

Submission Date: 10 September 2008 Re-submission Date:

Milestones

CEO Endorsement/Approval

Mid-term Review (if planned)

Implementation Completion

Work Program (for FSP)

GEF Agency Approval

Implementation Start

INDICATIVE CALENDAR

Expected Dates

Nov 2008

Dec 2009

Jan 2010

Feb 2010

Jul 2011

Jan 2013

PART I: PROJECT IDENTIFICATION

GEFSEC PROJECT ID¹: 2130 GEF AGENCY PROJECT ID: 2848

COUNTRY(IES): Afghanistan and I.R. Iran

PROJECT TITLE: Sustainable Management of the Sistan

Basin

GEF AGENCY(IES): UNDP, (select), (select) **OTHER EXECUTING PARTNERS:** UNOPS

GEF FOCAL AREA (S): International Waters, (select),

(select)

GEF-4 STRATEGIC PROGRAM(S): IW SP3: Balancing

overuse and conflicting uses of water resources in surface and groundwater basins that are transboundary

in nature

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: N/A

A. PROJECT FRAMEWORK (Expand table as necessary)

Project Objective: The objective is to balance overuse and conflicting uses of the water resources in the Sistan Basin by promoting sustainable management of land and water resources to ensure a sustained provision of ecosystem services critical to the livelihoods of local communities.

	Indicate whether	Expected	Expected Outputs	Indicative Financi	_	Indicative financing		Total (\$)
Project Components	Investm ent, TA, or STA**	Outcomes		(\$)	%	(\$)	%	
1. Strengthening the regional cooperation mechanism for the Sistan Basin	TA	Coordination capabilities across and within countries are enhanced	The Joint Commission on Sistan Wetlands and its intra-country sub- institutions are functional National inter-ministry committees established and functional	300,000	37.5	500,000	62.5	800,000
2. Transboundary Diagnostic Analysis (TDA) and Strategic Action Programme (SAP)	ТА	Priority transboundary water resource and environmental issues, root and immediate causes identified	TDA report, including causal-chain analysis	600,000	50	600,000	50	1,200,000
		Bilateral agreement on legal, policy and institutional reforms to address priority	Ministerially endorsed SAP					

Project ID number will be assigned initially by GEFSEC.

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	1	transboundary						
		issues Institutions and governance reforms introduced to catalyze implementation of policies for basin-scale IWRM and increased water use efficiency	Integrated Water Resources Management Plan (IWRMP) for Sistan Basin adopted and national water resource and IWRM reforms/policies adopted					
3. Demonstration of innovative IWRM practices and sustainable approaches to basin and wetland management	TA	Communities benefit from access to water- related benefits in tests of innovative demonstrations of balancing water uses	Pilot level IWRM and wetland management initiatives at 3 sites covering approximately 15,000 of land and benefitting 3,000 or more people Monitoring improved water use efficiency in demonstrations	700,000	14	4,300,000	86	5,000,000
4. Political and public awareness and learning	TA	Political and public awareness is enhanced Uptake of good practices and lessons learnt in policy and decision-making for the development of the Sistan basin	Tools and mechanisms for systematic and targeted awareness raising and learning, including: 1. Project website consistent with IWLearn 2. Decision Support Information System and a basin/wetland monitoring system using gender disaggregated indicators 3. Remote sensing and other relevant approaches 4. Replication criteria for demonstration activities identified and synthesized in IW:Learn Experience notes	200,000	28.5	500,000	71.5	700,000
5. Project management				200,000	17	1,000,000	83	1,200,000
Total project costs				2,000,000		10,000,000		12,000,000

^{*} List the \$ by project components. The percentage is the share of GEF and Co-financing respectively to the total amount for the component.

B. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Project Preparation*	Project	Agency Fee	Total
	(\$)	(\$)	(\$)	(\$)
GEF	100,000	2,000,000	210,000	2,310,000
Co-financing	250,000	10,000,000		10,250,000

^{**} TA = Technical Assistance; STA = Scientific & technical analysis

Total 350,000	12,000,000 210,0	0 12,560,000
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^{*} Please include the previously approved PDFs and planned request for new PPG, if any. Indicate the amount already approved as footnote here and if the GEF funding is from GEF-3.

