PROJECT IDENTIFICATION FORM (PIF)
PROJECT TYPE: Full-size Project
TYPE OF TRUST FUND: GEF trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	**Expansion and Improved Management Effectiveness of the Adjara Region's Protected Areas**		
Country(ies):	Georgia	GEF Project ID:	4835
GEF Agency(ies):	UNDP	GEF Agency Project ID:	4732
Other Executing Partner(s):	Agency of Protected Areas (APA)	Submission Date:	March 14, 2012
GEF Focal Area (s):	BIODIVERSITY	Project Duration(Months)	48 months
Name of parent program (if applicable): ▪ For SFM/REDD+ [ ]	N/A	Agency Fee ($):	128,364

A. FOCAL AREA STRATEGY FRAMEWORK:

Focal Area Objectives*	Expected FA Outcomes	Expected FA Outputs	Indicative Financing from the GEF	Indicative Cofinancing ($)
BD -1 Objective 1: Improve Sustainability of Protected Area Systems	Outcome 1.1: Improved management effectiveness of existing and new protected areas (PAs) *Indicator 1.1: PA management effectiveness score as recorded by Management Effectiveness Tracking Tool*	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)	1,172,270	4,689,737
Project management cost			111,366	445,525
Total project costs			1,283,636	5,135,262

B. PROJECT FRAMEWORK

Project Objective: To enhance the management effectiveness of Protected Areas to conserve forest ecosystems in the Adjara Region

Project Component	Type	Expected Outcomes	Expected Outputs	Indicative Financing from GEF	Indicative Cofinancing ($)
Enhancing PA Management Effectiveness in the Adjara Region	TA	*Management effectiveness strengthened in the Kintrishi PA Complex and Mtirala National Park covering 29,699 ha- reducing threats from overexploitation of biological resources* *Indicators:* - Reduction in the unsustainable harvesting of wood and non-wood forest products - At least no net increase in wildlife poaching - Reduction of overgrazing of pastures in PAs[1] *Baseline figures and targets will*	1.1 Enforcement and surveillance system strengthened in Kintrishi and Mtirala PAs through: • A long-term monitoring and enforcement system in place and a platform for information sharing and intelligence gathering established between park authority and the local communities • Appropriate mechanisms and incentives in place to report illegal activities 1.2 Reduced threats at source by agreeing on land-use restrictions (e.g. grazing pressures, harvesting), roles and responsibilities in co-management of natural resources through newly established community-based organisations [exact number and overall area	382,273	2,696,645

[1] Measured through cost-effective estimates of biomass production e.g. Rising Plate Meter (a device consisting of a weighted disk on a measuring pole. At various places in a pasture, the plate is allowed to fall freely into vegetation. Height of plate is recorded. Plate meter readings are related to biomass because how far the disk falls depends on the height and density of the vegetation of the plot).

Project Component	Type	Expected Outcomes	Expected Outputs	Indicative Financing from GEF	Indicative Cofinancing ($)
		be defined during further project preparation. *Increase management effectiveness for Kintrishi PA Complex and Mtirala NP Indicator:* - Increased METT scores over baseline by at least 5% *[baseline to be determined during project preparation]* *Increased Conservation Status of Forests Ecosystem in the West Lesser Caucasus Mountain Range Indicator:* - Increased number of sightings of Chamois (*Rupicapra rupicapra*), Otter (*Lutra lutra*), Caucasian salamander (*Mertensella caucasica*) and Caucasian viper (*Vipera kaznakovi*) *[baseline to be determined during project preparation]*	to be covered by co-management agreements to be determined in PPG phase] 1.3 Future financial needs of the Kintrishi and Mtirala PAs addressed by developing mechanisms to generate finances on the scale needed to address emerging long term pressures on biodiversity by: • Assessment of the current and future financial gaps of PAs • Business plans[2] developed • Funds and mechanisms for future funding mobilised e.g. developing public-private partnerships for hotel and catering services in PAs		
PA System Expansion to increase functional connectivity of PAs in the West Lesser Caucasus	TA /INV	*Expansion of PAs (IUCN Cat II) through the establishment of Machakhela National Park covering 10,993 ha* *Increased National Coverage of the Colchic Forest Type by at least 25%* *Distance between large Conserved Habitat Blocks reduced in the Adjara region resulting in increased functional connectivity between PAs [Baseline determined in PPG]*	2.1 Gazettal of a new IUCN Cat II PA of 10,993 ha in the Machakhela Valley strategically placed between the Kintrishi and Mtirala PAs in Adjara Region and the Jamili Biosphere Reserve in Turkey through (i) Zoning and boundary demarcation based on land use planning and key data on the landscape (ii) Actual gazettal of 10,993 ha of land area. 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 5-year Machakhela NP management plan; (ii) An approved 5-year Business Plan[3], (iii) Annual Workplans and Financial Plans. 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 accommodation,	789,997	1,993,092

[2] and [2] Using guidelines and standard format for Protected Areas Business Plans developed under the GEF/UNDP project "Catalysing Financial Sustainability of Protected Areas of Georgia".

Project Component	Type	Expected Outcomes	Expected Outputs	Indicative Financing from GEF	Indicative Cofinancing ($)
			logistics, equipment), (iii) An established long-term ecological monitoring system[4] 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.		
Project management Cost:				111,366	445,525
Total project costs				1,283,636	5,135,262

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, ($)

Sources of Co-financing for baseline project	Name of Co-financier	Type of Co-financing	Amount ($)
National Government	Ministry of Ecology and Natural Resources	In-kind	440,672
National Government	Ministry of Ecology and Natural Resources	Grant	954,818
Regional Government	Municipality of Kvelvachauri	Grant	900,000
GEF Agency	UNDP	Grant	150,000
Bilateral Aid Agency	KfW	Grant	2,335,500
Private Sector	Caucasus Nature Fund	Grant	304,272
NGO	World Wildlife Fund for Nature	Grant	50,000
Total Co-financing			5,135,262

D. GEF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY[1]

GEF AGENCY	TYPE OF TRUST FUND	FOCAL AREA	Country name/Global	Grant amount (a)	Agency Fee (b)[2]	Total c=a+b
UNDP	GEF	Biodiversity	Georgia	1,283,636	128,364	1,412,000
Total GEF 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
[2] Please indicate fees related to this project as well as PPGs for which no Agency fee has been requested already.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. THE GEF FOCAL AREA STRATEGIES:

1. The project will seek to conserve globally significant biological diversity in the Adjara region of Georgia, through effective management of a cluster of protected areas and expanding the protected area estate. It will enhance the management effectiveness of the existing PAs (Mtirala and Kintrishi PAs) in order to increase the conservation status of the forest ecosystem, and particular that of the unique Colchic Forest type that is found in this region. The project, through the Agency of Protected Areas (APA), will put in place an enforcement and monitoring system and a platform for information sharing in collaboration with the local communities. Community-based organizations will be established in buffer zones of IUCN Category I- II protected areas and inside IUCN Category V PA and roles and responsibilities will be defined in the co-management of the natural resources with the park authority. Furthermore, in order to increase the representation of the forest ecosystem, and specifically the Colchic Forest type in the national PA system representation, a new protected area will be established, equipped and capacitated through this project. The proposed protected area is strategically placed between the existing protected areas in the Forest Ecosystem and the Jamili Biosphere Reserve in Turkey, thereby increasing the functional connectivity of the landscape and the resilience of the ecosystems against mounting threats. The project will also make a major impact on the financial sustainability of the existing as well as the proposed to-be-established, PAs, linking to the successes and endeavors of the two national GEF-funded projects on addressing different aspects of the financial sustainability of the PA system.

