Midterm Review Report

UNDP-GEF Project: Conservation and sustainable use of globally important agrobiodiversity

GEF Project ID: 6943 UNDP Project ID: 5482

Country:	Azerbaijan
Region:	Europe and Central Asia
Focal Area:	Multi-focal area (GEF-6): Biodiversity, Land Degradation
GEF Agency:	United Nations Development Programme (UNDP)
Executing Agency:	Ministry of Agriculture

Source of photograph: Project Management Unit

Date	Version	Comments
16 October 2020	1	First draft
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Opening Page

PROJECT DETAILS:	
Project Name:	Conservation and sustainable use of globally important agrobiodiversity
Project ID:	UNDP PIMS ID: 5482 GEF Project ID: 6943
Country:	Azerbaijan
Region:	Europe and Central Asia
Focal Area:	Multi-focal area (GEF-6): Biodiversity, Land Degradation
Focal Area Objectives:	**LD-1**: Agriculture and Rangeland Systems: Maintain or improve flow of agroecosystem services to sustain food production and livelihoods; **Program 1**: Agroecological intensification; **Outcome 1.2**: Functionality and cover of agro-ecosystems maintained **BD-3:** Sustainability use biodiversity; **Program 7**: Securing Agriculture's Future: Sustainable Use of Plant and Animal Genetic Resources; **Outcome 7.1:** Increased genetic diversity of globally significant cultivated plants and domesticated animals that are sustainably used within production systems
Funding Source:	GEF Trust Fund (GEF-6)
Implementing Agency:	United Nations Development Programme
Implementation Modality:	National Implementation
Executing Agency:	Ministry of Agriculture
FINANCIALS:	
Project Preparation Grant:	USD 150,000
GEF Project Grant:	USD 4,160,502
Cofinancing Total:	USD 20,700,000
GEF Agency Fees:	USD 395,248
Total Cost:	USD 25,010,502
PROJECT TIMELINE:	
Received by GEF:	13 August 2014
Preparation Grant Approved:	04 September 2014
Concept Approved:	01 October 2014
Project Approved for Implementation:	31 July 2016
State Date:	13 December 2016
Closing Date (Planned):	31 December 2021
MIDTERM REVIEW DETAILS:	
Midterm Review Timeframe:	August-October 2020
MTR Consultant:	James Lenoci, International Consultant / MTR Consultant
MTR Reporting Language:	English

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Executive Summary

The multifocal area project is being implemented under the GEF-6 replenishment cycle through a national implementation modality, supported by the UNDP as the GEF implementation agency and the Ministry of Agriculture as the lead Implementing Partner (Executing Agency). Basic project information is summarized below in **Table 1**.

Table 1: Project information table

Project Title:	Conservation and sustainable use of globally important agrobiodiversity		
UNDP Project ID (PIMS #):	5482	**PIF Approval Date:**	01 Oct 2014
GEF Project ID (PMIS #):	6943	**CEO Endorsement Date:**	18 Jun 2017
Award ID:	85294	**Project Document (ProDoc) Signature Date (date project began):**	13 Dec 2016
Country(ies):	Azerbaijan	**Date project manager hired:**	Mar 2018
Region:	Europe and Central Asia	**Inception Workshop date:**	29 Jun 2018
Focal Area:	Multifocal	**Midterm Review date:**	Aug-Sep 2020
GEF-6 Focal Area Strategic Objectives and Programs:	LD-1, Prog. 1 BD-3, Prog. 7	**Planned closing date:**	31 Dec 2021
Trust Fund:	GEF TF	**If revised, proposed closing date:**	N/A
Executing Agency:	United Nations Office for Project Services		
Other execution partners:	N/A		
Project Financing:	**at CEO endorsement (USD)**	**at Midterm Review (USD)***	
[1] GEF financing (incl. PPG):	4,310,502	2,668,785	
[2] UNDP contribution:	200,000	112,378	
[3] Government:	20,500,000	17,773,930	
[4] Other partners:	0	0	
[5] Total cofinancing [2+3+4]:	20,700,000	17,886,308	
PROJECT TOTAL COSTS [1 + 5]	**25,010,502**	**20,555,094**	

*Expenditures reported through June 2020

Project Description

The project was designed to: (i) improve the protection of viable populations of indigenous wild relatives of crops and local landraces in their natural habitats; (ii) augment the conservation of indigenous wild relatives of crops and local landraces in plant gene banks to ensure an adequate source of genetic resources for plant breeding; and (iii) increase the production and extent of use of local landraces in agricultural small holdings and commercial farms. The project is being implemented in three rayons of Azerbaijan (Sheki, Goranboy, and Goychay), where the project focuses on selected crop wild relatives, cultivated native species, and cultivated landraces of wheat, vegetable, forage, and fruit crops. The 5-year project, which has an expected operational closure date of 31 December 2021. The GEF project grant is USD 4,160,502 (excluding agency fee), with confirmed cofinancing at project entry of USD 20,700,000.

Purpose and Methodology

The objective of the MTR was to gain an independent analysis of the progress midway through the project. The MTR focused on identifying potential project design problems, assessing progress towards the achievement of the project objective, and identifying and documenting lessons learned about project design, implementation, and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the remaining term. Project performance was measured based on the indicators of the project results framework. The MTR was an evidence-based assessment and relied on feedback from persons who have been involved in the design, implementation, and supervision of the project, as well as beneficiaries of project interventions, and review of available documents and findings of the stakeholder surveys. The timing of the MTR coincided with the COVID-19 pandemic; international travel to Azerbaijan and travel in the country was restricted during this timeframe and, therefore, it was not possible to arrange a field mission as part of the MTR. The methodology was adjusted according to constraints on travel, e.g., feedback from local farmers was obtained through an online survey administered in Azerbaijani language.

Project Progress Summary

Following an approximate 1-1/2 year delay in initiating project implementation, the project has done a good job in making up lost time with substantial delivery in 2018 and 2019 and continued momentum in 2020, although the COVID-19 pandemic and political unrest have presented challenges for the project.

Country ownership among the agricultural sector is high, and the project has made important contributions in expanding the knowledge of agrobiodiversity resources in the country and strengthening institutional and farmer level capacities in conservation of crop wild relatives and sustainable use of native varieties and landraces.

Through participatory expeditions involving multiple agricultural institutional partners and collection of more than 1,000 accessions of cereals, legumes, feed and vegetable crops, project resources have supported the identification of six (6) agrobiodiversity hotspots throughout the country for prospective managed conservation. This would be the first time that agrobiodiversity hotspots would be declared under some form of conservation tenure in the country.

More than 20 varieties of native varieties of fruits and vegetables have been multiplicated and transferred to the National Gene Bank. And field gene banks of 67 varieties and forms of wheat and barley have been established in Sheki, Gobustan, Absheron, and Tartar.

Institutional capacities have been strengthened through delivery of training and field demonstrations, as well as procurement of equipment, including a mobile laboratory, communication and IT assets, field tools, and agricultural processing equipment. The mobile laboratory supported the assessment of more than 100 ha of agricultural land, providing technical assistance on farmers on improving soil fertility, improving efficiency of fertilization, and rationalizing irrigation. These efforts have made significant contributions towards enabling farmers and agricultural extension and advisory services protect and restore agricultural lands.

Approximately 150 farmers have been provided with skills training on cultivating native varieties and implementing good agricultural practices, and delivered direct support through procurement equipment and agricultural inputs. Feedback received from the farmers as part of the MTR indicated a high level of interest to expand their cultivation of native crop varieties. Farmer associations have been facilitated through the collaborative activities on the project; this is an important result for the agricultural sector in Azerbaijan, particularly for small-scale farmers, which have tended to avoid associating over the past 20-30 years, following the collapse of the former collective farming system of the Soviet Union.

Consultations with the private sector have been initiated, including with major retailers and logistics companies in the country. Strengthening private sector engagement in the second half of the project will be critical in ensuring durable project results.

Midterm Review Ratings

MTR ratings and a summary of achievements are presented below in **Table 2.**

Table 2: MTR ratings and achievement summary table

Measure	MTR Rating	Achievement Description
Project Strategy	Not Rated	The multifocal area project (land degradation and biodiversity) was approved under the GEF-6 replenishment cycle. The project strategy was formulated in line with the National Development Plan - Azerbaijan Development Concept 2020 (NDC 2020): Outlook for the future – which provides the overarching framework for mainstreaming agro-biodiversity into the strategic development priorities of the country. The project objectives are also directly aligned with the 2016-2020 UNDP Country Programme Document (CPD), which was based on the United Nations Azerbaijan Partnership Framework (UNAPF), specifically UNAPF OUTCOME #3: "By 2020, sustainable development policies and legislation are in place, better implemented and coordinated in compliance with multilateral environmental agreements, recognize social and health linkages and address issues of environment and natural resources, energy efficiency and renewable energy, climate change and resilience to natural and human-induced hazards", and CPD Output 3.3: "Agricultural policies are developed and institutions and local farmers are supported to conserve and sustainably use local crop varieties important for biodiversity and sustainable land management." Gender mainstreaming was not predominantly featured in the project strategy and results framework. Strengthening the socio-ecological resilience of local farmers and communities is integrated into the project strategy, i.e., having a focus on capacitating small-scale farmers in adopting good agricultural practices and expanding the conservation and sustainable use of agrobiodiversity.

Measure	MTR Rating	Achievement Description
Progress towards Results	Objective Achievement: **Satisfactory**	*Project objective: Ensure the conservation and sustainable use of globally threatened crop varieties important for biodiversity, food security and sustainable land management* Cultivation of native crop varieties has substantially increased in the three project rayons, more than 60 varieties have been protected through institutional and farm level gene banks, and implementation of good agricultural practices has enabled more sustainable management of agricultural land in the country. Government financing in the agricultural sector has substantially increased in Azerbaijan in the past few years; however, there remain no specific incentive programs focused on conservation and sustainable use of agrobiodiversity.
	Outcome 1: **Satisfactory**	*Outcome 1: The state of knowledge, conservation security, and intensity and extent of use, of native crops is significantly enhanced across three rayons* Identification of six (6) hotspots throughout the country and analysis of more than 1,000 accessions of crop wild relatives has significantly expanded the knowledge of agrobiodiversity resources in the country. Protection of native crop varieties has been strengthened through establishment of gene banks and increased registration of seed producers.
	Outcome 2: **Satisfactory**	*Outcome 2: The improved capacities of, and more effective collaboration and cooperation between, agricultural institutions and small farmers farming native crops in the three project rayons leads to increased agricultural productivity and lower levels of land degradation* Institutional and farm level capacities have been strengthened through trainings, field demonstrations, and procurement of equipment, supplies, and inputs. Facilitation of farmer-farmer networks enhances economies of scale and marketing capacities. There is a need for the project to develop and implement a strategy for capacitating extension and advisory services.
	Outcome 3: **Moderately Satisfactory**	*Outcome 3: Incentives that encourage the planting of, and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons are strengthened* Equipment purchases at the institutional and farm levels have contributed towards strengthened capacities in harvesting and processing native crop varieties. The project team has initiated consultations with private sector partners. There has been limited progress in concluding collaborative agreements between farmers and processors/retailers; this should be one of the priorities on the project for the second half of the implementation time period.
Project Implementation and Adaptive Management	**Moderately Satisfactory**	Country ownership is high – specifically with respect to the agricultural sector. The project has done a good job in engaging key stakeholders in the agricultural sector. Adaptive management measures have been instituted in response to evolving circumstances in the country. The project is benefitting from a qualified and dedicated Project Management Unit, and the UNDP CO and the UNDP Regional Technical Advisor have provided administrative and strategic guidance. A moderately satisfactory rating is applied, partly because the project implementation was delayed approximately 1-1/2, with the inception workshop held in June 2018. This delay does affect project efficiency and influences sustainability of project results. There are also monitoring and evaluation (M&) shortcomings. The project results framework was thoroughly reviewed during project inception (good practice), and a few changes to the targets were made at that time. But some of the baseline conditions as well as the indicators and targets remain unclear at midterm, and the means of verifying some of the project end targets are based on estimations rather than verifiable data sources. The Project Steering Committee should function as an important cross-sectoral engagement body, but there has been limited representation apart from the Ministry of Agriculture and UNDP. There is room for improvement in engaging with the MENR and the Ministry of Economy and Industry – both of which were identified as key partners in the project document.
Sustainability	Overall: **Moderately Likely**	There are a number of factors that enhance the prospects that results achieved on the project will be sustained after GEF funding ceases; for example, developing agricultural institutional capacities, increasing awareness and skills of local small-scale farmers on protection and sustainable use of traditional varieties, identifying agrobiodiversity hotspots in the country, and increasing the genetic diversity of plant resources through establishment of gene banks and field cultivation. Achieving durable change requires time, and the agricultural extension services have an important role in maintaining support to local farmers. The lack of a specific strategy on strengthening extension services diminishes the institutional framework and governance dimension of sustainability. And the limited engagement of stakeholders beyond the agricultural sector reduce
	Financial: **Likely**	
	Socioeconomic: **Moderately likely**	

Measure	MTR Rating	Achievement Description
	Institutional framework and governance: **Moderately likely** Environmental: **Likely**	the likelihood that results will be sustained, as effective management of agroecosystem landscapes require multi-stakeholder approaches. There are also externalities that affect sustainability, e.g., socio-ecological resilience could be influenced by the unpredictable impacts of climate change. The current COVID-19 pandemic poses further uncertainty, for instance, a prolonged economic downturn and disruptions in supply chains might affect the viability of some of the project interventions. The political unrest in the country that has broken out in regard to neighboring Armenia could also impact project delivery during the second half of the implementation timeframe and therefore, potentially influence sustainability.

Summary of Conclusions

The key findings from the MTR are summarized below.

Insufficient monitoring, difficult to verify reported results

There is limited information available regarding baselines included in the project results framework; the results reported by the project team are unclear for several of the indicators and there is limited documentary evidence available to support the figures reported; and for some of the indicators, the reported results do not match the description of the indicators and end targets.

Lack of training modules – unstructured training

Trainings to farmers and extension officers are mostly delivered through seminar modalities, and there is no evidence of structured modules being used for these capacity building activities.

Unclear how extension and advisory services are being strengthened

Extension and advisory services provide the most direct interaction with local, small-scale farmers. Strengthening the capacities of extension and advisory officers is a critical aspect with regard to the durability of the results achieved on the project. The project has recruited external experts to provide advisory support to the local farmers in the target rayons, but it is unclear how the project is strengthening the extension and advisory services.

Unclear process regarding declaration of agrobiodiversity hotspots as protected areas

The project has identified six (6) agrobiodiversity hotspots in the country and has been in discussion with the Ministry of Ecology and Natural Resources regarding declaring protected areas/landscapes to enhance *in situ* conservation of plant genetic resources. This would be the first such protected areas for agrobiodiversity in the country. The legal framework is reportedly in place, although this should be confirmed, however, the process of declaring protected areas is time-consuming and often requires extensive documentation and consultations with multiple stakeholders.

Opportunity for contributing towards the formulation of incentive mechanisms

The Government of Azerbaijan has substantially increased subsidies and other incentives to farmers; however, the focus is primarily on high-yielding modern varieties. The Ministry of Agriculture plans to roll out incentive mechanisms for promoting traditional varieties in 2022 and also to develop key performance indicators (KPIs) in this regard.

Room for improvement with respect to promotion of native crop varieties

The project has done a good job in promoting the activities of the project, as evidenced through several links to media reports. And the agrobiodiversity scientific community in Azerbaijan has been effectively engaged on the project. There is room for improvement for promoting native crop varieties among the general public, which could increase demand and lead to expanded cultivation of these varieties.

Fruit-vegetable sector offer opportunities for strengthening niche-markets

Azerbaijan is well-known for high quality horticultural products, fruit-vegetable farmers tend to be more educated, and the agro-processing infrastructure for this sector has better potential for development. The project has made limited progress with respect to the envisaged value chain analyses.

Stakeholder engagement mostly limited to agriculture sector, including representation on project steering committee

Inception report indicates the PSC would be represented by MoA, UNDP, MENR, and ANAS. Participation by MENR, ANAS, and other stakeholders has been limited during first half of the project.

Lack of a gender mainstreaming strategy

The project has prepared a "brief report on the assessment of the initial gender situation in the target regions of the project" (undated report), but there a gender action plan has not been developed.

Project investments in equipment are more than twice the amount outlined in indicative ProDoc budget

Project investments in equipment (Atlas 72200) have totaled US$ 868,376 through June 2020 (midterm); the amount allocated in the indicative budget in the project document was US$ 365,500. The project is reporting a substantial increase in government funding in the agricultural sector in recent years; under these circumstances, utilizing additional GEF resources for equipment should be justified.

Achievement of project outputs unlikely within the original timeframe

Considering the delay in initiating the implementation and also due to constraints associated with COVID-19 and the recent political conflicts, it seems unlikely that the expected project results can be achieved within the original timeframe.

Recommendations

The MTR recommendations outlined below in **Table 3** have been formulated with the aim of improving project effectiveness and enhancing the likelihood that project results will be sustained after GEF funding ceases.

Table 3: Recommendations table

No.	Recommendation	Responsibility
Project implementation		
1.	**Prepare an adaptive management plan in response to the current COVID-19 pandemic**. An adaptive management plan should be prepared to describe mitigation measures and to identify potential unavoidable delays or changes to the scope of the project interventions.	**PMU**, UNDP, PSC
2.	**Prepare and implement an updated M&E plan.** Baselines for each indicator should be reviewed and supported with verifiable documentary sources; Means of verification should be clearly described, including identification of data sources; Incorporate UNDP CPD Indicator 3.3.1 into the project M&E reporting; Adjust some of the indicators and targets in the project results framework (suggested modifications are presented in **Table 9** of this MTR report).	**PMU**
3.	**Develop a capacity building plan with structured training modules.** Training modules should be developed according to the capacity gaps among the small-scale farmers and extension officers; Mainstream the modules into the set of offerings provided by extension offices.	**PMU**
4.	**Reassess the project strategy with respect to strengthening the capacities of extension and advisory services.** The project should work closely with the Ministry of Agriculture and local extension and advisory services in delivering targeted capacity building and mainstreaming specific offerings to local farmers on conservation and sustainable use of agrobiodiversity.	**PMU**, PSC
5.	**Prioritize efforts regarding declaration of the hotspots.** Options to consider (but not limited to): (a) declare as protected areas by MENR. Sort out possible land tenure issues, compile requisite document, hold public consultations, etc.; (b) assess possible overlaps or reasonable proximities to existing terrestrial protected areas and make amendments to the PA management plans; (c) investigate the option of MoA declaring the conservation of the hotspots through their institutional mandate.	**PMU**, PSC
6.	**Formulate and advocate incentive mechanism options.** The project has an opportunity to contribute towards the formulation of incentive mechanisms aimed at promoting increased cultivation of native varieties. Develop terms of reference for technical assistance support (e.g., legal expert, agricultural resource economist, etc.); work with the MoA and the Ministry of Economy and Industry on formulating options for incentive mechanisms and key performance indicators (KPIs); advocate for adoption of the recommendations.	**PMU, MoA**
7.	**Promote native crop varieties among the general public.** Carry out a consumer survey, assess knowledge & attitudes regarding native crop varieties; develop and implement targeted approaches to promote the use of these varieties, e.g., develop and disseminate knowledge products that highlight increased nutritional values / taste, organize trade fairs allowing local farmers to showcase their products, etc.	**PMU**, PSC, UNDP
8.	**Develop a focused strategy based on a targeted value chain analysis.** Consider focusing on a particular Rayon and crop (e.g., vegetables/fruits); carry out value chain analysis, as well as consumer survey (possibly connected with Recommendation No. 7); identify specific interventions for strengthening participation of small-scale farmers into sustainable value chains.	**PMU**, MoA
9.	**Expand stakeholder engagement.** Facilitate broader stakeholder participation on the PSC; expand involvement of non-agricultural stakeholders, e.g., MENR, Ministry of Economy and Industry, etc.	**PMU**, PSC
10.	**Develop a gender action plan for the project.** Consult with the gender focal point at the UNDP CO and agree upon one or more entry points for strengthening the gender mainstreaming aspect of the project; the action	**PMU**, UNDP

No.	Recommendation	Responsibility
	plan should describe how gender equality and women's empowerment could be advanced through the project, e.g., identifying actions that enhance women's participation and role in decision-making processes in conservation and sustainable use of agrobiodiversity; gender mainstreaming indicators and targets should be integrated into the monitoring & evaluation plan of the project; the action plan should also describe the timeline, budget, and staffing resources dedicated during the second half of the project.	
11.	**Document the decision and incremental reasoning associated with the increased investment in equipment.** Prepare a note-to-file justifying the incremental reasoning of the equipment investments. This should be reviewed and approved by the CO, RTA, and PSC and recorded in the next PSC meeting.	**PMU**, UNDP, PSC
12.	**Consider a no-cost time extension** to allow for more substantive achievement of project outcomes and to instill sufficient sustainability structures for enhancing the durability of project results.	**UNDP, MoA**, PSC

Abbreviations and Acronyms

Exchange Rate, AZN: USD:

At project start (13 December 2016):	At midterm review (30 June 2020):
1.7430	1.7000

ANAS	Azerbaijan National Academy of Sciences
AWP	Annual Work Plan
AZN	Azerbaijan New Manat
BD	Biodiversity
CDR	Combined delivery report
CPD	Country Programme Document
CWR	Crop wild relatives
GEF	Global Environment Facility
GRI	Genetic Resources Institute
ha	Hectare
LD	Land Degradation
LDN	Land Degradation Neutrality
M&E	Monitoring & Evaluation
MEI	Ministry of Economy and Industry
MENR	Ministry of Ecology and Natural Resources
MoA	Ministry of Agriculture
MTR	Midterm Review
NAPCD	National Action Plan to Combat Desertification
NBSAP	National Biodiversity Strategy and Action Plan
NIM	National implementation modality
PSC	Project steering committee
PIR	Project Implementation Report
PGRFA	Plant genetic resources for food and agriculture
PMU	Project Management Unit
SAAC	State Agency for Agricultural Credits
SDG	Sustainable Development Goal
SESP	Social and environmental screening procedure
SMART	Specific, measurable, achievable, relevant and time-bound
UNAPF	United Nations Azerbaijan Partnership Framework
UNDP	United Nations Development Programme
USD	United States Dollar

1 Introduction

1.1 Objective

The objective of the midterm review (MTR) is to provide an independent assessment of progress towards the achievement of the project objectives and outcomes, to identify early signs of project success or failure and suggesting adjustments to be made in order to set the project on-track to achieve its intended results, to review the project strategy under current circumstances, and evaluate risks to sustainability.

1.2 Scope and Methodology

The MTR was an evidence-based assessment, relying on feedback from individuals who have been involved in the design, implementation, and supervision of the project, review of available documents, and findings of online stakeholder surveys. The overall approach and methodology of the evaluation follows the guidelines outlined in the UNDP Guidance for Conducting midterm reviews of UNDP-supported, GEF-financed Projects[1].

The review was carried out over the period of August-October 2020, including preparatory activities, desk review, online survey, and completion of the report. The timing of the MTR coincided with the COVID-19 pandemic. As of 11 March 2020, the World Health Organization (WHO) declared COVID-19 a global pandemic as the new coronavirus rapidly spread to all regions of the world. International travel to Azerbaijan and travel in the country was restricted during this timeframe and, therefore, it was not possible to arrange a field mission as part of the MTR.

The MTR methodology was adjusted according to the constraints on travel, considering the evaluation guidelines issued by the UNDP Independent Evaluation Office.[2]

As a data collection and analysis tool, an evaluation matrix (see **Annex 1**) was developed to guide the review process. Evidence gathered during the MTR was cross-checked between as many sources as practicable, to validate the findings. The desk review was a critical part of the review; the project management unit (PMU) assisted in uploading project documentation onto a dedicated Google folder. The list of documents reviewed is included in **Annex 2**. Stakeholder interviews were held virtually through Skype and Zoom calls; the list of people interviewed is presented in **Annex 3**.

An online questionnaire survey using Google Forms was designed and carried out to obtain feedback from a representative set of participating farmers. A total of 27 farmers responded to the online survey; the questions and results of the survey are reported in **Annex 4** and interpreted throughout the main narrative sections of the MTR report.

The PMU provided a self-assessment of progress towards results, using the project results framework template provided by the MTR Consultant in the MTR inception report. The project results framework was used as an evaluation tool, in assessing attainment of project objective and outcomes (see **Annex 5**).

Cofinancing that has materialized by project midterm is outlined in the cofinancing table compiled in **Annex 6**. Cofinancing from UNDP are recorded on the annual financial expenditure reports (i.e., combined delivery reports – CDRs), and the Ministry of Agriculture (MoA) provided a cofinancing report with a breakdown consistent with what was included in the cofinancing letter issued at project entry.

1.3 Structure of the Report

The MTR report was prepared in accordance with the outline specified in the UNDP-GEF MTR guideline. The report starts out with a description of the project, indicating the duration, main stakeholders, and the immediate and development objectives. The findings of the evaluation are broken down into the following categories:

- Project Strategy
- Progress towards results
- Project implementation and adaptive management
- Sustainability

The report culminates with a summary of the conclusions reached and recommendations formulated to enhance implementation during the final period of the project implementation timeframe.

[1] Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects, 2014, UNDP-GEF Directorate.

[2] Data collection, remote interviews, and use of national consultants. Evaluations during COVID-19. Evaluation Guidelines, UNDP Independent Evaluation Office, June 2020.

1.4 Rating Scales

Consistent with the UNDP-GEF MTR guidelines, certain aspects of the project are rated, applying the rating scales outlined in **Annex 7.**

Progress towards results and project implementation and adaptive management are rated according to a 6-point scale, ranging from highly satisfactory to highly unsatisfactory. Sustainability is evaluated across four risk dimensions, including financial risks, socio-economic risks, institutional framework and governance risks, and environmental risks. According to UNDP-GEF evaluation guidelines, all risk dimensions of sustainability are critical: i.e., the overall rating for sustainability cannot be higher than the lowest-rated dimension. Sustainability was rated according to a 4-point scale, including likely, moderately likely, moderately unlikely, and unlikely.

1.5 Ethics

The review was conducted in accordance with the UNEG Ethical Guidelines for Evaluators, and the MTR Consultant has signed the Evaluation Consultant Code of Conduct Agreement form (**Annex 8**).

1.6 Audit Trail

To document an "audit trail" of the evaluation process, review comments to the draft report will be compiled along with responses from the MTR Consultant and documented in an annex separate from the main report. Relevant modifications to the report will be incorporated into the final version of the MTR report.

1.7 Limitations

The MTR was carried out according to the Terms of Reference (**Annex 9**) and UNDP guidelines for midterm reviews of GEF-financed projects. The methodology of the MTR was adjusted in response to the travel restrictions associated with the COVID-19 pandemic. As field visits were not possible, the findings of the review were based on desk review, virtual interviews, and online questionnaire surveys.

Considering that some of the grantees lack reliable access to the Internet, the Google Forms online questionnaire survey was created in a way that allowed the respondents to fill in on their mobile telephones.

