
- Good understanding of Azerbaijan's gender situation.
- A minimum of 5 years professional experience in areas related to gender considerations in the context of climate change.
- Language(s): English; Azerbaijani

## INTERNATIONAL GHG INVENTORY EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** International GHG Inventory Expert

**Duration:** 2.4 months

**Date Required:** Month 2

**Duty station:** Home based with considerable stay in Azerbaijan

**Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire an International GHG Inventory Expert who will undertake the following tasks related to project Component 1:

**Detailed activities:**

- Review GHG inventory of existing databases in different ministries (such as Agriculture, Energy, Transport, and others) with the online climate change data hub (Output 1.1)
- Gather new knowledge, lessons and experiences on the functionality of the enhanced national GHG database management system and online hub (1.1)
- Work with the GHG Database management system consultancy firm to identify, select and automate existing analogue data sources in selected ministries (Output 1.2)
- Work with the GHG Database management system consultancy firm to explore ways to improve public access by linking existing databases with the climate change data hub by establishing and operationalise a functional & centralized MRV data-sharing network. The online data hub will be expanded to include adaptation data portal, feed-to-feed interface with selected data portals (including Agriculture, Energy and other databases)
- Work with the GHG Database management system consultancy firm as they create additional portal to host progress-monitoring information on adaptation and mitigation actions for the NDC sectors. The portal will contain templates that the line ministries fill with monitoring information and shared with the MENR team on the fly (1.2)

**Reporting Line:**

The International GHG Inventory Expert will work closely with the GHG Database management system consultancy firm and report to the Chief Technical Advisor.

**Qualifications:**

- Advanced degree or higher (Master's or higher) in areas relevant to data management, computing and related areas.
- A minimum of 7 years of professional experience in relation to databases or environmental data registry systems
- Well informed in national development and climate change matters within the country.
- Language(s): English

## INTERNATIONAL CAPACITY NEEDS ASSESSMENT EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** International Capacity Needs Assessment expert

**Duration:** 3 months (part time)

**Date Required:** Month 7

**Duty station:** Home based with considerable stay in Baku, Azerbaijan

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire an International Capacity Needs Assessment expert who will undertake the following tasks related to project Component 1:

### **Detailed activities:**

- Conduct a detailed Capacity Needs Assessment for tracking climate change mitigation actions in prioritised sectors including energy, agriculture, finance (Output 1.4)
- Design a Training Programme and workshops based on the capacity needs assessment and preparation of materials to use in the trainings (Output 1.4)
- Report on Training activities
- Elaborate an assessment report with summary of results of the training activities and main conclusions associated
- Provide strategic technical advice to local staff on criteria for the design of capacity building materials on methods for GHG emissions projections
- Support local staff during the capacity building workshop, addressing technical questions and providing the regional and international perspective
- Working in collaboration with local staff, check capacity building materials for completeness and rigour to international standards

### **Reporting Line:**

The International Capacity Needs Assessment expert will be under the overall guidance of the Chief Technical Advisor and will work closely also with the International Climate Change expert and the National Legal expert.

### **Qualifications:**

- Advanced degree or higher (Master's or higher) in areas relevant to climate change and environment;
- Experienced in international discussions and developments at the UN climate meetings for at least 7 years;
- Excellent experience in designing and undertaking capacity needs assessments in the context of climate change in developing countries;
- Excellent understanding of global and national climate change issues in particular related to transparency and MRV;
- A minimum of 7 years of professional experience in managing projects;
- Well informed in national development and climate change matters of Azerbaijan;
- Language(s): English

## NATIONAL LEGAL EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** National Legal expert

**Duration:** 5 months (part time)

**Date Required:** Month 3

**Duty station:** Baku, Azerbaijan

**Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

**Detailed activities:**

Legal support to the preparation of the following documents:

- Draft legal instruments and agreements for the formalization of the institutional mechanism for inter-ministerial cooperation on systemizing data collection and processing to be submitted to the Government of Azerbaijan. (Output 1.3)
- Draft process for adoption of the draft legal arrangement for the formalization of the institutional mechanism for inter-ministerial cooperation on systemizing data collection (Output 1.3)
- Draft legal instruments and agreements, MOUs for inter-ministerial cooperation for data sharing and tracking system that facilitate the reporting and tracking of public expenditure both domestic and international sources in Azerbaijan (Output 2.1)

**Reporting structure:**

The National Legal expert will be under the overall guidance of the Chief Technical Advisor.

**Qualifications:**

- A degree in law
- A minimum of 5 years professional experience in preparation of official legal documents at Government level
- Experiences in environmental matters from a legal perspective
- Good understanding of climate action activities in Azerbaijan.
- Language(s): Azerbaijani, English

## INTERNATIONAL CLIMATE CHANGE EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** International Climate Change expert

**Duration:** 4.4 months (part time)

**Date Required:** Month 5

**Duty station:** Home based

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The International Climate Change Expert will be hired to provide international expertise to project Component 1.

### **Detailed activities:**

- Define and draft the roles and responsibility of relevant ministries, agencies and stakeholders for GHG data collection (Output 1.3)
- Support the National Legal expert in his/her work in designing legal framework to support the institutional arrangements for the monitoring of mitigation actions (Output 1.3)
- Design and provide recommendation for institutional arrangements strengthening for the monitoring of mitigation actions. (A National Legal expert will be hired to help develop the legal framework component to complement the support that would be provided by the international expert). (Output 1.3)
- Conduct training of trainers on enhanced transparency processes for tracking progress for mitigation actions (Output 1.4)

### **Reporting structure:**

The International Climate Change expert will be under the overall guidance of the Chief Technical Advisor and report to the Director, International Division of the Ministry of Ecology and Natural Resources of Azerbaijan.

### **Qualifications:**

- Advanced degree or higher (Master or higher) in areas relevant to climate change
- Experience in institutional arrangements and institutional strengthening for the monitoring of climate mitigation actions
- Good understanding of climate action activities in Azerbaijan.
- A minimum of 5 years professional experience in areas related to institutional arrangements and institutional strengthening in the context of climate change.
- Language(s): English

## NATIONAL CLIMATE FINANCE EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** National Climate Finance expert

**Duration:** 10 months (part time)

**Date Required:** Month 5

**Duty station:** Baku, Azerbaijan

**Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire a National Climate Finance expert who will undertake the following task related to project Component 2:

**Detailed consultancy activities:**

- Prepare the stocktaking report on current institutional arrangements for MRV of climate finance, and mapping relevant stakeholders (output 2.1)
- Support the Climate finance tracking system consultancy firm in its work of developing final proposal of institutional arrangements and flows of data needed for an optimal gathering of financial data (Output 2.1)
- Review and provide inputs to the report on recommendation of institutional arrangement relevant for effective collection of climate finance data and tracking climate finance flows from both domestic and international sources (Output 2.1)
- Support the training of trainers for the identification of sources of funding; and the tracking financial support received (Output 2.2)
- Support the Climate finance tracking system consultancy firm in its work to provide training to governmental staff in tracking financial support received (Output 2.2)

**Reporting structure:**

The National Climate Finance expert will be under the overall guidance of the Chief Technical Advisor and will work closely also with the International Climate Finance expert and the National Legal expert.

**Qualifications:**

- Advanced degree or higher (Master or higher) in areas relevant to climate change and climate finance;
- Good understanding of climate finance, identification of sources of funding; and the tracking financial support;
- Experienced in international discussions and developments at the UN climate meetings for at least 7 years in relation to climate finance;
- Excellent understanding of global and national climate change issues in particular related to climate transparency and MRV;
- A minimum of 7 years professional experience in areas related to climate finance;
- Language(s): English; Azerbaijani.