2. 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 line with the PoWPA through the establishment and strengthening of national systems of PA, strengthening regional networks and transboundary PAs and collaboration between neighbouring PA across national boundaries and substantially improving PA planning and management. Further the project will

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

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.

A.2. NATIONAL STRATEGIES AND PLANS OR REPORTS AND ASSESSMENTS UNDER RELEVANT CONVENTIONS, IF APPLICABLE, I.E. NAPAS, NAPS, NBSAPS, NATIONAL COMMUNICATIONS, TNAS, NIPS, PRSPS, NPFE, ETC.:

3. The project is designed to implement key elements of the Ecoregional 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 resources. The proposed project is especially closely aligned to the following strategies of this regional plan: (i) Organise a well managed protected area network across the Ecoregion; (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 transboundary cooperation. The Adjara 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, and the raising of public awareness of biodiversity issues and to encourage public participation in the decision making process. The project is also in line with the National Tourism Development and Investment Strategy for the Republic of Georgia, especially so 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.

B. PROJECT OVERVIEW:

B.1. DESCRIBE THE BASELINE PROJECT AND THE PROBLEM THAT IT SEEKS TO ADDRESS:

4. The Caucasus Ecoregion is a critical store house of threatened biodiversity, being one of the Global 200 WWF ecoregions[5] , one of the World's 34 biologically richest and most endangered terrestrial ecosystems[6], and one of the World's 221 Endemic Bird Areas[7]. Over 6,500 species of vascular plants are found in the Caucasus. Seventeen endemic plant genera thrive in the Caucasus. The Caucasus Ecoregion covers a total area of 580,000 km^2 and consists of six countries, including Georgia. Mountains cover approximately 65% of the Ecoregion, while plains and lowlands cover remaining 35%. The elaborate mountain relief creates a diversity of climate zones, resulting in large variation among different regions. These numerous microclimates support a range of ecosystems. Forests are the most important ecosystem for biodiversity conservation in the Caucasus, covering nearly 20% of the region. Currently 13.78% of forests in the Ecoregion are conserved in protected areas. The most significant forests for biodiversity conservation can be grouped into five primary geographical areas, one being the Lesser Caucasus Mountain Chain.

5. Georgia, in its entirety (69,500km^2), forms part of the Caucasus Ecoregion (covering 12% of the Ecoregion), and harbours a representative sample of its biodiversity endowment. It is located on the isthmus between the Black and Caspian Seas. The country has a diverse landscape and climate. West Georgia is characterised by a relatively humid subtropical climate while East Georgia has a drier, moderately humid climate. Georgia is an important reservoir of biodiversity, due to its location (at the juncture of two major biogeographic regions, Black Sea and Alpine), the land form (the peninsula between the Black and Caspian Seas provides an important migration route and flyway), the topography of the landscape (with great variations in altitudes, and opportunities for isolation) and the climate. All the major ecosystems found in the Caucasus Ecoregion are found in Georgia, with the forest ecosystem making up 60% of the country. The main natural vegetation regions found in Georgia are (i) Alpine belt and subalpine scrub/forest; (ii) Mesic deciduous forest; (iii) Mixed forest with evergreen understorey; (iv) Steppe; (v) Colchic Forest and (vi) shrubland and dry woodland/scrub[8]. The western part of the Lesser Caucasus Mountain Range is an especially important area of high conservation importance in Georgia due to the abundance of relic and endemic plant species.

6. Within Georgia, and indeed the Ecoregion as a whole, the **Adjara region** is of particularly high conservation significance. The region covers an area of 2,900 km^2 covering 0.5% and 4.2% of the total area of the Caucasus Ecoregion and Georgia respectively. Adjara is located on the south-eastern coast of the Black Sea and lies at the northern edge of the Lesser Caucasus Mountain Range. The area currently forms part of an important priority conservation area in the Caucasus Ecoregion (West Lesser Caucasus Priority Conservation

[5] Olson, D.M. & Dinerstein, E. 2002. *The Global 200: Priority Ecoregions for Global Conservation*. Ann. Missouri Bot. Gard. 89:199 – 224.

[6] Mittermeier, R.A., Myers, N. & Mittermeier, C.G. 2000. *Hotspots: Earth's Biologically Richest and Most Endangered Terrestrial Ecoregions.* Conservation International.

[7] "Worldwide, the most important places for habitat-based conservation of birds are the endemic Bird Areas (EBAs). Most species are quite widespread and have large ranges. However, over 2,500 are restricted to an area smaller than 50,000 km2, and they are said to be endemic to it. Birdlife has identified regions of the world where the distributions of two or more of these restricted-range species overlap to form Endemic Bird Areas" from www.birdlife.org/datazone/eba accessed 12/30/2011

[8] Box, E.O.; Fujiwara, K.; Nakhutsrishvili, G.; Zazanashvili, N.; Liebermann, R.J. and Miyawaki, A. 2000. Vegetation and Landscapes of Georgia (Caucasus) as a Basis for Landscape Restoration. Bull. Inst. Environ. Sci. Technol. Yokohama. Natm. Univ. 26: 69 – 102.

Area[9]) that stretches into Turkey. The area is of biodiversity importance because of the humid Pliocene flora refugium, high proportion of narrow-ranged (local endemic) plants (including two rhododendron and other evergreen shrubs and trees), high percentage of endemics among fish, amphibians, lizards and small animals; endemic snails and beetles; and it is a well-known bottle-neck for migratory birds. The Forest Ecosystem also dominates in Adjara region, with 67% of the landmass covered by forests. Colchic Forests[10] with evergreen relict subforest is the forest type that dominantes this Ecosystem in the region.

