



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Expansion and Improved Management Effectiveness of the Achara Region's Protected Areas			
Country(ies):	Georgia	GEF Project ID: ¹	4835
GEF Agency(ies):	UNDP	GEF Agency Project ID:	4732
Other Executing Partner(s):	Ministry of Environment, Agency of Protected Areas (APA)	Submission Date:	October 23, 2013
GEF Focal Area (s):	BIODIVERSITY	Project Duration(Months)	48 months
Name of Parent Program (if applicable):	N/A	Agency Fee (\$):	128,364
	<ul style="list-style-type: none"> ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> 		

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
BD-1	Outcome 1.1: Improved management effectiveness of existing and new protected areas	Output 1: New protected areas (PAs) (one) and coverage (10,993 hectares) of unprotected ecosystems Output 2: New PAs (one) and coverage (10,993 hectares) of unprotected species (9)	GEF TF	1,172,270	12,516,731
Sub-total				1,172,270	12,516,731
Project management cost				111,366	1,198,411
Total project costs				1,283,636	13,715,142

B. PROJECT FRAMEWORK

Project Objective: : To enhance the management effectiveness , biogeographically coverage and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
Enhancing PA Management Effectiveness in the Achara Region	TA	<i>Management effectiveness strengthened in the Kintrishi PA Complex and Mtirala National Park covering 29,699 ha- reducing threats from overexploitation of biological resources</i>	1.1 Enforcement and surveillance system strengthened in Kintrishi Protected Areas and Mtirala NP through: <ul style="list-style-type: none"> • A long-term collaborative monitoring and enforcement system in place and a platform for information sharing g established between park authority and the local communities • Technical and material capacity of 	GEFTF	382,273	7,602,938

¹Project ID number will be assigned by GEFSEC.

² Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when completing Table A.

		<p><i>Indicators:</i></p> <ul style="list-style-type: none"> - No net increase in the illegal harvesting of wood (baseline Mtirala NP: 7.82 m.³, Kintrishi PA Complex: 0m³.) - At least no net increase in wildlife poaching <p><i>Increase management effectiveness for Kintrishi PA Complex and Mtirala NP</i></p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> - Increased METT scores over baseline by at least 5% <p><i>Increased Conservation Status of Forests Ecosystem in the West Lesser Caucasus Mountain Range</i></p> <p><i>Indicator:</i></p> <p>Increase or stable numbers of the following indicator species (Baseline⁴: Chamois: M112, K170 Otter: M32, K135 Roe Deer: M120, K235 Brown Bear: M83, K86 European Lynx: M12)</p>	<p>PA staff to implement cost effective enforcement built</p> <p>1.2 Reduced threats at source by constructive involvement of local communities in planning and co-management arrangements within the governance framework of 2 newly established community-based organizations.</p> <p>1.3 Future financial needs of the Kintrishi and MtiralaPAs addressed by developing mechanisms to generate finances on the scale needed to address emerging long term pressures on biodiversity by:</p> <ul style="list-style-type: none"> • Assessment of the current and future financial gaps of PAs • Business plans⁵ developed • Funds and mechanisms for future funding tested and mobilized 			
PA System Expansion to increase functional connectivity of PAs in the West Lesser	TA/IN V	<p><i>Expansion of PAs (IUCN Cat II) through the establishment of Machakhela National Park covering 10,993 ha</i></p> <p><i>Increased National</i></p>	2.1 Gazettal of a new IUCN Cat II PA of 10,993 ha in the Machakhela Valley strategically placed between the Kintrishi and MtiralaPAs in Achara Region and the Jamili Biosphere Reserve in Turkey through (i) Zoning and boundary demarcation based on land use planning and key data on the	GEFTF	789,997	4,913,793

³ Mean illegal extraction recorded between 2008 – 2011 (4 years)

⁴M=Mtirala NP, K=Kintrishi SR

⁵Using guidelines and standard format for Protected Areas Business Plans developed under the GEF/UNDP project “Catalysing Financial Sustainability of Protected Areas of Georgia”.

Caucasus	<p><i>Coverage of the Colchic Forest Type by at least 25%</i></p> <p><i>Distance between large Conserved Habitat Blocks reduced in the Achara region resulting in increased functional connectivity between PAs</i></p>	<p>landscape (ii) Actual gazetted of 10,993 ha of land area.</p> <p>2.2 Public-Civil Society- Community PA Planning and Management Governance Board established and provided with a legal basis to manage the proposed Machakhela National Park (10,993 ha). Effective management is ensured at the governance level through: (i) Approved 6-year Machakhela NP management plan; (ii) An approved 6-year Business Plan⁶, (iii) 3 year operation plans.</p> <p>2.3 Established operational capacity at Machakhela National Park through (i) deployed and capacitated staff (ii) Established PA infrastructure and equipped staff (offices, staff quarters, visitor centre and facilities, accommodation, logistics, equipment), (iii) An established long-term ecological monitoring system⁷ for Machakhela NP and adjacent areas (iv) A Board-approved Management Plan being implemented, and (v) Financial resources for the management of the PA secured through the implementation of a Board-approved Business Plan.</p>			
Subtotal				1,172,270	12,516,731
Project Management Cost (PMC) ⁸			GEFTF	111,366	1,198,411
Total project costs				1,283,636	13,715,142

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form –

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Ministry of Environment (Agency PA)	In-kind	440,672
National Government	Ministry of Environment (Agency PA)	Grant	954,818

⁷Sources of verification: i) Agreed list of key indicators and frequency of assessments; ii) Guiding Methodology for assessments; iii) Assessment Reports

⁸PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

Regional Government	Achara Autonomous Republic		7,638,036
District Government	Municipality of Kvelvachauri, Achara Autonomous Republic	Grant	1,757,553
GEF Agency	UNDP	Grant	40,000
GEF Agency	UNDP	In-kind	110,000
Bilateral Aid Agency	KfW	Grant	2,317,063
Bilateral Aid Agency	US DoI	Grant	40,000
NGO (Regional)	Caucasus Nature Fund	Grant	317,000
NGO (International)	World Wildlife Fund for Nature	Grant	100,000
Total Co-financing			13,715,142

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	GEF	Biodiversity	Georgia	1,283,636	128,364	1,412,000
Total Grant Resources				1,283,636	128,364	1,412,000

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	193,400	0	193,400
National/Local Consultants	87,200	0	87,200

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No.

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁹

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

The National Environmental Action Plan (NEAP) is the main policy document in Georgia that includes government priorities in environmental field. The NEAP-2 was approved in January 2012 and covers the period 2012-2016. Eleven priority themes are outlined in this document: Water resources, Ambient Air Protection, Waste and Chemicals, Black Sea, Biodiversity and Protected Areas, Forestry, Land Resources, Mineral Resources and Groundwater, Disasters, Nuclear and Radiation Safety, and Climate Change. A long-term goal (20 years) is developed for each theme and several short-term (5 years) targets are outlined with a number of measures for each target. According to the Ministry of Environment, NEAP 2 revision is planned in the near future.

And as already mentioned in the approved PIF:

Eco-regional Conservation Plan for the Caucasus (ECPC). The vision of this plan for the Caucasus is a region where healthy populations of native plants and animals flourish; habitats, landscapes and natural processes are preserved; and where vibrant and diverse peoples actively participate in the equitable and sustainable management and use of natural

⁹ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question

resources. The proposed project is especially well aligned to the following strategies of this regional plan: (i) Organize a well-managed protected area network across the Eco-region; (ii) Encourage collaborative management through involvement of all stakeholders, from national governments to NGOs and local communities; (iii) Conserve and restore endangered species; (iv) Promote trans-boundary cooperation. The Achara region is part of one of the geographic priorities of the ECPC.