## NATIONAL MRV EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** National MRV Expert

**Duration:** 16.7 months (part time)

**Date Required:** Month 5

**Duty station:** Baku, Azerbaijan

### **Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The Executing Agency will hire a National MRV expert who will undertake the following task related to project Component 2:

### **Detailed consultancy activities:**

- Support the National Climate Finance expert in the preparation of the stocktaking report on current institutional arrangements for MRV of climate finance, and mapping relevant stakeholders (output 2.1)
- Support the Mitigation actions' and NDC tracking system consultancy firm and the Climate finance tracking system consultancy firm in their work of data gathering, analysis and developing final proposal of institutional arrangements and flows of data needed for an optimal gathering of financial data respectively
- Support the National Climate Finance expert in reviewing and providing inputs to the report on recommendation of institutional arrangement relevant for effective collection of climate finance data and tracking climate finance flows from both domestic and international sources (Output 2.1)
- Support the National Climate Finance expert in training of trainers for the identification of sources of funding; and the tracking financial support received (Output 2.2)
- Support the Climate finance tracking system consultancy firm in its work to provide training to governmental staff in tracking financial support received (Output 2.2)
- Identify and recommend specific activities and road map to increase domestic need and use of MRV results
- Study and recommend ways and mean to ensure improvement of coordination MRV functions at the Ministry of Ecology and Natural Resources

### **Reporting structure:**

The National MRV expert will be under the overall guidance of the Chief Technical Advisor and will work closely also with the National Climate Finance expert and the Climate finance tracking system consultancy firm.

### **Qualifications:**

- Advanced degree or higher (Master's or higher) in areas relevant to climate change and environment
- Experienced in the national communication and biennial update report processes for at least 7 years.
- Excellent understanding of global and national climate change issues in particular related to transparency and MRV
- A minimum of 7 years of professional experience in managing projects.
- Well informed in national development and climate change matters within the country.
- Language(s): English; Azerbaijani

## INTERNATIONAL CLIMATE FINANCE EXPERT

**Project:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Post title:** International Climate Finance expert

**Duration:** 3 months (part time)

**Date Required:** Month 5

**Duty station:** Home based

**Background:**

The Paris Agreement, in its Article 13, raises the need to have an enhanced transparency framework that allows information to be available to assess if the necessary is being done in relation to compliance with the commitments assumed to face climate change. This is a major challenge, especially for developing countries, which implies having the technical and institutional capacities to meet the reporting requirements, and the strategic planning of de-carbonization with resilience.

In this regard, the Capacity Building Initiative for Transparency Fund (CBIT), administered by the GEF, supports the Azerbaijan government in improving its capacities to track and evaluate mitigation and adaptation within its NDCs, as well as financial resources that are used to work on these issues, contributing to improve decision-making processes related to climate change.

The International Climate Change expert will be hired to provide international expertise to project Component 2.

**Detailed consultancy activities:**

- Review the stocktaking report on current institutional arrangements for MRV of climate finance, and mapping relevant stakeholders (prepared by the local climate finance expert);
- Support the Climate finance tracking system consultancy firm in its work of developing final proposal of institutional arrangements and flows of data needed for an optimal gathering of financial data (Output 2.1);
- Develop a report providing recommendation of institutional arrangement relevant for effective collection of climate finance data and tracking climate finance flows from both domestic and international sources. (A National legal expert will be hired to help develop the legal framework component to compliment the support that would be provided by this expert) (Output 2.1);
- Provide training of trainers for the identification of sources of funding; and the tracking financial support received (Output 2.2).

**Reporting structure:**

The International Climate Finance expert will be under the overall guidance of the Chief Technical Advisor and will work closely also with the International Climate Change expert and the National Legal expert.

**Qualifications:**

- Advanced degree or higher (Master or higher) in areas relevant to climate change and climate finance;
- Good understanding of climate finance, identification of sources of funding; and the tracking financial support;
- Experienced in international discussions and developments at the UN climate meetings for at least 7 years in relation to climate finance;
- Excellent understanding of global and national climate change issues in particular related to climate transparency and MRV;
- A minimum of 7 years professional experience in areas related to climate finance;
- Language(s): English

## ANNEX H1: DETAILED GEF BUDGET

Class	Description	Year 1	Year 2	Year 3	Total
<b>COMPONENT 1</b>					
<b>010</b>	<b>Staff &amp; Personnel (Including Consultants)</b>				
C1-0101	Chief Technical Advisor	3,400	3,400	3,400	10,200
C1-0102	National Communications Expert	5,000	5,000	5,000	15,000
C1-0103	International Climate Transparency Expert	30,000	30,000	30,000	90,000
C1-0104	National Gender Expert	3,000	3,000	-	6,000
C1-0105	International GHG Inventory Expert	20,000	10,000	-	30,000
C1-0106	International Capacity Needs Assessment Expert	20,000	7,500	10,000	37,500
C1-0107	National Legal expert	20,000	10,000	10,000	40,000
C1-0181	International Climate Change Expert	30,000	7,500	7,500	45,000
	<i>Subtotal</i>	<i>131,400</i>	<i>76,400</i>	<i>65,900</i>	<i>273,700</i>
<b>120</b>	<b>Contract Services</b>				
C1-1201	Inception Workshop	3,500	-	-	3,500
C1-1202	Inter-ministerial cooperation mechanism workshop	7,000	-	-	7,000
C1-1203	NDC tracking system workshop	7,000	-	-	7,000
C1-1204	NDC and mitigation actions' tracking system training workshops	10,000	10,000	10,000	30,000
C1-1205	3 Global and South-South technical workshops	4,000	4,000	4,000	12,000
C1-1206	GHG database management system consultancy firm	61,000	55,000	13,000	129,000
C1-1207	Mitigation actions and NDC tracking system consultancy firm	36,400	35,950	19,400	91,750
C1-1208	Gender mainstreaming in NDC workshop	-	7,000	-	7,000
C1-1212	Translation services subcontract	5,000	5,000	5,000	15,000
C1-1291	Terminal Evaluation	-	-	17,500	17,500
	<i>Subtotal</i>	<i>133,900</i>	<i>116,950</i>	<i>68,900</i>	<i>319,750</i>
<b>125</b>	<b>Operating &amp; Other Costs</b>				
C1-1251	Communication and publicity	2,000	2,000	2,000	6,000
	<i>Subtotal</i>	<i>2,000</i>	<i>2,000</i>	<i>2,000</i>	<i>6,000</i>
<b>130</b>	<b>Supplies, Commodities and Materials</b>				
C1-1301	Stationary supplies	1,000	2,000	2,000	5,000
C1-1302	Printing and publications	5,000	5,000	5,000	15,000
	<i>Subtotal</i>	<i>6,000</i>	<i>7,000</i>	<i>7,000</i>	<i>20,000</i>
<b>135</b>	<b>Equipment</b>				
C1-1351	Software for laptops	5,000			5,000
C1-1352	Equipment for GHG database management system	40,000	10,000	6,550	56,550
C1-1353	Equipment for the mitigation actions' tracking system	38,000	15,000	5,000	58,000
C1-1354	Laptops (3 units)	10,000			10,000
	<i>Subtotal</i>	<i>93,000</i>	<i>25,000</i>	<i>11,550</i>	<i>129,550</i>
<b>160</b>	<b>Travel</b>				
C1-1601	Travel for workshops and international meetings	10,000	12,000	10,000	32,000
C1-1602	Travel for sub-national activities	3,000	3,000	3,000	9,000
C1-1603	Travel for international experts	7,000	7,000	7,000	21,000
	<i>Subtotal</i>	<i>20,000</i>	<i>22,000</i>	<i>20,000</i>	<i>62,000</i>
<b>Component 1 Total</b>		<b>386,300</b>	<b>249,350</b>	<b>175,350</b>	<b>811,000</b>