The MTR Consultant requested photographs and videos from the PMU to supplement the information received through the interviews and questionnaire surveys.

There were no significant limitations associated with language. Most of the project documentation is in English, an independent interpreter supported the stakeholder interviews, and the PMU provided English summaries of documents and information that were only available in Azerbaijani language.

Overall, the MTR Consultant concludes that the information and feedback obtained sufficiently captured the progress made on the project, remaining barriers, and prospects for sustaining results after GEF funding ceases.

2 Project Description

2.1 Development Context

The Human Development Index (HDI) for Azerbaijan for 2018 was 0.754, which puts the country in the high human development category, positioning it at 87 out of 189 countries and territories assessed.[3] Between 1996 and 2018, Azerbaijan's HDI value increased from 0.612, an increase of 23.1%.

The situational analysis presented in the project document describes how for the past decade, Azerbaijan's economy has boomed, general macro-economic stability has been maintained, and inflation - on the whole - has been controlled. While some of this improvement was driven by high growth rates, a strong increase in wages, and the introduction of a well-targeted social benefit system, much of it resulted from a jump in oil and gas revenues.

While the agricultural sector (including forestry and fisheries) only accounts for 5.3% of GDP, it is a key source of jobs – employing over 37% of the active labor force of the country - and is a national priority in the context of food security.

Azerbaijan has 4.8 million hectares of agricultural land, of which nearly 40% is arable. Most of the country's cultivated lands are irrigated by more than 40,000 kilometers of canals and pipelines. Blessed with a diversity of climatic zones in

[3] Briefing note for countries on the 2019 Human Development Report: Azerbaijan. UNDP

combination with rich farmland, Azerbaijan produces a broad range of crops. Crop production accounts for around half of all agricultural production, with livestock farming making up the remaining half. Approximately 1 million hectares (~52% of arable land) is covered by cereal crops (wheat, grains and beans)[4] and 170,000 ha by fruits and vegetables. The major agricultural cash crops are grapes, cotton, tobacco, citrus fruits, and vegetables. Grapes, cotton and tobacco account for over half of all production, while fruits and vegetables accounts for about 30 percent.[5]

Azerbaijan is considered to be part of Vavilov's Asia Minor Centre of origin7. The country is the primary focus of origin of a number of globally important food crops, including: wild rye; wheat; barley; millet; wild pears; cherry; and more than 200 varieties of grapes.

2.2 Problems the Project Sought to Address

As outlined in the project document, the primary cause of the genetic erosion of crops in Azerbaijan is the replacement of wild crop species and adapted local farmer varieties by monocultures of more productive, genetically-improved crop cultivars. Currently more than 80% of the crop areas under cultivation – especially of wheat, barley, corn and vegetables –are planted with genetically improved varieties8. An emerging concern across the country is an increase in the uncontrolled importation, cultivation and marketing of cheap genetically modified (i.e., GMOs) crops and products in Azerbaijan. This will further dilute the adoption of native crops by farmers. the primary cause of the genetic erosion of crops in Azerbaijan is the replacement of wild crop species and adapted local farmer varieties by monocultures of more productive, genetically-improved crop cultivars. Currently more than 80% of the crop areas under cultivation – especially of wheat, barley, corn and vegetables –are planted with genetically improved varieties8. An emerging concern across the country is an increase in the uncontrolled importation, cultivation and marketing of cheap genetically modified (i.e. GMOs) crops and products in Azerbaijan. This will further dilute the adoption of native crops by farmers. Soil degradation occurs on a large portion of land suitable for agriculture due to erosion, salinity and chemical pollution. In Azerbaijan, 96% of human-induced degradation is due to agricultural activities. It is estimated that 3.7m ha (~42% of the territory of Azerbaijan) is subject to the damaging effects of erosion, while 0.6m ha (~7% of the territory of Azerbaijan) is adversely affected by salinization, to the extent that it is now no longer suitable for agriculture. The salinization and erosion of soils tend to be a result of poor irrigation and drainage systems, overstocking of livestock, unsustainable levels of ground water extraction and ongoing deforestation. Further degradation of soils has been caused by the uncontrolled imports of fertilizers, pesticides, and herbicides into the country and the inappropriate use of these chemicals by local farmers (for example, some farmers do not follow the recommended application rate).

Water availability remains a major problem for crop agriculture. In many regions, rainfall is both inadequate and unevenly distributed, as are water resources from the rivers. As a result of insufficient precipitation and uneven distribution over the year there is a heavy reliance on irrigation. Approximately 33% of agricultural land is irrigated, and it is this land that accounts for more than 80% of Azerbaijan's total agricultural output.

The agricultural sector is particularly vulnerable to the effects of climate change. Although uncertainty remains regarding the degree of warming that will occur in Azerbaijan, over the next 50 years, the average increase in temperature will be about 2.4°C. Precipitation changes are more uncertain than temperature changes and – depending on the climate change scenario – may either modestly decline (medium and high impact) or increase (low impact) over the next 50 years.

The long-term solution is thus characterized by: (i) the location, description, active management and monitoring of targeted populations of wild relatives of crops, and local landraces, within their natural habitats or where they have developed their distinctive characteristics; (ii) the conservation of the native varieties and wild species in plant gene banks, as a vital source of plant genetic resources for future plant breeding; and (iii) an increase in the rate of release, and intensification of use of, local crop varieties containing genes from the indigenous wild relatives of crops.

Barriers identified as hindering achievement of the long-term solution outlined above include the following:

- Barrier 1: Sub-optimal conservation, production, distribution and agricultural use of crop wild relatives and landraces
- Barrier 2: Weak institutional capacities to support the adoption of, and limited farmer skills and knowledge to grow, native crops
- Barrier 3: Few incentives and mechanisms to grow native crops, and market the products derived from these native crops

[4] Source referenced in Project Document: World Bank Group, Azerbaijan Partnership Program Snapshot, 2015.

[5] Source referenced in Project Document: World Bank Group, Azerbaijan Partnership Program Snapshot, 2015.

2.3 Project Description and Strategy

The project strategy is to address the key barriers to achieving the long-term solution in the three rayons, and for the targeted native crops in these rayons (see **Figure 1**), through a complementary suite of outputs organized into three components.

	SHEKI RAYON	*GORANBOY RAYON*	*GOYCHAY RAYON*
Location (highlighted in green)			
Overview of agricultural context	Situated in northern Azerbaijan, on the southern part of the Greater Caucasus mountain range. It is the largest grain-growing rayon in the country, producing 14% of the countries wheat harvest. Vegetables, melons, grapes and tobacco are grown in the lower-lying irrigated areas.	Situated in the north-eastern part of Azerbaijan, and including the mountainous areas and foothills of the Greater Caucasus mountain range. Winters are relatively severe, while summers are mild to hot. Fodder (for livestock) and cereals are the most extensively grown crops, while the most economically productive are fruits, vegetables and cotton.	Located in the central part of Azerbaijan on the foothills of the Greater Caucasus mountain range. The crop agriculture sector is primarily based on grain, fodder, vegetables and fruit. The Rayon is famous for its pomegranate-growing industry and is a developing wine region.
Main crop types under cultivation (in ha) 2013	Cereals and legumes 82,505 Maize 1,082 Tobacco 626 Sugar-beet 127 Fodder crops 6,755 Sunflower 26 Potato 799 Vegetable 944 Melon 283 Fruit and berry 2,103 Grape 283 Hazelnuts 372	Cereals and legumes 24,090 Cotton 928 Sugar-beet 114 Sunflower for grains 1,727 Potato 351 Vegetable 1,257 Melon 248 Fruit and berry 2,682 Fodder crops 13,975 Grape 80	Cereals and legumes 15,209 Maize 80 Potato 149 Vegetable 1,139 Melon 67 Fruit and berry 5,364 Fodder crops 5,568

Figure 1: Maps and descriptions of target rayons (from project document)

Component 1 was designed to facilitate expansion of knowledge of agrobiodiversity, enhancing the conservation of agrobiodiversity resources, and increasing the intensity and extent of use native crops in the agricultural sector in the three project rayons. Work under this component focuses on the following four key areas of project support: (i) Improve the knowledge base of crop wild relatives (CWRs) and local crop landraces (Output 1.1); (ii) Establish and manage a network of conserved areas for CWRs (Output 1.2); (iii) Establish and maintain field gene banks for crop landraces (Output 1.3); and (iv) Increase the production, storage and distribution of native crop seeds (Output 1.4).

Under Component 2, the project is building the capacities of and improving the collaboration and cooperation between agricultural institutions and small farmers in order to improve agricultural productivity and reduce land degradation using native crops (i.e., the targeted crop species) in the three project rayons. Work under this component is distributed across the following outputs: (i) Build the capacity of agricultural institutions (Output 2.1); (ii) Support the development of local farmer organisations (Output 2.2); and (iii) Improve the knowledge and skills of local farmers (Output 2.3).

Component 3 is designed to strengthen incentives that encourage the planting of and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons. There are two outputs under this component: (i) Strengthen the agricultural incentives toolbox for farmers (Output 3.1); and (ii) Improve access to markets for local farmers (Output 3.2).

2.4 Implementation Arrangements

The project is being implemented under national implementation modality (NIM), with UNDP as the GEF Implementing Agency and the Ministry of Agriculture (MoA) as the Implementing Partner (Executing Agency). The project organization structure as presented in the project document is shown below in **Figure 2**.

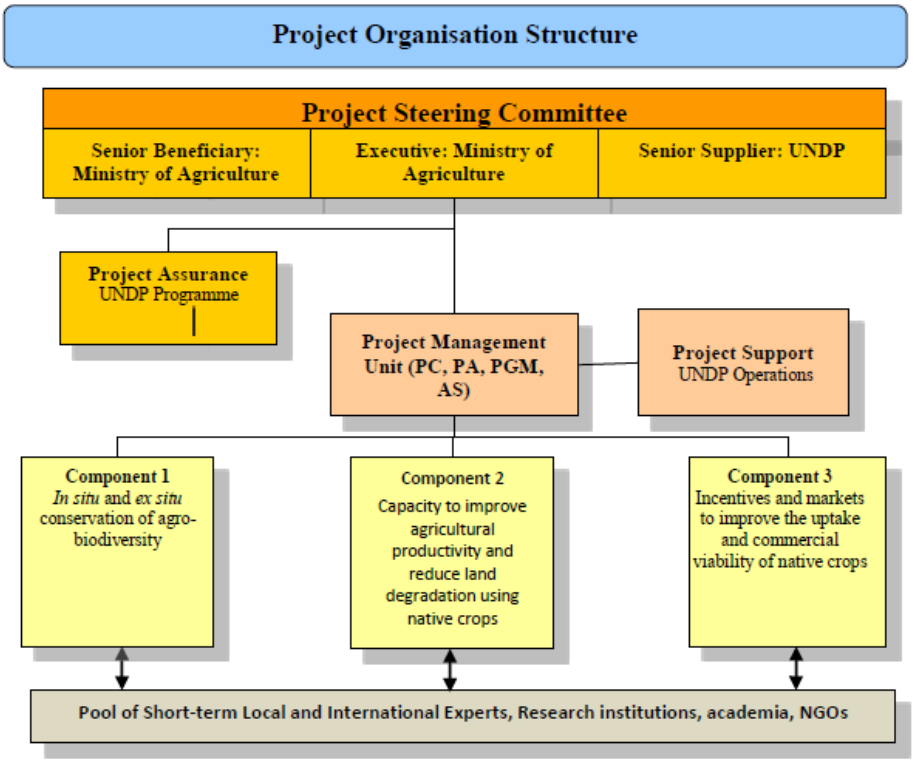


Figure 2: Project organisation structure (from project document)

As the GEF Implementing Agency, the role of the UNDP includes monitoring the implementation of the project, reviewing progress in the realization of the project outputs, and ensuring the proper use of UNDP/GEF funds. Working in close cooperation with the Ministry of Agriculture (MoA), the UNDP Country Office (CO) provides support services to the project - including procurement, contracting of service providers, human resources management and financial services – in accordance with the Letter of Agreement for the provision of support services (LOA, dated 15 February, 2010) between the Government of the Republic of Azerbaijan and the UNDP. The description of implementation arrangement in the project document indicates that the costs of the support services are covered by TRAC funds. The UNDP CO also ensures conformance with UNDP Programme and Operational Policies and Procedures and UNDP Results-Based Management (RBM) Guidelines.

UNDP also has a project assurance role, supported by both the country office and the UNDP regional office for Europe and Central Asia based in Istanbul. The UNDP-GEF Regional Technical Advisor provides technical and strategic guidance to the project team.

The MoA, as the Implementing Partner (IP), is responsible for the following functions: (i) coordinating activities to ensure the delivery of agreed outcomes; (ii) facilitating organization of project events, missions of international consultants and project trips ; (iii) facilitating access to data and information required for the project implementation; (iv) providing inputs into the project annual work-plans and reports; (v) coordinating interventions financed by GEF/UNDP with other parallel interventions; (v); and (vi) coordinating and liaising with central and local authorities involved in the project implementation. It is also directly responsible for creating the enabling conditions for implementation of all project activities, including coordinating with the Ministry of Ecology and Natural Resources (MENR) at the national level and Executive Authorities in each of the targeted rayons.

The MoA has designated a senior staff member to act as the Project Director (PD), who provides strategic oversight and guidance to the project implementation.

Day-to-day management of the project is carried out by a full-time Project Coordinator, who is supported by an Agricultural Scientist, Project Finance Assistant, and Project Administrative Clerk. These full-time positions make up the

Project Management Unit (PMU); changes to the PMU positions decided at project inception are described in Section 3.3.1 (Management Arrangements) of this MTR report.

The project Steering Committee (SC) serves as the executive decision making body for the project, providing overall guidance and policy direction to the implementation of the project, and delivering advice on appropriate strategies for ensuring project sustainability. The composition of the SC was not decided at the time the project document was drafted; potential representation was indicated to include MoA, UNDP, MENR, Ministry of Economy and Industry (MEI), Azerbaijan National Academy of Sciences (ANAS), State Agency for Agricultural Credits (SAAC), District Executive Authorities, and individual farmers. The members of the SC were agreed during the project inception workshop; see Section 3.3.1 below.

2.5 Project Timing and Milestones

Project Milestones:

Received by GEF:	13 August 2014
Preparation Grant Approved (PIF approval date):	01 October 2014
Project Approved for Implementation:	31 July 2016
Start Date (project document signed by Government of Azerbaijan):	13 December 2016
Project Inception Workshop:	29 June 2018
Midterm Review:	May-July 2020
Closing Date (Planned):	31 December 2021

The Project Identification Form (PIF) was approved on 01 October 2014 for incorporation into the GEF Council Work Programme for the GEF-6 replenishment cycle. Following the project preparation phase, the project obtained approval for implementation by the GEF CEO on 31 July 2016. The official start date of the project is 13 December 2016, when the Government of Azerbaijan signed the project document. The inception workshop was held on 29 June 2018, roughly 1-1/2 years following the project start date. As described in the 2018 Project Implementation Report (PIR), the delay in commencing project implementation was due to two factors: (1) it took time to sort out arrangements with the Ministry of Agriculture, which for the first time worked with the UNDP and as a the Implementing Partner on a GEF project, and (2) two procurement rounds for the position of Project Coordinator were unsuccessful. The planned closing date of the 60-month project is 31 December 2021. The 2018 PIR includes mention of revisiting the project closing date, but there have not been any extensions requested to date.

2.6 Main Stakeholders

The main stakeholders for the project and their indicative roles and responsibilities are outlined in the project document, as copied below in **Table 4**.

Table 4: List of project stakeholders included in the stakeholder analysis in the project document

Stakeholder	Roles and Responsibilities (as applicable to PGRFA)	Proposed involvement in the Project
National Government (Ministries, Departments and Agencies)		
Presidential Administration Agrarian Policy Department of the Presidential Administration	Determines the state policy on PGRFA. Prepares and monitors the implementation of relevant action plans, state programmes, strategies and political decisions on PGRFA.	Will ensure the political support for the project, and ensure conformance with national policies, strategies and plans.
Cabinet of Ministers Agro-industry and environmental departments of the Cabinet of Ministers	Adopts legislation related to PGRFA. Prepares drafts of legislation for adoption by the Cabinet of Ministers. Oversees the implementation of relevant legislation.	Will coordinate the efforts of the different affected Ministry's in the implementation of the project. Will be represented on the project Steering Committee.
Ministry of Agriculture	Responsible for the agricultural sector, including the protection and use of agrobiodiversity.	The national implementing partner for the project. Will chair the project Steering Committee.
State Commission for Testing and Protection of Selection Achievements	Responsible for the testing, registration and protection of all crop seed varieties	Will directly support the implementation of all project activities.
Agricultural Research Center	Responsible for the selection, research and production of cereal-grain crops and the maintenance of gene banks of cultivated plants and their wild relatives.	Will directly support - through the Research Institute of Farming; Research Institute of Forage, Meadows and Pastures; Research Institute of Horticulture and Subtropical Plants; and Research Institute of Vegetable Production - the implementation of all project activities.
Azerbaijan National Academy of Sciences	The primary state scientific and technical research institution.	

Genetic Resources Institute	Responsible for the research, evaluation, inventorization, certification, collection, introduction, restoration and reproduction of cultivated plants and their wild ancestors and rare, threatened and endangered genera, and species. It hosts the National Gene Bank and is designated as the National Coordinator Institute for PGRFA.	Will support and/or facilitate the implementation of all project activities. Key project partner and will be represented on the project Steering Committee.
The Institute of Soil Science and Agro-Chemistry	Responsible for the research, evaluation, monitoring and mapping of agricultural soils (including qualification of impacts, productivity and chemistry).	Will support or directly undertake research into the contribution of native crops to mitigating the effects of land degradation.
Ministry of Ecology and Natural Resources	Responsible for environmental protection at the national level, including the planning and management of agro-biodiversity, natural pastures, forests, specially protected natural areas, soil conservation and pollution	Will provide technical and professional support in the implementation of project activities. Will be represented on the project Steering Committee.
Biodiversity Protection and Development of Specially Protected Natural Areas Department	Co-ordinates the development and implementation of biodiversity conservation plans. Administers the national system of Specially Protected Natural Areas (SPNAs).	Will support the project in the establishment and management of a network of protected areas for targeted crop wild relatives.
National Monitoring Department on Environment	Oversees the implementation of all environmental monitoring programmes in the country (atmospheric air, soil, water, geological, biodiversity).	Will ensure that the monitoring of the state of crop wild relatives and landraces are aligned with, and integrated into, the national environmental monitoring system.
Ministry of Economy and Industry	Supports the development of crop agriculture through the administration of state subsidies, disbursement of soft loans and special funding.	Will facilitate access to agricultural subsidies, grants and loans for project-targeted crop farmers. Will support the development and administration of fiscal incentives for farmers to plant native crops. May be represented on the project Steering Committee.
State Committee of Standardization, Metrology and Patents	Responsible for regulating technical standards, measurements, accreditation schemes, quality control management and protection of copyright (including for different agricultural crop varieties).	Will support the project in the branding and certification of agricultural produce derived from native crops.
Local government		
District Executive Authorities Rural land offices of Head of District Executive Power	Responsible for delivering services (e.g. education, health, culture, local infrastructure and roads, communication services, cultural facilities, and social assistance) within their territories that are outside the control of the relevant state programs	Will facilitate and support the participation in, and direct involvement of, targeted local farmers in project activities. Representatives of the targeted rayons may be represented on the project Steering Committee.
Municipalities. Neighborhood Committees (rural villages)	Management of land use, forests, pastures and cultivated areas (within the framework of the powers granted by relevant legislation).	
Crop farmers		
Private farmer and family smallholdings	Farms the majority of agricultural crops in the country.	The primary project beneficiaries. Will be represented on the project Steering Committee.
Non-governmental and community-based organization		
Agro Information Center (AIC)	NGO providing technical and professional advice and support to farmers and other agricultural producers.	Will share, coordinate and collaborate with the project as and where relevant. May be contracted to implement specific project activities (e.g. capacity building, training).
Ganja Agri-Business Association (GABA)	Agricultural association providing support to farmers and other agricultural producers	May be contracted to implement specific project activities (e.g. developing local farmer networks, training, skills development, marketing, certification and marketing of organic agricultural products).
Rüzgar Environmental Association	NGO addressing environmental issues associated with unsustainable agricultural practices (e.g. soil pollution, erosion, salinization)	Will share, coordinate and collaborate with the project as and where relevant.
Private sector		
Azertokhum LLC,	Private company operating a seed processing and cultivation plant	May partner with the project in increasing the production of seeds of selected native crops
Large seed producers (e.g. Garabagh takhil, Kran Co and Susanagro)	Privately owned seed growing enterprises.	
Academic institutions		
Azerbaijan State Agrarian University (ASAU)	Involved in agricultural education, extension, research, crop seed production and maintenance of field gene banks.	May partner with the project to provide specialized technical support in the implementation of targeted project activities.
Development partners		
GIZ, EU, FAO, World Bank, USAID	Development partners supporting agricultural development projects and initiatives in Azerbaijan will be important project partners. They will share, coordinate and collaborate with the project as and where relevant. May be represented on the project Steering Committee.	

3 Findings

3.1 Project Strategy

3.1.1 Project Design

The multifocal area project was approved under the GEF-6 replenishment cycle and aligned to the following land degradation (LD) and biodiversity (BD) focal area objectives and programs:

- **LD-1**: Agriculture and Rangeland Systems: Maintain or improve flow of agroecosystem services to sustain food production and livelihoods; **Program 1**: Agroecological intensification; **Outcome 1.2**: Functionality and cover of agro-ecosystems maintained
- **BD-3:** Sustainability use biodiversity; **Program 7**: Securing Agriculture's Future: Sustainable Use of Plant and Animal Genetic Resources; **Outcome 7.1:** Increased genetic diversity of globally significant cultivated plants and domesticated animals that are sustainably used within production systems

The project strategy was formulated in line with the National Development Plan - *Azerbaijan Development Concept 2020 (NDC 2020): Outlook for the future* – which provides the overarching framework for mainstreaming agro-biodiversity into the strategic development priorities of the country. The project was specifically envisaged to contribute to addressing priority 4.2 of the NDC (*The improvement of the economic structure and the development of the non-oil sector*) by: (i) supporting the "production of eco-friendly agricultural and food products in the country*"*; (ii) implementing measures to "protect genetic reserves and biodiversity'; and (iii) improving 'scientific support and staff training in the agrarian sector"

The project objective is consistent with the priorities outline in the 2015-2020 *National Strategy and Action Plan of Republic of Azerbaijan on Conservation and Sustainable Use of Biodiversity* (NBSAP). Among the strategic priorities, the NBSAP calls for more extensive use of native crops will contribute to mitigating the effects of land degradation, improve the adaptation capacity of crops to the impacts of climate change and improve the state of national food security.

The *National Action Plan to Combat Desertification* (NAPCD, 2014) serves as the national action plan to implement the UN Convention to Combat Desertification (UNCCD). The project design is specifically aligned with the implementation of Action 2.8 (use of native crops and adoption of environmentally-friendly crop production methods and technologies) of the NAPCD. Azerbaijan has not yet completed their Land Degradation Neutrality (LDN) country report with voluntary targets; the project will provides good practice and lessons learned in the land degradation focal area.

The project document also describes how, as a party to the UNCCD, Azerbaijan is committed to the implementation of the *Ten-year Strategic plan and Framework to Enhance the Implementation of the Convention* (2008–2018). The project is specifically contributing to the indicators for Strategic Objectives 1, 2 and 3 (enhancing productivity and reducing vulnerability to climate change, climate vulnerability and drought) of the UNCCD Strategic Plan by increasing the extent of areas under sustainable crop agriculture.

The project objectives are also directly aligned with the 2016-2020 UNDP Country Programme Document (CPD), which was based on the United Nations Azerbaijan Partnership Framework (UNAPF), specifically UNAPF OUTCOME #3: "By 2020, sustainable development policies and legislation are in place, better implemented and coordinated in compliance with multilateral environmental agreements, recognize social and health linkages and address issues of environment and natural resources, energy efficiency and renewable energy, climate change and resilience to natural and human-induced hazards", and CPD Output 3.3: "Agricultural policies are developed and institutions and local farmers are supported to conserve and sustainably use local crop varieties important for biodiversity and sustainable land management."

3.1.2 Project Theory of Change

For the purposes of contextualizing and orienting the MTR, the MTR Consultant constructed a generalized theory of change for the project (see **Figure 3**) based upon the project strategy outlined in the project document.

The design of the Phase II project addressed the barriers hindering conservation and sustainable use of agrobiodiversity in Azerbaijan. Component 1 addresses the sub-optimal conservation, production, distribution, and agricultural use of crop wild relatives and landraces. Component 2 focuses on strengthening institutional capacities to support the adoption of, and limited farmer skills and knowledge to cultivate native crops. And the resources allocated under Component 3 aim to enhance the incentives and mechanisms to grow native crops, and facilitate participation of small-scale farmers in green value chains involving products derived from these crops.

GEF funding is meant to be catalytic, feeding into national initiatives and private sector initiatives. Achieving a durable enabling environment for conservation and sustainable use of agrobiodiversity will require time and there are a number of assumptions and impact drivers that influence further progress towards longer term outcomes and eventual, systemic change and impact. An important assumption is policies are aligned across sectors for conservation of CWRs and native crop landraces. This assumption will be driven by the multiple institutions collaborating toward common objectives. Another critical impact driver is the legal status and management capacities for agrobiodiversity conservation.

In terms of sustainable production and expanded cultivation of native crop varieties, the theory of change assumes that there is broad stakeholder buy-in for good management practices. This is accompanied by the assumption that sustainable options are attractive to farmers – which will be driven by sustained consumer demand and willingness to pay and supported by enabling regulatory and incentive frameworks.

One of the key assumptions outlined in the project theory of change for advancing from project level outcomes to longer-term outcomes (intermediate states) and ultimately to durable impacts is that information is disseminated timely and effectively. Extension and advisory services are key change agents in the process of achieving long-term impacts, and it is important that extension officers possess the requisite capacities to deliver support to farmers in the field.

Over the longer term, knowledge regarding agrobiodiversity values will be enhanced and mainstreamed, seed provisioning and cultivation of native varieties and landraces will be functioning and replicated across the country, and cultivation and consumption of native varieties will be sustained by durable incentives and market demand.

The long-term impacts include improved diversity status, sustainably managed soil and water resources, enhanced social-ecological resilience of local communities and ecosystems, and strengthened food security and livelihoods of farmers, with equitable benefits for women. In terms of GEF Core Indicator targets, results include restoration of degraded agricultural lands, landscapes under improved management to improve biodiversity, and carbon sequestered in the agricultural sector.

