

Seventh Session of the Assembly
26-27 October 2022, Almaty (hybrid)

Agenda Item 7.2

Updates on CY 2022-2023 Project Development Schedule and Recommended Follow-up Actions

I. Background

1. The Secretariat has been assisting member countries in terms of AFoCO's project development in view of the pertinent provisions of the Project Manual and Decision 30-III-19R authorizing the Project Appraisal Committee to endorse the project to proceed with the funding process. Likewise, in consideration of the Korean government's planning and budgeting cycle, the appraisal process should be completed within the first quarter of each year.
2. At the 5th Session of the Assembly, the Secretariat was advised to advance project development from 2022 and onwards under 'Program Approach'. As part of the consultation process, the Program Approach was presented during the 2022 Annual Technical Workshop (ATW) held on 29 April 2022, which was supported by the member countries. Correspondingly, the Secretariat officially shared the information and timelines under the theme: **Restoration of Drylands and Drought-prone Areas** in support of the Landscape Partnership Asia (LPA).

II. Project Development Schedule in 2022-2023

3. Based on the project timeline as prescribed under AFoCO Project Manual, the schedule for CY 2022-2023 Call for Proposal was circulated to respective National Focal Points (NFPs) as follows:

Date	Schedule	Action by
At any time but no later than 7 October 2022	Submission of Concept Note	NFP, Secretariat
	Review by the Secretariat within 3 weeks	
By 25 November 2022	Submission of Project Proposal	NFP
By 9 December 2022	Internal review by the Secretariat on the proposals (at the staff and group levels)	Secretariat
By 20 January 2023	Establishment of Project Appraisal Panel (PAP) for each project including actual appraisal by the PAP	Secretariat, PAP

	members	
By 10 February 2023	Organize Project Appraisal Committee (PAC) meeting	Secretariat, PAC
Last week of October 2023	Approval of projects	Assembly
December 2023	Organize Donor's Meeting	Secretariat, Donors
Upon securing fund commitments from Donor(s)	The project is launched according to inception arrangement of the member countries	Secretariat, NFP

III. Status of Concept Note Submission

4. It may be recalled that the AFoCO Assembly (during the 4th and 5th Session, respectively) acknowledged and considered LPA on the restoration of drylands and drought-prone areas as well as Program Approach to support current and future AFoCO programs (LPA and Green Partnership). Said approach also prioritizes the gradual shift from in-country to regional/multi-country project development and implementation to elevate geographical and funding scope and promote regional/sub-regional synergies;
5. All AFoCO Parties are officially recognized as Implementing Countries of the LPA;
6. The 2022 Annual Technical Workshop has acknowledged and supported the development of regional projects including the conduct of Feasibility Study (FS) at the project appraisal stage;
7. Under the present call for proposal, the following submissions came from respective Parties:
 - 7.1 Cambodia, submitted three (3) CNs, two (2) of which are related to drought-prone area restoration in Mondulhiri and Kampong Speu Provinces;
 - 7.2 Thailand on mobilizing market and financial mechanism to incentivize forest landscape restoration and community-based watershed management;
 - 7.3 Vietnam on strengthening Forest Landscape Restoration (FLR) in the drylands and drought-prone areas of Vietnam;
 - 7.4 While Kazakhstan submitted a regional project in Central Asia with Kyrgyzstan on technology and capacity enhancement for massive production of quality planting materials to support the national forestation goals and dried bottom of the Aral Sea.
 - 7.5 Context of Project Development in Central Asia:
 - 7.5.1 Consistent with the Program Approach, the Secretariat entered into MOU with GIZ-ILUCA Program for possible co-funding of regional projects in Central Asia to achieve relatively bigger project coverage and scale;

- 7.5.2 The original intention for AFoCO-GIZ regional project was for both institutions to co-fund specific regional project in consideration of the AFoCO project manual and GIZ-ILUCA program activities;
- 7.5.3 As these develops, Kazakhstan submitted the above-cited regional proposal in consultation with Kyrgyzstan. The proposal was shared to GIZ for their review and consideration;
- 7.5.4 In the course of consultations, GIZ strongly advised not to focus exclusively on infrastructure but rather **limited construction measures** to strengthen first the framework conditions and enabling environments that will ensure that infrastructure and construction measures will be successful and sustainable. This is somewhat contrary with the position of the Secretariat that said proposal (establishment of seed storage and forest nursery facilities) came from the Parties of AFoCO and said infrastructures are **envisioned to be venue of capacity building thru “learning by doing”**. Likewise, **GIZ intends to directly receive the project funds from AFoCO and be accountable to implement the project within their system**. Again, this is not consistent with the AFoCO manual where certain Implementing Agencies (IAs) as nominated by the National Focal Points will implement the Project;
- 7.5.5 With the current stance of GIZ, the Secretariat is still negotiating for mutual arrangements on possible joint/co-funded project(s) with AFoCO.
- 7.5.6 The initial LPA survey in AFoCO member countries conducted in 2020, reveals a total of 343,345,023 hectares of drylands and drought-prone areas, of which Kazakhstan and Kyrgyzstan have a combined share of 79% or a total of 297,400,000 hectares. In view of the massive coverage of drylands in CA, project support on the production of planting materials, including capacity building are more relevant than direct investments in actual land restoration in support to their Priority Programs and Projects.

IV. Points for consideration

8. The Assembly may wish to:

8.1 Consider a phased approach in developing LPA regional projects and conduct Feasibility Study (FS), starting with Central Asia (Kazakhstan and Kyrgyzstan) to determine, among others:

- 8.1.1 technical, financial, institutional feasibility;
- 8.1.2 project sustainability;
- 8.1.3 potential partners/donors (national/regional);
- 8.1.4 counterpart contribution from the proponent Countries.

8.2 Approve the Central Asia regional project, in principle.

8.3 Task the Secretariat to facilitate follow-up actions: to include, but not limited to the following:

8.3.1 conduct FS in Central Asia as basis in the approval of the Project in the immediate Session of the Assembly and in implementing initial capacity-building activities within CY 2023; and

8.3.2 develop regional projects and conduct similar FS in other regions in consultation with respective NFPs in consideration of the outcomes of the FS in Central Asia.
