2019

Project Implementation Review (PIR)

**Sustainable Cities: Ashgabat and Awaza**

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# Basic Data

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| **Project Information** |
| UNDP PIMS ID | 5452 |
| GEF ID | 9279 |
| Title | Sustainable Cities in Turkmenistan: Integrated Green Urban Development in Ashgabat and Awaza |
| Country(ies) | Turkmenistan, Turkmenistan |
| UNDP-GEF Technical Team | Energy, Infrastructure, Transport and Technology |
| Project Implementing Partner | Government |
| Joint Agencies | *(not set or not applicable)* |
| Project Type | Full Size |

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| **Project Description** |
| Population growth and economic development have led to rapid expansion of cities in Turkmenistan over the past two decades, most notably in the capital city of Ashgabat and the resort zone of Awaza on the Caspian Sea. This growth has had an increasing negative environmental impact – resource consumption, waste, local air and water pollution, and emissions of greenhouse gases (GHG). Ashgabat and Awaza have already embraced some measures to manage this impact. But there remains much untapped technical potential to decrease the volume and impact of private vehicle traffic in all cities, further expand efficient street lighting, reduce waste and increase recycling, and introduce “green” practices to hotels.
The development challenge of the project is to measurably reduce the negative impacts of urban growth in Turkmenistan while also advancing social and economic development goals. To this end, the project will provide technical assistance, institutional and policy support, organization and development of programs, and promotion of behavioral change, all in conjunction with national priorities and specific needs articulated by the Government. Measures introduced in Ashgabat and Awaza will yield significant GHG emissions reductions and social benefits in themselves, while also creating a basis for replication elsewhere in Turkmenistan. |

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| **Project Contacts** |
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| GEF Operational Focal Point | Mr. Berdi Berdiyev (berber1133@gmail.com) |
| Project Implementing Partner | *(not set or not applicable)* |
| Other Partners | *(not set or not applicable)* |

# Overall Ratings

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| Overall DO Rating | Moderately Unsatisfactory |
| Overall IP Rating | Moderately Unsatisfactory |
| Overall Risk Rating | High |

# Development Progress

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| **Description** |
| **Objective****To promote and implement integrated low-carbon urban systems in Ashgabat and Awaza, thereby reducing GHG emissions and creating other environmental, social, and economic development benefits** |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Reduction in GHG emissions from transport, public lighting, and hotel management, relative to baseline  | Total estimated GHG emissions from motor vehicles, public lighting, and hotels in Awaza: approximately 4.4 million tonnes of CO2 per year, projected to grow to 5.0 million tonnes per year by 2020 | Savings of 80,000 tonnes of CO2 emissions achieved via project interventions by end of year 3 | Savings of 366,000 tonnes of CO2 emissions achieved via project interventions by end of project | *(not set or not applicable)* | The Project is still in the initial phase (after long-term registration and changes in the Implementing Agency). The complete Project team to be hired by the end of summer of 2019. Energy audits for street lighting systems to be completed by the beginning of 2020 |
| Reduction in energy consumption from transport, public lighting, and hotel management, relative to baseline | Total energy consumption from motor vehicles, public lighting, and hotels in Awaza estimated at 75,000 TJ per year, projected to grow to 85,000 TJ by 2020  | Energy savings of 1350 TJ across all sectors achieved by the end of year 3 | Energy savings of 6200 TJ across all sectors | *(not set or not applicable)* | The first reductions in energy consumption will come after pilot projects are implemented, which is expected in the hotel and street lighting sector by end 2020.  |
| Number of direct individual and institutional participants (including both women and men) in project-led initiatives on alternative transport, pilot waste sorting and reduction, and green hotel management | No initiatives in these areas, therefore no participation | Confirmed participation by at least 5,000 citizens (2,500 women and girls) | Confirmed participation by at least 30,000 citizens (15,000 women and girls) | *(not set or not applicable)* | The Project entered into an agreement with one hotel complex and one investor group that is currently designing its waste sorting and incineration facility to assist them with doing energy audits (hotel complex) or verifying their existing feasibility projections (waste sorting & incineration facility). |
| **The progress of the objective can be described as:** | **On track** |
| **Outcome 1****Targeted Outcomes:****• Improved capacities and enabling conditions in Ashgabat to identify, design and implement integrated low-carbon and climate-resilient solutions in public space****• Reduced GHG emissions and other negative environmental impact through interventions involving public spaces and infrastructure** |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Reduction in number of passenger-km of private car travel, via increased use of alternative modes and carpooling | 12.7 billion passenger-km by private motor vehicle per year nationwide | Reduction by 0.5 percent (60 million passenger-km per year) | Reduction by 3 percent (180 million passenger-km per year) | *(not set or not applicable)* | No change as no activities have been initiated. The Ministry of Transport – which was as a project partner responsible for sharing information with the project on the public transport routes to be optimized - was reorganized 5 months after the Inception Workshop (now it is – Agency “TurkmenAvtoTransport” subordinated to the newly created Ministry of Industry and Communication).
The Project is now aiming to establish the new relation with stakeholder for the transport component and will hire a dedicated international consultant to lead research and public transport route optimization work as well as legal initiatives aimed at a structural change in the private vehicles stock.

