



GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: Project Information

Project Title:	Generating economic and environmental benefits from sustainable land management for vulnerable rural communities of Georgia		
Country(ies):	Georgia	GEF Project ID: ¹	
GEF Agency(ies):	UNEP	GEF Agency Project ID:	01549
Other Executing Partner(s):	Ministry of Environment and Natural Resources Protection of Georgia, through Regional Environment Centre for the Caucasus (REC Caucasus)	Submission Date:	January 19, 2016
GEF Focal Area(s):	Land Degradation	Project Duration (Months)	36
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of parent program:	N/A	Agency Fee (\$)	138,032

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
LD-1 Program 1	GEFTF	657,295	2,062,857
LD-2 Program 3	GEFTF	795,673	2,497,143
Total Project Cost		1,452,968	4,560,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: To develop and strengthen sustainable land management (SLM) practices and build capacity at municipal scale for their application for the protection of natural capital in Georgia

Project Components	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
1. Creating an enabling environment at municipal scale for achieving Land Degradation Neutrality (LDN) Country Voluntary target	TA	1.1 Municipalities are increasingly able to implement LDN country strategy at municipal scale in four target municipalities totaling 590,000 hectares <i>Indicator: LDN local target agreed at municipal level in 4 municipalities</i>	1.1.1 LD trends and drivers mapped, LDN local baseline established including: (i) land cover and land cover change; (ii) land productivity (metric: net primary productivity); and (iii) carbon stocks above and below ground at municipal level (590,000 ha), including possible “hot spots” 1.1.2 Local multi-stakeholders groups established for pilot municipalities (Sagarejo, Kvareli, Gori, Kareli) 1.1.3 LDN local target setting programs developed and the voluntary targets defined and agreed at municipal level 1.1.5 LDN local transformative projects/programmes of actions, including resource mobilization plans developed for pilot municipalities	GEFTF	464,604	2,071,429

¹ Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT guidelines](#).

³ Financing type can be either investment or technical assistance.

			1.1.6 Integrated land-use plans ⁴ developed for pilot municipalities based on the evaluation of the potential impacts of different land-use options.			
2. Pilot implementation of measures avoiding degradation, intensifying sustainable land management practices and land rehabilitation to improve ecosystem functions and services.	TA	2.1 Reduced impact severity of erosion, salinization and fertility of soil, in 10,000 ha of affected ecosystems in Sagarejo, Kvareli, Gori, and Kareli through restoration 2.2 Farmers apply sustainable land management and climate smart agricultural practices in support of food security and resilience on 10,000 ha of pilot plots.	2.1.1 Local measures to prevent changes in the characteristic of soil, wind erosion, salinization and loss of natural fertility of soil identified, developed and validated through participatory process in the municipalities of Sagarejo, Kvareli, Gori, Kareli; 2.1.2 16,500 t CO ₂ -eq ⁵ sequestered through restoration of 10,000 ha of degraded land through application of windbreaks, soil quality, and natural vegetation rehabilitation 2.2.1 Improved capacity of communities and farmers on sustainable land management and sustainable intensified agriculture using native seed materials 2.2.2 Local farmers and farmer associations assess current agriculture practices and define required changes, and apply sustainable agriculture practices in the municipalities of Sagarejo, Kvareli, Gori, and Kareli. 2.2.2 Market access mechanisms and local brands promoted	GEFTF	528,777	1,302,857
3. Knowledge Management and Capacity Building	TA	3.1 Improved municipal development strategies and easily accessible knowledge about SLM practices to inform policy making 3.2 Improved understanding of the economics of land degradation and land use planning in national and sub-national government institutions	3.1.1 National best-practices for SLM captured and disseminated to the national, regional and international community 3.1.2 A web based national SLM knowledge management hub will be created 3.1.3 Awareness-raising campaigns conducted on SLM planning, implementation at community scale 3.2.1 Compelling cases for economic benefits derived from sustainable land management developed 3.3.1 Trainings provided to national and sub-national decision makers on economics of land degradation and ecosystem services	GEFTF	390,398	968,571

⁴ LDN is an essential component of ILUP

⁵ Sustainable cropland management technologies has mitigation potential in the range of 0.33-1.14 tCO₂e/ha/yr in warm dry climate zone (IPCC, Climate Change 2007: Mitigation Contribution of Working Group III to the Fourth Assessment Report of the IPCC Chapter 8- Agriculture). The lower boundary value (0.33 tCO₂e/ha/yr) was used for the mitigation potential estimation for 5 years period. The target will be reviewed with the Carbon Benefits Project greenhouse gas inventory toolkit during the PPG phase.

			3.3.2 Vocational training program on integrated land management and sustainable intensified agriculture using native seed materials organized for farmers.			
			Subtotal		1,383,779	4,342,857
			Project Management Cost (PMC) ⁶	GEFTF	69,189	217,143
			Total Project Cost		1,452,968	4,560,000

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: (NA)

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Recipient Government	Ministry of Environment and Natural Resources Protection of Georgia	In-kind	250,000
Recipient Government	Municipality of Sagarejo	In-kind	340,000
Recipient Government	Municipality of Kvareli	In-kind	340,000
Recipient Government	Municipality of Gori	In-kind	340,000
Recipient Government	Municipality of Kareli	In-kind	340,000
Recipient Government	Municipality of Sagarejo	Grants	60,000
Recipient Government	Municipality of Kvareli	Grants	60,000
Recipient Government	Municipality of Gori	Grants	60,000
Recipient Government	Municipality of Kareli	Grants	60,000
CSO	REC Caucasus	In-kind	810,000
CSO	REC Caucasus	Grants	500,000
Donor Agency	GIZ	In-kind	750,000
Donor Agency	KfW	In-kind	350,000
GEF Agency	UNEP	In-kind	300,000
Total Co-financing			4,560,000

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS ^{a)}

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^{b)}	Total (c)=a+b
UNEP	GEFTF	Georgia	Land Degradation		1,452,968	138,032	1,591,000
Total GEF Resources					1,452,968	138,032	1,591,000

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

E. PROJECT PREPARATION GRANT (PPG)⁷

Is Project Preparation Grant requested? Yes No If no, skip item E.

PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

Project Preparation Grant amount requested: \$45,662 PPG Agency Fee: \$4,338							
GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee ⁸ (b)	Total (c)=a+b
UNEP	GEF TF	Georgia	Land Degradation		45,662	4,338	50,000

⁶ 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.