The project is also contributing to the following Sustainable Development Goals:

- SDG 14.3. By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world
- SDG 2.4. By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality
- SDG 2.5. By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed
- SDG 2.a. Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries
- SDG 5.a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws
- SDG 12.2 By 2030, achieve the sustainable management and efficient use of natural resources
- SDG 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
- SDG 13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

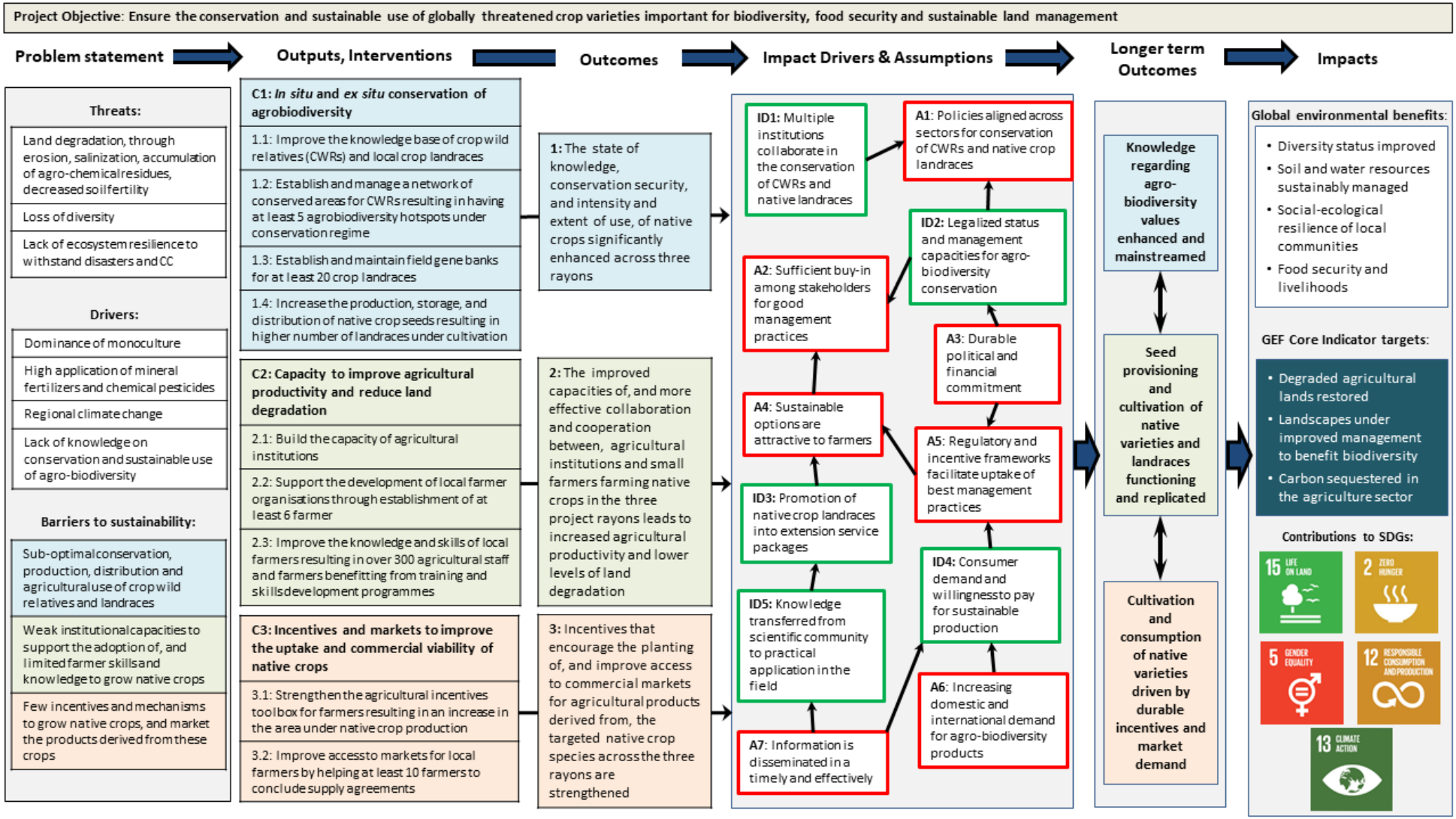


Figure 3: Theory of change

3.1.3 Results Framework

As part of this midterm review, the project results framework for the project was assessed against "SMART" criteria, to evaluate whether the indicators and targets were sufficiently specific, measurable, achievable, relevant, and time-bound. With respect to the time-bound criterion, all targets are assumed compliant, as they are set as end-of-project performance metrics.

Project Objective:

There are seven indicators at the project objective level, as described below in **Table 5.**

Table 5: SMART analysis of project results framework (project objective)

Indicator	Baseline	End-of-Project target	MTR SMART analysis				
			S	M	A	R	T
Objective: Ensure the conservation and sustainable use of globally threatened crop varieties important for biodiversity, food security and sustainable land management							
1. Proportion (%) of agricultural crop area of project rayons under native crops	Wheat/barley: <2% Vegetable: <0.5% Forage: <0.5%	Wheat/barley: >6% Vegetable: >2% Forage: >2%	Q	Q	Q	Y	Y
2. Estimated value (US$/annum) of the state funding allocation to the conservation and use of agrobiodiversity in Azerbaijan	<US$ 30 million/annum	>US$ 50 million/annum	N	Q	Q	Y	Y
3. Number of known landraces and varieties under productive crop cultivation in Azerbaijan	<400	>450	N	Q	Y	Y	Y
4. Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices	<10,000 ha	Direct (project supported): >50,000 ha Indirect: >50,000 ha	Q	Q	Q	Y	Y
5. Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops	N/A	>1,000 ha	Q	Q	Q	Y	Y
6. Number of households (and number of women) directly involved in the farming of native crops.	Vegetables: 5 (1) Wheat/barley: 2 (0) Forage: 1 (0) Fruit: 5 (2)	Vegetables: 17 (5) Wheat/barley: 17 (5) Forage: 12 (2) Fruit: 10 (4)	Q	Q	Q	Y	Y
7. LD-PMAT tracking tool score (average score across 4 criteria under LD-1)	LD 1: <1.5	LD 1: >3	Q	Q	Q	Y	Y
SMART: Specific, Measurable, Achievable, Relevant, Time-Bound Green: SMART criteria compliant (yes); Yellow: questionably compliant with SMART criteria; Red: not compliant with SMART criteria (no)							

Regarding Indicator No. 1, the source of the baseline conditions presented is unclear and the means to verify the end target is also not specified.

The baseline figure for Indicator No. 2 (value of state funding allocated to conservation and use of agrobiodiversity in Azerbaijan) is set at <USD 30 million; however, there is no available information supporting this figure, and the Ministry of Agriculture officials indicated that they are not accounting separately funding for agrobiodiversity related issues, rendering the achievability and measurability of this indicator questionable.

The baseline for Indicator No. 3 is <400 known landraces and varieties under productive crop cultivation. The means of verification is indicated to be the database of the Genetic Resources Institute. The MTR Consultant was unable to verify the baseline and check the current number of landraces and varieties registered on the database.

For Indicator No. 4, there is uncertainty with respect to the means of verifying the extent of crop area in the project rayons under more sustainable agricultural practices, and the baseline figure of <10,000 ha could not be validated during the MTR.

The term "degraded agricultural land" is not defined in Indicator No. 5. This is significant, considering the project is designed partly under the Land Degradation focal area. The means of verification is also not defined, e.g., the indicator implies that information across the entire rayons should be considered, not only the plots where the project is engaging with local farmers.

Similarly, for Indicator No. 6, it is unclear in the phrasing of the indicator whether the entire country, only the project rayons, or only the targeted farmers are relevant. The baseline figures could not be validated during the MTR.

For Indicator No. 7, part of the LD tracking tool was embedded into the project results framework. The particular indicator is from the GEF-5 LD tracking tool, not the GEF-6 one. The baseline LD tracking tool provided to the MTR Consultant for review was the GEF-6 one; the project team is unaware of the details of this indicator and how to measure it.

Component 1: In situ and ex situ conservation of agrobiodiversity

There are five indicators under Outcome 1, as outlined below in **Table 6**.

Table 6: SMART analysis of project results framework (Outcome 1)

Indicator	Baseline	End-of-Project target	MTR SMART analysis				
			S	M	A	R	T
Outcome 1: The state of knowledge, conservation security, and intensity and extent of use, of native crops is significantly enhanced across three rayons							
8. Number and extent (ha) of CWR agrobiodiversity hotspots in the project rayons under some form of conservation tenure	0 0 ha	>5 >150 ha	Y	Y	Y	Y	Y
9. Number of the targeted native crop varieties being actively maintained in field gene banks	Vegetables: 0 Wheat/barley: 0 Forage: 0 Fruit: ??	Vegetables: >8 Wheat/barley: >10 Forage: >2 Fruit: >3	Y	Y	Y	Y	Y
10. Area under each traditional crop variety (hectares) in the four targeted districts	TO BE MEASURED IN YEAR 1	Increase in area for wheat/barley varieties by app. 4% Increase in area for vegetable crops by 1.5% Increase in area for forage crops by 1.5%	N	N	Q	Y	Y
11. Volume of the targeted native crop seed (tons/annum) made available to seed producers in the project rayons for commercial production	Vegetables: 0.1 t/yr Wheat/barley: 80 t/yr Forage: 10 t/yr Fruit: ??	Vegetables: 0.3 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr Fruit: 0.1 t/yr	Q	Q	Q	Y	Y
12. Number of new, registered native crop seed producing farmers in the project rayons	N/A	Vegetables: 5 Forage: 2 Wheat/barley: 4 Fruit: 1	Q	Q	Q	Y	Y
SMART: Specific, Measurable, Achievable, Relevant, Time-Bound Green: SMART criteria compliant (yes); Yellow: questionably compliant with SMART criteria; Red: not compliant with SMART criteria (no)							

The first two indicators under Outcome 1 (Indicator Nos. 8 and 9) were found to be SMART-compliant.

With respect to Indicator No. 10, an extensive list of traditional crop varieties was included in the project results framework, with a note indicating that the area under cultivation for each of these varieties would be measured during Year 1 of the project. The baseline areas have not been determined and, therefore, the end targets (as percent increases in cultivated area) cannot be measured.

The baseline figures for Indicator No. 11 (volume of targeted native crop seed available to seed producers in the project rayons for commercial production) could not be validated, and the means of verification of the end target is unclear.

The means of verification for Indicator No. 12 (number of new, registered native crop seed producing farmers) is also unclear.

Component 2: Capacity to improve agricultural productivity and reduce land degradation

There are five indicators under Outcome 2, as outlined below in **Table 7**.

Table 7: SMART analysis of project results framework (Outcome 2)

Indicator	Baseline	End-of-Project target	MTR SMART analysis				
			S	M	A	R	T
Outcome 2: The improved capacities of, and more effective collaboration and cooperation between, agricultural institutions and small farmers farming native crops in the three project rayons leads to increased agricultural productivity and lower levels of land degradation							
13. Number of capacitated extension and advisory service officers deployed in the project rayons	5	>20	Q	Q	Q	Y	Y
14. Number of state agricultural staff (professional, scientific, and technical) participating in project-funded training and skills development programmes	N/A	>30	Y	Y	Y	Y	Y
15. Number of active farmer-farmer networks established in project rayons	0	>6	Q	Q	Q	Y	Y

Indicator	Baseline	End-of-Project target	MTR SMART analysis				
			S	M	A	R	T
16. Number of registered members of the regional (i.e., including the project rayons) Wheat Farmers Association	0	>50	Y	Y	Y	Y	Y
17. Number of local farmers participating in project-funded information-sharing, training, and skills development programmes	N/A	Vegetable: >150 Forage: >30 Wheat: >100	Y	Y	Y	Y	Y

With respect to Indicator No. 13, it is unclear whether the baseline figure of "5" refers to the number of extension and advisory service officers stationed in the project rayons, or rather the number of officers who have capacity in agrobiodiversity issues. This renders the measurability and achievability of this indicator questionable.

The term "active farmer-farmer networks" is not clearly defined in Indicator No. 15, and the means of verification is not specified.

The other indicators under Outcome 2 were found to be SMART-compliant.

Component 3: Incentives and markets to improve the uptake and commercial viability of native crops

There are five indicators under Outcome 3, as outlined below in **Table 8**.

Table 8: SMART analysis of project results framework (Outcome 3)

Indicator	Baseline	End-of-Project target	MTR SMART analysis				
			S	M	A	R	T
Outcome 3: Incentives that encourage the planting of, and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons are strengthened							
18. Number of local farmers benefiting from small grants and average (US$) value of grant/farmer	N/A N/A	>200 US$1000-US$2000	Y	Q	Q	Y	Y
19. Number of new supply agreements concluded between farmers in the project rayons and processors/retailers of niche high-value products derived from native crops	0	>10	Y	Y	Y	Y	Y
20. Number of processors and retailers trading in niche high-value products derived from native crops, and those benefitting from project grant funding support in the project rayons	<5 0	>10 >5	Q	Q	Q	Y	Y
21. Estimated valuation (US$) of trade in the targeted native crops in the project rayons	TBD	TBD	Q	Q	Q	Q	Y

The end target for Indicator No. 18 (number of local farmers benefitting from small grants and average value of grant/farmer) was adjusted at project inception. However, the project also decided not to proceed with the small grants mechanism and rather disburse inputs directly to farmers, focusing on farmer groups. This target does not capture the adaptive management approach taken.

With respect to Indicator No. 20 (number of processors and retailers trading in niche high-value products derived from native crops, and those benefitting from project grant funding support in the project rayons), the baseline of <5 could not be validated. It is, therefore, difficult to ascertain the achievability of the end targets.

For Indicator No. 21 (estimated valuation of trade in the targeted native crops in the project rayons), the envisaged approach called for conducting value chain analyses at project inception and then again at the end of the project. This indicator does not seem to be relevant to the project rayons, where most of the farmers cultivating native crops are holding small plots of land, and the value chains are not extensive (or non-existent in some cases).

3.1.4 Gender Mainstreaming and Social Inclusion Analysis

The project document indicates a GEN-1 gender marker, which implies that project outputs will contribute "in some way" to gender equality, but not significantly. A gender analysis and action plan were not prepared and social and environmental risk screening was not carried out at the project preparation phase. Gender mainstreaming is not predominantly featured in the project results framework. Among the 21 indicators in the framework, one was disaggregated by gender, specifically Indicator No. 6: "Number of households (and number of women) directly involved in the farming of native crops. A gender assessment was made 2019 of the target rayons, documenting the participation of women in agriculture (e.g., see photograph below in **Figure 4**) and identifying livelihood opportunities.

Figure 4: Photograph of women working in one of the local farm fields[6]

Strengthening the socio-ecological resilience of local farmers and communities is integrated into the project strategy, i.e., having a focus on capacitating small-scale farmers in adopting good agricultural practices and expanding the conservation and sustainable use of agrobiodiversity. A socio-economic and ecological situation analysis on selected projects in the target rayons was conducted in 2019.

3.1.5 Suggested Modifications to the Project Results Framework

Suggested modifications to the project results framework are outlined below in **Table 9.**

Table 9: Suggested modifications and clarifications to Project Results Framework

Indicator	Baseline	End of Project target	Comments
Objective: To enhance and maintain socio-ecological resilience of one forested and three coastal landscapes through community-based initiatives in Sulawesi, East Nusa Tenggara, and Bali, Indonesia			
1. Proportion (%) of agricultural crop area of project rayons under native crops	Wheat/barley: <2% Vegetable: <0.5% Forage: <0.5%	Wheat/barley: >6% Vegetable: >2% Forage: >2%	Baseline conditions should be validated, with source of information described. Means of verification need to be described for monitoring crop areas across the entire rayons.
2. Estimated value (US$/annum) of the state funding allocation to the conservation and use of agrobiodiversity in Azerbaijan	<US$ 30 million/annum	>US$ 50 million/annum	Baseline conditions should be more specific, with the source of information described. Means of verification need to be described. End target to be reconsidered based on consultation with MoA officials.
3. Number of known landraces and varieties under productive crop cultivation in Azerbaijan	<400	>450	Baseline conditions should be more specific, with the source of information described. Means of verification need to be described; should cover the entire country, not only the project sites.
4. Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices	<10,000 ha	Direct (project supported): >50,000 ha Indirect: >50,000 ha	The term "sustainable crop agricultural practices" should be defined. Baseline conditions should be validated, with the source of information described.

[6] Source of photo: Project Management Unit (PMU)

Indicator	Baseline	End of Project target	Comments
			Means of verification need to be described.
5. Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops	N/A	>1,000 ha	The term "degraded agricultural land" should be defined. Means of verification need to be described.
6. Number of households (and number of women) directly involved in the farming of native crops.	Vegetables: 5 (1) Wheat/barley: 2 (0) Forage: 1 (0) Fruit: 5 (2)	Vegetables: 17 (5) Wheat/barley: 17 (5) Forage: 12 (2) Fruit: 10 (4)	Clarify whether this indicator is only covering the project rayons. Baseline conditions should be validated, with the source of information described. Means of verification need to be described, including the gender aspect. For example, project reporting seems to be only considering women who are participating in project activities, rather than surveying the number of women directly involved in farming of native crops.
7. LD-PMAT tracking tool score (average score across 4 criteria under LD-1 **scorecard in the GEF-5 tracking tool**)	LD 1: <1.5	LD 1: >3	Baseline should be reconstructed according to the scorecard provided below in **Table 10**.
Outcome 1: The state of knowledge, conservation security, and intensity and extent of use, of native crops is significantly enhanced across three rayons			
8. Number and **cumulative** extent (ha) of CWR agrobiodiversity hotspots ~~**in the project rayons**~~ under some form of conservation tenure	0 0 ha	>5 >150 ha	Means of verification need to be described.
9. Number of the targeted native crop varieties being actively maintained in field gene banks	Vegetables: 0 Wheat/barley: 0 Forage: 0 Fruit: ??	Vegetables: >8 Wheat/barley: >10 Forage: >2 Fruit: >3	Means of verification need to be described.
10. Area under each traditional crop variety (hectares) in the ~~**four**~~ **three project rayons** ~~**targeted districts**~~	~~TO BE MEASURED IN YEAR 1~~	~~**Increase in area for wheat/barley varieties by app. 4%**~~ ~~**Increase in area for vegetable crops by 1.5%**~~ ~~**Increase in area for forage crops by 1.5%**~~	Baseline conditions should be described for the individual varieties. End targets should be set as area (ha), rather than % increase. Means of verification need to be described.
11. Volume of the targeted native crop seed (tons/annum) made available to seed producers in the project rayons for commercial production	Vegetables: 0.1 t/yr Wheat/barley: 80 t/yr Forage: 10 t/yr Fruit: ??	Vegetables: 0.3 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr Fruit: 0.1 t/yr	Means of verification need to be described.
12. Number of new, registered native crop seed producing farmers in the project rayons	N/A	Vegetables: 5 Forage: 2 Wheat/barley: 4 Fruit: 1	Define what the term "registered" refers to. Means of verification need to be described.
Outcome 2: The improved capacities of, and more effective collaboration and cooperation between, agricultural institutions and small farmers farming native crops in the three project rayons leads to increased agricultural productivity and lower levels of land degradation			
13. Number of capacitated extension and advisory service officers deployed in the project rayons	5	>20	This indicator needs to be reconsidered, as the current phrasing is unclear. Baseline conditions should be validated, with the source of information described. End target should be reassessed. Means of verification need to be described.
14. Number of state agricultural staff (professional, scientific, and technical) participating in project-funded training and skills	N/A	>30 **(15)**	The end target should be gender-disaggregated. Means of verification need to be described.

Indicator	Baseline	End of Project target	Comments
development programmes (number of women)			
15. Number of active farmer-farmer networks established in project rayons	0	>6	Define the term "active farmer-farmer networks". Means of verification need to be described.
16. Number of registered members **(number of women)** of the regional (i.e., including the project rayons) Wheat Farmers Association	0	>50 **(15)**	This indicated should be gender-disaggregated. Means of verification need to be described.
17. Number of local farmers (**number of women)** participating in project-funded information-sharing, training, and skills development programmes	N/A	Vegetable: >150 **(45)** Forage: >30 **(9)** Wheat: >100 **(30)**	This indicated should be gender-disaggregated. Means of verification need to be described.
Outcome 3: Incentives that encourage the planting of, and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons are strengthened			
18. Number of local farmers benefiting **from direct project support** ~~small grants and average (US$) value of grant/farmer~~	N/A N/A	>400 US$500-US$1,500	The means of verification need to be described.
19. Number of new supply agreements concluded between farmers in the project rayons and processors/retailers of niche high-value products derived from native crops	0	>10	The means of verification need to be described.
20. Number of processors and retailers trading in niche high-value products derived from native crops, and those benefitting from **direct** project ~~grant funding~~ support in the project rayons	<5 0	>10 >5	The baseline conditions should be described/validated. The means of verification need to be described.
21. ~~Estimated valuation (US$) of trade in the targeted native crops in the project rayons~~ **Number of government incentive schemes for farmers involved in conservation and sustainable use of agrobiodiversity**	**0**	**2**	Suggest replacing this indicator. Means of verification need to be described. End target should be considered in consultation with the Project Director (MoA).

The scorecard for Indicator No. 7, extracted from the GEF-5 LD tracking tool is presented below in **Table 10**.

Table 10: Scorecard for Indicator No. 7 (extracted from the GEF LD tracking tool)

LD1.i Agriculture policy enhancement score		
Rating	**Benchmark**	**Notes**
1	no sector policy/regulation framework in place	Baseline assessment made during project design and planning phase and repeated annual assessments reported in PIRs
2	sector policy/regulation framework has been discussed and formally proposed	
3	sector policy/regulation framework have been formally proposed but not adopted	
4	sector policy/regulation framework formerly adopted by the Government but weak enforcement mechanisms	
5	sector policy/regulation framework are enforced	
LD1.ii. Land tenure security of affected farmers / communities		
Rating	**Benchmark**	**Notes**
1	No land tenure arrangements and use rights in place	Baseline assessment made during project design and planning phase and repeated annual assessments reported in PIRs
2	Land tenure arrangements and use rights partially in place	
3	Land tenure arrangements and use rights in place	
4	Land tenure and use rights effectively in place	
5	Land tenure and use rights secured and protected over the long-term	

LD1.iii. Sustained agricultural productivity score		
Rating	**Benchmark**	**Notes**
1	Yields of main crops / livestock productivity decreased	Available data on yields of main crops / livestock productivity will be provided as baseline during project design and planning phase and repeated within the monitoring of the project and reported annually through PIRs
2	Yields of main crops / livestock productivity stable	
3	Yields of main crops / livestock productivity with annual increase	
4	Yields of main crops / livestock productivity with >2years increase during project lifetime	
5	Yields of main crops / livestock productivity with increases that are sustained over the long-term	
LD1. iv. Rate local population's perception of the vulnerability of their livelihood (based on specific factor) - Community Vulnerability		
Rating	**Benchmark**	**Notes**
1	Extreme Vulnerability	Annual assessment (preferably from participatory household surveys disaggregated by gender
2	High Vulnerability	
3	Medium Vulnerability	
4	Low Vulnerability	
5	No Vulnerability	

3.2 Progress towards Results

3.2.1 Progress towards Objective and Outcomes Analysis

Objective: Ensure the conservation and sustainable use of globally threatened crop varieties important for biodiversity, food security and sustainable land management	
Progress towards achieving the project objective is rated as:	**Satisfactory**

A rating of **satisfactory** is applied for progress made towards achieving the project objective through midterm, as summarized below in **Table 11** and further broken down in **Annex 5**.

Table 11: Progress towards results, project objective

Indicator	**Baseline**	**Midterm status**	**End-of-Project target**	**MTR Assessment**
Date:	**2014**	**Sep 2020**	**Dec 2021**	
1. Proportion (%) of agricultural crop area of project rayons under native crops	Wheat/barley: <2% Vegetable: <0.5% Forage: <0.5%	Wheat/barley: >4% Vegetable: >1.5% Forage: >1%	Wheat/barley: >6% Vegetable: >2% Forage: >2%	**On target**
2. Estimated value (US$/annum) of the state funding allocation to the conservation and use of agrobiodiversity in Azerbaijan	<US$ 30 million/annum	2020 estimate: USD 10.5 million, including: MoA: USD 3 million in 2020; MENR: USD 1.5 million in 2020; MoA-MENR-ANAS: USD 6 million in 2020	>US$ 50 million/annum	**Not on target**
3. Number of known landraces and varieties under productive crop cultivation in Azerbaijan	<400	Current level nationwide: 460 Within project sites, 60 varieties of cereals and vegetables in field gene banks, and sowing of 10 cereal and 22 vegetables in large areas.	>450	**On target**
4. Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices	<10,000 ha	Direct (project supported): >9,600 ha Indirect: >30,000 ha	Direct (project supported): >50,000 ha Indirect: >50,000 ha	**Not on target** (for direct)
5. Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops	N/A	1,000 ha	>1,000 ha	**On target**

Indicator	Baseline	Midterm status	End-of-Project target	MTR Assessment
Date:	2014	Sep 2020	Dec 2021	
6. Number of households (and number of women) directly involved in the farming of native crops	Vegetables: 5 (1) Wheat/barley: 2 (0) Forage: 1 (0) Fruit: 5 (2)	Vegetables: 65 (15) Wheat/barley: 45 (20) Forage: 14 (5) Fruit: 12 (3)	Vegetables: 17 (5) Wheat/barley: 17 (5) Forage: 12 (2) Fruit: 10 (4)	**Achieved**
7. LD-PMAT tracking tool score (average score across 4 criteria under LD-1)	LD 1: <1.5	Internal midterm assessment: LD1.i.: 5 (policy) LD1.ii.: 2 (tenure) LD1.iii: 18 (production) LD1.iv: 2 (vulnerability)	LD 1: >3	**Unable to assess**

For Indicator No. 1, the baseline conditions and means of verification of the rayon-wide end target are unclear. Similarly, the baseline for Indicator No. 2 is not specific (<USD 30 million), and the means of verification of progress is not described. The baseline of Indicator No. 3 (number of known landraces and varieties under productive crop cultivation in Azerbaijan) is not specific. The means of verification of the midterm assessment for this indicator is not described.

For Indicator No. 4, the extent of crop area in the project rayons under more sustainable crop agricultural practices, directly supported by the project is reported as >9,600 ha, significantly lower than the 50,000-ha end target. Progress towards the indirect results under this indicator is estimated to be >30,000 ha; the means of verification of this assessment is not described.

The term “degraded agricultural land” is not clearly defined for Indicator 5. The project is reporting 1,000 ha at midterm, which is on target.

With respect to Indicator No. 6, as an objective level project metric, it would be useful to report rayon-wide results, not only for the farms supported by the project.

The internal assessment for Indicator No. 7 was unclear. For sub-indicator LD1.iii (productivity), a score of “18” was provided, while the maximum in the scorecard is 5. Also, the explanation in the PIR 2020 for the tenure sub-indicator (LD1.ii) is unclear, i.e., describing restrictions on burning.

Component 1: *In situ* and *ex situ* conservation of agrobiodiversity

Outcome 1: The state of knowledge, conservation security, and intensity and extent of use, of native crops significantly enhanced across three rayons	
Progress towards achieving Outcome 1 is rated as:	**Satisfactory**

Progress towards achievement of Outcome 1 is rated as **satisfactory**, as outlined below in **Table 12** and further broken down in **Annex 5**.