C. INDICATIVE **CO-FINANCING** FOR THE PROJECT (including project preparation amount) BY SOURCE and BY NAME (in parenthesis) if available, (\$)

Sources of Co-financing	Type of Co-financing	Amount
Project Government Contribution I.R. Iran I.R. Iran Afghanistan	In-kind Cash In-kind	5,200,000 1,000,000 3,950,000
GEF Agency(ies) UNDP Iran UNDP WGF	Cash In-kind	50,000 50,000
Bilateral Aid Agency(ies)	N/A	N/A
Multilateral Agency(ies)	N/A	N/A
Private Sector	N/A	N/A
NGO	N/A	N/A
Others	N/A	N/A
Total co-financing		10,250,000

D. GEF RESOURCES REQUESTED BY FOCAL AREA(S), AGENCY (IES) SHARE AND COUNTRY(IES)*

GEF		Country Name/				
Agency	Focal Area	Global	Project Preparation	Project	Agency Fee	Total
UNDP	IW	Regional: Afghanistan and I. R. Iran	100,000	2,000,000	210,000	2,310,000
Total GEF Resources			100,000	2,000,000	210,000	2,310,000

^{*} No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

PART II: PROJECT JUSTIFICATION

A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

The Sistan Basin stretches across parts of south-western Afghanistan and south-eastern Iran. This inland basin is fed by the waters of the Helmand, Khash, Harut, Farah and other rivers originating from rains and snowmelt in the Hindu-Kush Mountains of Afghanistan. Collectively, the rivers flowing into the Sistan Basin have a catchment area covering almost one half of Afghanistan; with the Helmand River Basin alone covering approximately one quarter. Moreover, almost one-third of all irrigated land in Afghanistan lies in the Helmand river basin. These facts underline the economic and social importance of these river basins to Afghanistan. They affect a significant human population, estimated to be in the range of one million in the Lower Sistan Basin alone. The middle and upper reaches of the rivers includes almost all of Farah, Wardak, Ghazni, Oruzgan, Zabol, Kandahar and Helmand provinces. One estimate of the total permanent population of these provinces is 4.6 million (calculated from figures provided in FAO/WFP,

2002). The provinces also include a large number of Internally Displaced Persons (IDP), and in summer a large number of *kuchi* nomads.

The basin includes a complex and unique wetland system – the Hamoons - consisting of three large shallow lakes and their surrounding wetlands. The Hamoon wetlands provide a habitat for diverse and globally significant fauna and flora. A large portion of the Hamoons – some 60,000 ha – has been designated as a priority wetland under the Ramsar Convention. The Sistan inland delta has a population of some 400,000 people on the Iranian side, whilst only a few ten thousands live on the Afghan side. The economy of the basin is strongly dependent on irrigated agriculture and hydropower, as well as fisheries and other goods and services provided by the wetlands such as livestock fodder and cooking fuel. The Sistan basin and Hamoon wetlands are also vital for regulating the regional micro-climate and constitute an integral part of the region's unique social and cultural structure. Relatively little is known about the relationships and interactions between Sistan basin surface and groundwaters.

In September 2002, UNEP sponsored a post-conflict assessment of the environment in Afghanistan. UNEP identified the Sistan Basin as an area of international importance and a priority for international support. Within the framework of the assessment, a joint UNEP/UNDP team visited the Helmand and Khash rivers and the Sistan Basin. A second post-conflict study was conducted by UNEP in 2005 in collaboration with the Dutch Government. These assessments led to the most up-to-date and comprehensive description of the environment in the proposed project area, and to an analysis of the threats and root causes of environmental degradation in the area. The latter report revealed a considerable gap in data and information and the need for further action to fill in the gap if an accurate picture of the basin is to be drawn. However, environmental degradation and desertification is evident across the Sistan Basin. Satellite data indicate that the area of the Sistan basin devoted to irrigated agriculture has only changed slightly between 1991 and 2005, from 95,000 to 105,000 ha. The same analyses indicate that NDVI/living biomass levels are much lower in the Iranian section due to very high soil salinization. The intensity, scope and length of dry periods and droughts have increased. The status of the wetlands and the three lakes is of particular concern. All three lakes have been dry for several years and there have been major fluctuations in water availability and a persistent negative trend of declining vegetation cover (UNEP, 2006)². If drought and unmanaged water withdrawals persist, this globally unique ecosystem is in danger of being permanently degraded, and globally important flora and fauna (especially avifauna) will be lost forever.