Class	Description	Year 1	Year 2	Year 3	Total
<b>COMPONENT 2</b>					
<b>010</b>	<b>Staff &amp; Personnel (Including Consultants)</b>				
C2-0107	National Legal expert	-	5,000	2,000	7,000
C2-0108	National Climate Finance expert	10,000	10,000	10,000	30,000
C2-0109	National MRV expert	20,000	20,000	10,000	50,000
C2-0182	International Climate Finance expert	40,000	15,000	-	55,000
	<i>Subtotal</i>	<b>70,000</b>	<b>50,000</b>	<b>22,000</b>	<b>142,000</b>
<b>120</b>	<b>Contract Services</b>				
C2-1201	Inception Workshop	3,500	-	-	3,500
C2-1209	Financial strategy workshops	7,000	-	-	7,000
C2-1210	Capacity building and Training programme	7,000	-	-	7,000
C2-1211	Climate finance tracking system consultancy firm	58,000	34,000	20,000	112,000
C2-1212	Translation services subcontract	5,000	5,000	5,000	15,000
C2-1291	Terminal Evaluation	-	-	17,500	17,500
	<i>Subtotal</i>	<b>80,500</b>	<b>39,000</b>	<b>42,500</b>	<b>162,000</b>
<b>130</b>	<b>Supplies, Commodities &amp; Materials</b>				
C2-1301	Stationary supplies	1,000	1,500	1,500	4,000
	<i>Subtotal</i>	<b>1,000</b>	<b>1,500</b>	<b>1,500</b>	<b>4,000</b>
<b>135</b>	<b>Equipment</b>				
C2-1355	Equipment for pilot testing MRV systems	-	15,000	1,000	16,000
	<i>Subtotal</i>	<b>-</b>	<b>15,000</b>	<b>1,000</b>	<b>16,000</b>
<b>160</b>	<b>Travel</b>				
C2-1602	Travel for sub-national activities	3,000	3,000	3,000	9,000
C2-1603	Travel for international experts	8,000	8,000	8,000	24,000
	<i>Subtotal</i>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>33,000</b>
<b>Component 2 Total</b>		<b>162,500</b>	<b>116,500</b>	<b>78,000</b>	<b>357,000</b>
<b>PROJECT MANAGEMENT COSTS (PMC)</b>					
<b>010</b>	<b>Staff &amp; Personnel (Including Consultants)</b>				
PM-0101	Chief Technical Advisor	26,400	26,400	26,200	79,000
PM-0110	Administrative Assistant	13,000	13,000	13,000	39,000
	<i>Subtotal</i>	<b>39,400</b>	<b>39,400</b>	<b>39,200</b>	<b>118,000</b>
<b>120</b>	<b>Contract Services</b>				
PM-1213	Audit	4,000	4,000	4,000	12,000
	<i>Subtotal</i>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>12,000</b>
<b>Project Management Costs Total</b>		<b>43,400</b>	<b>43,400</b>	<b>43,200</b>	<b>130,000</b>
<b>GRAND TOTAL</b>		<b>592,200</b>	<b>409,250</b>	<b>296,550</b>	<b>1,298,000</b>

## ANNEX H2: COFINANCE BUDGET

### ANNEX H-2 - TOTAL CO-FINANCE BUDGET (US\$)

**Project Title:** Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement

**Project Number:** UN Environment: 10043 / GEF ID: 01637

**Project Implementing Agency:** UN Environment

**Project Executing Agency:** Regional Environmental Centre for the Caucasus (RECC)

**Co-finance contributor:** the Ministry of Ecology and Natural Resources

<b>Project Outputs</b>	<b>In-kind co-finance (US\$)</b>
1.1. Institutional arrangements for inter-ministrial cooperation on systemizing data collection and processing for preparing GHG inventory is established	30,000
1.2. National GHG database management system for GHG data is developed	30,000
1.3. National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions for mitigation actions established and operationalized	40,000
1.4. Training programme on enhanced transparency processes provided	50,000
1.5. Knowledge-sharing and coordination mechanism with the CBIT Global Coordination Platform established	50,000
2.2. Capacity building and Training programme on identifying sources of funding and tracking financial support processes provided	100,000
Project Management Costs	50,000
<b>Total</b>	<b>350,000</b>

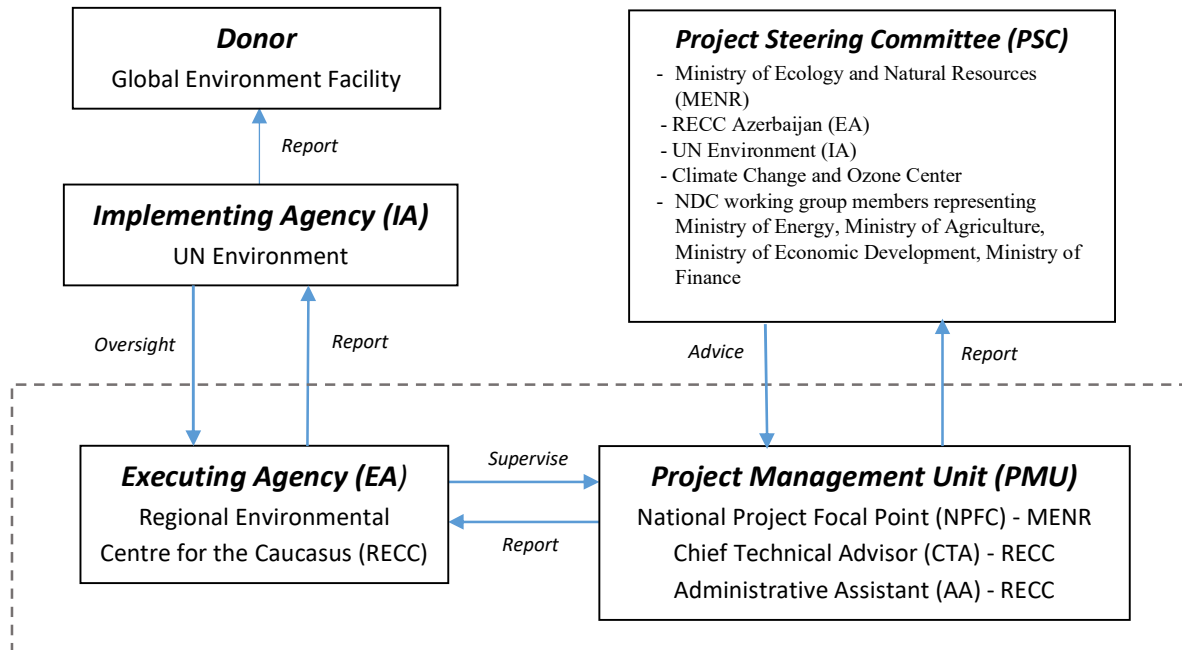
## ANNEX I: M&E BUDGET AND WORK PLAN

M&E Activity	Description	Responsible Parties	Timeframe	Indicative budget (USD)
Inception Workshop (IW) and Report	Report prepared immediately following the IW; which includes: <ul style="list-style-type: none"> <li>- Detailed Workplan divided per components, outputs, activities and deliverables.</li> <li>- Detailed GEF budget broken down per component and per year.</li> <li>- Description of roles &amp; responsibilities (IA, EA, PMU, PSC, etc.) and stakeholder analysis</li> <li>- Updated Procurement Plan</li> <li>- Detailed M&amp;E Plan</li> <li>- Detailed Gender Action Plan</li> <li>- Presentations made during the IW</li> </ul>	Execution: Chief Technical Advisor (CTA)  Support: Administrative Assistant (AA)	Immediately following, within 2 months of project start-up	GEF: 7,000
Half-yearly progress report	Part of UN Environment procedures for project monitoring. <ul style="list-style-type: none"> <li>- Analyzes project performance over the reporting period UN Environment;</li> <li>- Describes constraints experienced in the progress towards results and the reasons.</li> <li>- Describes Work Plan for the next period in an Annex divided per output and activities.</li> </ul>	Execution: CTA  Support: AA, PMU	Two (2) half-yearly progress reports for any given year (cut-off dates: 31 December and 30 June of each year)	GEF: Part of CTA tasks
Quarterly expenditure reports	Detailed expenditure reports of GEF funds broken down per project Component, with explanations and justification of any change	Execution: CTA and project Financial Officer from the EA  Support: AA	Four (4) quarterly expenditure reports for any given year (cut-off dates: 31 March, 30 June, 30 September and 31 December of each year)  Final financial Report within 60 days of project completion	GEF: Part of CTA tasks
Project Implementation Review (PIR)	Analyzes project performance over the reporting period UN Environment. Describes constraints experienced in the progress towards results and the reasons. Draws lessons and makes clear recommendations for future orientation in addressing the key problems in the lack of progress.	Execution: CTA and Task Manager (TM)  Support: AA, PMU	Yearly (cut-off date: 30 June of each year)	GEF: Part of CTA tasks