Table 12: Progress towards results, Outcome 1

Indicator	Baseline	Midterm status	End-of-Project target	MTR Assessment
Date:	2014	Sep 2020	Dec 2021	
8. Number and extent (ha) of CWR agrobiodiversity hotspots in the project rayons under some form of conservation tenure	0 0 ha	6 (including 3 in project rayons) 0 ha	>5 >150 ha	**Not on target**
9. Number of the targeted native crop varieties being actively maintained in field gene banks	Vegetables: 0 Wheat/barley: 0 Forage: 0 Fruit: N/A	Vegetables: 55 Wheat/barley: 39 Forage: 59 Fruit: 0	Vegetables: >8 Wheat/barley: >10 Forage: >2 Fruit: >3	**Achieved** (except for fruits)
10. Area under each traditional crop variety (hectares) in the four targeted districts	Baselines not measured in Year 1	Baseline conditions not measured. In 2019, wheat/barley: 250 ha In 2019, vegetable crops: 7.8 ha In 2019, forage crops: 20 ha	Increase in area for wheat/barley varieties by app. 4% Increase in area for vegetable crops by 1.5% Increase in area for forage crops by 1.5%	**Unable to assess** (baselines not defined)
11. Volume of the targeted native crop seed (tons/annum) made available to seed producers in the	Vegetables: 0.1 t/yr Wheat/barley: 80 t/yr Forage: 10 t/yr	Vegetables: 0.4 t/yr Wheat/barley: 750 t/yr Forage: 15 t/yr Fruit: 0.1 t/yr	Vegetables: 0.3 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr Fruit: 0.1 t/yr	**Achieved** (except for forage)

Indicator	Baseline	Midterm status	End-of-Project target	MTR Assessment
Date:	2014	Sep 2020	Dec 2021	
project rayons for commercial production	Fruit: N/A			
12. Number of new, registered native crop seed producing farmers in the project rayons	N/A	Vegetables: 4 Forage: 2 Wheat/barley: 5 Fruit: 0 Note: discrepancy with breakdown in Annex 5	Vegetables: 5 Forage: 2 Wheat/barley: 4 Fruit: 1	**On target** (should be confirmed)

With regard to Indicator No. 8, six (6) hotspots have been identified throughout the country, including 3 in the project rayons. Declaration of these under some form of conservation tenure has not yet been achieved.

Progress towards achievement of Indicator No. 9 (number of targeted native crop varieties being actively maintained in field gene banks) exceeds the end targets.

With respect to Indicator No. 10, baseline conditions for the list of traditional crop varieties outlined in the project document have not been measured. According to the project team, baseline conditions were essential zero, i.e., none of these varieties were under cultivation in 2014 (this should be confirmed). Without baseline conditions being measured, it is not possible to report on percent increases.

Progress towards achievement of Indicator No. 11 (value of targeted native crop seed made available to seed producers for commercial production) exceeds the end targets, except for forage. For forage crops, the volume of seed production has increased by 50% from the baseline.

Progress towards achievement of Indicator No. 12 (number of new, registered native crop seed producing farmers in the project rayons) is on target to be realized by project closure. There are discrepancies, however, with respect to the breakdown reported in **Annex 5** (The PIR 2020 indicates 4 for vegetables, 2 for forage, and 5 for wheat/barley) The project is reporting based on achievements made by farmers participating in project-supported activities. It would be useful to report on the results across the project rayons, to assess how native varieties are being mainstreamed.

Output 1.1: Improve the knowledge base of crop wild relatives (CWR) and local crop landraces

Key achievements:

- The project supported participatory expeditions in the targeted rayons (and beyond), collecting samples of crop wild relatives (CWRs) in the wild and landraces at the farm level. Expeditions to all regions of Azerbaijan were organized with participation of the Genetic Resources Institute of ANAS and project experts. More than 1,000 accessions of cereals, legumes, feed and vegetable crops were collected, six (6) agrobiodiversity hotspots were identified, and two (2) new biological diversity centers were discovered.
- Plant materials collected during the field surveys were prepared, stored, and documented into the national gene bank hosted by the Genetic Resources Institute.

Issues / challenges:

- The project should consider supporting the Genetic Resources Institute in strengthening their information management system. In fact, one of the indicative activities described in the project document called for supporting the development of a web-based information portal that will allow users to search for information (e.g., identity, status, distribution, and potential use) on CWRs and landraces.

Output 1.2: Establish and manage a network of conserved areas for CWRs resulting in having at least 5 agrobiodiversity hotspots under conservation regime

Key achievements:

- Information obtained during the participatory expeditions carried out under Output 1.1 was interpreted and six agrobiodiversity hotspots were identified at the locations shown on the map below in **Figure 5**.

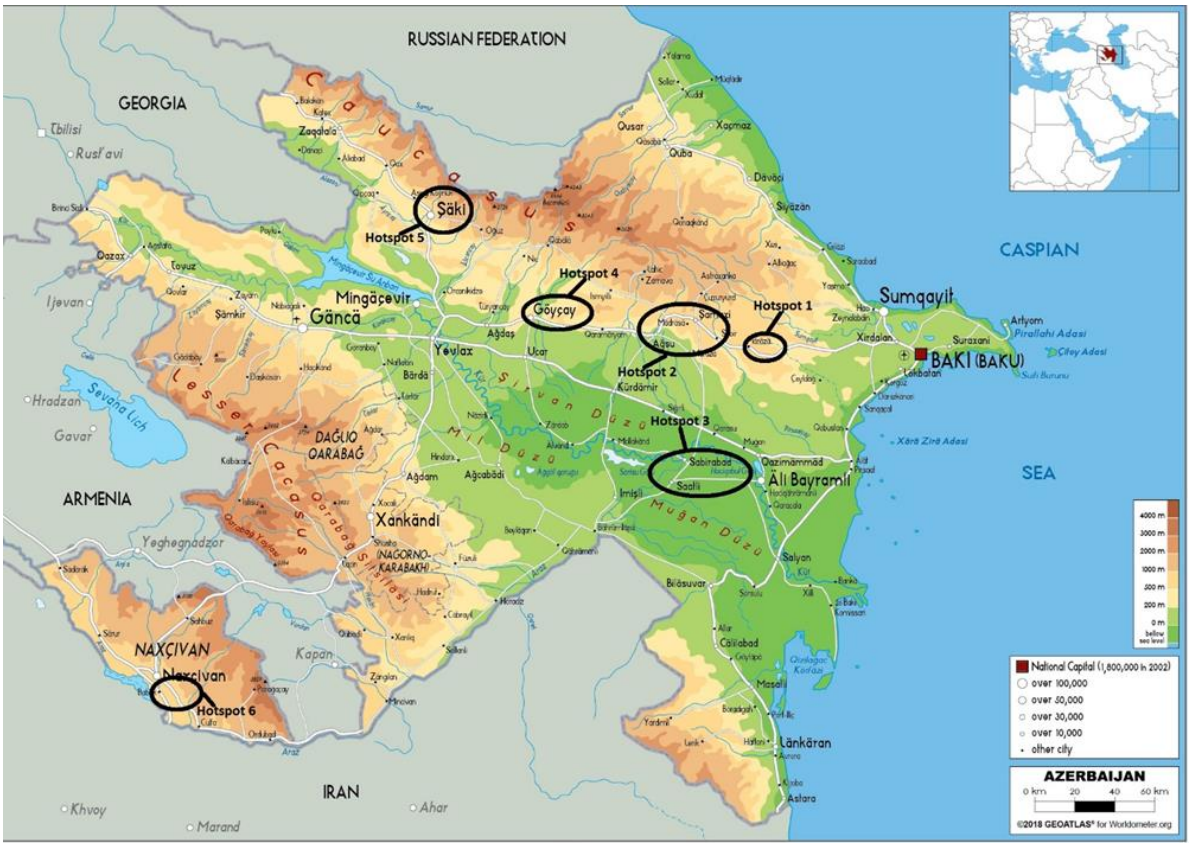


Figure 5: Map showing approximate locations of CWR hotspots identified[7]

- Descriptions of the six hotspots are outlined below in **Box 1**.

Box 1: Description of CWR hotspots identified[8]

Hotspot No. 1. From the Mountainous Shirvan region, rich in wild ancestors of important food crops - Agsu bypasses (048.41161 E 40.58568 N), 350 meters above sea level accessions of wild ancestral species, intraspecific and interspecific natural hybrids of cultivated barley (*Hordeum* L.) and wheat (*Triticum* L.) were collected: 1) *Hordeum vulgare* L. ssp. *spontaneum* (C.Kochi.) Aschers. et Graebn .; 2) *H. bulbosum* L .; *Aegilops cylindrica* Host .; 3) *Ae. tauschii* Coss .; 4) *Ae. biuncialis* Vis .; 5) *Ae. triuncialis* L .; 6) *Triticum montanum* Makush. (= *Triticum araraticum* Jakubz.).

Hotspot No. 2. A rich diversity of wild ancestral species of barley (*H. vulgare* L. ssp. *spontaneum*) and aegilops species (*Ae. cylindrica*; *Ae. tauschii*; *Ae. biuncialis*; *Ae. triuncialis*) was also found between the Shahzahirli-Arabkadim roads of Gobustan region (49° 6' 24, 7 "E 40 ° 28'26.7" N, at an altitude of 640.0 meters above sea level), around Gobustan post of TPS (48 ° 32'18.1 "E 40 ° 19'9.4" N, 812.6 meters above. sea level) .

Hotspot No. 3. As a result of expeditions in the plains, foothills and mountainous areas of Azerbaijan on the Bahramtepe road (48 ° 9´30.72" E 39 ° 39´19.44" N), at an altitude of 10.0 meters above sea level, areas with rich biodiversity of the wild ancestor of cultivated barley (*Hordeum vulgare* L. ssp. *spontaneum*) have been identified and potential adverse effects have been assessed. the wild ancestor is rich. As a result of overgrazing, increased load on pastures and hayfields, uneven distribution of rainfall, and salinization of soils violation of the ecological balance was observed.

Hotspot No. 4. On the right side of the Yevlakh-Zagatala-Georgia road (47° 2 '21.7 "E 41 ° 7'51.82" N), at an altitude of 270.0 meters above sea level barley (*Hordeum vulgare* subsp. *spontaneum*), egilops (*Aegilops biuncialis*); *Ae. triuncialis*; *Ae. cylindrica*; *Ae. tauschii*) and wild pomegranate (*Punica granatum* L.) are found in dense populations.

Hotspot No. 5. A dense population of wild pomegranate (*Punica granatum* L.) was also found in the Jumakend area of the Suvalig-Sheki road, above the Babaratma shrine (46 ° 57'9.31 "E 41 ° 11'27.08" N), at an altitude of 280.0 meters above sea level. It is advisable to protect the above areas as a "hotspot".

Hotspot No. 6. As a result of expeditions in the foothills of Nakhchivan AR in the territory of Maralik village of Shahbuz region (around the pump station - 045 ° 28'20 "E 39 ° 22'12" N), at an altitude of 1137.0 meters above sea level and in Pirjuvar area of Babek region (045 ° 32'39.23 "E 39 ° 11'38.68" N), barley (H.vulgare L.) and wheat cultivar (Triticum L.) wild ancestor (Ae.cylindrica; Ae.tauschii; Ae., 1000.0 m above sea level). biuncialis; Ae.triuncialis).

[7] Source: project management unit (PMU), Sep 2020.

[8] Source: project consultancy report prepared by Agrobiodiversity Conservation Expert (undated).

Issues / challenges:

- For each hotspot, the project needs to evaluate the viable legal mechanisms for declaring these as protected areas or under some other type of conservation tenure, evaluate cost-effective management arrangements, develop management plans, and facilitate the conservation status.
- The project strategy also includes facilitating stakeholders with technical support, e.g., boundary demarcation, signage, information boards, community awareness, establishing monitoring baselines, etc.

Output 1.3: Establish and maintain field gene banks for at least 20 crop landraces

Key achievements:

- Twenty (20) varieties of vegetable crops have been cultivated on a plot of the Scientific Research Vegetable Institute and Genetic Resources Institute of ANAS. In addition, 30 varieties belonged to different species of selected vegetable crops were sown in the Goranboy region by the farmers.
- Field gene bank of 67 varieties and forms of wheat and barley has been created in Sheki, Gobustan, Absheron and Tartar. A photograph of one of the gene banks of wheat landraces and varieties is shown below in **Figure 6**.

Figure 6: Photograph of field gene bank of wheat landraces and varieties in Sheki[9]

Issues / challenges:

- During the second half of the project, evaluation of the efficacy of the planted materials should be carried out and documented.
- Management arrangements should be concluded with the relevant institutions to ensure sustained management after project closure.

Output 1.4: Increase the production, storage, and distribution of native crop seeds resulting in higher number of landraces under cultivation

Key achievements:

- The project has worked closely with local farmers in the target rayons, supporting the establishment of seed production fields for selected native crops.
- At each production field, the project has supported the farmers with training and inputs. A photograph of one of the production fields of tomato varieties in Goranboy is shown below in **Figure 7**.

[9] Source of photo: PMU; date of photo: 01 May 2020

Figure 7: Photograph of a field of local tomato varieties planted at a farmer's land in Goranboy[10]

Issues / challenges:

- Consistent with the project strategy, participating farmers will be supported with the administrative process of formal registration as commercial seed producers.

Component 2: Capacity to improve agricultural productivity and reduce land degradation

Outcome 2: The improved capacities of, and more effective collaboration and cooperation between, agricultural institutions and small farmers farming native crops in the three project rayons leads to increased agricultural productivity and lower levels of land degradation	
Progress towards achieving Outcome 2 is rated as:	**Satisfactory**

Progress towards achievement of Outcome 2 is rated as satisfactory, as outlined below in **Table 13** and further broken down in **Annex 5**.

Table 13: Progress towards results, Outcome 2

Indicator	Baseline	Midterm status	End-of-Project target	MTR Assessment
Date:	**2014**	**Sep 2020**	**Dec 2021**	
13. Number of capacitated extension and advisory service officers deployed in the project rayons	5	Internal reporting does not match the description of the indicator.	>20	**Unable to assess**
14. Number of state agricultural staff (professional, scientific, and technical) participating in project-funded training and skills development programmes	N/A	Total: 80 (10 professional, 60 scientific, and 10 technical)	>30	**Achieved**
15. Number of active farmer-farmer networks established in project rayons	0	4 (including 2 in Sheki and 2 in Goranboy)	>6	**On target**
16. Number of registered members of the regional (i.e., including the project rayons) Wheat Farmers Association	0	30 Note: the internal assessment is an estimate; should be based on registration records of the Wheat Farmers Association.	>50	**On target** (needs to be verified)
17. Number of local farmers participating in project-funded information-sharing, training, and skills development programmes	N/A	Vegetable: >74 Forage: >20 Wheat: >80	Vegetable: >150 Forage: >30 Wheat: >100	**On target**

[10] Source of photo: PMU; date of photo: 15 May 2020

Regarding Indicator No. 13, the internal reporting does not match the description of the indicator, i.e., number of project-recruited consultants and field monitors are reported, rather than extension and advisory service officers. The project team needs to validate the baseline condition and determine the means of verification to use in monitoring progress.

Progress towards Indicator No. 14 (number of state agricultural staff participating in training and skills development) has exceeded the end target. There is an opportunity to disaggregate these results by gender.

Four (4) farmer-farmer networks (Indicator No. 15) are reported among the project rayons, including 2 in Sheki and 2 in Goranboy. Progress seems to be on track to reach the end target of 6. It would be advisable how the project is defining "active farmer-farmer network".

Reported progress towards the end target of >50 registered members of the regional Wheat Farmers Association (Indicator No. 16), is roughly on target at 30, which is an estimation made by the project team based on feedback from farmers. It would be advisable to obtain registration records from the association.

And the project is on target with respect to training local farmers (Indicator No. 17). There is also an opportunity to disaggregate these results by gender.

Output 2.1: Build the capacity of agricultural institutions

Key achievements:

- Equipment has been procured to support the technical advisory services of agricultural extension and advisory organizations. The equipment includes an extensively-equipped mobile laboratory (see Figure 8), communications equipment, office and IT equipment, and field tools and supplies.
- The mobile laboratory supported the analysis of production fields covering approx. 250 ha, and technical assistance provided to farmers on sowing of local varieties, proper agrotechnical maintenance, fertilization, and irrigation.
- Advisory service consultants and field monitors have been recruited, supporting the establishment of field gene banks and assessment and monitoring of on-farm activities.

Figure 8: Photograph of mobile laboratory in use, analyzing soil samples at cereal field[11]

Issues / challenges:

- The project strategy included facilitating the recruitment of 10 agricultural and advisory officers. Based on current circumstances, the project should determine the best course of action in delivering support towards strengthening extension and advisory services.

[11] Source of PMU. Photograph taken at the premises of GRI in Baku on 25 May 2019.

Output 2.2: Support the development of local farmer organisations through establishment of at least 6 farmer networks

Key achievements:

- Project resources have supported the establishment of 4 farmer-farmer networks. Thirteen farmers joined to create the network in Sheki district, 45 farmers formed the network in Tartar region and 2 networks were created in Goranboy region (22 farmers, 25 farmers).

Issues / challenges:

- During the second half of the project, the focus should be on assisting the in the legalization of the networks, providing technical and marketing capacity building, and facilitate linkages with private sector partners (Component 3).
- It would also be advisable to evaluate the effectiveness of the associations and document and disseminate lessons learned.

Output 2.3: Improve the knowledge and skills of local farmers resulting in over 300 agricultural staff and farmers benefitting from training and skills development programmes

- The project has delivered numerous trainings to the staff of the Ministry of Agriculture on "Conservation of genetic resources", "Vegetable seed production", "Cereal gene pool and soil degradation". Specialists, including young specialists from the Genetic Resources Institute of ANAS, Institute of Crop Husbandry, Institute of Vegetable Growing, Azerbaijan State Agrarian University and Baku State University, participated in the seminars. A photograph of an agrobiodiversity seminar held in April 2020 is shown below in **Figure 9**.
- Seminars and field-based trainings have also been delivered to local farmers, reaching 174 farmers in the three project rayons by midterm.

Figure 9: Photograph of a training seminar on conservation and sustainable use of agrobiodiversity[12]

Issues / challenges:

- The training courses delivered have been primarily in the form of seminars. It would be useful to design training a training programme, including modules, for agricultural extension and advisory services.

Component 3: Incentives and markets to improve the uptake and commercial viability of native crops

Outcome 3: Incentives that encourage the planting of, and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons are strengthened

[12] Source of photo: PMU. Date of photo: 22 April 2020.

Progress towards achieving Outcome 3 is rated as:	Moderately Satisfactory

Progress towards achievement of Outcome 3 is rated as satisfactory, as outlined below in **Table 14** and further broken down in **Annex 5**.

Table 14: Progress towards results, Outcome 3

Indicator	Baseline	Midterm status	End-of-Project target	MTR Assessment
Date:	2014	Sep 2020	Dec 2021	
18. Number of local farmers benefiting from small grants and average (US$) value of grant/farmer	N/A N/A	135 farmers supported across the three project rayons with an average level of support of USD 800 per farmer	>400 US$ 500 – 1,500	**On target**
19. Number of new supply agreements concluded between farmers in the project rayons and processors/retailers of niche high-value products derived from native crops	0	Internal reporting describes project support in terms of procured equipment and advisory services delivered. Supply agreements not yet concluded.	>10	**Not on target**
20. Number of processors and retailers trading in niche high-value products derived from native crops, and those benefitting from project grant funding support in the project rayons	<5 0	Consultations have been initiated with Bravo, the largest supermarket chain in Azerbaijan, for supplying native variety vegetables. Processing equipment has been purchased for farmers and farmer associations.	>10 >5	**Not on target**
21. Estimated valuation (US$) of trade in the targeted native crops in the project rayons	TBD	Baseline value chain analyses have not yet been made. The project team has estimated the value of USD 2 million in 2019 for local wheat and barley varieties produced by local farmers.	TBD	**Unable to assess**

With regard to Indicator NO. 18, a total of 135 farmers in the three project rayons have been supported with equipment and inputs at an average value of USD 800 per farmers. The small grants mechanism was not implemented as originally planned; support was rather directly delivered to the farmers. Progress seems marginally on track to achieve the >400 end target. Current constraints associated with COVID-19 and political unrest could affect how efficiently support is provided to farmers during the second half of the implementation timeframe.

Internal reporting for progress towards achievement of Indicator No. 19 (new supply agreements concluded between farmers and processors/retailers of niche high-value products derived from native crops), describes equipment for processing cereal and vegetable crops procured for farmers in Sheki and Goranboy, and mills constructed in these two rayons. In the Goychay rayon, project resources were used to procure seed cleaning and fodder mixing machines for farmers there. And project support facilitated establishment of the Yolpaq Vegetables Producers' Cooperative, facilitating their engagement with processors and retailers. Supply agreements have not yet been concluded.

With respect to Indicator No. 20 (processors and retailers trading in niche high-value products derived from native crops, internal reporting (2020 PIR) describes equipment purchases (e.g., mills, seed cleaners), and indicates consultations with Bravo, the largest supermarket chain in the country, on supplying native variety vegetables.

The baseline value chain analyses envisaged in relation to Indicator No. 21 have not been made yet. The project team indicated that they are planning on procuring value chain analyses in 2020, particularly for higher value vegetables and fruits. And there are plans to support farmers with adding value to durum wheat, e.g., investing in mills to supply pasta producers. This indicator should be reconsidered, e.g., the participating local farmers are mostly small-scale land holders, and capacity building is probably a higher priority in the short-term than facilitating their participation into value chains that they might not be ready to supply. It is sensible to start with vegetable and fruit producers, as those farmers in Azerbaijan typically have more market linkages than wheat/barley and forage farmers.

Output 3.1: Strengthen the agricultural incentives toolbox for farmers resulting in an increase in the area under native crop production

Activities under this output have focused on supported farmers in Sheki, Goranboy, Goychay, and Tartar with seeds of native varieties and with direct support for plant cultivation, agrotechnical care, and harvesting.

The agricultural incentives toolbox mentioned in the title of this output has not yet been produced. The project does have a timely opportunity to work with the Ministry of Agriculture in assessing what types of incentives would be best suited for farmers cultivating native varieties. The ministry has plans to introduce such incentives/subsidies by 2022.[13]

Output 3.2: Improve access to markets for local farmers by helping at least 10 farmers to conclude supply agreements

The project has made an adaptive management adjustment under this output. The project strategy outlined in the project document called for conducting value chain analyses, assisting local farmers in entering supply agreements with processors and retailers of niche high-value products derived from native crops, delivering technical capacity for improving quality standards required by processors and retailers, and facilitating expanded partnerships through participation in trade fairs, trade missions, etc.

And rather than provide support through a small grant mechanism, a decision was made to deliver equipment for harvesting, cleaning, and sorting directly to the farmers.

The project is sensibly focusing more on capacity building among the local farmers – a requisite precondition for participating in green value chains as reliable partners capable of delivering consistent quality and quantity.

3.2.2 Remaining Barriers to Achieving the Project Objective

Adapting to the current COVID-19 pandemic. There have been significant disruptions in all sectors during the COVID-19 pandemic and some of the project activities have needed to be paused and reevaluated according to the current constraints, including limitations on travel and gatherings of people.

Expanding stakeholder involvement. It will be important to expand stakeholder engagement apart from the agriculture sector, e.g., involving the MENR in declaration the agrobiodiversity hotspots under some form of conservation tenure.

Strengthening the capacity development strategy for agriculture extension and advisory services. The durability of results achieved on the project will largely depend on the strengthened capacities of agriculture and advisory services. The project needs to refine the strategy in this regard, e.g., developing training modules, identifying capacity needs, delivering targeted training, etc.

Formulating incentive frameworks for promoting expanded cultivation and protection of native varieties. Current government subsidies are focused on modern, highly productive varieties. There is some degree of market demand for native varieties, the enabling environment, including regulatory and incentive frameworks needs to be strengthened to facilitate conservation and sustainable use of agrobiodiversity.

3.3 Project Implementation and Adaptive Management

Project Implementation and Adaptive Management is rated as: Moderately Satisfactory

3.3.1 Management Arrangements

The project is being implemented under national implementation modality, with the MoA as the Implementing Partner, supported by UNDP as the GEF Implementing Agency.

Steering Committee:

The Project Steering Committee (PSC) was officially established during the project inception workshop; Appendix 3 of the inception report lists the following members of the PSC:

- Secretary, Ministry of Agriculture of Azerbaijan Republic, Chairperson
- Representative of UNDP, Azerbaijan Country Office, Member
- Representative of MENR, Member
- Representative of Genetic Resources Institute of ANAS, Member
- National Project Director (MoA), Member
- Project Coordinator, Member
- Project Agricultural Scientist, Member

[13] Communicated during MTR interviews.

The description of the PSC in the inception report includes the following additional information: "It will meet on a half-yearly basis, or if necessary, meetings may be held more frequently. The SC will be chaired by the Secretary of Ministry of Agriculture. The members include the UNDP Resident Representative and senior officials of the respective ministries, implementing agencies, District Commissioners and those cooperating organizations/institutions, which have a direct bearing on the successful implementation of the project".

According to records made available by the PMU, there have been three (3) PSC meetings during the first half of the project: September 2019 and December 2019.

Table 15: Participants in the Project Steering Committee meetings

Participants during the December 2018 SC meeting:
Mirza Aliyev (PD), Head of State Service for Agricultural Projects and Credit Management
Mr. Namiq Mammadov, Deputy Head of the State Service for Agricultural Projects and Credit Management
Mr. Elkhan Ilyasov, Head of the Sheki Regional Agrarian Science and Innovation Center
Farid Abbasov, Project Manager
Mehraj Abbasov, Project Agricultural Scientist
Sona Abdullayeva, Project Finance Assistant
Lala Apayeva, Project Administrative Clerk
Participants during the September 2019 SC meeting:
Inan Karimov, Minister of Agriculture
Mirza Aliyev (PD), Head of Agency for Agro Credit and Development
Alessandro Fracassetti, UNDP Resident Representative
Shamil Rzayev, UNDP Senior Programme Advisor
Farid Abbasov, Project Manager
Participants during the December 2019 SC meeting:
Mirza Aliyev (PD), Head of Agency for Agro Credit and Development
Ziyad Abbasov, Goranboy State Agrarian Development Center
Shamil Rzayev, UNDP Senior Programme Advisor
Farid Abbasov, Project Manager
Mehraj Abbasov, Project Agricultural Scientist
Sona Abdullayeva, Project Finance Assistant
Lala Apayeva, Project Administrative Clerk

Representatives of MENR and the Genetic Resources Institute (GRI) of ANAS have not participated in the PSC meetings.

According to UNDP policies and procedures, the Project Coordinator and other members of the PMU are not eligible to be members of the SC. This should be rectified during the second half of the project.

Risk Management:

The 2020 PIR includes a discussion of how the COVID-19 pandemic has affected project implementation, e.g., fewer in-person trainings and restrictions on travel. It would be prudent to assess whether the COVID-19 should be elevated to a critical risk, considering the prolonged pandemic globally.