It’s likely that the route optimization envisioned in the ProDoc will be difficult to implement due to unwillingness of the city authorities to grant access to information about operation mode of some of the state-owned organizations.
Besides, it was announced recently that TurkmenAvtoTransport had launched its own route-planner application. This means the respective component envisioned in the ProDoc is going to be unnecessary, or it must be reconsidered on other direction together with TurkmenAvtoTransport. In absence of traffic congestion dedicated bus routes may be unnecessary and costly to implement. In light of improved predictability of the public transport, cycling paths may stay unused (given the cultural aversion to such means of transportation).
The Project will therefore focus its attention on achieving CO2 emissions reductions directly from a change in the composition of private vehicles. The main tool to achieve the target reductions is by introducing the import regime that will disfavor the import of fuel-inefficient vehicles. The Project has scheduled respective meetings with the representatives of State Organizatian for Standardization Entity for 1st half of September, 2019.
Once the government agrees to an amendment to the vehicle import tax regime, the Project will hire a dedicated international expert to make an amended CO2 emissions reduction forecast. It’s likely that this forecast will fall short of ProDoc’s expectations.
In anticipation of this, the Project is aiming to add other urban sustainability components into the project activity mix to adapt to changing circumstances and opportunities and yet to stay within the Project’s Objective of promotion of “integrated low-carbon urban systems in Ashgabat and Avaza, thereby reducing GHG emissions and creating other environmental, social, and economic development benefits”.
Among such adaptive measures currently undertaken by the project are as follows:
- assistance to the Ministry of Energy in its Renewable Energy development goals as well as in its current activities to improve energy efficiency of existing electric network (by reducing transmission losses),
- assistance in the government’s push for development of electric vehicles (EV) infrastructure
- assistance to the mayor offices of Awaza and Ashgabat in improving energy efficiency of current operations of water utilities. |
| Reduction in electricity consumption from public outdoor lighting in Ashgabat and all of Turkmenistan | 131 million kWh of annual electricity consumption by street lighting in all of Turkmenistan in 2015, projected to grow to 192 million kWh by 2023; 67 million kWh in Ashgabat in 2015, projected to grow to 75 million by 2023 | Reduction of electricity consumption from public outdoor lighting by 1.5 million kWh per year in Ashgabat, compared with baseline | Reduction of electricity consumption from public outdoor lighting by 1.5 million kWh per year in Ashgabat and 8 million kWh per year in all of Turkmenistan, compared with baseline | *(not set or not applicable)* | The Project is currently in the process of hiring a consultant to lead energy audits to establish the scope of upcoming pilot street lighting installations.  |
| Reduction in landfill waste from Ashgabat and Awaza relative to baseline from recycling and waste reduction programs | Baseline figures not available; to be determined during the first project year | Increase in recycling volume by 5 percent;
Increase in use of secondary raw materials by 10%
 | Increase in recycling volume by 10 percent ;
Increase in use of secondary raw materials by 25%
 | *(not set or not applicable)* | The Project will delay the work on this component until the plans for construction of the first private-funded MSW sorting and incineration facility are approved by the office of the mayor (hyakim) of Ashgabat. |
| Number of cities of Turkmenistan (and total population therein) that formally adopt sustainability practices in transport, lighting, and waste management | No cities have adopted formal sustainability practices | Ashgabat and Awaza have formally adopted sustainability plans in given areas, and/or an integrated sustainability plan | Two other cities in Turkmenistan with total population of at least 175,000 have formally adopted sustainability plans | *(not set or not applicable)* | The Project sent an official letter countersigned by the UN Country Representative to the Cabinet of Ministers of Turkmenistan to inform the Govt that the Project is willing to commit funds for feasibility studies, project preparation/procurement support for street lighting modernization projects covering all major cities in Turkmenistan (>10) if the Govt commits to co-finance the retrofits.
The Project also agreed with the EBRD that they would co-finance at least one large pilot project.
The feedback from the Govt is expected by mid-September. In case of positive response and availability of funding to modernize street lighting systems in all major urban centers, the Project will exceed its CO2 emissions target from street lighting component alone
