

# OFFICE MEMORANDUM

DATE: March 19, 1999

TO: Mr. Mohamed El-Ashry, CEO/Chairman, GEF

FROM: Lars Vidaeus, GEF Executive Coordinator 

EXTENSION: 34188

SUBJECT: **KAZAKHSTAN, UZBEKISTAN, KYRGYZ REPUBLIC**  
**Central Asia Transboundary Biodiversity Project**  
**Final Council Review/CEO Endorsement**

1. Attached please find 75 copies of the Project Appraisal Document (PAD) for the above-mentioned Project for your final endorsement and circulation to Council.
2. The PAD is fully consistent with the objectives and scope of the proposal endorsed by the Council. The status of the issues raised at the time the project concept was reviewed is as follows:

*Confirm co-funding by CEO endorsement:* At the review stage, it was envisaged that of the US\$13.65 million in financing required for the Project, US\$10.12 million would be financed by the GEF, US\$2.0 million in-kind by the three recipient countries and the remaining US\$1.5 million was to be mobilized, as parallel co-financing, from TACIS. The co-financing was to cover the cost of education, training and afforestation activities.

Despite fiscal problems, each of the recipient country Governments, in reaffirming their commitment to promoting the sustainable use and conservation of the region's biodiversity, has agreed to provide cash instead of in-kind contributions for the Project – perhaps a first for the region. TACIS, in addition, has also endorsed the Project and assured the Bank of its support. However, because of their project approval and funding cycle, TACIS is unable to formally commit the financing until June 1999. Given the commitment of the governments and assurances provided by TACIS, we are proceeding with the processing to ensure that the Grant becomes effective, as scheduled, on July 1, 1999.

In the unlikely event that TACIS opted not to co-finance the Project, no difficulties are envisaged as these funds are required at later stages of implementation, and also, because, over the course of preparation, the Project has had no difficulty in leveraging substantial resources for the sector. GEF funding has enabled the participating countries to mobilize funds from the following sources:

UK Know How Fund (support for preparation activities)	US\$ 400,000
UK Cofinancing (Kyrgyz Republic BSAP)	US\$ 25,000
Counterpart Consortium (NGO capacity building)	US\$ 12,000
British Embassy in Kyrgyz Republic (Ecotourism)	US\$ 16,000
Kyrgyz Swiss Forestry Project	US\$1,600,000
Finnish Trust Fund (Kazakh & Kyrgyz Forest Review)	US\$ 400,000
<b>Total</b>	<b>US\$2,453,000</b>

*Explain how privatization, if a realistic option, will affect conservation management within the declared PAs.* Land privatisation is one of many issues that will be addressed under the legal and financial reform component of the Project. However, privatization of protected areas is not envisaged under the Project.

*Ensure that adequate funds are available for the legal and budgetary reforms sub-component of the Project.* The work-plan and budget have been revised and resources allocated for this subcomponent have been increased. Also, as explained in the PAD, preliminary work on the legislative and regulatory review that was carried out under related activities (the PDF, National Environment Action Plans, and BSAPs) has provided an excellent foundation for the Project activities envisaged under this subcomponent. Some of the legal and regulatory issues will also be addressed under the Bank's forestry sector review to be initiated in FY99.

*Participation of local communities.* The Project is one the Region's most outstanding examples of inter-governmental cooperation and NGO and local community involvement. The latter have participated in all phases of project preparation and, largely because of it, stakeholders have a strong sense of project ownership, which is underscored by their involvement in developing operational management plans that suit the stakeholder needs and budgets. These same stakeholders will also be responsible for implementing the Project.

*Expansion of Protected Areas.* The operational management plans, drafted during project preparation and to be implemented under the operation, focus on improved biodiversity conservation within the existing zapovedniks and in the surrounding leshozes. This may, of course, involve boundary rationalization and changes to more conservation-oriented land management in corridors linking the respective protected areas. Such activities will be carried out in full consultation and collaboration with the local communities and other stakeholders.

*Alternative income-generating activities.* The sustainable use of biodiversity sub-component of the Project includes a small grants program financed by GEF for promoting biodiversity friendly activities in the villages around the protected

areas. The program would pilot sustainable grazing and forestry practices with direct incremental biodiversity benefits. Seed monies would be provided to the local communities for developing tourism, cottage industries for handicrafts, nurseries, and renewable energy projects (photovoltaic systems), and other activities that would assist in creating development alternatives that reduce unsustainable use of the region's biodiversity. The NGO small grants program and its individual activities would be implemented with foreign technical assistance under the education and training sub-components.

*Institutional arrangements for regional and national coordination.* Institutionally, the Project design provides for closely coordinating national and regional project activities and harmonizing the policies and practices of the three countries for improving the overall management of the West Tien Shan ecosystem. As outlined in the PAD, the project will be implemented by the responsible line Ministries/State Committees, with the assistance of small National Project Implementation Units (NPIU) in Kazakhstan and Uzbekistan. The regional project components and the Kyrgyz national components will be implemented with the assistance of the Regional Project Implementation Unit (RPIU), located in Bishkek. Also, local committees will be set up in the project oblasts, which will involve local administrations, representatives of the protected areas and leshozes (Forest Management Units) and the local community. These committees, in addition to ensuring inter-sectoral coordination at the project sites, will regularly share their experiences with project implementation, thereby fostering effective transboundary cooperation at the local level as well.

Project oversight and guidance on policy at the national level will be the responsibility of National Directors (the Deputy Ministers/Heads of the executing agencies), who will head a National Steering Committee, comprising members of an existing inter-sectoral committee that was formed in each country to assist with the preparation of the Project. At the regional level such oversight and guidance will be provided by a Trans-national Steering Committee which will consist of heads of the National Steering Committees, a representative of the regional administrations (Akim) on the National Steering Committees and representatives of the Academies of Sciences and NGOs.

*Long-term financial sustainability.* The Project provides for a number of mechanisms for promoting its longer term sustainability. These include: (i) creating revenue generating activities, such as ecotourism, nurseries and medicinal herb production with seed and model project funds. These are designed to take pressure off biological resources and allow local communities to derive benefits from protected areas; (ii) developing instruments for mobilizing resources to cover recurrent costs through taxes and levies on natural resources produced and assessing the prospects of establishing a trust fund; and (iii) ensuring through

project design that its funding requirements do not become a burden for the budget.

*Justification for regional focus.* The Project seeks to establish transboundary cooperation between contiguous protected areas and adjacent corridors. In so doing it provides for conservation of a larger area and for realizing benefits from best practice guidelines developed by IUCN and ICIMOD to: (i) promote the exchange of views, information and expertise on transboundary cooperation; (ii) harmonize policies and practices regarding wildlife management and trade in plants and animals; (iii) increase enforcement cooperation; (iv) promote participatory management; (v) increase awareness through education, etc.; and (vi) develop a regional cooperative framework for transboundary conservation.

3. Please send us a copy of your outgoing letter to Council for our records.

#### Attachments

#### Distribution:

Messrs./Mmes.

Cooke, King, Ogawa, Mathieu (ECC08); Pearce (ECCUZ); Yurukoglu (ECCCKZ); Rathnam (ECCCKG); Hayward, Krzyzanowski, Brylski (ECSSD); Bond (EASEN); MacKinnon, Sharma, Canby, Bossard, Towsey (ENV), ENVGC-ISC



## PROJECT DOCUMENT

### **1. IDENTIFIERS:**

**PROJECT NUMBER:**

**PROJECT NAME:**

Central Asia Transboundary Biodiversity  
Project

5 years

**DURATION:**

**IMPLEMENTING AGENCY:**

World Bank

**EXECUTING AGENCY:**

Kazakhstan: State Forestry Committee

Kyrgyz Republic: Ministry of Environmental  
Protection

Uzbekistan: State Committee for Nature  
Protection

**REQUESTING COUNTRY OR COUNTRIES:**

Republic of Kazakhstan, Kyrgyz Republic and  
Republic of Uzbekistan

**ELIGIBILITY:**

Ratified CBD on:

Kazakhstan - September 6, 1994

Kyrgyz Republic - July 19, 1995

Uzbekistan - August 6, 1996

**GEF FOCAL AREA:**

Biodiversity

**GEF PROGRAMMING FRAMEWORK:**

Forest (OP 3) and Mountain (OP 4) Ecosystems

**2. SUMMARY:** The Project provides for: (i) conserving biodiversity through the implementation of an ecosystem-based management approach that involves the strengthening of zapovednik management systems and the integration of a coordinated management concept across regional, national and local programs; (ii) improved knowledge of the distribution and status of rare, endangered and endemic species through targeted surveys to better focus conservation measures; (iii) enhanced biodiversity conservation within mountain ecosystems by developing cross-sectoral multi-use management systems to preserve critical ecosystems; (iv) protection of ecosystems, natural habitats, landscapes and the in-situ maintenance of viable populations of species by developing sustainable land-use which integrates conservation management between zapovedniks and adjacent forest productions units and farming communities; and (v) increased awareness of biodiversity conservation and endangered species by the development of training programs and dissemination of information.

### **3. COSTS AND FINANCING (MILLION US):**

<b>GEF:</b>	-Project	US\$ 10.15 million
	- PDF-B:	US\$ 0.345 million
	Subtotal GEF:	US\$ 10.495 million
<b>CO-FINANCING:</b>	-IA:	
	-Other International:	
	TACIS	US\$ 1.50 million
	-Governments:	US\$ 2.00 million
	-Private	
	Subtotal Co-Financing:	US\$ 3.50 million
<b>TOTAL PROJECT COST:</b>		US\$13.995 million

#### **4. ASSOCIATED FINANCING (MILLION US\$)**

#### **5. OPERATIONAL FOCAL POINT ENDORSEMENT:**

<b>Name:</b>	<b>Title:</b>
Nikolai Baev Ministry of Ecology & Bioresources Republic of Kazakhstan	Minister August 4, 1997

K.D. Bokonbaev Ministry of Environmental Protection Kyrgyz Republic	Minister July 5, 1997
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A. Sh. Khabiulaev State Environmental Protection Committee Republic of Uzbekistan	Chairman July 29, 1997
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#### **6. IA CONTACT:**

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**Document of  
The World Bank**

**Report No:**

**PROJECT APPRAISAL DOCUMENT**

**ON A**

**PROPOSED GRANT**

**FROM THE**

**GLOBAL ENVIRONMENT FACILITY TRUST FUND**

**IN THE AMOUNT EQUIVALENT OF SDR 7.7 MILLION (US\$10.15 MILLION)**

**TO**

**REPUBLIC OF KAZAKHSTAN, KYRGYZ REPUBLIC AND REPUBLIC OF UZBEKISTAN**

**FOR A**

**CENTRAL ASIA TRANSBOUNDARY BIODIVERSITY PROJECT**

**FEBRUARY 19, 1998**

**Environmentally and Socially Sustainable Development Sector Unit  
Europe and Central Asia Region**

**CURRENCY EQUIVALENTS**  
(Exchange Rates Effective April 30, 1998)

Kazakhstan Currency Unit	=	LC
1 Tenge	=	US\$31
US\$	=	76.5 Tenge
Kyrgyzstan Current Unit	=	LC
1 Som	=	US\$0.05
US\$	=	18.85 Som
Uzbekistan Currency Unit	=	LC
1 Sum	=	US\$165
US\$	=	85.85 Sum

**FISCAL YEAR**

January 1 - December 31

**ABBREVIATIONS AND ACRONYMS**

ADB	Asian Development Bank
BSAP	Biodiversity Strategy and Action Plan
CBD	Convention on Biological Diversity
CD	Component Director
CM	Component Manager
COP	Conference of the Parties (to the Convention on Biological Diversity)
DANAID	Danish Agency for International Development
EA	Environmental Assessment
ERR	Economic Rate of Return
FFI	Fauna & Flora International
FRR	Financial Rate of Return
GC	General Consultant
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIS	Geographic Information System
GTZ	Gesellschaft für Technische Zusammenarbeit
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development
ISAR	Institute of Soviet-American Relations
IUCN	World Conservation Union
LC	Local Currency
M&E	Monitoring and Evaluation
ND	National Director
NEAP	National Environmental Action Plan
NGO	Nongovernmental Organization

<b>NPIU</b>	<b>National Project Implementation Unit</b>
<b>NPV</b>	<b>Net Present Value</b>
<b>NSC</b>	<b>National Steering Committee</b>
<b>PDF</b>	<b>Project Development Fund</b>
<b>PM</b>	<b>Project Manager</b>
<b>PSC</b>	<b>Project Supervisory Committee</b>
<b>RPIU</b>	<b>Regional Project Implementation Unit</b>
<b>SA</b>	<b>Special Advisor</b>
<b>SDR</b>	<b>Special Drawing Rights</b>
<b>SGP</b>	<b>Small Grants Program</b>
<b>TNSC</b>	<b>Trans-National Steering Committee</b>
<b>UNDP</b>	<b>United Nations Development Program</b>
<b>UNEP</b>	<b>United Nations Environment Program</b>
<b>WTS</b>	<b>West Tien Shan</b>

<b>Vice President:</b>	<b>Johannes Linn</b>
<b>Country Directors:</b>	<b>Ishrat Husain, Kiyoshi Kodera</b>
<b>Sector Director:</b>	<b>Kevin M. Cleaver</b>
<b>Task Team Leader:</b>	<b>Piotr Krzyzanowski</b>

**Kazakhstan, Kyrgyz Republic and Uzbekistan  
Central Asia Transboundary Biodiversity Project**

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<b>Map</b>	<b>IBRD 29594</b>
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## **A: Project Development Objective**

### ***1. Project development objective and key performance indicators (see Annex 1):***

The primary objectives of the Project are to support the protection of vulnerable and unique biological communities within the West Tien Shan Range and to assist the three countries to strengthen and coordinate national policies, regulations and institutional arrangements for biodiversity protection.

Associated objectives are to:

- (a) Strengthen and expand the zapovednik (strict nature reserves) network in the West Tien Shan;
- (b) Identify alternative and sustainable income-generating activities for local communities and other stakeholders to reduce pressure on the zapovedniks and their biological resources;
- (c) Strengthen local and national capacity through education and training;
- (d) Raise public awareness of biodiversity values and increase participation in biodiversity conservation; and
- (e) Establish regional (trans-national) coordination and cooperation mechanisms for biodiversity conservation activities to strengthen zapovednik management and wildlife protection and prevent the fragmentation of habitat corridors.

### ***2. Project global objectives and key performance indicators (see Annex 1):***

The global environmental objective is to ensure the conservation of the globally important biodiversity within the West Tien Shan. Specific objectives are to:

- (a) Conserve biodiversity through the implementation of an ecosystem-based management approach that involves the strengthening of zapovednik management systems and the integration of a coordinated management concept across regional, national and local programs;
- (b) Improve knowledge of the distribution and status of rare, endangered and endemic species through targeted surveys to better focus conservation measures;
- (c) Enhance biodiversity conservation within mountain ecosystems by developing cross-sectoral multi-use management systems to preserve critical ecosystems;
- (d) Promote the protection of ecosystems, natural habitats, landscapes and the in-situ maintenance of viable populations of species by developing sustainable land-use which integrates conservation management between zapovedniks and adjacent forest production units (leshoz) and farming communities; and
- (e) Increase the awareness of biodiversity conservation and endangered species by the development of training programs and dissemination of information.

## **B: Strategic Context**

### ***1. Sector-related Country Assistance Strategy (CAS) goal supported by the project (see Annex 1):***

CAS document number:	Date of latest CAS discussion:
Kazakhstan: 16989	July, 1997
Kyrgyz Republic: 17641	April, 1998
Uzbekistan: 17376	February, 1998



**The CAS objectives specifically targeted are:**

- (a) Poverty reduction through integrated rural natural resource programs.**
- (b) Development of environmentally sustainable policies to contribute to sustainable development.**

**Specific areas in the CASs which this project addresses are: improving natural resource management, including forestry; conserving biodiversity; and gaining a consensus on priority areas.**

**GEF Operational Strategy/Program Objective addressed by the project:**

The project is consistent with the Global Environment Facility Operational Strategy for Biodiversity, especially support for in-situ conservation and protected areas under the Operational Program for Mountain Ecosystems. The West Tien Shan mountains lie at a biological cross-roads between the Palearctic and Oriental Realms. The mixing of the different complexes of flora and fauna from these two Realms has created a biologically rich area which supports unique plant and animal communities, including many endemic species. In addition, the region is the center of origin for wild relatives of several important horticultural and agricultural species, including tulips, grapes, nuts, apples, and other fruit trees. The ecosystem and biodiversity of the area are under serious threat from increasing and uncontrolled overuse of natural resources, decreasing capacity to effectively manage the ecosystem and the rapidly changing local and regional economic situation.

The project is consistent with Article 8 (in-situ conservation) of the Convention on Biological Diversity (CBD) since it will provide support for the strengthened protection, management and extension of the zapovedniks in a region of high biodiversity and will promote the protection of habitats and species within the zapovedniks and beyond. Furthermore, it will address the issue of land degradation by promoting environmentally sustainable development in the West Tien Shan; allowing for natural regeneration and restoration of degraded ecosystems and recovery of threatened species; and encouraging alternative land use practices and cessation of overgrazing by livestock. Conservation and sustainable use measures outside zapovednik boundaries will effectively extend the conservation estate by protecting natural habitats and wildlife corridors for wide-ranging species in the production landscape.

The project responds to guidance from the Conference of the Parties (COP) to the CBD by promoting conservation, management and sustainable use of mountain and semi-arid ecosystems, threatened and endemic species, including wild relatives of domesticated species; and by promoting public education and awareness to strengthen support for biodiversity conservation. It specifically addresses guidance from COP3 through: promoting capacity building for conservation and sustainable use; conservation of agrobiodiversity; and economic incentives and alternative livelihood opportunities for local communities. It also responds to COP3 through incorporating biodiversity considerations into land-use planning and the agriculture and forestry sectors. By strengthening the involvement of local communities and non-governmental organizations (NGOs) and building strategic partnerships at local, national and regional levels, the project will promote innovative and cost-effective measures to conserve biodiversity in a transboundary and trans-national context. Because West Tien Shan lies on the migratory flyway for some Palearctic song birds and raptors, habitat protection along this flyway contributes to conservation of migratory species in accordance with the Bern Convention on Migratory Species as well as the CBD.

The project contributes to a GEF programmatic approach by building on other GEF activities in the region. All three countries are completing National Environmental Action Plans (NEAPs) and biodiversity strategies, with GEF resources, which identify conservation action in the West Tien Shan as

national priorities. The project will also complement the Aral Sea (International Waters) project by protecting natural habitats in the watersheds and headwaters of tributaries that feed this inland sea.

## ***2. Main sector issues and Government strategy:***

**Sector Issues.** The problems which affect biodiversity conservation in all three countries are influenced by the general institutional and economic instability of the other sectors within the economy. Agriculture is characterized by significant under-investment and fragmentation; forestry by the collapse of the sector's infrastructure and the inaccessibility of timber from Russia; and the energy sector by the legacy of financial distortions which prevent adequate reinvestment in infrastructure, thereby increasing pollution levels and reliance on fuelwood. In addition to these issues, the following affect biodiversity conservation within all three countries: (a) weak institutional capacity; (b) human use and impact; (c) lack of appropriate monitoring and evaluation; and; (d) lack of public information and awareness.

**Government Strategy.** The three Governments have ratified the CBD and all are currently developing biodiversity strategies under grants from the GEF. Each of the three countries are also participating in the pan-European Biodiversity and Landscape Strategy. These processes are providing a coherent framework for policy development that all three countries are utilizing, as well as integrating these with Agenda 21 projects and the NEAPs. In 1997, the Kyrgyz Republic redrafted the Law on Environmental Protection and drafted a new Law on Environmental Assessment; Kazakhstan has amended or enacted legislation on Environmental Protection (July 1997), Specially Protected Natural Territories (July 1997) State Expertise [environmental assessment] (March 1997), Protection of Fauna (1993) and is drafting a law on Allocation Mechanisms for Natural Resources and on Ecological Monitoring and Compliance; Uzbekistan is developing a Biodiversity Strategy and Action Plan.

## ***3. Sector issues to be addressed by the project and strategic choices:***

**Institutional Capacity.** The project will enhance management capacity by developing comprehensive training programs, improving management techniques and providing critical equipment needed for the effective implementation of the management programs.

**Human Use and Impact.** The social assessment activities will involve local communities in identifying and developing alternative livelihood and income generating activities as a method of relieving human pressure on biodiversity. The public awareness and education program will increase the local communities' awareness of biodiversity conservation and environmental management. The project will increase the enforcement and monitoring capability of the zapovednik staff. The reforestation project in Ugam-Chatkal will assist with the development of technical capacities for reforestation and in the long term will address the issue of deforestation for fuelwood.

**Effective Monitoring and Evaluation.** The project will increase the monitoring and evaluation capacity of the implementing agencies, the zapovednik and leshoz staff. Each country will have completed a Biodiversity Strategy and Action Plan during the project and will work to ensure that priorities are identified and met. Implementation will involve considerable public participation, ensuring transparency.

**Public Information and Awareness.** The project will support an extensive public outreach and education program that will increase awareness of the general public as well as that of the local communities and zapovednik staff.

evaluation, and assessment procedures; (b) developing land use conflict reconciliation measures, including establishment of tree nurseries; (c) improving species protection by adjusting protected area boundaries; (d) developing professional training programs; (e) establishing public awareness programs; and, (f) providing support for local initiatives for biodiversity conservation through a Small Grants Program. This would be supported by the regional program which will: (a) establish management coordination; (b) ensure that appropriate wildlife corridors are created, linking the protected areas between the three countries; and, (c) ensure that training programs are coordinated.

- Sustainable uses of biodiversity will be achieved through the development of model programs, based on national studies and assessments, designed to maintain biodiversity resources in the West Tien Shan areas. Part of this component includes a small grants program for the development of sustainable, biodiversity-friendly activities by stakeholders (local communities, NGOs and individuals) living in villages around the project protected areas. Activities include the development of model or pilot projects for sustainable grazing and forestry practices with direct incremental biodiversity benefits, or the provision of seed funding for sustainable, biodiversity-friendly activities that have the potential to develop an alternative income stream for local. Examples include rural tourism development and associated activities, such as technical advice and training for providing accommodation in rural homes, guiding and site interpretation; cottage industries for handicrafts, nursery development, traditional resource use practices, renewable energy projects (photovoltaic systems) and appropriate husbandry programs.
- Development of education and training programs which have been identified in preparation activities will focus on: (a) protected area management; (b) conservation field skills; (c) public awareness; (d) management skills; (e) business management; (f) study tours; and (g) training of trainers and maintaining a trainer network. Many of the activities will be accredited and lead to further qualifications. The program will underpin implementation of the other components of the project. This component will also be coordinated through the regional program.
- Supporting public participation in biodiversity conservation will be achieved by developing direct habitat restoration using native species in all communities adjacent to the protected areas in order to strengthen wildlife corridors and biodiversity conservation, as well as to stabilize soil and slopes. Alternative energy sources, and the possible sources to meet capital costs of their establishment, will be investigated to supplement existing energy supplies. This component's objectives may also be supported by activities financed under the Small Grants Program (component 2).
- Project Management will need to be coordinated regionally by implemented for the most part nationally and locally. The regional components of the project and the Kyrgyz national components will be carried out by a Regional Project Implementation Unit (RPIU) located in Bishkek. The RPIU will also coordinate the activities of each National Project Implementation Unit (NPIU).

## ***2. Key policy and institutional reforms supported by the project:***

The main issues which undermine biodiversity conservation in the West Tien Shan are the lack of protected area management capacity and increased resource use by local communities. The project addresses these issues by: (a) strengthening the management training of protected area staff, increasing field monitoring capacity and developing financial mechanisms to provide for sustainability. Also, the urgent need for an integrated management system across land-users and countries is provided by creating networks of protected area managers, leshoz managers and local communities within each country but also between the countries; (b) developing a Small Grants Program to fund small scale projects to increase income earning capacity in the local communities, funding projects which require local community participation and developing programs to mitigate soil erosion and watershed damage.

### ***3. Benefits and target population:***

The project will result in significant contributions to the short and long term objectives of the NEAPs and the countries' commitments in accordance with the CBD. It will lead to improved management of a 3.0 million hectare complex of transboundary zapovedniks in a matrix of sustainable forest and agricultural land use, strengthening conservation of an important trans-border ecosystem. Improved management will ensure conservation of regionally important habitat and ecosystems, maintenance of a range of diverse landscapes, and lead to sustainable protection of globally important species, some of which are endemic and would be conserved in their native habitats. Other global benefits will include enhanced knowledge of biodiversity through applied research, inventories and monitoring of species and ecosystems in the zapovedniks. Significant lessons for replication in other countries and regions can be drawn from monitoring and studying the effect of project activities on biodiversity conservation.

Several national and local benefits are associated with the project. Local communities will benefit from sustainable use of resources in buffer zones and from mechanisms for resource sharing. Other benefits will include reduction in soil erosion and watershed protection. Local benefits will also include employment opportunities for communities living in and around the zapovedniks. These may be temporary, associated with the upgrading of ecotourism facilities, or long term, such as employment of park staff, through reforestation or from ecotourism. In addition, local communities will be empowered in the management of their resources and in making choices which promote their own economic improvement in conjunction with conservation of their resource base.

At the national level, the project will establish cost effective and participatory management systems to ensure the conservation of core zapovedniks as part of a representative network. The project will also provide an opportunity to test innovative community participation that can be replicated in other protected areas and to create mechanisms for sharing the burden of resource management across public and private sectors. Given the foregoing, there are a number of target populations, the most important of which are the communities living in and around the zapovedniks. Other target groups include the managers of the zapovedniks and leshozes and their staff, associated academic institutions, public sector institutions including the Ministries, and the private sector, through the provision of opportunities for skill development and income generation.