Three project risks were described in the project document:

- Farmers in the project rayons are reluctant to switch to planting and growing native crop varieties (characterized as a **High** risk).
    - Based on the results of the MTR online survey of participating farmers (see Annex 4), this risk has not materialized; in fact, the farmers overwhelming plan to expand cultivation of native varieties.
- State agricultural institutions working in the project rayons are unable to provide adequate technical and extension support services to the increasing number of farmers farming with native crops (characterized as a **Medium** risk).
    - One of the findings of the MTR is the unclear strategy for capacitating extension support services. This issue is addressed among the MTR recommendations and this risk should be regularly monitored.
- An increase in demand for irrigation water in the project rayons, coupled with decreased water availability and higher temperatures, leads to substantial native crop losses (characterized as a **Medium** risk).
    - This risk is more likely to materialize over a long-term horizon, but the project is taking mitigative steps, e.g., promoting cultivation of drought-resistant varieties.

The risk assessment included in the project document does not consider the challenges associated with facilitating cross-sectoral collaboration, e.g., between the MoA and MENR. Further collaboration between these ministries is recommended on the project and it would be advisable to formulate a strategic approach to realize constructive dialogue and cooperation.

Project Management Unit (PMU):

Recruitment of the PMU was completed in March 2018, more than a year after the project official start date of December 2016. The PMU includes a team of four full-time positions: Project Coordinator, Project Agricultural Scientist, Project Finance Assistant, and Project Administrative Clerk. The PMU team members are housed in the agency of the Project Director, i.e., the Agency for Agro Credit and Development. This is a good practice, having the PMU embedded with the operations of the Implementing Partner.

The envisaged Project Grants Manager position that was described in the project document was not recruited, as the project decided not to pursue the small grants mechanism, and rather disburse inputs directly to the farmers.

3.3.2 Work Planning

The GEF endorsed the project for implementation on 31 July, and the Government of Azerbaijan approved the project document on 13 December of that year – the official project start date. Project implementation was delayed approximately 1-1/2, with the inception workshop held in June 2018. Project progress reports indicate that the delay was caused by two factors. Firstly, it took time to sort out the implementation arrangements with the Ministry of Agriculture – this is the first time that this ministry has been a lead implementing partner for UNDP on a GEF-financed project. And secondly, recruitment of the Project Coordinator was prolonged, requiring two rounds of procurement.

Delivery picked up quickly upon project inception, with more than USD 1.2 million of the USD 4.16 million GEF project grant expended in 2018 and approx. USD 1.1 million incurred in 2019. As of June 2020, roughly 61% of the GEF funds have been spent.

The project strategy and results framework were thoroughly reviewed during project inception (good practice), and the adjustments listed below in **Table 16** were made at that time.

Table 16: Adaptive management changes to the project decided at the inception workshop

PROJECT STRATEGY		
Strategic focus	***Proposed change***	***Rationale/Justification***
Target species	To add three fruit species – pomegranate, apricot and cherry – to the list of crops targeted for project support	In the target regions, especially in the Sheki and Goychay regions, the wide diversity of pomegranate, apricots and cherry plants is spread and there are farmers engaged in the cultivation of landraces of these plants. It is possible to organize the protection of these plants without too much expenditure under the project. The landraces of these plants are also of global importance.
Grant funding	To confirm that no direct funding will be provided to project beneficiaries under the different grant schemes envisaged in the project. All grant funding will be in the form of in-kind support from the project through *inter alia* the following types of mechanisms: procurement and installation of infrastructure; procurement of equipment; maintenance contracts for infrastructure and equipment; procurement of specialist services; procurement and delivery of sundries; appointment of labour; and procurement of technical support services. Wherever the term 'grant' is used in the project document, it explicitly excludes direct financial support.	Direct grants to farmers are risky. There are certain doubts in the use of the grant funds by them for direct protection and cultivation of local varieties. Therefore, it is advisable to meet their needs for equipment and devices, it is also advisable to do these activities through companies.
Type of project support in different rayons	To confirm that the project support will not be equally distributed for all crop types across the three project rayons. The proposal for project focal support is as follows: Sheki – primarily barley/cereals, secondarily fruits; and Goychay – primarily fruits, secondarily forage; Goranboy – primarily vegetables, secondarily cereals.	It is not possible to plant target crops equally in all regions. Sheki is particularly suitable for cereal crops, and there are also conditions to conserve fruit crops. The Goychay region was historically famous for its fruit plants. It is advisable to support the activities of farmers who are involved with fruit crops in that region. There are few farmers in Goychay, who also deal with fodder crops. Goranboy region is the most suitable region for vegetable crops. There are many vegetable farmers. In this region, it is aimed to support the activities of farmers with a few cereal crops.

PROJECT OUTPUTS AND ACTIVITIES		
Output	***Proposed change***	***Rationale/Justification***
Output 1.1	To expand the scale and extent of field survey and mapping of wild populations of crop wild relatives and crop landraces from the three targeted rayons to the entire country.	There is a dire need to improve the knowledge of the wild populations of CWRs and landraces across the entire country, not only in the targeted rayons. The GEF and co-financing resources committed to this output are considered adequate to extend the range of survey and mapping, without the need to re-allocate any funding from other outputs for this purpose. This national-level information will also be necessary to support of the implementation of activities under Output 1.2 (i.e. designing a national network of CWR conservation sites).
Output 1.2	To select a maximum of three sites (not 5) for establishment and management as CWR conservation sites	The project team consider that, if these sites are to become effective pilot conservation areas, it would be better to limit the number of conservation areas and increase the extent of project support to making them work effectively.
	To consider the option of locating one of these CWR conservation areas outside the target rayons.	Preliminary information suggests that there are limited options for suitable CWR conservation areas within the three project rayons. The project team would like to have the option to consider another rayon – such as Nakhchivan – where very important CWR 'hotspots' are more suitable for the establishment of a conservation area.
Output 1.3	To move the location of the field gene bank for local landraces and varieties of the targeted wheat and barley species from Sheki to the Terter (Durum wheat) and/or the Gobustan rayon.	The Terter region has a very favorable climate for durum, and the Gobustan region for bread wheat. In those regions, the Crop Husbandry Institute has a base station where it is more appropriate to organize field gene banks.
Output 1.4	To include the key research institutes as beneficiaries of project support for this output (the project originally envisaged that project support be focused on existing and emerging seed farmers, not the research institutes).	In the research institutes have much experience and skilled cadres in this area.
Output 2.1	To confirm that the project will support the establishment of training facilities and services that are directly linked to the regional agricultural centers	This was envisaged in the original project design but was not explicitly stated.
PROJECT INDICATORS AND TARGETS		
Original indicator and end of project target	***Revised indicator and target***	***Rationale/Justification***
Number of known landraces and varieties under productive crop cultivation in Azerbaijan > 450	Number of known landraces and varieties under productive crop cultivation in Azerbaijan > 420	It is considered that the project will not realistically be able to achieve the target of 450 within the short time frame of the project.
Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices > 100,000 ha	Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices > 50,000 ha	Although local varieties have many advantages, their productivity is low. Therefore, they need more time to be protected by farmers.
Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops > 1,000 ha	Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops > 800 ha	Rehabilitation of 800 hectares of area within the project is more real. And after the project, these areas are expected to be increased.
Number of households (and number of women) directly involved in the farming of native crops Vegetables: 25 (10) Wheat/barley: 17 (5) Forage: 12 (2)	Number of households (and number of women) directly involved in the farming of native crops Vegetables: 25 (10) Wheat/barley: 17 (5) Forage: 12 (2) Fruit: 10 (4)	With the addition of several native fruit crops, there is a need to include households also involved in fruit farming activities into the target.
Number and extent (ha) of CWR agro-biodiversity hotspots in the project rayons under some form of conservation tenure >5 >80 ha	Number and extent (ha) of CWR agro-biodiversity hotspots in the project rayons under some form of conservation tenure 3 >150 ha	During the project there are opportunities for reliable protection of 3 key regions.
Number of the targeted native crop varieties being actively maintained in field gene banks Vegetables: >8	Number of the targeted native crop varieties being actively maintained in field gene banks Vegetables: >8 Wheat/barley: >10	Protection of 3 fruit plants will be organized in Goychay and Sheki regions. With the addition of several native fruit crops, there is a need to include fruit varieties in the target.

Wheat/barley: >10 Forage: >2	Forage: >2 Fruit: >3	
Volume of the targeted native crop seed (tons/annum) made available to seed producers in the project rayons for commercial production Vegetables: 0.5 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr	Volume of the targeted native crop seed (tons/annum) made available to seed producers in the project rayons for commercial production Vegetables: 0.3 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr Fruit: 0.1 t/yr	Feed crops are cultivated in lesser areas. With the addition of several native fruit crops, there is a need to include seeds of fruits in the target.
Number of new, registered native crop seed producing farmers in the project rayons Vegetables: 5 Forage: 2	Number of new, registered native crop seed producing farmers in the project rayons Vegetables: 5 Forage: 2 Wheat/barley: 4 Fruit: 1	There are opportunities for creation of new varieties of wheat and barley. With the addition of a few native fruit crops, there is a need to include farmers producing fruit seeds in the target.
Numbers of local farmers benefiting from small grants and average (US$) value of grant/farmer >400 US$500-US$1500	Numbers of local farmers benefiting from small grants and average (US$) value of grant/farmer >200 US$1000-US$2000	The project team considered that it was more prudent to target fewer farmers, with higher value to the technical support than spread the limited funds to widely across too many farmers and too many native crop species.

Some of the baseline conditions as well as the indicators and targets remain unclear at midterm, as discussed in Section 3.1.2 (Results framework) of this MTR report.

The COVID-19 pandemic and the political conflict with neighboring Armenia – both occurring in 2020 – pose challenges to work planning. Adaptive management measures have been implemented in response to the COVID-19 pandemic but there remains a high level of uncertainty regarding the duration and possible recurrence of the crisis over the short to medium term. Regarding the political conflict, the situation flared up in the autumn of 2020 and circumstances were quite dynamic at the time of the midterm review.

3.3.3 Finance and Cofinance

Financial Expenditures:

Total expenditures of the GEF project grant reported in the UNDP combined delivery reports (CDRs) through 30 June 2020 were USD 2,518,785, which is 61% of the USD 4,160,502 GEF project grant (see **Table 17)**.

Table 17: Project expenditures and indicative budget breakdown

Outcome	Funding Source	Actual expenditures					Indicative Prodoc Budget
		2017	2018	2019	2020*	Total	
Component 1	GEF: 62000	33,236	553,838	313,519	110,104	1,010,697	1,787,250
Component 2	GEF: 62000	27,369	336,132	352,710	29,855	746,066	1,212,002
Component 3	GEF: 62000	9,108	250,892	340,740	38,525	639,264	963,250
	UNDP: 04000	0	0	566	7,550	8,117	0
	UNDP: 30084	0	0	0	1,753	1,753	0
Project Management	GEF: 62000	1,171	41,627	38,917	34,294	116,008	198,000
	UNDP: 04000	14,781	13,012	43,181	0	70,973	200,000
	UNDP: 30084	0	31,536	0	0	31,536	0
Other (depreciation)	GEF: 62000	0	2,500	3,000	1,250	6,750	0
Sub-total, GEF	**GEF: 62000**	**70,884**	**1,184,989**	**1,048,886**	**214,027**	**2,518,785**	**4,160,502**
Sub-total, UNDP 04000	UNDP: 04000	14,781	13,012	43,747	7,550	79,090	200,000
Sub-total, UNDP 30084	UNDP: 30084	0	31,536	0	1,753	33,289	0
Sub-total, UNDP	**UNDP**	**14,781**	**44,548**	**43,747**	**9,303**	**112,378**	**200,000**
Total	**GEF: 62000**	**85,665**	**1,229,536**	**1,092,633**	**223,330**	**2,631,164**	**4,360,502**

Figures in USD
Source of budget figures: approved Project Document
Source of expenditures: Combined Delivery Reports (CDR), provided by UNDP
*2020 expenditures reported through June

Project expenditures include USD 112,378 of cash cofinancing by UNDP, i.e., cost-sharing at the project level.

Although the PMU was recruited in March 2018, there were expenditures in 2017, totaling USD 85,665. The 2017 CDR shows that the costs that year were primarily incurred for purchase of transportation and communication equipment. Spending was robust in 2018 and 2019: USD 1,229,536 and 1,092,633, respectively. Expenditures in the first half of 2020 were USD 223,330; the relatively low delivery could be a result of restrictions associated with COVID-19, however the project team indicated that a budget revision has not been requested.

The distribution of spending across the three components is roughly in line with the indicative budget outlined in the project document – varying by only a few percentage points. Project management costs (from the GEF grant) through June 2020 total USD 116,008, which is 4.8% of the sub-total of the actual expenditures incurred under Components 1 through 3; this is consistent with the 5% threshold for project management costs.

Asset purchases:

Project investments in equipment (Atlas 72200) have totaled US$ 868,376 through June 2020 (midterm); the amount allocated in the indicative budget in the project document was US$ 365,500 (see **Table 18)**.

Table 18: Breakdown of equipment and agricultural products expenditures, 2017-2020H1

Item	Actual costs					ProDoc budget
	2017	2018	2019	2020 H1	Total	
Transport Equip. 72200						
Component 1	20,340	10,650	0	0	**30,990**	
Component 2	10,170	24,850	0	0	**35,020**	
Component 3	3,390	0	0	0	**3,390**	
Component 4	0	0	0	0	**0**	
Sub-total:	**33,900**	**35,500**	**0**	**0**	**69,400**	
Machinery & Equip: 72210						
Component 1	0	193,800	131,055	58,303	**383,158**	
Component 2	0	98,800	164,018	0	**262,818**	
Component 3	0	0	153,000	0	**153,000**	
Component 4	0	0	0	0	**0**	
Sub-total:	**0**	**292,600**	**448,073**	**58,303**	**798,976**	
Total: Atlas 72200. Equipment and furniture						
Component 1	20,340	204,450	131,055	58,303	**414,148**	188,500
Component 2	10,170	123,650	164,018	0	**297,838**	148,500
Component 3	3,390	0	153,000	0	**156,390**	28,500
Component 4	0	0	0	0	**0**	0
Total, 72200:	**33,900**	**328,100**	**448,073**	**58,303**	**868,376**	**365,500**
Agri & Forestry Products: 72305						
Component 1	0	36,553	46,876	18,226	**101,655**	85,000
Component 2	0	0	0	0	**0**	0
Component 3*	0	82,648	93,699	25,885	**202,232**	500,000
Component 4	0	0	0	0	**0**	0
Total, 72300:	**0**	**119,201**	**140,575**	**44,111**	**303,887**	**585,000**

*The ProDoc budget included US$ 500,000 for grants (72600); the small grant facility on the project was not realized, and a decision was made to use the earmarked funds for agricultural inputs for farmers.

The PMU is maintaining a detailed asset register, separately for items having a value greater than USD 1,500 (56 items in the register provided for review) and those having a value less than USD 1,500 (111 items in the register provided for review). Among the 56 items in the lists of assets having a value >USD 1,500, there are seven (7) valued more than USD 20,000, including flour mills, two vehicles (one was upgraded to the mobile laboratory), weather stations, freezer cabinets, solid manure spreaders, and a feed grinder and mixer (see **Table 19**).

Table 19: List of assets purchased having value greater than USD 20,000

Item	USD value
Flour mills (2), Plant Model A-1200	117,030
Vehicle, Mitsubishi I 200 GLS 4X4 Sportero	36,000
Vehicle, Mitsubishi Outlander	33,900
Weather stations(6), WatchDog 2900 ET	32,250
Freezer cabinets (12), Zanussi ZFU 27400 WA	30,770
Solid manure spreaders (2), Agro Tiger Ton 6	30,000
Feed grinder & mixer, STAR BM 2000	21,300
Source: project asset register (ABD Specimen Statement of Assets and Equipment 2019)	

The other items in the asset register are agricultural, laboratory, communication, and IT equipment.

Additional investments are planned during the second half of the project. For example, the September 2019 SC meeting minutes includes a note regarding a plan to procure tractors by September 2020. And among the decisions recorded in the December 2019 SC meeting minutes, there is mention of establishing a greenhouse in Goranboy, procure agro-tourism facilities, and procure agro equipment for the targeted farmers. Considering that asset purchases exceed the value estimated in the budget included in the project document, it would be important to describe the incremental reasoning for utilizing the GEF funds for these investments.

Currency Fluctuations and Inflation:

Some of the project costs are in Azerbaijani Manat (AZN), and, therefore, currency fluctuations and inflation are important factors. Since spring 2017, the Government of Azerbaijan has effectively pegged the AZN to the USD, at an exchange rate of roughly 1.7 (see **Figure 10**).

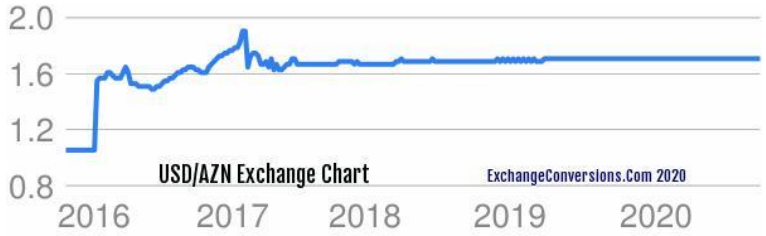


Figure 10: AZN:USD exchange rate history, July 2018-July 2020

The rate of inflation (consumer price index – CPI) has fluctuated between 12% and 14% during 2016-2017 and generally less than 5% from 2018 (see **Figure 11)**.

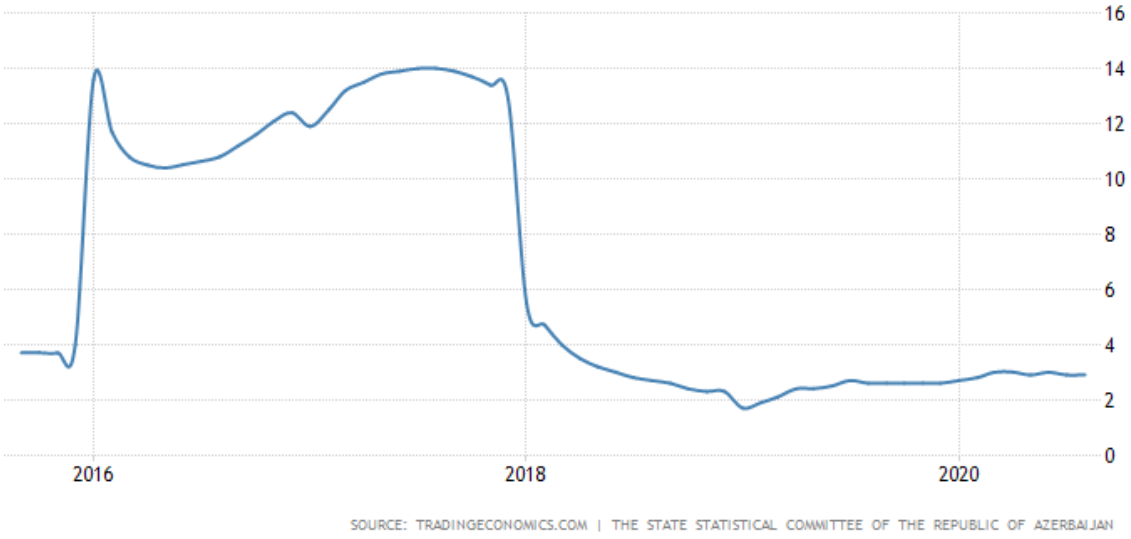


Figure 11: Inflation history (consumer price index), 2016-2020H1

Financial Audits:

There have not been any financial audits made yet of the project.

Cofinancing:

The cumulative total of cofinancing confirmed at CEO endorsement was USD 20,700,000, including USD 19,500,000 of grant cofinancing and USD 1,000,000 of in-kind contributions from the Ministry of Agriculture. Confirmed cofinancing at project entry also included USD 200,000 of grant contributions from UNDP.

By project midterm (June 2020), materialized cofinancing was USD 17,886,308 (see **Annex 6**).

As documented in combined delivery reports and outlined in the 22 September 2020 letter from the UNDP CO (letter is attached in **Annex 6**), cash cofinancing from UNDP from 2017 through June 2020 totaled USD 112,378, which is 56% of the USD 200,000 confirmed at project entry.

According to reporting by the Ministry of Agriculture (see **Annex 6**), government cofinancing by midterm is reported at USD 17,773,930.

3.3.4 Project-level Monitoring and Evaluation Systems

The monitoring and evaluation (M&E) plan was prepared using the standard UNDP-GEF template. The estimated cost for implementation of the M&E plan, as recorded in the Project Document, is USD 223,000, which is approximately 5% of the GEF grant. Allocation of 5% for M&E is consistent with UNDP's current guidance for GEF-7 projects (based on the July 2020 project document template).

The M&E plan and requirements were presented at the project inception workshop, and the project results framework was reviewed at the workshop and a few adjustments were made at that time.

There have been three Project Implementation Reports (PIRs) prepared through midterm, covering the period of June through June (2018 PIR, 2019 PIR, and 2020 PIR). The internal ratings applied in the 2018 PIR were "satisfactory" for progress toward development objective (DO), and "moderately satisfactory" with respect to implementation progress (IP). DO and IP ratings were "satisfactory" in the 2019 PIR and 2020 PIR. These internal ratings generally seem realistic.

As discussed in Section 3.1.2 (Results framework) of this MTR report, the primary shortcomings with respect to project M&E include unclear baseline conditions for some of the project indicators and not identifying the means of verification for monitoring progress towards achievement of some of the end targets. The MTR Consultant was unable to validate several of the results reported by midterm (see **Annex 5**). For example, the following sources of information mentioned under the "means of verification" in the project results frameworks were unavailable for review:

- Rayon-based agricultural crops databases
- State Statistical Committee agricultural database
- GRI national database
- Annual reports of MoA
- MoA registry of seed producers
- Membership forms, annual reports of Wheat Farmers Association
- Signed supply agreements

A gender analysis and action plan were not prepared during the project preparation phase. The project has commissioned a gender assessment of the target rayons. The brief assessment report provided for review presents a summary of the number of women working in agriculture in these areas, as well as a discussion on potential employment opportunities for women. The project is tracking women participation at the field level. Among the professional community in Azerbaijan, women make up a significant proportion of the workforce, including within the agricultural research and development institutions.

Project results are directly contributing towards achievement of the UNDP CPD 2016-2020 outputs, specifically Output 3.3 and Indicator 3.3.1: "Percentage of farmers using local crop varieties in the pilot regions". This particular indicator should be incorporated into the project's M&E system, enabling direct feedback to the monitoring of progress towards the results under the CPD.

Tracking tools and GEF core indicators:

The following GEF-6 tracking tools are referenced in the project document:

- Biodiversity, Objective 3, Program 7
- Land Degradation Focal Area - Portfolio Monitoring and Tracking Tool (PMAT)

The baseline Land Degradation (PMAT) tracking tool assessment was provided to the MTR Consultant for review. The baseline assessment was made in July 2016.

The baseline Biodiversity focal area tracking tool was not available for review.

The UNDP Regional Technical Advisor has instructed the project team that the project does not need to make midterm and final assessments of the GEF-6 tracking tools, but rather needs to use the GEF-7 core indicator worksheet. The core indicator worksheet was not available for review.

3.3.5 Stakeholder Engagement and Partnerships

The majority of the UNDP-supported GEF-financed projects in Azerbaijan have been in cooperation with the Ministry of Ecology and Natural Resources (MENR). This is the first occasion in which the Ministry of Agriculture is the lead Implementing Partner on a UNDP-supported project. The project has done a good job in engaging key stakeholders in the agricultural sector. Based on feedback obtained during the MTR, country ownership is concluded to be very high – in the agricultural sector.

The Project Steering Committee should function as an important cross-sectoral engagement body, but there has been limited representation apart from the Ministry of Agriculture and UNDP. There is room for improvement in engaging with the MENR and the Ministry of Economy and Industry – both of which were identified as key partners in the project document. And the project has an ideal opportunity to help facilitate increased public awareness regarding the values of traditional crop varieties.

The project has engaged with private sector, on facilitating linkages with producers, retailers, and distributors. There are plans to expand engagement with the private sector in the second half of the project.

The project inception report includes a discussion of potential partnerships; however, there is limited evidence that these partnerships have been strengthened during project implementation:

- **GEF-funded SLM&FM project**, titled Sustainable Land and Forest Management in the Greater Caucasus landscape.
- **World Bank-funded Agricultural Competitiveness Improvement Project (ACIP)** to ensure complementarity of activities, notably in the following areas: (i) development of the agri-business value chain; (ii) seed research, plant breeding, variety development and seed production and processing; (iii) strengthening the capacities of the state seed inspection services, seed testing commission and private seed growers; and (iv) expanding the availability of financing for agri-business/food processing enterprises.
- **Azerbaijan Rural Investment Project (AzRIP),** particularly in respect of grant funding to rural farmers for investment in agricultural infrastructure (notably for irrigation purposes).
- **State Agency on Agricultural Credits (SAAC)** – the implementing agent for both AzRIP and ACIP – in order to identify opportunities for ongoing collaboration.
- **State Seed Fund** to ensure that it will contribute to the primary objective of the fund of producing, harvesting and storing high-yield and drought-resistant seed varieties.

There are also potential synergies with the EU funded and FAO implemented “Strengthening of Agricultural Advisory Services” project.

3.3.6 Reporting

There have been three Project Implementation Reports (PIR) prepared and two Project Steering Committee meetings held by midterm.

Adaptive management changes, e.g., delay in initiating the project implementation, have been covered in the PIR’s. Adaptive management changes to the project strategy were discussed and documented in the project inception report.

Adaptive management measures associated with the current COVID-19 pandemic have been implemented and will need to be further considered during the second half of the project.

Apart from the PIR reports, there are a number of reports generated on the project, including progress reports by the specialist consultants recruited on the project.

3.3.7 Communications and Knowledge Management

With respect to internal communication, it has been very beneficial having the project team embedded in the offices of the Agency for Agro Credit and Development, where the Project Director is based. As explained during the MTR interviews, the Project Director is moving to the Agrarian Services Agency and the project team will be transferring to those offices.

The project has maintained close coordination with the UNDP CO and with the UNDP Regional Technical Advisor who is based in Istanbul.

As discussed earlier under the Stakeholder Engagement section, the limited involvement of MENR and other non-agricultural sector stakeholders has diminished the overall effectiveness of external communications on the project.

The project has produced a website (screenshot shown below in **Figure 12**), which is regularly maintained and links to project deliverables and government programs provided.