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| **The progress of the objective can be described as:** | **On track** |
| **Outcome 2****Targeted outcomes:****• Improved capacities and enabling conditions in Awaza for integrated low-carbon and climate resilient tourism development****• Reduced GHG emissions and other negative environmental impact through interventions involving tourism facilities and infrastructure in Awaza** |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Reduction of energy consumption and water consumption in Awaza hotels | Baseline data unavailable. To be obtained by facility audits in first three project years. | Energy and water audits completed in 24 hotels, with measures identified for cost-effective reduction of energy and water consumption per guest by an average of 10% | Energy/water audit measures implemented, leading to reduction in energy and water consumption per guest by an average of 10% | *(not set or not applicable)* | The first reductions are expected to come from pilot energy and water efficient equipment installed in the first pilot hotel complex.
The hotel complex to become the first pilot is identified. The Project is currently hiring a dedicated energy auditor to lead the audit and project scoping work.
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| Adoption and implementation of green hotel management standards by Awaza hotels | No green hotel management standards; only piecemeal application of some practices by individual hotels | Green hotel management standards developed with participation by major hotels in Awaza | Green hotel management standards adopted and implemented | *(not set or not applicable)* | The hotel sector is currently undergoing a massive privatization reform. Currently, 95% of room capacity in Avaza is with state-owned hotel enterprises. About 50% of that capacity is scheduled to be auctioned off in the next 12 months. When the transfer to private hands is completed, the private hotels will be moved to a different tariff category. This means the cost of energy, heat and water will rise 100-fold.
This means the efficiency gains from a pilot energy/water efficiency installation (to be commissioned by the Project in the only existing non-state-owned hotel in Avaza as a result of a pending energy audit) will be replicated by at least 13 more hotels.
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| Number and capacity of solar-powered charging stations for electric cars | No solar charging stations | One solar charging station installed, with performance evaluation initiated | A total of ten solar charging stations installed nationwide at three different sites | *(not set or not applicable)* | The Project will discuss ways to accomplish the goal with the Agency “TurkmenAvtoTransport” responsible for the transport strategy once the Ministry of Industry and Communication appoints a responsible officer from Agency “TurkmenAvtoTransport” to cooperate with the Project. |
| **The progress of the objective can be described as:** | **On track** |
| **Outcome 3****Targeted outcome:****• Nationwide replication and scaling-up of results of first two components via information dissemination, enhancement of capacity of agencies and managers, and adoption of policies and regulation** |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Existence and content of fuel economy standards and incentives for passenger vehicles | No national fuel economy standards, except for stipulations on maximum engine capacity (3.5 liters) and age of cars sold in Turkmenistan | Approval of standards and incentives embodying a 6 percent increase in average fuel efficiency (up to 11.3 km/l based on original estimate, with exact target to be verified after project studies) | Implementation of standards and incentives, and verification of actual increase in fuel efficiency of cars by 6 percent (up to 11.3 km/l based on original estimate, with exact target to be verified after project studies) | *(not set or not applicable)* | These policies will be designed once Agency “TurkmenAvtoTransport” appoints a coordinator from the ranks of the Agency to discuss the incentives structure. |
| **The progress of the objective can be described as:** | **On track** |
| **Outcome 4****M&E and Knowledge Management** |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Number of citizens reached by public-relations and knowledge-sharing on sustainable urban development | No outreach on sustainable urban development in Turkmenistan | 100,000 citizens reached (50,000 women and girls) | 500,000 citizens reached (250,000 women and girls) | *(not set or not applicable)* | The Project has only started a campaign to inform the public about its launch. More than 15,000 residents have been informed (the data is based on the readership of the national newspaper (in Russian).
Besides, the UNDP web-site’s awareness opportunities have been fully utilized.
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| **The progress of the objective can be described as:** | **On track** |