7. **Threats to Biodiversity:** The Autonomous Republic of Adjara has its own local Parliament and legislative system. Due to the history of the Adjara region, the area has, in the past, received less attention from national biodiversity conservation efforts (with the exception of Kobuleti PAs which received support in the recent past). Historically, the incidence of threats to biodiversity in the region has been low. The ecological integrity of the ecosystem is still high; however, the severity of threats is growing. These mounting threats include habitat destruction/fragmentation of habitats, unsustainable use of natural resources and climate change and are starting to negatively impact the special biodiversity of the area:

Overexploitation of biological resources: Poaching and the illegal wildlife trade have increased significantly as a result of the economic crisis and the opening of the borders in the former Soviet countries. Overhunting of legal game species and poaching of rare species is widespread in the region. Large herbivore numbers have dropped dramatically in the past century, largely due to poaching and overhunting. Lynx, otter, wild cat, fox, and jackal are killed for their furs. Reptiles and amphibians (e.g. Caucasian salamander (*Mertensiella caucasica*)) are collected for laboratory use and the pet trade. Vipers are being exploited for their venom. Illegal logging and fuelwood harvesting are on the increase and lead to habitat degradation and disappearance of certain species. Overgrazing and uncontrolled livestock grazing also threaten some areas within the forest ecosystem. Intensive grazing has resulted in reduced species diversity and habitat degradation, as well as function as competition to the food source for wild ungulates.

Habitat Destruction/Fragmentation of Habitats: Overgrazing and overharvesting of forest resources lead to the fragmentation of habitats. This is further exasperated by the rapid industrial development in the region in which the ecosystem is situated and the fact that the region is becoming a transport hub[11]. Infrastructure development, including roads, dams, channels, and pipelines, when inappropriately planned and monitored, fragment natural habitats. Draining wetlands and digging channels for agriculture and irrigation alter riparian ecosystems considerably and lead to habitat loss. The ecosystems are already cut up with the development of roads and pipelines and with the exponential growth in tourism[12] this, if not well planned and coordinated, will lead to further fragmentation of the ecosystem. Adjara is a fast developing region of Georgia; its economic profile and forms of land utilisation is changing. The demography of Adjara is also changing – there is a gradual move of settlement towards the coastal lands of the Black Sea and to the main highways. This concentration of settlement and development can lead to further fragmentation and blocking of large wildlife movement through previous continuous forest cover corridors devoid of obstruction. In the agriculture sector, cattle breeding and arable agriculture is growing. The fragmentation has serious consequences to biodiversity which include[13]: (i) reducing the overall quantity of habitat available; (ii) decreasing the quality of habitat by increasing the exposure to invasive species, to fire and to other edge effects; (iii) concentrating species populations into smaller patches, thereby increasing competition for scarce resources; (iv) restricting species movement, thereby reducing genetic vigor and overall resilience; and (v) disrupting key ecological and evolutionary processes upon which species depend.

Threats to biodiversity from Climate Change: Climate change is projected to have significant impacts on mountain ecosystems. Considering that high altitude ecosystems are delicately calibrated to the nuances of climatic factors, even minor changes in the prevailing climate could disrupt species ecology with serious debilitating impacts on biodiversity. It is reported that every 1^{o} Celsius rise in temperature will lead to shifting the zone of occurrence of several specialist species by 270 m vertically (to get similar ecosystem conditions). Further, protected areas that were set up to safeguard biodiversity and ecological processes are likely to be affected by climate change in a number of ways. Climate change is expected to cause species to migrate to areas with more favourable temperature and precipitation. There is a high probability that competing, sometimes invasive species, more adapted to a new climate, will move in. Such movements could leave some protected areas with a different habitat and species assemblage than they were initially designed to protect.

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[9] WWF. 2006. An Ecoregional Conservation Plan for the Caucasus.

[10] The Colchic Forests are found around the southeast corner of the Black Sea in Turkey and Georgia. The forests are mixed, with deciduous Black Alder (*Alnus glutinosa*), Hornbeam (*Carpinus betulas* and *C. orientalis*), Oriental Beech (*Fagus orientalis*) and Sweet Chestnut (*Castanea sativa*), together with evergreen Nordmann Fir (*Abies nordmanniana*), Caucasian Spruce (*Picea orientalis*) and Scots pine (*Pinus sylvestris*).

[11] Adjara enjoys a strategic location it has yet to fully capitalize on. It is the shortest route between Europe and Azerbaijan, Armenia and the Central Asian Republics, through its Black Sea port. The physical location ensures that it is a key transport link on the most direct route between the Black Sea and the Caspian Sea and Central Asia. The current poor infrastructure inhibits the full exploitation of transit economy potential, but progress is made in this regard. Through the upgrading of the ports of Batumi on the Black Sea, the establishment of an oil pipeline from Baku, Azerbaijan through Tbilisi to Ceyhan, Turkey, the Baku-Tbilisi-Ceyhan pipeline (BTC) and a parallel gas pipeline, the South Causasus Pipeline through the aAdjara region, Adjara is fast developing into an international transport corridor. Georgia's other main imports are machinery and parts, and transport equipment, which also uses the port of Batumi.

[12] Tourism is an increasingly significant part of the Georgian economy. The number of international tourist arrivals reached over 2 million in 2010, representing a 36% growth compared to arrival numbers in 2009. FDI in tourism sector grew substantially to over US$ 132 million in 2009. Tourism earnings more than tripled from $ 147 million in 2004 to $470 million in 2009. Adjara is the main centre of Georgia's tourism industry - the Adjara region hosted 86% of the tourists that visited Georgia in 2010.

[13] Ervin, J., Mulongoy, K.J., Lawrence, K., Game, E., Sheppard, D., Bridgewater, P., Bennett, G., Gidda, S. B., and Bos, P. 2010. *Making Protected Areas Relevant: A guide to integrating protected areas into wider landscapes, seascapes and sectoral plans and strategies.* CBD Technical Series No. 44. Montreal

Climate change is expected to lead to disease outbreaks as pest species may become more resistant or survive longer and new pest species may invade protected areas. Climate change is also likely to lead to higher incidence of fire in some situations and floods in others[14].

8. **The PA System:** Protected Areas provide the major vehicle in Georgia for conserving biodiversity in Georgia. The Parliament of Georgia adopted the Law on Protected Areas System in 1996, putting the PA network on a firm legal footing. It introduced internationally accepted categories, based on IUCN recommendations, and official procedures for their establishment, into the country's protected area system (see Table 1).