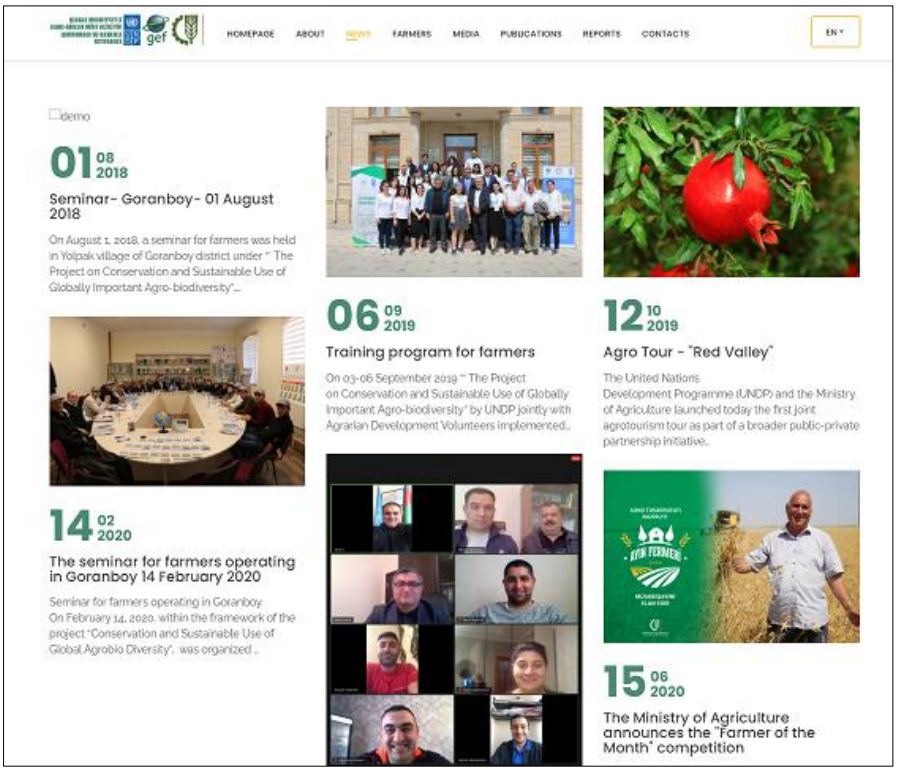


Figure 12: Screenshot of project website (https://agrobio.az)

The project also has an extensive social media footprint. The 2020 PIR includes links to many Facebook, Twitter, YouTube and other online sites, where project meetings, events, and activities are posted.

There are opportunities for improving external communication and awareness-raising to the general public, e.g., through production and dissemination of knowledge products, organizing trade fairs and other community events, to promote the benefits of traditional crop varieties, e.g., better taste, increased nutritional value, strengthened food safety and food security, support to local farmers, etc.

3.4 Sustainability

Sustainability is generally considered to be the likelihood of continued benefits after the GEF funding ends. Under GEF criteria each sustainability dimension is critical, i.e., the overall ranking cannot be higher than the lowest one among the four assessed risk dimensions.

Overall:
Likelihood that benefits will continue to be delivered after project closure: Moderately likely

There are a number of factors that enhance the prospects that results achieved on the project will be sustained after GEF funding ceases; for example, developing agricultural institutional capacities, increasing awareness and skills of local small-scale farmers on protection and sustainable use of traditional varieties, identifying agrobiodiversity hotspots in the country, and increasing the genetic diversity of plant resources through establishment of gene banks and field cultivation.

Achieving durable change requires time, and the agricultural extension services have an important role in maintaining support to local farmers. The lack of a specific strategy on strengthening extension services diminishes overall sustainability. And the limited engagement of stakeholders beyond the agricultural sector reduce the likelihood that results will be sustained, as effective management of agroecosystem landscapes require multi-stakeholder approaches.

There are also externalities that affect sustainability, e.g., socio-ecological resilience could be influenced by the unpredictable impacts of climate change. The current COVID-19 pandemic poses further uncertainty, for instance, a prolonged economic downturn and disruptions in supply chains might affect the viability of some of the project interventions. The political unrest in the country that has broken out in regard to neighboring Armenia could also impact project delivery during the second half of the implementation timeframe and therefore, potentially influence sustainability.

Overall, the likelihood that benefits will continue to be delivered after project closure is rated as **moderately likely**. The following sections include considerations across the four sustainability risk dimensions, including financial, socioeconomic, institutional and governance, and environmental.

3.4.1 Financial Risks to Sustainability

Financial Risks:
Likelihood that benefits will continue to be delivered after project closure: Likely

With respect to the financial dimension of sustainability, there is a high likelihood that financial resources and economic incentives will be available after the GEF project closes. The Government of Azerbaijan has significantly increased funding to the agricultural sector in recent years and according to MTR interview findings, the Ministry of Agriculture plans to introduce specific subsidies for farmers cultivating traditional varieties and a specific key performance indicator (KPI) will be established to monitor the ministry's efforts. There are opportunities during the second half the project to work with the ministry in formulating the incentive schemes for traditional varieties.

Based on feedback from participating farmers, the main reason (70.4% of the respondents) for cultivating native crops is increased market demand (see **Annex 4**). This indicates that there are existing economic incentives for the farmers to expand cultivation of these varieties.

The prospects of funding under the European Union Annual Action Programme (AAP 2017), specifically the "European Union for the Lankaran Region of Azerbaijan (EU4Lankaran)" programme further enhances the likelihood that additional financial resources will be available, providing opportunities to replicate the best practices under the GEF project in the Lankaran economic region of the country, primarily for horticulture farmers.

In summary, increased government funding to the agricultural sector and continued donor support render prospect of sustaining project results likely, with respect to the financial dimension of sustainability.

3.4.2 Socioeconomic Risks to Sustainability

Socioeconomic Risks:
Likelihood that benefits will continue to be delivered after project closure: Moderately likely

The agriculture sector in Azerbaijan is very important in terms of employment and livelihoods for a large proportion of the rural population and a major contributor to the country's non-oil economy.

The strong farming traditions in the country and proximity to major international markets, including the Russian Federation, Europe, and the Middle East, enhance the likelihood that results achieved on the project will be sustained. Many farmers, however, have small, family-based land holdings and there is relatively weak farmer partnership and cooperation,[14] following the collapse of the collective system under the former Soviet Union.

The Electronic Agricultural Information System (EAIS) introduced by the Ministry of Agriculture has been very successful, with nearly 500,000 farmers registered on the system by the end of 2019. The EAIS provides an efficient platform for not only disseminating subsidies to farmers, but also information – thus an important consideration to the project's sustainability strategy.

The project has done a good job engaging the agricultural sector, from the ministry level down to the farm level, and also involving the private sector. There are opportunities to increase public awareness on the benefits of native varieties, e.g., in terms of taste, tradition, food safety and security, and support to local farmers. The project has contributed to improving cooperation and association among small-scale farmers, facilitating farmer groups, for example.

The COVID-19 pandemic is not only a public health risk, but also has had significant socioeconomic consequences, and the uncertainty regarding the duration and possible recurrence of the crisis compound the problem. Azerbaijan has also faced recent political unrest in relation to the conflict with neighboring Armenia. These risks do jeopardize the ability of the project to fully engage with stakeholders during the second half of the project.

The strengthened capacities and resilience local farmers enhance overall sustainability. Uncertainties associated with the COVID-19 pandemic and political unrest in 2020 render the likelihood of sustaining project results as moderately likely, with respect to socioeconomic risks.

[14] Source: Strategic Roadmap on production and processing of agricultural products in the Republic of Azerbaijan. Azerbaijan Economic Reforms Review. Center for Analysis of Economic Reforms and Communication. August 2017.

3.4.3 Institutional Framework and Governance Risks to Sustainability

Institutional Framework and Governance Risks:
Likelihood that benefits will continue to be delivered after project closure: Moderately likely

One of the 11 "Strategic Road Maps for National Economy and Main Economic Sectors", adopted by Presidential Decree No. 1138 in December 2016 includes "Production and Processing of Agricultural Products". This is an example of the government's recognition of the strategic importance of agriculture in Azerbaijan and their commitment to sustain investment. According to an evaluation of the progress of implementation of the strategic road maps, as of 01 January 2019, 37% of the agricultural road map had been concluded as "implemented", but 56% remain to be implemented (see **Figure 13**).

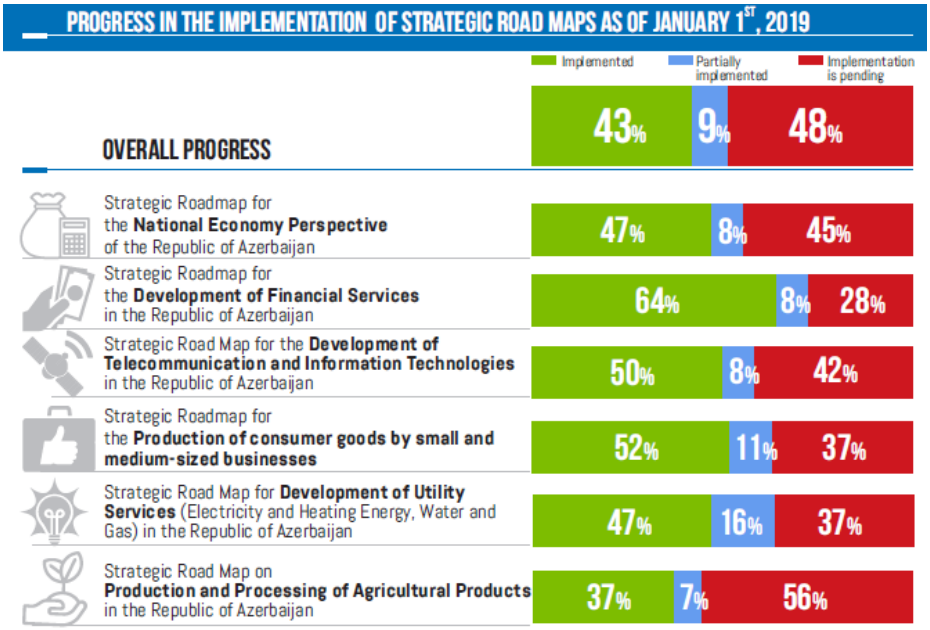


Figure 13: Progress in the implementation of Strategic Road Maps[15]

Substantial project resources have been allocated for capacity building, including at the institutional level, with many officials from the key entities including the Agency for Agro Credit and Development, Genetic Resources Institute, the Institute of Crop Husbandry, Institute of Vegetable Research, etc. involved in project activities and trainings. There is a high level of country ownership for the project, and senior level ministry officials responsible or the project are important "champions" for facilitating consensus among stakeholder groups and ensuring results achieved are sustained.

One of the barriers the project strategy addresses is the under-developed system of agricultural extension services in the country. The project has involved extension and advisory service officers in the target rayons, but there is room for improvement in terms of formulating a focused strategy for strengthening extension services in terms of supporting protection and sustainable use of traditional crops.

There is also room for improvement in terms of engaging with stakeholders beyond the agricultural sector, including the Ministry of Ecology and Natural Resources (MENR) on conservation of agrobiodiversity hotspots.

Institutional framework and governance risks remain relevant, but the project is on track to enhance the prospects that results will be sustained, e.g., through strengthening extension services and engaging with the MENR. At midterm, a rating of moderately likely is applied for this sustainability dimension. Through continued progress during the second half of the project, this rating has a strong chance to be upgraded by project closure.

3.4.4 Environmental Risks to Sustainability

Risks:
Likelihood that benefits will continue to be delivered after project closure: Likely

Considering the environmental dimension of sustainability, the strategy of this multi-focal area project included strengthening the functionality and cover of agroecosystems and increasing genetic diversity of globally significant

[15] Source: https://ereforms.org/store//media/documents/SRM.pdf

cultivated varieties that are sustainably used within production systems. The project has made good progress in contributing to achievement of these focal area objectives.

Degradation of arable lands is one of the threats to sustainable agriculture in Azerbaijan. The project is addressing this threat by introducing drought resistant varieties and delivering training on good agricultural practices. Best management practices demonstrated at the project rayons are also being disseminated to other regions in the country.

The objective of protecting agrobiodiversity hotspots under some type of conservation tenure is another measure included in the project strategy. Through participatory expeditions during the first half of the project, several agrobiodiversity hotspots have identified and there are plans to facilitate declaration of up to 5 of these areas as protected areas in the second half of the project. The project will need to strategically engage with the MENR and other enabling stakeholders to achieve this result.

A likely rating has been applied for the environmental sustainability dimension at midterm.

4 Conclusions and Recommendations

4.1 Conclusions

Following an approximate 1-1/2 year delay in initiating project implementation, the project has done a good job in making up lost time with substantial delivery in 2018 and 2019 and continued momentum in 2020, although the COVID-19 pandemic and political unrest have presented challenges for the project.

The project strategy was formulated in line with the National Development Plan - Azerbaijan Development Concept 2020 (NDC 2020): Outlook for the future – which provides the overarching framework for mainstreaming agro-biodiversity into the strategic development priorities of the country, and also consistent with the priorities outlined in the National Strategy and Action Plan of the Republic of Azerbaijan on Conservation and Sustainable Use of Biodiversity (NBSAP). The project objectives are also directly aligned with the 2016-2020 UNDP Country Programme Document (CPD), which was based on the United Nations Azerbaijan Partnership Framework (UNAPF), specifically UNAPF OUTCOME #3: “By 2020, sustainable development policies and legislation are in place, better implemented and coordinated in compliance with multilateral environmental agreements, recognize social and health linkages and address issues of environment and natural resources, energy efficiency and renewable energy, climate change and resilience to natural and human-induced hazards”, and CPD Output 3.3: “Agricultural policies are developed and institutions and local farmers are supported to conserve and sustainably use local crop varieties important for biodiversity and sustainable land management.”

Country ownership among the agricultural sector is high, and the project has made important contributions in expanding the knowledge of agrobiodiversity resources in the country and strengthening institutional and farmer level capacities in conservation of crop wild relatives and sustainable use of native varieties and landraces.

Through participatory expeditions involving multiple agricultural institutional partners and collection of more than 1,000 accessions of cereals, legumes, feed and vegetable crops, project resources have supported the identification of six (6) agrobiodiversity hotspots throughout the country for prospective managed conservation. This would be the first time that agrobiodiversity hotspots would be declared under some form of conservation tenure in the country.

More than 20 varieties of native varieties of fruits and vegetables have been multiplicated and transferred to the National Gene Bank. And field gene banks of 67 varieties and forms of wheat and barley have been established in Sheki, Gobustan, Absheron, and Tartar.

Institutional capacities have been strengthened through delivery of training and field demonstrations, as well as procurement of equipment, including a mobile laboratory, communication and IT assets, field tools, and agricultural processing equipment. The mobile laboratory supported the assessment of more than 100 ha of agricultural land, providing technical assistance on farmers on improving soil fertility, improving efficiency of fertilization, and rationalizing irrigation. These efforts have made significant contributions towards enabling farmers and agricultural extension and advisory services protect and restore agricultural lands.

Approximately 150 farmers have been provided with skills training on cultivating native varieties and implementing good agricultural practices, and delivered direct support through procurement equipment and agricultural inputs. Feedback received from the farmers as part of the MTR indicated a high level of interest to expand their cultivation of native crop varieties. Farmer associations have been facilitated through the collaborative activities on the project; this is an important result for the agricultural sector in Azerbaijan, particularly for small-scale farmers, which have tended to avoid associating over the past 20-30 years, following the collapse of the former collective farming system of the Soviet Union.

Consultations with the private sector have been initiated, including with major retailers and logistics companies in the country. Strengthening private sector engagement in the second half of the project will be critical in ensuring durable project results.

The key findings from the MTR are summarized below.

Insufficient monitoring, difficult to verify reported results

There is limited information available regarding baselines included in the project results framework; the results reported by the project team are unclear for several of the indicators and there is limited documentary evidence available to support the figures reported; and for some of the indicators, the reported results do not match the description of the indicators and end targets.

Lack of training modules – unstructured training

Trainings to farmers and extension officers are mostly delivered through seminar modalities, and there is no evidence of structured modules being used for these capacity building activities.

Unclear how extension and advisory services are being strengthened

Extension and advisory services provide the most direct interaction with local, small-scale farmers. Strengthening the capacities of extension and advisory officers is a critical aspect with regard to the durability of the results achieved on the project. The project has recruited external experts to provide advisory support to the local farmers in the target rayons, but it is unclear how the project is strengthening the extension and advisory services.

Unclear process regarding declaration of agrobiodiversity hotspots as protected areas

The project has identified six (6) agrobiodiversity hotspots in the country and has been in discussion with the Ministry of Ecology and Natural Resources regarding declaring protected areas/landscapes to enhance *in situ* conservation of plant genetic resources. This would be the first such protected areas for agrobiodiversity in the country. The legal framework is reportedly in place, although this should be confirmed, however, the process of declaring protected areas is time-consuming and often requires extensive documentation and consultations with multiple stakeholders.

Opportunity for contributing towards the formulation of incentive mechanisms

The Government of Azerbaijan has substantially increased subsidies and other incentives to farmers; however, the focus is primarily on high-yielding modern varieties. The Ministry of Agriculture plans to roll out incentive mechanisms for promoting traditional varieties in 2022 and also to develop key performance indicators (KPIs) in this regard.

Room for improvement with respect to promotion of native crop varieties

The project has done a good job in promoting the activities of the project, as evidenced through several links to media reports. And the agrobiodiversity scientific community in Azerbaijan has been effectively engaged on the project. There is room for improvement for promoting native crop varieties among the general public, which could increase demand and lead to expanded cultivation of these varieties.

Fruit-vegetable sector offer opportunities for strengthening niche-markets

Azerbaijan is well-known for high quality horticultural products, fruit-vegetable farmers tend to be more educated, and the agro-processing infrastructure for this sector has better potential for development. The project has made limited progress with respect to the envisaged value chain analyses.

Stakeholder engagement mostly limited to agriculture sector, including representation on project steering committee

Inception report indicates the PSC would be represented by MoA, UNDP, MENR, and ANAS. Participation by MENR, ANAS, and other stakeholders has been limited during first half of the project.

Lack of a gender mainstreaming strategy

The project has prepared a "brief report on the assessment of the initial gender situation in the target regions of the project" (undated report), but there a gender action plan has not been developed.

Project investments in equipment are more than twice the amount outlined in indicative ProDoc budget

Project investments in equipment (Atlas 72200) have totaled US$ 868,376 through June 2020 (midterm); the amount allocated in the indicative budget in the project document was US$ 365,500. The project is reporting a substantial increase in government funding in the agricultural sector in recent years; under these circumstances, utilizing additional GEF resources for equipment should be justified.

Achievement of project outputs unlikely within the original timeframe

Considering the delay in initiating the implementation and also due to constraints associated with COVID-19 and the recent political conflicts, it seems unlikely that the expected project results can be achieved within the original timeframe.

4.2 Recommendations

No.	Recommendation	Responsibility
Project implementation		
1.	**Prepare an adaptive management plan in response to the current COVID-19 pandemic**. An adaptive management plan should be prepared to describe mitigation measures and to identify potential unavoidable delays or changes to the scope of the project interventions.	**PMU**, UNDP, PSC
2.	**Prepare and implement an updated M&E plan.** Baselines for each indicator should be reviewed and supported with verifiable documentary sources; Means of verification should be clearly described, including identification of data sources; Incorporate UNDP CPD Indicator 3.3.1 into the project M&E reporting; Adjust some of the indicators and targets in the project results framework (suggested modifications are presented in **Table 9** of this MTR report).	**PMU**
3.	**Develop a capacity building plan with structured training modules.** Training modules should be developed according to the capacity gaps among the small-scale farmers and extension officers; Mainstream the modules into the set of offerings provided by extension offices.	**PMU**
4.	**Reassess the project strategy with respect to strengthening the capacities of extension and advisory services.** The project should work closely with the Ministry of Agriculture and local extension and advisory services in delivering targeted capacity building and mainstreaming specific offerings to local farmers on conservation and sustainable use of agrobiodiversity.	**PMU**, PSC
5.	**Prioritize efforts regarding declaration of the hotspots.** Options to consider (but not limited to): (a) declare as protected areas by MENR. Sort out possible land tenure issues, compile requisite document, hold public consultations, etc.; (b) assess possible overlaps or reasonable proximities to existing terrestrial protected areas and make amendments to the PA management plans; (c) investigate the option of MoA declaring the conservation of the hotspots through their institutional mandate.	**PMU**, PSC
6.	**Formulate and advocate incentive mechanism options.** The project has an opportunity to contribute towards the formulation of incentive mechanisms aimed at promoting increased cultivation of native varieties. Develop terms of reference for technical assistance support (e.g., legal expert, agricultural resource economist, etc.); work with the MoA and the Ministry of Economy and Industry on formulating options for incentive mechanisms and key performance indicators (KPIs); advocate for adoption of the recommendations.	**PMU, MoA**
7.	**Promote native crop varieties among the general public.** Carry out a consumer survey, assess knowledge & attitudes regarding native crop varieties; develop and implement targeted approaches to promote the use of these varieties, e.g., develop and disseminate knowledge products that highlight increased nutritional values / taste, organize trade fairs allowing local farmers to showcase their products, etc.	**PMU**, PSC, UNDP
8.	**Develop a focused strategy based on a targeted value chain analysis.** Consider focusing on a particular Rayon and crop (e.g., vegetables/fruits); carry out value chain analysis, as well as consumer survey (possibly connected with Recommendation No. 7); identify specific interventions for strengthening participation of small-scale farmers into sustainable value chains.	**PMU**, MoA
9.	**Expand stakeholder engagement.** Facilitate broader stakeholder participation on the PSC; expand involvement of non-agricultural stakeholders, e.g., MENR, Ministry of Economy and Industry, etc.	**PMU**, PSC
10.	**Develop a gender action plan for the project.** Consult with the gender focal point at the UNDP CO and agree upon one or more entry points for strengthening the gender mainstreaming aspect of the project; the action plan should describe how gender equality and women's empowerment could be advanced through the project, e.g., identifying actions that enhance women's participation and role in decision-making processes in conservation and sustainable use of agrobiodiversity; gender mainstreaming indicators and targets should be integrated into the monitoring & evaluation plan of the project; the action plan should also describe the timeline, budget, and staffing resources dedicated during the second half of the project.	**PMU**, UNDP
11.	**Document the decision and incremental reasoning associated with the increased investment in equipment.** Prepare a note-to-file justifying the incremental reasoning of the equipment investments. This should be reviewed and approved by the CO, RTA, and PSC and recorded in the next PSC meeting.	**PMU**, UNDP, PSC
12.	**Consider a no-cost time extension** to allow for more substantive achievement of project outcomes and to instill sufficient sustainability structures for enhancing the durability of project results.	**UNDP, MoA**, PSC

Annex 1: Evaluation matrix

Evaluation theme	Questions	Sources	Methodology
Project Strategy			
Project Design:	To what extent is the project suited to local and national development priorities and policies?	National development strategies, sector plans, medium term development plan, project document	Desk review, interviews
Project Design:	To what extent is the project in line with GEF operational programs?	GEF focal area strategies, project design, PIR reports	Desk review, interviews
Project Design:	To what extent are the objectives and design of the project supporting environment and development priorities?	UNPDF, UNDP CPD, multilateral environmental agreements, etc.	Desk review, interviews
Project Design:	Does the project design remain relevant in generating global environmental benefits?	GEF strategies, national and subnational development plans, PIF, project document, CEO endorsement request, reviews, PIRs	Desk review, interviews
Results Framework:	Does the results framework fulfil SMART criteria and sufficiently captures the added value of the project?	Strategic results framework, tracking tools, inception report, PIRs	Desk review, interviews
Results Frameworks:	What changes could be made (if any) to the design of the project in order to improve the achievement of the project's expected results?	SMART analysis of results framework, current national and local development strategies	Desk review, interviews
Mainstreaming:	How are broader development objectives are represented in the project design?	Project document, social and environmental social screening procedure, gender action plan, work plans for community activities, training records, monitoring reports of community activities, project steering committee meeting minutes, stakeholder feedback during MTR mission	Desk review, interviews, field visits
Progress towards Results			
Progress towards Outcomes Analysis:	Has the project been effective in achieving the expected outcomes and objective?	PIRs, self-assessment reports by PMU, annual reports, monitoring reports, output level deliverables, midterm tracking tool, stakeholder feedback during MTR mission	Desk review, interviews, field visits
Progress towards results:	To what extent has the project increased institutional capacity to sustainably manage the national protected area system?	Progress reports, national and local development strategies, etc.	Desk review, interviews, field visits.
Progress towards results:	How has the project been able to influence monitoring and evaluation associated with landscape/seascape conservation and management?	Progress reports, national and local development strategies, budget allocations, increased level of awareness	Desk review, interviews, field visits
Risk management:	What were the risks involved and to what extent were they managed?	Project document, risk log, progress reports	Desk review, interviews, field visits
Lessons learned:	What lessons have been learned from the project regarding achievement of outcomes?	Progress reports, lessons learned reports, back-to-office reports	Desk review, interviews
Remaining Barriers to Achieving the Project Objective:	How are the project outputs addressing key barriers?	PIRs, annual reports, project steering committee meeting minutes, stakeholder feedback during MTR mission	Desk review, interviews, field visits
Project Implementation & Adaptive Management			
Management Arrangements, GEF Partner Agency:	How were lessons learned on other projects incorporated into project implementation?	PIRs, project steering committee meeting minutes, audit reports, feedback obtained during MTR mission	Desk review, interviews
Management Arrangements, Executing	How effective has adaptive management been, e.g., in response to	PIRs, project steering committee meetings, feedback obtained during MTR mission	Desk reviews, interviews

Evaluation theme	Questions	Sources	Methodology
Agency/Implementing Partner:	recommendations raised by project steering committee?		
Work Planning:	Are milestones within annual work plans consistent with indicators in strategic results framework.	Project document, multi-year work plan, annual work plans, PIRs, financial expenditure reports, feedback obtained during MTR mission	Desk review, interviews
Finance and Cofinance:	How efficient has financial delivery been?	Financial expenditure reports, combined delivery reports, audit reports, project steering committee meeting minutes, PIRs, midterm cofinancing report, feedback obtained during MTR mission	Desk review, interviews
Cost-effectiveness:	How cost-effective have the project interventions been?	Analysis of progress towards results, financial delivery	Desk review, interviews, field visits
Project-level Monitoring and Evaluation Systems:	How timely has implementation of adaptive management measures been?	PIRs, midterm tracking tools, monitoring reports, annual progress reports, self-assessment reports by PMU, project steering committee meeting minutes, feedback obtained during MTR mission	Desk review, interviews, field visits
Stakeholder Engagement:	How inclusive and proactive has stakeholder involvement been?	Stakeholder involvement plan in the project document, meeting minutes, records of exchange visits, stakeholder feedback obtained during MTR mission	Desk review, interviews, field visits
Partnership Arrangements:	How effective have partnership arrangements been?	Partnership agreements, contracts, progress reports, cofinancing realized	Desk review, interviews, field visits
Local Capacity Utilized:	Has the project efficiently utilized local capacity in implementation?	Contracts, financial expenditure records, progress reports	Desk review, interviews, field visits
Reporting:	Adaptive management measures implemented in response to recommendations recorded in PIRs.	PIRs, annual progress reports, midterm tracking tools, output level project deliverables, feedback obtained during MTR mission	Desk review, interviews
Communication:	Project information is effectively managed and disseminated.	Internet and social media, press releases, media reports, statistics on awareness campaigns, evidence of changes in behavior, feedback obtained during MTR mission	Desk review, interviews, field visits
Sustainability			
Risk Management:	How timely has delivery of project outputs been?	Project document, risk logs, PIRs, project steering committee meeting minutes, feedback during MTR mission	Desk review, interviews
Lessons Learned:	What lessons can be drawn regarding sustainability of project results, and what changes could be made (if any) to the design of the project in order to improve sustainability of project results?	Progress reports, monitoring and evaluation reports, feedback from stakeholders, current national and local development strategies and sector plans	Desk review, interviews, field visits
Financial Risks to Sustainability:	How has the project addressed financial and economic sustainability? Are recurrent costs sustainable after project closure? What evidence is available that demonstrates budget allocations have been or will be made to sustain project results?	Budget allocations, progress reports, government publications	Desk review, interviews, field visits
Socioeconomic Risks to Sustainability:	What incentives are in place or under development to sustain socioeconomic benefits? What evidence is available that demonstrates capacities and resilience of local communities have been strengthened?	Project outputs realized, progress reports	Desk review, interviews, field visits
Institutional Framework and Governance Risks to Sustainability:	How have management plans and other approaches promoted by the project	Tracking tool, training records, evidence of policy reform, governance platform records	Desk review, interviews, field visits