The National Biodiversity Strategy and Action Plan (NBSAP, 2005) for Georgia lays out the country’s vision for biodiversity conservation. The key priorities listed in the NBSAP of relevance to this project include the development of a protected area system that ensures conservation and sustainable use of biological resources, the development of a biodiversity monitoring system and an active and integrated biodiversity database to ensure sustainable use and conservation of biological resources, the raising of public awareness of biodiversity issues, and the encouragement of public participation in the decision making process. The development of new NBSAP has been initiated in Georgia in 2012 to be completed and launched in 2013.

National Tourism Development and Investment Strategy for the Republic of Georgia (March 2008), especially under the following strategic objectives: 1) Attractions and Experiences: Revitalize, protect and improve existing attractions and identify new attractions to meet market demand; and 2) Destination Management: Improve infrastructure and visitor services. Conserve natural environment and cultural heritage through sustainable tourism development. The Sustainable Development Strategy, that is legally required in Georgia, is not developed yet. This is an important document that theoretically would ensure the balance of economic development and environmental interests.

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.

In line with the approved PIF, the proposed project is programmed under the GEF Biodiversity Focal Area, Strategic Objective One: Improve sustainability of Protected Areas (PA). The project will support the implementation of the CBD 2011 – 2020 Strategic Plan and the CBD’s Programme of Work on Protected Areas (PoWPA) that was reaffirmed in Nagoya, Japan in 2011. In particular the project is in line with the PoWPA through the establishment and strengthening of national systems of PA, strengthening regional networks and transboundary PAs and collaboration between neighboring PAs across national boundaries, and substantially improving PA planning and management. Further, the project will implement innovative types of PA governance, promote equity and benefit sharing and enhance and secure involvement of local communities and stakeholders in the management of protected areas, all in line with the CBD’s PoWPA.

Project Contribution to GEF Indicators

GEF Strategic Program	Expected Outcomes	GEF Indicators	Project Contribution to GEF Indicators
Improved Sustainability of Protected Area Systems	1. Improved ecosystem coverage of under-represented terrestrial ecosystems areas 2. Improved management of terrestrial protected areas	1. Terrestrial ecosystem coverage in national protected area system 2. Protected area management effectiveness as measured by tracking tools	1. Effective protected area coverage increased from a baseline of 33,659 ha to 42,392 ha. 2. National coverage of the Colchic Temperate Rain Forest within PAs increased by at least 25% 3. Management Effectiveness Score for 4 out of 5 PAs in Achara region increased over the baseline score by at least 5%. 4. Capacity Development Scorecard increases from a baseline scores of Systemic 14, Institutional 21, Individual 9 by at least 40%

The Project, furthermore, directly contributes to achievement of the Aichi Targets, in particular under the strategic goal C: To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity. It contributes to Target 11 through increasing the coverage and connectivity of the PA system in important regions with high biodiversity importance and significant ecosystem services, and by increasing management effectiveness of the PA system.

Rationale and summary of GEF Alternative

The Government of Georgia is requesting GEF support through this project to remove, in an incremental manner, the existing barriers to promoting a viable, representative and effectively managed PA-approach to the conservation of biodiversity in the Achara region of Georgia. The requested investment is strategic, targeting the most urgent needs. Specifically, support will be focused on addressing the emerging threats to biodiversity in the Achara region and to consolidating the PA estate in the region. This will be achieved through support to the operational establishment of a new national park and improved management effectiveness of 3 existing PAs, development of mechanisms for greater participation and role of local communities in PA management, and long term development and financial planning to ensure appropriate sustainable tourism and natural resource use and PA sustainable financing.

A.3 The GEF Agency's comparative advantage:

Since 2013, UNDP has a Corporate Strategy on Biodiversity and Ecosystems Management. Protected Area Strengthening is one of its 3 signature programs. On a national level, UNDP's comparative advantage has improved since the PIF was approved due to the signing of a new project in Achara "Support for Agricultural Development in the Achara Autonomous Republic" which builds on past rural livelihood initiatives and which will, through integrated joint effort, provide important support to the outputs of the project. In particular, the new project will provide support and follow-through on key livelihood support issues with communities around the project target PAs and help reduce the management costs via shared office and administrative costs.

A.4. The baseline project and the problem that it seeks to address:

The project is designed in close compliance with the objectives, outcomes, components, GEF budget and co-financing specified in the PIF. There has been no change in the GEF budget totals or in the allocation of budgets across outcomes.

Changes in co-financing include: an addition of two additional co-financers i.e. US Dept. Of Interior (USD40,000), and Government of the Autonomous Republic of Achara (USD 7,638,036); an increase in co-financing from Caucasus Nature Fund (from USD 304,272 to 317,000); an increase in WWF co-financing (from USD50,000 to USD 100,000); a slight reduction in KfW co-financing (from USD 2,335,500 to 2,317,063) and a reduction in UNDP contribution from USD 150,000 to USD 40,000. Total co-financing has increased from USD 5135,262 at the PIF stage to USD 13,605,142. Additionally, USD 275,853 of EU funds are provisionally planned for relevant activities in the project area (Mtirala NP and HQ capacity development). The additional funds generated for co-financing have evolved from the fact that, during the PPG stage, the threat reduction activities turned out to be more costly than previously estimated, thus warranting more co-financing.

All the quantitative targets from the PIF have been maintained and added to in the Logical Framework, but some slightly adjusted to reflect new information. For example, since the PIF approval the new Machekhela National Park was legally established covering 8,733 ha, not the 10,993 ha originally planned.

Adjustments have also been made to the sections describing threats and barriers in order to respond to STAP review recommendations. Threats have been more clearly defined in terms of project target PAs and the baseline situation in each. Barrier Two has been reformulated from reading "Biogeographically deficiencies" to "Barriers to the development

of a PA that can effectively address biogeographically deficiencies within the region”. Revised text regarding this barrier is provided in the Project Document.

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Incremental Cost Justification:In the Achara region the business-as-usual scenario in the next few years without the GEF investment in the project is one where: (1) a new PA (Machakhela National Park) remains an under-funded paper park for quite some time, (2) infrastructural, tourism and agricultural developments will continue to isolate the Mtirala-Kintrishi PA complex creating a “green island in a sea of development” and fragmentation of the remaining forests outside these PAs will occur, lowering the adaptive capacity of the ecosystems to sustain threats; (3) PAs will have limited opportunity to apply adaptive management and a weak planning and enforcement framework will be in place in buffer/corridor areas outside official protected areas; (4) the financing of the Mtirala, Kintrishi and Machakhela PAs will remain below optimum and piece-meal, depending on donor interest, without a strategic investment plan; (5) local communities will be in conflict with PA authorities as they perceive biodiversity conservation as a cost to their living standards; (6) key stakeholders involved in the management of biodiversity inside PAs and adjacent to PAs will not collaborate effectively and (8) biodiversity will continue to be lost due to overharvesting and illegal extraction/hunting and species with large ranges will become locally extinct due to habitat loss and fragmentation of the forests.

In the alternative scenario enabled by the GEF Machakhela NP, Mtirala NP and the Kintrishi PA complex, together with the adjacent Jamili Biosphere Reserve in Turkey will in combination become effective tools for the long term sustainable conservation of the globally unique Colchic temperate rainforest. Staff will have sufficient capacity to effectively manage the PAs and be adaptable in the face of changing threats including climate change. Systematic, cost effective monitoring and evaluation systems will ensure a solid information base upon which to make management decisions. Local communities will have an active role in decision making and management and a significant stake in ensuring the long term conservation objectives of the reserve are met. Inappropriate tourism and infrastructural development (particularly small hydro-electric units) will be prevented or their impact mitigated. The Government of Georgia will continue to provide basic financing but each PA will have in place and be implementing a systematic plan to ensure additional adequate and sustained financing is available to undertake planned management. As a result the Achara region successfully maintains Colchic forest biodiversity and habitat loss and fragmentation is limited. Maintenance of connectivity between large areas of well protected forest increases the chances of long term survival of species vulnerable to “island” effects and increases the resilience of sensitive species to climate change.