An initial analysis reveals that the principal anthropogenic threats to the land and water resources of the Sistan Basin include: 1) watershed degradation, including deforestation; 2) losses from long-term storage in open reservoirs; 3) unsustainable withdrawals into large and small scale irrigation schemes and through *karez*, wells and mobile pumping stations; 4) diversion of main river flows; 5) new hydraulic and storage structures; 6) inefficient water use at farm level; 7) unsustainable grazing; 8) conversion of pasture land; and 9) road construction. Behind the threats are a series of inter-linked root causes. To some extent, the threats lie upstream. However, there are also threats downstream. An initial analysis suggests the following root causes: 1) lack of adequate, reliable data in the Sistan Basin as a prerequisite for enforcing any national or bi-national water management policy; 2) lack of integrated catchment and basin management policies and practices; 3) lack of policy, management tools and technologies to improve inefficient water use, particularly in agriculture; 4) poor water governance, and in particular weak interaction between national, provincial and district level policies in Afghanistan; 5) lack of information at national and provincial levels about the extent of the problem; 6) demographic pressure which encourages short-term solutions; and 7) lack of inter-country coordination mechanisms. This list is neither precise nor exhaustive. The PPG analysis, through development of the preliminary TDA, is intended to

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² History of Environmental Change in the Sistan Basin Based on Satellite Image Analysis: 1976-2005. UNEP Post-Conflict Branch, 2006.

produce a clear picture of the causal chain of environmental degradation, its socio-economic impacts and the remedial action needed.

The concerned governments are planning a coordinated set of small, medium and large-scale initiatives aimed at water resource management, maintaining hydraulic/aquifer integrity and promoting sustainable development in the catchments and rivers flowing into the Sistan Basin and studies have been conducted to support decision making on potential development schemes in the Sistan Delta³. The proposed project will complement and build on these initiatives. It will ensure that the medium and long-term needs of the Sistan Basin and Hamoon wetlands ecosystems and of the communities using the rivers, wetlands and lakes are met. The project will do this by establishing a coordinated management mechanism that ensures restoration, protection and sustainable use of land and water resources, providing sufficient water to meet the ecological requirements of the lakes while sustaining local livelihoods. The project will be designed to build foundational capacity in Integrated Water Resources Management (IWRM) in a water scarce area that has yet not been covered by GEF interventions. The area has a history of water conflicts and efforts are needed to promote coordination and cooperation among competing users of the waters. The project is designed to support transboundary cooperation at the bilateral level and strengthen country capacity for policy/legal/institutional reforms and investments needed to address key transboundary water resource and environmental concerns.

The objective is to balance overuse and conflicting uses of the water resources in the Sistan Basin by promoting sustainable management of land and water resources to ensure a sustained provision of ecosystem services critical to the livelihoods of local communities. GEF financed activities will support national and regional authorities in implementing a series of targeted interventions that would contribute to the achievement of the following outcomes:

- 1. Coordination capabilities across the two countries are enhanced and Sistan Basin-wide flexible and adaptive inter-sectoral coordination and management tools and mechanisms developed and established through a participatory process that is responsive to the needs of all stakeholders;
- 2. Through the TDA/SAP process, a thorough knowledge and understanding of the water constraints and options in the basin is created and political and legal commitments made to utilize IWRM policies towards sustainable water use;
- 3. A number of demonstrations of innovative IWRM and wetlands restoration practices are implemented to pilot the implementation of the SAP;
- 4. Political and public awareness and continuous learning of the benefits of sustainable, equitable land and water management is enhanced and a corresponding commitment to sustainable management is created.

Unless the current pattern of water and land-use change is reversed, the Sistan wetlands will be severely damaged or totally destroyed in the medium term. The destruction of the wetlands will cause an environmental crisis comparable with the Aral Sea disaster. The proposed project would catalyze a process of change to reverse degradation of these unique ecosystems and transboundary water resources.

Critical ecosystem services – especially the provision of optimum ecological flows, maintenance of vegetative cover, and stabilization of the micro-climate – would significantly improve as a result of increased water use efficiency and environmental flow promoted by the project as well as rehabilitation and restoration of the wetlands themselves. Also from a global biodiversity point of view, the Sistan wetlands are of great importance as the lake system provides a globally unique example of large, permanent, freshwater wetlands within an extremely arid desert region. The wetland system provides

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³ Eelco van Beek et al.: Limits to agricultural growth in the Sistan Closed Inland Delta, Iran. Irrig. Drainage Syst., 2008.

wintering and/or permanent habitat to a number of globally important bird species. Information on aquatic species in Basin is limited, although it is thought to host a unique and rich diversity. The dominant flora species in the area are *Phragmites australis, Typha sp., Carex sp., and Tamarix sp.* The vast Phragmites reed beds are considered particularly unique. The Sistan Basin is also important for agricultural biodiversity. It is the original home of a unique breed if domestic cow species named Sistani Cow. This is the most efficient endemic race of domesticated animal in the region in terms of meat production. Sistani Cow has been an important factor in supporting local livelihoods over the centuries.