Evaluation theme	Questions	Sources	Methodology
	been integrated into institutional frameworks? What is the operating status of multi-stakeholder governance platforms? What is the level of ownership of approaches promoted by the project? What policies are in place that enhance the likelihood that project results will be sustained?		
Environmental Risks to Sustainability:	What evidence is available that demonstrate reduction of key threats to biodiversity and ecosystems? Have any new environmental threats emerged?	Tracking tool, budget allocations, training record, statistics on awareness campaigns	Desk review, interviews, field visits
Progress towards Impact			
Environmental stress reduction	What evidence is available that demonstrates progress towards environmental stress reduction?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Environmental status change	What evidence is available that demonstrates progress towards environmental status change?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Community well-being	What evidence is available that demonstrates progress towards improving community well-being?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Policies	What evidence is available that demonstrates progress towards changes in policies?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Governance mechanisms	What evidence is available that demonstrates progress towards changes in governance mechanisms?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Capacities	What evidence is available that demonstrates progress towards changes in capacities?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits
Unintended consequences	What unintended consequences have occurred?	Delivered outputs, progress reports, feedback from stakeholders, monitoring and evaluation reports	Desk review, interviews, field visits

Annex 2: List of documents reviewed

1. Project Identification Form (PIF)
2. Review Comments
3. Project Document
4. GEF CEO Endorsement Request
5. Project inception report
6. Annual work plans (consolidated 2018-2022)
7. Annual financial project reports (combined delivery reports - CDR), broken down by components and project management
8. Cofinancing letters at project entry and midterm review reports
9. Project Implementation Reports (PIR's): 2018, 2019, 2020
10. Project progress reports: July 2019, April 2020
11. Finalized GEF focal area Tracking Tools at CEO endorsement (land degradation GEF-6 tracking tool)
12. Project deliverables (report, technical studies, etc.)
13. Project Steering Committee meeting minutes (Dec 2018, Sep 2019, Dec 2019)
14. Asset register
15. Communication products and social media links
16. Socio-economic and ecological situation analysis on selected projects in the target rayons, 2019
17. Brief report on the assessment of the initial gender situation in the target regions, 20190907
18. Consultant report: land degradation expert
19. Consultant report: agrobiodiversity conservation specialist
20. Consultant report: agrobiodiversity specialist
21. Consultant report: national GIS and data manager
22. UNDP ROAR narrative, 2018 and 2019
23. UNDP Azerbaijan, Country Programme Document 2016-2020
24. The Sixth National Report of the Republic of Azerbaijan on the Conservation of Biological Diversity, 2019
25. Agriculture in Azerbaijan (May 2019), bulletin

Annex 3: List of persons interviewed

Name	Position	Organization
Mr. Mirza Aliyev	National Project Director, Head of the Agency	Agro Credit and Development, Ministry of Agricultural (MoA)
Mr. Zeynal Akparov	Director	Genetic Resources Institute
Mr. Atif Zamanov	Deputy Director	Research Institute of Crop Husbandry
Mr. Ramil Nadiv	Scientific Director	Vegetables Research Institute
Mr. Shamil Rzayev	Senior Programme Advisor, Governance	UNDP Country Office
Mr. Maxim Vergeichik	Regional Technical Advisor	UNDP Bureau for Policy and Programme Support, Istanbul Regional Hub
Mr. Farid Abbasov	Project Coordinator	UNDP-GEF project
Mr. Mahraj Abbasov	Project Agricultural Scientist	UNDP-GEF project
Ms. Sona Abdullayeva	Project Finance Assistant	UNDP-GEF project
Mr. Xanbala Rustamov	Project Consultant: agrobiodiversity	UNDP-GEF project
Mr. Faiq Zudayev	Project Consultant: seed production	UNDP-GEF project
Mr. Elmeddin Namazov	Project Consultant: land degradation	UNDP-GEF project
Nariman Mirhasanov	Field monitor	UNDP-GEF project
Niyazi Guliyev	Field monitor	UNDP-GEF project

Annex 4: Results of online questionnaire survey to participating farmers

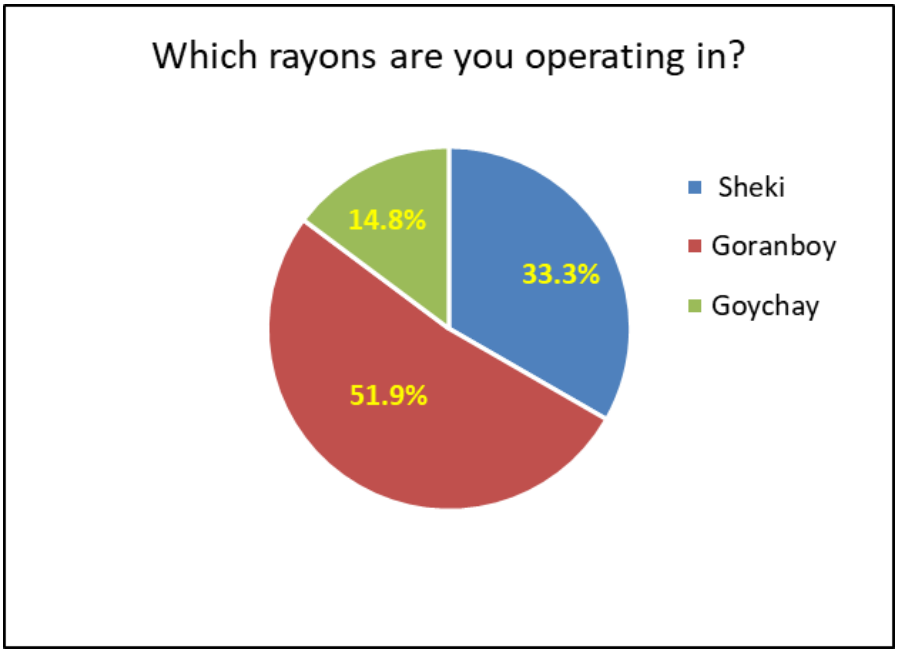
An online questionnaire survey was administered by the MTR Consultant using the Google Forms application, in order to obtain direct feedback from a representative set of local farmers participating on the project.

The eleven (11) questions included in the survey were translated to Azerbaijani language and sent via Google Forms using the email addresses of the farmers.

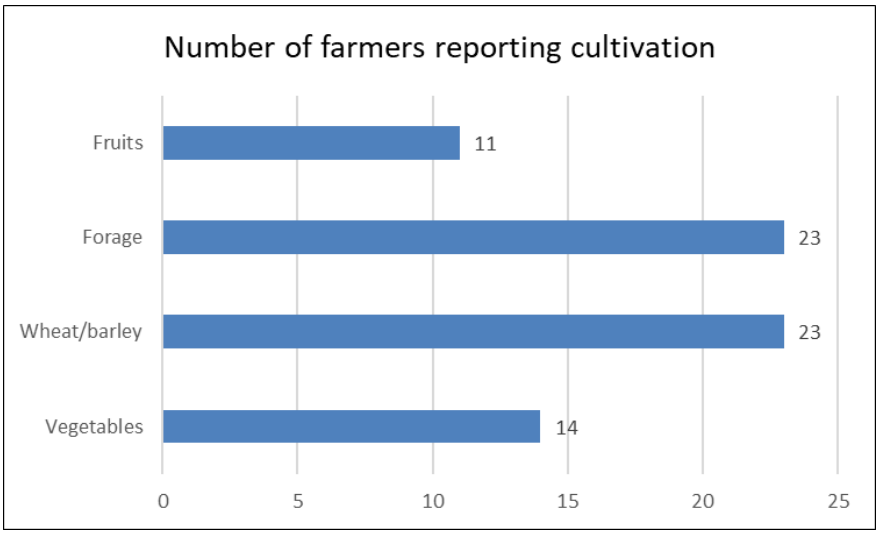
Twenty-seven (27) farmers were sent the survey and 27 responded (100% response rate).

The results of the survey are presented below.

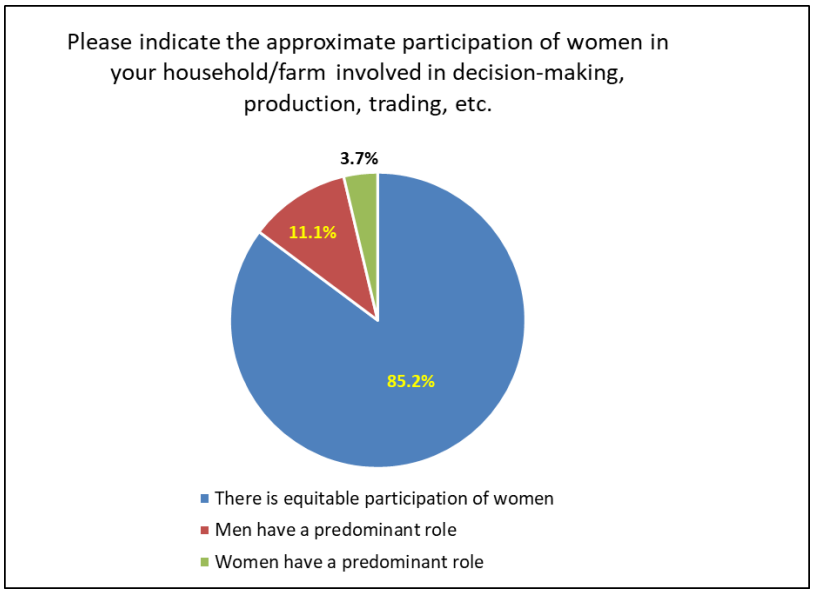
Question No. 1: Which rayon(s) are you operating in?



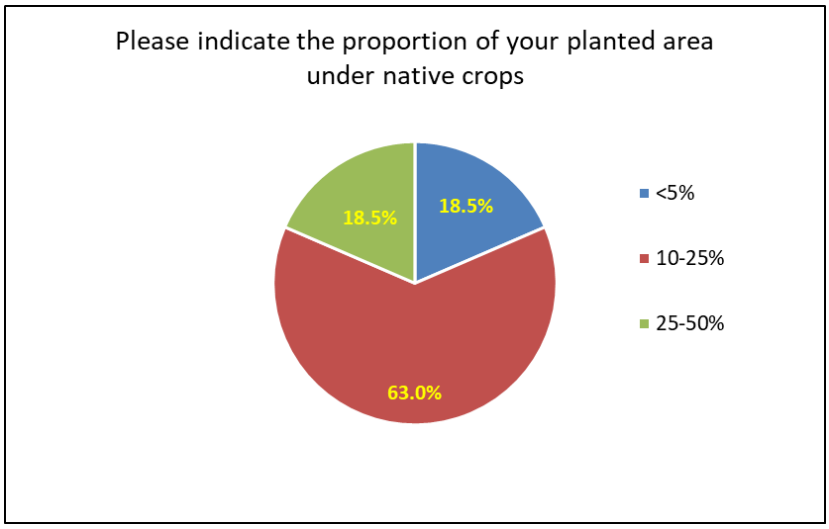
Question No. 2. Please indicate which crops you are producing in terms of planted area.



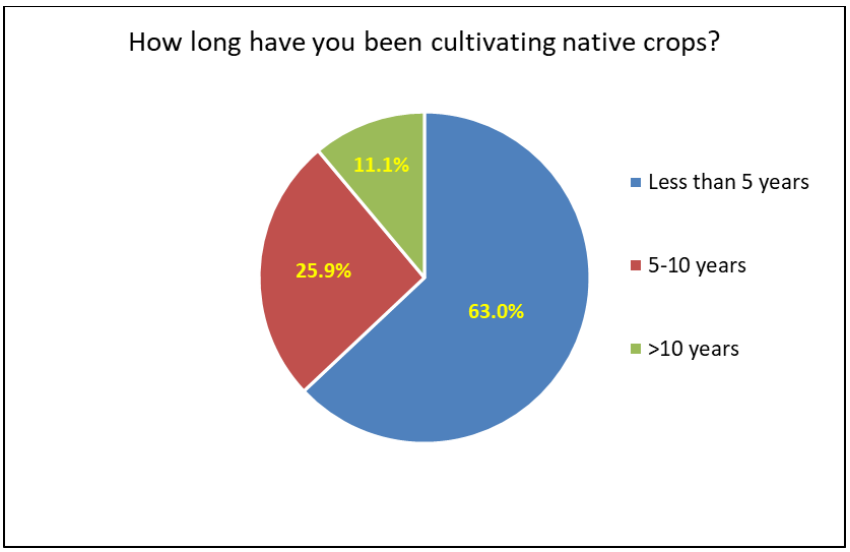
Question No. 3: Please indicate the approximate participation of women in your household/farm involved in decision-making, production, trading, etc.



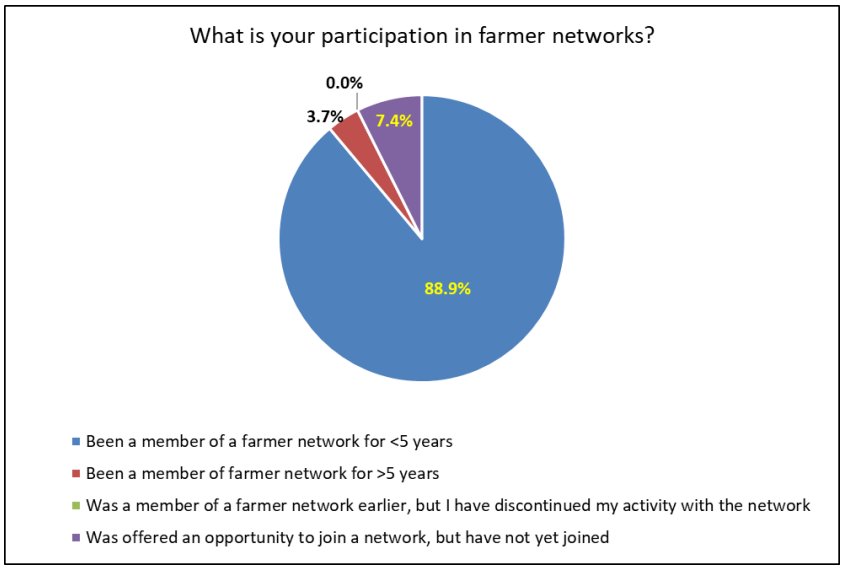
Question No. 4. Please indicate the proportion of your planted area under native crops.



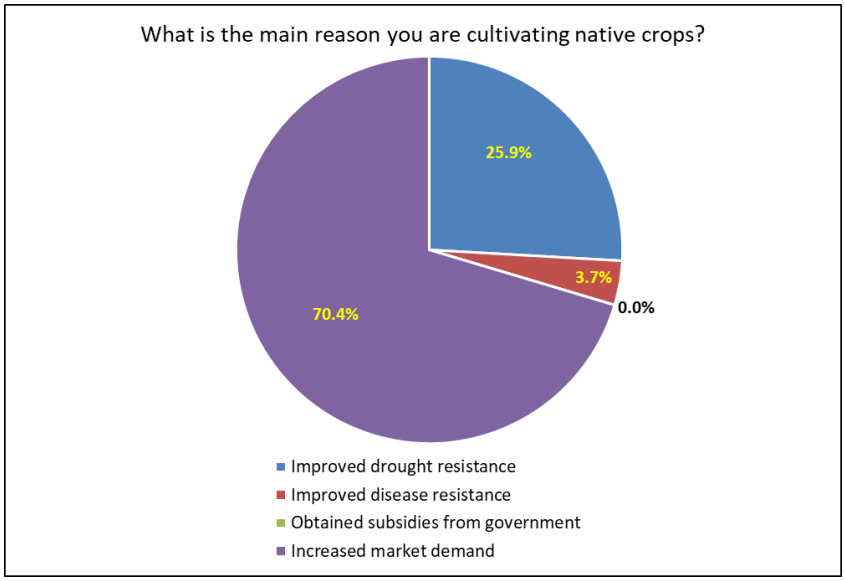
Question No. 5. How long have you been cultivating native crops?



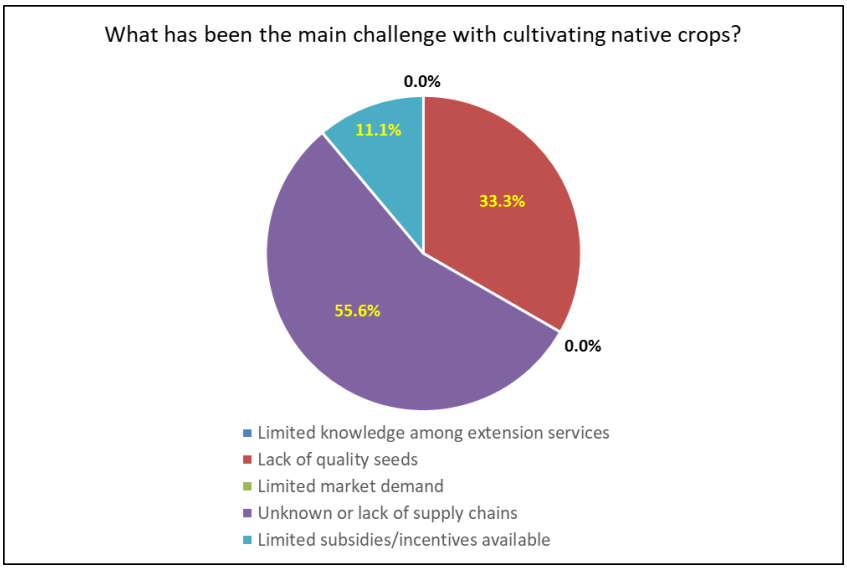
Question No. 6. What is your participation in farmer networks?



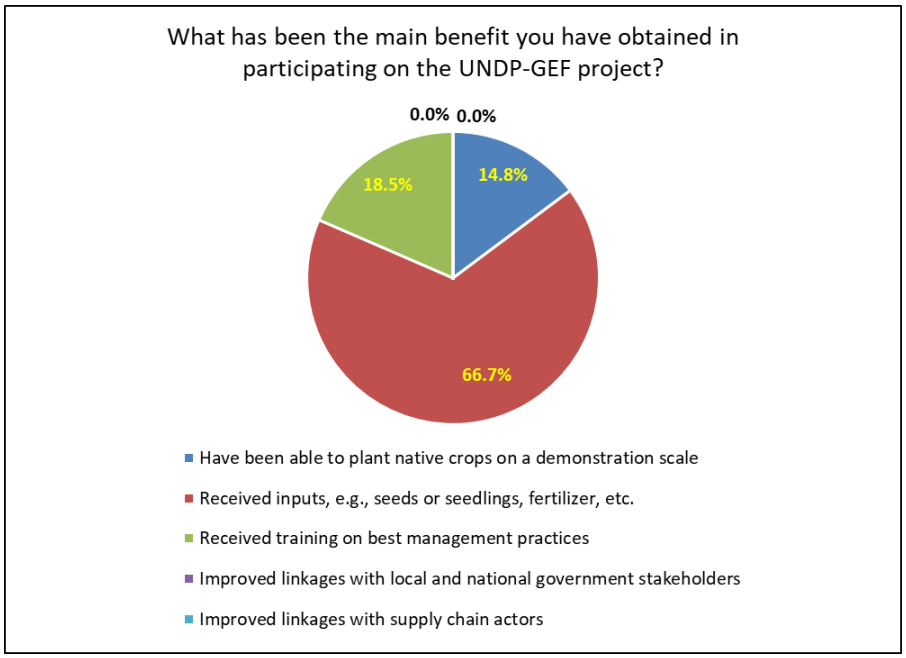
Question No. 7. What is the main reason you are cultivating native crops?



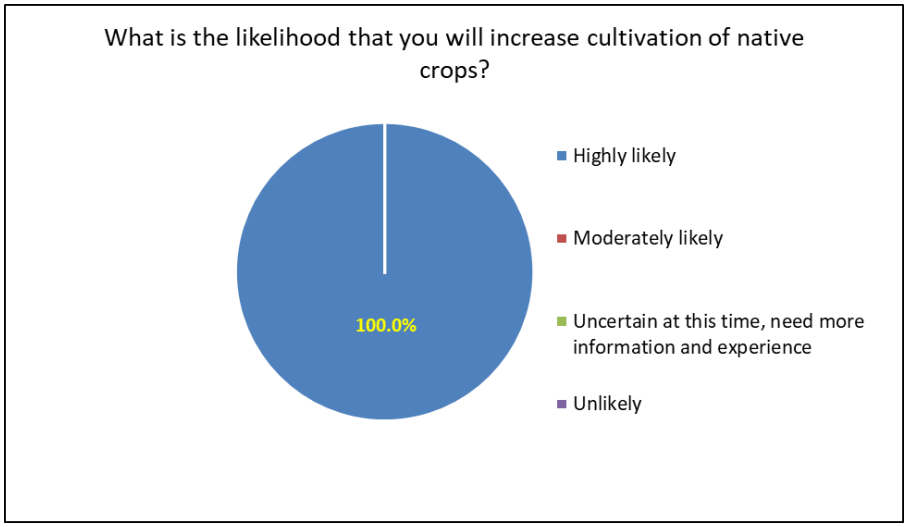
Question No. 8. What has been the main challenge with cultivating native crops?



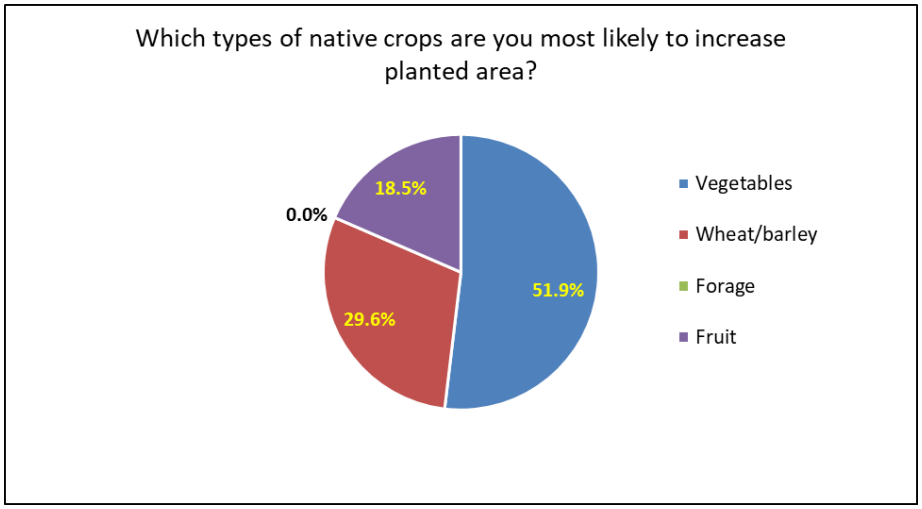
Question No. 9. What has been the main benefit you have obtained in participating on the UNDP-GEF project?



Question No. 10. What is the likelihood that you will increase cultivation of native crops?



Question No. 11. Which types of native crops are you most likely to increase planted area?



Annex 5: Progress towards results

Assessment Key:
Achieved
On target to be achieved
Not on target to be achieved
Unable to assess

Indicator	Baseline	End of Project target	Internal midterm assessment	MTR comments	Rating
Objective: Ensure the conservation and sustainable use of globally threatened crop varieties important for biodiversity, food security and sustainable land management					
1. Proportion (%) of agricultural crop area of project rayons under native crops	Wheat/barley: <2% Vegetable: <0.5% Forage: <0.5%	Wheat/barley: >6% Vegetable: >2% Forage: >2%	**Crop** / **Total** / **Sheki** / **Goranboy** / **Goychay** Wheat/barley / >4% / 80% / 10% / 10% Vegetable / >1.5% / - / 90% / 10% Forage / >1% / 50% / 20% / 30%	Baseline conditions and means of verification of the rayon-wide end target are unclear.	
2. Estimated value (US$/annum) of the state funding allocation to the conservation and use of agrobiodiversity in Azerbaijan	<US$ 30 million/annum	>US$ 50 million/annum	2020 estimate: USD 10.5 million, including: MoA: USD 3 million in 2020; MENR: USD 1.5 million in 2020; MoA-MENR-ANAS: USD 6 million in 2020	Baseline not specific; achievability of end target is questionable	
3. Number of known landraces and varieties under productive crop cultivation in Azerbaijan	<400	>450	Current level nationwide: 460 Within project sites, 60 varieties of cereals and vegetables in field gene banks, and sowing of 10 cereal and 22 vegetables in large areas.	Baseline not specific; means of verification of internal midterm assessment of nationwide figure unclear.	
4. Extent (ha) of crop area in the project rayons under more sustainable crop agricultural practices	<10,000 ha	Direct (project supported): >50,000 ha Indirect: >50,000 ha	**Criterion** / **Total** / **Sheki** / **Goranboy** / **Goychay** Direct: / >9,600 ha / 3,000 ha / 100 ha / 100 ha Indirect: / >30,000 ha / 20,000 ha / 2,000 ha / 8,000 ha	The means of verification of indirect figures is unclear. The areas presented are estimations.	
5. Extent (ha) of degraded agricultural land in the project rayons restored to productive use through the planting of native crops	N/A	>1,000 ha	**Total** / **Sheki** / **Goranboy** / **Goychay** 1,000 ha / 800 ha / 150 ha / 50 ha	The definition of "degraded agricultural land" is unclear. Means of verification should also be clarified.	
6. Number of households (and number of women) directly involved in the farming of native crops	Vegetables: 5 (1) Wheat/barley: 2 (0) Forage: 1 (0) Fruit: 5 (2) 2014	Vegetables: 17 (5) Wheat/barley: 17 (5) Forage: 12 (2) Fruit: 10 (4)	**Crop** / **Total** / **Sheki** / **Goranboy** / **Goychay** Wheat/barley / 65 (15) / 50 (8) / 10 (5) / 5 (2) Vegetable / 45 (20) / - / 40 (18) / 5 (2) Forage / 14 (5) / 4 (1) / 5 (2) / 5 (2) Fruit / 12 (3) / - / - / 12(3)	Internal monitoring data reports end target has essentially been achieved. It would be useful to collect rayon-level data, not only at project-supported farms.	