### ***4. Institutional and implementation arrangements:***

***Implementation period:*** Five years

***Executing agencies:*** (a) Kazakhstan: The State Forest Committee working with the Ministry of Ecology and Bioresources; (b) Kyrgyz Republic: Ministry of Environmental Protection working with the State Forestry Agency; (c) Uzbekistan: State Committee for Nature Protection working with the State Forest Committee.

***Project coordination:*** In Kazakhstan and Uzbekistan the national components of the project will be carried out by the executing agencies in each country assisted by small National Project Implementation Units (NPIUs). Kyrgyz national components of the project as well as regional components will be carried out by the Kyrgyz national components within the Regional Project Implementation Unit (RPIU) located in Bishkek. The RPIU will also coordinate the activities of each NPIU. The Regional Manager of the RPIU will be assisted by general consultants and lead advisors. The general consultant contract will be awarded to one organization, which will operate across all of the project's PIUs.

**Project oversight (policy guidance, etc.):** Project oversight will be the responsibility (in each of the three countries) of National Directors (Deputy Ministers of the executing agencies). As well, in each country an existing cross sectoral committee will operate as a National Steering Committee to oversee the project. A Trans-National Steering Committee (TNSC) will be drawn from the project's national Steering Committees. It will include the Chairmen of the National Steering Committees, a representative of the regional administration (Akim) on the National Steering Committees, and representatives from the Academy of Sciences and NGOs. The role of the TNSC will be to:

- (a) provide overall direction and supervise regional coordination activities of the RPIU;
- (b) endorse regional Terms of Reference and selection of regional contractors;
- (c) provide guidance where requested to the RPIU and NPIUs; and
- (d) promote and gain support for the project at a regional level.

**Accounting, financial reporting, and auditing arrangements:** As a condition of effectiveness within the Grant Agreement, a minimum level of initial financial staff will need to be recruited: (i) a financial manager and one accountant at the RPIU and three accountants for the three national PIU functions. As for financial systems, the essential tasks which will need to be handled immediately on the commencement of the project activities include:

- (i) managing the flow of funds in and out of the Special Account (at the RPIU);
- (ii) managing the three Advance Accounts at the NPIUs, and managing the four Project Accounts (for government contributions);
- (iii) maintaining proper records for receipts and payments out of these accounts;
- (iv) establishing procedures to analyse all expenditures by Categories of Disbursements (per Schedule 1);
- (v) preparing and submitting periodic summaries and necessary forms for claiming reimbursements and replenishments into these accounts;
- (vi) on a monthly basis, reconcile the Recipients' project records with commercial bank statements; and
- (vii) recording the disbursements as advised by the World Bank's Disbursement Department and maintaining up-to-date balances of GEF funds (by category and by Regional and national components) and reconciling these with the periodic balances as advised by the Bank.

The system would also include internal control measures for authorisations for project expenditures and defining requirements for adequate documentation (invoices, receipts, evidence of receipt of goods, stock controls, etc.) and procedures for retention of these for annual audit by external auditors. The financial manager and staff at the RPIU would also be responsible for preparation of annual financial statements which will form the basis of the annual audit to be submitted to the Bank. In the early stages of the Project, the transactions will neither be too many nor too complicated. It is, however, emphasised that both the total financial staff and the system will have "to grow" as project operations increase. In this context it should be noted that the financial manager will have to be able to provide the leadership in such matters as necessary modifications and expansion of the systems, computerisation of accounting systems, identification of the right software for the project transactions, and designing reporting systems to keep the Recipient governments informed of the financial status of the project.

**Monitoring and evaluation arrangements:** The Regional and National PIUs' project monitoring and evaluation (M&E) procedures and reports will be guided by:

(a) the Project Design Summary; and (b) the Monitoring Indicators included in the Project Implementation Plan and attached as Annex I. M&E is to be conducted through: (a) activities of the RPIU and NPIUs; (b) Bank supervision missions; (c) annual progress reviews during Bank supervision missions not later than July 31 of each year starting in 1999; (d) a Mid-term Review of project implementation to be carried out jointly by the Governments and the Bank in 2.5 years; (e) periodic beneficiary assessments and other special studies; and (f) analysis of monitoring data available through implementation of individual projects. Quarterly, the RPIU will transmit to the Bank progress reports on project implementation and outcomes, using the format agreed at negotiations. An Implementation Completion Report will be prepared within six months after the closing of the grant.

The six key indicators as listed in the Project Design Summary (Annex I) and included in the Project Implementation Plan are:

- (a) Reduced rate of decline of important species, habitats and communities within and outside zapovedniks;
- (b) Delivery of a comprehensive suite of professional development and education activities according to a regularly updated plan;
- (c) Intensified and expanded conservation activities within and outside zapovedniks;
- (d) Development and achievement of ecosystem management plan targets and objectives and local, national and regional coordination and implementation systems in different sectors;
- (e) Increased level of participation in all stages of project cycle management and conservation activities by beneficiaries; and
- (f) Reforms to the legal and policy framework that enable more effective, harmonized biodiversity conservation at different levels (regional, national and local).

## **D: Project Rationale**

### ***1. Project alternatives considered and reasons for rejection:***

**No Project Scenario.** Despite each Government's commitment to biodiversity conservation, significant biodiversity loss and institutional decline would continue without the project. The Governments are not able to provide the necessary budget allocations for comprehensive biodiversity projects given higher priority demands on public sector finance at this stage in their economic development. Without the GEF, the global benefits of conserving rare and endangered species would not occur. Staff competence would remain weak and given the extremely difficult conditions in which they work, staff numbers would decline still further, making enforcement unachievable. The lack of effective enforcement and a coordinated management plan with other natural resource users would increase biodiversity loss within the zapovedniks and their surroundings and would endanger several rare species.

**Choice of sites.** Each Government was asked to indicate the sites that they considered to be the most important in terms of global biodiversity (those most urgently requiring support to conserve vulnerable species), and were national priorities. The four zapovedniks in this project fulfilled these criteria. The project sites are national priorities and are not the focus of other projects. They form a transboundary complex of zapovedniks which together protect an area of high biodiversity. Together they ensure that a complete ecological unit, rather than isolated fragments, is conserved. In addition, the Kazakh

Government indicated that the Keratau range, adjacent to Aksu-Djabagly, was also a critically important area, principally because of the unique diversity of its flora. The Government has taken steps to increase the protection of Keratau, which was gazetted as a Zapovednik in October 1997.

**2. Major related projects financed by the Bank and/or other development agencies (completed, ongoing and planned):**

<u>Sector issue</u>	<u>Project</u>	<u>Latest PSR Ratings</u> (Bank-financed projects only)	
		<u>IP</u>	<u>DO</u>
<b><u>IDA/IBRD-financed</u></b> Policy reform, institutional strengthening, technical assistance	<b>Kyrgyz Republic -</b> <ul style="list-style-type: none"> <li>NEAP</li> <li>GEF CBD Enabling Activities (Biodiversity Strategy and Action Plan - \$108,000)</li> <li>Forest Sector Review</li> </ul>	n/a	n/a
		n/a	n/a
		n/a	n/a
	<b>Kazakhstan -</b> <ul style="list-style-type: none"> <li>NEAP (\$399,000)</li> <li>Forest Sector Review</li> </ul>	n/a	n/a
		n/a	n/a
Regional Environmental Program	Aral Sea Program	S	S
<b><u>Other development agencies</u></b> (repr. list) Strengthening major environmental Government institutions in Kazakhstan  Biodiversity Conservation	<b>Kazakhstan -</b> <ul style="list-style-type: none"> <li>Harmonization of Environmental Standards with DANAID (\$90,000)</li> </ul> <b>Kyrgyz Republic-</b> <ul style="list-style-type: none"> <li>GTZ – Development of Biospheres - (DM 5 million)</li> </ul> <b>Kazakhstan-</b> <ul style="list-style-type: none"> <li>IUCN/UNEP Central Asia Biodiversity Center</li> <li>GTZ – Development of Biosphere Reserves</li> </ul> <b>Uzbekistan-</b> <ul style="list-style-type: none"> <li>GTZ – Development of Biosphere Reserves</li> </ul>		
Support for sustainable management of forestry;	<b>Kyrgyz Republic-</b> <ul style="list-style-type: none"> <li>Switzerland- Timber Utilization Program (\$2 million)</li> </ul>		
Environment	<b>Kyrgyz Republic-</b> <ul style="list-style-type: none"> <li>ADB Environmental Impact Assessment (\$572,000)</li> <li>ADB Environmental Monitoring (\$1 million)</li> </ul> <b>Kazakhstan-</b> <ul style="list-style-type: none"> <li>UNDP Small Grants Program (\$200,000)</li> </ul>		
Alternative Energy	<b>Kazakhstan-</b> <ul style="list-style-type: none"> <li>UNDP Wind Energy Project (\$300,000)</li> </ul>		

IP/DO Ratings: HS (Highly Satisfactory), S (Satisfactory), U (Unsatisfactory), HU (Highly Unsatisfactory), n/a (not applicable)



### ***3. Lessons learned and reflected in the project design:***

The project will benefit from lessons learned from the ongoing implementation of the Russian GEF Biodiversity Conservation Project and the Kyrgyz Republic's NEAP, the Kazakhstan Technical Assistance Project, and the Water Supply, Sanitation and Health Project in Uzbekistan. Lessons learned include: the need to ensure stakeholder participation through social assessment at an early stage; and the need to build partnerships at local and national levels between both communities and leshoz/zapovednik managers. The lessons learned from the small grants programs implemented in the Czech Republic and the Slovak Republic, and currently being undertaken at Lake Baikal, have been reflected in the design of the Small Grants Program. Lessons learned during the project preparation phase are embodied in the following provisions within the project:

- (a) Stakeholder participation - Project activities have been designed to ensure that all stakeholders from different levels, disciplines and areas will work together and participate at all stages of project management;
- (b) Social assessment - The preparation activities instigated a wide-ranging preliminary social assessment of the main communities adjacent to the zapovedniks. Social activities during implementation will build on this baseline work to further identify needs, priorities, beneficiaries and values at the local level. Social assessment, like environmental monitoring, will be ongoing during project implementation and form an important component of the overall evaluation and monitoring activities;
- (c) Ecosystem approach - Long term successful biodiversity conservation will require increased integration of conservation activities into the wider land-use systems of the West Tien Shan ecosystem. This requirement is reflected in many activities, including the public awareness program, involvement of local communities and businesses and ecological monitoring outside the zapovedniks; and
- (d) Communication - Communication structures have significantly degraded since independence, and require restoration for effective inter- and intra-institutional work. With changing institutional arrangements and the cross-cutting nature of this project, new communication structures will also have to be established. This is highlighted in the infrastructure improvements, the network-building activities and establishment of a GIS.

### ***4. Indications of borrower commitment and ownership:***

Each country has ratified the CBD, is undertaking biodiversity strategies, has developed or is in the process of developing NEAPs - all of which recognize the importance of biodiversity conservation and the role of zapovedniks. In addition, each Government specifically identified this project as being critical to conserve one of the most important areas of biodiversity in the region. Each Government, at a national and local administration level, has participated extensively in the preparation phase of the project and has contributed materially during this period. The Government of Kazakhstan, in creating the Keratau Zapovednik, has demonstrated its support for the project's concept of providing habitat corridors through the West Tien Shan and of broadening the area under protection. In the Kyrgyz Republic, a Sustainable Development Supervisory Committee has been established under the aegis of the President and under the chairmanship of the Vice Prime Minister, one of the focal areas being to coordinate work on biodiversity conservation.

Each country has approved the negotiated Legal Agreement which includes a provision whereby a significant proportion of counterpart funds are to be provided by each government in project accounts.



Under the requirements of the Grant Agreement, disbursement of GEF funds from the Special Account and from the Advance Accounts will not be possible if these funds are not available. This represents a strong commitment by each government.

#### ***5. Value added of Bank support in this project:***

The Bank has been assisting the countries of the region with preparation of the NEAPs and measures to promote better environmental and water management, including the Aral Sea project. The Bank's involvement in the development of many of the biodiversity projects and forest sector projects in the former Soviet Union, has given the Bank insight into the problems affecting biodiversity conservation in the region.

This project will build on and benefit from these experiences working with multiple sectors and fostering inter-sectoral cooperation. GEF assistance is essential to support biodiversity conservation and sustainable use at a time when the countries of the region are facing severe economic hardship and loss of technical expertise as a result of the break up of the former Soviet Union. In this context GEF is fulfilling a short-term need as well as meeting broader Operational Program criteria. Without GEF support it would probably not be possible at this time to develop the needed conservation strategies and actions in the zapovedniks and surrounding leshozes to engage in a landscape-wide and trans-national approach to conservation of this globally significant area. The project provides a comprehensive regional framework for intergovernmental cooperation, collaboration and exchange of expertise and mechanisms for more closely involving local communities and other stakeholders in natural resource management and conservation.

### **E: Summary Project Analysis**

#### ***1. Economic (supported by Annex 4):***

**Incremental Costs:** Incremental costs are estimated to cover project expenditure on components which have global benefits. Project activities which will yield global benefits are eligible for GEF financing. To calculate the incremental costs of the project, an estimate of baseline expenditure was made to establish the current and planned amount of funding on the project's zapovedniks and leshozes during the life of the project. The difference between the cost of the Baseline Scenario (US\$ 10.6 million) and the cost of the GEF Alternative (US\$ 24.25 million) is estimated at US\$ 13.65 million. This represents the incremental cost for achieving global environmental benefits through strengthening policy and legal frameworks for zapovednik management, developing mechanisms for sustainable resource use among local communities, and strengthening local and national capacity for conserving globally significant biodiversity. Discussions are ongoing with interested donors regarding co-financing possibilities; it is anticipated that the three national Governments will mobilize about US\$ 2 million to complement GEF funding.

#### ***2. Financial (see Annex 5):***

Mechanisms to provide for the project's long term sustainability have been provided for in project design in a number of ways: (a) development of revenue generating activities, such as ecotourism, nurseries and medicinal herb production, with seed and model project funds; (b) implementation of recurrent funding mechanisms such as taxes and levies on production from natural resource exploitation and the creation of a trust fund for the area to provide long-term financing for biodiversity conservation and local community participation; (c) design of the project to ensure that it will not create an additional burden on public expenditure by identifying maintenance and additional costs within current budgetary allocations (part of the baseline). Government contributions will cover the salaries and expenses of staff working on the

project as well as providing offices and other administrative support.

### **3. Technical:**

Technical requirements include the need to: (a) ensure that zapovednik and leshoz management plans are based upon a proper understanding of conservation biology; (b) provide sufficient coordination of management plans between zapovednik and leshoz managers within and between countries; and (c) ensure the establishment of habitat corridors between zapovedniks, their buffer zones and leshozes in order to provide movement throughout the ecosystem for animals with extensive ranges, such as the snow leopard, as well as augmenting the species population within the zapovedniks.

These requirements have been met by: (a) development during preparation of management plans based upon detailed conservation parameters, which will be supported by staff training programs during the project; (b) establishment of local, regional and national committees to ensure the integration of data and the prioritization of management procedures; and (c) establishment of habitat corridors in the management plans of the zapovedniks and as part of the project's regional component.

### **4. Institutional:**

#### **a. Executing agencies:**

*Executing agencies:* Institutional constraints include: (a) insufficient funding; (b) poorly trained and insufficient staff; (c) lack of political power; and (d) critical shortage of equipment. The project has dealt with these issues by: (a) limiting the project's demand on scarce budget resources and seeking to adjust financing mechanisms to complement budget allocations; (b) providing comprehensive training programs for zapovednik, leshoz and other Government agency staff; (c) ensuring that the project is linked to the NEAPs, Biodiversity Strategies and Action Plans and Sustainable Development Plans; and (d) providing basic equipment to ensure the successful development and implementation of management plans.

*GEF implementing agency:* The Bank will serve as the GEF implementing agency.

#### **b. Project management:**

The project will be managed by the responsible Ministries assisted by the RPIU and NPIUs. The National Steering Committees with cross-sectoral representation and the TNSC (inclusive of NGO representatives and local administrations) will coordinate the project to ensure the West Tien Shan ecosystem is consistently managed.

### **5. Social:**

Project preparation activities have included a wide-ranging baseline social assessment program, including local and national workshops which were coordinated by NGOs and included NGO representatives, members of the local communities, local administrations and the general public. The results of the social assessment have been used to define the characteristics of the alternative revenue generating activities, natural resource management, and the training and public awareness programs. They have also ensured that other activities are integrated into the social framework. The project will develop mechanisms to ensure that proper arbitration and conflict resolution procedures are available to help resolve disagreements over natural resource use between the local communities and zapovednik managers.

**Issues**

**Rural Poverty.** The project area, which is predominantly of marginal agricultural land, is characterized by low income levels in the urban areas and by rural communities living subsistence lifestyles. This poverty and land degradation has been exacerbated by the transformation of state-owned farms to privately-owned cooperatives. A combination of poor management expertise and confusion over land-use rights and land ownership has led to a decline in farm productivity and an increase in poverty. The Governments still control the zapovedniks and leshozes, which allow for differing levels of human activity, many of which are in conflict with their long-term sustainability. Increased population levels and poverty linked to a poor understanding of the requirements of sustainable forestry and biodiversity conservation by the local communities have led to over-grazing, deforestation, and the unsustainable use of non-timber forest products.

Redressing the wider agricultural issues is beyond the scope of this project. However, rural poverty in the communities adjacent to the zapovedniks will be lessened through the Small Grants Program to support small-scale local initiatives related to biodiversity conservation and outreach projects. In addition, specific income generating activities will be supported, such as the establishment of fruit and nut processing workshops, fuelwood plantations and tourist facilities.

**Implementation Capacity.** Although active and rapidly expanding, the NGO movement in Central Asia has only emerged since the collapse of the Soviet Union. As a result, project management experience is still in need of development. Most NGOs are based in the capitals and are still developing local-level contacts and activities. However, their capacity to implement activities can be equal to or greater than the Government agencies in certain fields, especially those of public awareness and social assessment. The Small Grants Program will support initiatives by NGOs, which will also be involved in the training and public outreach components.

**Local Capacity.** Although currently under-funded and suffering from poor infrastructure, government and traditional local-level institutions have persevered in the West Tien Shan. The establishment of local and regional committees, the provision of better communication equipment and the involvement of staff in the public awareness and training components will strengthen the resource capacity at local levels.

**Gender.** Gender is not a direct focus of the project activities, although as in other traditional subsistence economies, women play an active role in producing and marketing produce (particularly in Kazakhstan and the Kyrgyz Republic). However, all activities will be gender aware and will build upon existing expertise and competence as well as ensuring that women are provided with an equal opportunity to participate.

**6. Environmental assessment:** Environmental Category      ☐ A    ☐ B    ☒ C

Justification/Rationale for category rating: The project will significantly increase the level of biodiversity conservation and the implementation of environmental legislation in Central Asia. There are no significant environmental concerns. There may be environmental implications associated with the implementation of sub-projects but these will be limited to small scale works; e.g. establishment of visitor centers in zapovedniks or construction of nurseries in areas contiguous to zapovedniks. These will be subject to Environmental Assessments under Bank guidelines as well being subject to national EA requirements.

**7. Participatory approach [key stakeholders, how involved, and what they have influenced; if participatory approach not used, describe why not applicable]:**

**a. Primary beneficiaries and other affected groups:**

	Identification/Preparation	Implementation	Operation
Beneficiaries/Community groups	CON	COL	COL
Intermediary NGOs	CON/COL	COL	COL
Academic Institutions	CON/COL	CON/COL	COL
Local Government	CON/COL	CON/COL	CON/COL
Other donors	CON	CON	CON

Note: Information Sharing (IS), Consultation (CON), and Collaboration (COL)

Two specific sub-components will be financed which address significant biodiversity issues where community participation is vital or where local community resource use is threatening the integrity of the zapovedniks.

b. Other key stakeholders: The project, through the various training and implementation arrangements, will make a significant contribution to the relevant environmental and forestry agencies as well as to scientific and other institutions who will be undertake various parts of the project.

## **F: Sustainability and Risks**

### **1. Sustainability:**

The project has drawn from lessons learned from other GEF biodiversity projects. Sustainability has been addressed in three ways:

- (a) **Financial sustainability** - increase in local revenue generation to increase management capability, appropriate infrastructure developments, and if viable, the establishment of a trust fund;
- (b) **Social Sustainability**- development of activities to reduce pressure on natural resources through effective management and providing alternatives, increase in public awareness and support for biodiversity conservation, increased involvement in and ownership of activities.
- (c) **Institutional Sustainability** - development of training programs for staff, coordination between responsible Government agencies, development of management plans which will increase biodiversity conservation while expanding the competence of zapovednik and leshoz managers. In this way, after the initial short term costs of redesigning management plans, improving institutional capacity and adjusting legislation have been met, the incremental costs to the project should be limited to maintaining infrastructure and the additional staff required to ensure that the zapovedniks, zakazniks (zapovedniks dedicated to a particular species) and leshozes meet the management objectives. The coordination of management plans and monitoring between zapovedniks and leshozes, combined with the active support of the local communities, should ensure a cost effective process of evaluation and monitoring.

**2. Critical Risks (reflecting assumptions in the fourth column of Annex 1):**

<b><u>Risk</u></b>	<b><u>Risk Rating</u></b>	<b><u>Risk Minimization Measure</u></b>
<b>Annex 1, cell "from Outputs to Objective"</b>		
1. Lack of commitment to and understanding of project plans and process on the part of agencies, organizations and individuals	N	1. Comprehensive public awareness and outreach program, involvement of stakeholders in planning process, appropriate ownership and responsibility for projects
2. Lack of collaboration and consistency between countries, different national and local Government agencies, NGOs, land-use groups and local communities.	M	2. Trans-National and National Steering Committees, enhanced communication networks, collaborative planning exercises, implementation of NEAPs and biodiversity strategies into wider policies and strategies.
<b>Annex 1, cell "from Components to Outputs"</b>		
1. Unwillingness to redefine and coordinate sector policies, particularly forestry and its relation to biodiversity conservation.	M	1. Comprehensive policy reviews and assessments, joint implementation of project by ministries of Environment and State Forest Committees
2. Unwillingness of agencies and organizations to undertake long term active collaboration in and support for the program at a policy and operational level.	N	2. Collaborative planning and management of activities, appropriate ownership and responsibility for projects, costs and benefits of project activities distributed equitably.
3. Insufficient Government agency resources to implement and support program activities.	M	3. Activities planned by Government agencies and within existing capacities; high level commitment to the project ensured before implementation.
4. Resource use and management conflicts not resolved.	N	4. Detailed and long term social assessment and ecological monitoring, collaborative management planning, support for resource use alternatives.
5. Lack of support from local communities for activities through unwillingness, unawareness, lack of commitment or lack of perceived benefits.	M	5. Local ownership and planning of activities, incentives for support and implementation, comprehensive public awareness and education program, collaborative management activities.
6. Initial difficulties in procurement and disbursement procedures.	N	6. Detailed planning of procurement and disbursement, comprehensive initial training, close supervision and monitoring.
<b>Overall Risk Rating</b>	<b>M</b>	

Risk Rating - H (High Risk), S (Substantial Risk), M (Modest Risk), N (Negligible or Low Risk)

As outlined in the above section, the major risks to the project were identified early on and measures have been being taken to minimize these risks. As a result, the risk that the project will not meet its objectives is moderate. There is, however, one long-term factor which may negatively affect the long-term sustainability of the project: the rural energy supply problem in Uzbekistan. To the extent possible within

a relatively small biodiversity project, this issue is being addressed by supporting renewable energy and fuelwood projects in the national park area.

### ***3. Possible Controversial Aspects:***

Although relations between the three countries are constructive and friendly, an historic difficulty lies in the use of the area around Besh Aral. The ownership and use of this land has changed hands frequently. Currently the Kyrgyz have ownership but the Uzbeks have a long-term lease. Given the legal and other issues involved, successful implementation of the management plan will necessarily rely on the ongoing social assessment and participatory approach financed under the project to further explore the opportunities to resolve these issues. As well, under the provisions of the lease, grazing has significantly decreased due to the increasing costs of using this resource.

The village of Arkit lies inside Sary Chelek Zapovednik. Unsustainable use of natural resources on the edge of and within the zapovednik are in direct conflict with the current management objectives of the zapovednik. Land ownership and land use rights are also uncertain. The project will provide the framework for close collaboration between zapovednik staff, local communities and local government, integrated with the results of the environmental and social surveys. This will likely lead to an agreed approach on how to resolve the issue. *However, the project will not lead to or fund any resettlement of the villagers.*

## **G: Main Grant Conditions**

### ***1. Effectiveness Conditions:***

The following were specified as additional conditions to the effectiveness of the Grant:

- (i) The Recipients have established the RPIU, KPIU, KZPIU, UPIU, respectively and have engaged consultants and provided resources to these units necessary for their effective operation, and satisfaction of the Bank. (The staff to be appointed by effectiveness in the above PIUs include the RPIU manager, the RPIU deputy manager, the RPIU financial officer, the national managers and financial officers of KPIU, KZPIU and UPIU, respectively, and the general consultant. Individuals and systems must be satisfactory to the Bank);
- (ii) The Recipients have established financial and accounting systems adequate to reflect Project-related activities and financial transactions, and satisfactory to the Bank (and certified by a financial management specialist as part of the Bank's supervisory team); and
- (iii) The Recipients have appointed independent auditors as per the requirements of Section 4.01 (b)(i) of the Grant Agreement, with experience and qualifications, and under terms of reference satisfactory to the Bank.