At the local level, significant socio-economic impacts are expected to accrue. Significant rise in the Human Development Index of the project area is anticipated as well as a halt of emigration of local people to other parts of Iran. In the absence of precise data, the scale of emigration is estimated to ne in the range of thousands of local people. Community and gender empowerment outputs of the project would impact on local lifestyle especially for women and girls.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL PRIORITIES/PLANS:

Afghanistan:

The Government of Afghanistan has started a large program of rehabilitation and reconstruction of society and of its economy following more than 20 years of internal conflict. This program is described in the *National Development Framework* (NDF). The NDF bases future development on three strategic pillars, one of which addresses natural resources including the improved utilization and management of water resources.

Given that Afghanistan is a water scarce country, and that water is the main limiting resource for most socio-economic sectors (notably agriculture and energy), the rehabilitation of the nation's water management system is a top priority. Water sector development activities are expected to address both hard and soft infrastructure, and to cover the rivers flowing into the Sistan Basin wetlands.

The Government of Afghanistan's public investment program includes several related programs and sub-programs, the two most pertinent of which are:

- National River Basin Management: to establish improved water resource management systems, through adoption of river basin management approaches in the five river basins in Afghanistan;
- Environmental Preservation and Regeneration: to develop national capacity for environmental management, conservation and regeneration.

The 1981 Water Law provides guidance on the structures, standards and approaches to managing water. It also outlines the roles, rights and responsibilities of the various water users in Afghanistan. The Law provides a useful framework for present day action, although it may need some updating and revision to fully match the present situation.

Afghanistan authorities at all levels expressed the importance of the Sistan Basin and expressed their intent to maintain the functioning of the Helmand/Sistan ecosystem. They also expressed a desire to cooperate with the Islamic Republic of Iran on these issues. This was strongly confirmed in the three consecutive inter-country meetings facilitated by the Post Conflict Branch of UNEP in December 2005 and May 2006 in Geneva, and March 2007 in Tehran.

I. R. Iran:

The Government of I. R. Iran is committed to long-term sustainable development in the Sistan Basin. The Iranian parts of the Basin lie in the Sistan/Baluchistan province. The 4th Five-Year Development Plan of Iran (2005-2009) provides for significant increase in the developmental investments in that province as well as increased focus on environmental protection.

With regard to natural resources, Iran's strategies and development plans identify the following relevant measures among its list of priority actions and investments:

- Implementing projects to protect and manage biodiversity and natural resources and mitigate international water pollution. In the 4th National Development Plan the Government is mandated to manage sensitive ecosystems. In addition, several individual projects have been developed and implemented in the region by sector agencies addressing biodiversity and natural resources management.
- Implementing a priority investment program for "win-win" projects, investments that have both environmental and economic benefits such as projects for watershed and forestry management. Due to the dramatic changes in the ecological character of the lakes, the region is suffering from sand storms. The I.R. of Iran has been trying to control wind erosion in the Sistan area as a priority action. Development of new water saving technologies and changing cultivation patterns are initiatives of particular interest.
- Establishing the required coordination among the relevant agencies.

Focusing specifically on the Sistan Basin, I. R. Iran recognizes the international importance of all three large lakes and wetlands in the Basin. It has taken management steps to maintain the ecosystem and its functions. These include placing parts of Hamun-i Puzak (10,000 hectares) and Hamun-i Saberi (50,000 hectares) on the Ramsar Convention's List of Wetlands of International Importance. In addition, I. R. Iran has established the Hamun protected area, covering 193,500 hectares in Sistan/Baluchistan province. The area covers all the lakes, wetlands and their surrounding areas lying in Iranian territory. This is now managed by the Department of Environment. I. R. Iran is also committed to a full and close cooperation with the national and local authorities in Afghanistan.