⁷ PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁸ PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

Total PPG Amount	45,662	4,338	50,000
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F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁹

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	20,000 Hectares ¹⁰

PART II: PROJECT JUSTIFICATION

1. *Project Description.*

1) The Global environmental problems, root causes and barriers

Georgia is located in the South Caucasus region. Georgia has a highly varied topography, with various ranges of the Caucasus Mountains crossing the country. Semi-humid, semi-arid and arid landscapes take up an area of 19.5 thousand km², or approximately 1/3 of the country's landscape, primarily in the eastern part of the country. During the winter, the aridity index of the country doubles on average. Georgia has a population of 3,720,400 and GDP per capita is approximately USD 3,500. Like most post-soviet countries, the formation of an independent, market-based economic system was a difficult ordeal for Georgia and led to years of civil unrest, armed conflicts, energy and transport blockades, the loss of traditional markets and suppliers along with the absence of new connections and suppliers, and high rates of workforce migration. Despite strong rates of economic growth demonstrated more recently, the rate of unemployment (12.72%) and poverty levels have remained high; according to 2016 data, around 1.27 million individuals (around 40% of the country's population) were registered in the Targeted Social Assistance (TSA) database.

Georgia's agricultural sector plays a key role in the country's economy, employing 53% of the country's workforce (National Statistics Office of Georgia), and the Government of Georgia identified agriculture as a key sector for rural development. Agricultural production is dominated by smallholder agriculture and small-scale livestock management that generally produces low-income levels and the rural population has the highest levels of poverty in the country. Climatic and soil conditions of Georgia are so favorable and diverse that the country has an opportunity for the development of a wide range agricultural activities. Despite this, the area planted with crops has decreased throughout the country, and the share of agriculture in the gross domestic product of Georgia has decreased steadily; between 1990 and 2009, the share of agriculture in Georgia's GDP decreased from 29.7% to 8.3%. Much of the decline in agricultural planting and production is a result of declining soil quality and productivity, which has caused significant areas of agricultural land to become unable to sustain economically viable production¹¹ Poor soils are most prevalent in the eastern portions of the country where overgrazing and reduced precipitation have led to wind erosion. The eastern regions are subject to strong and extreme erosion according to the country's land erosion index. In many cases, either lands lack the necessary irrigation to be productive or they suffer from issues that stem from the irrigation such as waterlogging and salinization. Salinization is especially problematic, affecting 20 to 40% of all land in Georgia—as a result, much of this land is no longer in agricultural production.¹²

Land Use Patterns and Land Degradation in Kareli, Gori, Sagarejo, and Kvareli

Kareli, Gori, Sagarejo, and Kvareli have been identified as the pilot municipalities (See Annex 1 for the locations of the pilot sites). Shida Kartli (region of the Kareli and Gori municipalities) and Kakheti (region of the Sagarejo and Kvareli municipalities) are “the most vulnerable areas prone to desertification”¹³ Four most vulnerable municipalities from those regions have been defined according to values and coefficients of vulnerability indicators for Georgia.¹⁴ The communities of these four municipalities do not have knowledge and skills to address land degradation issues, which are severely affecting the livelihoods of people. Very few sustainable land management practices are currently implemented in the area.

⁹ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

¹⁰ Sum of the targets defined under Outcome 2.1 and Outcome 2.2

¹¹ Second National Action Program to Combat Desertification 2014-2022

¹² World Bank. 2007. Integrating Environment into Agriculture and Forestry, Progress and Prospects in Eastern Europe and Central Asia: Volume II, Georgia Country Review.

¹³ Second NAP UNCCD, Georgia (2014)

¹⁴ Assessment of Vulnerability Profile Indices for Georgia, 2015

Gori Municipality: Covering an area of 232,720 ha, the municipality consists of 1 % urban, 56% cropland-grassland mosaic and 44% forest area¹⁵. The agricultural land is 61,902 ha (22,293 ha of arable lands, 11,000 ha of perennial plantations, 1,988 ha of hayfields, and pastures covering 27,621 ha). Total population of Gori municipality is approximately 144,100 and 75% of the population's main income is from agriculture. Important crops include wheat, barley, corn, and Lucerne. Horticultural sector is well developed in this municipality. Farmers grow apple, pear, peach, grapes. Gori municipality's land is one of the most degraded land in Georgia. 14,157 hectares of agricultural land have degraded because of water and wind erosion, 233 ha suffer from salinization, 90% of windbreaks have been destroyed¹⁶.

Kareli Municipality: Situated in the center part of Shida Kartli and covers approximately 111,000 ha. Agricultural lands in Kareli Municipality cover 36,407 ha, including 18,302 ha of arable lands, 4,678 ha of perennial plantations, 1,764 ha of hayfields and 11,762 ha of pastures. Forest area covers 26,746 ha. Population of Kareli municipality is 51,600 and the main economic activity of the municipality is horticulture. Agriculture provides 70 % of the population's livelihood. Kareli is suffering from severe land degradation due to water and wind erosion (8,677 ha), and salinization (450 ha)¹⁷. 80 % of windbreaks have been destroyed. Key crops include wheat, corn and barley. Horticulture plays an important role in agriculture sector. Farmers grow apple, pear, and peach.

Sagarejo Municipality: Covering an area of 155,369 ha, the municipality is situated in the western part of the Kakheti region. The major land covers are cropland-grassland mosaic (71%) and forests (29%) The municipality has a population of 59,400 and the main economic income of the municipality is agriculture. Land is degraded in terms of desertification. Rangeland sums to 56,884 ha, of which 40% is degraded due to overgrazing, 400 ha of arable land is degraded because of water and wind erosion and salinization, about 70% of windbreaks have been destroyed. Wheat, seed corn and sunflower are mainly sown in Sagarejo. Internal irrigation networks have fully collapsed, that adversely affects productivity and agricultural production. 34 % of agriculture lands are privately owned, 61% of lands are state owned, and 5% is the municipality property. The comparative lack of perennial plants in Sagarejo district is also reflected in the structure of existing orchards. Apples, and hazelnuts, which have significant revenue and export potential, are not grown in the region anymore.

Kvareli Municipality: Situated on the eastern border of Georgia, covering approximately 96,500 ha, with 35% grassland-cropland mosaic and 65 % forest area. The municipality is sparsely populated with 37,658 people. The municipality's land is severely degraded in terms of water erosion. This is affecting the community of Kvareli because 80% of population depends on agriculture in the municipality. Agriculture is predominantly viticulture in Kvareli municipality. The old vineyards are very sparse and their productivity is low (2-2.5 t/ha).