### ***2. Other [classify according to covenant types used in the Legal Agreements.]:***

The parties also agreed to:

- (i) *Counterpart funding:* Each Government will maintain sufficient budgetary funds for implementation in each of the project accounts otherwise disbursement of the GEF grant will be halted. Tax waivers to consultants hired under the project will not be considered as being part of

**Government contribution to the Project.**

- (ii) ***Management aspects:*** Each Government will nominate a National Director to implement the project.
- (iii) ***Procurement:*** Procurement will be carried out in accordance with the agreed categories detailed in the Procurement and Disbursement Arrangements and the Project Implementation Plan.
- (iv) ***Monitoring:*** Quarterly and annual reports will be prepared according to agreed formats.
- (v) ***Condition of Disbursement for the Sub-Grant.*** A condition of disbursement related to the small grants program (Part C of the Project) is specified in paragraph 3 of Schedule 1 of the Grant Agreement and provides that before the expenditures related to the small grants program can be financed under the GEF grant, the Trans-national Steering Committee has adopted an operating manual described in paragraph 3 of Section B of Schedule 4 to the Grant Agreement.

**H. Readiness for Implementation**

☐ The engineering design documents for the first year's activities are complete and ready for the start of project implementation.

☒ Not applicable.

☒ The procurement documents for the first year's activities are complete and ready for the start of project implementation.<sup>1</sup>

☒ The Project Implementation Plan has been appraised and found to be realistic and of satisfactory quality.

☐ The following items are lacking and are discussed under loan conditions (Section G):

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<sup>1</sup> \* Procurement procedures and packages for the establishment of the PIUs have been prepared. The procurement packages for the first year are being developed and will be available before effectiveness.



## PROJECT DESIGN SUMMARY

CAS Objective supported			
Narrative Summary	Key Performance Indicators	Monitoring and Evaluation	Critical Assumptions (CAS Objectives to Bank Mission)
1. Poverty reduction through integrated rural natural resource programmes	Reduced poverty levels in project area. Improved natural resource management.	External sector and country reports.	Continued economic, political and social stability in the region. Enhanced recognition of the values of biodiversity outside the sectors directly involved in the project.
2. Development of environmentally sustainable policies to contribute to sustainable development	Improved natural resource management. Consensus gained on priority areas. Biodiversity conserved.	External sector and country reports.	Continued economic, political and social stability in the region. Enhanced recognition of the values of biodiversity outside the sectors directly involved in the project.
Project Development Objective			
Narrative Summary	Key Performance Indicators	Monitoring and evaluation	Critical assumptions (Project Development Objectives to CAS Objectives)
<i>Primary objectives</i>			
1. To support the protection of vulnerable and unique biological communities within the West Tien Shan Range	Reduced rate of decline of important species, habitats and communities within and outside protected areas. Increased and expanded conservation activities.	PIU reports. Reports of ecosystem monitoring programmes within and outside the Zapovedniks.	Maintenance of biodiversity conservation as a priority by governments and public. Inter-agency co-operation. Increased public involvement in conservation activities.
2. To assist the three countries to strengthen and co-ordinate national policies, regulations and institutional arrangements for biodiversity protection	Modifications to national policies and regulations that enhance co-ordination. Institutional arrangements implemented that improve biodiversity protection. Implementation of recommendations of TNSC.	TNSC and PIU reports. Project evaluation reports. Government policy and regulation reports. Institutional reports.	Continued willingness of national agencies and organisations to actively collaborate together in, and support, the programme at a policy and operational level. Sustainability of project activities beyond project lifetime.



Expected objectives				
1. To strengthen and expand the protected area network in the West in Shan.	Review of existing PA network against the requirements for species, habitat and community conservation, and socio-economic and land-use needs. Implementation of proposals from review. Achievement of management plan targets and objectives.	PIU reports. PA review report. NSC minutes and reports. Reports of agencies responsible for protected areas. Annual reviews of management plans.	Support of other agencies and land-users affected by strengthening of PA network. Improvement in government salary levels. PA network support is a continued priority of relevant government agencies.	
2. To reduce pressure on protected areas and their biological resources through the identification of alternative and sustainable income-generating activities for local communities and other stakeholders.	Local income generation activities rely less on unsustainable natural resource use. New income generating activities are economically sustainable. Human pressures on natural resources are reduced.	PIU report Ecosystem monitoring reports. Socio-economic survey reports. Small grants programme reports. Annual reviews of management plans. Analyses of projects funded.	Economic stability and development at a national and local level. Ability and willingness of local participant to be involved in the programme. Costs and benefits of new income generating activities distributed equitably. Resolution of conflicts over resource utilisation issues.	
3. To strengthen local and national capacity through education and training	Delivery of a comprehensive suite of professional development and education activities according to a regularly up-dated plan. Improved personnel outputs to a set of defined criteria.	PIU reports Evaluation reports on professional development activities. Performance reviews within organisations. Evaluation reports on education activities. External performance reviews and feedback.	Willingness of organisations to increase the emphasis on in-service training targeted at meeting work objectives.	
4. To increase public awareness of biodiversity values and participation in biodiversity conservation.	Public awareness outreach programmes developed and implemented. Public participation in conservation activities. Changed attitudes to conservation.	PIU reports. Outreach plans, materials and reports. Conservation activity reports. Social survey reports.	Public clearly expresses its needs and interests. Continued willingness of agencies and organisations for increased non-governmental participation in planning and operations.	
5. To establish regional (trans-national) co-ordination and co-operation mechanisms for biodiversity conservation activities to strengthen protected area management and wildlife protection and prevent the fragmentation of habitat corridors	TNSC established and operational. Intergovernmental agreement signed. Trans-national biodiversity conservation activities implemented.	TNSC minutes and reports. PIU reports. Government agency reports Signed agreement.	Continued political stability within the region. Continued willingness of the three governments to actively collaborate at both a policy and operational level.	

Global Objectives			
Narrative Summary	Key Performance Indicators	Monitoring and evaluation	Critical assumptions (Global Objective to GEF Operational Programme Goal)
Main global objective			
1. To ensure the conservation of the globally important biodiversity within the West Tien Shan.	<ul style="list-style-type: none"><li>Reduced rate of decline of globally important species, habitats and communities.</li><li>Intensified and expanded conservation activities.</li></ul>	<ul style="list-style-type: none"><li>PIU reports</li><li>Ecosystem monitoring reports.</li></ul>	<ul style="list-style-type: none"><li>Maintenance of biodiversity conservation as a priority by governments and public at national and international levels.</li><li>Inter-agency co-operation.</li></ul>
Specific objectives			
1. To conserve biodiversity through the implementation of an ecosystem-based management approach that involves the strengthening of protected area management systems and the integration of a co-ordinated management concept across regional, national and local programmes.	<ul style="list-style-type: none"><li>Improved status of target species, habitats and communities.</li><li>Conceptual framework for ecosystem management agreed and implemented regionally.</li><li>Improved management outputs.</li></ul>	<ul style="list-style-type: none"><li>PIU reports.</li><li>TNSC minutes and reports.</li><li>Ecosystem monitoring reports.</li><li>Management plans and evaluations.</li></ul>	<ul style="list-style-type: none"><li>Biodiversity conservation remains a priority for governments and public.</li><li>Ecosystem management concept is understood and accepted by governments and public.</li></ul>
2. To improve knowledge of the distribution and status of rare, endangered and endemic species through targeted surveys to better focus conservation measures.	<ul style="list-style-type: none"><li>Priority research requirements identified and agreed.</li><li>Surveys and research conducted.</li><li>Results of research disseminated and integrated into management planning.</li></ul>	<ul style="list-style-type: none"><li>Research reports.</li><li>Annual reviews of management plans and forward work planning.</li></ul>	<ul style="list-style-type: none"><li>Sufficient resources available to conduct effective research.</li><li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li></ul>
3. To enhance biodiversity conservation within mountain ecosystems by developing cross-sectoral, multi-use management systems to preserve critical ecosystems.	<ul style="list-style-type: none"><li>Development and implementation of ecosystem management plans and local, national and regional co-ordination and implementation systems in different sectors.</li></ul>	<ul style="list-style-type: none"><li>PIU reports.</li><li>Management plans and reviews.</li><li>Minutes of steering committees.</li><li>Results of ecosystem monitoring programmes.</li></ul>	<ul style="list-style-type: none"><li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li><li>Human and financial resources in different sectors sufficient to implement the plans.</li></ul>
4. To promote the protection of ecosystems, natural habitats, landscapes and the <i>in-situ</i> maintenance of viable populations of species by developing sustainable land use that integrates conservation management between protected areas and adjacent forest production units and farming communities.	<ul style="list-style-type: none"><li>Condition of ecosystems and biodiversity in different land-use systems.</li><li>Levels of biodiversity use compared to proposed sustainable usage levels.</li><li>Level of participation in conservation activities by different land-use groups.</li></ul>	<ul style="list-style-type: none"><li>PIU reports.</li><li>Results of ecosystem monitoring programmes.</li><li>Socio-economic survey reports.</li><li>Management plans.</li><li>Institutional reports.</li></ul>	<ul style="list-style-type: none"><li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li><li>Effective communication systems between different land-use groups.</li></ul>

5. To increase the awareness of biodiversity conservation and endangered species by the development of training programmes and dissemination of information.	<ul style="list-style-type: none"> <li>• Training, development and information dissemination activities planned and implemented.</li> <li>• Increased public awareness of biodiversity conservation issues.</li> <li>• Changed attitudes to biodiversity conservation.</li> </ul>	<ul style="list-style-type: none"> <li>• PIU reports.</li> <li>• Public awareness programme reports.</li> <li>• Evaluation of training activities.</li> <li>• Samples of information</li> <li>• Performance reviews within organisations.</li> <li>• Social surveys.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li> <li>• Information networks allow for effective dissemination.</li> </ul>
<b>Project Outputs from Components</b>			
<b>Narrative Summary</b>	<b>Key Performance Indicators</b>	<b>Monitoring and evaluation</b>	<b>Critical assumptions (Outputs to Project Development / Global Objectives)</b>
1.1. More effective and harmonised biodiversity conservation enabled by an improved legal framework	<ul style="list-style-type: none"> <li>• Recommendations for each country based on analysis at local, national and regional levels.</li> <li>• Reforms to the legal framework that enable more effective biodiversity conservation.</li> <li>• Reforms to the legal framework that harmonise legislation between different levels (regional, national and local).</li> </ul>	<ul style="list-style-type: none"> <li>• Progress reports.</li> <li>• Reports of the analyses and recommendations.</li> <li>• Legislative documents.</li> <li>• Government reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Other changes in the legal framework do not override changes associated with this project.</li> <li>• Sufficient political commitment to the project to move from operational to legislative remit.</li> <li>• Government resources are sufficient to implement and enforce the legislation.</li> </ul>
1.2. Improved financial support for biodiversity conservation through budget adjustments	<ul style="list-style-type: none"> <li>• Progressive relative increase in budgets within agencies for biodiversity conservation activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual budget figures.</li> <li>• Zapovednik budget figures.</li> </ul>	<ul style="list-style-type: none"> <li>• A demonstrable increase in economic activity within a time-scale to justify the adjustments.</li> <li>• Parallel improved spending efficiency mechanisms.</li> </ul>
1.3 Establishment of ecosystem scale protection measures to counter habitat and population fragmentation	<ul style="list-style-type: none"> <li>• Intergovernmental Agreement signed.</li> <li>• Forums established at national and local levels.</li> <li>• Regional policy needs and adjustments identified.</li> <li>• Number of agency plans implemented that have involved other agencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Policy review reports.</li> <li>• Signed agreement.</li> <li>• Government agency reports.</li> <li>• Land-use group reports.</li> <li>• Ecosystem survey reports.</li> <li>• Socio-economic surveys.</li> </ul>	<ul style="list-style-type: none"> <li>• Ecosystem protection is perceived as a benefit to land-users.</li> <li>• Collaboration between land-use government, non-government and private organisations</li> <li>• Ecosystem protection measures are recognised and restrictions enforced by all relevant agencies</li> </ul>

2.1a Maintenance and recovery of populations of important ecosystems and biodiversity	<ul style="list-style-type: none"> <li>Gathering, analysis and assessment of required biological data.</li> <li>Target levels for key communities, species and populations are identified and achieved.</li> <li>Conservation and rehabilitation programmes for threatened species, habitats and communities.</li> <li>Reduced fire damage</li> </ul>	Ecosystem monitoring reports.	<ul style="list-style-type: none"> <li>Founder populations of sufficient size and genetic heterogeneity.</li> <li>Resources sufficient to maintain and rehabilitate communities.</li> <li>Continued willingness of agencies and organisations to alter research agendas to ones compatible with the project.</li> </ul>
2.1b Development of effective management, enforcement, research and monitoring in Zapovedniks and buffer zones.	<ul style="list-style-type: none"> <li>Integration of the PA management planning process into organisation planning and operational cycles.</li> <li>Integration of research conclusions into management plans.</li> <li>Management plan targets and objectives are met.</li> <li>Enlargement of the managed areas to ensure protection.</li> <li>Conservation of key sites of cultural, heritage, religious or palaeontological value.</li> <li>Enhanced public awareness via a comprehensive outreach programme.</li> </ul>	PIU reports. Management plans. Management plan reviews. Monitoring reports.	Increased government support for Zapovedniks. Commitment to management planning process and activities by zapovednik staff and all groups involved in the management plans.
2.2. Active involvement of local communities in biodiversity conservation	<ul style="list-style-type: none"> <li>Surveys of social, economic and ecological conditions within communities interacting with the managed areas.</li> <li>Active participation of households, community groups, leaders and NGOs in project and PA planning and implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Survey reports.</li> <li>Annual reviews and forward work plans of managed areas.</li> <li>Social assessment reports.</li> <li>Community group reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continued willingness of agencies and organisations for increased non-governmental participation in planning and operations.</li> <li>Resolution of conflicts over resource use issues.</li> </ul>
2.3. Improved infrastructure for effective biodiversity conservation.	<ul style="list-style-type: none"> <li>Delivery of a comprehensive suite of infrastructural development activities according to a regularly up-dated infrastructure development plan.</li> </ul>	<ul style="list-style-type: none"> <li>Up-dated plans.</li> <li>Procurement records.</li> <li>Annual reviews and forward work plans of managed areas.</li> </ul>	<ul style="list-style-type: none"> <li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at an operational level, and continue support of activities beyond the project lifetime.</li> </ul>

3. Development of income generation and self-sufficiency activities linked to sustainable use of natural resources	<ul style="list-style-type: none"> <li>• Delivery of small grants according to implementation plan.</li> <li>• Establishment of operations under the programme.</li> <li>• Economic targets being met for approved projects.</li> <li>• Recreation and other economic uses of natural resources that are environmentally and economically sustainable.</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation reports and number of similar projects initiated after completion of model.</li> <li>• Minutes of committees.</li> <li>• Disbursement records.</li> <li>• Annual evaluation of funded projects.</li> <li>• Biological monitoring of impacts.</li> <li>• Social surveys.</li> </ul>	<ul style="list-style-type: none"> <li>• Participation of local communities in the activities.</li> <li>• Benefits are distributed equitably.</li> </ul>
4. National and regional recognition of the value of the West Tien Shan and of regional biodiversity.	<ul style="list-style-type: none"> <li>• Delivery of a comprehensive suite of development activities according to a regularly up-dated development plan.</li> <li>• Increased awareness among public, decision-makers, governmental organisations and NGOs of the significance of the WTS.</li> <li>• Publication of public awareness, information and training materials</li> </ul>	<ul style="list-style-type: none"> <li>• Reports on education and training activities.</li> <li>• Evaluation reports on education and training activities.</li> <li>• Performance reviews within organisations.</li> <li>• Press and media coverage.</li> <li>• Feedback from education and awareness raising programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Genuine official commitment to project activities and goals.</li> </ul>
5.1 Natural habitats are improved and extended.	<ul style="list-style-type: none"> <li>• Factors influencing habitat restoration activities identified and addressed.</li> <li>• Area of habitat restored or biodiversity conservation significantly improved.</li> <li>• Number of activities that improve habitat conservation measures and restoration.</li> <li>• Increased awareness of need for and benefits of habitat restoration.</li> </ul>	<ul style="list-style-type: none"> <li>• Ecosystem monitoring reports.</li> <li>• Socio-economic surveys.</li> <li>• Local activity reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Recoverability of eroded/degraded areas.</li> <li>• Local communities and land users perceive the need and benefits of habitat restoration.</li> <li>• Local communities have long term commitment.</li> </ul>
5.2 Fuelwood and forest resource supplies are improved and used sustainably	<ul style="list-style-type: none"> <li>• Plans for multipurpose reforestation.</li> <li>• Area of land reforested.</li> <li>• Species and management practices used for reforestation.</li> <li>• Economic and practical success of reforestation projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Reforestation plans.</li> <li>• Annual reviews of management plans and forward work plans.</li> <li>• Ecosystem monitoring reports.</li> <li>• Socio-economic reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Current fuel-use practices can be changed.</li> <li>• Support of other development organisations and initiatives.</li> <li>• Recoverability of eroded/degraded areas.</li> <li>• Local and national fuel economies.</li> </ul>
6. Effective management and co-ordination of biodiversity conservation activities in the West Tien Shan	<ul style="list-style-type: none"> <li>• Timely delivery of project milestones according to the project implementation schedule, targets and objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• PIU reports.</li> <li>• Disbursement and procurement records.</li> <li>• Supervision mission reports.</li> <li>• TNSC and NSC reports.</li> <li>• External evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued willingness of agencies and organisations for increased non-governmental participation in planning and operations.</li> </ul>



Project Components			
Narrative Summary	Project Inputs	Monitoring and evaluation	Critical assumptions (Components to Outputs)
<b>1. Legal and Budgetary Reform</b>			
1.1 Development and harmonisation of the legal frameworks for effective biodiversity conservation in each of the three countries.	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Other changes in the legal framework do not override changes associated with this project.</li> <li>Sufficient political commitment to the project to move from operational to legislative remit.</li> <li>Government resources are sufficient to implement and enforce the legislation.</li> </ul>
1.2 Budgetary adjustments to allow for sustainable funding of biodiversity conservation	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>A demonstrable increase in economic activity within a time-scale to justify the adjustments.</li> <li>Parallel improved spending efficiency mechanisms.</li> </ul>
1.3 Establishment of forum and mechanisms for regional co-ordination of biodiversity conservation activities and policies	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continued support of forest, agriculture and environmental ministries to actively collaborate at both a policy and operational level.</li> <li>Regional co-ordination is perceived as being beneficial to agency activities.</li> </ul>
<b>2. Strengthen and expand the protected area networks of the West Tien Shan</b>			
2.1 Implementation of the protected area management plans	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li> <li>General support for the planning process.</li> </ul>
2.2 Plan co-ordination and on-going social assessment of plan implementation.	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continued willingness of agencies and organisations for increased non-governmental participation in planning and operations.</li> <li>Resolution of conflicts over resource use issues.</li> </ul>
2.3 Communications and essential equipment	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at an operational level, and continue support of activities beyond the project lifetime.</li> </ul>

3. Sustainable use of biodiversity	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>There is a willingness and ability for change.</li> <li>Economic stability and development at a local and national level.</li> <li>Ability and willingness of local participants to become involved in the programme</li> </ul>
4. Strengthening of Local and National Capacity Through Education and Training	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Willingness of organisations to increase the emphasis on in-service training targeted at meeting work objectives</li> </ul>
5. Public Participation in Biodiversity Conservation	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Local communities and land users perceive the need and benefits of habitat restoration.</li> <li>Local communities have long term commitment.</li> </ul>
5.2 Reforestation	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>High level political commitment to multipurpose reforestation to allow the required interagency collaboration.</li> <li>Local communities and land users are able to make the long term commitment to reforestation.</li> </ul>
6. Project Management and Co-ordination	See Annex 3 and 5 for details.	<ul style="list-style-type: none"> <li>PIU reports.</li> <li>Disbursement reports.</li> <li>Evaluation reports.</li> </ul>	<ul style="list-style-type: none"> <li>Risk is that procurement and disbursement procedures will initially be problematic.</li> <li>Up-front training in these issues will be provided as well as project management skills.</li> <li>Continued willingness of agencies and organisations to actively collaborate in, and support, the programme at a policy and operational level.</li> <li>Project activities can be managed, co-ordinated and resourced after the project lifetime.</li> </ul>

## **DETAILED PROJECT DESCRIPTION**

### **Context and Background**

1. The rich natural and biological resource base in Central Asia has been threatened in recent decades, by deteriorating economic and socio-economic conditions, particularly in rural areas. This has meant that local populations have increasingly relied on natural resources for their livelihoods, often unsustainably, and they have few alternative sources of income. Simultaneously there has been a decrease in legislative enforcement, institutional effectiveness and environmental monitoring. Furthermore, a significant reduction in finance has reduced government expenditures for conservation activities.
2. The zapovedniks (IUCN Category I Protected Areas) in the West Tien Shan are a legacy of the former Soviet Union system which was one of the best in the world. However, the approach to biodiversity conservation of the Soviet Union was based on strict protection, demanded a large amount of resources to maintain, and took little account of the needs of the wider stakeholders. Such an approach is inappropriate under current and future constraints and requires adjusting to allow for participatory and integrated resource management. This needs to be based upon a framework of integrated activities involving Government decision-makers, managers, the scientific community, local communities and other stakeholders. There are many factors that will enable new approaches to biodiversity conservation to be successful and sustainable. These include the historically strong zapovednik system, a rapidly growing NGO movement, highly trained personnel in particular fields, a long history of detailed environmental monitoring and deeply committed individuals in the environmental movement. The participatory process of the preparation has meant that stakeholders have developed plans appropriate to their needs and resources and have a strong sense of project ownership. The wealth of experience gained by all those involved in project preparation has emphasized that a participatory attitude in every aspect of the work is vital and the project preparation process has involved hundreds of stakeholders and experts at all stages.
3. Project preparation activities included a wide-ranging baseline social assessment program, including local and national workshops which were coordinated by NGOs and included NGO representatives, members of the local communities, local administrations and the general public. The results of the social assessment have been used to define the characteristics of alternative revenue generating activities, natural resource management, and the training and public awareness programs. They have also ensured that other activities are integrated into the social framework.
4. The current extent of protected areas in the West Tien Shan is not sufficient to contain viable populations of many important species; a functioning and viable ecosystem will have to include areas that are outside the zapovedniks. Such an approach is the antithesis of the previous system and project preparation process facilitated a change in this attitude by bringing together a diversity of experts and stakeholders from the whole



**West Tien Shan ecosystem.** This fostered the development of a viewpoint that takes into consideration the long-term viability of the West Tien Shan ecosystem and the communities that depend on it; such a viewpoint relies on an integrated approach to biodiversity conservation that cuts across disciplines, land-users, administrative and national boundaries, and Government and nongovernmental organizations. The project reflects these attitudes. It is important that this viewpoint be maintained and developed throughout the project, and that activities are not seen as spatially independent but as part of a complex and integrated whole.

### **Scope**

5. The project will focus on the West Tien Shan mountain range in Kazakhstan, the Kyrgyz Republic and Uzbekistan. The West Tien Shan Range covers an array of habitats from sub-tropical to tundra and glaciers, including semi-arid, forest and mountain ecosystems, forming the most westerly part of the Himalayan system. The high level of biological diversity includes many endangered and endemic species such as the snow leopard, Menzbier's marmot, white-clawed bear, lynx, Central Asian mountain goat and argali, golden eagle, Eurasian eagle-owl, lammergeier and Himalayan griffon vulture. The West Tien Shan is also important for many migratory bird species, thus the preservation of the zapovedniks will assist in the conservation of the Eurasian ecosystem as a whole. Moreover, the region contains a striking array of wild relatives of commercialized horticultural and agricultural plants (including apples, walnuts, apricots and tulips), medicinal plants, diverse grasses, and many other endemic flower species. Each Government was asked to indicate the sites that they considered to be the most important in terms of global biodiversity (those most urgently requiring support to conserve vulnerable species), and were national priorities. The four zapovedniks—Kazakhstan—Äksu-Djabagly Zapovednik; Kyrgyz Republic—Besh-Aral and Sary Chelek Zapovedniks; and Uzbekistan—Chatkal Zapovednik/Ugam-Chatkal National Park—in this project fulfilled these criteria. They form a transboundary complex of zapovedniks which together protect an area of high biodiversity. Together they ensure that a complete ecological unit, rather than isolated fragments is conserved.

6. The project will support an integrated set of activities at local, national and regional (trans-national) levels within an overarching framework of transboundary coordination and collaboration. It will strengthen and extend a transboundary protected area network that is close to collapse by providing new models for protecting and managing biodiversity, both within the conservation areas and the broader landscape, in partnership with local communities and other stakeholders. The project will encourage biodiversity conservation through policy support, institutional strengthening and capacity building, technical assistance, conservation education and awareness and targeted investments to promote more effective protected area management and land-use activities outside zapovedniks that are consistent with biodiversity conservation and sustainable use. It will also support establishment of transboundary coordinating mechanisms and

working groups for exchange of information and expertise to develop programs for enforcement, anti-poaching, wildlife management, research and monitoring.

7. Many natural resources in the project area are currently used, frequently unsustainably, for economic and subsistence purposes, including: fruits and nuts, large mammals, medicinal plants and water. Most of this use is unregulated or even illegal. The project is integrated in a participatory and multi-disciplinary way to implement a series of programs for the sustainable use of natural resources. These include: the needs assessment, legislative reviews, ecological monitoring, evaluation of levels for sustainable use, and public awareness. This will ensure that sustainable use is context specific and will depend on such factors as the species involved, local needs and the institutional background.