Table 1: Summary of Protected Area Types in Georgia[15]

Type of PA	Management Objectives	Number	Area (ha)	Share in Total Territory
State / Strict Nature Reserve *IUCN Category I*	Created and managed mainly for scientific research and/or wilderness protection	14	143,218.3	2.05%
National Park *IUCN Category II*	Established and managed mainly for natural ecosystem conservation and recreation	9	268,719.91	3.86%
Natural Monument *IUCN Category III*	Established and managed mainly for the conservation of specific natural features	21	455.1	0.01%
Managed Reserve *IUCN Category IV*	Established and managed mainly for conservation through management interventions	18	64,119	0.92%
Protected Landscape *IUCN Category V*	Established and managed mainly for natural/cultural landscape conservation, scenery preservation and recreation	2	34,708	0.5%
Multiple Use Territory *IUCN Category VI*	Established and managed mainly for the sustainable use of natural ecosystems and renewable natural resources	1	842.4	0.01%
Total		65	512,062.71	7.35%

At present in Georgia there are 14 Strict Nature Reserves/State Reserves, 9 National Parks, 21 Managed Reserves, 18 National Monuments, 2 Protected Landscapes and 1 Multiple-Use Territories. Protected Areas cover 512,063 ha, which is 7.35% of the country's territory. All the major ecosystems are underrepresented in the protected area system of Georgia, compared to the global target of 17% terrestrial area PA representation, with the forest ecosystem only represented by 9.7% in protected areas.,

All protected areas are managed by the newly created parastatal, the Agency of Protected Areas (APA), under the oversight of the Ministry of Environment. The agency is responsible for State Reserves, National Parks, Natural Monuments, Managed Reserves, Protected Landscapes, World Heritage Sites and Wetlands of International Importance. The protected areas in the Adjara region comprises of one Strict Nature Reserve (Kintrishi – 13,893 ha), one National Park (Mtirala - 15,806 ha), one Protected Landscape (Kintrishi – 3,190 ha), one Nature Reserve (Kobuleti – 331.25 ha) and one Managed Reserve (Kobuleti - 438.75 ha). These protected areas have had sub optimal conservation investment over the years in part because of the autonomous nature of the region (except for the Kobuleti PAs which in the recent past received adequate funding) and the PAs in the Adjara region are deficient in terms of i) its biogeographic coverage and ii) management effectiveness of protected areas in addressing the above-mentioned mounting threats. The biodiversity of Adjara region is managed through a complicated system of national, region and local administrations. Protected areas are managed by the national institution (Agency of Protected Areas), forestry and land use planning policy development by the Environment and Natural Resources Directorate of Adjara and the implementation of the regulations by the different municipalities, working directly with local communities. The protected areas of the Adjara region are discussed in Table 2 below:

Table 2: Protected Areas of the Adjara Region[16]

PA Name	IUCN Category	Size	Conservation Objective	Ecosystem covered
Kobuleti PA Complex – located along the Black Sea in the northern part of the Kobuleti district of Autonomous Republic of Adjara				
Kobuleti Nature Reserve	*I*	331.25 ha	The protected areas were created with the purpose to preserve the unique sphagnum	Freshwater and Coastal and Marine Ecosystems

[14] IPCC. 2007. Climate Change 2007: *Synthesis Report. Contribution of Working Groups I, II and III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change.* IPCC, Geneva, Switzerland.
[15] Republic of Georgia 2005. *National Biodiversity Strategy and Action Plan – Georgia*.
[16] See Annex 1 for locations of these PAs

Kobuleti Managed Reserve[18]	IV	438.75 ha	peat bogs[17]	Freshwater and Coastal and Marine Ecosystems
Kintrishi PA Complex – located in the Kobuleti District of Autonomous Republic of Adjara				
Kintrishi Nature Reserve	I	10,703 ha	The protected areas were established with the purpose to preserve Colchic forests with evergreen relict subforest. The Kintrishi Protected Areas' topography stretch from 250-300 m.a.s.l. to the Alpine pastures. The area is rich in rivers. In the high mountains at a height of 2200 m a small lake, Tbikeli, is found.	Freshwater and Forest Ecosystems
Kintrishi Protected Landscape	V	3,190 ha		Freshwater and Forest Ecosystems
Mtirala Protected Area – Located in the Kobuleti, Khelvachauri and Keda districts of Autonomous Republic of Adjara				
Mtirala National Park	II	15,806 ha	Mtirala National Park was created with the purpose to preserve the Colchic forest ecosystems.	Forest Ecosystem

9. **The baseline project.** The Ministry of Environment Protection of Georgia supports sustainable development in the field of environment by providing policy guidance and regulations. This ensures that environmental issues are considered in the development agenda of the country. The Ministry consists of five departments, namely Ecological Expertise and Inspection, Environmental Policy and International Conventions, Integrated Environmental Management, Legal and Administration; and two Parastatals, namely the National Environmental Agency and the Agency of Protected Areas. There will be an estimated investment of US$ 60 million in biodiversity in Georgia during the project period.

10. PA Management: Over US$ 16 million over the project period will go towards the management of the national PA system (to cover recurrent and investment costs of the APA). APA is further supported by investments from development partners of US$ 40 million over the project period (based on figures from the last five years) for improvement of protected area infrastructure and capacity development of its staff. The Government invests US$310,000 annually (US$ 1,240,000 for the project period) in the management of the protected areas of Adjara region through APA. The KfW "Support Programme for Protected Areas in the Caucasus" – Georgia (Ecoregional Programme Georgia, Phase III) project will support APA in the management of the Kintrishi PAs with approximately US$ 2.3 million over the project period. The EU through its Twinning project will again support APA with US$ 370,000 over the project period in the development of a management plan for the Mtirala National Park and capacity building in park management plan development and implementation. APA also receives support for the management of the Kobuleti Protected Areas of approximately US$ 60,000 annually from the Kulevi Fund. The investment of funds in the Adjara region target mostly enforcement and environmental education activities, as well as the development of tourism infrastructure. The Agency of Protected Areas has developed, in cooperation with the Critical Ecosystem Partnership Plan Fund and the World Wildlife Fund, a draft spatial-territorial plan (Management Plan of Natural-Landscape Territory of Mtirala and Machakhela") which recommends the establishment of the Machakhela National Park. This plan was approved was approved by the Autonomous Republic of Adjara, but still awaits the final approval by the Parliament of Georgia. A landscape planning approach was modelled on the Adjara region, including the Machakhela-Mtirala region, and inventories and assessments were undertaken providing quality baseline information on development and conservation aspects of the area. Detailed satellite imagery (1:120,000 scale) were procured on which various land degradation and development issues were highlighted.

11. Conservation Work in Wider Landscape: Additionally to the funds provided for PA management, the Government will investing a further US$ 12.5 million during the project period in the biodiversity management outside the PAs, which included the management of forests, conduction of Environmental Impact Assessments to ensure biodiversity aspects are considered in development plans, Environmental policy development and streamlining policy with international conventions, Integrated Environmental Management and Legal and Administrative issues. The Autonomous Republic of Adjara will also invest approximately US$ 3 million over the project period for the management of forests outside of PAs in Adjara. This investment is directed towards fortifying enforcement, reforestation, habitat improvement, forest fire management, and invasive species removal. The Ministry of Environment through its Ecological Expertise and Inspection Department invests US$ 100,000[19] per annum in recurrent costs in support of Environmental Impact Assessment and ecological examinations in the region to control the negative impacts of developments on the environment. In addition, the Ministry of Environment Protection is investing US$ 150,000 over the next two years in strengthening the Environmental Impact Assessment (EIA) system of Georgia. The Ministry, with assistance from the Aarhus Centre Georgia, is evaluating the current EIA system, analysing that factors that determine the effectiveness of the system, and developing recommendations for its improvement.