Global benefits. The GEF funding will secure the conservation status of biodiversity in the critical areas within the Achara region. It will deliver global benefits through facilitating the expansion of the PA network (added biogeographic representation and functional connectivity) and improving the effectiveness of PA management. In particular, the conservation status of the following globally-threatened plant and animal species will be improved: Mediterranean Horseshoe Bat (*Rhinolophus euryale*), Mehely’s Horseshoe bat (*Rhinolophus mehelyi*), Barbastelle (*Barbastella barbastellus*), Bechstein’s Bat (*Myotis bechsteinii*), Greater Spotted Eagle (*Aquila clanga*), Clark’s Lizard (*Darevskia clarkorum*), Caucasian Viper (*Vipera kaznakovi*), Caucasian Salamander (*Mertensiella caucasica*) and Apollo Butterfly (*Parnassius apollo*). This project will result in ecological sustainability in the Achara Region, which will result in benefits (goods and services) that will be produced ecosystem-wide. Ecosystem goods and services will include soil protection, water provision (quality and quantity), flood control, carbon sequestration, carbon storage, tourism attractions and increased resilience and self-repair of ecosystems from other stresses e.g. increase surface temperature.

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

The risk table has been updated as below. Changes include one additional risk and clarification/strengthening of the management strategy of another.

The additional risk is regarding the possible resistance from within the key national institution to more “de-concentration” (or devolution) of management and resources control to PA Administrations (something which would potentially improve management adaptability and cost-effectiveness). Such resistance is expected given the historical context. The PA system was initiated in the highly centralized Former Soviet Union. Following independence, a period of instability and a weak state caused the near collapse of the PA system and thus the government had to once again restore strong centralized control. However, after a decade of systematic and positive financial and managerial investment in the PA system by the government and donors there is recognition that further improvements in the system require greater “de-concentration” (devolution) of decision making to PA Administrations. Initiating such changes will inevitably face some resistance. For this reason such changes need to be well argued, made in an incremental manner and closely monitored. The evidence of positive results and benefits from such changes will help win greater support for further such efforts. Though the risk of facing some resistance to such changes is high, it is not expected that such resistance will be difficult to overcome. Thus the evaluation of risk is estimated as moderate. The project and partners (EU Twinning project in Mtrirala NP and KfW supported work in Kintrishi PA complex) will undertake targeted efforts to build both PA level capacity to take on more responsibility and central willingness to release it.

In response to concerns expressed in the PIF reviews the risk from impacts from climate change undercutting conservation efforts was re-evaluated. As a result the risk has been increase from low to moderate in recognition of the vulnerability Achara mountain ecosystems and species have to forecast changes. The management strategy for addressing this risk has also been added to in order to make them more specific as recommended by the STAP .

The other risk assessed levels remain unchanged.

Risk	Rating	Management Strategy
Conflicts and misunderstanding among public institutions, private sector partners, NGOs and resource users undermine partnership approaches and implementation of cooperative governance arrangements	Moderate	Where possible, formal agreements/MOUs will be used to define roles and responsibilities. Training will be provided to stakeholders on governance and conflict resolution. Activities will be designed and implemented in a win-win manner, beneficial to all, as far as possible. The sustainable development of the landscape will be emphasized with arguments that are supported with long-term economic forecasts
The Government fails to commit sufficient financial support to new protected area’s planning and operations, and protected areas are unable to finance the subsequent shortfall	Moderate	The project will firstly consider the most appropriate institutional set-up for the management of the PA, based on cost-effectiveness reasoning and ability to fund raise. The incorporation of the local community on the management board of PA will reduce cost as the presence of local community in the area and their cooperation with PA authorities will reduce the cost of enforcement. Additionally, NGOs, with their fund-raising abilities will be welcomed and made part of the management structure. Private sector partners, interested in investing in the PA, will also be incorporated. Further, the project will develop realistic, robust business plans for the PAs to ensure long-term financial sustainability. The project will also broker additional financial commitments from government to support the expanded protected area system. The financial sustainability of the protected area system in Georgia has also being addressed through other initiatives, namely through the GEF-funded projects “Catalysing Financial Sustainability of Protected Areas of Georgia” and “Ensuring Sufficiency and Predictability of Revenue for Georgia’s Protected Area System”. The experience and lessons from these projects are being applied by the government

Risk	Rating	Management Strategy
		and donors and will be utilized by the project. The Georgian economy is also growing briskly and the financial wherewithal of the government to address PA financial needs is improving.
Current institutions have inadequate capacity or resources to manage protected areas	Moderate	The project will review the capacities of the different actors in the project and ensure that the gaps identified will be addressed before project end. APA staff has limited capacity in collaborative approaches and in engaging the local community in PA management; this capacity will be improved through tailored training and learning-by-doing. The local community and the private sector again lack experience and capacities in PA management and in undertaking collaborative activities with state actors, which will be addressed through training, but also through engaging in the partnership management and learning from experienced PA managers from APA and the NGOs.
Current institutions show limited support for “de-concentration” ¹⁰ management authority to PA Administrations or to changes needed to improve PA management cost-effectiveness	Moderate	The Project partners (EU Twinning Project) include activities to initiate discussion on de-concentration issues and the incorporation of agreement on this into standard management and operational plans. The project, through a detailed analysis of the current cost effectiveness of PA management in the target PA’s in Achara, and the identification of ways to improve cost effectiveness, will provide a rational basis to further the discussion and help resolve internal resistance to necessary changes. In Machekhela NP the project will help insure greater devolution of management and resources control (both state budget and self-generated funds) in the process of management plan and “business” planning and initial practical implementation of such plans.
Ecosystems are not sufficiently resilient and their biological and physical integrity is incrementally compromised by the effects of global and regional climate change	Moderate	The design of a more representative, comprehensive and adequate system of PAs in the Achara Region will seek to integrate the PA system needs into the country’s evolving climate change adaptation strategy. This, combined with integration of PA management within the wider landscape will provide improved functional connectivity for species (both fauna and flora) to adapt to climate change. The removal of threats, pressures and stresses that impact the biodiversity of this region, will also ensure that ecosystems are more resilient to the impacts of climate change and therefore less vulnerable to its effects. Finally, site-level protected area managers, private sectors individuals and members of local communities will be trained to better understand the likely impacts of CC on biodiversity/ecosystems, to better monitor changes, be better able to apply adaptive management and to adopt conservation and management strategies for mitigating CC effects and enhancing resilience. This will include practical experience in applying relevant practical actions included into management planning that increase resilience and tracks impacts.

Note: See Risk Assessment Guiding Matrix on page 77 of Project Document.

A.7. Coordination with other relevant GEF financed initiatives

There have been two recent GEF financed initiatives related to the Georgian Protected Areas system i.e. “*Catalyzing Financial Sustainability of Georgia’s Protected Areas System*” Project, and “*Ensuring Sufficiency and Predictability of Revenues for the Protected Areas Systems*” Project. The “*Catalyzing Financial Sustainability of Georgia’s Protected Areas System*” Project has recently operationally closed and set out to strengthen the financial sustainability of the protected area system through legal/policy/regulatory reform, development of capacities and the field demonstration and testing of new financial tools and of new public/private partnerships. The “*Ensuring Sufficiency and Predictability of Revenues for the Protected Areas Systems*” Project is still ongoing and securing long-term financial sustainability through addressing such barriers as the insufficiency and unpredictability of revenue sources and the poor business planning capacities as well as the cost inefficiencies of site management. Both of these projects were implemented with

¹⁰ “De-concentration” is the accepted phrase used in Georgia to refer to decentralization (devolution of resources and management control from centre to regional, district, field levels)