# Implementation Progress



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| Cumulative GL delivery against total approved amount (in prodoc): | 5.28% |
| Cumulative GL delivery against expected delivery as of this year: | 7.3% |
| Cumulative disbursement as of 30 June (note: amount to be updated in late August): | 320,138 |

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| **Key Financing Amounts** |
| PPG Amount | 120,000 |
| GEF Grant Amount | 6,060,046 |
| Co-financing | 57,100,000 |

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| **Key Project Dates** |
| PIF Approval Date | Jun 9, 2016 |
| CEO Endorsement Date | Sep 20, 2017 |
| Project Document Signature Date (project start date): | Jun 11, 2018 |
| Date of Inception Workshop | Sep 25, 2018 |
| Expected Date of Mid-term Review | Jun 11, 2021 |
| Actual Date of Mid-term Review | *(not set or not applicable)* |
| Expected Date of Terminal Evaluation | Mar 11, 2024 |
| Original Planned Closing Date | Jun 11, 2024 |
| Revised Planned Closing Date | *(not set or not applicable)* |

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| **Dates of Project Steering Committee/Board Meetings during reporting period (30 June 2018 to 1 July 2019)** |
| 2019-07-12 |

# Critical Risk Management

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| Current Types of Critical Risks  | Critical risk management measures undertaken this reporting period |
| Financial | Event: Failure of co-financing
Causes: Government failed to provide co-financing for the Project’s initiatives.
Impacts: Pilot street lighting, hotel buildings energy efficiency measures and recommendations to reorganize the public transportation network won’t be replicated using national public funds. This will hamper the CO2 emissions reductions by the Project.
Activities for Treatment (s): The Project is currently seeking engagement of the government on the street lighting and transport directions and has identified a hotel whose energy and water tariffs are several orders higher than the subsidized average, which means that there are enormous incentives to replicate the investments to be made by the Project in the hotel in question.
The Project is also engaging the EBRD in the region to understand whether the bank can lend to willing municipalities or national ministries (e.g. to the Ministry of Energy that owns several street lighting systems and other energy consuming assets across the country).
Expected effect from treatment(s): Government’s involvement and EBRD’s potential engagement in lending will ensure that there’s fund flowing to the projects despite potential budget limitations. |
| Regulatory | Event: Data and information risk
Causes: Information on the existing bus routes are not shared with the Project team. The government stakeholders slowly considering of changes to private and public vehicle import regimes or delay to introduce the energy efficiency law.
Impacts: Without shared information and data, it is difficult to proceed the implementation of transport related project activities.
Activities for treatment(s): The Project will ensure no sensitive data is requested by the transport monitors and that a replacement city (such as Turkmenbashi, which includes Avaza in its city limits) is identified early on to carry out the required transport optimization activities. The Project team will conduct workshops with relevant stakeholders (Agency “TurkmenAvtoTransport” and the Ministry of Energy) to explain the benefits of the proposed changes to the regulatory regime. The Project will also bring national stakeholders during the training events into a close contact with international experts and experience of various aspects of green urban development.
Expected effects from treatment(s): Thus, project will be able to present and explain its activities to the national stakeholders in order to make them better understand the purpose and benefits of project activities. |
| Political | Event: Project activities aren’t viewed as a top-priority by the government.
Causes: The centralized nature of the political system requires that the government is kept informed and involved in all the decision-making process involving allocation of public funding for the scale-up and replication activities.
Impacts: It slows down the project implementation process.
Activities for treatment(s): Feasibility studies will articulate benefits of the scale-up activities to boosting export revenue and will seek solutions with a relatively acceptable pay-back period.
Expected effect from treatment(s): This will win the attention of the top decision-maker. |
| Operational | Event: Hiring of project staff and international energy auditors are delayed.
Causes: The delay in the onset of the feasibility studies will lead to reduction in the time available to the pla
Impact: Tight project implementation schedule can affect adversely the quality of the anticipated project outputs.
Activities for treatment(s): Each energy auditor will be requested to complete their assignment with a list of potential bidders and suppliers of the pilot projects equipment in question. The Project has entered into a contract with a qualified international environmental and social risk management expert to ensure the Environmental and Social Management Plan is prepared by the beginning of September.
Expected effects from treatment(s): This will intensify the implementation of the infrastructure projects.  |

# Adjustments

**Comments on delays in key project milestones**

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| **Project Manager: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| The Inception workshop conducted on time and the project is currently completing its inception stage.
The change of the government (and particularly the reduction of the status of the State Committee of the Environment Protection overseeing the project into an agency under a new Ministry of Agriculture and Environment Protection that had no prior information and exposure to the Project Document) significantly delayed the process of hiring staff, approving terms of references. The reduction of the status of the State Committee into an agency under the ministry of significantly hampers engagement of city authorities of the capital city of Ashgabat. Ashgabat authorities on solid waste management and transport strategy view with suspicion the need to cooperate with a ministry they had no prior contact with. |

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| **Country Office: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| *(not set or not applicable)* |

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| **UNDP-GEF Technical Adviser: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| not applicable. |

# Ratings and Overall Assessments

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| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Project Manager/Coordinator** | Moderately Unsatisfactory | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -*  |
| Overall Assessment | Due to the late official start of the Project the inception phase was delayed. In this regards the development progress was slow, but the Project at this point with full staff on-board and together with International consultants is expecting future faster development.
The Project is going to make up for the delay by launching the street lighting and hotel complex energy audits simultaneously. The Project has also agreed with its key stakeholder - the Ministry of Energy - that the Ministry would welcome assistance on three more sectors that were outside of the original ProDoc but are viewed in the international sustainable development community as part of each and every sustainable urban development project:
1) preparation of Renewable Energy strategy and action plans (including small pilot installations to confirm viability of investments)
2) review of urban medium-voltage transmission infrastructure assets, and
review of opportunities for reducing energy loss in water utilities
 |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **UNDP Country Office Programme Officer** | Moderately Unsatisfactory | Moderately Satisfactory |
| Overall Assessment | The project has faced serious delay in its signing, thus affecting the timely project start-up. The project is currently completing its inception stage and, therefore, is unable to demonstrate certain development progress. However, it is expected that the project will accelerate its strategic pace and in 2020 will produce a number of strategic milestones to ensure that the project is positioned strongly on delivering its goals and outcomes. For example, the project has set ambitious plans together with the ministry for power energy for the street lighting sector, including undertaking major energy audit exercises to produce strategic baseline and milestone findings in 2020. Comprehensive preparatory work is underway for enhancing urban waste management in collaboration with Ashgabat municipality and hotel facilities in Awaza. The latter has expressed genuine interest in promoting resource-efficient practices, and the project will work our a road-map to support climate friendly behavior and practices in the tourism segment in Awaza.