Co-financing Report	Report on co-financing (cash and/or in-kind) fulfilled contributions from all project partners that provided co-finance letters.	Execution: CTA Support: co-finance partners, AA	Yearly (cut-off date: 30 June of each year)	GEF: Part of CTA tasks
Final Report	Comprehensive report summarizing all activities, achievements, lessons learned, objectives met or not achieved structures and systems implemented, etc. Lays out recommendations for any further steps that may need to be taken to ensure the sustainability and replication of project activities.	Execution: CTA Support: AA, PMU	Final report no later than three (3) months after the technical completion date	GEF: Part of CTA tasks
Terminal Evaluation	Refer to PART II, section C. The Terminal Evaluation (TE) looks at the impacts and sustainability of the results, including the contribution to capacity development and the achievement of global environmental goals.	Execution: Independent evaluator Support: CTA; PMU, TM, EOU	Not before 6 months prior to and no later than 6 months after the project's operational completion	GEF: 35,000
<b>TOTAL M&amp;E COST</b>				<b>GEF: US\$ 42,000</b>

## ANNEX J: PROJECT IMPLEMENTATION ARRANGEMENTS

The project is funded by the Global Environment Facility (GEF) with UN Environment acting as the GEF Implementing Agency. The Ministry of Ecology and Natural Resources (MENR) of Azerbaijan has delegated the role of the Executing Agency to Regional Environmental Centre for the Caucasus (RECC) Azerbaijan. The structure is illustrated in the organigram below:



Roles and responsibilities of each bodies are detailed in the following table:

Body	Composition	Role and description	Frequency of meetings
Project Steering Committee (PSC)	<ul style="list-style-type: none"> <li>- Ministry of Ecology and Natural Resources (MENR)</li> <li>- Regional Environmental Centre for the Caucasus (RECC) (EA)</li> <li>- UN Environment (IA)</li> <li>- Climate Change and Ozone Center</li> <li>- NDC working group members representing Ministry of Energy, Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance</li> </ul>	<ul style="list-style-type: none"> <li>• Oversight of the project progress and implementation of Outputs;</li> <li>• Approve annual work plans and budget;</li> <li>• Approve management decisions to ensure timely delivery of quality outputs;</li> <li>• Provide overall guidance and strategic direction;</li> <li>• Involve national stakeholders to support project implementation, as well as provide synergies with other complementing initiatives and ongoing projects;</li> <li>• Provide insight on national policy barriers and proposed stages of national policy development.</li> <li>• The MENR will appoint a National Project Focal Point (NPFC) that will act as the PSC Chairperson</li> <li>• The project's Chief Technical Advisor (within RECC, the EA) will act as the PSC Secretary</li> </ul>	Once a year



<p>Implementing GEF Agency (IA)</p>	<p>UN Environment</p>	<ul style="list-style-type: none"> <li>• Ensure timely disbursement/sub-allotment to executing agency based on agreed legal document and in accordance with UN Environment and GEF fiduciary standards;</li> <li>• Follow-up with Executing agency for progress, equipment, financial and audit reports;</li> <li>• Provide consistent and regular oversight on project execution and conduct project supervisory missions as per Supervision Plans and in doing so ensures that all UN Environment and GEF criteria, rules and regulations are adhered to by project partners;</li> <li>• Technically assess and oversee quality of project outputs, products and deliverables – including formal publications;</li> <li>• Provide no-objection to main TORs and subcontracts issued by the project, including selection of the Chief Technical Advisor;</li> <li>• Attend and facilitate inception workshops, field visits where relevant, and selected steering committee meetings;</li> <li>• Assess project risks, and monitor and enforce a risk management plan;</li> <li>• Regularly monitor project progress and performance and rate progress towards meeting project objectives, project execution progress, quality of project monitoring and evaluation, and risk;</li> <li>• Monitor reporting by project executing partners and provide prompt feedback on the contents of the report;</li> <li>• Promptly inform the management of any significant risks or project problems and take action and follow up on decisions made;</li> <li>• Apply adaptive management principles to the supervision of the project;</li> <li>• Review of reporting, checking for consistency between execution activities and expenditures, ensuring that it respects GEF rules;</li> <li>• Clear cash requests, and authorization of disbursements once reporting found to be complete;</li> <li>• Approve budget revision, certify fund availability and transfer funds;</li> <li>• Ensure that GEF and UN Environment quality standards are applied consistently to all projects, including branding and safeguards;</li> <li>• Certify project operational completion;</li> <li>• Link the project partners to any events organized by GEF and UN Environment to disseminate information on project results and lessons;</li> <li>• Manage relations with GEF.</li> </ul>	<p>Periodic meetings with Project Management Unit (PMU) and EA, at least monthly</p>
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<p>Executing Agency (EA)</p>	<p>Regional Environmental Centre for the Caucasus (RECC) Azerbaijan</p>	<ul style="list-style-type: none"> <li>• Ensure that the project meets its objectives and achieves expected outcomes;</li> <li>• Ensure technical execution according to the execution plan laid out in the project document;</li> <li>• Ensure technical quality of products, outputs and deliverables;</li> <li>• Ensure compilation and submission of progress, financial and audit reporting to IA;</li> <li>• Submit budget revisions to IA for approval;</li> <li>• Address and propose solutions to any problem or inconsistency raised by the IA;</li> <li>• Bring issues raised by or associated with clients to the IA for resolution;</li> <li>• Facilitate meetings of Steering Committees and other oversight bodies of the project;</li> <li>• Day to day oversight of project execution;</li> <li>• Submit all technical reports and completion reports to IA (realized outputs, inventories, verification of co-finance, terminal reporting, etc.);</li> <li>• Monitoring and evaluation of the project outputs and outcomes;</li> <li>• Effective use of both international and national resources</li> <li>• Timely availability of financing to support project execution;</li> <li>• Proper coordination among all project stakeholders; in particular national parties;</li> <li>• Timely submission of all project reports, including work plans and financial reports,</li> <li>• Follow-up with, or progress, procurement, financial and audit reports.</li> </ul>	<p>Quarterly meetings with CTA and National Project Focal Point</p>
<p>Project Management Unit (PMU)</p>	<p>National Project Focal Point (NPFC)</p>	<ul style="list-style-type: none"> <li>• Will be represented by an officer from the Ministry of Ecology and Natural Resources (MENR);</li> <li>• Act as the PSC's Chairperson;</li> <li>• Report to and receive advice from the PSC;</li> <li>• Identify and secure partner support for the implementation of project activities;</li> <li>• Advise on hiring process.</li> <li>• Act as the project's entry point within the government of Azerbaijan</li> </ul>	<p>Regular meetings between CTA and NPFC (at least twice per month)</p>

	<p>Chief Technical Advisor (CTA)</p>	<p>The CTA will be recruited externally, paid with GEF funds, hosted within the RECC’s premises and be responsible for:</p> <ul style="list-style-type: none"> <li>• Take responsibility for day-to-day project operations;</li> <li>• Take responsibility for the execution of the project in accordance with the project objectives, activities and budget;</li> <li>• Deliver the outputs and demonstrate its best efforts in achieving the project outcomes;</li> <li>• Coordinate project execution and liaison with national counterparts (relevant ministries, electric utilities, private sector, NGOs etc.);</li> <li>• Undertake field visits;</li> <li>• Manage financial resources and processing all financial transaction relating to sub-allotments;</li> <li>• Prepare all annual/year-end project revisions;</li> <li>• Attend and facilitate inception workshops and national steering committee meetings;</li> <li>• Assess project risks in the field, monitor risk management plan;</li> <li>• Ensure technical quality of products, outputs and deliverables;</li> <li>• Coordinate the project work team;</li> <li>• Coordinate with strategic taskforces;</li> <li>• Act as Secretary of the PSC;</li> <li>• Plan and host/chair the PSC annual meetings;</li> <li>• Periodic reporting to UN Environment and the PSC for allocation of the GEF grant according to the quarterly and annual work plans and budgets in coordination with UN Environment and NPFC;</li> <li>• Notify UN Environment and the PSC in writing if there is need for modification to the agreed implementation plan and budget, and to seek approval;</li> <li>• Address and rectify any issues or inconsistencies raised by the Executing Agency;</li> <li>• Support compilation and submission of progress, financial and audit reporting to the Executing Agency;</li> <li>• Prepare, at the end of the project, the project Final Report.</li> </ul>	<p>Regular meetings between CTA and NPFC (at least twice per month)</p>
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ANNEX K: PROJECT WORKPLAN AND DELIVERABLES