UNDP's support by the Agency for Protected Areas. Experts from these projects were utilized during the development of this project and the experience, products and lessons learned in regard to PA financing will be directly utilized by this project during its implementation. A Technical Working Group will be established that ensembles technical experts on PAs in Georgia and all the related projects in Achara will be represented on this group. Regular meetings will be held between the different projects to leverage synergies and ensure efficiency in implementing the projects. The studies conducted and information gathered under the other projects will be integrated into project development and implementation. Appropriate lessons from Georgia in dealing with protected area management related subjects will also be of importance. Further, specific Protected Area Management Co-ordinating Units will be established in the Mtirala and Kintrishi Protected Areas to coordinate and streamline the work and assistance of various partners, including NGOs, local governments and local communities. KfW, CNF and WWF will be represented on these Co-ordinating Units. The Public-Civil Society-Community Partnership Board, to be established for the Machakhela National Park and which will oversee the management of the park, will be responsible for this coordinating task, with WWF and CNF as partners represented. At a strategic level, the various projects in the Achara region related to, and affecting the PAs will be coordinated through the central body of the Agency of Protected Area, as the main coordinating partner for all nature protection projects in Georgia.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

STAKEHOLDER AGENCY	INVOLVEMENT	REFERENCE TO PROJECT
Agency of Protected Areas (APA), MoEP	APA is the specific agency within MoEP responsible for direct management and development of the Georgian PA system. Responsible department of National Implementation agency (MoEP) with direct responsibility for implementation; appoints National Project Director to chair the PEB.	All project Outputs and project governance (chairs Project Executive board)
Ministry of Culture	Relevance to this project is its interest in the conservation of historical and cultural monuments including those that can be found inside the Machakhela National Park. Needs to be included into consultations during management planning of PA's in regard to preservation of culturally important monuments and landscapes.	Output 2.2
State Border Service	Responsible for State border protection. Need to be consulted in regard to improving if possible transboundary movement with Turkey (Jamili BR) and issues of access and protection along Turkish border part of Machakhela NP	Output 2.2 Output 2.3
Cross-border Working Group: Georgia Machakhela NP-Turkey Jamili Biosphere Reserve	Inter-governmental interests in cooperation between two protected areas with active common work in eco-tourism and infrastructure.	Output 2.3
Department of Agricultural Development and Agro-Service Center under Ministry of Agriculture of Achara	Role in the project related to improvements of livelihood levels and sustainability. Links with the project will be built via the project implementation partner, UNDP project "Support for Agricultural Development in the Achara Autonomous Republic" project	Output 1.2 Output 2.3
Achara Tourism Association	Formed by tour companies in Achara region to play a coordinating role between private, public and international organizations and contribute to promotion and facilitation of tourism industry together with Georgian Tourism Association. Will be involved in tourism aspects of management plan development and implementation.	Output 1.2 Output 2.2 Output 2.3
Local Government Bodies: mainly the Municipality of Kobuleti, but also Khelvachauri, and Keda	Activities related to strengthening local-governance through public service delivery, infrastructure, revenue, local socio-economic activities, etc. Key players for the practical implementation of field level activities. Need to be closely liaised with. Will be members PEB and Technical coordination group.	Project governance (representation on PEB) Output 1.2 Output 2.1 Output 2.2 Output 2.3

Administrations of Mtirala NP, Machakhela NP and Kintrishi SR.	Main field level beneficiaries and target stakeholders for the project. Will play a central role in all activities.	All Outputs
Kobuleti, Khelvachauri and Keda Forestry Departments of the Forestry Agency under the Environment Protection and Natural Resources Agency of Achara	Forest management around PAs including social wood-cutting for local population. Have close relationships with local governments, local PA authorities and the community within municipalities. Important players in terms of management of forest blocks adjacent to target PAs and thus vital to coordinate effectively and involve into management planning process.	Output 1.1 Output 1.2 Output 2.1 Output 2.2 Output 2.3
Local people living within and adjacent to the National Parks and State Reserves - Villages whose inhabitants' daily activities are naturally connected to the PAs	Directly involved in almost all aspects of the project from Management plan development to sustainable resource use.	
WWF	An important player both regionally (Caucasus region), nationally and in Achara. Has local capacity and experience. In project context will mainly be involved in trans-boundary issues.	Output 2.3
EU Twinning Project:	Project will coordinate closely with EU Twinning Project: Strengthening Management of Protected Areas of Georgia which will co-finance activities in Mtirala NP and help build capacity at national level relevant to achieving project objectives. EU project staff will be part of Technical coordination group.	Output 1.1 Output 1.2 Will be part of Technical coordination group
KfW	Long term interest and support to Caucasus region conservation efforts. Directly interested in the Kintrishi PA complex as part of planned support to improve conservation management in Georgia.	Output 1.1 Output 1.2 Will be part of Technical coordination group
US Dept. of Interior (DoI)	As part of its overseas programme, the DoI provides support to Georgia in regard to management of Public Land. It has an existing interest in developing the trans-boundary relationship with Turkey (re. Machakhela and Jamili Reserves).USDoI staff involved in Transboundary efforts with Jamili BR will be part of Technical coordination group and project will undertake complementary activities on the basis of agreed work programme.	Output 2.3 Will be part of Technical coordination group
Caucasus Nature Fund (CNF)	The CNF will directly fund part of the management costs of Mtirala NP in future years	Output 1.2 Will be part of Technical coordination group

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCE/SCCF):

The socio-economic benefits of the project will derive from measures to promote the sustainable livelihoods of the rural populations (numbering 130,000 in the region), the maintenance of ecosystem services in Achara, particularly clean water supplies that are source of drinking water for the city of Batumi (150,000 population) and other nearby settlements, and by providing a basis to develop sustainable nature-based tourism. Rural populations have seen a drastic decline in incomes since the Soviet Union collapse but there is significant potential to reverse this trend if mechanisms for better marketing and sustainable production of local resource use are introduced and the tourism potential tapped into. The tourism industry, which is growing exponentially in the Achara region, provides an important local income earning opportunity. In relation to tourism, the unblocking of opportunities for the private sector to invest in the protected areas and tourism products associated with protected areas e.g. accommodation, tour guiding, will create sustainable jobs for members of the local communities. The increased tourist traffic will be the engine of growth for private sector investments which will lead to increased foreign exchange earnings at local level and employment opportunities for local communities. As tourism sector supports many other sectors e.g. catering, transport, the majority of the Achara population will benefit. Tourism can bring rapid economic development to

remote areas. The components of forest environments that are important to tourism include clean air, forested landscapes, and natural features (waterfalls, lakes, gorges, etc.) and an 'exotic' natural and cultural setting. The PAs, if well managed, will continue to provide these services. PAs also provide other ecosystem goods and services such as drinking water, carbon storage and soil stabilization. In the face of climate change, these roles all become more critical to enhance the adaptive capacity of local people to cope with climate change. Protected areas, by helping to maintain natural ecosystems, can contribute to physical protection against major natural disasters, which are predicted to rise with climate change. Although the scale of disasters generally depends on an aggregation of factors (e.g. building regulations, land use) in many cases ecosystem maintenance and forest protection can greatly reduce their impacts. Alternative forms of PA governance such as community conservation or joint management will be further developed to reduce conflicts over land and to promote long-term maintenance of protected areas for provision of benefits to stakeholders. The project's socioeconomic benefits also include social empowerment of men and women through participation in decision-making.

Assessment of specific local socio-economic benefits: The project and partners will mainly focus on supporting the greater involvement of local population in PA management and sustainable resource use in the context of establishing the Machakhela NP. Efforts will also be made to build on and entrench best practices in Kintrishi and Mitrala PAs. In order to reduce threats to the biodiversity of the PAs, actions within the management planning will be targeted at facilitating the improvement of the diversity, sustainability and value of local populations' livelihoods and use of biodiversity resources. In total it is estimated that the project and project partners will directly impact the socio-economic conditions of approximately 4,800 people (3,500 in Machakhela valley and 1,300 in Kernati valley). Additionally, the project and partners will follow up and compliment existing / past initiatives at Mitrala and Kintrishi PAs in order to better improve the sustainability of past efforts and learn useful lessons/best practices that can be applied in Machakhela NP. Thus it is also expected that the project and partners will positively impact approximately 1,000 people living in the Chakvistavi village within Mitrala NP, and 30-40 people within Kintrishi Protected Landscape. Indirectly it is estimated approximately 20,000 people living adjacent to the Mitrala and Kintrishi PAs should gain various levels of benefits in the long term from the effective management of the PA's and access to greater livelihood and socio-economic opportunities.

All the populations within the project target areas depend largely on local natural resource use and have all suffered very significant declines in incomes since independence due to loss of guaranteed markets (in former Soviet Union) and competition from imported goods. As a result more than 25% of the population is living under the poverty measure of \$ 2 a day. Currently, the major limiting factor for the economic situation of communities living in remote areas in and around the Achara PAs is the lack of any well established community governance structures or mechanisms for consolidation of agricultural, non-timber forest products (NTFP), tourism and cottage industry activities. This is a key barrier to communities being able a) to interact effectively and in a unified manner with PA Administrations and other local authorities, b). to effectively solve community level issues or problems that require collective action, c) to take effective advantage of economic opportunities that exist from agricultural, NTFPs, local handicrafts, or tourism, etc. The project and partners will therefore try to overcome this barrier through the provision of support for the establishment of effective self-governing community based organizations (CBOs), and the capacity building required to ensure these organizations can meet the interests and the needs of their constituents. Additionally, project partners (UNDP Agricultural Support Project), with the facilitation of the project, will help establish appropriate farmer cooperatives and provide agro-extension and business advisory services to build their farming, processing and marketing abilities, thus impacting the level of local incomes. It is expected that greater local level organization and technical knowledge will also significantly improve the local communities' ability to apply adaptive management and respond to external conditions and shocks (economic, political, climate change, etc.).

The involvement of women in the project is of great importance as the use of biodiversity products e.g. fuel wood and forest fruit is usually closely linked with the traditional rural women's role as is the development of traditional crafts and food processing. During the project inception the mandatory UNDP gender marker will be applied. This requires that each project in UNDP's ATLAS system be rated for gender relevance. This will for example include a brief analysis of how the project plans to achieve its environmental objective by addressing the differences in the roles and needs of women and men. Furthermore, gender marking implies the production of the following data by the project's year 2 and by its end: (i) Total number of full-time project staff that are women; (ii) Total number of full-time project staff that are men; (iii) Total number of Project Board members that are women; (iv) Total number of project Board

members that are men; (v) The number jobs created by the project that are held by women; and (vi) The number jobs created by the project that are held by men.

B.3.Explain how cost-effectiveness is reflected in the project design:

Analysis of the Georgian PA system (based on a comparison of current financing and staffing per km² of PA in Georgia with other countries in the region and internationally) suggests that significant opportunities for improving cost effectiveness exist. Furthermore, given the very high current dependence of the Georgian PA system on non-state (and mostly international) sources of funds to cover gaps in PA financing needs, it is clearly a priority to achieve better financial sustainability. In order to achieve PA financial sustainability, two factors i.e. costs and income (state budget and self-generated revenue) need to be addressed.

The project contributes to addressing PA financial sustainability through two strategic approaches: a) support to improving financial planning and the self-generation of additional funds (i.e. business planning support), and b) support to increasing the cost effectiveness of PA management practices and approaches. In the context of the latter (cost effectiveness), the project and its partners will focus on three basic approaches for achieving improvement of PA cost effectiveness in relation to management effort and conservation achievement.

Firstly, the project will assist APA and the Administrations to identify ways within the project target PAs in which to streamline and improve the efficiency of the PAs' core management tasks, including enforcement activities, scientific research, ecological management (disease, alien species and fire control, etc.), tourism and other revenue generation management. Having helped identify various methods and approaches to increase cost efficiency of management, the project will assist PA Administrations to practically apply them during the initial implementation of updated or new Management Plans in order to practically test and evaluate their feasibility and benefits. A detailed analysis of the impact of these introduced methods and approaches will be made towards the end of the project and on that basis clear recommendations and guidelines of how to replicate them throughout the system will be made.

Secondly, the project will facilitate the greater participation and practical involvement of local communities in the management of the PAs, specifically: monitoring data collection, surveillance, and ecological management (within traditional use zones and support/buffer zones). This partial delegation of tasks, and the shifting of PA Administrations role from being direct executors of such tasks to being regulators, will reduce both the level of material and time investments required from the PA Administrations and thus generate cost savings. Furthermore, greater benefit sharing and increased "ownership" of the local communities should reduce conflicts and the enforcement costs related to them which should further reduce management effort and costs. Once again, the project will undertake an assessment during its terminal phase of the activities related to improving community participation in PAs which will include evaluating their impact in terms of overall management effectiveness, and impacts in terms of cost effectiveness.

Finally, the current highly centralized system, and lack of flexibility afforded to PA Administrations, inevitably results in inefficiencies. Thus, activities will be undertaken by the project and its implementation partners that will encourage greater de-centralization of management control to PA Administrations, and increased their capacity to be accountable and apply adaptive management that adjust to practical management challenges. It is expected that this will reduce unnecessary effort and increase over cost-effectiveness of PA management.

C. DESCRIBE THE BUDGETED M & E PLAN:

The project's Monitoring & Evaluation (M&E) framework will build on the UNDP's existing M&E Framework for biodiversity programming. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from the UNDP/GEF Regional Coordination Unit in Bratislava, Slovakia. The Strategic Results Framework in Section II, Part I, provides performance and impact indicators for project implementation along with their corresponding means of verification. The METT tool and Capacity Assessment Scorecards will all be used as instruments to monitor progress in PA management effectiveness. The M&E plan includes: inception report, project implementation reviews, quarterly and annual review reports, a internal mid-term review and final evaluation. The following sections outline the principle components of the Monitoring and Evaluation Plan and indicative cost estimates related to M&E activities. The project's

Monitoring and Evaluation Plan will be presented and finalized in the Project's Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Inception Phase

A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit within 3 months of project start up. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goal and objective, as well as finalize preparation of the project's first annual work plan. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise, finalizing the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF team which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Review Report (ARR), as well as mid-term and final evaluations. Equally, the IW will provide an opportunity to inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget re-phasing. The IW will also provide an opportunity for all parties to understand their roles and responsibilities within the project's decision-making structures, including reporting and communication lines.

A detailed schedule of project review meetings will be developed by project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Project Executive Board Meetings (PEBM) and (ii) project related Monitoring and Evaluation activities. Day-to-day monitoring of implementation progress will be the responsibility of the Project Manager (PM) based on the project's Annual Work Plan and agreed indicators. The PM will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. The PM will also fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

Measurement of impact indicators related to global biodiversity benefits will occur according to the schedules defined in the Inception Workshop, using METT scores, assessments of forest cover, wildlife movements and other means. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the Implementing Partner, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities. Annual Monitoring will occur through the Project Executive Board Meetings. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to PEBM four times a year. The first such meeting will be held within the first six months of the start of full implementation.

A terminal PEB meeting will be held in the last month of project operations. The PM is responsible for preparing the Terminal Report and submitting it to UNDP-CO and UNDP-GEFRCU after close consultation with the PEBM. It shall be prepared in draft at least two months in advance of the terminal PEBM in order to allow review, and will serve as the basis for discussions in the PEBM. The terminal meeting considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its objectives and contributed to the broader environmental objectives. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation.

UNDP Country Offices and UNDP-GEFRCU as appropriate, will conduct yearly visits to project sites based on an agreed upon schedule to be detailed in the project's Inception Report/Annual Work Plan to assess first hand project progress. A Field Visit Report/BTOR will be prepared by the Country Office and UNDP-GEFRCU and circulated no less than one month after the visit to the project team, all PEB members, and UNDP-GEF.

Project Reporting

The PMU, in conjunction with the UNDP-GEF extended team, will be responsible for the preparation and submission of the following reports that form part of the monitoring process. The first six reports are mandatory and strictly related to monitoring, while the last two have a broader function and their focus will be defined during implementation.

A Project Inception Report will be prepared immediately following the Inception Workshop. It will include a detailed First Year Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan will include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may affect project implementation. When finalized, the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

The Annual Project Report/ Project Implementation Review (PIR) must be completed once a year. The APR/ PIR is an essential management and monitoring tool for UNDP, the Executing Agency and Project Coordinators and offers the main vehicle for extracting lessons from on-going projects at the portfolio level.

Quarterly progress reports: Short reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEFRCU by the project team, headed by the Policy Specialist using UNDP formats.

UNDP ATLAS Monitoring Reports: A Combined Delivery Report (CDR) summarizing all project expenditures, is mandatory and should be issued quarterly. The PM will send it to the PEB for review and the Executing Partner will certify it. The following logs should be prepared: (i) The Issues Log is used to capture and track the status of all project issues throughout the implementation of the project. It will be the responsibility of the PM to track, capture and assign issues, and to ensure that all project issues are appropriately addressed; (ii) the Risk Log is maintained throughout the project to capture potential risks to the project and associated measures to manage risks. It will be the responsibility of the PM to maintain and update the Risk Log, using Atlas; and (iii) the Lessons Learned Log is maintained throughout the project to capture insights and lessons based on the positive and negative outcomes of the project. It is the responsibility of the PM to maintain and update the Lessons Learned Log.

Internal mid-term review: An internal no-cost mid-term review will be undertaken at the mid-point of the project lifetime. The mid-term review will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term.

Project Terminal Report: During the last three months of the project the project team under the PM will prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the

Project, lessons learnt, objectives met, or not achieved, structures and systems implemented, etc. and will be the definitive statement of the Project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure the long term sustainability and the wide replicability of the Project's outcomes. It will be drafted prior to the conduction of the independent terminal evaluation and finalized after. In this way it will both contribute to the understanding of the evaluators and can benefit in its final version from the TE conclusions and evaluators comments.

Periodic Thematic Reports: As and when called for by UNDP, UNDP-GEF or the Implementing Partner, the project team will prepare Specific Thematic Reports, focusing on specific issues or areas of activity. The request for a Thematic Report will be provided to the project team in written form by UNDP and will clearly state the issue or activities that need to be reported on. These reports can be used as a form of lessons learnt exercise, specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered.

Technical Reports are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List, detailing the technical reports that are expected to be prepared on key areas of activity during the course of the Project, and tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent APRs. Technical Reports may also be prepared by external consultants and should be comprehensive, specialized analyses of clearly defined areas of research within the framework of the project and its sites. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national and international levels.

Project Publications will form a key method of crystallizing and disseminating the results and achievements of the Project. These publications may be scientific or informational texts on the activities and achievements of the Project, in the form of journal articles, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. of these Reports, or may be summaries or compilations of a series of Technical Reports and other research. The project team, under the PM, will determine if any of the Technical Reports merit formal publication, and will also (in consultation with UNDP, the government and other relevant stakeholder groups) plan and produce these Publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget.

Independent Evaluation, Audit and Financial Reporting

The project will be subjected to an independent external evaluation. An independent Final Evaluation will take place three months prior to the terminal Project Executive Board meeting, and will focus on evaluating the overall impact of the project in the context of its goal, objectives outcomes and outputs. The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the UNDP-GEF Regional Coordinating Unit.

Learning and Knowledge Sharing

Results from the project will be disseminated both within and beyond the project intervention zone through a number of existing information sharing networks and forums. On-going internal assessment by PMO staff will help to collate lessons learned, and will seek to identify what the project team considers to be useful and practical information to gather and analyze. Because this requires additional effort, time and funds, an associated budget has been included for this.

In addition, the project will participate, as relevant and appropriate, in UNDP/GEF sponsored networks, organized for Senior Personnel working on projects that share common characteristics. UNDP/GEF Regional Unit has established an electronic platform for sharing lessons between the project coordinators. 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 though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identify and analyzing lessons learned is an on-going process, and the need to communicate such lessons as one of the project's central contributions is a requirement to

be delivered not less frequently than once every 12 months. UNDP/GEF shall provide a format and assist the team in categorizing, documenting and reporting on lessons learned.

Capturing and sharing knowledge and lessons learned will constitute an important component of the project and an essential way to ensure sustainability and replicability of project achievements. This project element cuts across all project components. It is also noteworthy that most field areas are unable to receive electronic information, therefore reliance on printed materials will be high.

Communication and Visibility Requirements

Full compliance is required with UNDP's Branding Guidelines and guidance on the use of the UNDP logo. These can be accessed at <http://web.undp.org/comtoolkit/reaching-the-outside-world/outside-world-core-concepts-visual.shtml>. Full compliance is also required with the GEF Branding Guidelines and guidance on the use of the GEF logo. These can be accessed at http://www.thegef.org/gef/GEF_logo. The UNDP and GEF logos should be of the same size. When both logos appear on a publication, the UNDP logo should be on the left top corner and the GEF logo on the right top corner.

Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines").¹¹ 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.

Audit Clause

The Government will provide the Resident Representative with certified periodic financial statements, and with an audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted according to UNDP financial regulations, rules and audit policies by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

Table 5. M&E Activities, Responsibilities, Budget and Time Frame

Type of M&E activity	Responsible Parties	Budget USD <i>Excluding project team Staff time</i>	Time frame
Inception Workshop	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO ▪ UNDPGEF 	\$10,000	Within first two months of project start up
Inception Report	<ul style="list-style-type: none"> ▪ Project Team ▪ UNDP CO 	None	Immediately following Inception workshop
Measurement of Means of Verification for Project Purpose Indicators	<ul style="list-style-type: none"> ▪ Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members 	To be finalized in Inception Phase.	Start, mid and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual	<ul style="list-style-type: none"> ▪ Oversight by Project Manager ▪ Monitoring and Evaluation Officer ▪ Project team 	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans

¹¹The 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

Type of M&E activity	Responsible Parties	Budget USD <i>Excluding project team Staff time</i>	Time frame
basis)			
ARR and PIR	<ul style="list-style-type: none"> ▪ Project Team ▪ UNDP-CO ▪ UNDP-GEF 	None	Annually
Quarterly progress reports	<ul style="list-style-type: none"> ▪ Project team 	None	Quarterly
CDRs	<ul style="list-style-type: none"> ▪ Project Manager 	None	Quarterly
Issues Log	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO Programme Staff 	None	Quarterly
Risks Log	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO Programme Staff 	None	Quarterly
Lessons Learned Log	<ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO Programme Staff 	None	Quarterly
Internal mid-term review	<ul style="list-style-type: none"> ▪ Project team ▪ UNDP- CO ▪ UNDP-GEF Regional Coordinating Unit 	None	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> ▪ Project team, ▪ UNDP-CO ▪ UNDP-GEF Regional Coordinating Unit ▪ External Consultants (i.e. evaluation team) 	\$30,000	At least three months before the end of project implementation
Terminal Report	<ul style="list-style-type: none"> ▪ Project team ▪ UNDP-CO ▪ local consultant 	Funds are budgeted for local consultants to assist where needed	At least three months before the end of the project
Lessons learned	<ul style="list-style-type: none"> ▪ Project team ▪ Monitoring and Evaluation Officer ▪ UNDP-GEF Regional Coordinating Unit (suggested formats for documenting best practices, etc.) 	0	Yearly
Audit	<ul style="list-style-type: none"> ▪ UNDP-CO ▪ Project team 	\$3,000	Once during lifetime of project as per UNDP audit regulations
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP Country Office ▪ UNDP-GEF Regional Coordinating Unit (as appropriate) ▪ Government representatives 	Paid from IA fees and operational budget	Yearly
TOTAL INDICATIVE COST			
Excluding project team staff time and UNDP staff and travel expenses		USD 43,000*	


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 [Operational Focal Point endorsement letter\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE(MM/dd/yyyy)
Nino Tkhilava	GEF Operational Focal Point	Ministry of Environment Protection of Georgia	9 March 2012

B.GEFAGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu, UNDP/GEF Officer-in-Charge and Deputy Executive Coordinator, UNDP		October 23, 2013	Maxim Vergeichik Regional Technical Advisor for Biodiversity, Europe and CIS, UNDP	+421 259337299	maxim.vergeichik@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP: <u>Expected CPO</u> 3.2.1. Sustainable practices and instruments for the management of chemicals and natural resources, including land, water and biological resources demonstrated at pilot areas and up-scaled at national and/or trans boundary levels <u>Output:</u> Financial and operational sustainability of PA increased
Country Programme Outcome Indicators: 3.2 Underlying disaster risk factors are reduced, focusing on sustainable environmental and natural resource management
Primary applicable Key Environment and Sustainable Development Key Result Area: Strengthen national capacity to manage the environment in a sustainable manner while ensuring adequate protection of the poor.
Applicable GEF Strategic Objective and Program: <u>Objective 1</u> Improve sustainability of protected area systems
Applicable GEF Expected Outcomes: <u>Outcome 1.1</u> Improved management of existing and new protected area
Applicable GEF Outcome Indicators: <u>Indicator 1.1</u> Protected area management effectiveness as recorded by Management Effectiveness Tracking Tool

Project Strategy	Indicator	Baseline value	Target by end of Project	Sources of verification	Risks and Assumptions
Objective: To enhance the management effectiveness, biogeographically coverage and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region	Protected Area Coverage within the Achara Region increased	30,469 ha	39,202 ha.	Official APA and Achara Region statistics.	Risk: That Government will not remain committed to the maintenance and financing of the existing PAs and not make the necessary investments needed to establish Machakhela NP Assumption: That Government of Georgia and Achara Region will act on legal gazettelement of Machakhela NP and continue to support other PA's and will fully meet investment and recurrent costs for management.
	Increased national and Achara PA Coverage of the Colchic Temperate Rain Forest by at least 1% and 5% respectively	Nationally: 10.7% Achara: 15%	Nationally: 11.7% Achara: 20%	Official APA and Achara Region statistics.	
	Capacity development indicator score for protected area system	Systemic: 14% Institutional: 21% Individual: 9%	Systemic: >20% Institutional: >29% Individual: >13%	Project review of Capacity Development Indicator Scorecard	
	Management effectiveness for Kintrishi PA Complex, Mtirala NP and Machakhela NP measured by METT scorecard	Mtirala NP METTscore:68% Kintrishi State Reserve METT score: 62% Kintrishi Protected Landscape METT score: 58% Machakhela NP METT score: 11%	Mtirala NP METT score:> 73% Kintrishi State Reserve METT score: > 67% Kintrishi Protected Landscape METT score:> 63% Machakhela NP METTscore:71%	Project review of METT scorecard (every two years)	
Outcome 1: Enhanced PA Management Effectiveness in the Achara Region	No net increase in the illegal harvesting of wood and non wood forest products	Mtirala NP: 7.82 m ³ . ¹² Kintrishi PA Complex: 0 m ³ .	Mtirala NP: < 7.82 m ³ . Kintrishi PA Complex: 0 m ³ .	PA annual reports and project evaluation/progress reports	Risk: That activities to build effectiveness of PA Administrations will be hampered by continued limited autonomy to act

¹² Mean illegal extraction recorded between 2008 – 2011 (4 years)

Project Strategy	Indicator	Baseline value	Target by end of Project	Sources of verification	Risks and Assumptions
	Reduction or no increase in illegal activity measured by % of patrols resulting in arrests or fines ¹³	Mtirala NP: 1.3% (12 incidents, 915 patrols) Kintrishi PA Complex: 0.37% (1 incident, 267 patrols)	Mtirala NP: 1.3% or less Kintrishi PA Complex: 0.37% or less	PA annual reports and project evaluation/progress reports	and excessive centralization <u>Assumption:</u> That APA will allow sufficient “de-concentration” of management to allow more adaptive management.
<p>Outputs</p> <p>1.1 Enforcement and surveillance system strengthened in Kintrishi Protected Areas and Mtirala NP</p> <p>1.2 Reduced threats at source by constructive involvement of local communities in planning and co-management arrangements within the governance framework of 2 newly established community-based organizations.</p> <p>1.3 Future financial needs of the Kintrishi and MtiralaPAs addressed by developing mechanisms to generate finances on the scale needed to address emerging long term pressures on biodiversity</p>					
Outcome 2: PA System Expanded to increase functional connectivity of PAs in the West Lesser Caucasus	Extent (ha) of area surveyed, and formally proclaimed and managed as Machakhela National Park (IUCN Cat II)	0 ha	Machakhela National Park covering 8,733 ha by yr 2	Official Achara and Georgian state statistics	<p><u>Risk:</u> That economic or political conditions weaken commitment / possibilities to adequately finance required investments during project duration</p> <p><u>Assumption:</u> That Achara authorities and APA implement law establishing MachakhelaNP and provide adequate investments to establish suitable management.</p>
	Distance between the Mtirala/Kintrishi PA Complex and the nearest Forest Habitat PA	13 km to Jamili PA, Turkey	Less than 6 km to Machakhela NP	Boundary and Zonation documents and maps. Management plan document	
	Necessary infrastructure investment is made by APA and Achara authorities to establish effective management of the NP	Zero	Approx. 120,000 USD	NP Management board meeting minutes Project PIRs	
	Machakhela NP boundaries and zonation decided and participatory management plan in existence	Boundaries only provisionally demarcated and zonation not carried out	Clearly defined and consensually agreed boundaries and zones by yr 2 Consensually agreed Management plan exists by yr 3	Boundary and Zonation documents and maps. Management plan document.	
	Level of involvement of communities in the management and governance of the NP	N/A	Public-Civil Society-Community PA Planning and Management Governance Board established with proper representation and involvement of local communities in the planning and management	NP Management Board membership documents	

¹³ This measures records of illegal activity incidents as a proportion of patrol effort

Project Strategy	Indicator	Baseline value	Target by end of Project	Sources of verification	Risks and Assumptions
			of the Machakhela NP (by year 2)		
	<p>Outputs</p> <p>2.1 Functional establishment of a new IUCN Category II PA of 8,733 ha in the Machakhela Valley</p> <p>2.2 Public-Civil Society- Community PA Planning and Management Governance Board established and provided with a legal basis to manage the proposed Machakhela National Park.</p> <p>2.3 Established operational capacity at Machakhela National Park.</p>				

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Response	Reference in the project document
Comments from the GEF Council - Germany		
<p>Component 2 of the project includes the establishment of Public Private Partnerships (PPP) with hotel companies and catering services as a means of sustaining the financing of the Mtirala Protected Areas. It is recommended to include an independent Environmental Impact Assessment (EIA) as an integrated element of the partnerships to be set up.</p>	<p>Any tourism development undertaken within the PAs will automatically be required to undergo an EIA process in accordance with existing law. The project should work to ensure any such process is independent and unbiased and will build the capacity of PA administrations, municipality and local CBOs in this regard. The greater role of local communities in development planning should help ensure this is the case.</p>	<p>Page 36 (para3.3), 37 (para4), 43 (para.1)</p>
<p>It is also recommended to identify further options for sustainable financing of protected areas based on the results of the UNDP/GEF funded project “Catalyzing Financial Sustainability of Georgia’s Protected Areas System”.</p>	<p>The project design has been adjusted to specifically utilize the products and lessons learned from the UNDP/GEF funded project “Catalyzing Financial Sustainability of Georgia’s Protected Areas System”. Specifically this includes: financial gaps and opportunity assessments based on approach/methodology tested by the project; development of “business plans” using guidelines and standard format for Protected Areas Business Plans developed under the project. Experience from the project in terms of lessons learned, specific mechanisms for generating financing (such as ecosystem service payments, etc.) and best approaches (such as the need to involve local NGO’s) will be utilized when undertaking relevant activities in the project area</p>	<p>Page 37 (Para 3) Page 40 (footnote)</p>
<p>It is also noted that high quality trainings in effective management of protected areas are currently being implemented and offered in Georgia through a partnership with the US Department of Interior. It is recommended to investigate possibilities of extending the provided services to the Protected Areas in Adjara Region.</p>	<p>A range of collaborative opportunities on PA management training were pursued during the PPG with EU Twinning Project, KfW financed support to the PA system and in discussion with DoI. At the PPG stage it was not possible to specifically plan joint activities in detail but the project management arrangements includes the establishment of a ‘Technical Coordination Group’ to ensure that such synergies and opportunities are realized during implementation. Specific collaboration with DoI in terms of their existing and on-going cross-border efforts with Turkey was agreed and the possibility of their additional involvement in PA management training support was discussed and noted by UNDP for future reference and follow up as appropriate during the project inception phase.</p>	<p>Page 30 (row 1) Page 32 (row 6) Page 43 (Para. 1) Page 50 (Para. 3)</p>
<p>Possibilities for further cooperation for the establishment or updating of PA management plans will exist through the EU-Twinning Project “Strengthening Management of Protected Areas in Georgia” (GE12/ENP-PCA/EN/14), which is due to be launched in 2012.</p>	<p>This suggestion was also noted. Collaboration / co-financing with the EU Twining project in regard to MP development for Mtirala NP, and with KfW for Kintrishi NP have been worked out during the PPG and constitute a major part of these agencies co-financing of the project. In brief this mainly relates to the development of updated management plans for Mtirala (EU Twinning project), and Kintrishi PA complex (KfW), plus capacity development at PA Administration and HQ levels in regard to long terms systematic MP development and implementation (both EU Twinning Project and KfW financed activities).</p>	<p>Page 33 (para 3) Page 33 (para 3) Page 38 (para 8) Page 40 (Para 4)</p>

Comments from the GEF Secretariat		
All comments provided at PIF stage were addressed in order to gain PIF approval. The PIF was approved on 20 October 2011.	-	-
Comments from STAP		
The project objective, as it is phrased, may be too narrowly focused on forest ecosystem conservation since the project overall has a broader thrust, including PA system expansion through the establishment of Machakhela National Park, improving the management effectiveness of targeted PAs, as well as their connectivity, ecological and financial sustainability and resilience.	The objective has been adjusted to read <i>“To enhance the management effectiveness, biogeographically coverage and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region”</i>	Page 35 (last Para)
While the description of threats is adequate, they are nevertheless presented in a general manner and not tied very clearly to the specific proposed project locations.	Threats have been strengthened through additional details linking them to the specific project target PAs in the Project Document	Pages 25-26
There is a deficiency in information concerning the baseline conditions in each of the targeted areas. This should be addressed during project development.	Additional details have been provided in the Project Document concerning the baseline situation in each of the target PAs.	Pages 15-20
Concerning barriers, the second one is presented as being biogeographical deficiencies, referring to the fact that forest is under-represented in the national PA system at 9.7% and specifically the Colchic Forest Type (3% of national system). It is difficult to see this as nothing more than a statement of fact and not a barrier as such. The barrier would be the underlying reasons for preventing this coverage of forest from being higher.	Barrier Two has been reformulated from reading <i>“Biogeographically deficiencies”</i> to <i>“Barriers to the development of a PA that can effectively address biogeographically deficiencies within the region”</i> . Revised text regarding this barrier is provided in the Project document	Page 27 (last Para)
Further clarification is also required concerning the statement that these figures are also below the CBD COP10 agreed to target of 17%. Thus figure refers to the target for total terrestrial PA coverage and not forest exclusively.	This statement was based on a misunderstanding that the 17% target referred to the target for PA system coverage of forest ecosystems (rather than total terrestrial PA coverage). It has therefore been removed. The remainder of the PA system description in the PIF (Paragraph 8: PA System) is accurate.	Page 12 (Para 1)
Under Component 1, the development and implementation of an intelligence gathering system, using incentives to promote local communities' reporting on illegal activities, is proposed as one means of combating them. Reliance on this mechanism is questionable for reasons that are too well known.	The focus of this activity under Component 1 has been adjusted. The intention now is to utilize experience from other areas in the region (specifically Ukraine and Latvia) of involving local communities in overall ecological and management monitoring. This has proved effective in USA, East Asia, Southern Africa, W. Europe and other areas (for example MOMs approach in Namibia, Zambia, etc.) but is a new approach for the former CIS, and not yet tried in Georgia. However, experience indicates that in the context of weak state monitoring capacity such approaches can generate simple but useful data and in large amounts which allow it to be used for statistically valid analysis. Using this approach has multiple benefits including low cost and the involvement / ownership of community. Such data can be used to monitor changes in ecology, illegal and inappropriate activities by outside parties (tourists, hunters, construction, etc.), and practical impact of PA Administration management. It will promote collaboration	Page 36

	and trust building between the PA Administrations and communities while at the same time allowing the generation of low cost data of use to the PAs and Agency for Protected Areas (APA) and the scientific community.	
<p>The definition and assessment of risks is adequate and it is encouraging to see particular attention being given to the risks associated with climate change, given the mountainous context of the project. The rating of this risk nevertheless is presented as being low. Under the circumstances, it likely should be rated higher. The proposed management strategy to address this risk in particular is generally non-specific and thus somewhat unconvincing. Informing PA personnel, representatives of the private sector and local communities of the impacts of climate change does not necessarily automatically translate into the development and implementation of improved and effective adaptation and management strategies and practices.</p>	<p>In response to the comment the risk rating has been changed from low to moderate and the management strategy has been adjusted and now reads: <i>“The design of a more representative, comprehensive and adequate system of PAs in the Achara Region will seek to integrate the PA system needs into the country’s evolving climate change adaptation strategy. This, combined with integration of PA management within the wider landscape will provide improved functional connectivity for species (both fauna and flora) to adapt to climate change. The removal of threats, pressures and stresses that impact the biodiversity of this region, will also ensure that ecosystems are more resilient to the impacts of climate change and therefore less vulnerable to its effects. Finally, site-level protected area managers, private sectors individuals and members of local communities will be trained to better understand the likely impacts of CC on biodiversity/ecosystems and to be better able to apply adaptive management and to adopt conservation and management strategies for mitigating CC effects and enhancing resilience. This will include practical experience in applying relevant practical actions included into management planning that increase resilience and tracks impacts”</i></p>	Page 45
<p>Coordination mechanisms with the other ongoing programmes and projects will be of great importance to maximize efficiencies and draw benefits from past experiences.</p>	<p>In the management arrangements, in addition to the project executive Board, there will be established a project Technical Coordination Group – the purpose of this group to ensure practical field-level coordination and collaboration between the various planned and ongoing projects and programmes and this project</p>	Page 50 (para.3)

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹⁴

A. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

NA

B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF: \$			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date(26.07.2013)</i>	<i>Amount Committed</i>
Activity 1--Project Preparation*	80,000	61,267.66	18,732.34
Total	80,000	61,267.66	18,732.34

*Note: Project Preparation covers the following activities as per the PPG request: (1) Systemic and institutional capacity for managing the sub-system of wetland PAs, (2) Biodiversity status assessment and assessment of monitoring and reporting needs, adaptation of national level biodiversity health index, (3) Assessment of PA information and data management system in XUAR, (4) Wetland PA financing needs and management effectiveness assessment and PA site profiling, (5) Profiling of the Altai Mountains and Wetland Landscape (AMWL) PA cluster and initial design of co-management activities, and (6) Feasibility analysis and budget.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A

¹⁴If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.