

Community Based Agriculture Support Programme “Plus” (CASP+)

Annex 27. Synergies with Climate Finance in Tajikistan

Complementary information to FP’s D.5: Country ownership

Synergies with GCF portfolio.

1. There are five approved GCF funded projects under implementation in Tajikistan as well as three relevant readiness grants approved – including one for strengthening the NDA, one for developing a NAP and a recently approved one to support the country capacity to access and deploy climate finance - and several international Accredited Entities active in the country. The projects include the following:

- FP014, “*Climate Adaptation and Mitigation Program For the Aral Sea Basin (CAMP4ASB)*” a World Bank Group programme active in both Uzbekistan and Tajikistan. FP014 will target the poorest and most climate-vulnerable rural communities, benefiting farmers in rural villages. Agricultural, land and water management practices will be implemented based on local agro-ecological conditions in order to strengthen climate change resilience. Investments via the facility will be demand-driven, but will include crop diversification, water resource management, rehabilitation of degraded land, conservation agriculture, livestock production improvements, agro-products processing, energy efficiency improvements and expansion of renewable energy sources.
- FP025, “*GCF-EBRD Sustainable Energy and Climate Resilience Financing Facility (SEFF)*”, a cross-cutting multi-country program providing credit lines to local Partner Financial Institutions (PFIs) in 13 countries across Southern and Eastern Europe, the Middle East and North Africa, Western Asia, and Central Asia. It is an EBRD and GCF programme that will deliver climate finance at scale via Partner Financial Institutions (PFIs), with a goal to fund over 20,000 scalable and replicable projects across industrial, commercial, residential, transport and agricultural sectors. The PFIs in the programme will on-lend the funds to the borrowers such as MSMEs, special purpose companies and households for energy efficiency, renewable energy and climate resilience projects. Financing activities will be complemented by the provision of technical assistance (TA), both to the local PFIs and to the borrowers.
- FP040, titled “*Scaling Up Hydropower Sector Climate Resilience*”, is an adaptation project run by EBRD. The infrastructure dates from the Soviet era and needs renewal to cope with the observed and projected impacts of climate change that is leading to increased hydrological variability. In particular, there is an urgent need to adapt spillway capacities to cope with the new climate conditions, including an increase in severe floods.

- FP067, titled “*Building climate resilience of vulnerable and food insecure communities through capacity strengthening and livelihood diversification in mountainous regions of Tajikistan*”, an adaptation project focused on food insecurity run by the WFP. As Tajikistan experiences increasing temperature and rainfall variability and recurrent natural disasters, particularly droughts and floods, local communities in mountainous areas that rely heavily on climate-sensitive sources of income have low adaptive capacity to cope. FP067 will introduce adaptation measures to address climate change effects leading to declines in agricultural yields, increases in food prices and reduced agricultural wages. The project will focus on the most vulnerable and food insecure communities in the Rasht valley, Khatlon and Gorno-Badakhshan Autonomous Region (GBAO) regions.
- Finally, FP075, titled “*Institutional Development of the State Agency for Hydrometeorology of Tajikistan*”, a programme implemented by ADB to support capacity building and development of hydrological and meteorological data and information in Tajikistan. The country's hydromet services, designed to provide climate information for development planning, is under severe strain due to weak infrastructure and institutional challenges. This problem will be addressed by supporting the legal and structural transformation of Tajikistan Hydromet Agency and developing and implementing a business model in Hydromet services. The improvement of climate data will empower communities to make informed decisions in managing risks through timely and robust information.