OUTPUTS	ACTIVITIES / DELIVERABLES	YEAR 1				YEAR 2				YEAR 3				Staff/consultant/subcontractor responsible for activity execution
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>Component 1. Strengthening Azerbaijan's enabling environment and capacity for implementing the Paris Agreement's transparency framework</b>														
1.1 Institutional arrangements for inter-ministerial cooperation on systemizing data collection and processing for preparing GHG inventory are established.	1.1.1	Conduct a stocktaking exercise of existing institutional arrangements, in particular relevant ministries, agencies and other data providers, including their roles, responsibilities, resources, personnel and data collection capacity												International Climate Transparency expert
	1.1.2	Define options for institutional arrangements and conduct consultations on these options to find an initial proposal												International Climate Transparency expert
	1.1.3	Establish permanent structures and processes for GHG inventory in line with the roles and responsibilities of involved sectorial stakeholders												International GHG Inventory expert, International Climate Transparency expert
	1.1.4	Draft regulation defining the roles and responsibility of relevant ministries, agencies and relevant stakeholders for the preparation of the GHG Inventory												International Climate Transparency expert, International GHG Inventory expert, National Legal expert
	1.1.5	Organize a stakeholder workshop with all involved ministries to inform about the inter-ministerial cooperation mechanism and the related roles and tasks												Chief Technical Advisor
	1.1.6	Workshop to establish the framework for mainstreaming gender perspectives into NDC implementation												National Gender expert
			<i>D 1: Report of stock taking exercise of institutional arrangement D 2: Consultation workshop report (including attendance list) D 3: National institutional arrangement report D 4: Report which explains in details the proposed permanent structure for GHG inventory, technical and regulatory elements needed for its implementation D 5: Draft regulation and other legal documents which explains responsibilities of relevant ministries and stakeholders D 6: Report of workshop regarding cooperation mechanism (1 workshop with involvement of 70 participants representing related stakeholders) D 7: Report on gender mainstreaming in NDC implementation D 8: Gender mainstreaming Workshop report (including attendance list)</i>		6	1 2 3	4 5 7	8						
1.2 National GHG database management system for GHG data is developed	1.2.1	Build the database management system												GHG database management system consultancy firm
	1.2.2	Pilot the database management system												GHG database management system consultancy, International Climate Transparency expert, International GHG Inventory expert
	1.2.3	Prepare ancillary materials for the operation of the Platform												GHG database management system consultancy firm
			<i>D 9: Draft templates and protocols for data collection and reporting D 10: Sector specific spreadsheets and toolkits and guidelines D 11: Collection and automation of existing analogue data sources from relevant ministries (i.e. agriculture, energy, etc). D 12: Adjusted and validated design of the GHG database management system + Manual &amp; guidelines for the operation &amp; use of the database management system (i.e. on data collection, reporting protocols and rules) D 13: Report of the first 6 months of operation of data management system D 14: Report on feedback from the users / working group units</i>		9 10 11	12	13 14							
1.3 National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions developed	1.3.1	Design and strengthen the institutional arrangements for the monitoring of mitigation actions												International Climate Change expert, International Climate Transparency expert, National Legal expert
	1.3.2	Establish an online national system for tracking progress for mitigation actions												Mitigation actions' and NDC tracking system consultancy firm
	1.3.3	Conduct a pilot for an online national climate change data hub												Mitigation actions' and NDC tracking system consultancy firm
			<i>D 15: Report on assessment of current institutional arrangement and national policies D 16: Report on the design options D 17: Report on workshop result (1 workshop with participation of 40 participants), including attendance list D 18: Design of the data hub website and a report on the maintenance and updating procedures of the website D 19: Report of data harmonization standards and protocols D 20: Set of guidelines for applying indicators at decentralized level D 21: Report of a pilot on-site of operation of the monitoring equipment D 22: Report on the first 6 months of data hub operation (feedback / recommendations from users / working group unit)</i>			15 17	16 18 19	20 21	22					

OUTPUTS	ACTIVITIES / DELIVERABLES	YEAR 1				YEAR 2				YEAR 3				Staff/consultant/subcontractor responsible for activity execution
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1.4 Training programme on enhanced transparency processes provided	1.4.1	Conduct a detailed Capacity Needs Assessment in climate change topics, relevant for the objectives and activities covered in this project												International Capacity Needs Assessment expert
	1.4.2	Design a Training Programme and workshops based on the capacity needs assessment and preparation of materials to use in the trainings												International Capacity Needs Assessment expert
	1.4.3	Conduct training of trainers on enhanced transparency processes for tracking progress for mitigation actions												International Climate Change expert
	1.4.4	Conduct training sessions on enhanced transparency processes for tracking progress for mitigation actions (70 people)												International Capacity Needs Assessment expert
	1.4.5	Provide training to stakeholders in the use of the database management system (70 people)												GHG database management system consultancy firm
	1.4.6	Provide training in the use of the online system for tracking progress for mitigation actions (200 people)												Mitigation actions' and NDC tracking system consultancy firm
		<i>D 23: Report of Capacity needs assessment in terms of training activities useful for the country stakeholders</i> <i>D 24: Document detailing the training programme in capacity needs assessment and workshop organized for trainers</i> <i>D 25: Report on Training of Trainers activities (including training attendance list)</i> <i>D 26: Training programme agenda and materials and reports of workshop held for staffs from relevant ministries including energy, agriculture and finance</i> <i>D 27: Report on Training of staffs from relevant ministries activities (including training attendance list)</i> <i>D 28: Training materials ready to be reproduced in hard and digital presentations, ready to be made available to users through web on-line platforms hosted by Ministry of Ecology and Natural Resource</i> <i>D 29: Report of key feedback from stakeholders on the Capacity needs assessment exercise and outlook</i> <i>D 30: Database management system Training materials</i> <i>D 31: Document detailing the database management system training programme for stakeholders</i> <i>D 32: Report of database management system training activities implemented (including training attendance list)</i> <i>D 33: Training materials on the use of the online tracking system ready to be reproduced (hard &amp; digital) and available to users on web platforms</i> <i>D 34: Report of the online tracking system training activities (including training attendance list)</i>												
1.5 Output 1.5 Knowledge sharing and coordination with the CBIT Global Coordination Platform established	1.5.1	Attend international conferences and workshops linked to the Transparency Framework of the Paris Agreement.												Chief Technical Advisor, International Climate Transparency expert
	1.5.2	Attend regional peer exchange workshops												Chief Technical Advisor, International Climate Transparency expert, International GHG Inventory expert
	1.5.3	Share knowledge and attend exchange activities through the CBIT Global Coordination Platform												Chief Technical Advisor, International Climate Transparency expert, National Communications expert
		<i>D 35: International conferences and workshops reports (including attendance lists)</i> <i>D 36: Report of participation in regional activities (including attendance list)</i> <i>D 37: Report of results from experience sharing of early ideas and solving of questions among a group of peers through the CBIT Global Coordination Platform. Additionally, reports of participation in exchange activities under the CBIT Global Coordination Platform</i>												
<b>Component 2. Developing a strategy to secure financial resources for the implementation of the country's Nationally Determined Contributions, including an implementation tracking system</b>														
2.1 Financial strategy outlining means to identify sources of funding needed and to track financial support received developed	2.1.1	Take stock of present institutional arrangements for MRV of climate finance, and mapping relevant stakeholders												National Climate Finance expert, National MRV expert
	2.1.2	Develop a proposal of institutional arrangement and flows of data needed for an optimal gathering of financial data												International Climate Finance expert, National Legal expert, National Climate Finance expert, National MRV expert
	2.1.3	Develop the tagging system and validation and piloting												Climate finance tracking system consultancy, National Climate Finance expert, National MRV expert
		<i>D 38: Report of gap analysis for the operation of the existing Climate Finance system</i> <i>D 39: Report of MRV of climate finance stocktaking exercise and stakeholder mapping</i> <i>D 40: Report of initial proposal considerations for the design options</i> <i>D 41: Report of the workshop to validate the initial proposal (including attendance list)</i> <i>D 42: Report of results of the pilot Testing</i> <i>D 43: Final proposal of institutional arrangements and flows of data needed for an optimal gathering of financial data</i> <i>D 44: Draft legal framework</i> <i>D 45: One document with guidelines on tagging system and the overall system to identify sources of funding needed and to track financial support received</i> <i>D 46: Workshop reports (including attendance list) and stakeholder feedbacks</i> <i>D 47: Report of a Pilot on-site of operation of the improved MRV of climate finance system</i>												
2.2 Training programme on identifying sources of funding and tracking financial support processes provided	2.2.1	Provide training of trainers for the identification of sources of funding; and the tracking financial support received.												International Climate Finance expert, Climate finance tracking system consultancy, National Climate Finance expert
	2.2.2	Provide training for governmental staff on identifying sources of funding and tracking financial support received												Climate finance tracking system consultancy, National Climate Finance expert.
		<i>D 48: Document detailing the training programme and material for training of the Trainers including a training Manual</i> <i>D 49: Document detailing training programme and material for national stakeholders</i> <i>D 50: Reports of the three (3) training sessions to the stakeholders (with a minimum of 10 participants each) on using the methodologies for identifying and reporting climate finance, and understanding the process and procedures of reporting (including training reports and attendance lists)</i> <i>D 51: Assessment report with summary of results of the training activities</i>												