In terms if implementation, there were also certain delays for the same reason. However, to date the project is nearly fully staffed and equipped. The delivery for 2019 is below the target currently, mainly due to the time invested into staffing and recruitment. Given that, the project is now proactive in terms of strategic planning with clear milestones to be achieved in 2020, the project is thus ready to demonstrate a more rigorous implementation rate for the next 12 months and beyond. This is the reason that my implementation rating is MS.  |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **GEF Operational Focal point** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -*  |
| Overall Assessment | *(not set or not applicable)* |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Project Implementing Partner** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -*  |
| Overall Assessment | *(not set or not applicable)* |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Other Partners** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -*  |
| Overall Assessment | *(not set or not applicable)* |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **UNDP-GEF Technical Adviser** | Moderately Unsatisfactory | Moderately Unsatisfactory |
| Overall Assessment | The objective of this project is to promote and implement integrated low-carbon urban systems in Ashgabat and Awaza, thereby reducing GHG emissions and creating other environmental, social, and economic development benefits. The project has a target of lifetime GHG emission reductions of some 366,000 tonnes of CO2e from demonstration projects and 6200 TJ of energy saved. This is to be achieved by identifying, designing, planning and implementing low carbon urban development projects. The project is designed in such a way that it is doing a little bit of everything (sustainable transport, energy efficiency, renewable energy and waste and tourism sectors) and a quick review of the project document has lead me to conclude that the project is designed like a Christmas tree which has and will make it hard to focus on this project.

Unfortunately, the project, which is implemented using the national implementation modality (NIM) has gotten off to a very slow start and after 12 months very little has yet been achieved which is why I am rating this project as 'MU' or marginally unsatisfactory for both DO and for IP. Changes in the government structures have also contributed to delays. On 29 January 2019, a new Ministry of Agriculture and Environment Protection of Turkmenistan was created instead of the former State Committee on Environment Protection and Land Resources of Turkmenistan. In addition, the Ministry of Transport, has also been changed in January 2019 and is now “TurkmenAvtoTransport” subordinated to the newly created Ministry of Industry and Communication). These changes have contributed to the delays that the project has faced.

However, as this is a 6 year project and only 1 year has now passed, as of mid-2019 there is still plenty of time and it is not too late to turn the project around. It also should be pointed out that the project design of this project is in my opinion poor. The reason that the project design is poor is that it is not focused and has four different outcomes all over the place and a fourth outcome on monitoring and verification that is normally something that should be done anyway under all outcomes rather than a separate outcome of its own. Outcomes 3 and 4 cannot start until Outcome's 1 and 2 are finished!

The project inception meeting was held in September 2019 in Awaza, Turkmenistan but the inception report was only completed in April 2019 in draft form and finalized in July 2019 after a delay of some 10 months. The inception report identified some of the key risks of the project such as co-financing failing to materialize and the likelihood of delays on several of the project outputs.

I will now assess progress on each of the indicators, one by one:

Outcome 1 of the project aims at improved capacities and enabling conditions in Ashgabat to identify, design and implement integrated low-carbon and climate-resilient solutions in public space leading to reduce greenhouse gas emissions. Under this outcome there are pilot initiatives related to sustainable transport, to energy efficient street lighting, and in the waste sector. There are no results yet to report in this sector. In the transport sector, the project is in the process of hiring an international consultant who will undertake a study to explore the options for increasing the usage of public transport and encouraging car pooling. An international consultant is also being hired to undertake energy audit for street lighting demonstration projects that will later be carried out by the project. Meanwhile, in the waste sector, the first private-funded municipal solid waste sorting and incineration facility needs to be first approved by the office of the mayor (Hyakim) of Ashgabat before work can start in this area. And finally, regarding the sustainability plans that the project plans to develop in at least two cities, work on this area has not started yet. One important factor to take into consideration when developing the sustainability plans is that they lead to specific green investments and helping to make sure that they are no simply reports that end up sitting on shelves and do not get used. Outcome 1 of the project is way behind schedule, potentially requires significant adaptive management, and it is for this reason that I rate this outcome as MU or marginally unsatisfactory.

Outcome 2 of the project is focused on the city of Awaza and aims to improve capacities and the enabling conditions in Awaza for integrated low-carbon and climate resilient tourism development. Work under this outcome includes energy audits and energy efficiency measures being implemented in at least 24 hotels, green energy management standards being implemented by the hotels, and at least 10 solar re-charging stations being implemented by the project in at least 3 cities. There are no results yet under this component. Work under this outcome has also only just started and the project is in the process of hiring an energy-efficiency expert to undertake the energy audits of the hotels. Work on the green management standards or on the purchase of the electric vehicle re-charging stations has not started and for these reasons this outcome also rates as an 'MU' in my region.

Outcome 3 aims at the nationwide replication and scaling-up of results of first two components via information dissemination, enhancement of capacity of agencies and managers, and adoption of policies and regulation. This outcome has not started yet because it can only start once Outcome 1 and Outcome 2 are underway and have at least begun to show some results. So it is not fair to rate this outcome yet as it has not started yet.

Outcome 4 relates to M&E and Knowledge Management and has a target of 500,000 persons reached (of whom half are women) by the end of the project and educated about the principles of sustainable urban development. The project reports that so far 30,000 persons have been reached (including meeting with government officials, private sector, public awareness through national newspaper and website (on Russian and Turkmen), UNDP web-site, Project’s printing productions). However, since the project has not done anything yet it is hard to do public awareness properly and its important that most of the work under this outcome is carried out after (and not before) work has been completed under Outcomes 1 and 2 and when scaling up and replication has started under Outcome 3. Outcome 4 is therefore also 'MU' or marginally satisfactory at this stage.

The project also faces a number of risks which may require at the appropriate point in time adaptive management to be undertaken in order to improve the project and it is not necessary for the project to wait for the MTR or mid-term review to start this process. Examples of such risks include co-financing failing to materialize (the project document anticipates $57 million USD in co-financing for the project) especially for the transport related activities, the Mayor of Ashgabat not being in agreement to develop as a public private partnership the waste incinerator facility, or the difficulties to obtain data/information. These risks require the active involvement of an international chief technical advisor which the project now has from April 2019. The main means of helping to overcome these risks at the current time is to utilize to the extent possible the international CTA, including with regular visits to Turkemenistan.

As can be seen, the implementation progress of the project over the first 12 months very slow, there have been changes in governmental structures in early 2019 which has delayed the decision making process, the project has been very slow to hire an international CTA, and the project is also slow to hire national experts and with very few results at all and under such as situation I think that the 'MU' or marginally unsatisfactory rating is fully justified. The project started in June 2018 and the inception workshop was held in September 2018 and the international CTA was hired in March 2019. Disbursement of some was only 5.28% of the total project budget of some $6,000,000 as of mid-2019.

In the next reporting period, the project should aim to do significantly better in terms of both progress and delivery. While some things are outside of the project's control (i.e - changes in government structure and delays related to this) there are other delays that are entirely within the control of the project and the UNDP CO such as for example the inception report which should not take 10 months to complete.

Since early 2019, the international CTA is making regular visits to Turkmenistan which is a good sign and I recommend that this be continued throughout this year and into 2020 also. This project has been designed a bit like a 'christmas tree' with the bulk of GHG emissions reductions expected to come from the sustainable transport sector in Ashgabat, where there is currently not a problem, and the poor project design is likely going to make this project challenging.

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# Gender

**Progress in Advancing Gender Equality and Women's Empowerment**

This information is used in the UNDP-GEF Annual Performance Report, UNDP-GEF Annual Gender Report, reporting to the UNDP Gender Steering and Implementation Committee and for other internal and external communications and learning.  The Project Manager and/or Project Gender Officer should complete this section with support from the UNDP Country Office.

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| **Gender Analysis and Action Plan:** *not available* |
| **Please review the project's Gender Analysis and Action Plan. If the document is not attached or an updated Gender Analysis and/or Gender Action Plan is available please upload the document below or send to the Regional Programme Associate to upload in PIMS+. Please note that all projects approved since 1 July 2014 are required to carry out a gender analysis and all projects approved since 1 July 2018 are required to have a gender analysis and action plan.** |
| *(not set or not applicable)* |

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| **Please indicate in which results areas the project is contributing to gender equality (you may select more than one results area, or select not applicable):** |
| Contributing to closing gender gaps in access to and control over resources: No |
| Improving the participation and decision-making of women in natural resource governance: Yes |
| Targeting socio-economic benefits and services for women: No |
| Not applicable: No |

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| **Atlas Gender Marker Rating** |
| **GEN1:** some contribution to gender equality |

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| **Please describe any experiences or linkages (direct or indirect) between project activities and gender-based violence (GBV). This information is for UNDP use only and will not be shared with GEF Secretariat.** |
| A detailed Gender Analysis and Action Plan will be prepared during the preparation of ESMP in Q3-Q4, 2019.  |

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| **Please specify results achieved this reporting period that focus on increasing gender equality and the empowerment of women.****Please explain how the results reported addressed the different needs of men or women, changed norms, values, and power structures, and/or contributed to transforming or challenging gender inequalities and discrimination.**  |
| A detailed Gender Analysis and Action Plan will be prepared during the preparation of ESMP in Q3-Q4, 2019. At this moment, the Team has not embarked on a full-fledged gender analysis to save resources for the ESMP and project-related gender analyses and action plans. |

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| **Please describe how work to advance gender equality and women's empowerment enhanced the project's environmental and/or resilience outcomes.** |
| The Project will aim to pay particular attention to evaluation urban mobility needs of female residents of Ashgabat as these comprise the overwhelming majority on the public transport system. Besides, issues of gender equality at workplace and access to meaningful opportunities in the transport sector will also be addressed with Agency “TurkmenAvtoTransport”. Available data suggest that - although the share of women employed in the urban transit system in the city is roughly commensurate with that of men - women are primarily employed at lower-paid administrative positions.
The correction measures will need to ensure that the opportunity gap is removed.
The same pattern of gender-related pay gap is evident in the municipal solid waste sector where menial labor and administrative positions are reserved for women.

A detailed Gender Analysis and Action Plan to address the aforementioned situation will be prepared by September 1, 2019.The plan will focus on concrete steps that TurkmenAvtoTransport shall take to remove any gender bias in the operations of Ashgabat and Avaza public transport service providers. The lessons learnt from engagement with TurkmenAvtoTransport will be fed into recommendations for TurkmenAvtoTransport on how to replicate the positive experience across all public transport companies in Turkmenistan (via preparation of detailed guidelines and mandatory regular monitoring and reporting). |

# Social and Environmental Standards

**Social and Environmental Standards (Safeguards)**

The Project Manager and/or the project’s Safeguards Officer should complete this section of the PIR with support from the UNDP Country Office. The UNDP-GEF RTA should review to ensure it is complete and accurate.

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| **1) Have any new social and/or environmental risks been identified during project implementation?** |
| No |

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| **If any new social and/or environmental risks have been identified during project implementation please describe the new risk(s) and the response to it.**  |
| *(not set or not applicable)* |

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| **2) Have any existing social and/or environmental risks been escalated during the reporting period? For example, when a low risk increased to moderate, or a moderate risk increased to high.**  |
| No |

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| **If any existing social and/or environmental risks have been escalated during implementation please describe the change(s) and the response to it.**  |
| SESP: TUK 5452 Cities Annex F. SESP Aug2017.docx
Environmental and Social Management Plan/Framework: not available (will be prepared by Sept 1, 2019)

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| **SESP:** [TUK 5452 Cities Annex F. SESP Aug2017.docx](https://undpgefpims.org/attachments/5452/215342/1706358/1706883/TUK%205452%20Cities%20Annex%20F.%20SESP%20Aug2017.docx)**Environmental and Social Management Plan/Framework:** *not available* |
| **For reference, please find below the project's safeguards screening (Social and Environmental Screening Procedure (SESP) or the old ESSP tool); management plans (if any); and its SESP categorization above. Please note that the SESP categorization might have been corrected during a centralized review.**  |
| *(not set or not applicable)* |

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| **3) Have any required social and environmental assessments and/or management plans been prepared in the reporting period? For example, an updated Stakeholder Engagement Plan, Environmental and Social Impact Assessment (ESIA) or Indigenous Peoples Plan.**  |
| Yes |

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| **If yes, please upload the document(s) above. If no, please explain when the required documents will be prepared.** |
| The ESMP will be prepared by Sept 1, 2019 |

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| **4) Has the project received complaints related to social and/or environmental impacts (actual or potential )?**  |
| No |

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| **If yes, please describe the complaint(s) or grievance(s) in detail including the status, significance, who was involved and what action was taken.**  |
| *(not set or not applicable)* |

# Communicating Impact

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| **Tell us the story of the project focusing on how the project has helped to improve people’s lives.****(This text will be used for UNDP corporate communications, the UNDP-GEF website, and/or other internal and external knowledge and learning efforts.)** |
| A short article was prepared on the results of the Inception Workshop and can be downloaded from the UNDP Turkmenistan website http://www.tm.undp.org/content/turkmenistan/ru/home/presscenter/pressreleases/2018/inception-seminar-sustainable-cities.html.
An article on the project and its Inception workshop was also published in a Russian language governmental newspaper “Neutral Turkmenistan” on October 9, 2018 (a scan is uploaded and available here: https://drive.google.com/open?id=1xnA6TroTtT0Ib-1dDxarhfS0NJfb2zr7 ).
Also, an interview with the Project’s ICTA (A.Zakharov)was published at the UNDP website : http://www.tm.undp.org/content/turkmenistan/en/home/blog/what-is-ideal-sustainable-city-2019.html and http://www.eurasia.undp.org/content/rbec/en/home/blog/2019/we-need-sustainable-cities-in-turkmenistan-.html
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**Knowledge Management, Project Links and Social Media**

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| **Please describe knowledge activities / products as outlined in knowledge management approved at CEO Endorsement /Approval.****Please also include: project's website, project page on the UNDP website, blogs, photos stories (e.g. Exposure), Facebook, Twitter, Flickr, YouTube, as well as hyperlinks to any media coverage of the project, for example, stories written by an outside source. Please upload any supporting files, including photos, videos, stories, and other documents using the 'file lirbary' button in the top right of the PIR.** |
| The Project uses government-owned printed media (the only media available in the country as a means of outreach for the national audience), UNDP web-site (where an article by the Projects’ ICTA has been published recently, see: http://www.eurasia.undp.org/content/rbec/en/home/blog/2019/we-need-sustainable-cities-in-turkmenistan-.html). International social network outlets such as Twitter and LinkedIn will be used where possible too to inform the global audience about the Project’s plans and activities.
An example of this use is the ICTA’s recent article (mentioned above), which has already been published on Twitter (https://twitter.com/UNDPEurasia/status/1140604768915795968) and LinkedIn (https://www.linkedin.com/feed/update/urn:li:activity:6546372907923193856) and on a local web-site: https://orient.tm/v-turkmenistane-realizuetsya-proekt-po-ustojchivym-gorodam/
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# Partnerships

**Partnerships & Stakeholder Engagment**

Please select yes or no whether the project is working with any of the following partners. Please also provide an update on stakeholder engagement. This information is used by the GEF and UNDP for reporting and is therefore very important!  All sections must be completed by the Project Manager and reviewed by the CO and RTA.

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| **Does the project work with any Civil Society Organisations and/or NGOs?** |
| Yes |

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| **Does the project work with any Indigenous Peoples?** |
| Yes |

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| **Does the project work with the Private Sector?** |
| Yes |

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| **Does the project work with the GEF Small Grants Programme?** |
| No |

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| **Does the project work with UN Volunteers?** |
| No |

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| **Did the project support South-South Cooperation and/or Triangular Cooperation efforts in the reporting year?** |
| No |

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| **CEO Endorsement Request:** [TUK 5452 Cities CEO ER Nov2017.docx](https://undpgefpims.org/attachments/5452/215342/1706355/1712540/TUK%205452%20Cities%20CEO%20ER%20Nov2017.docx) |
| **Provide an update on progress, challenges and outcomes related to stakeholder engagement based on the description of the Stakeholder Engagement Plan as documented at CEO endorsement/approval (see document below). If any surveys have been conducted please upload all survey documents to the PIR file library.** |
| *(not set or not applicable)* |

# Annex - Ratings Definitions

**Development Objective Progress Ratings Definitions**

(HS) Highly Satisfactory: Project is on track to exceed its end-of-project targets, and is likely to achieve transformational change by project closure. The project can be presented as 'outstanding practice'.

(S) Satisfactory: Project is on track to fully achieve its end-of-project targets by project closure. The project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Project is on track to achieve its end-of-project targets by project closure with minor shortcomings only.

(MU) Moderately Unsatisfactory: Project is off track and is expected to partially achieve its end-of-project targets by project closure with significant shortcomings. Project results might be fully achieved by project closure if adaptive management is undertaken immediately.

(U) Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets by project closure. Project results might be partially achieved by project closure if major adaptive management is undertaken immediately.

(HU) Highly Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets without major restructuring.

**Implementation Progress Ratings Definitions**

(HS) Highly Satisfactory: Implementation is exceeding expectations. Cumulative financial delivery, timing of key implementation milestones, and risk management are fully on track. The project is managed extremely efficiently and effectively. The implementation of the project can be presented as 'outstanding practice'.

(S) Satisfactory: Implementation is proceeding as planned. Cumulative financial delivery, timing of key implementation milestones, and risk management are on track. The project is managed efficiently and effectively. The implementation of the project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Implementation is proceeding as planned with minor deviations. Cumulative financial delivery and management of risks are mostly on track, with minor delays. The project is managed well.

(MU) Moderately Unsatisfactory: Implementation is not proceeding as planned and faces significant implementation issues. Implementation progress could be improved if adaptive management is undertaken immediately. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are significantly off track. The project is not fully or well supported.

(U) Unsatisfactory: Implementation is not proceeding as planned and faces major implementation issues and restructuring may be necessary. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are off track with major issues and/or concerns. The project is not fully or well supported.

(HU) Highly Unsatisfactory: Implementation is seriously under performing and major restructuring is required. Cumulative financial delivery, timing of key implementation milestones (e.g. start of activities), and management of critical risks are severely off track with severe issues and/or concerns. The project is not effectively or efficiently supported.