Indicator	Baseline	End of Project target	Internal midterm assessment	MTR comments	Rating
7. LD-PMAT tracking tool score (average score across 4 criteria under LD-1)	LD 1: <1.5	LD 1: >3	Internal midterm assessment: LD1.i.: 5 (policy) LD1.ii.: 2 (tenure) LD1.iii: 18 (production) LD1.iv: 2 (vulnerability)	For sub-indicator LD1.iii (productivity), a score of "18" was provided, while the maximum in the scorecard is 5. Also, the explanation in the PIR 2020 for the tenure sub-indicator (LD1.ii) is unclear, i.e., describing restrictions on burning.	
Outcome 1: In situ and ex situ conservation of agrobiodiversity					
8. Number and extent (ha) of CWR agrobiodiversity hotspots in the project rayons under some form of conservation tenure	0 0 ha	>5 >150 ha	**Criterion** / **Total** / **Sheki** / **Goranboy** / **Goychay** Number: **3** / 2 / 0 / 1 Extent: **0** / 0 / 0 / 0	Total of 6 hotspots identified, including 3 in the project rayons. Declaration under some form of conservation tenure has not yet been achieved.	
9. Number of the targeted native crop varieties being actively maintained in field gene banks	Vegetables: 0 Wheat/barley: 0 Forage: 0 Fruit: N/A	Vegetables: >8 Wheat/barley: >10 Forage: >2 Fruit: >3	**Crop** / **Number maintained in gene banks** Wheat/barley: 55 (experimental stations) Vegetable: 39 (Veg Res. Instit, and farmer fields) Forage: 59 (experimental stations) Fruit: Not yet	Apart from fruits, achievements by midterm exceed end targets	
10. Area under each traditional crop variety (hectares) in the four targeted districts	Baselines not measured in Year 1	Increase in area for wheat/barley varieties by app. 4% Increase in area for vegetable crops by 1.5% Increase in area for forage crops by 1.5%	Baseline conditions not measured in Year 1. In 2019, wheat/barley: 250 ha In 2019, vegetable crops: 7.8 ha In 2019, forage crops: 20 ha	Baseline conditions have not been measured. Project is reporting significant increase in the cultivation of native varieties by local farmers.	
11. Volume of the targeted native crop seed (tons/annum) made available to seed producers in the project rayons for commercial production	Vegetables: 0.1 t/yr Wheat/barley: 80 t/yr Forage: 10 t/yr Fruit: N/A	Vegetables: 0.3 t/yr Wheat/barley: 100 t/yr Forage: 30 t/yr Fruit: 0.1 t/yr	**Crop:** / **Total** / **Sheki** / **Goranboy** / **Goychay** Vegetables: 0.5 t/yr / - / 0.45 t/yr / 0.05 t/yr Wheat/barley: 750 t/yr / 700 t/yr / 25 t/yr / 25 t/yr Forage: 15 t/yr / 5 t/yr / 3 t/yr / 7 t/yr Fruit: - / - / - / -	Wheat/barley production significantly exceeds end target. Vegetable seed production also higher than end target; forage production 50% higher than baseline.	
12. Number of new, registered native crop seed producing farmers in the project rayons	N/A	Vegetables: 5 Forage: 2 Wheat/barley: 4 Fruit: 1	**Crop:** / **Total** / **Sheki** / **Goranboy** / **Goychay** Vegetables: **1** / - / 1 / - Forage: **1** / - / - / 1 Wheat/barley: **3** / 3 / - / - Fruit: **-** / - / - / -	The PIR 2020 indicates 4 for vegetables, 2 for forage, and 5 for wheat/barley.	

Indicator	Baseline	End of Project target	Internal midterm assessment	MTR comments	Rating
Outcome 2: Capacity to improve agricultural productivity and reduce land degradation using native crops					
13. Number of capacitated extension and advisory service officers deployed in the project rayons	5	>20	**Service Officers** / **Total** / Sheki / **Goranboy** / **Goychay** Extension: / **6** / 2 / 2 / 2 Advisory: / **5** / 2 / 2 / 1	Internal reporting does not match the description of the indicator, i.e., number of project-recruited consultants and field monitors are reported, rather than extension and advisory service officers.	
14. Number of state agricultural staff (professional, scientific, and technical) participating in project-funded training and skills development programmes	N/A	>30	**Staff category:** / **Number** Professional: / 10 Scientific: / 60 Technical: / 10	Progress exceeds end target. This indicator should be gender-disaggregated.	
15. Number of active farmer-farmer networks established in project rayons	0	>6	**Total** / Sheki / **Goranboy** / **Goychay** **4** / 2 / 2 / -	Based on internal reporting, progress is on target. It would be advisable to define "active farmer-farmer network".	
16. Number of registered members of the regional (i.e., including the project rayons) Wheat Farmers Association	0	>50	**Total** / **Goranboy** / **Goychay** / **Total regional** **30** / 20 / 5 / 5	Note: the internal assessment is an estimate; should be based on registration records of the Wheat Farmers Association	
17. Number of local farmers participating in project-funded information-sharing, training, and skills development programmes	N/A	Vegetable: >150 Forage: >30 Wheat: >100	**Criterion** / **Total** / **Sheki** / **Goranboy** / **Goychay** Vegetable / **74** / - / 69 / 5 Forage / **20** / 5 / 5 / 10 Wheat / **80** / 70 / 5 / 5	Progress is on target. This indicator should be gender-disaggregated	
Outcome 3: Incentives and markets to improve the uptake and commercial viability of native crops					
18. Number of local farmers benefiting from small grants and average (US$) value of grant/farmer	N/A N/A	>400 US$ 500 – 1,500	**Criterion** / **Total** / Sheki / **Goranboy** / **Goychay** Number: / **135** / 60 / 70 / 5	Project is marginally on track towards the >400 local farmers benefiting. Average value of support is reported at USD 800 per farmer.	
19. Number of new supply agreements concluded between farmers in the project rayons and processors/retailers of niche high-value products derived from native crops	0	>10	The 2020 PIR describes equipment for processing cereal and vegetable crops procured for farmers in Sheki and Goranboy, and mills constructed in these two rayons. In the Goychay rayon, project resources were used to procure seed cleaning and fodder mixing machines for farmers there. And project support facilitated establishment of the Yolpaq Vegetables Producers' Cooperative, facilitating their engagement with processors and retailers.	Internal reporting describes project support in terms of procured equipment and advisory services delivered. Supply agreements not yet concluded.	

Indicator	Baseline	End of Project target	Internal midterm assessment	MTR comments	Rating
20. Number of processors and retailers trading in niche high-value products derived from native crops, and those benefitting from project grant funding support in the project rayons	<5 0	>10 >5	Internal reporting (2020 PIR) describes equipment purchases (e.g., mills, seed cleaners), and indicates consultations with Bravo, the largest supermarket chain in the country, on supplying native variety vegetables.	Consultations have been initiated with Bravo, the largest supermarket chain in Azerbaijan, for supplying native variety vegetables. Processing equipment has been purchased for farmers and farmer associations.	
21. Estimated valuation (US$) of trade in the targeted native crops in the project rayons	TBD	TBD	The 2020 PIR indicates the following: The share of local varieties in trade turnover has been rising this year as well. It has been found that farmers earn more from the sale of local vegetable crops. Especially project promoted organic production and correct post-harvest operation. The income of farmers on grain crops increased by 20-30% vs previous years. A contract was signed with a company for application of block chain technology in the sale of vegetables	Baseline value chain analyses have not yet been made. The project team has estimated the value of USD 2 million in 2019 for local wheat and barley varieties produced by local farmers.	

Annex 6: Cofinancing Table

Note	Sources of Cofinancing[1]	Name of Cofinancer	Type of Cofinancing[2]	Amount Confirmed at CEO Endorsement USD	Actual Amount Contributed at Stage of Midterm Review USD	Expected Amount by Project Closure[3] USD	Actual % of Expected Amount USD
4	GEF Agency	UNDP	Grant	$200,000	$112,378	$200,000	56%
5	Recipient Government	Ministry of Agriculture	Grant	$19,500,000	$17,773,930	$21,062,165	84%
			In-kind	$1,000,000	0	$1,000,000	0
	Total			**$20,700,000**	**$17,886,308**	**$22,262,165**	80%

Notes:	
1	Sources of Co-financing may include: Bilateral Aid Agency(ies), Foundation, GEF Partner Agency, Local Government, National Government, Civil Society Organization, Other Multi-lateral Agency(ies), Private Sector, Other
2	Type of Co-financing may include: Grant, Soft Loan, Hard Loan, Guarantee, In-Kind, Other
3	Expected amount by project closure includes actual materialized by midterm and expected cofinancing during the second half of the project.
4	See breakdown on worksheet attached to this annex.
5	See breakdown outlined in the 22 Sep 2020 dated letter from UNDP Azerbaijan.

Supporting documentation to Annex 6

Breakdown of Government (Ministry of Agriculture) cofinancing through midterm:

Government co-financing information on "Conservation and sustainable use of globally important agro-biodiversity" project

	For Sheki district	2016-2020 (AZN) Actual	2021-2022 (AZN) Expected	Total
1	Funds for grain producers (farmers) (subsidy)	300 000	150 000	450 000
2	Funds for seed producing farmers	600 000	250 000	850 000
3	To Sheki Regional Agrarian Science and Consulting Center	530 000		530 000
4	To Sheki base station of the Crop Production Research Institute	551 200		551 200
	For Goychay district			
5	To forage crop producers (subsidy)	55 000	50 000	105 000
6	For seed producing farmers	42500	28 000	70 500
7	To Kurdamir Regional Agrarian Science and İnformation Consulting Centre	780 000		780 000
	For Goranboy district			
8	To vegetable producers (subsidy)	6 000	12 000	18000
9	To seed (vegetable) producers (Goygol, Samukh)	1 200 000	500 000	1700000
10	To the Goranboy State Agrarian Development Centre	1356833		1356833
11	To Ganja Regional Agrarian Science and İnformation Consulting Centre	856 307		856 307
	For country			
12	For Seed Fund	10 000 000	2 250 000	12 250 000
13	To the Vegetable Production Research Institute	11999248	1 250 000	13 249 248
14	To the Crop Husbandry Research Institute	2238594	1 250 000	3 488 594
	Total (AZN)	**30 215 682**	**5 590 000**	**35 805 682**
	Total $ USD	**17 773 930**	**3 288 235**	**21 062 165**

Breakdown of UNDP cofinancing through midterm:

United Nations Development Programme

Empowered lives.
Resilient nations.

Ref: UNDP/OL/RR/20/20345 **22th of September, 2020**

Mr. James Francis LENOCI
International Project Midterm Evaluator

Dear Mr. James Francis LENOCI,

Below you can find the table that summarizes expenditures occurred from funds allocated by UNDP so far. In addition, please also see future planned allocation.

Year	Budget code	Amount in USD	Description	Totals
2020	64397	13310	Direct Project Costing	
2020	75105	289.44	General Management Support	
2020	71360	372.73	Security charges for Individual contractors	13972.17
2019	64397	14000	Direct Project Costing	
2019	71400	29181	40% pro rata cost of Project manager's salary 100% cost of Project administrative clerk's salary	
2019	72505	451.54	Office supplies	
2019	74510	114.92	Bank Charges	43747.46
2018	64397	14000	Direct Project Costing	
2018	75105	2336	General Management Support	
2018	71400	28211.65	40% pro rata cost of Project manager's salary 100% cost of Project administrative clerk's salary	44547.65
2017	64397	14000	Direct Project Costing	
2017	71400	780.72	40% pro rata cost of Project manager's salary	14780.72

Year	Budget code	Amount in USD	Description	Totals
2021	64397	14000	Direct Project Costing	
2021	71400	68952	100% cost of Project manager's salary 100% cost of Project Finance assistant 91% pro rata cost of Project administrative clerk's salary	82952

Sincerely,
Shamil Rzayev
Senior Programme Advisor

UNDP Azerbaijan, 3 UN 50th Anniversary str., Baku, AZ 1001, Azerbaijan | Tel: (+99 412) 498 98 88 · Fax: (+99 412) 492 24 91 | E-mail: registry.az@undp.org | www.az.undp.org |

Annex 7: Rating Scales

Ratings for progress towards results:

Highly Satisfactory (HS)	Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as "good practice".
Satisfactory (S)	Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
Moderately Satisfactory (MS)	Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.
Moderately Unsatisfactory (MU)	Project is expected to achieve its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives.
Unsatisfactory (U)	Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.
Highly Unsatisfactory (U)	The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.

Ratings for project implementation and adaptive management:

Highly Satisfactory (HS)	Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as "good practice".
Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for only few that are subject to remedial action.
Moderately Satisfactory (MS)	Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action.
Moderately Unsatisfactory (MU)	Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action.
Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management.
Highly Unsatisfactory (HU)	Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management.

Ratings for sustainability (one overall rating):

Likely (L)	Negligible risks to sustainability, with key Outcomes on track to be achieved by the project's closure and expected to continue into the foreseeable future
Moderately Likely (ML)	Moderate risks, but expectations that at least some Outcomes will be sustained due to the progress towards results on Outcomes at the Midterm Review
Moderately Unlikely (MU)	Significant risk that key Outcomes will not carry on after project closure, although some outputs and activities should carry on
Unlikely (U)	Severe risks that project Outcomes as well as key outputs will not be sustained

Annex 8: Signed UNEG Code of Conduct Agreement Form

Evaluators:

1. Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded.
2. Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.
3. Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and: respect people's right not to engage. Evaluators must respect people's right to provide information in confidence, and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals, and must balance an evaluation of management functions with this general principle.
4. Sometimes uncover evidence of wrongdoing while conducting evaluations. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.
5. Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.
6. Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/ or oral presentation of study limitations, findings and recommendations.
7. Should reflect sound accounting procedures and be prudent in using the resources of the evaluation.

MTR Consultant Agreement Form

Agreement to abide by the Code of Conduct for Evaluation in the UN System

Name of Consultant: James Lenoci

I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.

Signed on 24 July 2020

James Lenoci
MTR Consultant

Annex 9: MTR Terms of Reference

Terms of Reference for ICs and RLAs through /GPN ExpRes

Empowered lives.
Resilient nations.

Services/Work Description: UNDP/GEF Project Midterm Review

Project/Programme Title: Conservation and sustainable use of globally important agro-biodiversity Project

Consultancy Title: Midterm Review Evaluator

Duty Station: Online consultancy (Azerbaijan)

Duration: 06 July – 31 August, 2020

Expected start date: 06 July, 2020

1. BACKGROUND

Azerbaijan is considered to be part of Vavilov's *Asia Minor* center of origin of cultivated plants.
In general, the wild relatives of cultivated crops in Azerbaijan are genetically diverse, locally adapted and represent a potential source of genes and alleles for adapting crops to the ever-changing environmental conditions and human needs of the country.
The project seeks to: (i) improve the protection of viable populations of indigenous wild relatives of crops and local landraces in their natural habitats; (ii) augment the conservation of indigenous wild relatives of crops and local landraces in plant gene banks to ensure an adequate source of genetic resources for plant breeding; and (iii) increase the production, and extent of use, of local landraces in agricultural small holdings and commercial farms.
The project implemented in three rayons of Azerbaijan - Sheki, Goranboy and Goychay. Within these three rayons, the project will further focus on selected crop wild relatives, cultivated native species and cultivated landraces of wheat, vegetable and forage crops.
The project has been structured into three complementary components.
The first component will seek to expand the state of knowledge of agro-biodiversity, enhance the conservation of this agro-biodiversity and increase the intensity and extent of use native crops in the agricultural sector in the three project rayons. Work under this component will be focused around four key areas of project support, as follows: (i) Improve the knowledge base of crop wild relatives (CWRs) and local crop landraces (Output 1.1); (ii) Establish and manage a network of conserved areas for CWRs (Output 1.2); (iii) Establish and maintain field gene banks for crop landraces (Output 1.3); and (iv) Increase the production, storage and distribution of native crop seeds (Output 1.4).
The second component will seek to build the capacities of, and improve the collaboration and cooperation between, agricultural institutions and small farmers in order to improve agricultural productivity and reduce land degradation using native crops (i.e. the targeted crop species) in the three project rayons. Work under this component will be focused around three key areas of project support: (i) Build the capacity of agricultural institutions (Output 2.1); (ii) Support the development of local farmer organisations (Output 2.2); and (iii) Improve the knowledge and skills of local farmers (Output 2.3).
The third component will seek to strengthen incentives that encourage the planting of, and improve access to commercial markets for agricultural products derived from, the targeted native crop species across the three rayons. Work under this component will be focused around two key areas of project support: (i) Strengthen the agricultural incentives toolbox for farmers (Output 3.1); and (ii) Improve access to markets for local farmers (Output 3.2).

2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED WORK

OBJECTIVES OF THE MTR

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on-track to achieve its intended results. The MTR will also review the project's strategy, its risks to sustainability.

MTR APPROACH & METHODOLOGY

The MTR must provide evidence based information that is credible, reliable and useful. The MTR evaluator will review all relevant sources of information including documents prepared during the preparation phase (i.e., PIF, UNDP Initiation Plan, UNDP Environmental & Social Safeguard Policy, the Project Document, project reports including Annual Project Review/PIRs, project budget revisions, financial expenditure reports, co-financing records,

lesson learned reports, national strategic and legal documents, and any other materials that the evaluator considers useful for this evidence-based review). The MTR will review the baseline GEF focal area Tracking Tool submitted to the GEF at CEO endorsement, and the midterm GEF focal area Tracking Tool (and/or GEF core indicator worksheet) that must be completed before the MTR mission begins.
The MTR evaluator is expected to follow a collaborative and participatory approach[1] ensuring close engagement with the Project Team, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), UNDP-GEF Regional Technical Advisers, and other key stakeholders.
Engagement of stakeholders is vital to a successful MTR.[2] Stakeholder involvement should include interviews with stakeholders who have project responsibilities; executing agencies, senior officials and task team/ component leaders, key experts and consultants in the subject area, Project Board, project stakeholders, academia, local government and CSOs, etc. Additionally, the MTR evaluator is expected to conduct interviews with farmers of the following project sites as Sheki, Goychay and Goranboy.
The final MTR report should describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review. Taking into account the current situation with Covid-19, Azerbaijan, like other countries, has imposed a quarantine and travel restrictions for an indefinite period. In this regard, the MTR evaluator will have to conduct the review using virtual and remote methods. To do this, the evaluator will need to outline the MTR methodology in the MTR inception report, e.g., including an evaluation matrix, proposed list of questions, proposed list of stakeholders to interview, etc....
The MTR evaluator will be responsible for the design of the evaluation methodology. This may include:

1. Desk review of all documents related to the work programme and the project. The project manager will ensure that the evaluator receives all relevant documentation to enable a thorough desk review. The project team will arrange translation of select project documentation (in some cases, summaries of the documents could be sufficient), as discussed with the evaluator and project manager.

2. An electronic **questionnaire** will be sent to select stakeholders .. The questionnaire will be prepared by the MTR evaluator and, if needed, translated to Azerbaijani (translation shall be arranged by the project team).

3. **Interviews with selected relevant staff and stakeholders of the project** will take place via phone, skype, zoom etc. The project manager will provide the list with contact details. The project team will arrange the service of an independent interpreter to support the evaluator during the interviews.

The project manager will provide support and further explanation to the evaluation consultant as needed.

DETAILED SCOPE OF THE MTR
The MTR evaluator will assess the following four categories of project progress. See the *Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for extended descriptions.
Project Strategy
Project design:

- Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.

- Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?

[1] For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results, 05 Nov 2013.
[2] For more stakeholder engagement in the M&E process, see the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results, Chapter 3, pg. 93.

- Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?
- Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?
- Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.
- If there are major areas of concern, recommend areas for improvement.

Results Framework/Logframe:

- Undertake a critical analysis of the project's logframe indicators and targets, assess how "SMART" the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and indicators as necessary.
- Are the project's objectives and outcomes or components clear, practical, and feasible within its time frame?
- Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e. income generation, gender equality and women's empowerment, improved governance etc.) that should be included in the project results framework and monitored on an annual basis.
- Ensure broader development and gender aspects of the project are being monitored effectively. Develop and recommend SMART 'development' indicators, including sex-disaggregated indicators and indicators that capture development benefits.

3. Expected Outputs and deliverables

Progress Towards Results

Progress Towards Outcomes Analysis:

- Review the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and following the *Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*; colour code progress in a "traffic light system" based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as "Not on target to be achieved" (red).

Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)

Project Strategy	Indicator[3]	Baseline Level[4]	Level in 1st PIR (self-reported)	Midterm Target[5]	End-of-project Target	Midterm Level & Assessment[6]	Achievement Rating[7]	Justifi for Ra
Objective:	Indicator (if applicable):							
Outcome 1:	Indicator 1:							
	Indicator 2:							
Outcome 2:	Indicator 3:							
	Indicator 4:							

[3] Populate with data from the Logframe and scorecards
[4] Populate with data from the Project Document
[5] If available
[6] Colour code this column only
[7] Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

Outcome 3:	Indicator 5:								
	Indicator 6:								

Indicator Assessment Key

Green= Achieved	Yellow= On target to be achieved	Red= Not on target to be achieved

In addition to the progress towards outcomes analysis:

- Compare and analyse the GEF Tracking Tool at the Baseline with the one completed right before the Midterm Review.
- Identify remaining barriers to achieving the project objective in the remainder of the project.
- By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

Project Implementation and Adaptive Management

Management Arrangements:

- Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
- Review the quality of execution of the Executing Agency/Implementing Partner(s) and recommend areas for improvement.
- Review the quality of support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.

Work Planning:

- Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.
- Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results?
- Examine the use of the project's results framework/ logframe as a management tool and review any changes made to it since project start.

Finance and co-finance:

- Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
- Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.
- Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
- Informed by the co-financing monitoring table to be filled out, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Project-level Monitoring and Evaluation Systems:

- Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are

they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?

- Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?

Stakeholder Engagement:

- Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
- Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
- Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?

Reporting:

- Assess how adaptive management changes have been reported by the project management and shared with the Project Board.
- Assess how well the Project Team and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
- Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

Communications:

- Review internal project communication with stakeholders: Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?
- Review external project communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)
- For reporting purposes, write one half-page paragraph that summarizes the project's progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.

iv. Sustainability

- Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
- In addition, assess the following risks to sustainability:

Financial risks to sustainability:

- What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project's outcomes)?

Socio-economic risks to sustainability:

- Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long term objectives of the project? Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

Institutional Framework and Governance risks to sustainability:

- Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

Environmental risks to sustainability:

- Are there any environmental risks that may jeopardize sustenance of project outcomes?

Conclusions & Recommendations

The MTR evaluator will include a section of the report setting out the MTR's evidence-based conclusions, in light of the findings.[8]

Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report's executive summary. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for guidance on a recommendation table. The MTR evaluator should make no more than 15 recommendations total.

TIMEFRAME

The total duration of the MTR will be approximately *6 weeks* starting *from 10th of June, 2020.* The tentative MTR timeframe is as follows:

TIMEFRAME	ACTIVITY
06-17 July (7 days)	MTR Inception • Prepare list of required documents • Begin desk review • Develop electronic questionnaire(s) • Prepare MTR inception report
20-31 July (8 days)	Desk Review, interviews, online questionnaire survey • Complete desk review • Carry out stakeholder interviews • Conduct online questionnaire survey
03-14 August (8 days)	Interpretation, report preparation • Interpret findings of review • Prepare draft MTR report
17-25 August	Review of draft MTR report
26-31 August (5 days)	Prepare final MTR report and audit trail • Prepare final MTR report, based on review comments • Prepare MTR audit trail
26-31 August	Management response prepared by project team
31 August	Expected date of MTR completion

4. Institutional arrangements/reporting lines

[8] Alternatively, MTR conclusions may be integrated into the body of the report.

Table. MTR Ratings & Achievement Summary Table for "Conservation and sustainable use of globally important agro-biodiversity" Project.

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	
Progress Towards Results	Objective Achievement Rating: (rate 6 pt. scale)	
	Outcome 1 Achievement Rating: (rate 6 pt. scale)	
	Outcome 2 Achievement Rating: (rate 6 pt. scale)	
	Outcome 3 Achievement Rating: (rate 6 pt. scale)	
	Etc.	
Project Implementation & Adaptive Management	(rate 6 pt. scale)	
Sustainability	(rate 4 pt. scale)	

MIDTERM REVIEW DELIVERABLES

#	Deliverable	Description	Timing	Responsibilities
1	**MTR Inception Report**	MTR evaluator clarifies objectives and methods of Midterm Review	No later than 2 weeks before the MTR mission	MTR evaluator submits to the Commissioning Unit and project management
2	**Presentation**	Initial Findings	End of MTR mission	MTR evaluator presents to project management and the Commissioning Unit
3	**Draft Final Report**	Full report (using guidelines on content outlined in Annex B) with annexes	Within 3 weeks of the MTR mission	Sent to the Commissioning Unit, reviewed by RTA, Project Coordinating Unit, GEF OFP
4	**Final Report***	Revised report with audit trail detailing how all received comments have (and have not) been addressed in the final MTR report	Within 1 week of receiving UNDP comments on draft	Sent to the Commissioning Unit

*The final MTR report must be in English. If applicable, the Commissioning Unit may choose to arrange for a translation of the report into a language more widely shared by national stakeholders.

MTR ARRANGEMENTS

The principal responsibility for managing this MTR resides with the Commissioning Unit. The Commissioning Unit for this project's MTR is the UNDP Country Office.

The commissioning unit will contract the consultants and ensure the timely provision of per diems and travel arrangements within the country for the MTR evaluator. The Project Team will be responsible for liaising with the MTR evaluator to provide all relevant documents, set up stakeholder interviews, and arrange online meetings.

5. Experience and qualifications

I. Academic Qualifications:

- An academic degree in agricultural economics or other related fields: agriculture; agrobiodiversity, project assessment **(20 points)**

II. Years of experience:

- Recent experience (minimum 5 years) with result-based management evaluation methodologies and applying SMART indicators, reconstructing or validating baseline scenarios; **(30 points)**
- Work experience in relevant technical areas for at least 10 years (sustainable management of agriculture and/or productive systems); **(30 points)**
- Project evaluation/review experiences within United Nations system; **(20 points)**
- Experience working with the GEF or GEF-evaluations will be considered as an asset;
- Competence in Adaptive Management, as applied to conservation or natural resource management will be considered as an asset;
- Demonstrated understanding of issues related to gender and (*fill in GEF Focal Area*); experience in gender sensitive evaluation and analysis will be considered as an asset.
- Demonstrable analytical skills

III. Language:

- Excellent communication skills in English (written and spoken)

IV. Competencies:

- Demonstrate commitment to UNDP's mission, vision and values;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability

6. Payment Modality

Payment to the individual contractor will be made based on the actual number of days worked, deliverables accepted and upon certification of satisfactory completion by the manager.

- 10% of payment upon approval of the final MTR Inception Report
- 30% upon submission of the draft MTR report
- 60% upon finalization of the MTR report

Annex 10: Signed MTR final report clearance form

Midterm Review Report Reviewed and Cleared By:	
Commissioning Unit	
Name:	
Signature:	Date:
UNDP-GEF Regional Technical Advisor	
Name:	
Signature:	Date: