



**United Nations Development Programme
Country: Azerbaijan
PROJECT DOCUMENT**

Project Title: Azerbaijan’s First Biennial Update Report to the UNFCCC

UNDAF Outcome 1: By 2015, non-oil development policies result in better economic status, decent work opportunities and a healthier environment in all regions and across all social groups

UNDP Strategic Plan Environment and Sustainable Development Primary Outcome: Strengthened capacity of developing countries to mainstream climate change adaptation policies into national development plans

UNDP Strategic Plan Secondary Outcome: N/A

Expected CP Outcome(s):

Outcome 1.3: Relevant national strategies, policies and capacities strengthened to address environmental degradation, promote a green economy and reduce vulnerability to climate change

Expected CPAP Output(s): N/A

Executing Entity/Implementing Partner: Ministry of Ecology and Natural Resources

Brief Description

The **goal** of the project is to assist the country in mainstreaming and integration of climate change consideration into national and sectoral development policies by giving continuity to the institutional and technical capacity strengthening process, partly initiated and sustained by the National Communications.

The **immediate objective** of the project is to assist the country in the preparation and submission of its First Biennial Update Report to the Conference of the Parties to the UNFCCC for the fulfilment of its obligations to the Convention under Dec. 1/CP. 16 par. 60 and Dec 2/CP. 17 par. 41 and it’s Annex III.

Programme Period:	2011-2015	Total resources required	\$ 392,461
Atlas Award ID:	00074610	Total allocated resources:	\$ 392,461
Project ID:	00086926	• Regular	_____
PIMS #	5274	• Other:	_____
Start date:	August, 2013	o GEF	\$321,461
End Date	December, 2014	o Government	_____
Management Arrangements	NIM	o In-kind	\$ 71,000
PAC Meeting Date	19.09.2013	o Other	_____
		In-kind contributions	\$ 71,000

Agreed by (National UNFCCC Focal point in Azerbaijan):

Date/Month/Year

Agreed by (Executing Entity/Implementing Partner):

Date/Month/Year

Agreed by (UNDP):

Date/Month/Year

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I. SITUATION ANALYSIS

Azerbaijan ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1995. Despite the fact that the country has not taken any qualitative obligations, Azerbaijan has committed to develop, implement and publish national and regional reports which would include mitigation measures. In this regards, Azerbaijan has developed and submitted to the secretariat its First National Communication in 2000 and Phase 2 report related to technological needs assessment in 2001. Second National Communication was developed and submitted to the secretariat in 2010. Currently, the Third National Communication is under preparation and it is planned for submission in March 2015.

The Ministry of Ecology and Natural Resources was established on 23 May 2001, and has the responsibility to formulate and implement environment policy, develop environmental protection measures, screen projects for potential adverse environmental impacts, monitor implementation of environmental legislation and impose sanctions, and administer a pollution permit system.

The environmental strategy of the country is aimed at the protection of natural resources at the national, regional and international levels by strengthening coordination of actions, the application of scientifically-grounded development principles, and ensuring the sustainable use of resources to meet the needs of present and future generations.

In recent years the economy of the Republic of Azerbaijan has been growing quickly. New clean technologies are used in the development of various sectors of economy, which prevent a rapid increase in the amount of emissions of greenhouse gases into the atmosphere. In addition, the country successfully implements various actions on the abatement of climate change effects. Therefore, energy effectiveness is increased, small projects are implemented by conducting research on the use of alternative energy sources, and forests and vegetation cover zones contributing to the removal of carbon dioxide from the atmosphere are expanded.

Azerbaijan has already identified development priorities as part of its national development strategies, poverty reduction strategies and sector policies. These strategies are reflected in long-term State Programs such as 'State Program on Social-Economic Development of Regions of Azerbaijan Republic (2009-2013)', 'State Program of Poverty Reduction and Sustainable Development of the Republic of the Azerbaijan (2008-2015)', 'State Program of Ensuring Reliable Population in the Republic of Azerbaijan in food provision (2008-2015)', 'State Program on Renewable and Alternative Sources of Energy (2008-2015)', 'State Program for the Development of Fuel Energy Complex (2005-2015)', 'State Program on Development of Vine-growing activities' and "Azerbaijan 2020" Vision Concept.

The ongoing process for preparation of the Third National Communication to the UNFCCC aims to strengthen the information base, analytical and institutional capacity of the key national institutions to integrate climate change priorities into country development strategies and relevant sector programs. The process for development of the TNC shall further strengthen the dialogue, information exchange and cooperation among all relevant stakeholders including governmental, non-governmental, academic, and private sectors. It is expected that this will result in achieving national consensus on the actions and measures that need to be undertaken

to address the climate change related issues relevant for the country on a short and long term. The Third National Communication will be submitted to the UNFCCC by the March of 2015.

Recognizing the important steps forward taken for the institutionalization of climate change issues and the mainstreaming of climate change in the national and sectoral development policies, the Third National Communication is expected to contribute to strengthen these integration processes as well as to inform the international community on the actions taken by the country to address climate change issues.

In order to fulfil the obligations arisen from Copenhagen and Durban COP decisions related to the submission of national communications and biennial update reports, support from the Global Environment Facility is needed to continue to develop and consolidate the existing technical and institutional capacity and to continue the efforts of integrating climate change into national policies, plans and programmes.

Azerbaijan's First Biennial Update Report will build on the findings and recommendations of the Third National Communication, as well as the outcomes of the ongoing complementary projects in the country.

II. STRATEGY

The **goal** of the project is to assist the country in mainstreaming and integration of climate change consideration into national and sectoral development policies by giving continuity to the institutional and technical capacity strengthening process, partly initiated and sustained by the National Communications.

The **immediate objective** of the project is to assist the country in the preparation and submission of its First Biennial Update Report to the Conference of the Parties to the UNFCCC for the fulfilment of its obligations to the Convention under Dec. 1/CP. 16 par. 60 and Dec 2/CP. 17 par. 41 and it's Annex III.

The project objective will be achieved with the fulfillment of the following outcomes, which are in line with the GEF's climate change mitigation strategic objective (SO-6) under GEF-5: Enabling Activities: Support enabling activities and capacity building under the Convention. The outcome is: Completed climate change enabling activities under the UNFCCC.

The **project outcomes** are:

1. National circumstances and institutional arrangements relevant to the preparation of the national communications updated;
2. GHG inventory for 2005-2010 prepared, and inventories for the period 1990 - 2005 recalculated, using the UNFCCC recommended IPCC 2006 software;
3. Mitigation actions and their effects, including associated methodologies and assumptions, and progress of implementation are described as per the guidelines;
4. Constraints and gaps identified; related financial, technology and capacity building needs assessed; and recommendation for addressing the needs provided;

5. Establishment of domestic Measurement, Reporting and Verification arrangements supported;
6. Compilation, consolidation of information in tabular format and publication of the First Biennial Update Report;
7. Monitoring, reporting, and preparing of financial audits.

The preparation process of the three National Communications to the Conference of the Parties of the UNFCCC, has contributed to the institutional strengthening of the Ministry of Ecology and Natural Resources, as competent institution for the application of the Convention at national level. The Ministry of Ecology and Natural Resources will act as Implementing Partner and coordinating body of the Project.

Based on the National Communication experience, it is understood that the most effective way to address climate change, is to allow a real co-management of the issue, where all the stakeholders and more (e.g. from civil society) are involved to the design and implementation of the mitigation and adaptation actions, in the framework of pursuing the more wide objectives of sustainable development. The integration of the different sectors strengthens the institutional and technical capacity of the different stakeholders and institutions, not limited to a reduced group of experts and decision makers from the governmental institution where lies the responsibility for the fulfilment of the national obligations to the Convention.

The Ministry of Ecology and Natural Resources will perform a leadership and coordination role for the development of actions needed to fulfil the obligations to the Convention and its formal communication to the international community, acting in coordination with the other stakeholders, integrating climate change in the ongoing national activities for the achievement of results to be reported and communicated through the National Communications and Biennial Update Reports.

Relevant sectoral Ministries, such as the Ministry of Economic Development, Ministry of Industry and Energy, Ministry of Agriculture and others play a key role in the elaboration of the National GHG Inventories, as they are responsible for the estimation of the respective sectoral emissions according to the IPCC guidelines, under the guidance and coordination of the Ministry of Ecology and Natural Resources.

The Ministry of Ecology and Natural Resources will take part in capacity building activities for identification, preparation and implementation of mitigation actions for GHG emissions in key economic sectors. Relevant sectoral Ministries and bodies will participate in capacity building and strengthening activities aimed at the identification, preparation and implementation of mitigation actions in key economic sectors. Other relevant stakeholders, such as the Academy of Sciences, private sector, NGO sector and relevant Ministries will be included in the process through the participatory approach, as well participate in training activities.

With respect to the gender dimension, women are meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities. Understanding how the different social roles and economic status of men and women affect, and are affected differently by climate change will improve actions taken to adapt and to mitigate climate change. In this sense, and for this specific project, the update of the national circumstances chapter of this Biennial Update Report will consider this gender dimension in order to better understand how the different roles of men and women in social and economic circumstances may affect Azerbaijan's ability to deal with mitigating climate change.

Institutional framework

The project will be implemented under the NIM (NEX) modality with the Ministry of Ecology and Natural Resources as the implementing entity/responsible partner. The Ministry will be the executing and operational unit that will coordinate and implement the project activities for the preparation of the Biennial Update Report, in the same role it has now for the Third National Communication.

The Government will give support to the project through the use of equipment and premises for conferences and meetings. It will also provide the technical support for preparation of GHG inventories through the relevant structures within the Ministry.

UNDP Azerbaijan will act as GEF Implementing Agency for the project and will assist the country for the entire project length to implement the activities set forth and will monitor and supervise the project on behalf of the GEF. The UNDP country office will monitor and support the implementation of the project in line with standard procedures.

Narrative description of the **planned activities**:

National circumstances

The information on the national circumstances provided in the Second National Communication (SNC) will be updated taking into account all new studies, projects and research developed since the preparation of the SNC, while gender disaggregated data will be used, where possible.

This outcome includes an update of the country characterization in terms of demography, natural resources, climate and education, social and cultural aspects, as well as macroeconomic parameters, employment, income and services. It will also include the characterization of the specific sectors such as water resources, energy, waste, transport. In particular, it will be analyzed how the national circumstances described may affect country's ability to deal with mitigating to climate change. Special attention will be paid to new information and data related to those sectors that are largest contributors to the GHG emissions.

National development objectives, priorities and circumstances will also be described, including the specific needs and concerns arising from the adverse effects of climate change.

Also, the information on the institutional arrangements and the mechanisms for stakeholder's involvement relevant to the preparation of the national communications and the biennial update reports.

GHG National Inventories

Under the previous National Communications, GHG Inventory of emissions by sources and removals by sinks for direct and indirect GHGs for the period 1990-2005 (INC covered 1990-1994; SNC covered 1990-2005; TNC will cover 2011-2012) were prepared, using the methodology described in the Revised 1996 Guidelines for National Greenhouse Gas Inventories of the Intergovernmental Panel on Climate Change (IPCC) and applying the IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories

and the IPCC's Good Practice Guidance for Land Use, Land-Use Change and Forestry (LULUCF).

Within the BUR it is planned to prepare GHG inventory for 2005-2010 and recalculate the GHG for the period 1990-2005, using new 2006 IPCC software, as recommended for developing countries.

More specifically, under this component, the project will focus on the following:

- Data collection/ interaction with data providers for preparation of inventory for 2005-2010 according to IPCC 2006 software
- Revision of inventory for period 1990-2005 according to IPCC 2006 software
- Review of the proposed data collection and management system according to requirements from IPCC 2006 software
- Strengthen of the institutional arrangements with other institutions/Ministries for data collection and management
- Incorporation of good practices for improving sustainability of the process
- Revision of nationally adopted emission factors on annual bases, if needed
- Provision of input for preparation of relevant laws and regulations for institutionalization of the GHG inventory
- Preparation of working sheets and summary tables, uncertainty estimation and management
- Preparation of graphics, tables and analysis of results
- Publication of GHG Inventory report.

Mitigation actions

The mitigation assessment will focus on clearly defined objectives and emphasize implementation. The results will facilitate the national mitigation action and planning, will enable recognition of the mitigation efforts in the country, as well as will link the national mitigation action to international support.

The mitigation analysis for the FBUR will follow the recommendations of the NCs (including preliminary recommendations from the TNC under preparation).

The scope of the sectoral mitigation assessments will include an analysis of related legislation, policies and programmes that facilitate the rapid implementation of mitigation technologies and practices, as well as – to the extent possible – the macro-economic impact of the mitigation options (including possibilities for green job creation). The EU approximation process and international requirements deriving from UNFCCC as guiding principles for development will be taken into consideration while doing the analyses within the FBUR.

The basic steps will include: Analytical work in order to identify/revise the mitigation potential of the country, considering technical, environmental and economic aspects using participatory approach to ensure connection with governmental priorities and to ensure implementation of recommended measures; adoption of appropriate criteria for prioritization of the mitigation

measures; evaluation of the mitigation measures against the adopted criteria; National capacities for GHG mitigation potential including analyses for potential targets for emission limitation/reduction strengthened

In particular, technical support will be given through this project to the activities of training and awareness rising to the sectors with mitigation potential in the framework of the UNFCCC.

Support will also be needed to the process of identification of different types of financing and co-financing needed.

Financial, Technology and capacity building needs and support received.

These activities as part of the FBUR should closely link the process and outcomes of the TNC to relevant planning and decision making processes. A study of financial, technological and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through the collection, synthesis and analysis of existing information, individual interviews or group discussions, site visits, among others.

A case study – application of efficient lighting systems for mitigation potential will be developed, showing the economic and environmental benefits applied technology.

Information on financial resources, technology transfer, capacity building and technical support received from bilateral and multilateral donors, IFCs, etc. for activities related to climate change will be collected. Also, information on national resources allocated for climate change upon ratification of the UNFCCC will be collected.

Domestic Monitoring, Reporting and Verification

In 2009 in Copenhagen, the COP, through Dec. 1/CP 15, decided that internationally supported mitigation actions will be measured, reported and verified domestically and will be subject to international measurement, reporting and verification in accordance with guidelines to be developed under the Convention. In addition to that, it was decided that domestically supported mitigation actions will be measured, reported and verified domestically in accordance with general guidelines to be developed under the Convention.

In 2011, in Durban, the COP, through Dec. 1/CP.17, requested the Subsidiary Body for Scientific and Technological Advice to develop general guidelines for domestic measurement, reporting, and verification (MRV) of domestically supported nationally appropriate mitigation actions.

In this international context, the FBUR should support the establishment of a domestic MRV system for the national appropriate mitigation actions in accordance to the guidelines to be developed under the Convention.

Under the project, an assessment will be conducted regarding the different options and possibilities for the domestic MRV according to the guidelines to be developed, considering national circumstances and capabilities, as well as taking into account the different nature of the mitigation actions. In addition to that, technical support will be given to the process of development of the national institutional and legal frameworks for establishment of domestic MRV.

Compilation, Publication and Submission of the First Biennial Update Report

When the expected outcomes 1 to 5 and its respective outputs are completed the First Biennial Update Report document will be compiled according to the guidelines contained in Annex II of Dec. 2. CP 17 and it will be submitted to the Conference of the Parties in the United Nations Framework Convention on Climate Change according to the requirements and formats established by the UNFCCC Secretariat in December 2014

III. PROJECT RESULTS FRAMEWORK:

<p>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: <u>Outcome 1.3: Relevant national strategies, policies and capacities strengthened to address environmental degradation, promote a green economy and reduce vulnerability to climate change</u></p>					
<p>Country Programme Outcome Indicators:</p>					
<p>Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): Mainstreaming environment and energy</p>					
<p>Applicable GEF Strategic Objective and Program: Enabling Activities (CCM-6): Support enabling activities and capacity building under the Convention</p>					
<p>Applicable GEF Expected Outcomes: Adequate resources allocated to support enabling activities under the Convention (Outcome 6.1)</p>					
<p>Applicable GEF Outcome Indicators: Completed and submitted Biennial Update Report (BUR)</p>					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
Project Objective (equivalent to output in ATLAS)	BUR completed and submitted to UNFCCC (Y/N)	Azerbaijan pledged to submit its first BUR to the UNFCCC by December 2014	Azerbaijan's First Biennial Report submitted to the UNFCCC Secretariat	UNFCCC Documentation	Strong government support and inter-ministerial cooperation for the preparation of the BUR is expected
Outcome 1 National Circumstances Chapter Completed	National Circumstances Chapter of BUR provides up to date information on current situation in Azerbaijan (Y/N)	National Circumstance Chapter of SNC covers situation until 2010	National Circumstances Chapter includes all relevant climate change related aspects in the country as of 2014	<ul style="list-style-type: none"> Project documentation Government reports External expert review 	This chapter should be prepared and updated on regular basis capturing most recent state of climate change, economic, demographic, industrial circumstance prevalent in the country
Outcome 2 GHG Inventory Chapter completed	<ul style="list-style-type: none"> GHG Inventory is calculated based on IPCC 2006 software (Y/N) GHG Inventory should covers years 2006-2010 (Y/N) 	Azerbaijan's GHG inventory submitted to the UNFCCC covers years until 2005	GHG Inventory using IPCC 2006 guidelines prepared covering years 2006-2010	<ul style="list-style-type: none"> Project documentation Government reports External expert review 	<ul style="list-style-type: none"> Enterprises will be willing and able to share data on their emissions with the project team Cooperation with the relevant state-managed entities contributing to GHG will be further expanded
Outcome 3 Climate Change Mitigation Chapter	Climate Change Mitigation Chapter of BUR completed (Y/N)	Mitigation strategy is currently being prepared under the TNC	Mitigation chapter demonstrating up to date mitigation potential of the country prepared	<ul style="list-style-type: none"> Project documentation and technical reports 	<ul style="list-style-type: none"> Further integration of climate change risks mitigation and adaptation in the state policies and plans is expected

completed						<ul style="list-style-type: none"> • Expert review 	
Outcome 4 Financial, Technology and capacity building needs analyzed	No. of sectors covered in technology needs assessment	UNEP TNA was completed in March 2013	Technology and Capacity Building Needs are analyzed and updated	<ul style="list-style-type: none"> • Project documentation, and technical reports • Expert review 	Technology and capacity building needs should build upon 2013 UNEP/MENR Report		
Outcome 5 Domestic MRV system is in place	<ul style="list-style-type: none"> • Domestic MRV system prepared and submitted to the Ministry (y/n) 	Domestic MRV system is absent	Domestic MRV system is prepared based on best international practices	UNFCCC Documentation	Domestic MRV system should be integrated to the national statistics management portfolio which may take some time		
Outcome 6 BUR is published and submitted to the UNFCCC Secretariat	<ul style="list-style-type: none"> • BUR is translated into English for official submission to the UNFCCC (y/n) 		<ul style="list-style-type: none"> • All required chapters for BUR are prepared, reviewed, amended and submitted • BUR is published and distributed in hard-copy and electronic formats 	<ul style="list-style-type: none"> • Project documentation, and technical reports • Expert review 	Technical quality of the BUR should be ensured through excellent translation		

IV. TOTAL BUDGET AND WORKPLAN

Award ID:	00074610	Project ID(s):	00086926
Award Title:	Azerbaijan's First Biennial Update Report to the UNFCCC		
Business Unit:	AZE10		
Project Title:	Azerbaijan's First Biennial Update Report to the UNFCCC		
PIMS no: 5274	5274		
Implementing Partner (Executing Agency)	Ministry of Ecology and Natural Resources		

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 2013 (USD)	Amount Year 2014 (USD)	Total (USD)	See Budget Note:
OUTCOME 1: National Circumstances chapter prepared	MENR	62000	GEF	71300	Local Consultants	0	9,500	9,500	Local Climate Change Policy consultant 1800@5 months
				74500	Miscellaneous Expenses	0	500	500	Bank fee, social insurance, activity transport and communications costs
					sub-total GEF	0	10,000	10,000	
					Total Outcome 1	0	10,000	10,000	
OUTCOME 2: GHG Inventory Chapter completed	MENR	62000	GEF	71300	Local Consultants	25,000	67,000	92,000	Consultancy fees for GHG inventory consultants, legal consultant and database management consultant
				72100	Contractual services	6,000	6,000	12,000	Professional service fees for companies to support the GHG inventory process
				71600	Travel	0	4,000	4,000	Capacity building training abroad for GHG inventory team

V. MANAGEMENT ARRANGEMENTS

National Execution (NIM). The project will be nationally executed by the Ministry of Ecology and Natural Resource (MENR). Implementation support will be provided by the UNDP Country Office (see Project Governance Arrangements below). In its capacity as Implementing Partner, the MENR will be responsible for overall project management. Besides, the MENR will be responsible for the facilitation of all project activities such as international consultant missions, trainings for respective staff, ensuring appropriate access to project sites, relevant data, records, agencies and authorities. UNDP will provide procurement and contracting services in accordance with the relevant UNDP rules and regulations, policies and procedures for procurement, human resources management and RBM guidelines. Direct project costs will not be charged against the GEF-financed project budget for these services.

B. Project Governance Arrangements. The project will have a governance structure, aligned with UNDP's new rules for Results Based Management (see Figure: Project Governance Arrangements below).

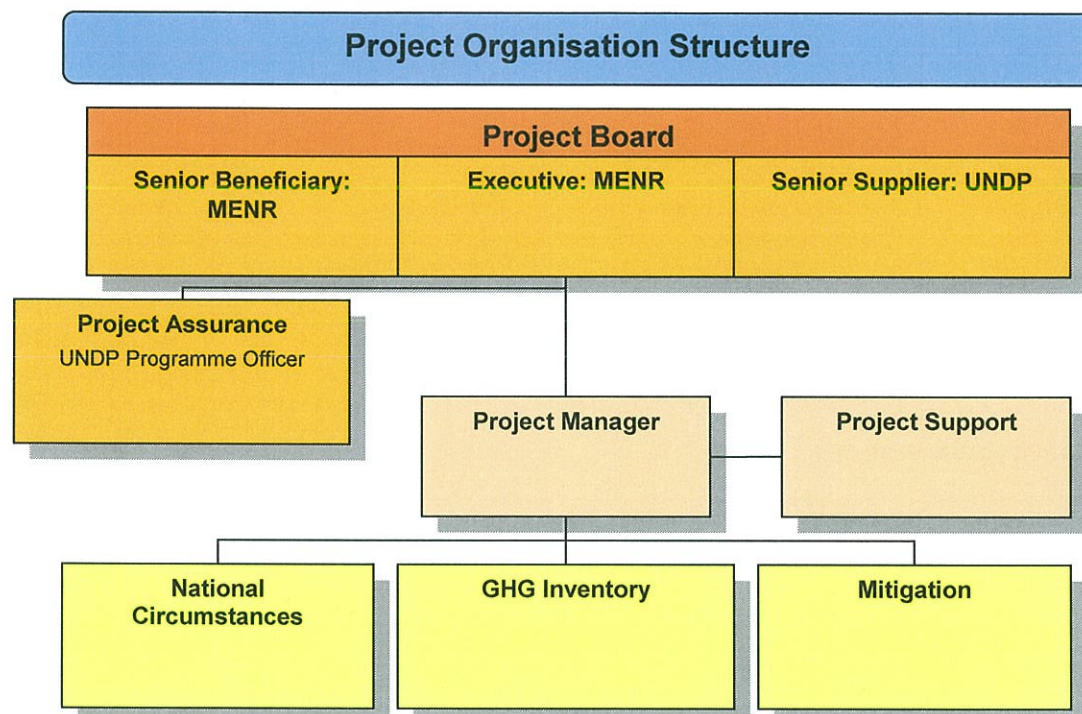
i. **Project Executive Group.** The Project Executive Group will be the executive decision making body for the project, providing guidance to the Project Manager, and approving project revisions. It will be responsible for reviewing and updating the project risk log, issue log, lessons learnt log and the project monitoring and communication plan. The Project Executive Group will consist of three members:

- The Executive (Implementing Partner) will convene the Project Executive Group. This position will be held by the representative of the MENR;
- The Senior Supplier. This position will be held by the UNDP DRR, or a designated UNDP Development Advisor.
- The Senior Beneficiary. This position will be held by the representative of the MENR.

ii. **Project Management.** A Project Manager will be selected through competitive process. He/she will be tasked with the day-to-day management of project activities, as well as with financial and administrative reporting. The Project Manager will be responsible for project implementation and will be guided by Annual and Quarterly Work Plans and follow the RBM standards.

iii. **Project Assurance.** UNDP will designate a Programme Advisor to provide independent project oversight and monitoring functions, to ensure that that project activities are managed and milestones accomplished.

iv. **Project Support.** UNDP will provide financial and administrative support to the project including procurement, contracting, payments, and travel arrangements.



VI. MONITORING FRAMEWORK AND EVALUATION

The project monitoring and evaluation will be carried out according to UNDP programming policies and procedures.

Project start

A Project inception meeting will be held within the first two months of project start with those with assigned roles in the project organization structure, UNDP country office and other relevant stakeholders.

Quarterly

The Project Coordinator shall report progress made in the quarterly reports. Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform

Bi-annually

- Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.

Annually

Annual Report: The Project Coordinator with the collaboration of the project team will prepare an annual report which will be submitted to the Office of Planning and Budgeting (OPP) in its capacity of national coordination institution.

End of Project

During the last three months, the Project Coordinator with the collaboration of the project team will prepare the Project Terminal Report, to be submitted and reviewed by the national coordination institution (OPP) and UNDP.

Audit on Project will follow UNDP Financial Regulations and Rules and applicable Audit policies.

Learning and knowledge sharing:

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements:

Full compliance is required with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: [http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08 Branding the GEF%20final_0.pdf](http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf). Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

M& E work plan and budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO, UNDP GEF 	Indicative cost: 10,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ UNDP GEF RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members. 		Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> ▪ Oversight by Project Manager ▪ Project team 		Prior to Status Survey and to the definition of annual work plans
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ Project manager and team 	None	Quarterly
Project Terminal Report	<ul style="list-style-type: none"> ▪ Project manager and team ▪ UNDP CO ▪ local consultant 	0	At least three months before the end of the project
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives 	For GEF supported projects, paid from IA fees and operational budget	Yearly

VII. LEGAL CONTEXT

Standard text has been inserted in the template. It should be noted that although there is no specific statement on the responsibility for the safety and security of the executing agency in the SBAA and the supplemental provisions, the second paragraph of the inserted text should read in line with the statement as specified in SBAA and the supplemental provision, i.e. "the Parties may agree that an Executing Agency shall assume primary responsibility for execution of a project."

This document together with the CPAP signed by UNFCCC focal point in Azerbaijan and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

VIII. ANNEXES

Agreements: Any additional agreements, such as cost sharing agreements, project cooperation agreements signed with NGO (where the NGO is designated as the "executing entity", letters of financial commitments, GEF OFP letter, GEF PIFs and other templates for all project types) should be attached.

Terms of Reference: TOR for key project personnel should be developed and attached.

Terms of Reference (ToR) of key project personnel

1. ToR for Project Manager

In close consultation with the NEX and UNDP, the Project Manager (PM) is responsible for day-to-day management, co-ordination and supervision of the implementation of the project. Specifically, his/her responsibilities are but not limited to the following:

- Supervises and ensures the timely implementation of the project relevant activities as scheduled in the project working plan;
- Prepares a detailed work plan for the project and draft terms of reference for the subcontracts (in consultation with the NEX and UNDP);
- Compiles the scope and content of the overall BUR report and relevant sections in consultation with Team Leaders;
- Develops the scope of the work and TORs and other procurement documentation required to identify and facilitate recruitment of relevant experts and consultants (in consultation with the PSC and UNDP);
- Coordinates and supervises activities of national circumstances and institutional arrangements group in order to update relevant chapter;
- Coordinates and supervises activities of GHG inventory group on different thematic group (energy including transport, industry, waste, agriculture) for preparation of inventory for **2005-2010**, and inventories for the period 1990 - 2005 recalculated, using the UNFCCC recommended IPCC 2006 software;
- Coordinates and supervises activities of mitigation group for preparation of mitigation actions and their effects, including associated methodologies and assumptions, and progress of implementation;
- Coordinates project activities related to identification of constraints and gaps, assessment of related financial, technology and capacity building needs and development of recommendations for addressing the needs;
- Coordinates project activities for supporting establishment of domestic Measurement, Reporting and Verification arrangements and prepare domestic MRV system;
- Ensure compilation, consolidation of information in tabular format and publication of the First Biennial Update Report;
- Identifies and ensures synergy of the BUR with TNC, Clima East and with other relevant ongoing / new projects.
- Supervise project support staff national consultants who are recruited to provide technical assistance
- Liaises with the relevant ministries, national and international research institutes, NGOs, and other relevant institutions in order to involve their staff in project activities, and to gather and disseminate information relevant to the project;
- Collaborates with all relevant stakeholders and other partners to ensure their involvement in the BUR development process;
- Organizes and supervise the workshops and trainings needed during the project;
- Summarizes the results of the project, prepares periodic progress reports of the project;
- Control the expenditures and otherwise ensure adequate management of the resources provided for the project;

- Ensures that the BUR development process is in the line with UNFCCC guidance and contributes to the improvement of the UNFCCC reporting process.

Qualification and experience:

- Master's degree preferably in environment studies and other related disciplines;
- Good understanding of Azerbaijan's environment/development issues as well as of the thematic areas under investigations;
- At least 6 to 8 years experience relevant to the project;
- Excellent communication (written and oral) Skills;
- Demonstrated experience in project management;
- Expertise in putting together results-oriented action plans;
- Demonstrated experience in working with government, donors and the United Nations system;
- Substantial knowledge of methodologies for inventories (*IPCC Revised 1996 Guidelines and Good Practice Guidance, LEAP etc*);
- Familiarity with international negotiations and processes preferably under the UNFCCC;
- Good knowledge of English and Russian is an asset.

2. ToR for Team Leader of GHG Inventory group

The National GHG inventory Team Leader should work in consultation with and under the guidance and supervision of the Project Manager. Specifically, his/her responsibilities are but not limited to the following:

- Assists the PM in establishing the team of experts for performing the GHG inventory;
- Prepares a detailed work-plan for GHG inventory exercise on the basis of the overall project work plan;
- Provides periodic progress report to the PM on the GHG inventory thematic area;
- Develops the scope of work and respective terms of reference for the team members;
- Leads the data collection process, including surveys;
- Leads and oversees the team to conduct the GHGs national inventory;
- Ensure the timely and effective management of the activities as scheduled;
- In consultation with PM select and implement the methodologies for the conducting of GHGs inventory;
- Identifies gaps and key sectors for GHG inventory;
- Organize data collection/ interaction with data providers for preparation of inventory for **2005-2010** according to IPCC 2006 software;
- Coordinate work of thematic groups including energy (including transport sector), industry, waste, agriculture and LULUCF sectors for revision of inventory for period 1990-2005 according to IPCC 2006 software;
- Coordinate for of GHG inventory group for review of the proposed data collection and management system according to requirements from IPCC 2006 software;
- Organize and coordinate the process of Incorporation of good practices for improving sustainability of the process, revision of nationally adopted emission factors on annual bases, if needed, as well provision of input for preparation of relevant laws and regulations for institutionalization of the GHG inventory;

- Coordinate work of GHG inventory group for preparation of working sheets and summary tables, uncertainty estimation and management, as well preparation of graphics, tables and analysis of results;
- Incorporates comments received from the review process;
- Assists PM to organize GHG inventory relevant training and workshops;
- Archives new data and estimates of new inventory;
- Drafts the National Inventory Report and respective chapter of BUR along with the respective part of executive summary and organizes all works for publication of GHG inventory report.

Qualifications and experience

- An advanced degree in energy, environmental management or other field relevant to the project;
- A minimum of 5 years of working experience in the area relevant to the Climate Change;
- Substantial involvement in the preparation of the National Communications is highly preferred (GHG inventory and abatement analysis) ;
- Good understanding of GHGs inventory process and demonstrable knowledge of IPCC methodology;
- Demonstrated ability of analytical and drafting work;
- Familiarity with computers and data processing;
- Good knowledge of English and Russian is an asset.

3. ToR for Team Leader of Mitigation group

The Mitigation group Team Leader should work in consultation with and under the guidance and supervision of the Project Manager. Specifically, his\her responsibilities are but not limited to the following:

- Assists the PM in establishing the team of experts for performing the activities of mitigation group;
- Provides periodic progress report to the PM on the activities implemented within mitigation group;
- Develops the scope of work and respective terms of reference for the team members;
- Leads the mitigation analysis for the FBUR following the recommendations of the NCs (including preliminary recommendations from the TNC under preparation).
- Leads sectoral mitigation assessments that will include an analysis of related legislation, policies and programmes that facilitate the rapid implementation of mitigation technologies and practices, as well as – to the extent possible – the macro-economic impact of the mitigation options (including possibilities for green job creation);
- Organize and coordinate work of mitigation group for analytical work in order to identify/revise the mitigation potential of the country, considering technical, environmental and economic aspects using participatory approach to ensure connection with governmental priorities and to ensure implementation of recommended measures;
- Organize and coordinate work of mitigation group for adoption of appropriate criteria for prioritization of the mitigation measures, as well for evaluation of the mitigation measures against the adopted criteria, as well support to preparation of NAMA;

- Organize and coordinate work of mitigation group for strengthening national capacities for GHG mitigation potential including analyses for potential targets for emission limitation/reduction;
- Conduct training and awareness rising to the sectors with mitigation potential in the framework of the UNFCCC;
- Organize process of assessment on identification of different types of financing and co-financing needed;
- Ensure the timely and effective management of the activities as scheduled;
- Incorporates comments received from the review process;
- Drafts the respective chapter of BUR along with the respective part of executive summary.

Qualifications and experience

- An advanced degree in energy, environmental management or other field relevant to the project;
- A minimum of 5 years of working experience in the area relevant to the Climate Change and Climate Change Mitigation;
- Substantial involvement in the preparation of the National Communications is highly preferred (Mitigation analysis) ;
- Good understanding of mitigation process and demonstrable knowledge of mitigation action;
- Demonstrated ability of analytical and drafting work;
- Good knowledge of English and Russian is an asset.

4. ToR for Team Leader of Domestic MRV group

The Domestic MRV Team Leader should work in consultation with and under the guidance and supervision of the Project Manager. Specifically, his\her responsibilities are but not limited to the following:

- Assists the PM in establishing the team of experts for performing the activities of Domestic MRV group;
- Provides periodic progress report to the PM on the activities implemented within Domestic MRV group;
- Develops the scope of work and respective terms of reference for the team members;
- Organize and coordinate work of Domestic MRV group support the establishment of a domestic MRV system for the national appropriate mitigation actions in accordance to the guidelines to be developed under the Convention;
- Organize and coordinate work of Domestic MRV group for assessment will be conducted regarding the different options and possibilities for the domestic MRV according to the guidelines to be developed, considering national circumstances and capabilities, as well as taking into account the different nature of the mitigation actions;
- Lead technical support will be given to the process of development of the national institutional and legal frameworks for establishment of domestic MRV;
- Organize process preparation of domestic MRV system and its submission;

- Ensure the timely and effective management of the activities as scheduled;
- Incorporates comments received from the review process;
- Drafts the respective chapter of BUR along with the respective part of executive summary.

Qualifications and experience

- An advanced degree in energy, environmental management or other field relevant to the project;
- A minimum of 5 years of working experience in the area relevant to the Climate Change and Climate Change Mitigation;
- Good understanding of mitigation process and demonstrable knowledge of mitigation action;
- Demonstrated ability of analytical and drafting work;
- Good knowledge of English and Russian is an asset.

5. ToR for Lead Expert on National Circumstances and institutional arrangements

The Lead expert on National circumstances and institutional arrangements should work in consultation with and under the guidance and supervision of the Project Manager. Specifically, his/her responsibilities are but not limited to the following:

- Leads the data collection on national circumstances and institutional arrangements process;
- Ensure the timely and effective management of the activities as scheduled;
- Organize activities to update information on the national circumstances provided in the Second National Communication (SNC) taking into account all new studies, projects, programs and research developed since the preparation of the SNC;
- Organize activities to an update of the country characterization in terms of demography, natural resources, climate and education, social and cultural aspects, as well as macroeconomic parameters, employment, income and services, including the characterization of the specific sectors such as water resources, energy, waste, transport, agriculture;
- Conduct analyzes if the national circumstances that affect country's ability to deal with mitigating to climate change, especially paying attention to new information and data related to those sectors that are largest contributors to the GHG emissions;
- Analyze national development objectives, priorities and circumstances, including the specific needs and concerns arising from the adverse effects of climate change;
- Conduct assessment to get information on the institutional arrangements and the mechanisms for stakeholder's involvement relevant to the preparation of the national communications and the biennial update reports;
- Incorporates comments received from the review process;
- Assists PM to organize relevant training and workshops;
- Drafts the National circumstances and institutional arrangements chapter of BUR along with the respective part of executive summary.

Qualifications and experience

- An advanced degree in environmental or economic sciences or other field relevant to the project;
- A minimum of 5 years of working experience in the area relevant to the Climate Change;
- Substantial involvement in the preparation of the National Communications or other development programs is highly preferred ;
- Demonstrated ability of analytical and drafting work;
- Familiarity with computers and computer software;
- Good knowledge of English and Russian is an asset.

SIGNATURE PAGE

Country: Azerbaijan

UNDAF Outcome (s)/Indicator (s): By 2015, non-oil development policies result in better economic status, decent work opportunities and a healthier environment in all regions and across all social groups

CPAP Outcome (s)/Indicator (s): N/A


CPAP Output (s)/Indicator (s): N/A

Executing Entity/Implementing Partner: Ministry of Ecology and Natural Resources

Programme Period:	2011-2015
Atlas Award ID:	00074610
Project ID:	00086926
PIMS #	5274
Start date:	August, 2013
End Date	December, 2014
Management Arrangements	NIM
PAC Meeting Date	19.09.2013

Total resources required	\$ 392,461
Total allocated resources:	\$ 392,461
• Regular	_____
• Other:	
○ GEF	\$321,461
○ Government	_____
○ In-kind	\$ 71,000
○ Other	_____
In-kind contributions	\$ 71,000

Agreed by (UNFCCC Focal Point in Azerbaijan):

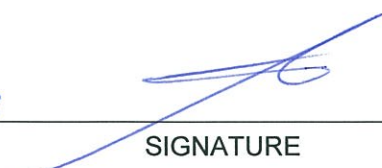
Işq Aliyev 05.11.2013 

NAME _____ SIGNATURE _____
Date/Month/Year

Agreed by (Executing Entity/Implementing Partner):

NAME _____ SIGNATURE _____
Date/Month/Year

Agreed by (UNDP):

Antonius Bræk 10/10/2013 

NAME _____ SIGNATURE _____
Date/Month/Year