Threats and Barriers

Threats

Land degradation has accelerated in Georgia in recent years due to the increasing and combined pressures of agricultural and livestock production, urbanization, deforestation, and extreme weather conditions such as droughts. These land degradation processes are resulting in the loss of soil fertility, loss of land cover, reduced productivity, encroachment on natural forest areas, reduced carbon sequestration capacity, and increased vulnerability to natural disasters and climate change impacts. The most important threats to the effective functioning of land and water resource systems in Georgia are the following:

Unsustainable agricultural practices: A significant contribution to the transformation of the natural environment in Georgia is related to the impacts of agricultural activities. Many farmlands have been impacted by soil salinization, waterlogging, declines in soil quality, and soil erosion. Soil erosion is caused by both natural factors and anthropogenic influences including unsustainable land management. The decrease in the fertility of land resources is caused by improper management of pesticides and fertilizers, problems in drainage systems, and uncontrolled management of waste as well as by natural disasters intensified by climate change. The lack of crop rotation and non-compliance with agro-technical norms has greatly decreased soil fertility, while excessive grazing has caused loss of grass cover and significant erosion. Agricultural expansion has also resulted in the drying out of wetland areas important for regulation of hydrological flows and as biodiversity habitat.

Sagarejo depends on the agricultural products (wheat and sunflower oil) which do not have a competitive advantage in Georgia (i.e. mainly imported). The average productivity has reduced from 2.2-2.5 t/ha to 1.5-2.0 t/ha. This is due to soil fertility loss and use of unsuitable seed materials, and drought prolongation. Burning stubble, which damages useful micro flora of arable plots, is commonly practiced in the region.

Crop production has significantly reduced in Gori due to cutting of the windbreaks. Strong winds cause wind erosion, which causes loss of fertile top soil. Disappearance of windbreaks also affects many species of birds, which in turn has impact on the spread of pests.

The major crops are apple, pear, peach, and sugar beets in Kareli. Currently fruit production has significantly decreased due to

¹⁵ Land cover estimates are based on the data from the Global Land Cover Facility (Hansen et al. [1998])

¹⁶ http://gov.ge/files/275_38364_967251_136417.09.13%E2%80%931.pdf

¹⁷ http://gov.ge/files/275_38364_967251_136417.09.13%E2%80%931.pdf

increased cases of diseases. The yield of the traditional apple varieties - Kekhura, Banana and Georgian Sinapi is decreasing, because of diseases. The fruit gardens are disappearing due to lack of knowledge about how to treat such orchards. During the last few years, droughts and high temperature has negatively affected vegetable yield (cabbage, potato) and even irrigation could not save the situation. Production of the traditional types of cabbage, which is one of the major agricultural cultures of Kareli Municipality, has significantly reduced. One of the major problems is cutting of windbreaks. This has exposed fruit gardens to strong winds, which significantly increased the impact of wind erosion.

The number of windbreaks in Kvareli municipality was not a lot, but they were especially protecting annual crops. Windbreaks were cut in the villages of Gremi, Akhalsopeli, Gavazi, Eniseli and Kutschatani. In accordance with the Law on “Ownership of Agricultural Land”, windbreak lines are under common ownership of the owners of adjacent plots. This has significantly complicated restoration process of the windbreaks and implementation of protection measures. Officially, they are under nobody’s ownership, thus nobody assumes responsibility for their maintenance. Farmers, particularly small family farmers, do not have sufficient information and knowledge to fight against pests. The land alteration traditions are broken which affects the yield.

Deforestation and Degradation of Forests: Even though Georgia is rich in forest resources, average density of a significant part of its forests is at a critical level. Further degradation could cause a sharp decline in protection functions and self-restoration ability, which in the medium to long term could lead to irreversible degradation of forest ecosystems. Core drivers of forest degradation are unsustainable, and poorly regulated or controlled, use of timber and other forest resources for both commercial and subsistence use¹⁸ Illegal and unsustainable levels of forest cutting for timber harvesting, and fuelwood gathering are the major drivers of the deforestation in the selected Municipalities. The tree cover loss¹⁹ for the municipalities of Gori, Kareli, Sagarejo and Kvareli are 216 ha, 42 ha, 71 ha and 133ha respectively. Deforestation in these municipalities increases the intensity of wind and water erosion.

Climate Change: Georgia’s Third National Communication to the UNFCCC, published at the end of 2015, revealed that during the last 50 years average annual temperature overall territory of Georgia demonstrated an increasing trend. During the last 25 years, average annual temperature increased by 0.4- 0.5 °C in East Georgia. According to forecasts, warming will continue and an increase in the average annual temperature up to +3.2 0C is anticipated in Eastern part of Georgia by 2100. Analyses of climate change based on the two (A2, B2) world social-economic development scenarios, demonstrate that average annual temperature and the frequency and severity of droughts will increase in Gori, Sagarejo, Kareli and Kvareli. All these municipalities are vulnerable to climate change impacts in terms of both economic productivity and functioning of natural ecosystems.

Barriers

The long-term solution to address these threats is to uptake of sustainable land and forest management in order to become more resilient against the impacts of climate change in Georgia. However, the following barriers are preventing this solution:

Inadequate baseline information, policies, plans and finance at local scale to contribute to achieve the LDN target: Georgia does not have a comprehensive and integrated approach for land management. Absence of comprehensive land use plans at the national, regional and landscape levels, weak knowledge and enforcement of environmental policies and laws, and the lack of financial mechanisms to support sustainable land management are significant barriers preventing Georgia from achieving its LDN targets²⁰. For example, although the national government has proposed plans to improve land use planning and to include all municipalities within a spatial planning system, at present many municipalities (including those targeted by this project) do not have any land use planning processes or capacities. In addition, the overlap of mandates among key actors and the lack of an institutional framework to coordinate SLM activities at the local level prevent effective multi-sectorial coordination. Municipalities are lacking the proper baseline information to define local LDN targets. Moreover, municipalities do not have capacity to convene communities and facilitate a discussion to define and agree on municipal LDN targets, local transformative programmes and integrated land use plans, which look for solutions that integrate social, economic and environmental goals via a process of negotiations between all stakeholders and resolving conflicts over land use. Legal and regulatory issues and land tenure systems also constrain the ability of stakeholders to implement SLM measures. For example, windbreaks and grassland areas are poorly managed due to the lack of a legal framework for the sustainable use of common resources, which resulted in

¹⁸ Vasil Gulisahvili Forest Institute “Underlying Causes of Deforestation and Forest Degradation in Georgia” <http://vh-gfc.dpi.nl/img/userpics/File/UnderlyingCauses/Georgia-Report-Underlying-CausesWorkshop.pdf>

¹⁹ Data extracted from Globalforest watch database. The tree cover loss is calculated for the canopy density larger than 30% for the period 2001-2014.

²⁰ Georgia is in the phase of defining its national LDN measures and setting its target under the global project “Land Degradation Neutrality Target Setting Project” see more about the global project in the baseline section.

windbreaks and grassland areas degraded and intensity of erosion increased.

Limited experience and absence of identified best practices for sustainable land management interventions: Existing land management systems in Georgia are a combination of modern and traditional systems. While the national government, through its regional and local affiliates, promotes measures and projects to improve productivity and provides technical support such as agricultural extension services down to the municipal level, in many cases these efforts are not adapted to respect local needs and available resources. In addition, extension services to support crop and livestock production are very limited. Furthermore, most existing programs do not support sustainable land management or climate safe agriculture approaches, and as a result there is very little experience in Georgia in implementing practices such as the sustainable use of chemicals, modern irrigation and land cultivation technologies, and the use of agro-ecological techniques such as landscape planning, windbreaks, crop rotation, soil filtering, etc. Insufficient knowledge and understanding of the importance of effective management of land and other resources and inadequate capacities to implement integrated and sustainable land and resource management contribute to the barrier.

Insufficient knowledge and understanding of the importance of effective management of land and other resources and inadequate capacities to implement integrated and sustainable land and resource management: Land and resource management in Georgia is constrained by knowledge gaps on the status and trends of natural resources. Working towards LDN will require an appropriate mix of policy instruments and consent capacity of the decision makers at all levels and economics of land degradation is a new set of methodologies for assessing the true societal impacts of land degradation. While the economic approaches, in particular cost-benefit analyses and total economic valuation, help policy-/decision-makers to take informed decisions against land degradation²¹, the decision makers, however, do not always have the availability of knowledge on this issue, especially at local level. Decision makers should have clear understanding of the true value of healthy land/ecosystems in order to develop proactive drought impact mitigation, preventive and planning measures, risk management, fostering of science, appropriate technology and innovation, public outreach and resource management, as key elements of an effective national SLM policy. Because of a lack of understanding of benefits of sustainable agriculture land management, existing practices do not emphasize integrated nutrient and water management. For example, no-till production, conservation tillage, or mixed cropping that combines food crops with cover crop legumes and/or tree and shrub species. Since knowledge and awareness among farmers on appropriate technologies and improved agronomic practices are limited, farmers are not equipped with knowhow on responding to current and future agricultural challenges in those selected four municipalities.

2) The baseline scenario or any associated baseline projects

Georgia has shown clear drive to combat land degradation and improve land management systems by moving forward with a number of baseline activities, including its accession and implementation of relevant international agreements and adoption of related policies and laws, including the NEAP, INDC, NBSAP, NAP of UNCCD, TNC of UNFCCC, a new agricultural strategy and a new national forest policy. The government of Georgia has gradually increased state funding for sustainable land management. The budget allocation for the Ministry of Environment and Natural Resources and the Ministry of Agriculture for programs related to sustainable land and agriculture management was around US\$ 40,000 in 2016.

Georgia is participating in the global project ‘Land Degradation Neutrality (LDN)’ of UNCCD and implemented by Global Mechanism. The primary objective of the project is to contribute to reaching an agreement among Parties by 2017 (COP 13) by which every country adopts its own national voluntary target to achieve land degradation neutrality, and reports to the COP every two years on implementation of the national programme and the progress made towards achieving such target. The project marks a new stage in the evolution of efforts to implement the UNCCD at national level, and aims to maintain the land based natural capital and associated ecosystem functions and services. Within the project, Georgia will establish the LDN National voluntary target by May 2017. The project will support the establishment of national LDN working groups and organization of national multi-stakeholder consultations for identification of priority areas for LDN implementation. The stakeholders will identify and agree on the LDN country voluntary targets.

Within the framework of the Caucasus Initiative of the German government, the Integrated Biodiversity Management, South Caucasus (IBiS) programme cooperates primarily with the environment ministries of the three countries of the South Caucasus. At the national level, the programme promotes the development or revision of biodiversity strategies and regulations, particularly in forest and pasture management, and in erosion control. In addition, the programme supports pilot measures at district, municipal and local levels wherein relevant actors are provided with the skills needed to implement integrated approaches for sustainable management of biodiversity and ecosystem services. The objective of the programme is to promote better coordination of biodiversity and ecosystem services management across sectors based on solid data. Results of IBiS pilot

²¹ http://eld-initiative.org/fileadmin/pdf/ELD-pm-report_05_web_300dpi.pdf

activities on windbreak rehabilitation, degraded forest rehabilitation and pasture management will be used and considered for designing of the GEF project pilot activities. The project started in November 2015 and it will be completed by 2019. Approximately USD 2.5-3.0 million will be spent in Georgia between 2017 and 2019 by this project.

The European Neighborhood Programme for Agriculture and Rural Development (ENPARD) was launched in Georgia in 2013 with the goal of reinvigorating the agricultural and rural sectors in the country by supporting the Government's Agriculture Sector Strategy, strengthening small farmers' organizations, and enabling sustainable rural development. ENPARD is composed of a variety of aid modalities, from direct budget support to the Government to technical assistance and small grants to NGOs. The total budget for ENPARD in Georgia for 2013-2019 is USD 97 million. RECC will create the network with all the leader organizations in charge of ENPARD project in our pilot municipalities, in particular with PIN, ACF, CARE and others, trying to cooperate on joining the efforts for promoting climate smart agriculture approach in pilot regions of both projects. About USD 30 million will be spent between 2017 and 2019 by this project.

The Agriculture Modernization, Market Access and Resilience (AMMAR) project of the Government of Georgia, with the International Fund for Agricultural Development (IFAD) funding, aims to raise incomes of smallholder farmers and increase climate resilience through public and private investments in upgrading climate-proof productive infrastructure, enterprises and smallholder farmer production systems and technologies in support of inclusive growth of climate smart agricultural value chains. AMMAR is part of the Ministry of Agriculture (MOA's) substantial on-going investments to modernize agriculture in Georgia and is fully aligned to the Strategy for Agriculture Development (2014-2020) and supporting action plan. RECC being involved in some of the activities of this project will closely collaborate with IFAD for a coordinated interventions on the application of sustainable land management practices. Around USD 15 million will be spent for the development of agriculture sector of Georgia in the period of 2017-2019 by this project.

The budget of **Kareli Municipality** in 2017 is USD 3.24 million. The budget mainly covers salaries, operating costs and investments such as waste management, state buildings' rehabilitation, irrigation system construction and rehabilitation. The central government allocates funds to municipalities under the 'village program'. Between 2017 and 2019 Kareli municipality will invest about USD 400 thousand for sustainable water supply and agricultural practices programs. Similarly, the budget of **Sagarejo Municipality** is USD 3.45 million in 2017. Sagarejo municipality is also one of the recipients of funds from the 'village program'. The municipality will invest in USD 400 thousand for sustainable agricultural practices. Gori Municipality's budget in 2017 is around USD 5.6 million. Like other municipalities, the budget is for staff cost, operation and maintenance costs. **Gori municipality** will spend about USD 400 thousand between 2017 and 2019 under the village program. **Kvareli Municipality's** 2017 budget is around USD 2.4 million and will be used for staff salaries, street lighting, waste management and rehabilitation of irrigation systems and construction of new irrigation networks. Kvareli municipality will spend about USD 400,000 under the 'village program' for improving the livelihoods of rural population and agricultural practices.

3) The proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project

The solution to the barriers identified above is the development of new sustainable land management systems at both the commune and farmer plot level that integrate climate smart agricultural production, food security and resilience and thereby contribute to Georgia's objectives for Land Degradation Neutrality. The introduced management systems should lead to increasing levels of production and productivity while also maintaining the ecological integrity of the land; respect land and resource carrying capacities and also improve land and resource conditions; and be both integrated (encompassing agriculture, forestry, water and livestock management) and adaptive (structured to adapt to evolving challenges, including climate change). The above-mentioned factors underline the critical importance of promoting better coordination of sustainable land management across different sectors on the basis of solid data, of improving the country's existing policy and financing framework related to the management of land resources, and of strengthening the capacity and skills of national and local government institutions and other stakeholders to undertake SLM approaches, in order to overcome existing barriers to mainstreaming Landscape and Sustainable Land Management (L-SLM) activities.

Project Objective: The project objective is to develop and strengthen SLM practices and build capacity for their application for the protection of natural capital in Georgia

Component 1: Creating an enabling environment at municipal scale for achieving Land Degradation Neutrality (LDN) Country Voluntary target: This component will support the implementation of LDN country strategy at municipal scale through local LDN local targets setting programs development and implementation for the pilot municipalities of Sagarejo, Kvareli, Gori and Kareli. Land use planning processes will be established in four pilot municipalities and their staff will be

trained. Land degradation trends (in the forms of loss of soil fertility, loss of land cover, reduced productivity, encroachment on natural forest areas, reduced carbon sequestration capacity, and increased vulnerability to natural disasters and climate change impacts) and drivers (pressures of agricultural and livestock production, urbanization, deforestation, and extreme weather conditions) will be mapped at each pilot municipality. A robust baseline in these municipalities will be established for land cover, land cover change, land productivity, and carbon stocks. The project will facilitate formation of local multi-stakeholders groups, which will bring stakeholders together to participate in the dialogue, and decision making for setting local LDN targets and identification of programs and actions to achieve these targets. These stakeholders' platforms will identify overlapping mandates among key actors and develop solutions for better coordination of SLM activities. The stakeholders will also identify available resources with resource mobilization plans. Through this multi-stakeholder process, integrated land-use plans (ILUP) will be also developed for pilot municipalities. Integrated land-use plans will be instrumental to balance the economic, social and cultural opportunities in these four municipalities. The project will bring all interested local parties come together to make decisions about how the land and its resources should be used and managed, and to coordinate their activities in a sustainable fashion thus contribute to maintaining the integrity of the ecosystems.

Component 2: Pilot implementation of measures avoiding degradation, intensifying sustainable land management practices and land rehabilitation to improve ecosystem functions and services: Four pilot restoration projects will be designed and implemented covering 10,000 ha of the rural areas of pilot municipalities of Sagarejo, Kvareli, Gori, and Kareli. These projects will demonstrate the benefits and impacts of local measures on preventing changes in the characteristic of soil, wind erosion, salinization and loss of natural fertility of soil. The pilots will demonstrate restoration applications such as windbreaks, improvement of soil quality, and natural vegetation rehabilitation. Sustainable agriculture practices will be demonstrated at least in 10,000 ha of pilot plots. Farmers and communities will be trained on methods of sustainable land management, sustainable intensified agriculture and using native seed materials. These training sessions will be instrumental to persuade farmers to adopt and implement better sustainable land management practices. Use of best practices will be promoted by supporting establishment of local brands and better access to markets for the products produced under SLM practices. The specific pilot interventions such as sustainable use of chemicals, modern irrigation and land cultivation technologies, strip farming, use of agro-ecological techniques, landscape planning, windbreaks, crop rotation, soil filtering, targets. At the PPG phase, locally applicable SLM practices will be identified for each municipality. Pilot projects in municipalities will be implemented in close cooperation and engagement of smallholder farmers, at least 50% of which will be women

Component 3: Knowledge Management and Capacity Building: Under this component, the project will develop targeted knowledge products on Sustainable Land Management practices as well as information consolidation and dissemination strategies to ensure the wide uptake and sharing of the information developed. The project will capture and share national best practices on SLM generated under Components 1 and 2, in particular local and specific best practices for land/resource users, to the national, regional and international community. The project also will undertake an awareness-raising campaign for the communities in the targeted municipalities of Sagarejo, Kvareli, Gori, and Kareli on SLM planning and implementation strategies at the community scale. To generate increased understanding and support for SLM interventions, the project will seek to transform national understanding of the economic value (both market and non-market values) of sustainably managing productive land for multiple benefits by developing and disseminating cases from the project pilot sites that demonstrate the environmental, social and economic benefits of SLM practices. Finally, the project will enhance the capacity of national and sub-national government institutions and local stakeholders to carry out analyses on the economics of land degradation and ecosystem services. Land's economic value is chronically undervalued and commonly determined by immediate agricultural or forestry market values. This focus on short-term gain motivates the highest extraction rates possible from land, leading to unsustainable land management and degradation. Analysis of economics of land degradation will provide total economic valuation methods that will aid decision-making in land investments and land use planning in these municipalities. Moreover, economic analysis will inform the private sector of the opportunities for investing in sustainable agricultural production.

4) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTE, LDCE, SCCF, CBIT and co-financing

Scenario without the GEF investment: The project is designed to support country to fulfil the commitment under the UNCCD to achieve Land Degradation Neutrality national target. The baseline situation consists primarily of efforts and actions implemented by government institutions in cooperation with UNCCD secretariat setting preliminary targets and prioritizing LDN actions at national level. Once the trends of land degradation are identified, for achieving LDN country target it is essential to have quantified and localized analysis of the drivers of degradation in the areas affected, directly linked to local land-use systems and LDN targets should also be set for defined ecozones ("Hot spots"). Without the GEF investment, the efforts made by government will be only be at the national level, national strategy regarding LDN will not be downscaled to

municipalities, and the strategy will not be incorporated into local land use policies. Because of these shortfalls, soil quality will continue to degrade due to uncontrolled and inadequate local land use policies. Erosion due to wind and water, and soil fertility loss will continue to be the major problems in the selected municipalities. The productivity will be low, which will have social and economic consequences and adverse impacts on the livelihoods of the local people. Due to decrease in income, number of families under poverty line will increase and the social program providing social assistance to the families below poverty line needs to be expanded in the region. This will also affect the population dynamics. For additional sources of income, young people, especially men, embark on seasonal or permanent migration.

Scenario with the GEF investment: GEF funds will serve as catalyst to develop a coherent and coordinated approach to adopt better SLM approaches in agriculture. More specifically, the GEF investment will facilitate an enabling environment for SLM interventions at municipal scale, and the reduction of pressures on natural resources in pilot areas, by demonstrating effective SLM practices in the field, developing compelling economic cases in favor of SLM practices, and training national and sub-national government institutions and local stakeholders for SLM. By the end of the project, Georgia will have made tangible progress in achieving its Land Degradation Neutrality target in these municipalities; agricultural systems will be more productive, sustainable over the long term, and resilient to climate change; the economic value of land and ecosystem services will have been accurately assessed and used to guide land use policies and plans; the capacity of national and sub-national government institutions and local stakeholders for SLM will be enhanced; and project stakeholders will have increased access to knowledge, lessons learned and information and will be participating more widely in decision-making and implementation of SLM programs (with improved gender equality). In sum, these various outcomes will reduce land degradation and pressures on ecosystem services, improve the integrated management of common resources, and improve the well-being of project stakeholders.

The Government of the Republic of Georgia, as well as bi-lateral donors, UNEP and NGOs will provide USD 4.56 million in grants and in-kind co-financing for the project. Funding from the GEFTF and co-financing partners will jointly support the objectives and the outcomes of the project and will lead to environmental and social benefits on national, regional and global levels.

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

GEF assistance will bring multiple benefits. It will support the vulnerable communities by enhancing production; reduce production risks by enhance soil capacity to buffer against degradation processes; and protect natural capital by preventing degradation of soil. The project will contribute to global environmental benefits primarily through reduced soil erosion, reduced risk of land degradation, and improved land and soil health. Adoption of ILM, SLM, and climate-smart agricultural practices will improve agricultural management that will reduce land degradation and secure ecosystem services over an area covering of at least 10,000 ha in the targeted municipalities. These SLM practices will help to reduce the main threats to ecosystem functions and services including deforestation, degradation of forests, poor agricultural practices, and adverse impacts of climate change.

Global environmental benefits expected under the land degradation focal area in case of Georgia is interrelated to LDN country target. The project will significantly contribute to improved agricultural management, enhanced functionality of agro-ecosystems, and restoration. The project will also support Georgia in meeting its LDN targets through bringing down the LDN targets to municipal scale. SLM activities envisaged in the project will increase resilience to climate change and contribute to emissions reductions, 16,500 t CO₂-eq will be sequestered through restoration of 10,000 ha of degraded land through application of sustainable land management (windbreaks rehabilitation, climate smart agricultural methods).

6) Innovation, sustainability and potential for scaling up

Innovativeness: The project will develop an innovative approach to achieve land degradation neutrality to halt the ongoing loss of healthy land through land degradation. Unlike past approaches, LDN creates a target for land degradation management, promoting a dual-pronged approach of measures to avoid or reduce degradation of land, combined with measures to reverse past degradation. The innovative objective of the project is that losses are balanced by gains, in order to achieve a position of no net loss of healthy and productive land. The project's innovation is also related to the fact that it aims at addressing one of the pressing issues in global conservation, SDG15.3, combatting desertification, restoring degraded land and soil, including land affected by desertification, drought and floods, and achieving a land degradation-neutral world. In addition, through project interventions, new data, knowledge products, research area and culture of cooperation will be developed. Innovative integrated land-use plans, which incorporates LDN as an essential component will allow conceptualization of land use planning for sustainable agriculture and rural development. Additional innovation related to the project is improved financing mechanisms for SLM. The project activities will provide local approach for analysis and application of the economics of land degradation, to make economics of land degradation an integral part of policy strategies and decision making by increasing the awareness of the costs and benefits of land and land-based ecosystems.

Sustainability: The project will empower local stakeholders to take more ownership/responsibility for the management of natural resources, for example through clarifying institutional responsibilities among key agencies. The preparation of participatory integrated land use planning and SLM demonstrations will empower communities and local stakeholders to take part in decision-making processes during and after the project. The capacities of key stakeholders, including the relevant authorities and land users, will be strengthened in order to be able to continue the identified best practices. Finally, the project will raise public awareness raising on land degradation issues and SLM approaches, which will additionally contribute to ensuring the continuation of the envisaged activities.

Scaling Up: Throughout the project, a collaboration scheme is envisioned between the experts engaged during project implementation, local government institutions and departments, the central government, NGOs, and direct beneficiaries, which will assist in mainstreaming approaches and capacities among diverse stakeholders. Scaling up will be ensured through developing the necessary innovative tools and practices for SLM that will be demonstrated at the targeted provinces and disseminated through knowledge products. Additionally, the project will provide training for end-users such as farmers and land owners to be able to individually adopt SLM practices. Finally, the project will facilitate dissemination of best practices through the activities defined under component 3.

2. **Stakeholders.** Will project design include the participation of relevant stakeholders from [civil society organizations](#) (yes /no) and [indigenous peoples](#) (yes /no)? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

Role of key stakeholders in the project

Key stakeholders	Anticipated role in the project
Ministry of Environment and Natural Resources Protection (MoENRP) Land Resources Protection and Mineral Resources Service (LRPMRS) National Environmental Agency (NEA)	MoENRP is the UNCCD Focal Point and is responsible for defining and elaborating directions and policies on environmental protection and the sustainable use of natural resources. A representative of the MoENRP will lead the Project Steering Committee. MoENRP will play a crucial role in revising the legal framework and in development of legal amendments, as well as in the development of the National Integrated Landscape Management Strategy. Within MoENRP, the Land Resources Protection and Mineral Resources Service is responsible for the development and implementation of policies on sustainable management and targeted use of land resources and mineral resources; for action plans to mitigate desertification and land degradation processes; for the database of land polluted by hazardous substances and waste and an assessment system of land degradation and pollution; and for programmes for monitoring and research of soil fertility. Representatives of the LRPMRS and NEA will be involved in training sessions on SLM practices and on developing impact indicators of good SLM practices. In addition, NEA will take part in developing activities to prevent natural and anthropogenic disasters, such as desertification and land degradation, and to monitor soil erosion/degradation and fertility.
Ministry of Agriculture (MoA)	MoA is responsible for coordination and monitoring of activities related to soil productivity; creation of a joint bank for the consolidation of land and the evaluation of soil quality; the organization of rational land uses; and activities against soil erosion. Through its proposed involvement in the steering committee, MoA will help to identify and plan coherent pilot projects on SLM practices.
Ministry of Economy and Sustainable Development (MoESD)	MoESD is responsible for the privatization process of state lands, including pasturelands. MoESD will be involved in the development of the SLM legal framework and in the elaboration of recommendations for improvement of the SLM institutional framework.
Research organizations and academia, including the Agrarian University, the Institute of Geography, and others	Many of these institutions are the owners of important data on land degradation. These partners will help to identify land-related priorities and solutions, agronomic best practices and promising new business opportunities. A few Georgian academics have been working on land degradation. Academic consideration of land degradation is nascent in Georgia ²² and it should be supported. Research organizations and academia will be essential for the development of maps for the web portal on Land Degradation, as part of SLM knowledge management hub.
Local NGOs and CSOs (e.g. Green Alternative)	Local NGOs and CSOs will help to identify gaps and challenges related to the application of SLM practices, and can help to identify the most efficient mechanisms related to public participation in SLM decision-making processes

²² See e.g. Basialashvili et al 2015. Desertification risk in Kakheti Region, East Georgia. *Journal of Environmental Biology* Vol 36: 33-26.

Local municipalities (Kvareli, Sagarejo, Kareli and Gori) including Information Consultation Centers established in the municipalities	Municipalities are responsible for organizing the rational use of land and coordinating activities against soil erosion. The municipal governments in the regions selected by the project will be key actors in the development of local land use plans based on vulnerability assessments. These municipalities will participate on the project steering committee and will be actively involved in development of pilot projects. The Agricultural Services within the Municipal administrations will participate in the training sessions on L-SLM practices, and knowledge products and public awareness materials developed by the project will target the needs of the local authorities to ensure further application of the SLM approaches in municipal development plans.
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3. Gender Equality and Women’s Empowerment. Are issues on [gender equality](#) and women’s empowerment taken into account? (yes /no). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

The majority of poor people in Georgia live and work in rural areas. Women play a critical role in agricultural activities in all pilot municipalities of Sagarejo, Kvareli, Gori, and Kareli. The percentage of households headed by women is substantial (36.4%), although when compared to male-headed households, their yields tend to be lower due to their limited resources (i.e. funds to purchase fertilizer, better seeds and other inputs), and women therefore face greater risk of falling into extreme poverty. Worsening poverty has also taken its toll on men, as their inability to fulfil their traditional role as food providers has led to an increased incidence of alcoholism and related heart disease. IFAD notes that about 20% of the Georgian population has migrated in search of work over the last decade, leaving just 100 men to every 124 women, and the rate of male depopulation is increasing. In recognition of these facts, a gender analysis will underpin development and implementation of the pilot projects. A number of project activities will contribute directly and indirectly towards improving the condition of women by enhancing their capacity to participate in decision-making processes, and to engage in land use activities that have the potential to improve their economic situation. Women will benefit particularly from skill development (education/training) and improved access to modern technologies and knowledge on land management, which will contribute increasing both the incomes and social capital of women. The project will make sure that consultations among stakeholder groups, capacity-building programs and outreach programs all include an analysis of gender dimensions in order to maximize the participation of and the potential positive impacts for women. During the project preparation phase, a specific budget will be planned for gender sensitive project activities, and wherever possible, gender-sensitive indicators and sex-disaggregated data will be included in the project’s monitoring and evaluation plans.

4. Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable).

This project targets mainstreaming sustainable land management at various levels of decision making in Georgia, seeking to improve the livelihoods of vulnerable to land degradation communities. Therefore, any factors affecting the efforts to improve sustainable land management and land productivity will pose risks to the project’s achievement. To address these challenges and risks, the implementing agency will work closely with partners to develop the initiative program, engage professional facilitation and support functions, and develop risk mitigation plan.

Risks	Risk Level	Actions proposed
Land tenure issues undermine project interventions Because lack of land tenure will limit the farmers’ interest in long-term solutions; therefore some farmers are unwilling to adopt more sustainable practices.	M	In 2016, the parliament of Georgia has launched a new State Project on Land Registration, which facilitates and simplifies the registration of landownership. The project team will work with local farmers and support them with clear guidance in this process if necessary
Georgia fails to adopt a national LDN voluntary target	L	The government has already committed to have the LDN TSP finalized by May 2017. The project will engage high level key stakeholders and relevant advocacy groups to support adoption of the country’s LDN voluntary target
The lack of willingness of local municipalities for cooperation on SLM and lack of ownership of municipal LDN voluntary target setting process	L	The project will mitigate this risk through the promotion of multiple economic and environmental benefit municipalities and local communities can obtain from participation in LDN voluntary target

Climate proof agricultural techniques take several years to produce results, and local communities may not be willing to wait that long for positive results	L-M	Under Component 2, pilot project activities to improve agricultural techniques and thereby improve livelihoods opportunities will be designed to support local communities during the process of developing new climate proof agricultural processes
Climate change impacts could negate project results, for example changes in weather patterns that may adversely affect crop production	M	Improving the cultivation methods and increasing mobility of crops and by providing refuge against temperature changes. The project pilot activities will result in more stable and resilient crop production
Lack of capacity of local communities and farmers, proposed SLM methods go beyond the applicability of traditional resource management practices.	L	The project will mitigate this risk through the utilization of tailor made capacity development measures

5. Coordination. Outline the coordination with other relevant GEF-financed and other initiatives.

Currently, the Regional Environmental Centre for Caucasus (RECC) is executing the UNEP-GEF project “Applying Landscape and Sustainable Land Management (L-SLM) for mitigating land degradation and contributing to poverty reduction in rural areas” The objective of this project is to support the integration of good Landscape and Sustainable Land Management (L-SLM) principles and practices into national policies and institutional frameworks to ensure adoption of economically viable practices by rural communities. The project steering committee consisting of national stakeholders and donor organizations will support coordination and synergies between this project and other on-going projects. The proposed project was prepared based on experience, needs of the beneficiaries and feedback received from the interested parties during the activities organized by this ongoing project. More specifically, the plan is to widen the implementation of SLM in new vulnerable locations. The new project is planned in four additional municipalities, and project attention will mainly be on the local level. Both projects, ongoing and this new proposed one will provide support for LDN. During the PPG phase of the new project, the early results of the current project will be taken into account.

The Global Forest Watch project (GFW), executed by the World Resources Institute, aims at empowering decision-makers in government, the private sector, and civil society with technology and information necessary to reduce deforestation and land degradation, combat illegal activities, and conserve biodiversity in Georgia. Although, the pilot sites of this project is different from the GFW, the early results of SFM practices and lessons from GFW will be taken into account.