## ANNEX L: TRACKING TOOL FOR GEF 6 CAPACITY-BUILDING INITIATIVE FOR TRANSPARENCY PROJECTS

Section A. General Data		
	<b>At CEO Endorsement</b>	
Project Title	Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement	
GEF ID	10043	
GEF Agency	UN Environment	
Agency Project ID	01637	
Country	Azerbaijan	
Region	ECA	
Date of Council/CEO Approval	Month DD, YYYY (e.g., May 13, 2014)	
GEF Grant (US\$)	1,298,000	
Date of submission of the tracking tool	Month DD, YYYY (e.g., May 13, 2014)	
Is the project consistent with the priorities identified in National Communications, Technology Needs Assessment, or other Enabling Activities (such as Technology Action Plans, Nationally Appropriate Mitigation Actions (NAMA) under the UNFCCC?	1 Yes = 1, No = 0	
Section B. Quantitative Outcome Indicators		
	<b>Target At CEO Endorsement</b>	
<b>Indicator 1: Total Lifetime Direct and Indirect GHG Emissions Avoided (Tons CO2eq)</b>	<b>Identify Sectors, Sources and Technologies. Provide disaggregated information if possible. see Special Notes above</b>	
Lifetime direct GHG emissions avoided	0	
Lifetime indirect GHG emissions avoided	0	
<b>Indicator 2: Volume of investment mobilized and leveraged by GEF for low GHG development (co-financing and additional financing) of which</b>	<b>Expected additional resources implies resources beyond co-financing committed at CEO endorsement.</b>	
Public	US\$ 350,000 In-kind co-finance from the MENR	
Private		
Domestic		
External		
Section C. Qualitative Outcome Indicators		
	<b>Baseline Rating (1-10)</b>	<b>Target Rating (1-10)</b>
<b>Indicator 3: Quality of MRV Systems</b>	<b>Provide details of coverage of MRV systems - area, type of activity for which MRV is done, and of Reporting and Verification processes. Baseline indicates current status (pre-project). Target is the rating level that is expected to be achieved due to project support. For guidance for qualitative ratings (in comment) move cursor over box or right click to show comment.</b>	
GHG Inventory strengthened and GHG database management system established	4	8
National system for tracking progress of the implementation of NDC for mitigation actions in Energy sector established and operationalized	2	7
Domestic MRV system formed in Energy sector	3	7
Transparency structures to identify and track financial support received and required formed	1	6
<b>Indicator 4: Number of countries meeting Convention reporting requirements and including mitigation contributions</b>	<b>Please specify the dates of submission for each report (for a multiple country project, please specify reports by country)</b>	
National Communications	3	NC1: 2001; NC2: 2008; NC3: 2016
Biennial Update Reports	2	BUR1: 2015; BUR2: 2018
NDC	1	NDC1: 2015
<b>Indicator 5: Qualitative assessment of institutional capacity for transparency-related activities</b>	<b>Baseline Rating (1-4)</b>	<b>Target Rating (1-4)</b>
	1	3
	<b>CBIT projects will monitor an additional indicator for qualitative assessment of institutional capacity built for transparency-related activities under Article 13 of the Paris Agreement. Baseline indicates current status (pre-project). Target is the rating level that is expected to be achieved due to project support. For guidance for qualitative ratings (in comment) move cursor over box or right click to show comment.</b>	

**ANNEX M: GEF OPERATIONAL FOCAL POINT ENDORSEMENT LETTER AND DELEGATION OF EXECUTION**

**AZƏRBAYCAN RESPUBLİKASI  
EKOLOGIYA VƏ TƏBİİ SƏRVƏTLƏR  
NAZİRLİYİ**



**MINISTRY OF  
ECOLOGICAL AND NATURAL  
RESOURCES  
REPUBLIC OF AZERBAIJAN**

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*№ 4/497-01-08*

*«13» 08*

**Ms. Kelly West  
Global Environment Facility Coordinator  
Corporate Services Division  
UN Environment**

*Subject: Capacity Building for Azerbaijan to meet enhanced transparency framework  
Paris agreement*

Dear Ms. West,

In my capacity as GEF Operational Focal Point for Azerbaijan, I confirm that the above proposal is in accordance with our priorities and commitment to the United Nations Convention on Climate Change. The project idea was discussed with relevant stakeholders including the global environmental convention focal points.

I am pleased to endorse the preparation of the above project proposal with the support of UN Environment. If approved, the proposal will be prepared and implemented by the Ministry of Ecology and Natural Resources. I request the UN Environment to provide a copy of the proposal document before it is submitted to the GEF Secretariat for CEO endorsement.

The total financing being requested for this project is US\$ 1,470,585 including project preparation grant and Agency fees for project cycle management services associated with the total GEF grant. The financing requested for the Republic of Azerbaijan is detailed below.

Source of Funds	GEF Agency	Focal Area	Amount (in US\$)		
			Project preparation	Project	Fee
GEF	UN	Climate	45,000	1,298,000	127,585



**AZƏRBAYCAN RESPUBLİKASI EKOLOGİYA VƏ TƏBİİ  
SƏRVƏTLƏR NAZİRLİYİ**

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**To:** Mrs. Kelly WEST  
GEF Executive Coordinator  
Corporate Services Division  
United Nations Environment Programme  
Nairobi, Kenya

**Subject:** Delegation of authority to RECC for the "Capacity Building for Azerbaijan to meet the enhanced transparency framework of the Paris agreement" project (GEF ID 10043)

Dear Mrs WEST,

I am writing to you regarding the Global Environmental Facility (GEF) project entitled "Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement" (GEF ID 10043).

In my capacity as Director of the National Hydrometeorology Department and UNFCCC Point of the Ministry of Ecology and Natural Resources (MENR) of Azerbaijan, I delegate the authority described to Azerbaijan's Branch office of the Regional Environmental Centre for the Caucasus following terms and conditions:



- The authority delegated is not subject to sub-delegation without my prior and express

Although RECC is formally appointed as the project's *Executing Agency*, the Ministry of Ecological Resources will remain a committed contributor through its in-kind co-finance support to appoint a National Project Focal Point (NPPF) who will act as the Project's Steering Committee

Shall you require any additional information, do not hesitate to contact me.

Yours sincerely,



Ms. Umayra Tagiyeva  
Director of National Hydrometeorology Department  
UNFCCC National Focal Point  
Ministry of Ecology and Natural Resources of Azerbaijan

## ANNEX N: CO-FINANCING COMMITMENT LETTERS FROM PROJECT PARTNERS



### AZƏRBAYCAN RESPUBLİKASI EKOLOGİYA VƏ TƏBİİ SƏRVƏTLƏR NAZİRLİYİ

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**Ms. Kelly West**  
**Global Environment Facility Coordinator**  
**Corporate Services Division**  
**UN Environment**

*Subject: Co-finance commitment under the "Capacity Building for Azerbaijan to meet the requirements of enhanced transparency framework of the Paris agreement" project*

Dear Ms. West,

On behalf of the Ministry of Ecology and Natural Resources of Azerbaijan, we are pleased to indicate the mentioned project is in-line with our priorities and commitments to the UNFCCC and will help us to strengthen country's enabling environment and capacity to implement the Paris Agreement.


We confirm that the Ministry of Ecology and Natural Resources of Azerbaijan is going to provide in-kind co-finance (*provision of venues for meetings, related facilities, allocation of staff timing etc.*) for project totaling with 350,000.00 USD. Details are provided below:

**Details of in-kind co-financing undertaken by the Ministry of Ecology and Natural Resources:**

Project Outputs	Co-financing (in-kind)
1.1.1 Institutional arrangements for inter-ministrial cooperation on systemizing data collection and processing for preparing GHG inventory is established	30,000
1.1.2 National GHG database management system for GHG data is developed	30,000
1.1.3 National system for tracking progress of the implementation of Azerbaijan's Nationally Determined Contributions for mitigation actions established and operationalized	40,000
1.1.4 Training programme on enhanced transparency processes provided	50,000
1.1.5 Knowledge-sharing and coordination mechanism with the CBIT Global Coordination Platform established	50,000
2.1.2 Capacity building and Training programme on identifying sources of funding and tracking financial support processes provided	100,000

Project Management costs	50,000
<b>Total</b>	<b>350,000</b>

With best regards,

  
Ms. Umayra Tagiyeva  
UNFCCC National Focal Point  
Director of National Hydrometeorology department  
Ministry of Ecology and Natural Resources

ANNEX O: ENVIRONMENTAL, SOCIAL AND ECONOMIC REVIEW NOTE

Environmental, Social and Economic Review Note (ESERN)

**Project Overview**

<b>Identification</b>	01637
<b>Project Title</b>	Capacity Building for Azerbaijan to meet enhanced transparency framework of the Paris agreement
<b>Managing Division</b>	Economy Division
<b>Type/Location</b>	National
<b>Region</b>	Central Asia
<b>List Countries</b>	Azerbaijan
<b>Project Description</b>	<p>The project objective is to strengthen institutional and human capacities to meet the reporting requirements of the enhanced transparency framework of the Paris Agreement.</p> <p>Current CBIT project provides 2 components i.e.:</p> <ol style="list-style-type: none"> <li>1- Strengthening Azerbaijan’s enabling environment and capacity for implementing the Paris Agreement’s transparency framework;</li> <li>2- Developing a strategy to secure financial resources for the implementation of the country’s Nationally Determined Contributions, including an implementation tracking system</li> </ol> <p>Both outputs are vital for the country to increase its climate change related efforts. Ensuring transparency, strengthening enabling environment and increasing capacity in implementing Paris Agreement, as well supporting development of financial strategy and tracking system will support the country in fulfillment of obligations under Paris Agreement.</p>
<b>Estimated duration of project:</b>	36 months
<b>Estimated cost of the project:</b>	US\$ 1,298,000 (GEF funds) + US\$ 350,000 (in-kind co-financing)

## II. Environmental Social and Economic Screening

### A. Summary of the Safeguard Risks Triggered

Safeguard Standard Triggered by the Project	Impact of Risk <sup>23</sup> (1-5)	Probability of Risk (1-5)	Significance of Risk (L, M, H)
SS 1: Biodiversity, natural habitat and Sustainable Management of Living Resources	1	1	L
SS 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes	1	1	L
SS 3: Safety of Dams and other infrastructure	1	1	L
SS 4: Involuntary resettlement	1	1	L
SS 5: Indigenous peoples	1	1	L
SS 6: Labor and working conditions	1	1	L
SS 7: Cultural Heritage	1	1	L
SS 8: Gender equity	1	1	L
SS 9: Economic Sustainability	1	1	L

**B. ESE Screening Decision<sup>24</sup>** (Refer to the UNEP ESES Framework (Chapter 2) and the UNEP's ESES Guidelines.)

Low risk  Moderate risk  High risk  Additional information required

### C. Development of ESE Review Note and Screening Decision:

Prepared by: Name: Julien Lheureux Date: 27 March 2019

Safeguard Advisor: Name: Yunae Yi Date: 28 May 2019

Task Manager: Name: Sudhir Sharma Date: 28 May 2019

### D. Recommended further action from the Safeguard Advisor:

This is a low risk project.

<sup>23</sup> Refer to UNEP Environment, Social and Economic Sustainability (ESES): Implementation Guidance Note to assign values to the Impact of Risk and the Probability of Risk to determine the overall significance of Risk (Low, Moderate or High).

<sup>24</sup> **Low risk:** Negative impacts negligible; no further study or impact management required. | **Moderate risk:** Potential negative impacts, but less significant; few if any impacts irreversible; impact amenable to management using standard mitigation measures; limited environmental or social analysis may be required to develop a ESEMP. Straightforward application of good practice may be sufficient without additional study. | **High risk:** Potential for significant negative impacts, possibly irreversible, ESEA including a full impact assessment may be required, followed by an effective safeguard management plan.

### III. ESES Principle and Safeguard checklist

<b>Precautionary Approach</b>
The project will take precautionary measures even if some cause and effect relationships are not fully established scientifically and there is risk of causing harm to the people or to the environment.
<b>Human Rights Principle</b>
The project will make an effort to include any potentially affected stakeholders, in particular vulnerable and marginalized groups; from the decision making process that may affect them.
The project will respond to any significant concerns or disputes raised during the stakeholder engagement process.
The project will make an effort to avoid inequitable or discriminatory negative impacts on the quality of and access to resources or basic services, on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups. <sup>25</sup>

Screening checklist	Y/N/ Maybe	Comment
<b>Safeguard Standard 1: Biodiversity, natural habitat and Sustainable Management of Living Resources</b>		
Will the proposed project support directly or indirectly any activities that significantly convert or degrade biodiversity and habitat including modified habitat, natural habitat and critical natural habitat?	N	
Will the proposed project likely convert or degrade habitats that are legally protected?	N	
Will the proposed project likely convert or degrade habitats that are officially proposed for protection? (e.g.; National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA); etc.)	N	
Will the proposed project likely convert or degrade habitats that are identified by authoritative sources for their high conservation and biodiversity value?	N	
Will the proposed project likely convert or degrade habitats that are recognized- including by authoritative sources and /or the national and local government entity, as protected and conserved by traditional local communities?	N	
Will the proposed project approach possibly not be legally permitted or inconsistent with any officially recognized management plans for the area?	N	
Will the proposed project activities result in soils deterioration and land degradation?	N	

<sup>25</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to “women and men” or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

Will the proposed project interventions cause any changes to the quality or quantity of water in rivers, ponds, lakes or other wetlands?	N	
Will the proposed project possibly introduce or utilize any invasive alien species of flora and fauna, whether accidental or intentional?	N	
<b>Safeguard Standard 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes</b>		
Will the proposed project likely result in the significant release of pollutants to air, water or soil?	N	
Will the proposed project likely consume or cause significant consumption of water, energy or other resources through its own footprint or through the boundary of influence of the activity?	N	
Will the proposed project likely cause significant generation of Green House Gas (GHG) emissions during and/or after the project?	N	
Will the proposed project likely generate wastes, including hazardous waste that cannot be reused, recycled or disposed in an environmentally sound and safe manner?	N	
Will the proposed project use, cause the use of, or manage the use of, storage and disposal of hazardous chemicals, including pesticides?	N	
Will the proposed project involve the manufacturing, trade, release and/or use of hazardous materials subject to international action bans or phase-outs, such as DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants or the Montreal Protocol?	N	
Will the proposed project require the procurement of chemical pesticides that is not a component of integrated pest management (IPM) <sup>26</sup> or integrated vector management (IVM) <sup>27</sup> approaches?	N	
Will the proposed project require inclusion of chemical pesticides that are included in IPM or IVM but high in human toxicity?	N	
Will the proposed project have difficulty in abiding to FAO's International Code of Conduct <sup>28</sup> in terms of handling, storage, application and disposal of pesticides?	N	
Will the proposed project potentially expose the public to hazardous materials and substances and pose potentially serious risk to human health and the environment?	N	
<b>Safeguard Standard 3: Safety of Dams and other infrastructure</b>		
Will the proposed project involve constructing a new dam(s)?	N	
Will the proposed project involve rehabilitating an existing dam(s)?	N	
Will the proposed project activities involve dam safety operations?	N	

<sup>26</sup> "Integrated Pest Management (IPM) means the careful consideration of all available pest control techniques and subsequent integration of appropriate measures that discourage the development of pest populations and keep pesticides and other interventions to levels that are economically justified and reduce or minimize risks to human health and the environment. IPM emphasizes the growth of a healthy crop with the least possible disruption to agro-ecosystems and encourages natural pest control mechanisms <http://www.fao.org/agriculture/crops/thematic-sitemap/theme/pests/ipm/en/>

<sup>27</sup> "IVM is a rational decision-making process for the optimal use of resources for vector control. The approach seeks to improve the efficacy, cost-effectiveness, ecological soundness and sustainability of disease-vector control. The ultimate goal is to prevent the transmission of vector-borne diseases such as malaria, dengue, Japanese encephalitis, leishmaniasis, schistosomiasis and Chagas disease." ([http://www.who.int/neglected\\_diseases/vector\\_ecology/ivm\\_concept/en/](http://www.who.int/neglected_diseases/vector_ecology/ivm_concept/en/))

<sup>28</sup> Find more information from [http://www.fao.org/fileadmin/templates/agphome/documents/Pests\\_Pesticides/Code/CODE\\_2014Sep\\_ENG.pdf](http://www.fao.org/fileadmin/templates/agphome/documents/Pests_Pesticides/Code/CODE_2014Sep_ENG.pdf)

<b>Safeguard Standard 4: Involuntary resettlement</b>		
Will the proposed project likely involve full or partial physical displacement or relocation of people?	N	
Will the proposed project involve involuntary restrictions on land use that deny a community the use of resources to which they have traditional or recognizable use rights?	N	
Will the proposed project likely cause restrictions on access to land or use of resources that are sources of livelihood?	N	
Will the proposed project likely cause or involve temporary/permanent loss of land?	N	
Will the proposed project likely cause or involve economic displacements affecting their crops, businesses, income generation sources and assets?	N	
Will the proposed project likely cause or involve forced eviction?	N	
Will the proposed project likely affect land tenure arrangements, including communal and/or customary/traditional land tenure patterns negatively?	N	
<b>Safeguard Standard 5: Indigenous peoples<sup>29</sup> N</b>		
Will indigenous peoples be present in the proposed project area or area of influence?	N	
Will the proposed project be located on lands and territories claimed by indigenous peoples?	N	
Will the proposed project likely affect livelihoods of indigenous peoples negatively through affecting the rights, lands and territories claimed by them?	N	
Will the proposed project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	N	
Will the project negatively affect the development priorities of indigenous peoples defined by them?	N	
Will the project potentially affect the traditional livelihoods, physical and cultural survival of indigenous peoples?	N	
Will the project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	N	
<b>Safeguard Standard 6: Labor and working conditions</b>		
Will the proposed project involve the use of forced labor and child labor?	N	
Will the proposed project cause the increase of local or regional un-employment?	N	
<b>Safeguard Standard 7: Cultural Heritage</b>		
Will the proposed project potentially have negative impact on objects with historical, cultural, artistic, traditional or religious values and archeological sites that are internationally recognized or legally protected?	N	
Will the proposed project rely on or profit from tangible cultural heritage (e.g., tourism)?	N	
Will the proposed project involve land clearing or excavation with the possibility of encountering previously undetected tangible cultural heritage?	N	
Will the proposed project involve in land clearing or excavation?	N	

<sup>29</sup> Refer to the Toolkit for the application of the UNEP Indigenous Peoples Policy Guidance for further information.  
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<b>Safeguard Standard 8: Gender equity</b>		
Will the proposed project likely have inequitable negative impacts on gender equality and/or the situation of women and girls?	N	Refer to section “A.4. Gender Equality and Women’s Empowerment”
Will the proposed project potentially discriminate against women or other groups based on gender, especially regarding participation in the design and implementation or access to opportunities and benefits?	N	Same as above.
Will the proposed project have impacts that could negatively affect women’s and men’s ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	N	
<b>Safeguard Standard 9: Economic Sustainability</b>		
Will the proposed project likely bring immediate or short-term net gain to the local communities or countries at the risk of generating long-term economic burden (e.g., agriculture for food vs. biofuel; mangrove vs. commercial shrimp farm in terms of fishing, forest products and protection, etc.)?	N	
Will the proposed project likely bring unequal economic benefits to a limited subset of the target group?	N	

## **ANNEX P: ACRONYMS AND ABBREVIATIONS**

AA	Administrative Assistant
AR	Azerbaijan Republic
BUR	Biennial Update Report
CBIT	Capacity Building Initiative for Transparency
CBOs	Community Based Organizations
CDM	Clean Development Mechanism
CPEIR	Climate Public Expenditures and Institutional Review
CTA	Chief Technical Advisor
DTU	Technical University of Denmark
EA	Executing Agency
EBRD	European Bank for Reconstruction and Development
ETF	Enhanced Transparency Framework
EU	European Union
FNC	Fourth National Communication
GCCA	Global Climate Change Alliance
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEFTF	Global Environment Facility Trust Fund
GEF	Global Environment Facility
GHG	Greenhouse Gases
IA	Implementing Agency
ICA	International Consultation and Analysis
INC	Initial National Communication
INDC	Intended Nationally Determined Contribution
IPCC	Intergovernmental Panel for Climate Change
IPPU	Industrial Processes and Product Use
IW	Inception Workshop
LDCF	Least Developed Countries Fund
LEAP	Long-range Energy Alternatives Planning system
LULUCF	Land Use Land Use Change and Forestry
MENR	Ministry of Ecology and Natural Resources
M&E	Monitoring and Evaluation

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MRV	Monitoring, Reporting & Verification
NAMA	Nationally Appropriate Mitigations Actions
NAP	National Adaptation Plan
NAPAs	National Adaptation Programmes of Action
NBSAPs	National Biodiversity Strategies and Action Plans
NC	National Communication
NDC	Nationally Determined Contribution
NGO	Non Governmental Organization
NPFC	National Project Focal Point
ODI	Overseas Development Institute
OECD	Organization for Economic Cooperation and Development
PIF	Project Identification Form
PIR	Project Implementation Review
PMC	Project Management Costs
PMU	Project Management Unit
PPG	Project Preparation Grant
PSC	Project Steering Committee
QA	Quality Assurance
QC	Quality Control
RECC	Regional Environmental Centre for the Caucasus
SAARES	State Agency for Alternative and Renewable Energy Sources
SCCF	Special Climate Change Fund
SDGs	Sustainable Development Goals
SNC	Second National Communication
SOCAR	State oil Company of Azerbaijan Republic
SSC	State Statistics Committee
TNAs	Technology Needs Assessments
TNC	Third National Communication
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change

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