Steps towards establishing an inter-governmental coordination body (provisionally named "the Joint Commission on the Sistan Wetlands") have been taken. The two countries met three times between 2005 and 2007, under the auspices of UNEP assisted by UNDP, to prepare the ground for the establishment of the commission. In the last meeting held in Tehran in 2007, the TOR of the commission were worked out and taken back to countries for approval with the view to seek GEF funding to support the establishment of a joint commission.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

The Sistan Basin has a history of water conflict and efforts are needed to promote coordination and cooperation among competing water users. The project is designed to support trans-boundary cooperation at the bilateral level and strengthen country capacity for policy/legal/institutional reforms and investments needed to address key trans-boundary concerns. As such, the proposed project conforms to the GEF International Waters Strategic Objective SO-1 "To foster international, multi-state cooperation on priority transboundary waters concerns through more comprehensive, ecosystem-based approaches to management", resulting in bilateral political commitments in support of the sustainable integrated management of the Sistan Basin. The project will address the GEF Strategic Programme SP-3 that aims at Balancing Overuse and Conflicting Uses of Water Resources in Surface and Groundwater Basins that are Transboundary in Nature. In line with the GEF focal area guidance, this will be achieved through building of foundational capacity through the TDA/SAP approach and by demonstration of innovative IWRM practices and sustainable approaches to wetland management at pilot sites; application of IWRM policies and enhanced functioning of joint management institutions.

D. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

In Iran, the project will be closely coordinated with the UNDP-led project under MENARID on Institutional Strengthening and Coherence for Natural Resources Management (Iran NRM Project), as it

has a component that will contribute to the strengthening of the institutional, legal, policy, financial and technical capacity in integrated water resources management (IWRM) that will also benefit the project for the Sistan basin. In addition, synergies will be developed on the ground in the implementation of demonstration activities and a suitable joint IWRM demonstration site will be identified in the Sistan basin. The linkages with the Iran NRM Project will also provide an entry point for coordination and knowledge sharing with the larger GEF funded MENARID Programme, which is led by IFAD.

In addition, the proposed project will also build on a Dutch funded project in Iran from 2004-2006 on IWRM for the Sistan Closed Inland Delta. The main objective of the project was to introduce the concepts of Integrated Water Resources Management in Iran with the Sistan basin as case study. Specific methods and tools were developed to strengthen and build capacity to achieve IWRM in the area, in particular to sustain agriculture and ecosystems. These methods and tools were transferred to the Water Research Institute in Iran that is continuing the analysis.

In Afghanistan, the project will establish synergies with the GEF medium-sized project on Capacity Building for Sustainable Land Management in Afghanistan (Afghanistan SLM MSP). The objective of the project is to build capacities for sustainable SLM in appropriate government and civil society institutions and user groups and mainstream SLM into government planning and strategy development. It will hence contribute to the creation of an enabling environment for integrated natural resources management that will also benefit the Sistan Basin Project, as the basin's vast drylands are experiencing serious land degradation caused by unsustainable land management practices.

E. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING:

Between 1985 and 2005, the Hamoon wetlands have experienced several low water and dry periods, with almost no flow into the wetlands from 2000-2004. Over this same twenty year period, vegetative cover has declined continuously, reflecting impacts from a combination of convergent factors. Environmental degradation has already had a major impact on the economic, social and cultural situation. It has contributed to widespread and endemic poverty, to unemployment and underemployment, and to loss of traditional livelihoods. It has also led to an extensive migration of local communities adjacent to the lakes. This socio-economic-ecological crisis is most acute in the area directly surrounding the Hamoun Lakes. In Zabol District in Iran and in Nimroz province in Afghanistan for example, erosion and sand deposition has greatly increased, many villages have been lost in the sand, and large tracts of agricultural land have been abandoned. Soil erosion has had adverse impacts on public health as well. Fine dust particles suspended in the air have caused respiratory, eye and skin disorders.

In the absence of GEF support, baseline investments in water resources management on both sides of the basin will be implemented from a narrow sectoral perspective and without a regional transboundary focus on balancing overuse of surface and groundwater resources, thereby limiting opportunities for knowledge sharing, and cross-fertilization of best practices and technologies. Moreover, reforms and investments within integrated water resources management approaches in the project area will not be realized. As a result of the GEF intervention, a series of investments in IWRM to improve and protect water resources and ecosystem functions and services will be identified. Catalytic support from GEF will result in sustained environmental flow of water into the three Sistan lakes, a better balance between multiple water uses, improved socio-economic opportunities thanks to improved ecosystem services, and enhanced stability in the region. The activities described in the above section will result in improved basin-wide, multi-level capacity to effectively manage land and water resources and avoid water shortages and water conflicts. It will employ an integrated, holistic and balanced approach to land and water management that is fully coordinated between the concerned countries. The focus will be on developing national, provincial and local level expertise, skills, information and capacity to plan and manage resources. As a result of the

GEF intervention, a series of investments to improve and protect biodiversity and natural resources will be identified to ensure sustained water flow into the three Sistan lakes, and a sound balance between multiple water users and socio-economic opportunities, which in turn will contribute to enhanced stability in the region.

F. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED, AND IF POSSIBLE INCLUDING RISK MEASURES THAT WILL BE TAKEN:

Risk element: In both countries, the areas under the project encompass remote sites. The remoteness of project sites and the quality of access roads, particularly in Afghanistan, poses a risk in terms of the safety and security of project visits; hence implementation delays.

Risk degree: Moderate to high

Risk mitigation measure: The PPG phase of the project will include a risk analysis and management study. Security rules and guidelines must be strictly adhered to when staff/consultants visit the project area. Adequate flexibility needs to be foreseen in project planning to accommodate possible delays. Where possible, project staff and consultants should be recruited from within the region. Cooperation between countries and with other project parties is of critical importance. Current cooperation between the countries also augors well for implementation success.

Remote sensing facilities and techniques will be extensively employed where applicable to collect baseline biophysical data (e.g. UNEP, 2006). It should also be stressed that part of projectt interventions will be on policy development and institutional strengthening at national and, to a lesser extent, provincial levels with no need to visit outlying sites.

Risk element: Inadequate inter- and intra-country coordination

Risk degree: Low

Risk mitigation measure:. Both countries have expressed commitment to the current, fledgling, yet hopeful inter-country coordination mechanism which has been facilitated over the last two years by UNEP's Post Conflict Branch and UNDP. Adequate budget and effots will be allocated to establish and sterngthen cross-border dialogues at both national and local levels.

Also, within each country, a coordination mechanism will be established to ensure full participation of all stakeholders, both government and non-governmental entities.

Risk element: Recurring multi-year drought cycles is a fact of life in the Sistan area. Project achievements may be jeopardised if in such drought cycles a minimum flow of water is not maintained in the rivers that discharge into the the Sistan Wetlands.

Risk degree: High

Risk mitigation measure:

One of the project outputs would be to promote the establishment of a cross country protocol within the framework of the Strategic Action Program or as a parallel instrument to maintain a minimum flow of water in inflowing rivers at all times.

G. JUSTIFY THE **COMPARATIVE ADVANTAGE** OF GEF AGENCY:

Within UNDP's Water Governance Programme, over 80 programme countries have water projects, with a total portfolio value of over \$300 million. In terms of international advocacy, UNDP has championed the global water crisis and stressed the importance of water for life and water for livelihoods in its 2006 Human Development Report titled "Beyond scarcity: Power, poverty and the global water crisis". UNDP's priorities within this area include:

- Improving national and local water resources management for poverty reduction and sustainable development
- Increasing access to adequate and safe water supply and sustainable sanitation for the poor
- Promoting cooperation on shared water resources and global water challenges
- Gender mainstreaming in water governance
- Capacity development for Integrated Water Resources Management (IWRM)

UNDP will build upon its comparative advantages in capacity building and technical assistance to support beneficiary governments in the project development and implementation, specifically in the areas of integrated policy development, institutional strengthening and community participation. Of the GEF agencies, UNDP has the largest portfolio and associated experience in the development and implementation of TDAs and SAPs in a wide range of lake, river, groundwater and marine waterbodies. UNDP's strong track record in facilitating improved transboundary waters governance has been further strengthened by the recent integration of UNDP's 'core' Water Governance Programme with its GEF International Waters cluster, and the similar full integration of the UNDP Water Governance Facility at SIWI with UNDP's corporate water governance activities. Under the International Waters Focal Area, UNDP-Iran, has been engaged in the Caspian Environment Programme (CEP) since 1998 and is currently providing support to the Programme Coordination Unit of the CEP.

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

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the country endorsement letter(s) or regional endorsement letter(s) with this template).

(Enter Name, Position, Ministry)	Date: (Month, day, year)
Afghanistan:	
Mostapha Zaher, Director General, National	27 May 2007
Environment Protection Agency & GEF	
Operational Focal Point	
I.R. Iran:	
Eshagh Alhabib, Director General for	9 July 2007
International Economic Affairs and	7 July 2007
Specialized Agencies As GEF Operational	
Focal Point	

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

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UNDP GEF Deputy Executive Coordinator

Date: 10 September 2008