[18] This protected area was created a Ramsar site in 1996.
[17] The peat bog of Kobuleti Protected Areas is covered with peat mosses – sphagnum species, such as the so-called "Imeretian Sedge", White Beak Sedge (*Rhynchospora alba*), Caucasian Beak Sedge (*Rhynchospora caucasica*), Great Pond-sedge (*Carex riparia*), Slender Sedge (*Carex lasiocarpa*), Buckbean (*Menyanthes trifoliata*) and Round-leaved Sundew (*Drosera rontundiflora*).
[19] Guestimate – will be verified during PPG phase

12. The afore-listed threats are projected to grow in the Adjara region, in part because of its location and proximity to major development nodes in the region. Within this framework, there is a need to consolidate and conserve areas of high biodiversity and areas of importance to the conservation of biodiversity in order to increase the resilience of ecosystems against the threats and also to ensure that adequate refugia are protected for continued provision of ecosystem goods and services, e.g. biodiversity conservation, water quality and quantity control. The business-as-usual scenario for the Adjara region in the next few years is one where: (1) new PAs (Machakhela National Park) remain an under-funded paper park for quite some time, if at all established, (2) Developments will continue to isolate the Mtirala-Kintrishi PA complex creating a "green island in a sea of development" and the fragmentation of the remaining forests outside these PA, lowering the adaptive capacity of the ecosystems to adapt to threats; (3) a weak planning and enforcement framework will be in place in buffer/corridor areas outside official protected areas; (4) the financing of the Mtirala and Kintrishi PAs will remain below optimum and piece-meal, depending on donor interest, without a strategic investment plan with long-term degradation resulting; (5) local communities will continue to 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 PAs do not collaborate effectively and (8) biodiversity will continue to be lost due to overharvesting and illegal poaching and species with large range will become locally extinct due to habitat loss and fragmentation of the forests.

13. The **long-term solution** to the threats described above is to create functional, representative and sustainable protected areas in the Adjara region that effectively protects biodiversity and provides functional connectivity among the individual protected areas. To be sustainable and effective, this solution needs to be coupled with efforts to reduce poaching and the illegal trade of wildlife and to involve the active participation of local communities in collaboration with strengthened Government institutions (at central and decentralised levels).

14. The following barriers hamper the achievement of this long-term solution:

Weak PA management effectiveness: While there is a national system, and various attempts are made in strengthening the national system; site action capabilities are deficient. Management practices in the Kintrishi and Mtirala PAs do not guarantee effective management of biodiversity, where the management of Kobuleti PAs is under current threats more viable. The Kobuleti protected areas benefited from the GEF/World Bank project *"Integrated Management Project of the Coastal Zone"*. During the implementation of this project, critical management gaps were filled through the development and approval of a management plan, the area demarcated, a capable administration unit built, effective system of patrolling introduced, high quality administrative and visitor servicing infrastructure installed, user fee collection and retention system established and monitoring and research work initiated. Due to the small size and the unique ecosystem confined to a small area, the biodiversity of the protected areas is not seen as under immediate threat. The Kintrishi protected areas will benefit from the support of KfW over the project period in the development of a management plan and its implementation. As the Mtirala National Park has only recently been established (2006), there is a general need for improvement of PA functions. General enforcement activities are supported through WWF and the Government resources. The EU Twinning project will update the existing management plan and build capacity in management planning. A major issue for both the Kintrishi PA Complex and the Mtirala PA to address is the financial sustainability of the areas in the long term after the donor projects have ended. Funding for the implementation of the management plan remains a big concern, as is the initial investment for the attraction and future management of tourists. The lack of capacity in revenue generating mechanisms is therefore a need as the PA moves closer to sustainable financing. Due to the fact that tourism in the Adjara region is growing fast, capacities should also be build in managing visitors, and infrastructure put in place for visitors. Further, the relationship with the local community needs to be addressed and there is a need for a more participatory management approach involving the local community. The mentioned protected areas were created without considering the local communities or local authorities. In the adjacent areas to the Kintrishi Nature Reserve and the Mtirala National Park, as well as inside the Kintrishi Protected Landscape where the local population lives, the roles and responsibilities between APA, the local authorities and the local communities are unclear with overlapping mandates. As a result, conflict abounds and public support for PAs are lacking. Local people are poorly informed of the management of PAs and are not involved in its management. The cost-effectiveness method of involving the local population in the monitoring and enforcement system of the protected areas has not been tested, nor has the community been involved in intelligence gathering and informing the park authorities. Buffer zones are virtually non-existent, so consequences of resource use and human pressures spill over the borders of the protected area; isolating and confining the biodiversity to small areas. Some of the threats e.g. illegal harvesting of natural resources is driven by poverty among the local community, while other e.g. overgrazing largely due to limited knowledge of ecological processes. There is a need for general support to the implementation of management plans, especially setting up appropriate institutional arrangements for collaboration and conflict resolution with local communities and developing joint mechanisms for surveillance and enforcement.

Biogeographically deficiencies: Forests are only represented at 9.7% (and mountain forests considered even less at 8%) in the national protected area system,[20] which is low compared with the standard in the Caucasus Ecoregion (13.78%) This is also below the international target of 17% of terrestrial area under protected area status agreed in CBD COP at Nagoya in 2011. Further, the Colchic Forest Type is currently only represented in the Kintrishi and Mtirala PAs in Georgia, covering only an estimate 3%[21] of the national coverage in PAs. Presently the Protected Areas of Kintrishi and Mtirala are connected by the forested landscape with the Jamili Biosphere Reserve, located

[20] *Source:WWF, Ministry of Environment of Georgia, National Environment Agency, Forest Agency*
[21] This estimate needs to be validated in the PPG phase.

in Turkey along the border of the Adjara Region. Jamili Reserve again has functional connectivity with other protected areas in Turkey, linking the entire system. The Kintrishi and Mtirala Protected Areas are located adjacent to each other and form a 29,699 ha block in the centre of the Adjara region. The distance between the nearest points between Mtirala National Park (the most southerly of the PAs) and the Jamili Biosphere Reserve is estimated at 13 km. The "connecting corridors" in this stretch of forested landscape are continually being fragmented and degraded by physical development (towns, transport, tourism developments) and land use (mostly agriculture and forestry) practices. The importance of functional connectivity of protected areas is exasperated by the emerging and real threat of climate change. There is a need to expand the existing protected area system of the Adjara region to 1) cover critical forest types and habitats that are not adequately covered by the present system, and 2) increase ecological connectivity between PAs. However, most of the lands are used for some sort of production. There is a need in the process of expanding the protected area system in finding an accommodation between production and expansion. Further, a PA category that can adequately allow the local community to benefit from recreation and ecotourism activities, but also that can ensure that the area is managed for ecosystem protection needs, is needed in this area. The PA should be governed through multi-stakeholder management input structure to ensure the full buy-in of local communities and local authorities and to ensure coordinate, cost-effective management action.

B. 2. INCREMENTAL /ADDITIONAL COST REASONING: DESCRIBE THE INCREMENTAL (GEF TRUST FUND) OR ADDITIONAL (LDCF/SCCF) ACTIVITIES REQUESTED FOR GEF/LDCF/SCCF FINANCING AND THE ASSOCIATED GLOBAL ENVIRONMENTAL BENEFITS (GEF TRUST FUND) OR ASSOCIATED ADAPTATION BENEFITS (LDCF/SCCF) TO BE DELIVERED BY THE PROJECT:

15. 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. The requested investment is strategic, targeting the most urgent needs. Two components are planned:

Component 1: Enhancing PA Management Effectiveness in the Adjara Region: This component will strengthen the capacity of APA in the management of the Mtirala National Park and the Kintrishi PAs. Field staff will also be equipped and capacitated, largely with a focus of inclusive management and engagement of the public in the management of protected areas. **A long-term monitoring and enforcement system** will be developed and emplaced ensuring that local communities are actively involved in protected area management. Part of the monitoring and enforcement plan will be the development of an intelligence gathering system, with defining appropriate mechanisms and incentives for community members to report illegal activities to park authorities. The monitoring system will ensure the continual improvement of management effectiveness, but also to gauge the resilience of the protected areas against outside pressures and emerging threats. Coordination on the analysis of the monitoring data will be established with the scientific community. In areas of high biodiversity adjacent ('buffer zones'[22]) to the National Park and Nature Reserve and inside the Kintrishi Protected Landscape, local communities will be assisted in the setting up of **community-based organisations** that will co-manage the areas together with the protected area authorities. Roles and responsibilities as well as management conditions and restrictions e.g. grazing densities will be agreed. **Business plans** will be developed for Mtirala National Park and Kintrishi Protected Areas and implemented, particularly targeting increasing the revenue source of the PAs. These buffer/support zones will be incorporated into the management plans of the respective protected areas. The experience, guidelines and standard format for business plan writing gained and developed, as well as the economic valuation study done for Mtirala National Park, under the GEF-funded project "Catalyzing Financial Sustainability of Protected Areas of Georgia" will be of value in ensuring that a robust business model is developed. Tourism is growing exponentially in the Adjara region and the managers should tap into this in the process of addressing the financial sustainability of the protected areas. Cost-effectiveness management efforts e.g. through greater involvement of local community in the management of the areas will also be defined. The business plans will be based on an analysis including estimating the economic value of the PAs; doing a cost-benefit analysis of increasing investment; investigating options for improving financing; and developing budgets and roll-out programs for financing. Part of the implementation of the business plans should be increased capacity of field staff to handle tourists and placing of tourism infrastructure in the PAs.

Component 2: PA System Expansion to increase functional connectivity of PAs in the West Lesser Caucasus: This component will support the process of expanding the protected area estate by negotiating with the various stakeholders the establishment of the Machakhela National Park (an estimated area of 10,993 ha) (see Annex 1 for map of location of proposed PA). The area is covered by forests, 75 % of which is virgin forests. Most of the proposed area is occupied by the Colchic type mixed forests. The establishment of the Machakhela National Park will increase the total percentage of protected area coverage to 7.5% and that of the Forest Ecosystem representation in Georgia to 13%. Furthermore, the establishment of this PA will increase the national representation of Colchic Forests by at least 20%. The area is also characterized by a unique variety of relict and endemic plants. There are two endemic plants of Adjara[23], 20

[22] 'In the Georgian context, buffer zones of PAs are areas adjacent PAs where PA-related socio-economic projects are implemented. In these areas sustainable use of natural resources is the main principle, while developing support zones for the PAs as well. No category of PA is in place for buffer zones. The idea has the support of the Adjarian government' – Pers. Comm.. Rusuda Chochua.

[23] *Ficaria popovii, Ranunculus ampelophyllus var. adzharica,*

endemic species of Colchic vegetation[24], and 4 endemics of Georgia[25]. There are also 12 endemics of the Caucasus Ecoregion[26] found in the area of the proposed Machakhela National Park. Among woody plants found in the proposed Park area, 13 species are listed in the "Red List" of Georgia of threatened and endangered species. The location of the planned National Park is strategically located between the Mtirala National Park and Jamili Biosphere Reserve, bordering the Jamili Biosphere Reserve in the south. The establishment of this Park will decrease the distance between the Mtirala and Kintrishi Protected Areas to the nearest other protected area from 13 km to 6km[27]. This will enhance the functional connectivity of these protected areas. The creation of Machakhela National Park has been endorsed by the Autonomous Republic of Adjara, awaiting final approval by the parliament of the Republic of Georgia. This process will also involve the zoning and boundary demarcation based on the land use planning exercise undertaken in the baseline and key available data on the landscape and the actual gazettement of the area. In order to ensure full participation and buy-in of all key stakeholders in the management of the Machakhela National Park, a Public-Civil Society-Community Partnership Board will be established to oversee the management of the PA. Ecosystem conservation strategies with NGOs with an interest in the PA will also be established. Protected area infrastructure will be installed and staff will be deployed and capacitated through training and equipment to increase the effectiveness of management action in the newly proclaimed areas. A management plan will be developed and implemented for the new protected area, with a business plan forming an integral part of the plan. Regular exchanges of management staff and key stakeholders will be arranged both regional, nationally and internationally (with Turkish counterparts) to document and upscale lessons learnt in PA management and public involvement.

16. **Global benefits.** The GEF funding will secure the conservation status of biodiversity in the critical areas within the Adjara 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: Mediiterranean 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 Adjara 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.

B.3. DESCRIBE THE SOCIOECONOMIC BENEFITS TO BE DELIVERED BY THE PROJECT AT THE NATIONAL AND LOCAL LEVELS, INCLUDING GENDER DIMENSIONS, AND HOW THESE WILL SUPPORT THE ACHIEVEMENT OF GLOBAL ENVIRONMENT BENEFITS:

17. The tourism industry, which is growing exponentially in the Adjara region, is linked to the natural beauty of the area. It also provides an important local income earning opportunity, which is underlined by the effective management of PAs by providing and ensuring the natural beauty of the area. The **socio-economic** benefits of the project will derive from measures to promote nature-based tourism development and the sustainable utilization of natural resources. 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. Better PA management practices will result in increased wildlife numbers, which will lead to an increase in the flow of tourists. 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. The rural population of Adjara number approximately 130,000, while the urban (Batumi) population is 120,000 people. As tourism sector supports many other sectors e.g. catering, transport, the majority of the Adjara 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, waterfalls and an 'exotic' natural and cultural setting. The PAs, if well managed, provide and 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 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. Forests may buffer land, communities and infrastructure against natural hazards. In addition protected area management can help empower marginalized human populations or community groups. Alternative forms of PA governance such as community conservation or joint management are being implemented to reduce conflicts over land and to promote long-term maintenance of protected areas for provision of benefits to stakeholders. The project will promote the participation of local communities, municipal authorities, and private sectors from the initial stage (project design)

[24] *Cyclamen adzharicum, Rhododendron ungernii, Rh. smirnowii, Teucrium trapezunticum, Quercus dshorochensis, Dryipteris alexeenkoana, Euonymus leiophlea, Swida koenigii, Stachys macrophylla, Stachis trapezuntae, Scilla monanthos, Ornithogalum woronowii, Ficaria calthifolia var. adzharica, Aristolochia pontica, Hedera colchica, Ficus colchica, Rubus caucasicus, Iris lazica, Buxus colchica andHeracleum cyclocarpum.*

[25] *Galanthus woronowii, Symphytum ibericum, Cynoglossum imeretinum, Rubus woronowii*

[26] *Angelica pachyptera, Heracleum sosnovskyi, Taraxacum grossheimi, Symphytum caucasicum, Pachyphragma macrophyllum, Arabis nordmanniana, Campanula cordifolia, Gadelia lactiflora, Helleborus caucasicus, Ranunculus grandiflorus, Digitalis ferruginea, Pyrus caucasica.*

[27] Exact distances to be confirmed during PPG phase.

throughout the implementation period (i.e., planning, execution, and monitoring and evaluation). The project's socioeconomic benefits also include a social empowerment of men and women through participation in decision-making.

18. The involvement of women in the project is of great importance as the use of biodiversity products e.g. fuelwood and forest fruit is usually closely linked with the traditional rural women's role. 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.

19. **The institutional and financial sustainability** of the project will be ensured through several provisions. The strengthening of the PA institutional and governance frameworks will be basis for the institutional sustainability of project actions. These institutional frameworks will improve coordination among the various national and local institutions regarding planning and management of PAs. It will aid in defining common goals, specifying roles, and clarifying responsibilities regarding PAs and forest BD conservation. The establishment of local level Public-Community-Civil Society PA Governance Boards will constitute a significant step in strengthening the country's ability to ensure the protection and monitoring of Forest BD and its sustainable use. These Boards will continue to operate after project completion with the full support of the Government of Georgia. The model of multi-stakeholder co-management decision-making both at a local and regional level will reduce disputes among resource users and will provide the opportunity for rural communities to participate in protected area management. Specific consideration will be given to benefit distribution, emphasizing the participation of women. The increase in socio-economic benefits to the people of the regions where protected areas are established will help to ensure that biodiversity efforts are sustainable in the long term, that the PAs enjoy security and are managed in a manner that protects biodiversity.

20. A key element for the financial sustainability of PA management will be the development of business plans for the PAs. The project is programmed jointly with other interventions, financed by the GEF to enhance the financial sustainability of PAs in Georgia as a whole. Business plans will further aid in evaluating the specific financial needs for each area (i.e. basic and optimum management costs analysis) and evaluating future revenue generation sources for each PA and the capture of other outside revenue sources (donor or government). Also, an action plan will be developed to encourage private sector voluntary financial contributions on the basis that effectively managed protected areas will provide lasting ecosystems goods and services that will bring economic benefits to the sectors involved (e.g. hydropower, tourism, agriculture, physical development), which will serve as an incentive to invest in PAs' management and protection.

B.4 INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS THAT MIGHT PREVENT THE PROJECT OBJECTIVES FROM BEING ACHIEVED, AND IF POSSIBLE, PROPOSE MEASURES THAT ADDRESS THESE RISKS TO BE FURTHER DEVELOPED DURING THE PROJECT DESIGN:

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 emphasised 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/High	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 to-be-established 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 willl 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 is also being addressed through other initiatives, namely through the GEF-funded projects "Catalysing Financial Sustainability of Protected Areas of Georgiua' and "Ensuring Sufficiency and Predicatability of Revenue for Georgia's Protected Area System". 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 on 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

Risk	Rating	Management Strategy
		sector again lack capacities in PA management, which will also be addressed through training, but also through engaging in the partnership management and learning from experienced PA managers from APA and the NGOs.
Ecosystems are not sufficiently resilient and their biological and physical integrity is incrementally compromised by the effects of global and regional climate change	Low	The design of a more representative, comprehensive and adequate system of PAs in the Adjara 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 impacts of CC on biodiversity/ecosystems and to adopt conservation and management strategies for mitigating CC effects and enhancing resilience.

B.5. IDENTIFY KEY STAKEHOLDERS INVOLVED IN THE PROJECT INCLUDING THE PRIVATE SECTOR, CIVIL SOCIETY ORGANIZATIONS, LOCAL AND INDIGENOUS COMMUNITIES, AND THEIR RESPECTIVE ROLES, AS APPLICABLE:

Stakeholders	Project Implementation Role
Agency of Protected Areas (APA)	Project executing agency: This agency is responsible for state reserves, national parks, natural monuments, managed reserves, protected landscapes, world heritage districts and wetlands of international importance.
Ministry of Environment Protection	The national environment agency, responsible for all environmental protection issues in Georgia. The responsibilities of the Ministry are: (i) to intermit, limit, or stop any activity having or likely to have adverse impacts on the environment; (ii) to issue of a series of licenses and permits (including for environmental impact). The Ministry will participate in the gazettement of the Machakhela National Park and will provide overall policy and legislative advice to protected area management.
Environmental and Natural Resources Directorate of Adjara	The Directorate of Environment and Natural Resources of the Autonomous Republic of Adjara is responsible on establishing policy of sustainable development in Adjara and monitoring natural resource management and environmental protection. The Directorate will participate in the continual development of the Adjara region's Protected Areas and assist in coordinating with the regional municipalities, APA and communities in the conservation work to be undertaken outside the PAs.
Adjara Municipalities	The municipalities make decisions on social and economic development plans within their constituencies. They also approve of measures of environmental protection, ecological safety and cultural and will be the main mechanisms through which APA and the communities will coordinate..
Wider Public (including local governments, local; communities and NGOs)	The involvement of the wider public in protected area management is an important part of this project. In the established protected areas of Mtirala and Kintrishi, long-term Monitoring and Enforcement Systems will be developed and emplaced ensuring that local communities are actively involved in PA management. Coordination on the analysis of monitoring data will be established with the scientific community. In areas of high biodiversity adjacent to the Mtirala National Park and Kintrishi Nature Reserve and inside the Kintrishi Protected Landscape, local communities will be assisted in the setting up of community-based organisations that will co-manage the areas together with the PA authorities. In the establishment of the Machakhela National Park, a Public-Civil Society-Community Partnership Board will be established to oversee the management of the park. All key stakeholders will be represented on this board, including local government, local communities and NGOs with an interest in the area and are working in the area. This will ensure that all stakeholders' views and needs are incorporated in the management of the park from the very start. The capacity of PA staff in the region will be strengthened in public participation, resulting in more interaction and dialogue with the wide public. Similarly, training will be provided to local communities in order to increase the capacity in co-management of protected areas. The inclusion of public and local communities in the management of the Adjara region's PAs is to ensure that views from all stakeholders and quarters of the society are considered in the design and management of the PAs and that the decisions are inclusive, thereby increasing the sustainability and eventually the effective management of the PAs. Their participation will be ensured by raising awareness among the wider public as well as the community members of the importance of the PA management to the region as well as to the welfare of the local community. The services of an independent facilitator will be procured for the initial stages in the setup of the Machakhela National Park Public-Civil Society-Community Partnership Board to reduce the possibility of one sector dominating the forum.
Department of Tourism and Resorts of the Autonomous Republic of Adjara	The main public sector body responsible for tourism in Adjara and is responsible to encourage and promote the development of tourism to and within the Autonomous Republic of Adjara, through the formulation and implementation of short and medium term policies, strategies and plans. The sustainable development of protected areas in the Adjara region is closely linked to the development of a robust and 'green' tourist product.

B.6. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

21. The proposed project adds value to a number of related initiatives as set out below:

The GEF-funded *Catalyzing Financial Sustainability of Protected Areas of Georgia* is in the process of developing a Sustainable Financing Plan for Georgia's PA System. Guidelines and a standard format for business planning for IUCN Category I and II have been developed, which will used in the development of business plans for the new PAs under the proposed project. The Sustainable Financing Plan for Georgia's PA System will also provide information in forecasting revenue generation abilities of Georgian PAs under different scenarios. New financial mechanisms and public/private partnerships are tested/demonstrated at Tusheti PAs which contributes to the overall financial sustainability of the area. The setting up and efficacy of the public/private partnerships in Tusketi PAs will provide valuable lessons to the proposed project in its endeavor to establish public-civil society-community partnership boards. The proposed project will be able to follow-up on capturing the results of this project by using the economic valuation for the Mtirala PA, the training needs analysis for Georgian PAs and other guidelines The UNDP/GEF Project *"Ensuring Sufficiency and Predictability of Revenue for Georgia's Protected Area System"* through its Caucasus Protected Area Trust Fund (CPAF) provides financial sustainability to the PAs in Georgia. The main outcomes of the project are: 1) increasing the long-term financial sustainability of the majority of the PA system (financing gap of PA System is reduced by 25%), and 2) raising the cost-effectiveness and capacities of protected areas at the site level. The proposed project will benefit from this project both in terms of financing from the CPAF (which currently only covers a small percentage of the recurrent costs) channeled through the APA, but also from the capacity development training conducted on cost-effectiveness in PA management. Project managers will also receive training in the development of proposals to the Trust Fund, and if such proposals are successful, it will further increase the financial sustainability of the area. Georgia will join the *GEF Small Grants Programme (SGP)* in 2012 and resources from the programme and this project can be interlinked in enabling sustainable livelihood examples within the project area and beyond.

22. A Technical Working Group will be established that ensembles technical experts on PAs in Georgia and all the related projects in Adjara 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 the 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 proposed 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 Adjara 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.

C. DESCRIBE THE GEF AGENCY'S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

C.1 INDICATE THE CO-FINANCING AMOUNT THE GEF AGENCY IS BRINGING TO THE PROJECT:

23. UNDP will provide US$150,000 in direct co-financing to this project in the form of a grant.

C.2 HOW DOES THE PROJECT FIT INTO THE GEF AGENCY'S PROGRAM (REFLECTED IN DOCUMENTS SUCH AS UNDAF, CAS, ETC.) AND STAFF CAPACITY IN THE COUNTRY TO FOLLOW UP PROJECT IMPLEMENTATION:

24. This project is aligned with one of the UNDP's signature programmes on biodiversity which focuses on unleashing the economic potential of Protected Areas so that they are better able to fulfil their management functions, are sustainably financed, and contribute to sustainable development. Currently, UNDP is supporting GEF financed and other initiatives aimed at strengthening PA management effectiveness, and PA financial sustainability in some 1000 PAs globally with a combined area of 130 million hectares. UNDP will ensure that lessons learnt from this work are applied in the PAs of the Adjara region. UNDP has a long-standing environmental programme with the Government of Georgia, which has strengthened capacity in national policy development with regards to multi-lateral environmental agreements. Interventions proposed under this project are in line with the UNDAF of Georgia, which aims to reduce disaster risk as a priority area of work, focusing on sustainable environmental and natural resource management. This project will contribute to this outcome as one of the key projects within the UNDAF period devoted directly to nature conservation in Georgia. This Project will also seek to address UNDAF priority in Georgia on democratic governance through the increased involvement of civil society in the governance of issues and the decentralization of PA system management with the introduction of the Public-Community-Civil Society Partnership Boards. The Country Programme document (CPD) developed in consultation with international, UN and civil society partners and in agreement with the Government of Georgia and commits to improve capacities in environmental management. The UNDP Country Office will assign three staff members to be responsible for the overall management and supervision of the project. The project will fall under the overall supervision of the Assistant Resident Representative and Head of the Energy and Environment Unit, with the direct support of an Environment Programme Associate. Implementation support on financial, procurement and human resources will be provided by the office's operations staff members .

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 template. For SGP, use this OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE *(Month, day, year)*
Nino Tkhilava	GEF Operational Focal Point	Ministry of Environment Protection of Georgia	9 March 2012

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation.					
Agency Coordinator, Agency name	**Signature**	**Date** *(Month, day, year)*	**Project Contact Person**	**Telephone**	**Email Address**
Yannick Glemarec, UNDP/GEF Executive Coordinator		14 March 2012	Johan Robinson, Regional Technical Advisor for Biodiversity, Europe and CIS, UNDP	+421 259337299	johan.robinson@undp.org

Annex 1 – Context of PAs in Georgia's Adjara Region