### **Project Structure**

8. The project is composed of six components:

- Legal and Financial Reform;
- Strengthening Protected Area Networks;
- Sustainable Uses of Biodiversity;
- Education and Training;
- Public Participation in Biodiversity Conservation;
- Project Management.

9. Given its transboundary nature, the project's framework is composed of a regional management plan and individual management plans for the four zapovedniks. Within this framework the six components will address both regional and national issues through the integrated approach identified during project preparation.

10. The objectives of the regional management plan, which will be realized through the various components of the project, include the following:

- To gather, analyze, evaluate, record and disseminate biodiversity information for the West Tien Shan.
- To develop and expand the network of protected areas and raise their operational capacity.
- To create a regional system for GEF project financial management and coordination.
- To improve and harmonize environmental legislation in participating countries.
- To create a regional system and program of training and upgrading.
- To support Government and NGO activities that support the objectives of the project.
- To increase the level of public awareness about biodiversity conservation and the project.

- To develop and implement sustainable biodiversity use activities.

## **Project Components**

### ***Component 1. Legal and Financial Reform***

11. Legislation in each of the countries has been reformed since independence; although many regulations from the FSU remain together with a new generation of environmental laws. Each country has a general law on environmental protection, with specific supporting legislation on protected areas and fauna & flora still being developed. An audit has been carried out in each country of current legislation. The following is a summary of the main issues raised: (a) uncertainty about land ownership, particularly private ownership; (b) lack of clarity of definition legislation, as historically there was no challenge from individuals; (c) overlapping provisions and powers relating to nature conservation, the management of buffer zones and lack of separation of interest where assessments are carried out. Insufficient experts to be able to undertake the assessments required by law; (d) limited experience of public consultation when drafting legislation, resulting in lack of public support for measures in safeguarding protected areas; (e) lack of coordination, especially of enforcement, at a national and local level, which is then compounded regarding the West Tien Shan, due to involvement of three countries; and, (f) Lack of ecological awareness within the local communities, particularly in respect of environmental legislation.

### ***Development and Harmonization of the Legal Frameworks***

12. The project will consolidate the initial legislative and regulatory reviews associated with the PDF, NEAPs and Biodiversity Strategies. As a result of this, it will assist in drafting new legislation to harmonize existing national and trans-national legislation relating to natural resource ownership and use and the accompanying regulations. The project will conduct more specific reviews and reforms of legislation in each of the project sites relating to such issues as natural resource use rights, tourism, hunting and cultural sites. Clarification private landowners' rights is required in the three countries; this could be enhanced by greater exposure to how these issues are addressed in protected areas in other countries. Alongside these reviews and reforms, the project will conduct awareness raising activities targeted at those affected by the legislation and those involved in its implementation. Participatory planning will allow the statutory process and actions to protect areas to embrace social and economic issues more effectively. As part of the general regional and national legislative review, the legal aspects of sustainable resource use will be studied and measures suggested to rectify current legislation if it is deemed to be inappropriate.

### ***Financial Adjustments to Allow for Sustainable Funding of Biodiversity Conservation***

13. The analysis of financial and budgetary allocations for biodiversity conservation, particularly in the zapovedniks, has indicated a need for increased financial support for

the zapovedniks. The physical resources and infrastructure are not adequate to maintain existing commitments. The allocation of resources needs to meet the minimum requirements within the zapovedniks and leshozes, allow the development of NGOs in the project and provide the foundations for sustainable economic development in local communities. The project will attempt to operationalize several alternative recurrent funding mechanisms which might be made available from regional environmental funds and taxes and levies on sustainable resource use in the West Tien Shan. In addition, each country has requested that the project explore the feasibility of a trust fund, which would be capitalized by bilateral and non-GEF resources.

*Establishment of Forum and Mechanisms for Regional Coordination of Biodiversity Conservation Activities and Policies*

14. The conservation of biodiversity will require considerable support from agencies not directly involved in the project and coordination on a regional basis. In particular, there is a need for policy coordination within and between Government agencies, especially in those agencies responsible for activities that can have a strong impact on biodiversity such as tourism and education. This will be achieved at a regional level by the establishment of the Trans-National Supervisory Committee and the three National Supervisory Committees (see component 6 below). In addition, local committees will be set up in the project oblasts which will involve local administrations, representatives from the protected areas and leshozes (Forest Management Units) and local communities. These local Committees, as well as ensuring inter-sectoral coordination at the project sites, will also communicate with each other regularly, thereby providing an effective means of regional cooperation on a local scale. Such a system has been found particularly effective in other projects, noticeably in the GEF Carpathian project between Poland and the Czech and Slovak Republics.

*Component 2. Strengthen and Expand the Zapovednik Networks of the West Tien Shan*

15. Management of zapovedniks tends to be the responsibility of one Government agency with limited stakeholder participation; although scientific institutes provided technical support in the past, this has declined due to lack of resources. Decision making tends to remain centralized, with an informal system evolving at local level. A change of management culture will be needed to identify and develop new methods of protected area management. Participatory planning has highlighted the need to maintain monitoring, but this should be linked to action to allow species and habitat management. The multi-disciplinary approach in preparation has demonstrated the need for a cross sectoral approach and involvement of local communities in biodiversity management, which is reflected in the management plan objectives. The implementation of these management plans is designed to bring about the change of culture at a local and national level by demonstrating examples of best practice. Further development of links with BSAPs and NEAPs will provide a more sustainable approach to strategic planning and

policy making. The Trans-National Steering Committee, together with National Steering Committees, will provide representation of Government agencies, NGOs, and local administrations. Where possible they should build on existing structures such as the BSAPs in each country.

*Implementation of the Zapovednik Management Plans*

16. Operational zapovednik management plans have been developed as part of project preparation for the four selected areas (Aksu Djabagly Zapovednik, Chatkal Zapovednik/Ugam-Chatkal National Park, Sary Chelek Zapovednik and the Besh Aral Zapovednik).

17. The objectives of the individual management plans, developed during preparation, are to:

- maintain monitor, protect and enhance the representative and endangered natural communities of plants, animals and landscapes of the zapovednik and surrounding areas,
- orient the economic activities of the local communities to the sustainable use of natural resources, including tourism,
- provide a protective regime for the reserve buffer zone and to extend the influence of the regime to a regional level,
- promote the level of public awareness and ecological education about nature conservation,
- develop the infrastructure and the staff structure of the zapovedniks to ensure adequate protection and study the biodiversity of the zapovednik and surrounding areas,
- promote and support the improvement and implementation of the environmental legislation at a local and national level.

18. Implementation of priority activities will include: (a) monitoring and assessment of environmental information; (b) conservation and rehabilitation of priority representative and threatened natural communities, habitats and populations; (c) conservation and rehabilitation of priority representative and threatened landscape, palaeontological and ethno-cultural sites; (d) development and implementation of integrated fire management plans; (e) involvement of local communities, Government agencies and NGOs in conservation activities in and around the zapovedniks, primarily aimed at reducing pressures on natural resources; (f) development of the infrastructure and human management capacity of the zapovedniks and leshozes; (g) development of tourism plans, facilities and activities; (h) publication of scientific research; and (i) environmental education and public awareness programs.

### *Plan Coordination and On-going Social Assessment of Plan Implementation*

19. Social assessment activities undertaken in 6 villages during preparation have identified relevant local level stakeholders and provided valuable information on stakeholder interests, resource use patterns, population levels, social needs, traditional knowledge and economic situations. This information has been instrumental in identifying alternative livelihood and income generating activities for development and financing under the project. In order to appropriately support on-going and broad-based participation of the relevant communities and systematic consultation, further social assessment activities will continue during project implementation in all communities adjacent to zapovedniks, leshozes and the national parks. Social assessment, like environmental monitoring, will be continuously on-going during project implementation. In order to ensure local coordination and participation, the project will support a number of activities including: (a) collaborative monitoring and enforcement, (b) establishment of routine meetings to coordinate management plans between zapovedniks and leshozes; (c) establishment of a local biodiversity data base; (d) combined resource management plans; and (e) the provision of information to the national Supervisory Committees.

20. Collation and sharing of all the information from the project will allow the social aspects of the project to be integrated into all of the project activities. The results of all these studies will be included in a computerized database, with access to all of the relevant participants in the project. Use of remotely sensed images will provide accurate information on the extent of forestry destruction and useful guides to land-use patterns, irrigation, etc. Focused use of GIS will also be potentially useful in establishing varieties of human pressure on given districts. Most of the activities involved with developing infrastructure are primarily intended to enhance the management ability of the protected areas. However, local communities will benefit from these through improved access and communication and the development of the potential for income generating activities.

### *Communications and Essential Equipment*

21. Information systems lack investment and can no longer be used as a management tool as they are often outdated or not easily accessible due to lack of infrastructure. The existing systems tend to be based on one organization and restricted on a national basis, which prevents information being shared between adjacent zapovedniks or being made available to surrounding leshozes. The development of a single database for the project area with multi-agency, NGO and community access by the three countries, will facilitate the collection, sharing and collation of information for analysis as a basis for objective decision making, based on sound science. This will also provide capability to develop and standardize methodologies nationally and regionally and draw on expertise and models developed outside the region.

22. Together with implementation of the above management plans, communications and essential equipment will be purchased under the project. This expenditure will



augment existing facilities and relate strictly to the priority activities identified in each of the management plans. Specifically, critical equipment is needed to develop integrated information systems, and scientific-project monitoring by rangers and scientific workers. Investment is also required to refurbish the existing ecotourism and public education infrastructure in the zapovedniks and leshozes. This includes refurbishing museums and visitor centers and establishing trails, guides and interpretation materials. The difficult terrain and extreme climatic conditions in the field means that the rangers and the leshoz staff operate without any back up or support. There is currently no means of planning and coordinating activities nationally and regionally, which is required to prevent poaching and to monitor hunting and grazing. Communication in the field will be addressed by the installation of a short wave radio network. This will be enhanced by the provision of emails and the upgrading of the local telephone systems. Furthermore, The provision of sufficient quality horses and equipment for rangers should also provide the opportunity to develop local traditional business

### ***Component 3. Sustainable Uses of Biodiversity***

23. This component will support small-scale local initiatives related to biodiversity conservation which will reduce pressure on the protected areas and biological resources while at the same time improving local livelihoods and enhancing socio-economic development. This will be achieved through the development of model programs, based on national studies and assessments, designed to maintain biodiversity resources in the West Tien Shan areas. Part of this program will provide grants to local communities, NGOs and individuals. The component would finance model projects or provide seed funding for sustainable activities that have the potential to develop an alternative income stream for local communities. Examples of activities that might be financed include rural tourism and associated activities, such as technical advice and training for providing accommodation in rural homes, guiding and site interpretation; cottage industries for handicrafts, nursery development, traditional resource use practices, renewable energy projects (photovoltaic systems) and appropriate husbandry programs. Communities will contribute time and labor to conservation activities and will also limit the use of intensively used areas or excessively hunted species. Criteria for selection of eligible projects will ensure that they support protected area and conservation management objectives.

### ***Component 4. Strengthening of Local and National Capacity Through Education and Training***

24. One of the main mechanisms for building capacity within the West Tien Shan and enhancing sustainability will be the implementation of the training plan. This will develop knowledge, skills and systems in topics related to protected area management, including planning, survey techniques, social participation, monitoring systems, operational management and business planning.

**25. Training plan objectives are:**

- To support the effective achievement of the project objectives by developing the knowledge, experience and skills of participants and stakeholders.
- To create a culture of continuous development within the organizations involved in the West Tien Shan project area.
- To meet the training needs of the stakeholders by designing customized training and development programs, which also provide support in the workplace or at a local level, to meet specific project outputs.
- To transfer skills and disseminate information throughout the region.

**26.** Training should coincide with the activities of the project; this will allow the outputs of the workshops to make a contribution to project objectives. The facilitator/trainer will carry out immediate follow up in the workplace on conclusion of the workshop to further develop the knowledge and skills of the participants. The training program will include (a) zapovednik management; (b) conservation field skills; (c) public awareness; (d) management skills; (e) business management; (f) study tours; and, (g) training trainers and maintaining a network of these trainers. Many of the activities will be accredited and lead to further qualifications. The training component will provide broad support for implementation of the other components of the project. The public awareness and environmental education element of the project is wide ranging. It includes plans for the participatory development of activities, training teachers and trainers, producing education resources, a series of mass media events, and improving education facilities in the protected areas.

***Component 5. Public Participation in Biodiversity Conservation***

**27.** There are two specific sub-components which address significant biodiversity issues where community participation is vital or where local community resource use is threatening the integrity of the zapovedniks. These include:

***Habitat Restoration***

**28.** Unless the increasingly unsustainable natural resource use by local communities is reduced, the existing zapovedniks and areas relatively unaffected by anthropogenic influences are highly unlikely to be able to function as a viable ecosystem and conserve optimal levels of biodiversity in the long term. This issue is addressed in several components of the project through the implementation of each protected area management plan. As well, it is vital that certain key habitats be restored by reducing anthropogenic influences. This will have to take place in areas adjacent to the zapovedniks. Therefore, a program will be developed raising awareness, training, and supporting conservation activities with a variety of land use groups. Direct habitat restoration using native species will also be funded around communities adjacent to the zapovedniks to strengthen wildlife corridors and biodiversity conservation, as well as stabilize soil and slopes. These activities will include: (a) increased monitoring in rare



and endemic species; (b) increased protection of these species including the Kyrgyz apple tree, sogdian cherry plum; (c) establishment of nurseries and seed banks for ex-situ conservation; (d) establishment of small plantations of local species to enhance watershed protection; (e) strengthening of existing management of zakazniks (zapovedniks dedicated to a particular species) and if required, establishment of new zakazniks to create buffer zones and wildlife corridors and ensure appropriate habitat restoration and management.

### *Reforestation*

29. The Pskem valley in Uzbekistan, which is part of the Ugam-Chatkal National Park and adjacent to the Chatkal Zapovednik, comprises 14 settlements with a population of 22,000. Given current rates of fuelwood use, it will be completely deforested by 2007. Initially, priority forest biodiversity will be identified through surveys at habitat, species, population and genetic levels. This will provide important guidance for prioritizing areas for protection against deforestation and needs for reforestation. The surveys will also assist in identifying appropriate management techniques for the reforestation program. The program will establish nurseries of appropriate species, plant fuelwood plots around local communities and replant orchards and windbreaks. Alternative energy sources, and possible sources to meet capital costs of their establishment, will be investigated to supplement the existing energy supplies. Co-financing will be sought for this component from bilateral donors. Project funding will be limited to developing the necessary nursery, propagation and technical capacities through limited trials and selective feasibility studies.

### *Component 6. Project Management and Coordination*

30. Sustainability will largely depend on activities bringing related change regionally, nationally and locally, although the main focus is on the zapovedniks. The transboundary elements of the project will need to be coordinated regionally but implemented for the most part nationally and locally. The regional components of the project and the Kyrgyz national components will be carried out by a **Regional Project Implementation Unit (RPIU)** located in Bishkek. The RPIU will also coordinate the activities of each **National Project Implementation Unit (NPIU)**. The Regional Manager of the RPIU will be assisted by a **General Consultants and lead advisor**.

31. **Project oversight and management** will be the responsibility (in each of the three countries) of **National Directors (ND)** who will be the Deputy Ministers of the executing agencies, assisted by the RPIU and NPIUs. The ND will be responsible for approving policies and providing guidance on critical aspects of component design, operation, and review; the ND, in coordination with the National Supervisory Committee, will also appoint key staff of the PIU and will be assisted by the General Consultant. The PIU will be headed by the **Project Manager (PM)**, an individual competitively selected and hired on a full-time basis. The PM will report to the ND and will be fully responsible

for the day-to-day management of the PIU, including: staff/consultant selection and performance; budget management and approval of expenditures; planning, organization of federal/regional coordination of the technical work, scheduling and quality control; reporting and reviewing of work in progress. The PM and the PIU will be responsible for issues related to consolidation of the overall project budget and financial records; management of the project's Special Account and payment of invoices that have been approved by the PM under the budget; provision of procurement and logistical services for the project; information management; and bilateral donor program coordination.

32. In addition, a **General Consultant (GC)**, an internationally selected individual, will assist the National Director and the Project Manager in the management and supervision of the project. Services of a **Special Adviser (SA)**, an independent highly reputable professional specialist, will be occasionally used by the Project Director for project activities' review and quality control.

33. A **National Steering Committee (NSC)** will be established in each country as a cross sectoral committee to oversee the project. The NSC will include representatives from the Ministry/Committee of Environment, the Forest Service, the Ministry of Finance, the regional authorities, the Academy of Science and NGO community. A **Trans-National Steering Committee (TNSC)** will be drawn from the project's NSCs. It will include the Chairmen of the NSCs, a representative of the regional administration (Akim) on the NSCs, representatives from the Academy of Sciences and NGO representatives. The role of the TNSC will be to: (a) provide overall direction and supervise regional coordination activities of the RPIU; (b) endorse regional Terms of Reference and selection of regional contractors; (c) provide guidance where requested to the RPIU and NPIUs; and, (d) promote and gain support for the project at a regional level. The Bank will provide technical and financial supervision during implementation of the project

34. **Project coordination** will occur at different levels. Coordination between countries, a key element in the design of the project, will be facilitated by the TNSC. The TNSC, NSCs and PIUs and local level activities will be assisted by the Regional Project Implementation Unit (RPIU). Zapovednik management will be coordinated between the zapovedniks by sharing management plans, establishing communication links and joint monitoring. Furthermore, to ensure that the West Tien Shan ecosystem is under a coherent management process, the zapovednik managers will coordinate all their activities with leshoz managers and visa versa; this will be especially important in monitoring species movements, poachers, establishment of tourist trails and fire management programs. Collectively these individuals will be responsible for effective project management. This will include reviewing existing plans, developing and implementing detailed action plans, monitoring and evaluation, reporting, and regular review and adaptation as needed. Participatory planning, leading to agreed objectives and specific prescriptions achieved through work plans and/or TORs with agreed outputs will provide a basis for monitoring and evaluation of performance. Management plans will

Project components (see Detailed Project Description and Estimated Project Costs for more information):					
Component	Financing			Cost Incl.	% of
	GOV	Par	GEF	Contingencies (US\$M)	Total
1. Legal and Financial Reform				0.55	
1.1 legal framework			0.17		4.0
1.2 financial adjustments	0.20		0.02		
1.3 policy coordination			0.16		
2. Strengthening Protected Area Networks	0.80		1.45	5.7	42.0
2.1. operational plans	0.30		0.75		
2.2 participation / coordination			2.40		
2.3 communications/ equipment					
3. Sustainable Uses of Biodiversity			1.00	1.00	7.3
4. Education and Training		0.30	1.20	1.50	11.0
5. Public Participation in Biodiversity Conservation	0.40		1.00	2.80	20.5
5.1 habitat restoration		1.20	0.20		
5.2 reforestation					
6. Project Management	0.30		1.80	2.10	15.4
<b>Total</b>	<b>2.00</b>	<b>1.50</b>	<b>10.15</b>	<b>13.65</b>	<b>100.0</b>

**Project components Kazakhstan:**

Component	Financing			Cost Incl.	% of
	GOV	Par	GEF	Contingencies (US\$M)	Total
1. Legal and Financial Reform				0.012	
1.1 legal framework			0.004		0.68
1.2 financial adjustments			0.008		
1.3 policy coordination					
2. Strengthening Protected Area Networks	0.278		0.433	1.26	71.31
2.1. operational plans					
2.2 participation / coordination			0.549		
2.3 communications/ equipment					
3. Sustainable Uses of Biodiversity			0.073	0.073	4.13
4. Education and Training			0	0	0
5. Public Participation in Biodiversity Conservation	0.1		0.237	0.392	22.18
5.1 habitat restoration			0.055		
5.2 reforestation					
6. Project Management	0.03		0	0.03	1.7
<b>Total</b>	<b>0.408</b>		<b>1.359</b>	<b>1.767</b>	<b>100</b>

**Project components Kyrgyz Republic - Sary Chelek:**

Component	Financing			Cost Incl. Contingencies	% of Total
	GOV	Par	GEF	(US\$M)	
1. Legal and Financial Reform				0.057	
1.1 legal framework			0.05		3.16
1.2 financial adjustments			0.007		
1.3 policy coordination					
2. Strengthening Protected Area Networks				1.142	63.27
2.1. operational plans	0.299		0.517		
2.2 participation / coordination			0.326		
2.3 communications/ equipment					
3. Sustainable Uses of Biodiversity			0.086	0.086	4.76
4. Education and Training			0	0	0
5. Public Participation in Biodiversity Conservation				0.49	27.15
5.1 habitat restoration	0.1		0.34		
5.2 reforestation			0.05		
6. Project Management	0.03			0.03	1.66
<b>Total</b>	<b>.429</b>		<b>1.376</b>	<b>1.805</b>	<b>100</b>

**Project components Kyrgyz Republic - Besh Aral:**

Component	Financing			Cost Incl. Contingencies	% of Total
	GOV	Par	GEF	(US\$M)	
1. Legal and Financial Reform				0.03	
1.1 legal framework			0.02		1.68
1.2 financial adjustments			0.01		
1.3 policy coordination					
2. Strengthening Protected Area Networks				1.161	65.19
2.1. operational plans	0.214		0.325		
2.2 participation / coordination			0.622		
2.3 communications/ equipment					
3. Sustainable Uses of Biodiversity			0.131	0.131	7.36
4. Education and Training			0.061	0.061	3.43
5. Public Participation in Biodiversity Conservation				0.368	20.66
5.1 habitat restoration	0.09		0.242		
5.2 reforestation			0.036		
6. Project Management	0.03		0	0.03	1.68
<b>Total</b>	<b>0.334</b>		<b>1.447</b>	<b>1.781</b>	<b>100</b>

**Project components Uzbekistan:**

Component	Financing			Cost Incl. Contingencies	% of Total
	GOV	Par	GEF	(US\$M)	
1. Legal and Financial Reform 1.1 legal framework 1.2 financial adjustments 1.3 policy coordination			0.014 0.009	0.023	1.35
2. Strengthening Protected Area Networks 2.1. operational plans 2.2 participation / coordination 2.3 communications/ equipment	0.241		0.371 0.63	1.242	72.84
3. Sustainable Uses of Biodiversity			0.082	0.082	4.81
4. Education and Training			0.032	0.032	1.88
5. Public Participation in Biodiversity Conservation 5.1 habitat restoration 5.2 reforestation	0.11		0.164 0.022	0.296	17.36
6. Project Management	0.03		0	0.03	1.76
<b>Total</b>	<b>0.381</b>		<b>1.324</b>	<b>1.705</b>	<b>100</b>

**Project components Regional**

Component	Financing			Cost Incl. Contingencies	% of Total
	GOV	Par	GEF	(US\$M)	
1. Legal and Financial Reform 1.1 legal framework 1.2 financial adjustments 1.3 policy coordination	0.2		0.09 0.020 0.146	0.456	8.97
2. Strengthening Protected Area Networks 2.1. operational plans 2.2 participation / coordination 2.3 communications/ equipment	0.07		0.565 0.274	0.909	17.89
3. Sustainable Uses of Biodiversity			0.61	0.61	12.01
4. Education and Training			1.107	1.107	21.79
5. Public Participation in Biodiversity Conservation 5.1 habitat restoration 5.2 reforestation			0.002 0.015	0.017	0.33
6. Project Management	0.18		1.802	1.982	39.01
<b>Total</b>	<b>0.45</b>		<b>4.631</b>	<b>5.081</b>	<b>100</b>

## INCREMENTAL COST ANALYSIS

### Overview

1. The primary objectives of the GEF Alternative are to support the protection of vulnerable and unique biological communities within the West Tien Shan Range and to assist the three countries to strengthen and co-ordinate national policies, regulations and institutional arrangements for biodiversity protection.
2. Associated objectives are:
  - To strengthen and expand the protected area network in the West Tien Shan.
  - To identify alternative and sustainable income-generating activities for local communities and other stakeholders to reduce pressure on the protected areas and their biological resources.
  - To strengthen local and national capacity through education and training.
  - To raise public awareness of biodiversity values and participation in biodiversity conservation.
  - To establish regional (trans-national) coordination and cooperation mechanisms for biodiversity conservation activities to strengthen protected area management and wildlife protection and prevent the fragmentation of habitat corridors.
3. The GEF Alternative intends to achieve these outputs at a total incremental cost of approximately \$13.65 million through the implementation of components entailing legal and budgetary reform, strengthening and expanding the protected areas network, sustainable use of biodiversity, local and national capacity strengthening through education and training, public participation in biodiversity conservation, and project management and co-ordination.

### Broad Development Goals

4. The broad development goals of the three participating countries focus on poverty alleviation, revitalizing the rural sector, and strengthening natural resource management. The Kyrgyz Republic has recently completed a NEAP, which places priority on biodiversity conservation and sustainable natural resource management, while Uzbekistan and Kazakhstan are currently proceeding with NEAP preparation. Concerns over increasing threats to biological resources have prompted the Governments of Kazakhstan and Uzbekistan to begin work on National Biodiversity Strategy and Action Plans (BSAPs) with assistance from UNDP/GEF, while Kyrgyz Republic is preparing a BSAP with World Bank/GEF assistance. These BSAPs will identify current challenges to the conservation and wise use of biological resources, including the effectiveness of laws and institutions. Priorities include identifying how natural resource use is adversely impacting ecosystems and threatening species with extinction. These solutions may include, *inter alia*, the creation of new laws, more effective enforcement of existing laws and regulations, creation of new protected areas, strengthening of existing protected areas, better land and habitat management, improving public environmental awareness and education, and broader participation of responsible governmental and non-governmental organizations in natural resource management. All three countries have identified biodiversity conservation in the West Tien Shan as a high national priority. In addition, the region is identified as a priority area under the Pan-European Biodiversity and Habitat Strategy.



## Baseline Scenario

5. **Scope.** Since the collapse of the former Soviet Union, the three participating Central Asian countries have confronted highly adverse economic circumstances. With the dissolution of the Soviet Union, fiscal transfers from Moscow were terminated, inter-republic trade collapsed, and cumulative real GDP declined significantly. Agricultural output fell in each of the three countries, while social spending was unable to meet the needs of vulnerable groups, particularly in rural areas. Similarly, environmental conditions have deteriorated throughout the region. Poor land use management and practices have resulted in degraded watersheds, pollution, deforestation—intensified by the increase in the use of wood for fuel—and long-term pressure on grazing lands.

6. **Costs.** Accomplishing development priorities in the three participating countries will require policy changes, upgrading capacity and quality of Government institutions addressing the needs of rural communities, and programmes targeted towards sustainable income generation. Each of the three countries has embarked on a process of amending environmental legislation inherited from the Soviet system; in addition, the three nations have adopted new legislation which, as signatories of the Convention on Biological Diversity, may require reforms in the legal framework to fully comply with its objectives. Kazakhstan and Uzbekistan are presently undergoing Enabling Activities for Biodiversity with the support of UNDP/GEF, while the Kyrgyz Republic is carrying out Enabling Activities with World Bank/GEF assistance. Under the Baseline Scenario, it is expected that the three countries will complete national Biodiversity Strategies and Action Plans in FY98, assessing the status of biological resources and identifying options for managing important biodiversity. It is assumed that the above-mentioned National Environmental Action Plans in Uzbekistan and Kazakhstan will be completed, the latter supported in part by the recently-completed World Bank-financed Technical Assistance Project which included an environmental sub-component, upgrading the institutional capacity of the Ministry of Ecology and Bioresources and strengthening information systems for environmental monitoring. In Kazakhstan, the World Bank-financed Irrigation and Drainage Improvement project is supporting irrigation and drainage rehabilitation. One component of this project will strengthen the public sector management capacity of the Ministry of Agriculture and the Ministry of Ecology & Bioresources. In particular, these efforts include increasing capacity to use preventive measures to avoid adverse environmental impacts of projects; policy and regulatory measures; environmental assessments (EAs); environmental planning and economic instruments; and curative measures to address international waters contamination and soil erosion in a cost effective manner. Finally, smaller projects focusing on environmental policy reform include UNDP's Capacity 21 programme, which is supporting reforms in environmental legislation in the three participating countries and DANAID's Harmonization of Environmental Procedures project in Kazakhstan. The total cost for activities related to policy support is estimated at US\$2.3 million.

7. In the West Tien Shan region, a number of nearly-contiguous protected areas presently exist, including: Kazakhstan—Aksu-Djabagly Zapovednik; Kyrgyz Republic—Besh-Aral and Sary Chelek Zapovedniks; and Uzbekistan—Chatkal Zapovednik/Ugam-Chatkal National Park. However, severe problems in terms of the decline, in real terms, of finances; departure/reorganization of experienced management staff; and lack of management experience, training, and legislation protecting these areas, threatens their continued viability and makes them less adaptable to the rapidly changing external socio-economic pressures. FY97 allocations for protected areas management in the West Tien Shan region included: Kazakhstan—\$95,000;

Kyrgyz Republic—\$55,000; and Uzbekistan—\$50,000. Under the Baseline Scenario, it is expected that current expenditures for protected areas management will increase in real terms by five percent in Kazakhstan over the next five years, remain constant in the Kyrgyz Republic, and decline by five to ten percent in Uzbekistan. Under current legislation, income generation within the zapovedniks is illegal, thus their ability to contribute to their own economic sustainability is minimal. Finally, forest management units in the three participating countries receive limited financing from the central governments for forest protection. FY97 financing for these forest management units includes: Kazakhstan—\$98,000; Kyrgyz Republic—\$82,000; and Uzbekistan—\$300,000. Under the Baseline Scenario, it is expected that current expenditures for these forest management units will remain constant over the next five years, given the precarious state of the forestry sector in Central Asia. The total cost of these activities supporting protected areas management is US\$3.5 million.

8. Finally, smaller initiatives supporting protected areas and forest management in the three countries include the Swiss Timber Utilization Programme, currently in preparation, which aims to improve harvesting efficiency, support nursery management, and support improved forest management in walnut forests contiguous to the four protected areas (US\$2 million); IUCN/UNEP's Central Asia Biodiversity Center, which was recently established as a regional focal point for biodiversity projects in Central Asia (US\$20,000); GTZ's Biosphere Development Project, which aims to create comprehensive land management and natural resource management plans in the three countries (US\$2.7 million); and a grant from UNDP's Small Grant Programme targeted towards biodiversity conservation in the West Tien Shan region (US\$70,000). The total cost of these additional activities supporting protected areas management is US\$4.8 million.

9. The Baseline Scenario investments in other components of the project (sustainable use of biodiversity, local and national capacity strengthening through education and training, public participation in biodiversity conservation, and project management and co-ordination) are effectively zero, or covered within the baseline scenario of the previous mentioned components. Biodiversity use is rarely managed with the aim of long-term viability of populations; where controls do exist they are largely ineffective. There is little emphasis on in-service training and a generally low level of awareness of relevant biodiversity issues and techniques. The strong emphasis on biodiversity conservation within the protected areas system has meant that there is very little public participation in conservation activities. Biodiversity conservation activities are also not coordinated on a regional scale, or between different institutions at the national and local levels.

10. The total cost of Baseline Scenario investments of the three participating governments and the donor community, as described here, is estimated at US\$10.6 million.

11. **Benefits.** Implementation of the Baseline Scenario will result in policy and legislation changes in line with international agreements, especially the Convention on Biological Diversity. International donor-funded projects will enable the development of national environmental and biodiversity strategies and action plans. The Baseline Scenario will also result in limited protection of the existing isolated protected areas in the West Tien Shan region and limited public sector capacity developments for natural resource management. In terms of protecting biodiversity in the West Tien Shan region, however, it is unlikely that the limited fiscal expenditures will have a significant impact in slowing encroachment in the protected areas. Finally, while the modest activities supported by the donor community will support biodiversity conservation, no effective mechanisms will be in place to coordinate and synergise the activities



on a trans-national basis. Many of the most pressing wider threats to biodiversity are unlikely to be addressed, and certainly not in an integrated fashion.

### Global Environmental Objective

12. As a consequence of the current course of action, the Baseline Scenario, the West Tien Shan region will likely continue to lose prime habitat areas and unique animal and plant species due to encroachment into protected areas and over-harvesting of forest products. Given the present pressures of agricultural and other competing demands on land in the region, excessive pollution, the present limited level of institutional capacity to manage protected areas, and the decline of isolated populations that are below their minimum viable size, the loss of habitat areas will likely continue and diminish the quality of *in situ* biodiversity over the next decade.

13. **Scope.** The GEF Alternative would build on the Baseline Scenario by developing and implementing an integrated, holistic ecosystem-based approach to biodiversity conservation in the West Tien Shan, which will ensure the perpetual conservation of biodiversity and sustainable development of the region. The GEF Alternative would make possible activities and programmes that would not be undertaken under the Baseline Scenario, including: improving the legal and regulatory framework for protected areas; strengthening and expanding direct biodiversity conservation efforts; improving the framework for sustainable use of biodiversity outside protected areas; developing local and national capacity through a comprehensive education and training programme; promoting public initiatives to conserve biodiversity; and providing a coordinated approach to activities across political boundaries throughout the West Tien Shan ecosystem. GEF funds would also be critical for leveraging additional donor cofinancing for reforestation efforts targeted towards providing a renewable energy source for local communities as well as increased counterpart financing of US\$2 million for protected areas management in the West Tien Shan region.

14. **Costs.** The total cost of the GEF Alternative is estimated at US\$24.25 million, detailed as follows: (i) policy support at the regional, national and local levels (including legal reforms and budgetary adjustments)—US\$2.85 million (*GEF financing—US\$0.35 million*); (ii) institutional strengthening for protected areas management—US\$14.0 million (*GEF financing—US\$4.6 million*); (iii) sustainable use of biodiversity—US\$1.0 million (*GEF financing—US\$1.0 million*); (iv) education and training—US\$1.5 million (*GEF financing—US\$1.2 million*); (v) public participation in biodiversity conservation—US\$2.8 million (*GEF financing—US\$1.2 million*); and (iv) project management—US\$2.1 million (*GEF financing—US\$1.8 million*).

15. **Benefits.** Implementation of the GEF Alternative would enable the Governments of Kazakhstan, the Kyrgyz Republic and Uzbekistan to take a comprehensive approach to natural resource management issues in the West Tien Shan region, including biodiversity conservation and sustainable resource management. Benefits generated from this comprehensive approach would include those classified as 'national'—increased sustainability of natural resource use, greater stability in long term revenues from the natural resource base, and increased public awareness of environment and natural resource issues—as well as those considered 'global' in nature. Global benefits include the conservation of endemic flora and fauna in four priority areas; protection of the ecological integrity of critical ecosystems and habitats, including important corridors for endangered species; outreach to and involvement of local communities and local governments; and development of viable approaches to natural resource use in buffer zones, thereby reducing pressure on protected areas.

### **Incremental Costs**

16. The difference between the cost of the Baseline Scenario (US\$10.6 million) and the cost of the GEF Alternative (US\$24.25 million) is estimated at US\$13.65 million. This represents the incremental cost for achieving global environmental benefits through strengthening policy and legal frameworks for protected areas management, developing mechanisms for sustainable resource use among local communities, and strengthening local and national capacity for conserving globally significant biodiversity. Discussions are on-going with interested donors regarding cofinancing; it is anticipated that three national governments will mobilize about US\$2 million to complement GEF funding. A GEF grant of US\$10.15 million is proposed at this time.

## INCREMENTAL COST MATRIX

Component Sector	Baseline (US\$ m)	Proposed Alternative (US\$ m)	GEF Incremental (US\$ m)	Domestic Benefit	Global Benefit
<i>1. Legal and Budgetary Reform</i>	2.3			National Biodiversity Strategies and Action Plans completed. Some environmental legislation and policy reforms. First National Reports to the COP and clearing house mechanism. Increased public sector capacity to manage natural resources.	
		2.85	0.55		Strengthened policy and legal frameworks for biodiversity conservation in Kyrgyz Republic, Kazakhstan and Uzbekistan. Increased fiscal capacity for biodiversity conservation. Improved policy and legislation coordination at the national and trans-national levels for biodiversity conservation. Enhanced and wider awareness of policy and legislation implications. Enhanced capacity to conduct necessary legal and budgetary reforms.
<i>2. Strengthen and expand protected area networks of West Tien Shan</i>	8.3			Limited protection of existing isolated protected areas and forested areas contiguous to protected areas.	
		14.0	5.7		Enhanced Government and nongovernment capacity to manage natural resources in an integrated participatory manner. Increased public awareness of issues related to biodiversity conservation and participatory schemes for sustainable natural resource management. Increased collection and analysis of information vital for conserving endemic flora and fauna. Reduced sedimentation of international waters due to soil stabilization in protected areas. Meaningful participation of local stakeholders and participatory schemes for sustainable natural resource management.

Component Sector	Baseline (US\$ m)	Proposed Alternative (US\$ m)	GEF Incremental (US\$ m)	Domestic Benefit	Global Benefit
3. Sustainable use of biodiversity	0.0	1.0	1.0		Globally important species, habitats and ecosystems used sustainably. Increased opportunities for income generation based upon sustainable uses of protected areas
4. Strengthening of Local and National Capacity Through Education and Training	0.0				
		1.5	1.5		Increased capacity to manage critical habitats. Increased public sector awareness of issues related to biodiversity conservation and participatory schemes for sustainable natural resource management in and around protected areas.
5. Public Participation in Biodiversity Conservation	0.0				
		2.8	2.8		Meaningful participation of local stakeholders to enhance the likelihood of long-term sustainability of habitats and species of global importance. Improved livelihoods as a result of the activities.
6. Project Management and Coordination	0.0				
		2.1	2.1		Increased capacity to coordinate project activities aimed at protecting globally significant biodiversity and promoting sustainable resource management at regional, national and local levels.
<b>Totals</b>	<b>10.6</b>	<b>24.25</b>	<b>13.65</b>		

## FINANCIAL SUMMARY

**Years Ending 1999-2004**  
(Indicate currency, units and base year)

	Implementation Period						Operational Period				
	1998	1999	2000	2001	2002	2003	2005	2006	2007	2008	2009
<b>Project Costs</b>											
Investment Costs	1.29	4.03	3.34	0.91	0.46	0.24	0.0	0.0	0.0	0.0	0.0
Recurrent Costs	0.25	0.60	0.67	0.57	0.50	0.33	0.33	0.33	0.33	0.33	0.33
<b>Total</b>	<b>1.54</b>	<b>4.63</b>	<b>4.01</b>	<b>1.48</b>	<b>0.96</b>	<b>0.57</b>					
<b>Financing Sources</b> (% of total project costs)											
IBRD/IDA	88	75	70	73	64	61	0	0	0	0	0
Co-financiers	-	16	19				0	0	0	0	0
Government	12	9	11	27	36	39	100	100	100	100	100
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Main assumptions:**

	Actual Disbursements of Project Funds Cash					
IBRD/IDA	1.35	3.46	2.80	1.08	0.61	0.35
Co-financiers		0.75	0.75			
Government	0.19	0.42	0.46	0.40	0.35	0.22

## PROCUREMENT AND DISBURSEMENT ARRANGEMENTS

### Procurement Responsibility

1. Implementation of the project will require procurement of goods and works the selection and employment of consulting firms and individuals to carry out consulting and other technical assistance services. The RPIU and NPIUs will be responsible for procurement. The RPIU and NPIUs will have an experience procurement officer. The Ministry of Environment in the Kyrgyz Republic, which will host the RPIU, has some experience in procurement gained from the implementation of the NEAP and the preparation phase of this project. In addition, one RPIU staff member attended (January 1998) intensive procurement training course in ILO-Turin in Italy. Furthermore, in the initial implementation phase, they will be assisted by experienced international procurement specialist, and effective project launch workshop with adequate time dedicated to procurement will be held to ensure that all implementation staff understand Bank procurement requirements.

### Procurement Methods

2. The procurement of goods and works under the project will be conducted in accordance with the Bank's guidelines "Procurement under IBRD Loans and IDA Credits" published in January 1995, and revised in January and August, 1996, and September 1997. The project components not financed by the Bank will be procured in accordance with national regulations or the co-financing institutions' procurement regulations. A General Procurement Notice will be published in the Development Business of the United Nations in June, 1998. The procurement of consultants will be conducted in accordance with the "Guidelines - Selection of Consultants by World Bank Borrowers", dated January 1997, revised September 1997. The Bank's Standard Bidding Documents for Goods, Small Works, and Letters of Invitation as well as Standard Form of Consultants' Contracts will be used. The project procurement arrangements are shown in Tables A and B, and briefly summarized below. Details are included in the Procurement Plan at Annex B.

### Goods

3. For goods procurement packages estimated to cost US\$200,000 or more each, the International Competitive Bidding (ICB) procedure will be used: and for contracts under US\$200,000 each, International Shopping (IS), based on comparison of quotations obtained from at least three suppliers in two different countries will be applied. Locally available off-the-shelf goods, estimated to cost up to US\$30,000 per contract, National Shopping, based on comparison of quotations obtained from at least three suppliers will be used. For the purchase of goods to be awarded through ICB, the beneficiary may grant a margin of preference of 15 percent of the amount of applicable customs duties, whichever is lower, to qualified domestic manufacturers of goods in accordance with the Guidelines referred to above.

4. The project includes three ICB packages for goods (aggregate amount US\$1.1 million); twenty-two IS packages (estimated to cost US\$1.32 million); and two NS packages (US\$0.03 million).

5. **Civil Works.** Civil works contracts estimated to cost US\$0.4 million equivalent or more will be procured through ICB; under US\$0.4 million, NCB will be used. The procedure applicable for procurement of small works will be used for contracts up to US\$100,000 each. The project includes three NCB contracts (US\$0.68 million) and 15 small works contracts in the aggregate amount of US\$0.22 million).



6. **Consultants' Services.** Consultants' services estimated to cost more than US\$200,000 each will be selected through the Quality and Cost Based Selection (QCBS) procedure. Such contracts will be advertised in the Development Business and a national newspaper for expression of interest from which a shortlist will be drawn. Consultants for assignments of a standard or routine nature estimated to cost up to the equivalent of US\$200,000 each may be selected through the Least Cost Selection method. Individual experts will be selected in accordance with Part V of the consultant guidelines.

7. The project includes three QCBS assignments at a total estimated cost of US\$1.75 million. Advertisements inviting expressions of interest for these assignments will be published in the Development Business and in a national newspaper.

8. Consultants' services for small grants and financial management and for the assignment of auditing (estimated at US\$0.27million) will be procured through the Least Cost Selection method. The project also includes (US\$0.12 million) for the procurement of the services of individuals. These include the experts needed for short-term technical assignments and to staff the RPIU and NPIUs during the life of the project. The project will provide training in various areas to a large number of experts of the Beneficiaries. Institutions for different types of training and study tours for 10 contracts estimated to cost US\$150,000 each (in aggregate amount of US\$1.50 million) will be selected through the Qualification Method of selection. The RPIU will prepare a six-month rolling training and study tour program, giving the description of training, location and institution of training, estimated cost, and the period of training, and will submit it to the Bank for its agreement prior to implementing it.

9. For the utilization of funds allocated to meet various incremental operating costs, including the staffing of the PIUs (US\$2.65 million) will be incurred in accordance with an annual budget subject to the Bank's prior approval and following procedures satisfactory to the Bank,

#### **Small Grants**

10. These consist of packages of small civil works, goods, and technical assistance with an expected average cost of approximately US\$10,000 (an aggregate amount of US\$500,000). They are specifically designed to encourage community participation in project execution and support biodiversity conservation in the protected areas and the adjoining territories. The grants will be awarded and monitored in accordance with special procedures given the remote location of many rural communities. These special procedures outlining grant categories (short, medium and long) grant management, eligibility, approval criteria, priorities for the program, the application process, and monitoring requirements are in the project file and will be distributed as a public document.

#### **Bank Review of Procurement**

11. Procurement documents for all ICB and NCB contracts (invitation to bid, draft bidding documents, evaluation report, both for goods and works) will be subject to the Bank's prior review. Procurement documents for the first IS, NS, and small works contracts (draft invitation to quote and evaluation report before contract is signed) will also be subject to the prior review of the Bank. With respect to each consultants' contract estimated to cost the equivalent of \$200,000 or more, the procedures set forth in paragraphs 1, 2 and (other than the third subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply. With respect to each consultant contract for firms estimated to cost the equivalent of \$100,000 or more, but less than the equivalent of \$200,000, the procedures set forth in paragraphs 1, 2 (other than the second subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply. With respect to each contract for the employment of individual

consultants estimated to cost the equivalent of \$50,000 or more, the qualifications, experience, terms of reference and terms of employment of the consultants shall be furnished to the Bank for its prior review and approval. The contract shall be awarded only after the said approval shall have been given.

**Table A. Project Costs by Procurement Arrangements**  
(US\$ million equivalent)

Expenditures	ICB	NCB	Other	Notes	N.B.F.	Total
<b>A. Civil Works</b>		0.95 (0.68)	0.31 (0.22)	a	-	1.26 (0.90)
<b>B. Goods</b>	1.10 (1.10)		2.00 (1.35)	b	-	3.10 (2.45)
<b>C. Consultant Services</b>			2.25 (2.15)	c	1.50	3.75 (2.15)
<b>D. Training</b>			1.50 (1.50)	d		1.50 (1.50)
<b>E. Subgrants</b>			0.50 (0.50)	e		0.50 (0.50)
<b>F. Incremental Operating Costs</b>			3.54 (2.65)	f		3.54 (2.65)
<b><u>TOTAL</u></b>	<b>1.10 (1.10)</b>	<b>0.95 (0.68)</b>	<b>10.10 (8.37)</b>	<b>-</b>	<b>1.50</b>	<b>13.65 (10.15)</b>

NBF = Not Bank-financed

a/ Includes 15 minor works contracts (US\$0.22 million)

b/ Fifteen IS contracts (US\$1.32 million) and two NS contracts (US\$0.03 million)

c/ Three QCBS contracts (US\$1.75 million); two LCM contracts (US\$0.27 million); individuals (US\$0.12 million)

d/ training and study tours (institutions to be selected through the consideration of Qualification), aggregate amount US\$1.50 million

e/ Small grants of US\$500,000 in the aggregate (maximum individual grant US\$10,000). Purchases with the proceeds of the grants will be made in accordance with Beneficiaries' purchasing procedures.

f/ Incremental Operating Costs of US\$2.65 million to be incurred based on an annual budget.



Table B. Project Procurement-Related Information and Plan  
(US\$ million equivalent)

Section 1: Procurement Review						
Goods and Civil Works	ICB	NCB	IS	NS	Minor Works	Other methods
Procurement thresholds: individual and aggregate	G > 0.200 (US\$1.10)	W<0.400 (US\$0.68)	<0.200 (US\$2.53)	<0.030 (US\$0.33)	<0.100 (US\$0.22)	n.a.
Prior Review	All (US\$1.10)	All (US\$0.68)	First (US\$0.20)	First (US \$0.010)	First (US\$0.10)	US\$2.09 million or 21%
Consultants	QCBS	QBS	Fixed Budget	LCS	Qualifications	Individual
Procurement method thresholds		n.a.	n.a.			n.a.
Prior Review	All (US\$1.75)		n.a.	All (US\$0.30)	All (US\$1.55)	US\$2.6 million or 26%
Expost Review All other procurement packages	Explain briefly the ex-post review mechanism: All the remaining procurement packages will be subject to ex-post review. Each supervision mission will include a procurement specialist who would conduct ex-post reviews and provide his/her findings and recommendations which will be included in supervision reports. Efforts would be made to achieve ex-post review up to 80% of the total procurement volume.					
Section 2: Capacity of the Implementing Agency in Procurement and Technical Assistance Requirements						
The RPIU and NPIUs will be responsible for implementing the project, including procurement. The Kyrgyz NPIU has acquired some experience in procurement under Bank guidelines, because of the preparation of the NEAP. The RPIU and the NPIU staff will each include a trained procurement officer. They will also include an international procurement expert experienced in Bank-financed procurement. This expert would be available for the start-up phase. On-the-job training will be a strong element of his/her TORs.						
Country Procurement Assessment Report or Country Procurement Strategy Paper status: for Kazakhstan and Uzbekistan. Draft CPAR for Kyrgyzstan	Are the bidding documents for the procurement actions of the first year ready by negotiations Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					

## Section 3: Training, Information and Development on Procurement

Estimated date of Project Launch 09/01/98	Estimated date of publication of General Procurement Notice 07/01/98	Indicate if there is procurement subject to mandatory SPN in Development Business Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Domestic Preference for Goods Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Domestic Preference for Works, if applicable Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Retroactive financing Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Explain:		Advance procurement Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Explain		

Explain briefly the Procurement Monitoring System: Procurement implementation progress will be monitored through progress reports and supervision missions. Each supervision mission will include a procurement specialist. She/he will be responsible for updating the procurement plan, and conducting ex-post reviews. His/her findings will be included in the supervision reports for monitoring their implementation.

Co-financing: Explain briefly the procurement arrangements under co-financing:

Section 4: Procurement Staffing

Indicate Name of Procurement Staff or Bank's staff part of Task Team responsible for the procurement in the Project: Name: Naushad Khan, Procurement Specialist, Ext. 32699

## Disbursement Arrangements

12. The project is expected to be disbursed over a period of five years. The anticipated completion date is January 1, 2004, and the closing date, June 31, 2004. Disbursements will follow normal Bank and cofinanciers' procedures and will be made against eligible expenditures. Table C shows allocation of grant proceeds:

13. **Allocation of grant proceeds:** Disbursements would be made against the categories of expenditures indicated in Table C. The proceeds of the proposed Grant are expected to be disbursed over a period of five years.

**Table C. Allocation of Grant Proceeds**  
(US\$ million)

Categories	Amounts	Financing
A. Civil Works	0.90	70%
B. Goods	2.45	100% of foreign expenditure (ex-factory cost) 85% of local expenses
C. Consultants Services	2.15	100%
D. Training	1.50	100%
E. Subgrants	0.50	100% of amount disbursed
F. Incremental Recurrent Costs	2.25	90% until Dec. 31, 2000, 80% until Dec. 31, 2002 and 60% thereafter
G. Unallocated	0.40	
<b>TOTAL</b>	<b>10.15</b>	

14. **Special Account:** To facilitate disbursements against eligible expenditures, the Governments would establish in a Commercial Bank a Special Account (SA) to be operated by the RPIU under terms and conditions satisfactory to the Bank. The Bank would, upon request, make an Authorized Allocation of US\$700,00. Initially the allocation would be limited to US\$300,000 until disbursements had reached SDR 1.5 million (US\$2 million equivalent), at which time the full Authorized Allocation could be claimed. Applications for the replenishment of the Special Account would be submitted monthly or when 20 percent of the initial deposit has been utilized, whichever occurs earlier. The replenishment application would be supported by the necessary documentation, the Special Account bank statement, and a reconciliation of this bank statement.

15. **Use of Statements of Expenditures:** Withdrawal applications would be fully documented, except for expenditures under: (a) contracts for goods valued at less than US\$200,000 each; (b) contracts for works less than US\$100,000 each; and (c) contracts for consulting firms costing less than US\$100,000 equivalent, and contracts for individual consultants costing less than US\$50,000 equivalent; and d) contracts for training costing less than US\$50,000; and e) subgrant contracts estimated to cost less than US\$10,000; and f) expenditures under incremental recurrent cost. Full amount of documentation in support of SOE should be retained by PIUs and NPIUs for at least two years after the closing date of the grant.

## PROJECT PROCESSING BUDGET AND SCHEDULE

<b>Project Budget (US\$000)</b>	<b><u>Planned</u></b>	<b><u>Actual</u></b>
Block B Grant for Preparation	US\$350,000	US\$350,000
<b>Project Schedule</b>	<b><u>Planned</u></b>	<b><u>Actual</u></b>
Time taken to prepare the project (months)	23 months	34 months
First Bank mission (identification)	November, 1995	November, 1995
GEF Council	April, 1997	November 4, 1997
Appraisal mission departure	October 9, 1997	September 15, 1998
Negotiations	March 7, 1998	September 25, 1998
Expected GEF/CEO Final Endorsement	June 1, 1998	March 15, 1998
Planned Date of Effectiveness	August 1, 1998	July 1, 1999

**Prepared by:** The Governments of Kazakhstan, Uzbekistan and the Kyrgyz Republic.

**Preparation assistance:** GEF PDF grant; UK Know How Fund.

**Bank staff and consultants who worked on the project included:** Andrew Bond, Justin Mundy, Piotr Kryzanowski, Andrey Kushlin, Naushad Khan, Gennady Pilch, Kathy MacKinnon, Jocelyne Albert, Katherin Golitzin-Jones. Consultants included Nigel Coulson, Margaret Williams and Fauna and Flora International.

## DOCUMENTS IN THE PROJECT FILE

- A. Project Implementation Plan
  - A.1 Disbursement Plan
  - A.2 Project Implementation Schedule
  - A.3 Supervision Plan
- B. Detailed Cost Tables
- C. Management Plans
  - C.1 Management Plan for Aksu Djabagly Zapovednik
  - C.2 Management Plan for Sary Chelek Zapovednik
  - C.3 Management Plan for Besh Aral Zapovednik
  - C.4 Management Plan for Chatkal Zapovednik
- D. Training and Professional Development Plan
- E. Sub-Grants Programme
- F. Social Analysis and Participatory Approach
- G. Participation Process
- H. Other
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**KAZAKHSTAN**  
**Status of Bank Group Operations in Kazakhstan**  
**IBRD Loans and IDA Credits in the Operations Portfolio**

Project ID	Loan or Credit No.	Fiscal Year	Borrower	Purpose	Original Amount in US\$ Millions				Difference Between expected and actual disbursements a/		Last ARPP Supervision Rating b/	
					IBRD	IDA	Cancellations	Undisbursed	Orig	Frm Rev'd	Dev Obj	Imp Prog
Number of Closed Loans/credits: 3												
Active Loans												
KZ-PE-8501	IBRD 37440	1994	REP. OF KAZKHSTAN	PETROLEUM TA	15.70	0.00	0.00	5.82	5.58	0.00	S	S
KZ-PE-8511	IBRD 37250	1994	GOVT OF KAZAKHSTAN	URBAN TRANSPORT	40.00	0.00	0.00	2.09	2.11	0.00	S	S
KZ-PE-8504	IBRD 36420	1994	REPUBLIC OF KAZAKHSTAN	TECHNICAL ASSISTANCE	38.00	0.00	0.00	9.22	9.21	-28.79	S	S
KZ-PE-8506	IBRD 38960	1995	GOVT. OF KAZAKHSTAN	SOCIAL PROTECTION	41.10	0.00	0.00	29.67	-33	0.00	S	S
KZ-PE-8508	IBRD 38670	1995	GOVT OF KAZAKHSTAN	FINANCE & ENT. DEVEL	62.00	0.00	0.00	56.82	56.82	0.00	S	U
KZ-PE-8510	IBRD 40410	1996	REPUBLIC OF KAZAKHSTAN	IRRIG. & DRAINAGE	80.00	0.00	0.00	73.85	1.25	0.00	S	S
KZ-PE-46044	IBRD 41460	1997	REPUBLIC OF KAZAKSTAN	REAL ESTATE REG PLT.	10.00	0.00	0.00	8.92	1.22	0.00	S	S
KZ-PE-45303	IBRD 41290	1997	GOVT. OF KAZAKSTAN	PILOT WATER SUPPLY	7.00	0.00	0.00	6.93	2.24	0.00	S	S
KZ-PE-37960	IBRD 40770	1997	REP OF KAZAKSTAN	TREASURY MODERNIZATI	15.80	0.00	0.00	13.92	6.09	0.00	S	S
KZ-PE-8507	IBRD 40610	1997	REPUBLIC OF KAZAKHSTAN	UZEN OIL FIELD REHAB	109.00	0.00	0.00	107.18	13.19	0.00	S	U
KZ-PE-34093	IBRD 42170	1998	REPUBLIC OF KAZAKSTAN	PUBLIC SEC. RES.MGT.	230.00	0.00	0.00	150.00	150.00	0.00	S	S
Total					648.60	0.00	0.00	464.42	247.38	-28.79		

	<u>Active Loans</u>	<u>Closed Loans</u>	<u>Total</u>
Total Disbursed (IBRD and IDA):	184.17	539.99	724.16
of which has been repaid:	0.00	0.00	0.00
Total now held by IBRD and IDA:	648.60	539.99	1,188.59
Amount sold :	0.00	0.00	0.00
Of which repaid :	0.00	0.00	0.00
Total Undisbursed :	464.42	0.00	464.42

a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.

b. Following the FY94 Annual Review of Portfolio performance (ARPP), a letter based system was introduced (HS = highly Satisfactory, S = satisfactory, U = unsatisfactory, HU = highly unsatisfactory): see proposed Improvements in Project and Portfolio Performance Rating Methodology (SecM94-901), August 23, 1994.

**Note:**

Disbursement data is updated at the end of the first week of the month.

**KYRGYZ REPUBLIC**  
**Status of Bank Group Operations in Kyrgyz Republic**  
**IBRD Loans and IDA Credits in the Operations Portfolio**

Project ID	Loan or Credit No.	Fiscal Year	Borrower	Purpose	Original Amount in US\$ Millions				Difference Between expected and actual disbursements a/		Last ARPP Supervision Rating b/	
					IBRD	IDA	Cancellations	Undisbursed	Orig	Frm Rev'd	Dev Obj	Imp Prog
Number of Closed Loans/credits: 4												
Active Loans												
KG-PE-8518	IDA 26340	1994	GOV. OF KYRGYZ REP.	TELECOMMUNICATI ONS	0.00	18.00	0.00	5.87	-1.01	0.00	S	S
KG-PE-8524	IDA 27170	1995	GOVT OF KYRGHYZSTAN	PRIV. ENTERP. SUPP.	0.00	15.00	0.00	12.17	8.58	0.00	U	U
KG-PE-8515	IDA 26430	1995	GOVT. OF KYRGHYZSTAN	SOCIAL SAFETY NET	0.00	17.00	2.00	3.85	5.40	1.51	S	S
KG-PE-45631	IDA 28910	1996	THE KYRGYZ REPUBLIC	FINANCIAL SEC. TECH.	0.00	3.40	0.00	2.11	.85	0.00	S	S
KG-PE-8519	IDA 28680	1996	GOVT. OF KYRGYZ REPUBLIC	POWER & DIST. HEAT	0.00	20.00	0.00	18.08	5.73	0.00	S	S
KG-PE-8523	IDA 28600	1996	GOV'T OF KYRGYZ REPUBLIC	HEALTH	0.00	18.50	0.00	9.98	-3.08	0.00	S	S
KG-PE-8513	IDA 28590	1996	GOVT OF KYRGYZ	SHEEP & WOOL IMPROV.	0.00	11.60	0.00	9.33	1.83	0.00	S	S
KG-PE-8520	IDA 29590	1997	KYRGYZ REPUBLIC	RURAL FINANCE	0.00	16.00	0.00	13.10	-.94	0.00	HS	S
KG-PE-8521	IDA N0160	1997	THE KYRGYZ REPUBLIC	PUB SEC RES MGT ADJ.	0.00	44.00	0.00	21.56	21.56	0.00	S	S
Total					0.00	163.50	2.00	96.05	38.92	1.51		

a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.

b. Following the FY94 Annual Review of Portfolio performance (ARPP), a letter based system was introduced (HS = highly Satisfactory, S = satisfactory, U = unsatisfactory, HU = highly unsatisfactory): see proposed Improvements in Project and Portfolio Performance Rating Methodology (SecM94-901), August 23, 1994.

Note:

Disbursement data is updated at the end of the first week of the month.

**UZBEKISTAN**  
**Status of Bank Group Operations in Uzbekistan**  
**IBRD Loans and IDA Credits in the Operations Portfolio**

Project ID	Loan or Credit No.	Fiscal Year	Borrower	Purpose	Original Amount in US\$ Millions				Difference Between expected and actual disbursements a/		Last ARPP Supervision Rating b/	
					IBRD	IDA	Cancellations	Undisbursed	Orig	Frm Rev'd	Dev Obj	Imp Prog
Number of Closed Loans/credits: 1												
Active Loans												
UZ-PE-9123	IBRD 36500	1994	REPUB. OF UZBEKISTAN	INSTIT BLDG/TA	21.00	0.00	0.00	5.63	5.64	0.00	S	S
UZ-PE-9122	IBRD 38940	1995	REP.OF UZBEKISTAN	COTTON SUB-SEC IMPRV	66.00	0.00	0.00	58.16	16.74	0.00	S	S
UZ-PE-44942	IBRD 40900	1997	REPUBLIC OF UZBEKISTAN	PILOT WATER SUPPLY	5.00	0.00	0.00	1.82	-49	0.00	S	S
UZ-PE-9121	IBRD 42160	1998	REPUBLIC OF UZBEKISTAN	RURAL W.S. & SANITA.	75.00	0.00	0.00	74.80	.30	0.00	S	S
Total					167.00	0.00	0.00	140.41	22.19	0.00		
					Active Loans		Closed Loans		Total			
Total Disbursed (IBRD and IDA):					26.59	160.00	186.59					
of which has been repaid:					0.00	0.00	0.00					
Total now held by IBRD and IDA:					167.00	160.00	327.00					
Amount sold :					0.00	0.00	0.00					
Of which repaid :					0.00	0.00	0.00					
Total Undisbursed :					140.41	0.00	140.41					

- a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.
- b. Following the FY94 Annual Review of Portfolio performance (ARPP), a letter based system was introduced (HS = highly Satisfactory, S = satisfactory, U = unsatisfactory, HU = highly unsatisfactory): see proposed Improvements in Project and Portfolio Performance Rating Methodology (SecM94-901), August 23, 1994.

**Note:**

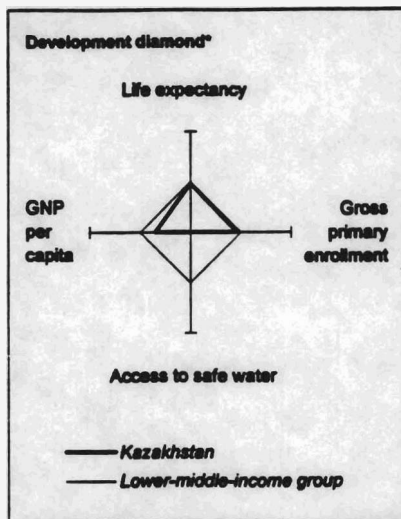
Disbursement data is updated at the end of the first week of the month.

## Kazakhstan at a glance

5/8/98

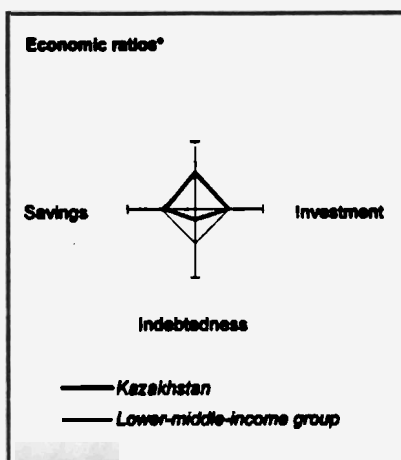
## POVERTY and SOCIAL

	Kazakhstan	Europe & Central Asia	Lower-middle-income
Population mid-1996 (millions)	16.5	478	1,125
GNP per capita 1996 (US\$)	1,220	2,200	1,740
GNP 1996 (billions US\$)	20.0	1,050	1,962
Average annual growth, 1990-96			
Population (%)	-0.3	0.3	1.4
Labor force (%)	-0.1	0.5	1.7
Most recent estimate (latest year available since 1990)			
Poverty: headcount index (% of population)	..	..	..
Urban population (% of total population)	60	66	56
Life expectancy at birth (years)	65	68	67
Infant mortality (per 1,000 live births)	25	24	40
Child malnutrition (% of children under 5)	1	..	..
Access to safe water (% of population)	..	..	75
Illiteracy (% of population age 15+)	..	..	20
Gross primary enrollment (% of school-age population)	96	100	104
Male	96	101	107
Female	96	100	101



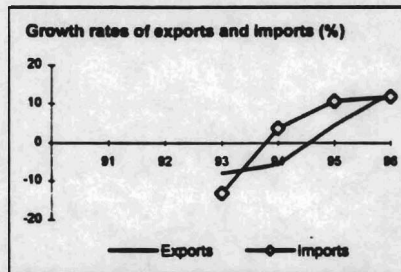
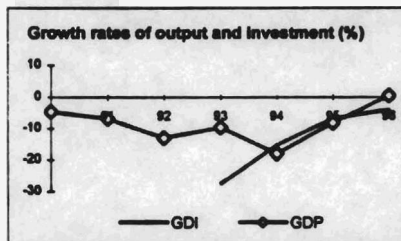
## KEY ECONOMIC RATIOS and LONG-TERM TRENDS

	1975	1985	1995	1996
GDP (billions US\$)	..	..	19.5	20.8
Gross domestic investment/GDP	..	..	22.1	23.3
Exports of goods and services/GDP	..	..	34.7	31.0
Gross domestic savings/GDP	..	..	19.5	20.0
Gross national savings/GDP	..	..	19.0	19.8
Current account balance/GDP	..	..	-3.6	-3.6
Interest payments/GDP	..	..	0.5	0.6
Total debt/GDP	..	..	18.9	14.1
Total debt service/exports	..	..	4.1	9.9
Present value of debt/GDP	..	..	..	13.1
Present value of debt/exports	..	..	..	38.9
	1975-85	1986-96	1995	1996
GDP	..	-8.1	-8.2	0.5
GNP per capita	..	-8.4	-7.5	1.8
Exports of goods and services	..	..	4.5	12.8



## STRUCTURE of the ECONOMY

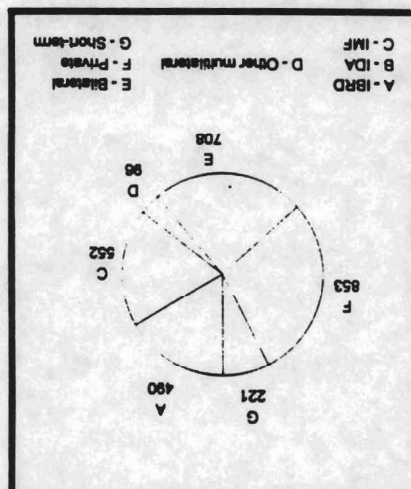
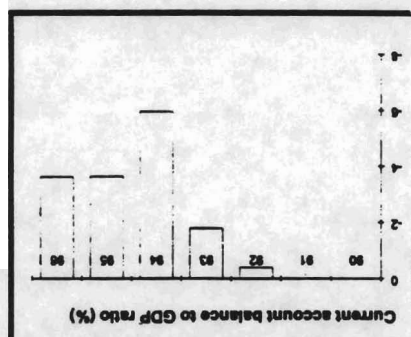
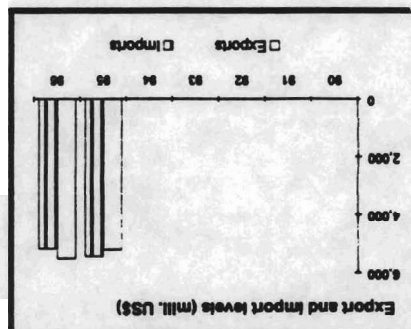
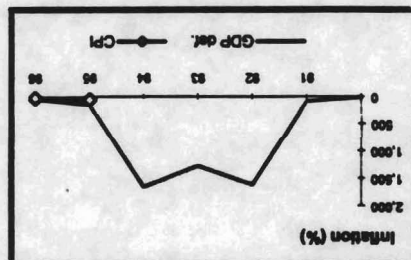
	1975	1985	1995	1996
(% of GDP)				
Agriculture	..	..	12.5	12.9
Industry	..	..	30.1	30.4
Manufacturing	..	..	6.2	6.4
Services	..	..	57.4	56.8
Private consumption	..	..	64.9	67.8
General government consumption	..	..	15.6	12.3
Imports of goods and services	..	..	37.3	34.4
	1975-85	1986-96	1995	1996
(average annual growth)				
Agriculture	..	..	-24.4	1.0
Industry	..	..	-15.1	-1.2
Manufacturing	..	..	-33.6	0.0
Services	..	..	10.8	-3.6
Private consumption	..	..	-3.8	1.7
General government consumption	..	..	-4.1	10.3
Gross domestic investment	..	..	-6.8	-3.8
Imports of goods and services	..	..	10.7	11.9
Gross national product	..	-8.2	-8.6	0.9



Note: 1996 data are preliminary estimates. Figures in *italics* are for years other than those specified.

\* The diamonds show four key indicators in the country (in **bold**) compared with its income-group average. If data are missing, the diamond will be incomplete.

## PRICES and GOVERNMENT FINANCE



Domestic prices	1976	1986	1996
Implic GDP deflator	..	..	28.8
Consumer prices	..	..	157.8
Government finance	..	..	21.4
(% of GDP)	..	..	0.1
Current revenue	..	..	-5.4
Current budget balance	..	..	-3.1
Overall surplus/deficit	..	..	..
TRADE	1976	1986	1996
Total exports (fob)	..	..	5,480
Oil and gas	..	..	5,197
Other metals	..	..	1,022
Manufactures	..	..	786
Food	..	..	1,069
Fuel and energy	..	..	474
Capital goods	..	..	430
Total imports (cif)	..	..	5,166
Food	..	..	5,419
Fuel and energy	..	..	1,237
Capital goods	..	..	2,324
Export price index (1987=100)	..	..	..
Import price index (1987=100)	..	..	..
Terms of trade (1987=100)	..	..	..
BALANCE of PAYMENTS	1976	1986	1996
Exports of goods and services	..	..	6,966
Imports of goods and services	..	..	7,546
Resource balance	..	..	-580
Net income	..	..	-222
Net current transfers	..	..	59
Current account balance	..	..	50
before official capital transfers	..	..	-752
Financing items (net)	..	..	836
Changes in net reserves	..	..	-126
Reserves including gold (mill. US\$)	..	..	1,956
Conversion rate (local/US\$)	..	..	51.9
EXTERNAL DEBT and RESOURCE FLOWS	1976	1986	1996
Total debt outstanding and disbursed	..	..	2,920
IBRD	..	..	490
IDA	..	..	0
Total debt service	..	..	696
IBRD	..	..	237
IDA	..	..	14
Composition of net resource flows	..	..	0
Official grants	..	..	44
Official creditors	..	..	332
Private creditors	..	..	305
Foreign direct investment	..	..	284
Portfolio equity	..	..	0
World Bank program	..	..	263
Commitments	..	..	385
Disbursements	..	..	225
Principal repayments	..	..	0
Net flows	..	..	225
Interest payments	..	..	24
Net transfers	..	..	201

Note: Estimates for economies of the former Soviet Union are subject to more than the usual range of uncertainty.

Development Economics

5/6/98

## KYRGYZ REPUBLIC AT A GLANCE

8/27/97

## POVERTY and SOCIAL

Population mid-1996 (millions)  
 GNP per capita 1996 (US\$)  
 GNP 1996 (billions US\$)

Average annual growth, 1990-96

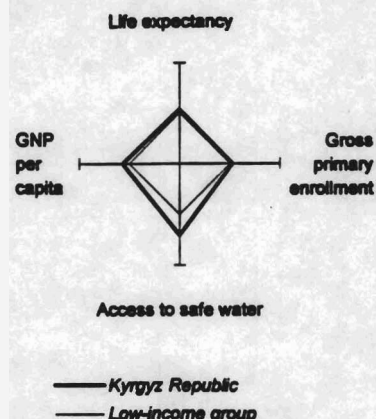
Population (%)  
 Labor force (%)

Most recent estimates (latest year available since 1989)

Poverty: headcount index (% of population)  
 Urban population (% of total population)  
 Life expectancy at birth (years)  
 Infant mortality (per 1,000 live births)  
 Child malnutrition (% of children under 5)  
 Access to safe water (% of population)  
 Illiteracy (% of population age 15+)  
 Gross primary enrollment (% of school-age population)  
 Male  
 Female

Kyrgyz Republic	Europe & Central Asia	Low-income
4.6	479	3,229
570	2,180	500
2.6	1,043	1,601
0.6	0.3	1.7
1.2	0.5	1.7
45	..	..
39	65	29
68	68	63
30	26	69
..	..	..
75	..	53
3	..	34
111	97	105
110	97	112
111	97	98

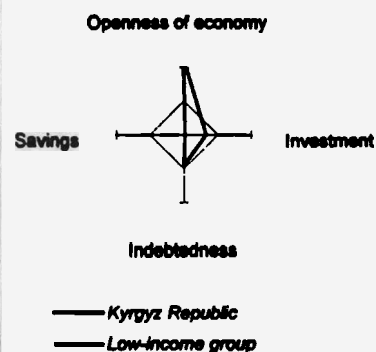
## Development diamond\*



## KEY ECONOMIC RATIOS and LONG-TERM TRENDS

	1976	1986	1996	1996
GDP (billions US\$)	..	..	1.5	1.7
Gross domestic investment/GDP	..	30.5	18.3	21.9
Exports of goods and services/GDP	..	..	28.8	31.5
Gross domestic savings/GDP	..	13.8	-0.7	-1.1
Gross national savings/GDP	..	13.8	-7.5	-7.6
Current account balance/GDP	..	..	-25.9	-29.5
Interest payments/GDP	..	..	2.0	2.8
Total debt/GDP	..	..	50.8	60.1
Total debt service/exports	..	..	14.2	13.7
Present value of debt/GDP	..	..	..	..
Present value of debt/exports	..	..	138.4	..
(average annual growth)	1975-85	1986-96	1996	1997-05
GDP	..	..	-5.4	5.6
GNP per capita	..	..	-6.3	4.5
Exports of goods and services	..	..	6.8	25.8

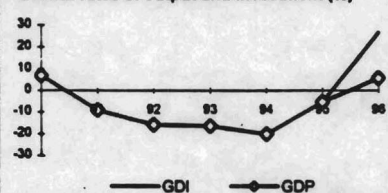
## Economic ratios\*



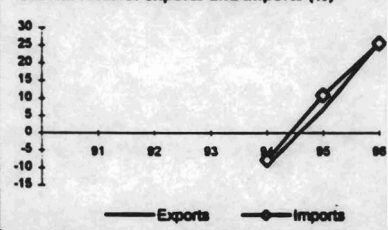
## STRUCTURE of the ECONOMY

(% of GDP)	1976	1986	1996	1996
Agriculture	..	30.7	45.3	51.9
Industry	..	..	20.4	19.3
Manufacturing	..	..	8.6	8.1
Services	..	..	34.4	28.8
Private consumption	..	64.1	80.8	83.9
General government consumption	..	22.1	19.9	17.2
Imports of goods and services	..	..	47.9	54.6
(average annual growth)	1975-85	1986-96	1996	1996
Agriculture	..	..	-2.3	..
Industry	..	..	-12.3	..
Manufacturing	..	..	..	..
Services	..	..	-5.0	..
Private consumption	..	..	-0.8	8.9
General government consumption	..	..	-5.4	-8.5
Gross domestic investment	..	..	-5.4	26.6
Imports of goods and services	..	..	10.9	25.6
Gross national product	..	..	-5.4	5.5

## Growth rates of output and investment (%)



## Growth rates of exports and imports (%)



Note: 1996 data are preliminary estimates. Figures in *italics* are for years other than those specified.

\* The diamonds show four key indicators in the country (in **bold**) compared with its income-group average. If data are missing, the diamond will be incomplete.



## Kyrgyz Republic

## PRICES and GOVERNMENT FINANCE

	1975	1985	1995	1996
<b>Domestic prices (% change)</b>				
Consumer prices	..	..	31.9	35.0
Implicit GDP deflator	-2.3	-10.3	32.6	31.8
<b>Government finance (% of GDP)</b>				
Current revenue	..	..	16.4	15.2
Current budget balance	..	..	-9.3	-7.0
Overall surplus/deficit	..	..	-13.5	-8.1

## TRADE

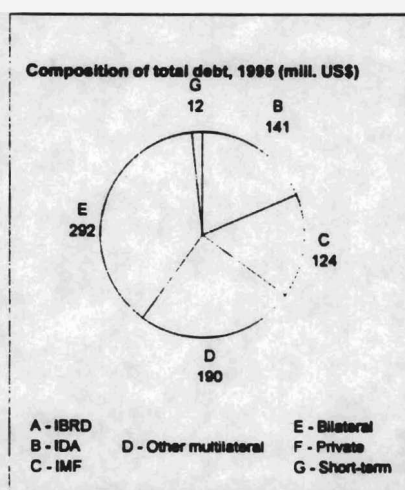
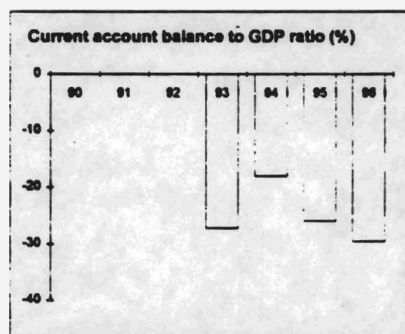
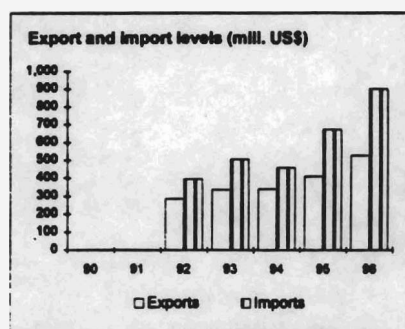
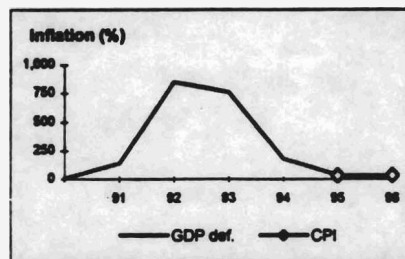
(millions US\$)	1975	1985	1995	1996
<b>Total exports (fob)</b>	..	..	409	526
n.a.	..	..	100	114
n.a.	..	..	33	29
<b>Manufactures</b>	..	..	277	382
<b>Total imports (cif)</b>	..	..	672	901
Food	..	..	87	98
Fuel and energy	..	..	174	251
Capital goods	..	..	144	182
Export price index (1995=100)	..	..	100	101
Import price index (1995=100)	..	..	100	106
Terms of trade (1995=100)	..	..	100	95

## BALANCE of PAYMENTS

(millions US\$)	1975	1985	1995	1996
<b>Exports of goods and services</b>	..	..	430	548
<b>Imports of goods and services</b>	..	..	715	950
<b>Resource balance</b>	..	..	-285	-402
<b>Net income</b>	..	..	-68	-80
<b>Net current transfers</b>	..	..	-35	-31
<b>Current account balance, before official capital transfers</b>	..	..	-388	-513
<b>Financing items (net)</b>	..	..	341	513
<b>Changes in net reserves</b>	..	..	47	0
<b>Memo:</b>				
Reserves including gold (mill. US\$)	..	..	115	129
Conversion rate (local/US\$)	..	..	10.8	12.8

## EXTERNAL DEBT and RESOURCE FLOWS

(millions US\$)	1975	1985	1995	1996
<b>Total debt outstanding and disbursed</b>	..	..	759	1,045
IBRD	..	..	0	0
IDA	..	..	141	183
<b>Total debt service</b>	..	..	62	76
IBRD	..	..	0	0
IDA	..	..	1	1
<b>Composition of net resource flows</b>				
Official grants	..	..	100	109
Official creditors	..	..	129	96
Private creditors	..	..	135	182
Foreign direct investment	..	..	61	31
Portfolio equity	..	..	0	0
<b>World Bank program</b>				
Commitments	..	..	60	98
Disbursements	..	..	81	59
Principal repayments	..	..	0	0
Net flows	..	..	81	59
Interest payments	..	..	1	1
Net transfers	..	..	81	58



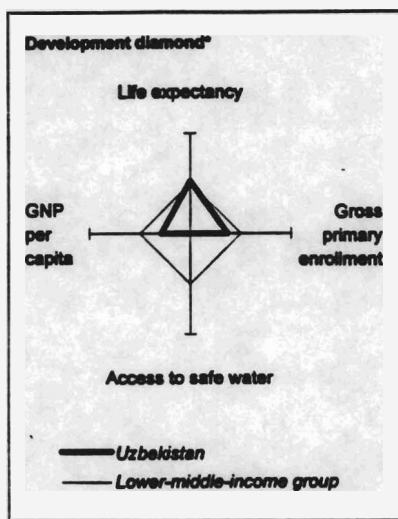


## Uzbekistan at a glance

8/20/97

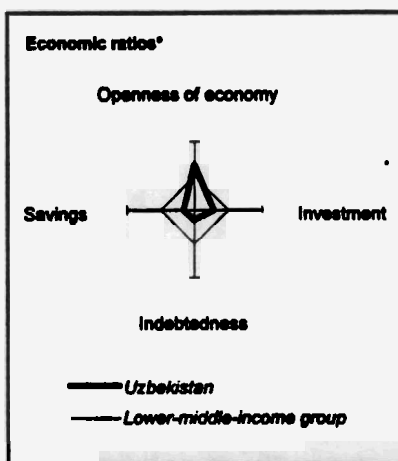
## POVERTY and SOCIAL

	Uzbekistan	Europe & Central Asia	Lower-middle-income
Population mid-1996 (millions)	23.3	479	1,125
GNP per capita 1996 (US\$)	1,010	2,180	1,750
GNP 1996 (billions US\$)	23.5	1,043	1,967
Average annual growth, 1990-96			
Population (%)	2.1	0.3	1.4
Labor force (%)	2.8	0.5	1.8
Most recent estimates (latest year available since 1989)			
Poverty: headcount index (% of population)	..	..	..
Urban population (% of total population)	41	65	56
Life expectancy at birth (years)	70	68	67
Infant mortality (per 1,000 live births)	30	26	41
Child malnutrition (% of children under 5)	..	..	..
Access to safe water (% of population)	..	..	78
Illiteracy (% of population age 15+)	3	..	..
Gross primary enrollment (% of school-age population)	77	97	104
Male	78	97	105
Female	76	97	101



## KEY ECONOMIC RATIOS and LONG-TERM TRENDS

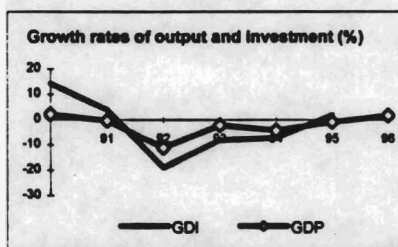
	1976	1986	1996	1996
GDP (billions US\$)	..	..	23.1	24.1
Gross domestic investment/GDP	..	..	20.9	18.1
Exports of goods and services/GDP	..	..	38.0	31.8
Gross domestic savings/GDP	..	..	20.6	8.2
Gross national savings/GDP	..	..	20.3	7.8
Current account balance/GDP	..	..	-0.2	-4.6
Interest payments/GDP	..	..	0.3	..
Total debt/GDP	..	..	7.7	9.3
Total debt service/exports	..	..	6.4	7.9
Present value of debt/GDP	..	..	6.6	..
Present value of debt/exports	..	..	38.4	..
(average annual growth)				
GDP	..	..	-0.9	1.8
GNP per capita	..	..	-3.5	-1.0
Exports of goods and services	..	..	..	..



## STRUCTURE of the ECONOMY

	1976	1986	1996	1996
(% of GDP)				
Agriculture	..	..	32.3	26.1
Industry	..	..	28.1	27.6
Manufacturing	..	..	..	..
Services	..	..	39.6	46.3
Private consumption	..	..	47.0	57.4
General government consumption	..	..	32.5	34.4
Imports of goods and services	..	..	38.4	39.7

	1976-86	1986-96	1996	1996
(average annual growth)				
Agriculture	..	..	2.0	-7.0
Industry	..	..	-5.6	1.7
Manufacturing	..	..	..	..
Services	..	..	2.3	2.0
Private consumption	..	..	..	..
General government consumption	..	..	..	..
Gross domestic investment	..	..	1.8	..
Imports of goods and services	..	..	..	..
Gross national product	..	..	-1.8	1.1



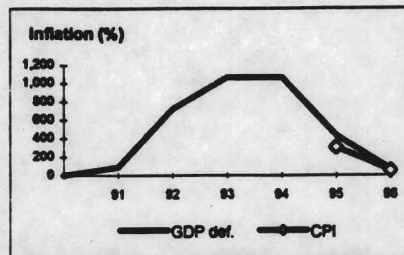
Note: 1996 data are preliminary estimates. Figures in *italics* are for years other than those specified.

\* The diamonds show four key indicators in the country (in **bold**) compared with its income-group average. If data are missing, the diamond will be incomplete.

## Uzbekistan

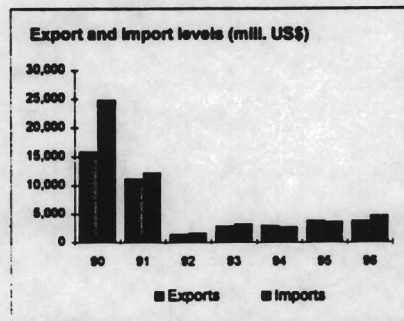
## PRICES and GOVERNMENT FINANCE

	1975	1985	1995	1996
<b>Domestic prices</b>				
(% change)				
Consumer prices	..	..	305.0	54.0
Implicit GDP deflator	..	..	431.7	65.0
<b>Government finance</b>				
(% of GDP)				
Current revenue	..	..	34.6	34.2
Current budget balance	..	..	3.2	5.2
Overall surplus/deficit	..	..	-4.1	-7.3



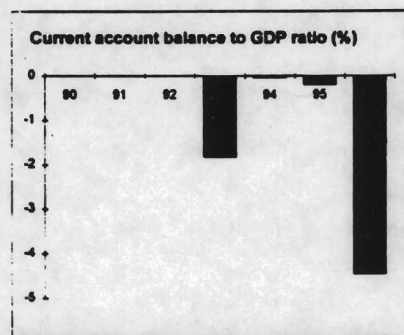
## TRADE

	1975	1985	1995	1996
<b>(millions US\$)</b>				
Total exports (fob)	..	..	3,806	3,781
Cotton	..	..	1,800	1,748
Gold	..	..	611	832
Manufactures	..	..	..	..
Total imports (cif)	..	..	3,597	4,712
Food	..	..	687	1,391
Fuel and energy	..	..	59	50
Capital goods	..	..	1,279	1,713
Export price index (1987=100)	..	..	..	..
Import price index (1987=100)	..	..	..	..
Terms of trade (1987=100)	..	..	..	..



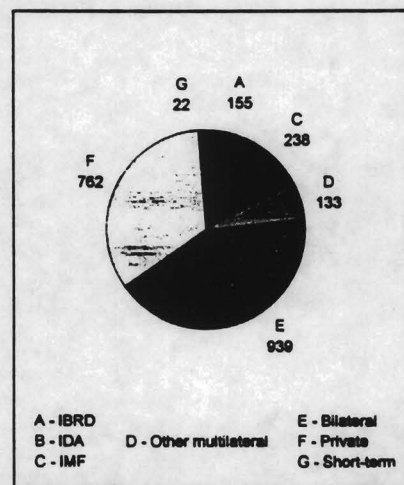
## BALANCE of PAYMENTS

	1975	1985	1995	1996
<b>(millions US\$)</b>				
Exports of goods and services	..	..	3,806	3,781
Imports of goods and services	..	..	3,807	4,754
Resource balance	..	..	-1	-973
Net income	..	..	-67	-110
Net current transfers	..	..	19	8
Current account balance, before official capital transfers	..	..	-49	-1,075
Financing items (net)	..	..	627	1,108
Changes in net reserves	..	..	-578	-33
<b>Memo:</b>				
Reserves including gold (mill. US\$)	..	..	1,867	1,901
Conversion rate (local/US\$)	..	..	12.9	20.7



## EXTERNAL DEBT and RESOURCE FLOWS

	1975	1985	1995	1996
<b>(millions US\$)</b>				
Total debt outstanding and disbursed	..	..	1,787	2,249
IBRD	..	..	157	155
IDA	..	..	0	0
Total debt service	..	..	243	298
IBRD	..	..	2	10
IDA	..	..	0	0
<b>Composition of net resource flows</b>				
Official grants	..	..	13	..
Official creditors	..	..	241	..
Private creditors	..	..	120	..
Foreign direct investment	..	..	115	..
Portfolio equity	..	..	0	..
<b>World Bank program</b>				
Commitments	..	..	226	5
Disbursements	..	..	162	9
Principal repayments	..	..	0	0
Net flows	..	..	162	9
Interest payments	..	..	2	10
Net transfers	..	..	161	-1



## **SOCIAL ANALYSIS AND PARTICIPATORY APPROACH**

### **INTRODUCTION**

1. As part of the project preparation process, local communities and organizations were involved in the planning and studies were carried out with them to collect baseline information. Very little work of this sort has been carried out in Central Asia. This had several implications:

- Much of the information had to be collected directly by participants, rather than from secondary sources (as was possible with the biological work, where detailed information has been collected for over 70 years in some cases).
- Skills and methods are relatively new and still developing. This meant that some more complicated methods could not be used.
- Attitudes to social surveys and participation are sometimes negative, or the concept itself was not fully understood. This made it difficult to conduct the work.

However, the preparation process has gone a considerable way in obtaining important information, developing skills, introducing new methodologies and changing attitudes. The lessons learnt from this process have been incorporated into the project activities.

### **METHODOLOGY AND ITS TRANSFERABILITY**

2. The pilot social study had to be carried out in less than one month (May-June 1997). The aim of the methodology used was to obtain an in-depth understanding of the local situation from a variety of stakeholders' viewpoints. The methodology is highly transferable and has been used in Russia, Mongolia and China. The social survey methodology used was always envisaged as part of a package for environmental research, including collection of local statistics, use of Remote Sensing images, GIS, and long-term participatory engagement with local communities. The pilot study was limited in what it could do and was executed as follows:

- The social survey involved discussions with stakeholders at all administrative levels (national, oblast, rayon, and local) in order to understand the wider, as well as more local, priorities.
- Preliminary workshops identified the main stakeholders at the level of the local administration in which zapovedniks are located. One settlement was selected for study for each zapovednik.
- Households were selected on a representative basis, to cover the identified stakeholder interests and to elicit varied responses from different parts of the communities. Fifteen households were interviewed in depth at each site (the Head of Administration; the Director of the zapovednik; a Scientific Worker in the zapovednik; a teacher; a doctor; a businessman; a forestry worker; 5 households of local farmers; a pensioner; and 2 households of manual workers).
- Questions for these households were generated jointly by the international consultancy team and by focus groups drawn from interdisciplinary teams in each country. Each household answered 90 questions covering a wide range of issues. They were designed to



obtain factual economic information, opinions and values, to gauge the extent of knowledge, discover the reasons for engaging in harmful practices, and estimate willingness to participate in the project goals. Representatives of higher administrative levels were also given separate questionnaires (e.g. to obtain wider statistical data). The responses to these special questionnaires were patchy, but information from this wider level was obtained separately and included in the social analysis of each working group.

- Comparability between the different countries was achieved by using a common methodology and questionnaire for all three countries.
- The survey was interdisciplinary: biologists, botanists, zapovednik directors, hydrologists, environmentalists, lawyers, NGO representatives and cultural specialists joined with the sociologists and anthropologists to create the questionnaire.
- A problem with the pilot study was that the local sociologists were oriented towards familiar statistical methods and therefore tried to pare down the answers to 'yes/no'. They did not understand that the aim of this method is full and complete responses that express the respondent's own ideas and values. However, having carried out the work, the sociologists said that they were much enlightened by the quality and variety of responses and they plan to use this method further. The Uzbekistan team in particular understood the point of this methodology—they used tape-recorders and thus were able to gather extremely valuable information using the language, expressions, and totality of respondents' ideas. This enabled the analysts to transfer responses from one context to another and to understand why people made the responses they did. Furthermore, rather than create questions with expected replies, they were able to appreciate the unexpected contributions of the local people.
- An aspect of this methodology that attracted the local sociologists was the building-up of a computer database using the same data-inputs in each country and therefore making comparison possible (e.g. it is possible to compare the responses of forestry workers or commercial farmers in the three countries). Regular updating of the database through follow-up studies and monitoring was also considered essential. The local specialists liked the idea that everyone would have common access to the database and be able to assess material from other regions to enrich their own analysis. Access to international information will give specialists potential for wider academic and practical analysis, enabling them to operate outside local politicized limitations.
- The regional governments are still preoccupied with hierarchy, secrecy and politicized implementation of development. Specialists are under pressure to obtain 'the right answers'. They appreciated the direct, personal contact with respondents of the pilot study, which is unusual in their current practice. This aspect of the social assessment could be further enhanced, by more participatory methodology in the next stage of the Project (see below).

## BACKGROUND INFORMATION

3. Zapovedniks in Soviet times were legally part of a hierarchical structure of protected areas: Zapovednik (Nature Reserve), Natsional'niy Park (National Park), Zakaznik (Managed Area), and Leshoz (Forestry Territory). The laws for each of these categories were the same in all three countries. The highest category was the zapovednik, in which human settlement was not allowed and

access to resources inside the zapovednik by local populations was also forbidden. However, there were Republic-level regulations which allowed exceptional, limited use of resources for given purposes. Today, the staff of the zapovedniks also make their own occasional arrangements for access to the protected areas, e.g. by tourists or parties of schoolchildren.

4. At present, in general, the local populations live outside the zapovedniks and are not supposed to use natural resources inside the zapovednik. The rangers of the zapovedniks live with their families along the boundaries of the territories in temporary and permanent posts called kordon. However, in the case of Sary Chelek there is a settlement, Arkyt, inside the zapovednik. Part of the population from this village was twice re-settled outside the zapovednik in the 1970s and 1980s, but the village continues to grow.

5. In the case of Besh Aral, the main zapovednik was linked to a cluster of small, separated, uninhabited zapovednik territories. In 1994 these small zapovedniks lost their status and became part of the Chatkal Leshoz (forestry territory). Till the 1970s there was a village, Arap, inside the main Besh Aral zapovednik, but gradually the population moved to the nearby village of Ak-Tash, as the severe winters, poor roads, etc. made life in the zapovednik difficult. No people live in Besh Aral now. There are also no inhabitants in the Aksu Djabagly Zapovednik.

6. In general in the West Tien Shan region the local population lives from small subsistence agriculture, vegetable and fruit-farming, and from their own private livestock. There is relatively little production for sale at markets. The main difference between the three countries is that Kazakhstan and the Kyrgyz Republic have disbanded the collective and state farms, while these remain in Uzbekistan. However, the collectives now play a much-reduced role in the locality, since they are economically weak. Wages are paid in arrears and often in the form of natural products. In all areas, household smallholdings are based on the 'private plot' which was allowed to each family in the collectives, together with areas set aside for hay-cutting for each household. In some areas, especially in Uzbekistan, respondents said that these small plots are insufficient to provide for household needs. There are relatively few larger private farms (dekhkan).

7. Local industry (metallurgy, chemical, mining, dairy, winemaking, clothing, and fruit-conservation) is most developed in Kazakhstan and Uzbekistan, but there is little industry in the Kyrgyz Republic close to the zapovednik.

## POPULATIONS INSIDE AND NEIGHBORING THE ZAPOVEDNIKS

### *The Kyrgyz Republic: Sary Chelek Zapovednik*

8. Sary Chelek Zapovednik is in the territory of the Aksysk Rayon (District) in which there are 12 Local Administrations (Sel'skaya Uprava). These Local Administrations contain several villages and have populations between 4,500 and 20,500.

9. Arkyt village, inside the Zapovednik, has a population of 749 people (155 households), 379 males, 350 females, of which 208 are children below 15. The 310 people of working age have a high unemployment rate of around 50 percent (150 people), while the rest work either for the Zapovednik or the school. According to the Director of the Zapovednik, these official figures are an underestimate. In fact, around 1,000 people live in Arkyt, of whom only 115 have work. The rest of



the population lives from the sale of apples, fruit and honey, as well as their own subsistence smallholdings based on irrigated plots and livestock. There are numerous livestock in Arkyt, and there is not enough pasture for these animals without overgrazing and damage to grasslands.

10. Arkyt is part of the Kyzyk-Tuu Local Administration, with 4,771 inhabitants, 2245 males and 2261 females, of which 2113 are children. In this Administration, there are 3 villages adjacent to the Zapovednik: Jylgyn, Kyzyl-Tuu, and Kyzyl-Kol. Each household has an average of 0.05-0.07 ha. of arable land, not enough for subsistence, and income is supplemented by livestock (average 1 cow with calf, 1 non-calving cow, 1 horse and 6 sheep per household) and by gathering and hunting.

11. The population inside and near the Zapovednik is continually growing. In answers to the social assessment questionnaire local inhabitants said that they did not plan their families but "accepted what God gave". Elderly people said that it would be good if God gave 9-12 children, middle-aged people were satisfied with 5-6, and young families with 3-4 children.

### ***The Kyrgyz Republic: Besh Aral Zapovednik***

12. Besh Aral Zapovednik is in the Chatkal Rayon (District) in which there are 4 Local Administrations.

13. The nearest Local Administration is Chatkal (21,107 population, 4,320 households) with 4 sub-villages, Dzhany-Bazar, Kurulush, Tostopiyan, and Ak-Tash. The Directorship of the Zapovednik is located in Dzhany-Bazar village. However, the nearest village to the Zapovednik is Ak-Tash, 15 km away and 25 km. from Dzhany-Bazar. It has a population of 1,012 (179 households). The local economy is based on arable agriculture (wheat, potatoes, garlic) and livestock herding. On average, each household has 1 ha. of irrigated land and 2 ha. of dry land, 2 cows, 1 horse, 15 sheep and 2 goats.

### ***Kazakhstan: Aksu-Djabagly Zapovednik***

14. Aksu-Djabagly Zapovednik is in the Tyulkubas Rayon (District) of the South-Kazakhstan Oblast (Region). It is uninhabited. The social survey was carried out in the nearest village to the Zapovednik, Djabagly (formerly called Novo-Nikoayevka), a settlement established for Russian settlers in the 19<sup>th</sup> century. The present population is 2,914. In 1987, a large Chicken Farm-Factory was set up near the village, but it has now almost shut down. Most of the inhabitants were employed in the factory, while the rest worked in the local collective farm, which is no longer operating. Today, virtually the entire population lives from small subsistence farming.

15. The northeast edge of the Zapovednik borders the Dzhambul Oblast (so far unstudied) and there are small towns and villages not far away from the boundary. The inhabitants of these settlements are said to use the Zapovednik for hunting, grazing, woodcutting, etc. The same is true of three villages to the west of the zapovednik, Baliberek, Rayevka, Sovetskoye.

16. The West Tien Shan region of Kazakhstan has experienced an inflow of people from other areas, notably from the Aral Sea disaster zone. Numbers of incomers are not available, and some of this migration is temporary or unregistered. Local respondents say that incomers have little sense of belonging to the region and are more environmentally careless than long-term inhabitants. There is little permanent out-migration of local residents.

17. The city of Shimkent is located around 80km to the west of the Zapovednik. The Alma-Aty - Shimkent railway passes near (c. 10 km) the boundary of the Zapovednik, giving good access.

***Uzbekistan: Chatkal Zapovednik Ugam-Chatkal National Park***

18. The Chatkal Zapovednik (45,739 ha.) is located across the Bostanlyk, Parkent and Ahangaran Rayons (Districts) of the Tashkent Oblast (Region). The Zapovednik is divided into 4 parts, Bashkizylsai, Maidantal, Yangiabad and Kuchkak. There are no inhabitants in the Zapovednik, though there are settlements nearby.

19. The Ugam-Chatkal National Park (574,600 ha.) was created in 1991, long after the Chatkal Zapovednik, which was founded in 1947. The Ugam-Chatkal National Park surrounds the Zapovednik, but does not have administrative superiority over it. The National Park is located in the same districts as the Zapovednik. The National Park contains many villages, especially in its northern part. The southern part is much less densely populated, but just outside its boundary to the south and west there are several industrial towns, such as Parkent, Angren, Ahangaran. The cities of Tashkent and Chirchik are around 100 km. to the west.

20. The social survey was carried out in Parkent district. Here there are 40,500 urban residents in Parkent itself, and 8,358 rural inhabitants of 4 villages, Shampan, Navdak, Sanganak and Nevich. The rural population of these 4 villages mostly works in the former state farm, now an association called Parkent Shirkat Uyushmasi. The main occupations are grape and orchard farming, and livestock. There are 2 wine factories, in Shampan and Navdak, with a total of 1,500 employees.

21. In general, the local population living near the Zapovednik is growing fast. Respondents say that they planned their families and that families of 6-9 children were desired. The population is reluctant to leave the region. There is significant unemployment, e.g. 115 out of about 700 adults in the village of Nevich. People who seek work outside the locality do not leave for good, but return when they can to the villages.

22. There are 3 forestry territories (leshoz) within the Ugam-Chatkal national park. They have a total of 322,600 ha of land.

23. There is a good road connection between the city of Tashkent and the edge of the Zapovednik, and a railway from Tashkent reaches into the National Park.

24. **Summary:** The Zapovednik most subject to human activity is Sary Chelek in Kyrgyz Republic, which is the only one with inhabitants, followed by Besh Aral, also in Kyrgyz Republic. In the latter case, the Chatkal river flows through the Zapovednik from a densely inhabited area, and the former village of Ak-Tash is associated with sacred sites which are still visited. Aksu Djabagly Zapovednik in Kazakhstan is less influenced by human activities, but there are settlements close to its borders on the western and northern sides. Chatkal is the least pressured on the Zapovedniks. However, the Ugam-Chatkal National Park is subject to intensive human use and has many settlements inside it, including some local industries and mining.



## VALUES, ATTITUDES, INTERESTS AND ASPIRATIONS AMONG STAKEHOLDERS REGARDING BIOLOGICAL RESOURCE MANAGEMENT

25. *Ordinary villagers*, including present and former collective farm/state farm workers, are the most numerous stakeholders. These are the people living off small plots, some fruit trees and a few livestock. Their resources are often insufficient to provide a livelihood for their families and they therefore engage in gathering, hunting, and other income-generating activities such as petty trade (see also below, under 'women'). Their aspirations are oriented to improving their own economies primarily. Responses indicated that these farmers are aware of and sympathetic to the goals of biodiversity and prepared to undertake volunteer work. Several mentioned that they already do communal work. They are generally ill-informed about legal aspects of biodiversity protection.
26. *Zapovednik management and staff*. The present management is highly-trained and sympathetic to the goals of the project (however, low pay and resources make them vulnerable to financial temptations). The rangers need further training, especially on legal aspects of resource management. They are also supportive of the project but they require material, medical and organizational support. They travel on patrol along the frontiers of the Zapovedniks, using tents, and they complain of how hard this work is without technical support.
27. *District (rayon) Administration*. They expressed willingness to help the Zapovedniks and understand that the success of the Zapovedniks as local resources can only help their own populations. However, their many responsibilities and lack of sufficient funding mean that there is a possibility of retention of funds at this level.
28. *Local (selskoe) Administration*. The most important point for them is that they should have their own budget, allowing them to earn, distribute, etc. their own income (as opposed to being merely recipients of funds from the district and with no say in how these funds are to be used). The village leaders (hakim, khokim) are interested in order and economic development in their villages. They are actively engaged in settling local disputes (e.g. over distribution of irrigated land).
29. *Forestry Territories*. The leshozes are the main organizations managing forestry in the vicinity of the Zapovedniks and they have control of areas between 40%-90% of local administrations. Their aim is the sustainable management of these areas and their administration, e.g. giving licenses to commercial organizations for logging, hunting, firewood collection, etc. They have small staffs of some 10 people. They engage in pruning, clearance, construction of firebreaks, etc., but not directly in the commercial exploitation of forests. However, in fact, some staff may openly engage in activity for profit. The national-level organization of the leshozes, down to the ranking of forests, is like a para-military organization, and some anxiety was expressed by zapovednik staff that the forestry organization would take over further Zapovedniks and initiate plantations, etc. inside the Zapovedniks without consulting with biodiversity specialists.
30. *Schools*. The teachers are highly supportive of biodiversity goals and already undertake some teaching on environmental issues. They regularly take children on supervised visits to the Zapovedniks.
31. *Islamic teachers*. There is a mosque (mechet') in the village Djabagly in Kazakstan and in general there are small houses of worship in almost all villages. Islamic teachers are only indirectly concerned with biodiversity. They support worship at sacred sites in the Zapovedniks, where there

are readings of the Koran, etc., but the specifically Islamic teachings, unlike the underlying pre-Islamic, shamanistic cosmologies, have little relevance for biodiversity.

32. *Indigenous ethnic inhabitants.* People who identified themselves in this way are supportive of the biodiversity goals of the project. However, there were cases of people who complained that their ancestors had been able to hunt in the Zapovednik territory and they were now prohibited from doing the same. Some people made similar observations about traditional hay cutting and pasture areas that they felt should be inherited within families.

33. *Commercial private farmers (dekkhane).* These are the most positive advocates of new small enterprises, such as orchards, vineyards, intensive vegetable gardens, the introduction of more productive breeds of cattle, etc. They understand that such developments will indirectly support biodiversity by taking pressure off local wild resources. These people are already more oriented to using their own labor in farming, rather than in gathering.

34. *Village elders (aksakal)* are highly respected and they are the most likely to retain knowledge of indigenous economic methods. Some of them (including women) are the guardians of folklore and they pass this to the younger generations. They are not necessarily more religious than other villagers, but they uphold ethnic cultural traditions of living in balance with the environment. Therefore, they support cleanliness in disposal of household waste, use of animal dung, restraint in woodcutting, etc.

35. *Women* in the local populations are concerned with health and the cleanliness of water, air and food. In Uzbekistan, women tend to stay within the household, but in Kazakhstan and the Kyrgyz Republic women are actively involved in making an income. They are currently the main sellers of milk, dairy products, eggs, fruit, etc. at local markets, road markets, and train stations. Some of them also travel to cities to sell their products. Women and children are the main gatherers of wild fruit and mushrooms. They may advise their menfolk not to engage in poaching, etc., but in general, women are less concerned than men are over wider issues of biodiversity.

36. *Owners of tourist bases.* These people may not live locally, but they should be made aware of the project and take part in discussions of their business plans, advertising, etc. Their aim is to make money from tourism. However, positive interactions with the management plan of the project will help them define the ecological value of their assets, and at the same time will enable project staff to give advice about siting of trails, establishment of rubbish sites, sanitation, etc.

37. *Marginalized people.* There are few wandering people or refugees in the West Tien Shan, but there are some families experiencing extreme poverty. Their first concerns are to make any kind of income, and they are probably the most careless sector of the population with regard to biodiversity. In a situation of general impoverishment, previous traditions of community help for such families have weakened; indeed the reverse may occur. Thus, for example, a very poor family in Djabagly had its last cow stolen.

38. **Summary:** The various types of stakeholders have diverse views on, and knowledge of, biodiversity issues. Often their values, statements and aspirations are at odds with their everyday practice, perhaps largely for economic reasons. Care should be taken that women, children, the elderly and impoverished people are not neglected in project discussions and implementation, as all these groups are integral to the social community as a whole. There is potential for further activity among women. Aksakals (elders) should be targeted for their support because they are socially highly influential. Nongovernmental community institutions should be identified.



## EXISTING SOCIAL MECHANISMS, LOCAL KNOWLEDGE AND CUSTOMARY PRACTICES

39. *The mahalliya.* The main indigenous social institution is the neighborhood community, called mahalliya in Uzbekistan. The mahalliya has remained a strong organization in Uzbekistan partly because the Uzbeks were always a settled people and did not experience the Soviet reorganization of nomadic-mobile groupings undertaken in Kazakhstan and the Kyrgyz Republic. In Uzbekistan the mahalliya comprises a neighborhood of a large settlement (kishlak), or the whole of a small village. It is generally based on common clan membership, though this remains to be investigated further. The mahalliya has an informal leader from amongst the elders, though in the case of a small settlement the mahalliya leader coincides with the local administrator (khokim).

40. *Activities of the mahalliya related to the conservation of biodiversity.* The mahalliya engages in collective economic activities, such as pasturing of livestock herds. The households either take it in turns to do the collective herding, or they hire a herder to work on their behalf. The advantage of this joint activity is that it avoids haphazard individual pasturing. At the moment, the general disorganization is such that mahalliya grazing damages the grasslands. Nevertheless, the mahalliya is an organization that could in principle co-operate with settlement leaders in order to avoid over-used areas, make best use of a distant seasonal pasture, or rotate pastures for different types of livestock. The establishment of clearer land-use regulations for private herds in conjunction with that of the state/collective farms in Uzbekistan would help make this possible.

41. The mahalliya is a forum for resolving household needs (e.g. a destitute family needs a cow, someone with a large family wants a larger plot) and discussing conflicts. It can exert social pressure on people who step out of line, and potentially could take part in the project goals of social censure on trespassing, hunting rare species, etc.

42. The mahalliya is already an active institution for making requests to higher administrative bodies for communal goals (e.g. installing a toilet system, painting the neighborhood tea-house, etc.). On the one hand, this is positive, as it indicates that the mahalliya can already act as a self-mobilizing, participatory group. However, the current practice, on the other hand, is to remain passive and do nothing unless the requested funds are sent down from on high.

43. *Kinship networks.* In Kazakhstan and Kyrgyz Republic collectivization and forced settlement destroyed the indigenous land-use and community organizations. This means that current practice in these countries is mainly to act through the state administration. Nevertheless, kinship networks are highly active, and they extend from the village to towns and cities. At present, these networks are used mostly for exchange of rural produce for city manufactures, but it might be possible to restore community neighborhoods based on kinship ties, and these might then act to help the project in its goals.

44. *Customary practices.* In Kyrgyz Republic there is a tradition of use of summer-pastures (djailoo) which lower the grazing pressure on grasslands near the village. The use of these pastures has almost discontinued. However, this is one positive practice that the project could support and help revive (not in Arkyt, but in the settlements near the Zapovednik).

45. In all three countries there are traditional ecologically-sustainable building practices which were pushed into the background by Soviet mass construction. According to traditional custom,

houses are made of local clay and wood grown specially by households for beams and ceilings. These houses are resistant to seismic disturbance.

46. The use of dried dung for fuel has been mentioned above. This practice should be studied to find out how many cows are necessary to provide a winter's supply, etc. The project could support this ecologically beneficial practice.

47. *Local knowledge.* There is extensive local knowledge of edible wild plants, such as wild garlic, rhubarb, berries, etc. Discussions with local people could establish where stands of these plants exist, how much they are used, and whether they could be planted and used domestically. There is also local knowledge of medicinal plants. The knowledge is passed down within families of healers. These plants have a trade value outside the region, though they are also used locally. In general the knowledge is kept secret and not shared, but it is possible that the project could benefit from discussions between biologists/botanists and the local healers.

48. *Traditions of hospitality.* The people of the West Tien Shan have a long-standing tradition of hospitality and welcome for visitors and travelers. This is one reason why the area was so popular as a recreation region in Soviet times, being renowned for its safety as well as natural beauty. The project should work with and support this aspect of indigenous sociality.

49. In the long-term development of tourism in the region, it is possible that these local traditions might support home-visits, lodging with families, etc.

## **SOCIAL FACTORS THAT MAY AFFECT PROJECT IMPLEMENTATION**

50. Despite general support in principle for the Zapovedniks, there is a risk of non-participation of villagers in activities connected with the project. There is a Soviet legacy of dependency on district and local administrations. People look on them as the main responsible bodies. Answers by villagers to a question about who is responsible for preserving biodiversity were interesting—they ranged from 'the state' to 'everyone', but a certain number also cited God. However, in answer to more practical questions the great majority cited the hakimiat (local leaders) as those who would give permission (or not). The local administrators themselves said that they were responsible. If the administrations are not supportive of the project, the local population will be reluctant to take part in any activity.

51. The management of the Zapovedniks is almost a blank spot for the locals and they know very little about it. Sometimes they look on Zapovedniks (as opposed to 'nature' in general) as institutions that have nothing to do with them, and some of them perceive the Zapovedniks as obstacles to their own activities.

52. The administration of the Zapovedniks is sometimes far from understanding local needs and can tend to see villagers mainly as potential trespassers and poachers. In many cases, Directors are nominated at the national level and are specialists from distant areas with little contact with locals. Scientific staff have a good knowledge of ecological resources of the protected areas, but they are often reluctant to provide information to locals, because they are afraid that villagers will take advantage of it (e.g. to dig up and sell rare species of tulips).

53. There are few ethnic tensions in the area, although for example Russians and Kazakhs live together in the village of Djabagly. In the Ugam-Chatkal National Park, Uzbeks, Tadjiks and



Kazakhs live together. Incomers are not resented (there are very few in the villages studied). It is not likely that ethnic diversity will cause problems to the project.

54. Gender is been mentioned briefly above. In some areas, women could be encouraged to further activity and childcare organizations could help them. However, in all cases the opinions of the patriarchal aksakals will have to be taken into account.

55. *Tenure and resource rights.* The Zapovedniks have been frequently moved from the jurisdiction of one Ministry to another. This creates uncertainty for local administrations and villagers, who do not know which jurisdiction they are dealing with. The status of the buffer zones and what activities are permitted in them is particularly unclear.

56. *Special interest groups.* Potential interests are those of commercial farmers, women, religious believers, the unemployed, the elders (aksakals), etc. At the moment, these diverse interests do not take the form of consolidated social groups.

## **PROGRAMME FOR COMMUNITY INVOLVEMENT AND SOCIO-ECONOMIC DEVELOPMENT**

57. Project preparation was multi-disciplinary and involved the participation of hundreds of individuals representing all stakeholder groups. As a result the social aspects of the project are integrated throughout the regional, national and site project plans.

## **NEEDS ASSESSMENT**

58. All of the site level plans include activities to identify the needs of local communities near the protected areas and how these can be addressed by the project activities. Needs identified will include those for general socio-economic development, natural resource use, energy requirements, education and involvement in park management.

59. This will be supported by training of personnel to carry out the programmes and will be done in conjunction with the social surveys mentioned below. Participatory ventures will be carefully attuned to different political environments. In general in these countries, it is advisable to work through seniority and the approval of higher officials is necessary for working at lower levels. Taking account of this, the project staff would not appear so much as working from outside, but as moving downwards from within. NGOs will also play an important role in working with both government agencies and local communities.

60. A crucial stage will be the integration of the needs identified with the goals, needs and plans of protected area and project staff and other government agencies. This will be achieved through the ongoing participatory planning process of the project. The key performance indicator of these activities is the realization of some of these needs.

## **SOCIAL SURVEYS**

61. There is very little baseline social data in Central Asia. Those that do exist are generally difficult to access. Careful and accurate collection of local statistics on population, livestock ownership, and areas under cultivation for the regions surrounding the Zapovedniks and including the whole of the National Park in Uzbekistan will therefore be collected.

62. Specific focused studies use observation and discussion as well as questionnaires for information on the following:

- Fertility, mortality and migration of human populations.
- Local household economies.
- Employment, under-employment and unemployment.
- The forestry economy.
- Fuel provision.
- A study of local marketing and trade in each area.
- Land law and usage rights actually operating in each country.

63. A long-term study of social organization, including ethnic differences, with special focus on social institutions might be supported to provide initial bases for social participation (e.g. mahallia). Political structures, gender, and community seniorities (e.g. the institution of aksakal leaders) would need to be carefully assessed by a trained anthropologist.

## **SUSTAINABLE NATURAL RESOURCE USE**

64. Many natural resources are currently used for economic and subsistence purposes, including: fruits and nuts, large mammals, medicinal plants and water. Most of this use is unregulated or even illegal. The levels of use in many cases are almost certainly unsustainable.

65. Several different aspects of the project will be integrated in a participatory and multi-disciplinary way to implement a series of programmes for the sustainable use of natural resources. These will include: needs assessment (see above), legislative reviews (see below), ecological monitoring, evaluation of levels for sustainable use, and public awareness (to ensure people are made aware of what and how natural resources can be used).

66. This will ensure that sustainable use is context specific and will depend on such factors as the species involved, local needs and the institutional background.

## **LEGISLATIVE REVIEW AND DEVELOPMENT**

67. As part of the general regional and national legislative review, the legal aspects of sustainable resource use will be studied and measures taken to rectify current legislation if it is deemed to be inappropriate.



68. The test case for this will almost certainly be in Sary Chelek Zapovednik in the Kyrgyz Republic. The people in Arkyt, inside the Zapovednik, currently rely heavily on natural resources for their livelihoods. However, the current legislative framework does not allow human activity inside the Zapovednik. A review and development of this framework will be crucial to the successful resolution of this conflict of interests and needs. Lessons from this site-specific case can be transferred both to other project sites and to other protected areas in the project countries.

### **SMALL GRANTS PROGRAMME**

69. The small grants programme is described in Annex 12. The small grants programme will support small-scale local initiatives related to biodiversity conservation.

70. The programme will provide the main means for the implementation of activities that will improve local livelihoods and enhance socio-economic development.

### **INCOME GENERATION DEVELOPMENT ACTIVITIES**

71. As well as the small grants programme, a few specific income generation activities have already been identified that will both ensure the long term conservation of biodiversity and improve livelihoods of people near the project sites. These initiatives include establishing fruit and nut processing workshops, fuelwood plantations, tourist facilities and health centers.

### **NGO DEVELOPMENT**

72. The NGO community is very recent and has had little time and resources to develop. The project will facilitate the development of key NGOs through specific capacity building activities and also through their involvement in other activities within the project. Stronger NGOs will provide local communities with an additional means with which to realize their needs.

### **PUBLIC AWARENESS AND ENVIRONMENTAL EDUCATION**

73. Although most communities have a high awareness and concern for their immediate environment, there is a low level awareness about wider and more general environmental issues, the implications of their actions on the environment and what they can do to enhance the natural environment. The public awareness and environmental education element of the project is wide ranging. It includes plans for the participatory development of activities, training teachers and trainers, producing education resources, a series of mass media events, and improving education facilities in the protected areas. This will enable the public to learn more about their environment and also to participate in activities with more understanding.

### **INFORMATION MANAGEMENT (DATABASE AND GIS PROGRAMMES)**

74. Collation and sharing of all the information from the project will allow the social aspects of the project to be integrated into all of the project activities. Studies will be carried out in each of the



three countries according to a common methodology. The results of all these studies will be included in a computerized database, with access to all of the relevant participants in the project. Collected information and project activities will be regularly assessed and made available immediately to other parts of the Project. Use of remotely sensed images will provide accurate information on the extent of forestry destruction and useful guides to land-use patterns, irrigation, etc. Focused use of GIS will also be potentially useful in establishing varieties of human pressure on given districts (e.g. roads, railways, density of settlements, tourist trails, etc.).

## **INFRASTRUCTURE DEVELOPMENT**

75. Most of the activities involved with developing infrastructure are primarily intended to enhance the management ability of the protected areas. However, local communities will benefit from these through improved access and communication and the development of the potential for income generating activities (e.g. better access to markets and increased revenue from tourists).

## **MONITORING AND EVALUATION**

76. Monitoring of social and economic processes and activities will be carried out throughout the Project and will be done in such a way as to lay the foundation for its incorporation into the overall management plans for supporting biodiversity in the region. The monitoring and evaluation process will allow the evolution and adaptation of activities to the prevailing socio-economic environment and the changing needs of local communities.

## **SMALL GRANTS PROGRAM**

### **Introduction**

1. The small grants program is designed to enable groups and individuals to carry out activities that contribute to achieving the goals and objectives of the project. The small grants program will support entrepreneurial public service-oriented projects in biodiversity conservation, sustainable development, public outreach and education in the West Tien Shan.
2. A total of \$500,000 is included for grants that will be available in three categories. The grant is aimed at NGOs, small businesses, local administrations, family groups and individuals.

### **Goals and Objectives**

3. The goal of the small grants program is to encourage projects in biodiversity conservation and sustainable use of biological resources of the West Tien Shan, community development and NGO activity in conservation. Specific objectives include:
  - To enhance the objectives and activities of the GEF project by ensuring parallel activities are carried out by other organizations and individuals.
  - To develop demonstrative approaches and projects that can be transferred elsewhere.
  - To strengthen new and emerging local groups and NGOs in order to promote biodiversity conservation, particularly in the areas of community-based initiatives, land-use systems, wildlife conservation outside protected areas and the sustainable use of natural resources with a focus on the West Tien Shan.
  - To enable local groups and NGOs to reach out to a broad range of people in their communities and to work productively with other sectors (e.g. government, business and academic institutions), to broaden the impact of their work and involve the public in environmental problem solving.
  - To develop the human resource of these groups and NGOs by exposing key staff to new approaches in conservation and by helping them to develop professional skills, problem-solving abilities and self-confidence.
  - To improve the institutional management capacity of these groups and NGOs through training and on-site assistance in areas such as strategic planning, project management and fund-raising that will help these groups grow towards independence from external assistance.
  - To foster a two-way exchange between NGOs in Central Asia and other regions working on similar environmental issues.
  - To support entrepreneurial efforts of members of the local communities, protected areas and NGOs in sustainable development.
  - To support the practical application of scientific knowledge to solve problems in conservation.
  - To support the use of alternative energy at a local level.



### Grant Categories

4. To ensure the West Tien Shan Small Grants Program (WTS/SGP) has the flexibility to respond to the local needs, there will be three categories of grant:

- **Short-term Grant** - This will be up to \$100 for urgent or initial expenses. A simple one-page application will be used. Awards will be made every three months.
- **Medium Term Grant** - This will be for grants of up to \$1,000 for small projects which require a maximum of 12 months to implement. A standard two-page application will be used. Applications will be invited and awards will be made every six months.
- **Maximum Term Grant** - This will be for grants of up to \$10,000 for projects. The application must demonstrate how the activities of the project will contribute to at least three of the objectives of WTS/SGP. A standard four-page application form will be used, with an annex of up to 3 pages. Applications will be invited and awards granted every 12 months, payments will normally be made in two stages subject to reporting and outcomes.

### Grant Management

5. A voluntary advisory board of people associated with the project will be established. The members of the WTS/SGP Advisory Board will be invited from the following:

- An appointed representative of the Trans-National Steering Committee.
- An appointed representative of each of the three National Steering Committees.
- The biodiversity specialist from the Regional PIU.
- The socio-economics and/or NGO specialist from the LPIU.
- A representative of the NGO community.
- A member of the GEF/UNDP Kazakstan Small Grants Program.
- A member of the Project Management Team.

6. The WTS Small-Grants Advisory Board will be required to hold a formal meeting and give a majority approval to all maximum term grants. Medium term grants will require the meeting and approval of three nominated WTS Small Grants Advisory Board members; records of all grants approved will be circulated to all Board Members. The short term grants will be awarded on the authorization of two members of the LPIU management team nominated by the WTS Small Grants Advisory Board.

### Executive Secretary to the Advisory Board

7. An Executive Secretary to the WTS Small Grant Advisory Board will be appointed and will work closely with the GEF Lead Project Implementation Unit. The Executive Secretary shall undertake the following duties:

- Publicize the program and solicit grant applications.
- Host training workshops at each of the project sites to brief interested groups and individuals, and provide support in developing an application.

- As appropriate, make pre-selection site visits to interested NGOs, groups, and individuals.
- Process applications and submit for a decision.
- Arrange and coordinate the WTS Small Grant Advisory Board Meetings.
- Notify of all decisions within 30 days of the grant application deadline.
- Request disbursement and record all WTS/SGP funds.
- Visit all maximum term grant-receiving groups during each grant lifetime to monitor and evaluate the activities.
- Respond to questions and inquiries.
- Maintain records and documentation (invoices etc) of all expenditures under the grants made and produce an annual report for the WTS/SGP.
- Produce information for the media on activities supported by the WTS/SGP.
- Ensure that goods, works, services are being procured economically and efficiently in accordance with Attachment 1.

#### Eligibility

8. Grants will be made to any group or individual in the project countries. This will include NGOs, local businesses, local administration, family groups, individuals and local communities. Activities funded by the SGP must bring benefits to the project area.

#### Approval Criteria

9. In approving these biodiversity protection grants, consideration will be given to the following criteria:

- Demonstrable benefits to biodiversity conservation.
- Demonstrable benefits to the livelihood of local people.
- Activities bringing benefits to the project area.
- Innovative nature of the project approach or design.
- Compatibility with other GEF project activities.
- Builds capacity for additional activities to be carried out beyond the normal activities of the group.
- Catalytic role of the proposed project (e.g. enable the group to conduct more activities and expand the project beyond the grant lifetime or transferability of the project principles).
- Project activities or their outputs can be sustained after the lifetime of the grant.
- Technical expertise available, or can be obtained to implement the project.
- Organizational capacity to execute the proposed project.
- Previous environmental and biodiversity activities of the applicants.



### Priority

10. Priority would be given to projects which:

- Are practical in approach (e.g. provide direct conservation actions in an area).
- Are implemented with the participation of local people and local NGOs, or are primarily near the project sites.
- Improve habitat conservation adjacent to the protected areas.
- Demonstrate a high degree of public participation and increase the level of local community involvement in biodiversity.
- Foster the provision of information to local people.
- Facilitate the strengthening of an NGO network involved in protected area management.
- Develop transboundary NGO projects.

### Application

116. The Small Grant application will depend upon the category applied for. A standard application format will be developed, to include:

- Project title, amount of request, start and end dates.
- Summary of proposed activity.
- Statement of issue or problem and how the proposed activities will address these.
- Proposed project objectives, detailed features and timing of project (Medium and Maximum term grants only).
- Detailed budget (Medium and Maximum term grants only).
- Supporting documents for Maximum term grants (up to 3 pages).

### Procurement

12. Each application for a grant will include a description of the goods, works and services needed for the grant-funded activity. An estimated cost of each item will also be included.

13. The application shall also include the sources of supply, civil works contractors and names of experts whose assistance will be needed to complete the grant-funded activity.

14. Following the approval of the grant, prices will be obtained (orally for goods contracts below US\$1,000 equivalent, and in writing for contracts above US\$1,000 equivalent) from a minimum of three suppliers. The recipient will then prepare a brief one page report comparing the prices and making the selection. This will be submitted to the approving authority. The approving authority (West Tien Shan Small Grants Committee) will authorize disbursement of funds (the first tranche) upon satisfying itself of the appropriateness of the price and qualifications of the selected supplier.

15. Future tranches will be made upon certification by the National PIU manager that goods or works to be financed with the grant funds have been delivered or completed and that the expert has completed its task.

16. Any exception to the above will need justification from the recipient and the prior approval of the approving authority.

Grant Disbursements

17. Disbursement of grants will be in one installment if under \$1000. Grants larger than this will be disbursed in two instalments (70 percent at grant acceptance and 30 percent upon receipt of the final report and subject to submission of supporting documentation).

Monitoring and reporting

18. On the completion of the project (Medium and Maximum term grants only), the receiving group/individuals shall provide a standard pro-forma report to the West Tien Shan /Small Grants Program Advisory Board. This will include the results of the project, identifying the successes and failures and a full accounting of how the funding was utilized. The Executive Secretary to the Advisory Board will monitor each Maximum grant, shortly before the second grant instalment and on the completion of the project.