2. **Synergies with GEF portfolio**. Key asset for CASP+ is the pivotal role played by the CEP as NDA as well as Executing Entity. CEP is currently supervising and implementing projects co-financed by GEF, including:

- The **GEF 7** regional “*Integrated natural resources management in drought-prone and salt-affected agricultural production landscapes in Central Asia and Turkey (CACILM-II)*”, with a financing of US\$10.9m and a pledged total co-financing of about US\$64.9m from recipient countries. CACILM-II aims to scale up sustainable management practices that minimize pressures and negative impacts on natural resources, reduce risks and vulnerability and enhance rural communities’ capacity in contexts impacts of climate change are already leading to more droughts and problems with soil salinity. A recent MTR highlighted that the project during COVID-19 emergency has shifted part of its resources to provide immediate support to vulnerable rural smallholders and farmers in the project sites such as value chain development in livestock production, procurement of drought- and salt-resistant seeds, fertilizers, home-garden tools for processing, and greenhouses, capacity development in producing food under drought conditions and to improve family income and nutrition. These are valuable experiences and relevant to CASP+ livelihood diversification and climate resilient value chain development under component 3. The central role of both CEP and FAO in this project (both executing entities of CASP+) is an asset to generate synergies and build on CACILM-II results in Tajikistan.
- Under **GEF 8** allocation, IFAD is currently developing the “*Tajikistan Ecosystem Restoration and Resilient Agriculture (TERRA)*” project whose objectives will contribute to the NDCs and in line with the ones of CASP+. Substantial synergies are expected as the GEF8-funded project (under preparation) is planning to support the district level climate resilience diagnostics (output 2.1 of CASP+), as well as the

community climate resilience investment (envisaged in CASP+ output 2.2), in addition to supporting the Hydromet in enhancing capacities for climate information evidence generation and dissemination in rural areas of Tajikistan. The project is under consideration as possible co-financing for CASP+.

3. **Synergies with other IFIs' portfolios.** The World Bank and ADB are implementing and planning additional climate finance projects. These include:

- **ADB's "Resilient Livelihoods and Empowerment of Rural Women Project"** (under design)¹ will aim to increase resilience and improve livelihoods of rural women in the Khatlon province by strengthening their employability, agriculture productivity, and response to gender-based violence.
- **ADB's "Enhancing climate resilience in the Pyanj River Basin"** is a technical assistance facility (2021-2024, US\$1.3m) aimed to support job creation and entrepreneurship for women in the agriculture sector by addressing key constraints such as access to inputs, support services, finance, information, and training needs. The project shares with CASP+ part of the target area and coordination will be ensured to avoid overlapping and create synergies with similar activities envisaged in CASP+ component 3.
- **the World Bank's Resilient Landscape Restoration Project –RESILAND** (2022-2027, US\$ 45.0m), recently approved, aiming to increase the area under sustainable landscape management in selected locations in Tajikistan, and promote Tajikistan's collaboration with Central Asia countries on transboundary landscape restoration. RESILAND builds on ELMARL experience on community investment and shows high commitment on environmental and ecosystem restoration through the appropriate incentives. The project will coordinate with CASP+ through CEP and its PSC to maximize knowledge management impact. The geographic targeting is complementary.
- **the World Bank's "Tajikistan Strengthening Water and Irrigation Management"** (2022-2027, US\$ 47.3m), aiming to strengthen capacity for water resources planning and irrigation management and improve performance of irrigation schemes in the Vakhsh and Zarafshon river basins. The thematic focus and geographic targeting of this project complements the one of CASP+ and the project will coordinate through CEP and their respective PSCs.
- In addition to the above, **IFAD-funded** projects such as "*Livestock and Pasture Development Programme – phase II*" in particular (2017-2024, US\$40.6m), showed how community investment and improvement in livestock breeds, feed and husbandry practices jointly with pasture improvement can lead to increased income (+15 percent), improved rangeland (through improved infrastructure and rotational grazing), and reduced the livestock inventories (-29 percent).²

4. For all climate finance interventions, **the coordination at country level** through the NDA and the other CASP+ executing entities will ensure synergies and complementarities. Moreover,

¹ Project reference (54111-008): <https://www.adb.org/projects/54111-008/main>

² IFAD, 2022. LPDP II Impact assessment. https://www.ifad.org/ifad-impact-assessment-report-2021/assets/pdf/impact/Tajikistan/BAR_TAJIKISTAN_RI_REPORT.pdf.

the village selection criteria of CASP+ (detailed in **Annex 21**, CASP+ Project implementation manual) include complementarity with other financed interventions, and this principle applies also to ADB and World Bank, as well as other development partners.