The UNDP-GEF project “Harmonization of Information management for improved knowledge and monitoring of the Global environment in Georgia” implemented by the Environmental Education Centre, is intended to develop capacities in Georgia for an effective national environmental management framework that addresses different articles under the UNFCCC, UNCCD and UNCBD. The project objective is to develop individual and organizational capacities in the Ministry of Environment and Natural Resources Protection of Georgia and the Environmental Education Centre for improved monitoring of environmental impacts and trends and for elaboration of collaborative environmental management. The project will provide valuable baseline information and jointly promote improved knowledge sharing and institutional capacities for information management.

More generally, a collaboration and coordination mechanism will be established with the projects noted above, as well as with the following projects noted in the baseline description: “Transboundary Joint Secretariat for the Southern Caucasus – Phase 3 (TJS III); “Sustainable Management of Pastures in Georgia to Demonstrate Climate Change Mitigation and Adaptation Benefits and Dividends for Local Communities”; “Integrated Biodiversity Management, South Caucasus (IBiS)”; “Land Degradation Neutrality (LDN)”; and “Agriculture Modernization, Market Access and Resilience (AMMAR)”. The managers of these projects will be invited to become members of the project’s steering committee and all activities will be designed and implemented with close cooperation with them.

6. Consistency with National Priorities. Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes /no). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

Integration into the European Union is the cornerstone of Georgia’s foreign and internal policy. For this reason, effective implementation of the EU-Georgia Association Agreement is very important, as it is a precondition for political association and gradual economic integration with the EU. Under the Agreement, Georgia is committed to promote agricultural and rural development, in particular through the progressive convergence of policies and legislation, including sharing knowledge

and best practices of rural development policies to promote economic well-being for rural communities, and enhancing the administrative capacities at central and local level to plan, evaluate, implement and enforce policies in accordance with EU regulations and best practices. The Assessment of Georgia's Risks for the Year 2010-2013 (adopted by order of the President in 2010) identified natural disasters, land degradation and erosion processes as significant risk factors for the country's security. The country's primary environmental policy framework is outlined in the Second National Environmental Action Plan (NEAP 2012-2016), which clearly emphasizes the need to maintain an environmentally sustainable framework supporting SLM principles as a baseline to protect land resources and vulnerable ecosystems of arid and semi-arid zones. Land degradation is mentioned as one of the priority problems in the NEAP, which states that land degradation can be avoided through development and implementation of well-thought and well-elaborated policy, spatial planning and land management practices.

In 2016, Georgia joined the Land Degradation Neutrality Target Setting Programme (LDN-TSP), committing to establish national voluntary targets for LDN and identifying transformative projects to achieve these targets. The proposed project will provide support to the Georgian government in fulfilling the LDN target-setting program. Georgia's National Action Programme to Combat Desertification (NAPCD), reflects government priorities to ensure food security and alleviate poverty by providing sustainable livelihood options and to increase innovative rural income generation through sustainable land management and climate smart agricultural development in rural communities of arid and semi-arid regions of Georgia. The NAPCD includes the following targets, which will be supported by the proposed project:

- By 2016, efforts to combat desertification/ land degradation will be recognized as one of the priorities in national development.
- By 2017, there will be developed either: a) a joint plan, or b) a functional mechanism for the purpose of ensuring conjunction of strategies and implementation of the UNCCD, UNCBD and UNFCCC.
- By 2018, a regional monitoring system will be formed
- By 2018, Georgia will have a renewed strategy for Capacity Building in the field of combating desertification
- By 2019, the aspects of the NAP to combat desertification will be integrated in sectoral and investment planning and policy documents.
- By 2020, at least 40% of decision makers and 30% of the population will be informed about the issues of desertification/ land degradation and drought and their relevance with biodiversity and climate change; and 50% of community based organisations and scientific institutions will be aware of the threats of desertification/land degradation/drought and carry out activities in the frames of their own initiatives.
- By 2020, evaluation will be carried out on interactions between biophysical, social and economic factors.
- By 2020-2022, the activities set out in the Capacity Building strategy will be realized.

The regions selected for pilot activities under this project were all identified as most vulnerable areas in the Georgia's Third National Communications to the UNFCCC, and data gathered in preparation of the communication will be used in the implementation of this project.

Georgia's Agricultural Development Strategy (2015-2020) identifies land degradation as one of the most important problems in the agriculture sector and identifies the need for the following measures to be carried out in order to improve the situation: proper management of fertilizers and pesticides, waste monitoring, improvement of amelioration infrastructure, and implementation of early warning systems for natural disaster management. The Government Program for a Strong, Democratic, United Georgia, states that "development of agriculture will be one of the main priorities for the government of Georgia, which will be guaranteed by clear rural and regional policy and an increase in financing of agriculture."

Georgia's National Biodiversity Strategy and Action Plan (NBSAP-2) for 2014-2020 recognizes soil degradation, erosion and overgrazing as factors that cause the degradation of agricultural ecosystems and natural grasslands, and as a result, improved management of agricultural ecosystems and ensuring sustainable management of 70% of grasslands by 2020 are national objectives set out in the NBSAP.

7. Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

The proposed project will build upon and collaborate with the on-going projects and initiatives already mentioned in Section 5 above. Component 3 of the project involves a number of strategies and activities to support effective knowledge management related to sustainable land management practices and objectives. For example, lessons learned on best practices in sustainable land management stemming from this project's interventions will be collected and shared with relevant stakeholders during trainings and public awareness activities, and reports will be elaborated and sent out with the conclusions and suggestions to

relevant government bodies. Awareness-raising campaigns will be conducted on SLM planning and implementation at the community scale, and compelling cases for economic benefits derived from sustainable land management will be developed and shared nationally. Web-based instruments will be developed to communicate and promote SLM practices

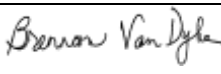
PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT²³ OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):
 (Please attach the [Operational Focal Point endorsement letter](#)(s) with this template. For SGP, use this [SGP OFP endorsement letter](#))

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Nino Tkhilava	Head of Environmental Policy and International Relations Department GEF Operational Focal Point in Georgia	MINISTRY OF ENVIRONMENT AND NATURAL RESOURCES PROTECTION OF GEORGIA	11/21/2016

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies²⁴ and procedures and meets the GEF criteria for project identification and preparation under GEF-6.
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Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Brennan Van Dyke Director, GEF Coordination Office, UNEP		January 19, 2017	Ersin Esen Task Manager	+41-22-917 8196	Ersin.Esen@unep.org

C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required [GEF Project Agency Certification of Ceiling Information Template](#) to be attached as an annex to the PIF. **Annex 1: Map of the Pilot Municipalities**

²³ For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

²⁴ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT

