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Report No: 36176

IMPLEMENTATION COMPLETION REPORT
(TF-22499 TF-28358)

ON A

GLOBAL ENVIRONMENT FACILITY GRANT

IN THE AMOUNT OF SDR 4.1 MILLION

(US\$ 5.5 MILLION EQUIVALENT)

TO

ROMANIA

FOR A

BIODIVERSITY CONSERVATION MANAGEMENT PROJECT

June 28, 2006

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

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CURRENCY EQUIVALENTS

(Exchange Rate Effective May 31, 2006)

Currency Unit = New Romanian Lei

RON 1 = US\$ 0.3633

US\$ 1 = RON 2.7525

FISCAL YEAR

January 1 - December 31

ABBREVIATIONS AND ACRONYMS

| | |
|--------|---|
| BC | Biodiversity Conservation |
| BCMP | Biodiversity Conservation Management Project |
| BIMS | Biodiversity Information Management System |
| CAP | Common Agricultural Policy |
| CAS | Country Assistance Strategy |
| CMN | Commission for Natural Monuments |
| DDI | Danube Delta Institute |
| DNBC | Directorate for Nature and Biodiversity Conservation |
| EPA | Environmental Protection Agency |
| EU | European Union |
| FFI | Fauna and Flora International |
| FSC | Forest Stewardship Council |
| GEF | Global Environment Facility |
| GIS | Geographic Information System |
| HCVF | High Conservation Value Forests |
| ICAS | Forest Research and Management Planning Institute |
| IT | Information Technology |
| IUCN | International Union for the Conservation of Nature (World Conservation Union) |
| MAFRD | Ministry of Agriculture, Forests and Rural Development |
| MEWM | Ministry of Environment Protection and Water Management |
| MPF | Ministry of Public Finance |
| MSP | Medium-sized Project |
| NFA | National Forest Administration (also referred to as Romsilva) |
| NGO | Non-Governmental Organization |
| NWG | National Working Group |
| PA | Protected Area |
| PCT | Project Coordination Team |
| PMA | Park Management Administration |
| PCNP | Piatra Craiului National Park |
| RAPPAM | Rapid Assessment and Prioritization of Protected Area Management |
| RNP | Retezat National Park |
| SGP | Small Grants Program |
| UNDP | United Nations Development Program |
| VNNP | Vanatori-Neamt Natural Park |
| WWF | World Wide Fund for Nature |

| | |
|------------------|-----------------|
| Vice President: | Shigeo Katsu |
| Country Director | Anand K. Seth |
| Sector Manager | Benoit Blarel |
| Task Team Leader | Peter A. Dewees |

ROMANIA
Biodiversity Conservation Management Project

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| <i>Project ID:</i> P044176 | <i>Project Name:</i> Biodiversity Conservation Management Project |
| <i>Team Leader:</i> Peter A. Dewees | <i>TL Unit:</i> ECSSD |
| <i>ICR Type:</i> Core ICR | <i>Report Date:</i> June 28, 2006 |

1. Project Data

Name: Biodiversity Conservation Management Project *L/C/TF Number:* TF-22499; TF-28358
Country/Department: ROMANIA *Region:* Europe and Central Asia Region

Sector/subsector: Forestry (42%); Central government administration (33%); Other social services (22%); Other domestic and international trade (3%)

Theme: Biodiversity (P); Environmental policies and institutions (P); Participation and civic engagement (S); Law reform (S)

KEY DATES

| | <i>Original</i> | <i>Revised/Actual</i> |
|------------------------------|------------------------------|-----------------------|
| <i>PCD:</i> 07/09/1996 | <i>Effective:</i> 10/15/1999 | 10/15/1999 |
| <i>Appraisal:</i> 05/22/1997 | <i>MTR:</i> | 10/28/2002 |
| <i>Approval:</i> 05/27/1999 | <i>Closing:</i> 12/31/2004 | 09/30/2006 |

Borrower/Implementing Agency: Government of Romania/ Ministry of Agriculture, Forests, and Rural Development

Other Partners: Ministry of Environment and Water Management

| STAFF | Current | At Appraisal |
|---------------------------------|-------------------|------------------------|
| <i>Vice President:</i> | Shigeo Katsu | Johannes F. Linn |
| <i>Country Director:</i> | Anand K. Seth | Andrew Vorkink |
| <i>Sector Manager/Director:</i> | Benoit Blarel | Kevin Cleaver |
| <i>Team Leader at ICR:</i> | Peter A. Dewees | John W. Fraser Stewart |
| <i>ICR Primary Author:</i> | Andrey V. Kushlin | |

2. Principal Performance Ratings

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HL=Highly Likely, L=Likely, UN=Unlikely, HUN=Highly Unlikely, HU=Highly Unsatisfactory, H=High, SU=Substantial, M=Modest, N=Negligible)

Outcome: S
Sustainability: L
Institutional Development Impact: H
Bank Performance: S
Borrower Performance: S

QAG (if available) *ICR*

Quality at Entry: S S

Project at Risk at Any Time: No

3. Assessment of Development Objective and Design, and of Quality at Entry

3.1 Original Objective:

The Global Environment objective of the project was the sustainable conservation of the biological diversity and ecological integrity of the Romanian forest, alpine and meadow ecosystems of the Carpathian mountain chain. The Development objective of the Project was to assist Romania in establishing effective, intersectoral, participatory planning and sustainable management of natural ecosystems and associated landscapes at selected demonstration sites in the Carpathian mountains, and mechanisms to support replication of these activities at other priority conservation sites.

Assessment: Overall, the project objectives were realistic, involving technical interventions and implementation arrangements which had been tried in earlier GEF- and other donor-supported projects in the biodiversity area, and fully utilizing technical and human resource capacity available within the implementing agencies involved. The project objectives were subject to little risk in terms of design or implementability of these technical interventions. The main implementation concerns were primarily linked to the efficiency of decentralized delivery and participatory approach, which were among of the project's main innovations in the country.

At the same time, in recognition of the pre-existing 'low base' in the area of biodiversity conservation and environment management in Romania, as well as the transition nature of many underlying institutions, the project objectives were adequately modest and purely catalytic in terms of ability of the limited GEF project interventions to fully establish a mature and sustainable nation-wide system of protected area management in the country. The project was not designed to be able to fully respond to subsequent system-wide external shocks, such as large-scale land restitution, though it has been able to provide important complementary inputs related to the EU accession process, which became more important through the implementation period.

3.2 Revised Objective:

The original project objectives were not revised.

3.3 Original Components:

The project consisted of four components:

(A) *Strengthen the National Framework for Biodiversity Conservation* (US\$1.1 million, or 12.5% of project costs at appraisal; US\$0.87 million, or 10 % of costs estimated at closure): through (i) review and revision of the legal and regulatory framework for protected area management; (ii) strengthening the capacity of DNBC to plan and lead biodiversity conservation at the national level; (iii) strengthening the capacity of NFA to replicate protected area and conservation management in forest areas; and (iv) development of a strategy to incorporate biodiversity considerations into forest management planning at an ecosystem level.

(B) *Develop Models for Protected Areas and Forest Park Management* (US\$6.21 million, or 70.6% of project costs at appraisal; US\$6.23 million, or 75.0 % of costs estimated at closure): through (i) establishment of systems for participatory planning and management of biodiversity at the three selected demonstration sites: Retezat National Park, Piatra Craiului National Park, and Vanatori-Neamt Natural Park (see map and table in Annex 8); (ii) establishment of participatory mechanisms to reduce unsustainable resource use, including the extension of small grants to eligible beneficiaries at the three demonstration sites; (iii) development of a strategy for ecotourism at the three demonstration sites; (iv)

establishment of a program for the reintroduction of the European bison at the Vanatori-Neamt Natural Park; and (v) demonstration of models for forest management practices responsive to biodiversity concerns, including the extension of small grants to eligible beneficiaries.

(C) *Build Public Support for Biodiversity Conservation* (US\$0.72 million, or 8.2% of project costs at appraisal; US\$0.3 million or 4 % of costs estimated at closure): through preparation and implementation of national and park level strategies, and targeted action plans, for raising the awareness of specific stakeholders at the three demonstration sites and the general public about the importance of biodiversity conservation.

(D) *Project Management and Monitoring* (US\$0.76 million, or 8.6% of project costs at appraisal; US\$0.96 million, or 11 % of costs estimated at closure): through provision of consultants' services, equipment and incremental operating costs to strengthen the project implementation capacity of the PCT.

Assessment: The technical design of the project was undertaken through a participatory process that first identified existing and anticipated threats to biodiversity conservation and their underlying causes, and then developed project components to address these root causes. As a result, the project's components were appropriately related to its development and environmental objectives, comprising both the national-level interventions (improvement of legal and regulatory framework, institutional capacity building and public awareness activities) and a critical mass of targeted, site-specific investments (establishment and testing of demonstration models of participatory planning and management of biodiversity at the three selected parks). Analysis and rejection of project alternatives at appraisal (Protected Area management through the establishment of a new government institution, or by NGO, or by private sector) was adequate for the prevailing institutional conditions of that time. The selection of project interventions, their scope and geographic focus were appropriate and well substantiated. Considering the pre-existing country conditions, the project has justifiably put major emphasis, in terms of the amount of allocated resources, on park-level activities (70% for Component B), so as to ensure that several workable field models are well established and properly tested for addressing the rapidly increasing and changing needs for protected area management and biodiversity conservation, with the focus on demonstrating best practice in decentralized land-use planning and field implementation. Selection of demonstration sites was undertaken in a fully transparent manner by the national biodiversity steering committee; sites were chosen to include natural ecosystems of international importance, together with examples of different conservation management needs and strategies to address them (national park, natural park, forest park/sustainable forest management). The design of project components was successfully built on lessons from similar earlier projects in Eastern Europe and around the world in three aspects: (i) addressing the links between socioeconomic issues and sustainable natural resource use and management, (ii) building both the local and national capacity for conservation management, and (iii) ensuring a participatory and transparent approach to project preparation and implementation.

The choice and organization of project activities were well related to the existing implementation capacity of the government. Component D provided for the incremental technical, procurement and financial management support to administer the operation. The implementation arrangements for the project were adequate and ensured single-point responsibility for deliverables and budget control. The project design did not envisage the various significant institutional changes during the course of implementation, and while it, for the most part, responded flexibly to these changes, various opportunities for closer collaboration between stakeholders in the two affected Ministries were made more difficult.

The project was originally placed in the Ministry of Water, Forests and Environmental Protection (MWFEP). In 2001, responsibilities for forestry were shifted to the Ministry of Agriculture, Forests and

Food, while policy, regulatory and legal issues related to biodiversity conservation remained with the Ministry of Water and Environmental Protection (MEWP). By 2003, the Ministries had merged again into the Ministry of Agriculture, Forests, Water and Environment (MAFWE), and were split again in 2004 into the current configuration of the Ministry of Agriculture, Forests and Rural Development (MAFRD) and the Ministry of Environment and Water Management (MEWM). MAFRD has retained overall responsibility for project implementation largely because of its much greater institutional capacity for project management and because the bulk of project funds were geared toward supporting activities undertaken by the National Forest Administration (NFA), which is subordinated to it. The reorganized Ministry of Environment and Water Management (MEWM), through its Directorate for Nature and Biodiversity Conservation, Protected Areas and Natural Monuments (DNBC), has remained a key partner and beneficiary of the project at the central and county levels and has been deeply involved in regulatory and policy matters as well as in developing the capacity for biodiversity information management, and the national public awareness strategy. The repeated institutional reconfigurations has, to some extent, weakened opportunities for institutional capacity building in MEWM in particular, and has introduced unneeded and somewhat problematic complexities into the dialogue between stakeholders in both Ministries. These, for the most part, have been overcome. Arguably, to some extent, the tensions which has resulted have brought about better outcomes than would have otherwise been likely.

A small Project Coordination Team (PCT) was established in Bucharest to ensure coordination of day-to-day project activities, including procurement, financial management, and technical supervision. Larger procurement packages or national-level activities were handled by the PCT while the bulk of field activities were delegated to the field-level PMAs based, respectively, in Retezat, Piatra Craiului and Vanatori-Neamt. The PMAs received adequate support and training at the onset of the project, which enabled smooth and efficient decentralization of project management and subsequent replication and scaling up of project activities.

3.4 Revised Components:

The original project components were not revised, although some adjustments were made to the implementation arrangements during the second year of the project to reflect the above-mentioned separation of functions between participating ministries in 2001.

3.5 Quality at Entry:

Satisfactory. The project design was consistent with objectives of the CAS and governmental development priorities and complied with the applicable safeguard policies of the Bank. The technical design was carried out in a highly participatory manner and corresponded well to the project objectives. Assumptions about the demand for the project outputs and the international/domestic input costs were reasonable. The GEF Project Document described the project and its background in sufficient detail. Key project stakeholders participated in the project design, preparation, appraisal and grant negotiations. The proposed implementation arrangements were adequate and in direct control of the government; they correctly followed Recipient's governance structures and accounted for institutional constraints associated with the project's strong site-specific focus. Needs in implementation capacity building were assessed and adequately addressed in the project design. Assessment of the key implementation risks, related to the project sectoral context, was generally reasonable.

The project was one of the second-generation GEF projects, and its preparation was relatively straightforward from a narrow technical standpoint. However, the decentralized model of implementation of Bank- and GEF-financed projects was new to Romania, and the Recipient's learning of the relevant operational requirements, procedures, and practices had to be an integral part of the dialogue. The very earliest project proposals were rejected and a much more highly participatory preparation process was

launched to develop a more strategic approach toward the sector. Project preparation funds were also used to prepare a National Biodiversity Strategy as one of its commitments under the Biodiversity Convention. For all these reasons, project preparation was relatively slow and required extensive input from the Bank.

Despite these delays, a quality-at-entry review by QAG gave an overall Satisfactory rating, with a number of highly satisfactory elements, particularly with respect to the project concept and objectives, environmental aspects, and readiness for implementation.

4. Achievement of Objective and Outputs

4.1 Outcome/achievement of objective:

Overall, project outcomes are rated **Satisfactory** because they have already substantially shaped the development of the emerging new system of protected area management in Romania and contain all prerequisites for being fully and effectively integrated into this system. Performance indicators outlining progress in addressing specific project objectives is summarized in Annex 1.

Although, as of the ICR date, some project activities still remain to be completed before the final closing date (September 30, 2006), the project objectives have already been successfully achieved, i.e. (1) effective intersectoral, participatory planning and sustainable management of natural ecosystems and associated landscapes has been properly established in two national parks and one natural park with the total area of 83,700 ha and forest area of 56,200 ha; and (2) mechanisms to support replication of these activities have been successfully tested and are being implemented in a nationwide system of 21 national and natural parks with a total area of 602,800 ha managed by the NFA under 10-year management contracts with the MEWM, each with independently appointed Scientific and Consultation Councils for guiding participatory and intersectoral preparation and implementation of management plans, with an annual operating budget of US\$2.3 million, and a permanent staff of about 260 biodiversity conservation professionals, or about 10-15 in each park (see Map and Table in Annex 8). This system continues to grow, with 5 more national and natural parks established and passed into the custody of the NFA in 2005.

From a technical design and implementation quality standpoint, the park management models developed under the project represent some of the best practices in the ECA Region – e.g. in participatory development of Management Plans, establishment and implementation of biodiversity monitoring protocols, and practical application of modern mapping, GIS and information exchange technologies – which can be usefully replicated at an international scale in many other countries with comparable conditions.

It should be noted, however, that the underlying mechanisms of financial and institutional sustainability of these park management models within the NFA have now entered into a period of change, caused by the two latest "system-wide" external shocks. One of them is the new (2005) Law on Land Restitution that allows restitution of land of all categories, including Protected Areas, without limitations on the size of the plots. When fully implemented, it would have a double effect of: (i) significantly increasing the role of private land owners as a critical stakeholder group in achieving the objectives of biodiversity management within the boundaries of formally protected areas; and (ii) diminishing by as much as 40-50% the NFA's current economic base and thus reducing NFA's ability to continue to finance PA operations from its own revenues derived from state-owned forests. With respect to the issue of restitution of land falling within national and natural parks, MAFRD has developed a pilot program to provide compensation for private land owners coupled with certain tax exemptions which have been enacted to favor these land owners. These steps which will eventually be followed by payments under the EU Common Agricultural Policy (CAP) Pillar 2 agri-environment program which is intended to support nature protection on private land. The nature of the participatory protected area management planning process also provides good scope for

ensuring that private landowners are fully engaged in the management planning process.

With respect to the problem of revenue losses resulting from restitution, the Ministry of Public Finance has made a commitment to provide budget financing for protected area management from 2007, which is likely to come through MEWM. The existing management contracts, introduced as a result of legal forms supported by the project, between MEWM and the park administrations include a provision for public financing "when budget funds become available." Until recently, there had been no credible effort by MEWM to seek budget funding for national parks, and so this provision in recent legislation (and an assurance by the Ministry of Public Finance that it will come up with the funds) is a very good thing. In addition, the loss of revenues by NFA is being mitigated by overall institutional changes to improve expenditure efficiency which ensures adequate continuing allocations. MAFRD and by NFA's Board recently took a decision to establish a separate legal entity with a separate Board and with separate accounts, to centrally finance and manage the system of protected areas, rather than to rely on revenues from individual Silvic Districts.

The second external shock is related to the EU accession process that is driving rapid, and major, regulatory and administrative changes within the government structures aimed at facilitating the absorption of potentially significant amounts of EU structural funds in environment management (including biodiversity conservation) and in other sectors. To a great extent, the project has been responsive to some of these changes, particularly supporting the establishment of the Biodiversity Information Management System, which provided a framework for identifying so-called 'Sites of Community Interest' related to the EU Birds and Habitats Directives, as well as for supporting the development of a new legal and regulatory framework for nature protection more closely to align national legislation with the EU acquis. In other respects, proposed institutional changes have introduced some uncertainty which could weaken the excellent technical and management capacity of PMAs created by the NFA. In particular, a new National Agency for Protected Areas has been established under MEWM, and there is a debate about the extent to which it will assume NFA's responsibilities for protected area management, or if it will instead have a continuing role (a role currently held by DNBC under MEWM) in providing oversight for the activities of Park Administrations which are providing these services under contractual arrangements between NFA and MEWM. The question is to be resolved during the process of preparing regulatory instruments which are to outline institutional roles and responsibilities for the new Agency. A draft of the new regulation is in preparation, and is to be finalized by December 2006.

4.2 Outputs by components:

The overall rating is **Satisfactory**, based on the following assessment of the individual components. Additional details on project outputs from the Project Completion Report prepared by Government, are available in Annex 9.

A. Strengthening of the National Framework for Biodiversity Conservation (US\$1.10 million planned, US\$ 0.92 million actual)

Performance of this component is rated as **Satisfactory**.

Under this component, it was envisaged that the project would support a participatory review and revision of the legal and regulatory framework for protected area management and that the capacity of the Directorate for Nature and Biodiversity Conservation (DNBC) to plan and lead biodiversity conservation at the national level would be increased. In particular, the project was to (i) facilitate a review and revision of the legal framework for biodiversity conservation; (ii) develop and implement a national strategy to increase public awareness and support for biodiversity conservation; (iii) develop and operationalize a

prioritized policy and strategy for establishing an effective national system of protected areas, including a gap analysis to identify geographical priorities, the development of the rationale and mechanisms for financing protected area management, and preparation of a program to support replication of protected area management at priority conservation sites; and (iv) develop an international strategy for establishing collaborative mechanisms for conservation of the Carpathian ecosystems. With respect to forestry, it was further envisaged that (v) the NFA would be strengthened to replicate protected area and conservation management in forest areas, and (vi) a strategy would be developed to incorporate biodiversity considerations into forest management planning at an ecosystem level, rather than the level of the forest "production unit".

As of the date of ICR preparation, progress in meeting all of the objectives addressed by these activities has been very substantial, and in many respects has already exceeded the performance expectations.

Shortly after the project became effective, Government Ordinance No.236/2000 regarding protected areas, habitats and wildlife conservation, and its amendment by Law No.462/2001 was approved. The project subsequently supported a review of the existing legislation and the development of a new functional legislative and regulatory framework, including:

- Government Decision No.230/2003 establishing national and natural parks boundaries and management;
- Ministerial Order No.552/2003 establishing internal zoning of national and nature parks;
- Ministerial Orders No.850/2003 and 494/2003 delegating management responsibilities;

Other laws were also modified and/or amended (e.g. Environmental Law No.5/2000 etc.) in order to be consistent with the new provisions in relation with biodiversity conservation and protected areas. Following the legal review, national legislation is now, by and large, consistent with the international agreements ratified by Romania and with the requirements of the EU. The new developed laws and regulations provided tools for protected areas management and biodiversity conservation activities – e.g. legal frame for establishing new PAs, clear borders and internal zoning for existing PAs, management and administration, etc. Transparency, participatory approach and stakeholder consultation are part of PA management according to new legislation provisions. Legal mechanisms for enforcement in protected areas are reasonably well-defined viz. the Environment Guard and the role of the Scientific Councils. During implementation, the legal framework was repeatedly tested, and important precedents were set for how various management and development issues were resolved, both in the 3 parks, and in other protected areas.

Secondly, MEWM received the critically needed, catalytic support in equipment and training that were needed to initiate design and development of the Biodiversity Management Information System (BIMS), which had been ever since expanded by the Ministry into a national-level tool widely used on a data-sharing basis by various research and planning organizations within and outside of the government. Preparation of BIMS involved international and local experts/consultants, including the Danube Delta National Institute for Research & Development (DDNI) that created some initial datasets. A national gap analysis and preparation and implementation of a national strategic plan to address priorities for conservation were done in this view. Since the Protected Areas had not been precisely mapped, the process also included digitizing and mapping all protected areas, based on the best available information, including satellite images. The BIMS provided a framework for identifying 'Sites of Community Interest' as required by the EU Birds and Habitats Directives.

Thirdly, while the project was providing direct operational support only to the three selected parks,

capacity-building activities for the NFA central staff have been very instrumental in getting NFA ready to expand their PA system and enter into administrative contracts with MEWM to take on the management of a total of 21 natural and national parks which are in forest areas. Over 200 NFA professional staff have already been deployed to meet the conditions of these administration contracts (with the total planned staffing of about 330 people when all park administrations are fully deployed), and participatory protected area management planning processes have been launched in a number of these, building on the experience and skills gained in the first three project sites. Regular meetings are now held between the MEWM, the Romanian Academy's Commission on Natural Monuments and the NFA on the subjects of park administrations' coordination. All the activities done by the NFA parks are collected in an annual report, approved by the parks' Scientific Councils and submitted to the MEWM. Currently, for parks administered by NFA, 4 management plans have been formally approved, another 12 have been prepared and are waiting approval, and another 5 are underway.

The challenge for the future is how this capacity is to be maintained, with institutional changes proposed as a result of the creation of the new Protected Areas Agency. This question will be resolved in the coming months through discussion amongst key stakeholders, which will establish the mechanisms by which the new PA Agency will coordinate and carry out regulation, administration and public funding of the PA management contracts with eligible and duly qualified third-party organizations, such as e.g. the NFA, or municipal councils, or private/NGO entities, etc.

After the project successfully supported an initial small-scale testing of voluntary forest certification (31,000 ha) inside and in the immediate vicinity of the Vanatori-Neamt Natural Park, with its own funding, the NFA received certification of about 1.1 million ha of its forests elsewhere in the country, to international standards outlined by the Forest Stewardship Council, and intends to complete this process in all the remaining state forests after the restitution process completion. Biodiversity conservation has therefore been included as an operational principle in forest management planning regulations, but further development and practical implementation is key.

Despite these exemplary achievements in several important aspects, the component was less successful in supporting the timely elaboration of a common strategic vision among the key government stakeholders (MEWM and MAFRD/NFA) regarding the future development of the national system of protected areas in Romania in response to the new factors of land restitution and EU accession discussed in section 4.1 above. These issues are currently being addressed by the government under significant time pressure, whereas the much earlier project interventions to support independent mediation and facilitation of these discussions (as recommended during Mid-Term Review in 2002) could have allowed to better prepare for the presently needed system adjustments.

B. Development of Models for Protected Areas and Forest Park Management (US\$6.21 million planned, US\$ 6.56 million actual)

Performance of activities under this component is rated as **Highly Satisfactory**.

Under this component the project was to focus on: (i) establishing systems for participatory planning and management of biodiversity at the three demonstration sites - in Retezat National Park in the west (38,047 ha), Piatra Craiului National Park in the center (14,800 ha) and Vanatori-Neamt Natural Park in the north-east (30,818 ha); (ii) establishing participatory mechanisms to reduce unsustainable resource use through introduction of systems for management of shared resources such as grazing and forest products, and the demonstration of links between conservation and economic benefits for the local population; (iii) developing a strategy for ecotourism, which produces benefits for local communities; (iv) establishing a

program for reintroduction of the European bison, a "flagship" species for public awareness of forest ecosystems values, at the Vanatori-Neamt Natural Park, which is part of the former natural range of this native animal; and (v) demonstrating models for forest management practices that address biodiversity concerns, including incorporation of biodiversity in forest management planning and establishment of guidelines and the economic rationale for independent certification of forest products.

As of the date of ICR preparation, this largest project component has produced most significant outputs and developed best practices well beyond the objectives originally planned, as described below. It has also generated a rich body of lessons in the development of field-level biodiversity conservation and management - such as the participatory development of Management Plans, establishment and implementation of biodiversity monitoring protocols, and practical application of modern mapping, GIS and information exchange technologies - that merit thorough analysis and dissemination to relevant communities of practice across Romania and in other countries. As part of these experiences, some of the most capital-intensive activities under this component (civil works for construction of visitor centers) have been affected by significant delays and setbacks related to land acquisition procedures, design scoping and re-tendering, construction permit approvals, and contractor performance, which was the main cause for two extensions of the project closing date for the total of 21 months. The ICR mission in March 2006 visited these sites and confirmed that the arrangements were well in place to allow completion of the remaining civil works and procurement of the associated equipment and services (worth about US\$500,000) before the final closing date of September 30, 2006.

These construction delays, however, cannot overshadow the main achievement of the component in that it had already allowed to fulfill the primary project objective, i.e. the development of management systems in two national parks and one natural park (with the total area of 83,700 ha and forest area of 56,200 ha) and the replication of these lessons in other priority sites. The three park management teams have moved well beyond the objectives originally outlined, and have established themselves as viable PMA units. Models of conservation management planning have been developed and tested for the three project sites. The respective management plans have been developed and approved for the three parks, an additional 12 plans have been prepared and are waiting approval, and another 5 are under preparation. Baseline ecological surveys have been completed and monitoring protocols developed and implemented, with regular ecological surveys now continuing on an annual basis. These models are now implemented in the management planning of all protected areas.

Ecotourism strategies have been developed and implemented for all sites with support from international consultants. Local communities were involved in sustainable ecotourism activities. Following the Small Grants Program (SGP) implementation (see below), a certain number of locals developed alternative revenue-generating activities substituting natural resource exploitation. Number of grazing animals have been reduced in Retezat and Piatra Craiului parks. Local communities decided to preserve pastures for local livestock only, reducing grazing pressure.

Legislation has been amended to include specific provisions related to adjacent areas of the PAs. According to the law, Park administrations are entitled to influence proposed activities in the adjacent areas. Grazing studies were conducted and mechanisms to reduce grazing impacts (number of grazing animals) were developed and implemented. Tourist flows are regulated through park regulations, approved by MEWM, tourists going mainly on renovated marked trails, using camping sites and shelters away from sensitive zones.

Models of forest management plans that integrate biodiversity conservation concerns were developed for the Vanatori-Neamt Park, and forest management certification was achieved in 2002. Replicating this

experience, the NFA proceeded with forest management certification for over one million hectares of state owned forest.

A Small Grants Program (SGP) was implemented for each of the three sites. The SGP encouraged local communities to develop activities in support of biodiversity conservation. It promoted park-friendly activities and supported initiatives in various fields such as: (i) improvement of grasslands productivity; (ii) supporting local associations in ecotourism activities; (iii) supporting local bed-and-breakfast pensions development; (iv) promoting local traditions (handicrafts, sculpture camps, painting camps); (v) waste management in the parks area; (vi) establishing ecological clubs in schools. Most of these activities promoted cooperation and involvement of local public administration and local associations and/or NGOs. The experience of the SGP was very satisfactory and significantly contributed to the project goals. Most of the activities promoted cooperation and involvement of local public administration and local associations and/or NGOs. Local communities were encouraged to develop conservation-based revenue-generating activities with low impact on the environment. Each park chose to approach the procedures and strategies for implementing the SGP in its own way, to reflect the specific social and cultural context around the protected area. The initiatives supported by the Small Grants Program are now being mainstreamed through the UNDP-GEF supported small grants program and through other publicly funded activities. Success with the SGP provides important lessons for implementing EU CAP Pillar 2 agri-environment programs for nature protection on privately owned land.

The strategy for bison reintroduction was developed and implemented. Bison herd at Neamt include now 19 individuals. DNA analysis done, genetic compatible individuals purchased from various countries. Management facilities, including quarantine farm built (Dragos Voda Bison Reserve was authorized as a quarantine farm for bison import according to EU veterinarian legislation – the first such facility in Romania). Bison are reproducing in the park area. The breeding records for bison from Neamt for the last 20 years have been reconstructed (having been lost during the Ceausescu years) and Neamt has been re-entered into Europe-wide genetic records for the European bison. At the end of the project it is expected that European bison population will live in the 180 ha enclosure (compared with the original 4 ha enclosure at the beginning of the project period) as a precursory step towards reintroduction in the wild.

The park management models and facilities developed at the three sites (Vân-tori-Neam-, Piatra Craiului, and Retezat), in addition to serving the immediate interpretation, tourist information, research/monitoring, and community relations needs of each site, are also uniquely positioned to provide important system-wide functions as training hubs for the staff of surrounding National and Natural Parks and other protected areas and nature protection inspectorates, as well as centers of national and international field-based biodiversity conservation research and monitoring. The PMA staff of the three project sites have already been, and will continue to be, key contributors to the development of similar management plans, monitoring and community outreach arrangements in other parks of the NFA system, as well as many smaller local PAs in the surrounding areas. The WWF's independent Rapid Assessment and Prioritization of Protected Area Management (RAPPAM) assessment of the emerging protected area system in Romania conducted in March 2006 has confirmed the critical catalytic role of the three project sites in further development of the system. The NFA, as the managing organization for these parks, and the MEWM are already in the process of revising the existing PA management contracts and the accumulated practical experience of the project should allow them to make sure that the new operating budgets and staffing levels are sufficient to properly set up and maintain these additional functions benefiting the entire Protected Area system in the country.

The activities at the 3 pilot sites and at the national level which have been supported by the project have also leveraged, and complemented, other national and regional initiatives such as the Carpathian Convention, the above-mentioned activities regarding with forest certification, and the identification and

development of the Natura 2000 network. Among other things, the project has leveraged support for highly-competitive EU Life funding at 2 of the 3 project sites and has provided the institutional framework for seeking additional GEF Medium Sized Project (MSP) support for activities at two other protected areas (Macin and Maramures Mountains) through the UNDP.

C. Building of Public Support for Biodiversity Conservation (US\$0.72 million planned, US\$0.31million actual)

Performance under this component is rated as **Satisfactory**.

Under this component, the project provided initial support to the MEWM in the preparation of a National Public Awareness strategy and program which reviews overall status of biodiversity conservation, its ecological, economic and cultural significance, examines existing and potential influence of key stakeholders on biodiversity conservation, and identifies and prioritizes key constraints to conservation and sustainable management of biodiversity resources resulting from a lack of awareness on the part of identified stakeholder groups. The program identified the information needs of each identified group, and cost-effective delivery mechanisms to address these information needs. Further investment more fully to implement the Strategy is needed to make it fully effective. The further use of this strategy beyond the project life will be influenced by the MEWM's ability, jointly with MAFRD, to formulate and implement practical solutions for the new configuration of the protected area system in Romania.

The second element supported by this component was the development and implementation of public awareness programs by each of the three participating park management units. Interpretation materials, media toolkits, publications, maps, park logos and mascots, as well as training and dissemination modules, have been developed for use in the parks' visitor centers (now being completed under Component B) that will provide interpretation of ecosystem functions and other important features of the parks to visitors. Public awareness programs have been designed to enhance the impact of this experience and to carry an understanding of key conservation issues to a wider audience. These programs have targeted local schools and communities and other stakeholder groups that are of particular significance to each park. Training manuals have been prepared for primary and secondary schools and approved for educational use by the county school boards in each location. This experience is now also being replicated throughout the NFA park system.

D. Project Management and Monitoring (US\$0.76 million planned, US\$1.01 million actual)

Performance under this component is rated as **Satisfactory**.

Under this component, a Project Coordination Team (PCT) was established at the national level, comprised of a project manager, a procurement specialist and a financial management specialist. The PCT oversaw and supported implementation of all project activities in accordance with agreed monitorable indicators. It worked closely with the county level PMA staff at the three sites and with national project staff, to develop and monitor workplans on a biannual basis. The PCT was particularly successful in organizing and maintaining a proper enabling working environment for the project teams in the field, which was not a trivial effort given the several reorganizations in the government entities responsible for project implementation. Procurement, financial management, accounting and auditing processes in the center and at the field level were organized in full accordance with the Bank requirements and national legislation. Park staff have been adequately trained to exercise significant volumes of project transactions in a decentralized way, which substantially increased project delivery efficiency. Even despite the significant delays with completion of infrastructure activities, the PCT operating costs were prudently managed,

avoiding major cost overruns in this component. Many of the project's tasks were entirely decentralized to the PMAs, and that the PCT was a very small and lean unit, with a coordinating role (though it did manage the larger procurement packages). The ability to decentralize so many of the management tasks to the PMAs was really important and contributed a great deal to institutional strengthening.

4.3 Net Present Value/Economic rate of return:

Because the value of this GEF is based on its Global Environmental benefit, a rate of return was not calculated.

4.4 Financial rate of return:

N/A

4.5 Institutional development impact:

Overall, the project's institutional development impact is rated **High**.

At the ground level, the project has been fully successful in establishing and testing the practical mechanisms and capacity for participatory development of Protected Area management plans, development and implementation of biodiversity monitoring protocols, community outreach and public awareness activities. This initial field capacity, established with project support, has already enabled the NFA to carry out effective dissemination and scaling up of the tested administrative, technical and contractual models for their expanding system of 21 national and natural parks with the total area of over 600,000 ha across the country. Experienced staff from the three original parks have provided key support and coaching to PMA staff of other parks in development of management plans, community outreach and IT skills, optimization of administrative and technical arrangements and budgets, etc. Through its Small Grants Programs, the project has also fostered development of local community organizations which are representative, informed and empowered - both by their involvement in the PA management planning process and by their increased skills in developing own project proposals. The project has supported a large variety of training, workshops, study tours covering social, technical and organizational issues, and involving project staff as well as beneficiaries. This has generated a wide range of skills, competencies and knowledge capital in the communities around the project parks, and among project personnel, enhancing sustainability of interventions on the ground, and increasing the capacity and implementation potential for effective PA management at local, county and central levels - both within and outside of the relevant government entities.

At the level of policy and institutional reform, the project has been successful in establishing and mainstreaming - through the revised laws and regulations - several good practices, such as performance-based contracts for PA management, participatory development and implementation of PA management plans. The project was also a key stepping stone towards wide application of voluntary certification of sustainable forest management in Romania. At the same time, the project may have been more proactive, at the later stage of implementation, in using emerging opportunities for piloting and testing of additional mechanisms of biodiversity management, such as compensation to new private landowners on the park territory. Having said this, some uncertainty has been introduced by the establishment of the new National PA agency, though this uncertainty will be removed with development and approval of regulatory instruments which are currently in preparation. There is a legal mandate legally to establish the functions, roles, and structures of the new Agency by the end of 2006.

5. Major Factors Affecting Implementation and Outcome

5.1 Factors outside the control of government or implementing agency:

The most significant external factors substantially outside of direct control of the government ministries responsible for project implementation were the pace and scope of the politically-driven land restitution process and the institutional changes related to the EU accession. Their impacts on the project are discussed in section 4.1 above. Dollar depreciation in the final years of the project was an additional factor that reduced competitiveness.

5.2 Factors generally subject to government control:

Despite several ministerial reorganizations, government support for the project was consistently strong from all involved ministries, thus creating a positive environment for project implementation. Importantly, this included the Ministry of Public Finance that handled provision of counterpart funding in a regular and predictable manner. The line ministries (MAFRD and MEWM) actively supported the up-scaling of policies and practices adopted under the project. On the negative side, after the separation of ministerial functions in 2001, strategic communications between MEWM and MAFRD in the goal-setting for future development of the protected area system were not always effective, which resulted in several missed opportunities. The repeated institutional reconfigurations has, to some extent, weakened opportunities for institutional capacity building in MEWM in particular, worked against collaboration and cooperation between key stakeholders, and introduced unneeded and somewhat problematic complexities into the dialogue between MAFRD and MEWM. At the same time though, it could be argued that the tensions which resulted have brought about better outcomes than would have otherwise been likely. A key outstanding challenge remains how both Ministries are going to reach agreement about the role and functions of the new National PA Agency.

5.3 Factors generally subject to implementing agency control:

The NFA - both at central and county level - demonstrated outstanding commitment to the project and provided substantial co-financing and staff resources to ensure smooth administration of the project activities during start-up and implementation in all three demonstration sites, as well as subsequently organized its up-scaling and replication throughout the whole NFA park system. Issues relating to staffing of PMA positions were handled by the NFA, with PCT support, in a highly competitive and transparent manner allowing to attract and retain the best qualified personnel.

5.4 Costs and financing:

At appraisal, the total project costs including contingencies were estimated at US\$8.8 million, of which US\$5.5 million were to be financed by the GEF grant (SDR 4.1 million). Counterpart co-financing was estimated at US\$3.3 million, including US\$2.4 million from the central government and US\$0.9 million from the NFA. Given the massive up-scaling of project results undertaken by the NFA even before the project completion, the NFA's total contribution to mainstreaming the project objectives has already reached US\$5.3 million (for the infrastructure and operations of the expanding nationwide system), which significantly exceeded the originally planned amount.

There were no major revisions made to the scope of the GEF-financed activities. The appraisal estimates for prices and contingencies were generally adequate. As of the date of the ICR preparation, US\$0.7 million worth of the GEF grant proceeds (or 12.7% of the total amount) still remained undisbursed, mainly due to significant delays with completion of infrastructure contracts for visitor centers under Component B (described in section 4.2), as well as with postponement of the final tranche of the Small Grants Program.

It is expected that all planned activities will be completed in full by the final closing date, which will be 19 months later than the original plan. Actual costs for construction of the visitors center exceeded planned, and significant redesigns were launched for 2 of the 3 centers in an effort to reduce costs. The redenomination of the Grant from SDRs into US dollars midway through implementation significantly worsened the project's financial position following various exchange rate fluctuations, and the ways local markets for goods, services, and civil works, responded to these. Estimated project costs (based on spending patterns through 4.30.2006) are presented in Annex 2.

In addition to the US\$5.5 million invested by the GEF over the life of this project in the three model parks, the NFA and its park managers have been successful in attracting US\$5.2 million of own funds and US\$10.5 million worth of additional international investments for biodiversity conservation activities for new projects in nine parks, including US\$6.6 million under six EU Life and Phare projects, US\$1.95 million under two UNDP/GEF Medium-Size Projects (Macin and Maramures parks). At the local level, many of the community organizations that benefitted from initial support under the Small Grants Programs in the three demonstration areas, have also increased their skills in writing project proposals that are capable of attracting further funding (both international and national) for their innovative biodiversity management activities.

6. Sustainability

6.1 Rationale for sustainability rating:

Sustainability of project results is rated **Likely**.

The institutional sustainability of project investments is based on the excellent capacity for protected area management and regulatory planning and management which has been built in the NFA and in MEWM. Provided this capacity can be retained in a changing institutional setting, there is little doubt that the overall framework for protected area management (bolstered by the emphasis this is also given as a result of EU accession) is vastly improved from what it was 6 years ago, and is well established.

Financial sustainability is equally important. The Ministry of Public Finance has indicated its commitment to allocating EUR 6-7 million per annum over the course of the next 5 years for the operating costs and strengthening of the reorganized national protected area system (including both the 27 large parks/reserves and the numerous small local PAs). This is in addition to the commitment which NFA has given to continue to finance PA activities using revenues generated from state forest management. These funds are likely to total an additional EUR 2 to 3 million per year. Finally, important funding commitments have been forthcoming over the 2007-2013 period, following Romania's accession to the EU. The Environment Sectoral Operational Program outlines nature protection investments totalling EUR 150 million for this period, mobilized for managing so-called "Sites of Community Interest," including the system of national and natural parks.

6.2 Transition arrangement to regular operations:

As indicated in the above sections, the NFA has already fully internalized project results in the organization of 21 national and natural parks that it manages under long-term contracts with the MEWM (see table in Annex 8).

Nevertheless, given anticipated future changes in the setup of the nationwide system of Protected Areas in Romania and the forthcoming establishment of the National Protected Areas Agency under the MEWM, special care should be taken to make sure that the excellent technical and management capacity of PMAs

created by the NFA with project support is fully utilized by the new system. This ICR recommends, based on experience in the region, that the National Protected Areas Agency should focus on planning, coordination and oversight of the nationwide PA system development, including preparation, negotiation and administration (on behalf of MEWM) of the publicly funded PA management contracts with qualified management organizations competitively selected in the basis of their management skills. At the same time, the task of the NFA as the current custodian and main investor in the bulk of the National and Natural Parks should be to focus on strengthening the capacity of the existing system. It will need to continue effective maintenance and management of these assets at least for the duration of the existing, ten-year, contracts with MEWM, so as to ensure that the park system as a whole that the NFA has helped create is sufficiently robust and mature to sustain further institutional changes in response to land restitution and EU accession processes. There is some uncertainty about whether or not the existing contractual arrangements will be maintained, but this should be resolved by the passage of additional regulatory instruments by the end of 2006.

7. Bank and Borrower Performance

Bank

7.1 Lending:

Satisfactory. The Bank provided strong support to the Government and the line ministries in identifying key project activities. The Bank was exceptionally proactive and forward-looking in identifying early on the weak points in the original draft project design, developed primarily by international consultants, and undertook a broad revision of the design features through an intensive, in-depth and highly participatory process with key national stakeholders that first identified existing and anticipated threats to biodiversity conservation and their underlying causes, and then developed project components to address these root causes. This special feature of project preparation has been well documented and can be considered one of best practices among comparable projects in the Region. These up-front Bank inputs ensured a very high degree of participation of key project governmental and nongovernmental stakeholders in the project design, preparation and appraisal and built long-lasting commitments to project objectives on the part of national stakeholders, which eventually translated into successful implementation of the main project activities.

Objectives of the project were fully consistent with the governmental development priorities and the Bank's assistance strategy for the country. The project complied with Bank's applicable safeguard policies. The project's technical design was adequate. Components of the project were clearly defined in the Grant Agreement and the respective technical requirements in the GEF Project Document were laid out in appropriate detail. The Project's institutional design and the proposed decentralized implementation arrangements, including those for procurement and financial management, were adequate.

7.2 Supervision:

Satisfactory. Project implementation progress was reviewed and reported, and the project performance ratings appropriately reflected the performance during the particular rating periods. Implementation problems were identified in a timely manner and were addressed adequately and proactively. Advice to the Recipient and the follow-up on agreed actions was adequate. The project performance was regularly reviewed as part of the country portfolio performance reviews. The Bank maintained the project's development and implementation ratings as satisfactory, as the progress with the key project elements always remained sound. A Midterm Review was carried out which identified at an early stage many of the key issues which the project would have to address during the remaining project period, including institutional and financial sustainability, and the tensions which had arisen because of the separation of responsibilities between MAFRD and MEWM. These issues remained a challenge through the project period.

As the project was demanding on the implementation capacity at the field level (more than 30 main activity tasks with a multitude of sub-tasks, spread over the three project sites across the country), the Bank maintained close supervision and provided extensive support to the Recipient on implementation matters. Day-to-day supervision and intensive up-front training and coaching of central and field staff in procurement, financial management, and disbursement was essential.

The Bank was responsive to the Recipient's operational circumstances. It made procurement and financial reporting procedures for local teams more flexible, to help the PCT streamline implementation of multiple small tasks.

The quality and quantity of Bank staff and consultants, their time in the field, the timing of supervision missions, and the support of the Bank management to staff at critical points were adequate.

In addition to regular supervision tasks and the monitoring of performance against key indicators (outlined in Annex 1), the supervision process introduced the use of the World Bank/WWF Forest Alliance Protected Area Management Effectiveness Tracking Tool (and translated this into Romanian), as a self-assessment mechanism for individual park administrations to determine how well or poorly they are doing against performance benchmarks set by the IUCN World Commission on Protected Areas. Finally, in conjunction with the ICR, the Bank also financed (with Austrian Trust Funds), preparation of the Rapid Assessment and Prioritization of Protected Area Management (RAPPAM) in Romania, reviewing the conservation status and threats affecting the system of national and natural parks. The results from this Assessment are separately reported, but confirm the positive impact the project has had on the overall context for protected area management.

7.3 Overall Bank performance:

Satisfactory. At all stages of the project cycle the support to the Recipient from the Bank was adequate. Bank's effort both at lending and supervision phases was intensive (see Annex 4) and the Bank has been flexible in addressing changing circumstances and priorities of the Recipient. Staffing of the Bank's team was adequate and the required skill mix and continuity was maintained. The Country Office provided full support to the task team at all stages. Project supervision in financial management, procurement and disbursement, decentralized to the Country Office, was effective. During supervision, the Bank's response to implementation risks was adequate. The project complied with the applicable Bank's policies and procedures.

Borrower

7.4 Preparation:

Satisfactory. At the preparation stage, the Government and the line ministry demonstrated a strong commitment to the project objectives. The technical, institutional, administrative and financial support they had provided was adequate. Project design was sound and participatory. Arrangements to involve, and cooperate with, the relevant local stakeholders were generally effective. Project preparation benefited from the best available technical expertise (academia, leading environmental NGOs).

7.5 Government implementation performance:

Satisfactory. During implementation, MEWM, MAFRD (through NFA) provided strong and continuous support to the project on all issues related to its technical substance. Key stakeholders and experts of MAFRD, NFA, MEWM, Ministry of Public Finance and the Romanian Academy's Commission of Natural Monuments operated as required, by reviewing the progress of Project implementation and resolving general issues related to inter-agency coordination within the framework of the project. The MAFRD's Project Director provided adequate guidance to the PCT and supported prompt implementation

of its operational decisions. The line ministries (MAFRD and MEWM) actively supported the up-scaling of policies and practices adopted under the project. As already noted in section 5.2, strategic communications between MEWM and MAFRD in the goal-setting for future development of the protected area system were not always effective, which resulted in several missed opportunities of using the project for early testing of new approaches in response to e.g. large-scale land restitution and to the challenges posed by EU accession. This, however, did not undermine overall implementation performance of the Government which is rated *satisfactory*.

7.6 Implementing Agency:

Highly Satisfactory. As already noted in section 5.3, MEWM and MAFRD (through the NFA), both at central and local levels, has exercised outstanding commitment to the objectives of the project and allocated substantial staffing and financial resources to ensure smooth project administration at the national level and in all three demonstration sites. MAFRD also subsequently supported project up-scaling and replication throughout the whole NFA park system. The centrally based Project Coordination team (PCT) operated project accounts, managed GEF-financed contracts, and provided the required administrative support services to the PMA staff at the three project sites. The PCT was exceptionally successful in organizing and maintaining a proper enabling working environment for the PMA teams, which was not a trivial effort given the several reorganizations in the government entities responsible for project implementation. Procurement, financial management, accounting and auditing processes in the center and at the field level were organized in full accordance with the Bank requirements and national legislation. Park staff have been adequately trained to exercise significant volumes of project transactions in a decentralized way, which substantially increased project delivery efficiency. The internal technical, procurement, financial management, and administrative capacity was adequate.

7.7 Overall Borrower performance:

Satisfactory. The Recipient maintained the commitment, capacity, and resources required to successfully complete the project, achieve its objectives, and maximize development benefits.

8. Lessons Learned

The key lessons learned from the project are summarized below.

Operational and Technical

- Early involvement of key stakeholders in project preparation, specifically including local communities and influential decision makers, is essential in order to ensure ownership and successful project implementation; the benefits and objectives of the project should be made known to key stakeholders, through active participation and/or effective public awareness programs.
- In order to achieve environmental, social, institutional and financial sustainability, conservation strategies, as well as applied research and monitoring programs, must be site-specific and targeted to provide direct support for effective conservation management, addressing local issues and needs. Public finance needs to be mobilized for these tasks.
- Where consumptive use of natural resources is an issue (e.g., logging, grazing, hunting, fishing, etc.), resource users must be substantively involved in the design of sustainable resource management systems, and effective monitoring and control mechanisms need to be developed and applied.

- Small grants programs targeted at local communities within and near Protected Areas can be a very effective tool for leveraging community efforts in the direction of nondestructive livelihoods and building local capacity to attract additional funds from various national and international sources in support of these activities. Degree of success of these small grant programs is, however, strongly dependent on the qualifications and community outreach skills of park managers who are often in charge of their local implementation.
- Well designed arrangements for decentralized responsibility in procurement and financial management to the field teams can provide excellent results by encouraging accountable, efficient and technically competent implementation of project activities and increases their longer-term sustainability.

Institutional and Policy

- Existence of a well developed and stable anchor organization is a key prerequisite for successful replication and up-scaling of project results - as demonstrated both by replication of the Park management models across the country, and by the nationwide up-scaling of the successful pilot experience with forest certification (NFA "bought into it" as an organization).
- Where such strong management organizations exist, their technical capacity should be carefully preserved and fully utilized. In such situations, the role of the designated government entity responsible for Protected Areas should be focused on planning, coordination and oversight of the nationwide system encompassing Protected Areas of all jurisdictions and management types, as well as the administration of the publicly funded contracts for management of Protected Areas, to be entered into with qualified management organizations competitively selected in the basis of their management skills.
- A critical enabling factor for strong performance of project teams is the ability (explicit or implied) of site managers to create and maintain strong teams, based on a transparent and highly competitive staff selection process and backed up by the availability of a strong pool of professional staff within the anchor organization.
- Using a PIU for project coordination can be a strong project asset if run "as a business", if the PIU is lean and focused on a few management tasks, with day-to-day decisions done without unnecessary bureaucratic red tape - this was also part of the institutional culture of the anchor organization.
- In the case of institutional reorganizations taking place amidst project implementation (e.g. separations or mergers of ministries, departments and other relevant decision-makers), extreme care should be taken by the project team to re-establish and maintain clear lines of communications between the newly created entities regarding the project's strategic objectives and most effective ways of achieving them. Conversely, even slight negligence or relaxation of attention to these matters on the part of Bank and implementer teams may quickly lead to serious disagreements and jeopardize success of the operation as a whole.

9. Partner Comments

(a) Borrower/implementing agency:

Ministry of Agriculture, Forests and Rural Development (MAFRD)

As an implementation agency, MAFRD is considering the Biodiversity Conservation Management Project as a success and highly appreciates the cooperation and professional support of the World Bank team directly involved in the implementation and supervision of BCMP. Over the project implementation period, the biodiversity conservation sector features have been significantly changed. This relates both to organizational structures and conservation domain approaches. It is considered that most of the key elements of the project -- national protected area network / replication mechanisms / functional conservation management models / planning for biodiversity / education and public awareness -- are now part of day to day work having common understanding and built up capacity behind.

At the end of the project the biodiversity conservation sector is supported by a strong regulatory framework, consistent with international agreements and conventions and adapted to national needs. New laws were issued, while existing differences between national and international laws provisions were harmonized.

Experience achieved through establishing the first national and nature park administrations was of high benefit for all the protected areas in the country. Replication mechanisms were designed in order to take benefits from the lessons learned. Although the number and total area of PAs significantly increased (exceeding initial expectations) all of them are currently managed by administration teams. There are 27 national and natural parks in Romania with their own administration; mechanisms for management and conservation for all protected areas were developed and implemented.

Biodiversity conservation principles are now better considered in forest management and management planning in over one million hectares of certified forests.

Operational capacity of the staff involved in biodiversity conservation has been improved while cooperation mechanisms were established within national and international protected areas networks. NFA is currently managing 22 parks, with the help of over 260 qualified staff, with specific skills.

Assessing existing outputs of the project and analyzing the evolution of the process from the very beginning, we consider that existing capacity and environment provide for a strong basis for sustainability and further development in this sector.

No comments were received from MEWM.

(b) Cofinanciers:

N/A

(c) Other partners (NGOs/private sector):

N/A

10. Additional Information

N/A

Annex 1. Key Performance Indicators/Log Frame Matrix

| Project Development Objective (GEF Grant Agreement, Schedule 2, June 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|--|---|--|--|
| Establish effective, inter-sectoral, participatory planning and sustainable management of natural ecosystems and associated landscapes at selected demonstration sites in the Carpathian mountains, and mechanisms to support replication of these activities at other priority conservation sites | 1. Laws, Ministerial Orders and regulations for biodiversity conservation issued and ratified | Weak or otherwise inadequate legal and regulatory framework for biodiversity conservation | <p>During the project period, existing legislation was reviewed and functional legislative and regulatory framework produced.</p> <ul style="list-style-type: none"> • Gov. Ordinance No. 236/2000 regarding protected areas, habitats and wildlife conservation (*) • Law No. 462/2001 amending the Gov. Ord. 236/2000 (*) • Gov. Decision 230/2003 establishing national and natural parks boundaries and management • Minister Order 552/2003 establishing internal zoning of national and nature parks • Minister Order 850/2003 delegating management responsibilities • Minister Order 494/2003 • Emergency Ordinance 195 on Environmental Protection, passed on 22 December 2005, provides for the establishment of a new National Agency on Protected Areas and Biodiversity Conservation. (*) <p>Other laws were modified and/or amended (e.g. Environmental Law, Law No. 5/2000 etc.) in order to be consistent with the new provisions in relation with biodiversity conservation and protected areas. Legislation marked with an asterisk was prepared by Government without explicit project inputs.</p> |
| | 2. Strategy for developing a national protected area network completed and adopted | No functioning system for managing protected areas, though many "paper parks" have been designated. There is no prioritized strategy for expansion of protected areas, rationale for doing so, or policy for nature protection. Limited data base on priorities for biodiversity conservation. Lack of understood park boundaries. | <p>At the national level, 27 national and natural parks have been formally constituted with fully operational park administrations. Of these, 21 are under NFA administration, funded by NFA from timber revenues. A new National Agency for Protected Areas with responsibility for coordinating park administrations, and which may have functional park management responsibilities, is under development. Core financing is to be provided by the Ministry of Public Finance, in addition to financing by NFA. Additional investment in nature protection will be an outcome of EU accession. At the national level, a Biodiversity Information Management System has been developed with wider user input and involvement, and is a global best-practice for how to develop these kinds of systems. Increasingly being used for prioritizing new investments.</p> |
| | 3. Strategy to incorporate biodiversity in forest management planning developed and adopted | Extensive areas of forests managed using fairly conventional forest management practices. Some large areas conserved for watershed catchment purposes, but | Building on the certification pilot financed by the project in Vanatori Neamt Natural Park, over one million hectares of state owned forests have been certified to FSC standards. NFA intends to further implement certification procedures in all the remaining state forests after the restitution process completion. |

| Project Development Objective (GEF Grant Agreement, Schedule 2, June 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|---|--|--|---|
| | | nature protection <i>per se</i> has a relatively low priority. | Biodiversity conservation included as principle in forest management planning regulations. Need further development and implementation into practice. |
| | 4. Effectively functioning models of conservation management planning established at the field level | Almost no experience with conservation management planning outside of forest management approach. No means of monitoring performance toward meeting particular conservation outcomes. | Models of conservation management planning developed for the three project sites. These models are now implemented in the management planning of all protected areas. Performance is being monitored on a park-by-park basis on the basis of a number of instruments, including the Management Effectiveness Tracking Tool, introduced during project supervision. |
| | 5. No adverse impact of increased tourism on biodiversity | Biodiversity conservation is not considered in tourism development in protected areas. No means of managing visitors in national parks. Localized damage to important habitats common as a result of tourists. | A series of biodiversity monitoring protocols have been developed and are being tracked in each of the three national and natural parks. Collectively, these indicators strongly indicate that adverse impacts of tourism on biodiversity have been significantly reduced. |
| | 6. Strategy for sustainable ecotourism developed and being implemented | Tourism opportunities are largely captured by vested commercial interests and tend to ignore both the interests of local communities and concerns about biodiversity conservation. | Eco-tourism strategies have been developed and are being implemented for the three project sites with support from international consultants. These are being implemented and performance against their objectives is being monitored. Local communities involved in sustainable ecotourism activities. The development and implementation of ecotourism strategies is being replicated nationally in other protected areas. |
| | 7. No increase in adverse impacts of resource use (in particular grazing and forest harvesting) on the biodiversity of project sites | Grazing and forest harvesting pose a critical threat to a number of important habitats. Commercial interests, rather than environmental concerns, dominate the management of conservation sites. Communities living in and around protected areas give no consideration to the conservation impact of their actions. | As in 5 above. Indicators show that rates of forest harvesting from state-owned forests in protected areas are now negligible, though some threats remain as a result of restitution. Grazing management features more strongly in park management, and grazing areas show some recovery. A key tool for reducing the adverse impacts of resource use on biodiversity has been the Small Grants Program (SGP) which had been implemented in each of the three sites. The experience of the SGP was very satisfactory and significantly contributed to the project goals. Most of the activities promoted co-operation and involvement of local public administration and local associations and/or NGOs. Local communities were encouraged to develop revenue-generating activities with low impact on the environment. Following Small Grants Program (SGP) implementation a certain number of locals developed alternative revenue-generating activities, renouncing to natural resources |

| Project Development Objective (GEF Grant Agreement, Schedule 2, June 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|--|--|--|--|
| | | | exploitation. For example, the number of grazing animals has been reduced in Retezat and Piatra Craiului parks. Local communities decided to preserve pastures for local livestock only, reducing grazing pressure. |
| | 8. European bison reintroduction program being implemented | Small population of European bison with low genetic diversity, out of date breeding records. No capacity to change the situation because of lack of facilities to import new animals to strengthen the breeding stock. | Strategy for bison reintroduction developed and implemented. At the end of the project it is expected that European bison population will live in the 180 ha enclosure (compared with 4 ha currently) as a precursory step towards reintroduction in free. |
| | 9. Public awareness strategy completed and functioning effectively | Limited public awareness of the importance of biodiversity conservation | Public awareness strategy and education modules developed. Implementation has been underway at the three sites and experience is being replicated in other PAs. |

| Project Outputs (GEF Project Document, Annex 1, May 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|--|--|---|---|
| 1. National legal and regulatory framework for biodiversity conservation established and mechanisms to replicate experience at demonstration sites at other protected areas in place | 1.1. Legal and regulatory basis for planning, managing and monitoring biodiversity conservation established | No regulatory basis for planning, managing and monitoring biodiversity conservation. | Legal framework survey done. Adequate legal and regulatory framework developed and being implemented (see above). |
| | 1.2. Laws amended to be consistent with the protected area law and international treaties and agreements regarding biodiversity conservation that Romania has ratified | Legal framework has no consistency with international and regional conventions. | Following legislation review, national legislation is consistent with the international agreements ratified by Romania. National legislation has been aligned with EU <i>acquis</i> |
| | 1.3. Strategy developed to incorporate biodiversity conservation concerns into forest management planning | No clear means in place for ensuring that biodiversity conservation is considered in forest management. | Biodiversity concerns included under certification standards. Following certification of Vanatori Neamt Park, NFA has implemented procedures to certify over one million hectares (achieved in 2005) to Forest Stewardship Council standards. Biodiversity included under Management planning regulations as principle. It is necessary to further develop this biodiversity principle in |

| Project Outputs (GEF Project Document, Annex 1, May 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|---|---|---|--|
| | | | management practice. |
| | 1.4. National consultative boards in place and functioning effectively | No means for wider discussion of biodiversity conservation objectives involving multiple stakeholders and scientific interests. | There are regular meetings between the MEWM, the Romanian Academy and NFA for the park administrations coordination. All the activities done by the NFA parks are collected in an annual report, approved by the Scientific Councils and submitted to the MEWM. |
| 2. Two protected area and one Forest Park model established and effectively managed for biodiversity conservation | 2.1. Protected area management plans developed and in use. | No management planning mechanisms or methodology. | Management plans have been developed for the three project sites. For the protected area system under the management of NFA, 4 management plans (including these 3) have been formally approved, approval is pending for 12 new plans which have just been completed. Another 5 plans are in preparation. All of these build on the management planning guidance developed by the project. |
| | 2.2. Baseline ecological surveys completed and biodiversity monitoring systems operational. | Limited and inconsistent data about species endemism and diversity. Limited basis for developing a rationale for expansion of the protected area system. | Ecological survey done for the three project sites and monitoring protocols developed and implemented. Ecological survey is also continuing each year. At the national level, a Biodiversity Information Management System is in place, and seeks to involve multiple partners in data development. |
| | 2.3. Land use plans for areas adjacent to conservation sites adjusted to reflect biodiversity conservation concerns. | Land-use activities in the areas surrounding protected areas are not subject to any management planning. Uncontrolled development potentially harms integrity of protected area. | Legislation amended to include specific provisions related to adjacent areas of the PAs. According to the law, Park's administrations are entitled to influence proposed activities in the adjacent areas. Means for dialogue and participation of border communities in developing PA plans have been developed. |
| | 2.4. Model mechanisms established that are expected to eliminate non-sustainable stakeholder behaviors for managing grazing, hunting and collection of forest products. | No means for managing grazing in protected areas or for dealing with pressures from commercial forest operations within national park boundaries. | Grazing studies developed. Mechanisms to reduce grazing impacts (number of grazing animals) developed and implemented. Hunting is forbidden in National Parks, according to current legislation. Commercial forest operations in state-owned forests within national and natural parks have been scaled back, but there are increased threats because of restitution. Compensation scheme has been developed and is under implementation by MAFRD for private land owners within boundaries of national and natural parks. |
| | 2.5. Increasing numbers of eco-tourists visit the protected sites with no increase in % areas degraded by their impacts | Low impact, sustainable tourism approaches are almost completely unknown in Romania. Virtually no tourism management in national parks, or effort to see that local communities benefit from tourism. | Tourist flow regulated through park regulations, approved by the Ministry of Environment, tourists going mainly on renovated marked trails, using camping sites and shelters away from sensitive zones. |
| | 2.6. Breeding herd of European Bison established at Neamt and strategy | Neamt herd is becoming vulnerable because of in-breeding. Uncertain genetic base for this | Bison herd at Neamt include now 19 individuals. DNA analysis done, genetic compatible individuals purchased from various countries. Management facilities, including quarantine farm |

| Project Outputs (GEF Project Document, Annex 1, May 1999) | Key Performance Indicators (GEF Project Document, Annex 1, May 1999) | Baseline at Project Inception (GEF Project Document, May 1999) | Expected Completion Status (Recipient's Project Completion Report, March 2006) |
|--|--|---|---|
| | developed for subsequently reintroducing the species into the wild. | population. Small facility and deteriorating infrastructure. | built. Bison are reproducing in the park area. New breeding stock has been imported from Switzerland, Germany, and Poland. Active involvement of park management in international network for European bison. |
| | 2.7. Two forest districts develop and implement models of forest management plans that integrate biodiversity conservation concerns. | No consideration of biodiversity conservation concerns in forest management planning. | Models of forest management plans that integrate biodiversity conservation concerns developed for the Vanatori Neamt Park. Forest management certification achieved in 2002. Replicating experience, NFA got forest management certification to Forest Stewardship Council for over one million hectares of state owned forest. New markets for certified timber have been developed, increasing returns to good forest management. |
| 3. Programs in place at national level and at the project sites that raise public awareness of biodiversity conservation needs and opportunities | 3.1. Increased public awareness of biodiversity conservation issues over baseline. | Limited public awareness about the importance of biodiversity conservation. | National public awareness strategy developed and under implementation. Media toolkits developed. PAs present in media (TV, radio, newspapers). Press conferences, journalists' briefings held. Promotional material packages developed each year. Parks' logos in place. Visitor centers constructed and operational in 3 project sites. |

Annex 2. Project Costs and Financing

Project Cost by Component (in US\$ million equivalent)

| Component | Appraisal Estimate US\$ million | Actual/Latest Estimate US\$ million | Percentage of Appraisal |
|---|------------------------------------|--|-------------------------|
| 1. Strengthen National Framework for Biodiversity Conservation | 1.00 | 0.93 | |
| 2. Develop Models for Protected Area and Forest Park Management | 5.65 | 5.91 | |
| 3. Build Public Support for Biodiversity Conservation | 0.48 | 0.33 | |
| 4. Project Management and Monitoring | 0.61 | 0.84 | |
| Total Baseline Cost | 7.74 | 8.01 | |
| Physical Contingencies | 0.26 | 0.14 | |
| Price Contingencies | 0.35 | 0.20 | |
| Total Project Costs | 8.35 | 8.35 | |
| Total Financing Required | 8.35 | 8.35 | |

Project Costs by Procurement Arrangements (Appraisal Estimate) (US\$ million equivalent)

| Expenditure Category | Procurement Method ¹ | | | N.B.F. | Total Cost |
|---------------------------------------|---------------------------------|----------------|--------------------|----------------|----------------|
| | ICB | NCB | Other ² | | |
| 1. Works | 0.00 (0.00) | 1.90 (1.48) | 0.31 (0.13) | 0.00 (0.00) | 2.21 (1.61) |
| 2. Goods | 0.71 (0.55) | 0.00 (0.00) | 0.75 (0.70) | 0.00 (0.00) | 1.46 (1.25) |
| 3. Services | 0.00 (0.00) | 0.00 (0.00) | 2.61 (1.48) | 0.00 (0.00) | 2.61 (1.48) |
| 4. Subgrants | 0.00 (0.00) | 0.00 (0.00) | 0.49 (0.49) | 0.00 (0.00) | 0.49 (0.49) |
| 5. Incremental Operating Costs | 0.00 (0.00) | 0.00 (0.00) | 2.03 (0.67) | 0.00 (0.00) | 2.03 (0.67) |
| Total | 0.71 (0.55) | 1.90 (1.48) | 6.19 (3.47) | 0.00 (0.00) | 8.80 (5.50) |

^{1/} Figures in parenthesis are the amounts to be financed by the . All costs include contingencies.

^{2/} Includes civil works and goods to be procured through national shopping, consulting services, services of contracted staff of the project management office, training, technical assistance services, and incremental operating costs related to (i) managing the project, and (ii) re-lending project funds to local government units.

| Spending by Component and Activity | Spending to date (US\$ equivalent) (4.30.2006) |
|---|---|
| 1. Strengthen National Framework for Biodiversity Conservation | |
| Office and information equipment (hardware and software) | 182,882 |
| Maps (topo, geo, military) | 5,891 |
| TA for biodiversity conservation planning | 204,394 |
| Individual experts (different skills) | 49,000 |
| Firm to design BIMS | 25,000 |
| Firms to prepare national BIMS for protected areas | 60,301 |
| Firm to assist NFA to incorp biodiv concerns in forest manag planning | 10,000 |
| Training, tours and workshops | 112,339 |
| Immediate office equipment needs | 13,786 |
| Recurrent costs (NFA staff only) | 53,000 |
| Small sedan for NFA | 4,760 |
| Incremental Operating Costs | 2,000 |
| Preparing national cadaster for protected areas | 40,000 |
| Sub-total, Strengthen National Framework for Biodiversity Conservation | 763,353 |
| 2. Develop Models for Protected Area and Forest Park Management | |
| <i>Establish Conservation Planning and Management Systems (three sites)</i> | |
| Vehicles (5), 4x4's | 150,395 |
| Vehicles accessories (roof racks, back door racks, alarm systems, etc) | 19,020 |
| Feasibility studies (topo and geographic surveys) | 5,505 |
| Design and supervision of construction of visitors centers and infor points | 89,050 |
| Supervision of construction of visitors centers and information points | 21,253 |
| Fencing, access and landscaping | 1 |
| Construction of park managem headquarters/visitors centers (Retezat) | 393,950 |
| Construction of second visitor center (Retezat) | 165,981 |
| Construction of information points (3 loc in Retezat) | 70,460 |
| Construction of park authority/ visitor center (Piatra Craiului) | 316,440 |
| Construction of second visitor center (Piatra Craiului-Bucegi) | 1 |
| Construction of information points (3 locations in Piatra Craiului-Bucegi) | 1 |
| Construction of park authority/ visitor center (Neamt) | 409,667 |
| Rehabilitation of building for information point (Neamt) | 14,476 |
| Installation of utilities and central heating systems | 57,984 |
| Power generators (7) | 2,690 |
| Furniture and other equipment(furniture,special displays prep.by museums,traditional objects) | 75,470 |
| Panel- making machine (2) | 0 |
| Audio-visual equipment for visitors' centers | 0 |
| Digital cameras and equipment for downloading images to PC | 6,200 |
| Office equipment (H/S) | 441,830 |
| TA for park manag (Indiv exps with diff skills req during the implem per) | 23,241 |
| Training and study tours to develop park management skills, etc | 124,580 |
| Equipment for improving identity of parks- park uniforms | 23,070 |
| Equipment for improving identity of parks- Park logos | 977 |
| Equip for improv identity of parks-promot materials for three diff sites | 73,600 |
| Individual experts (different skills) | 21,059 |
| Workshops and volunteer activities [3] | 109,995 |

| Spending by Component and Activity | Spending to date (US\$ equivalent) (4.30.2006) |
|--|---|
| Spec stud for establ the biodiv monitoring syst (forest,alpine ecosys) | 42,900 |
| Information technology for developing info and metric facilities (H/S) | 3,246 |
| Climatic measuring equipment and scientific monitoring equipment | 29,700 |
| Immediate equipment needs | 67,450 |
| Land | 22,250 |
| Satellite images | 90,330 |
| International experts | 361,310 |
| Recurrent costs | 812,491 |
| Incremental Operating Costs | 419,490 |
| Camping and safety equipment for mountain rescue teams(split from the nat.level to PNR and PNPC) | 15,950 |
| Field equipment | 18,810 |
| Baseline Survey - workshop | 17,900 |
| L028 - Volunteers (OFF, WEB, PZ, ETC) | 4,650 |
| L040 - Baseline survey - volunteers | 13,330 |
| <i>Support Mechanisms to Reduce Non-Sustainable Resource Use</i> | |
| Workshops | 8,756 |
| Individual experts | 22,760 |
| Firms/NGOs to carry out res use surveys and assist comm to dev grant prop | 18,700 |
| Study tours | 1,661 |
| Sub- grants | 307,680 |
| Incremental Operating Costs | 2,630 |
| L001 - Volunteers (GRZ, CMM, SGP, ETC) | 3,830 |
| <i>Develop and Implement Eco- Tourism Strategies</i> | |
| Studies on tourism potential: eco-tourism expert to develop strategy | 32 |
| Stakeholders' Workshops | 24,130 |
| Construction of camping facilities and rehabilitation shelters | 36,501 |
| Materials for camping facilities, shelters and trails | 34,310 |
| Materials for camping facilities, shelters and trails | 11,540 |
| Miscellaneous materials(cost cov.travel,meals,accomm.and mat for ws+activities for volunteers) | 6,200 |
| L002 - Volunteers (TOUR, SALV, TRAIL, ETC) | 12,980 |
| <i>Reintroduce European Bison</i> | |
| Design and supervision of buildings | 17,150 |
| Pre- fesability study; supervision | 8,680 |
| Construction of management office, rehabilitation of existing facilities | 134,320 |
| Equipment for the reintroduction of bison | 42,628 |
| Vehicles (2- Romanian manufactured) | 9,340 |
| Study tours and workshops | 13,580 |
| Bison breeding expert and veterinarian | 32,110 |
| Transportation for bison | 1,520 |
| Installation of utilities | 18,990 |
| Installation of electric power lines | 0 |
| Fencing and construction of management office | 158,760 |
| Trail renovation | 0 |
| Equipment for management office (mobile phone, fax machine) | 0 |
| Recurent Costs | 35,050 |

| Spending by Component and Activity | Spending to date (US\$ equivalent) (4.30.2006) |
|--|--|
| Incremental Operating Costs | 37,870 |
| Feasibility studies for rehabilitation facilities; Supervision | 4,710 |
| <i>Develop Models for Sustainable Forest Management</i> | |
| Experts in forest management plans and preparation of standards | 28,580 |
| Workshops | 11,960 |
| Sub-total, Develop Models for Protected Area and Forest Park Management | 5,433,266 |
| 3. Build Public Support for Biodiversity Conservation | |
| Workshops on park publicity campaigns (national and local) [5] | 70,830 |
| Individual experts | 14,630 |
| Marketing firm to develop national strategy and action plan | 90,606 |
| Recurrent costs | 61,220 |
| Incremental Operating Costs | 11,051 |
| Workshops on park publicity campaigns (EDU, AW, ETC) | 1,900 |
| Volunteers for park publicity campaigns (EDU, AW, ETC) | 7,300 |
| Sub-total, Build Public Support for Biodiversity Conservation | 257,537 |
| 4. Project Management and Monitoring | |
| Annual audits | 54,000 |
| Vehicles (one 4x4) | 24,256 |
| Office equipment (Hardware and Software) | 17,670 |
| Immediate equipment needs | 20,374 |
| Incremental Operating Costs (including PCT staff salaries) | 675,000 |
| Study tours and training | 42,400 |
| Sub-total, Project Management and Monitoring | 833,700 |
| Total Project Spending, to date (4.30.2006) | 7,287,856 |

Annex 3. Economic Costs and Benefits

An economic cost benefit analysis was not carried out.

Annex 4. Bank Inputs

(a) Missions:

| Stage of Project Cycle | No. of Persons and Specialty (e.g. 2 Economists, 1 FMS, etc.) | | Performance Rating | | |
|---|--|-------|--|-------------------------|-----------------------|
| | Month/Year | Count | Specialty | Implementation Progress | Development Objective |
| Identification/Preparation 03/06/96 | | | BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT SPECIALISTS (2); ECONOMIST (1) ; OPERATIONS ANALYST (1) | | |
| Appraisal/Negotiation 2/15/1999 | | | BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT SPECIALISTS (2); ECONOMIST/FINANCIAL ANALYST (1); PROCUREMENT SPECIALIST (1); FINANCIAL MANAGEMENT SPECIALIST | | |
| | 3/10/1999 | | TEAM LEADER (1); LAWYER (1); DISBURSEMENT SPECIALIST (1); FINANCIAL MANAGEMENT SPECIALIST (1); PROCUREMENT SPECIALIST (1) | | |
| Supervision | | | | | |
| | 09/30/1999 | 3 | TEAM LEADER (1); OPERATIONS ANALYST (1); BIODIVERSITY SPEC. (1) | S | |
| | 05/12/2000 | 1 | TL; BIODIVERSITY SPEC. (1) | S | |
| | 10/16/2000 | 3 | BIODIVERSITY SPECIALIS (1); OPERATIONS ANALYST (1); PROTECTED AREA SPEC. (1) | S | |
| | 02/10/2001 | 2 | TEAM LEADER (1); PROJECT OFFICER (1) | S | |
| | 07/20/2001 | 4 | TEAM LEADER (1); EXTERNAL RELATIONS (1); SOCIAL SCIENTIST (1); CONSULTANT (1) | S | |
| | 03/27/2001 | 4 | TASK TEAM LEADER (1); PROJECT OFFICER (1); EXTERNAL AFFAIRS (1); PROGRAM ASSISTANT (1) | S | |
| | 04/04/2003 | 3 | TASK TEAM LEADER (1); | S | |

| | | | | | |
|------------|------------|---|--|---|---|
| ICR | 11/25/2003 | 4 | PROJECT OFFICER (1); CONSULTANT (1) TASK TEAM LEADER (1); SR. OPERATIONS OFFICER (1); CONSULTANT (1); FINANCIAL MANAGEMENT (1) | S | |
| | 03/17/2004 | 4 | TASK TEAM LEADER (1); SR. OPERATIONS OFFICER (1); OPERATIONS OFFICER (1); CONSULTANT (1) | S | |
| | 03/15/2006 | 4 | TASK TEAM LEADER (1); SR. FORESTRY SPEC. (1); SR. OPERATIONS OFFICER (1); CONSULTANT (1) | S | S |

(b) Staff:

| Stage of Project Cycle | Actual/Latest Estimate | |
|----------------------------|------------------------|-------------|
| | No. Staff weeks | US\$ ('000) |
| Identification/Preparation | | 460.2 |
| Appraisal/Negotiation | | 70.1 |
| Supervision | | 608.6 |
| ICR | | 15.2 |
| Total | | 1,154.1 |

Annex 5. Ratings for Achievement of Objectives/Outputs of Components

(H=High, SU=Substantial, M=Modest, N=Negligible, NA=Not Applicable)

| | <u>Rating</u> | | | | |
|---|------------------------------------|-------------------------------------|------------------------------------|-------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> <i>Macro policies</i> | <input type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input checked="" type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Sector Policies</i> | <input checked="" type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Physical</i> | <input type="radio"/> H | <input checked="" type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Financial</i> | <input type="radio"/> H | <input checked="" type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Institutional Development</i> | <input checked="" type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Environmental</i> | <input checked="" type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <i>Social</i> | | | | | |
| <input checked="" type="checkbox"/> <i>Poverty Reduction</i> | <input type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input checked="" type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Gender</i> | <input type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input checked="" type="radio"/> NA |
| <input type="checkbox"/> <i>Other (Please specify)</i> | <input type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Private sector development</i> | <input type="radio"/> H | <input type="radio"/> SU | <input checked="" type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input checked="" type="checkbox"/> <i>Public sector management</i> | <input type="radio"/> H | <input checked="" type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |
| <input type="checkbox"/> <i>Other (Please specify)</i> | <input type="radio"/> H | <input type="radio"/> SU | <input type="radio"/> M | <input type="radio"/> N | <input type="radio"/> NA |

Annex 6. Ratings of Bank and Borrower Performance

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HU=Highly Unsatisfactory)

6.1 Bank performance

Rating

- | | | | | |
|---|--------------------------|------------------------------------|-------------------------|--------------------------|
| <input checked="" type="checkbox"/> Lending | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Supervision | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Overall | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |

6.2 Borrower performance

Rating

- | | | | | |
|---|-------------------------------------|------------------------------------|-------------------------|--------------------------|
| <input checked="" type="checkbox"/> Preparation | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Government implementation performance | <input checked="" type="radio"/> HS | <input type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Implementation agency performance | <input checked="" type="radio"/> HS | <input type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Overall | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |

Annex 7. List of Supporting Documents

1. GEF Project Document: Romania Biodiversity Conservation Management Project. Report No.18838-RO. May 1999.
2. GEF Trust Fund Grant Agreement TF022499 dated June 17, 1999 for the Romania Biodiversity Conservation Management Project, as amended on February 20, 2001.
3. Romania Country Assistance Evaluation. Report No.32452. May 25, 2005.
4. Piatra Craiului National Park: Final Project Report, November 2005.
5. Retezat National Park: Final Project Report, November 2005.
6. Vanatori-Neamt Natural Park: Final Project Report, November 2005.
7. Romania Sectoral Operational Programme (SOP) for Environment Infrastructure. Ministry of Environment and Water Management, Draft, December 2005.
8. Aide-Memoire of the ICR Mission, March 15, 2006.
9. RAPPAM (Rapid Assessment and Prioritization of Protected Area Management) Methodology Implementation in Romania. Key Findings and Results. By Erika Stanciu and Gerald Steindlegger, WWF International, April 2006.

Summary Table of the Romanian System of National and Natural Parks (2006)

| # | Park name | County | Year Est'd | Adm'n. Est'd | Total Area, ha | Of which: | | Mgmt. agency | Number of staff | Management plan |
|-----------------------------|-----------------------------------|------------|------------|--------------|----------------|--------------------|----------------------|--------------------------|-----------------|---------------------|
| | | | | | | Forests ha | Core area forests ha | | | |
| NATIONAL PARKS | | | | | | | | | | |
| 1 | CĂLIMANI | SV; MS; HG | 1990 | 2004 | 24,041.0 | 15,871.6 | 66.0 | NFA | 11 | to be ready 2006 |
| 2 | CHEILE BICAZULUI - HÂȘMAȘ | HG; NT | 1990 | 2004 | 6,575.0 | 6,256.3 | 95.2 | NFA | 8 | to be ready 2006 |
| 3 | CHEILE NEREI - BEUȘNIȚA | CS | 1990 | 2004 | 37,100.0 | 26,372.7 | 71.1 | NFA | 12 | to be ready 2006 |
| 4 | COZIA | VL | 1990 | 2004 | 17,100.0 | 16,055.6 | 93.9 | NFA | 8 | to be ready 2006 |
| 5 | DOMOGLED - VALEA CERNEI | CS; GJ; MH | 1990 | 2004 | 60,100.0 | 44,523.5 | 74.1 | NFA | 14 | to be ready 2006 |
| 6 | MUNȚII MĂCINULUI | TL | 2000 | 2004 | 11,321.0 | 11,142.0 | 98.4 | NFA | 9 | to be ready 2006 |
| 7 | PIATRA CRAIULUI | BV; AG | 1990 | 1999 | 14,800.0 | 9,802.7 | 66.2 | NFA | 12 | approved 2005 |
| 8 | RETEZAT | HD | 1935(1990) | 1999 | 38,047.0 | 20,097.5 | 52.8 | NFA | 13 | to be ready 2006 |
| 9 | MUNȚII RODNEI | BN; MM; SV | 1990 | 2004 | 46,399.0 | 27,670.3 | 59.6 | NFA | 12 | to be ready 2006 |
| 10 | SEMENIC - CHEILE CARAȘULUI | CS | 1990 | 2004 | 36,665.0 | 30,400.5 | 82.9 | NFA | 12 | to be ready 2007 |
| 11 | BUIA - VÂNTURARITA | VL | 2004 | 2006 | 4,186.0 | 3,000.0 | 71.7 | NFA | 5 | to be ready 2007 |
| 12 | DEFILEUL JIULUI | | 2005 | 2006 | 11,127.0 | 9,393.0 | 84.4 | NFA | 0 | to be ready 2008 |
| 13 | CEAHLAU | NT | 1990 | 2004 | 8,396.0 | 7,321.9 | 87.2 | Nearmt County Council | 12 | to be ready 2006 |
| NATURAL PARKS | | | | | | | | | | |
| 14 | APUBENI | BH; AB; CJ | 1990 | 2004 | 75,784.0 | 43,487.5 | 57.4 | NFA | 11 | to be ready 2006 |
| 15 | BALTA MICĂ A BRĂILEI | BR | 2000 | 2004 | 17,529.0 | 10,911.4 | 62.2 | NFA | 13 | |
| 16 | BUCEGI | DB; PH; BV | 1990 | 2004 | 32,663.0 | 21,357.7 | 65.4 | NFA | 10 | to be ready 2006 |
| 17 | GRĂDIȘTEA MUNCELULUI - CIOCLOVINA | HD | 2000 | 2004 | 38,184.0 | 26,229.7 | 68.7 | NFA | 11 | to be ready 2006 |
| 18 | PORTILE DE FIER | MH; CS | 2000 | 2004 | 115,655.0 | 63,919.5 | 55.3 | NFA | 10 | to be ready 2006 |
| 19 | VĂNĂTORINEAMȚ | NT | 2003 | 1999 | 30,818.0 | 26,322.6 | 85.4 | NFA | 13 | to be approved 2006 |
| 20 | MUNȚII MARAMUREȘULUI | MM | 2004 | 2005 | 148,850.0 | 72,000.0 | 48.4 | NFA | 4 | to be ready 2007 |
| 21 | PUTNA - VRANCEA | VN | 2004 | 2005 | 38,204.0 | 30,563.5 | 80.0 | NFA | 3 | to be ready 2007 |
| 23 | COMANA | GR | 2004 | 2005 | 24,963.0 | 7,111.0 | 28.5 | NFA | 7 | to be ready 2007 |
| 24 | LUNCA MUREȘULUI | AR; TM | 2004 | 2005 | 17,166.0 | 6,469.7 | 37.7 | NFA | 6 | to be ready 2007 |
| 25 | PODISUL MEHEDINTI | MH | 2004 | | 106,000.0 | | | Mehedinti County Council | 0 | to be ready 2007 |
| 26 | DINOZAUROILOR HATEG | HD | 2004 | | 102,392.0 | 45,256.0 | 44.2 | Bucharest University | 4 | to be ready 2007 |
| 27 | LUNCA PRUTULUI | GL | 2004 | | 8,247.0 | 2,485.0 | 30.1 | MEWM - Galati REPA | 0 | to be ready 2007 |
| 28 | DELTA DUNARII | TL; CT | 1990 | 1993 | 580,000.0 | 22,900.0 | 3.9 | MEWM - DDBRA | 120 | approved 1996 |
| TOTAL | | | | | | 1,652,312.0 | 606,921.2 | | 340 | 511 |
| TOTAL national parks | | | | | | 315,857.0 | 227,907.6 | | 128 | 187 |
| TOTAL natural parks | | | | | | 1,336,455.0 | 379,013.6 | | 212 | 324 |

Annex 9. Project Completion Report Prepared by the Recipient

Report on the Activity of the Biodiversity Conservation Management Project (May 2006)

A. Assessment of Project Objectives and Design

The “Biodiversity Conservation Management” Grant Agreement was signed between Romania and the World Bank in 1999. The project development objectives were to: establish effective, intersectoral, participatory planning and sustainable management of natural ecosystems and associated landscapes at three demonstration sites in the Carpathian mountains, and mechanisms to support replication of these activities at other priority conservation sites. The Global objective of the project is sustainable conservation of the biological diversity and ecological integrity of the Romanian forest, alpine and meadow ecosystems of the Carpathian mountain chain, with the following objectives:

- Strengthen legal and regulatory framework for biodiversity conservation;
- Build capacity in the Directorate of Nature and Biodiversity Conservation (DNBC) and the National Forest Administration (NFA) to plan and lead biodiversity conservation;
- Develop a strategy to incorporate ecosystem considerations in national forest management planning;
- Establish models for planning and managing biodiversity conservation at the three project sites;
- Develop and implement ecotourism strategies for each park;
- Establish participatory mechanisms to reduce non-sustainable resource use;
- Establish a program to reintroduce European bison into the Romanian wild;
- Develop models for forest management planning that reflect biodiversity concerns;
- Establish a program to generate public support for biodiversity conservation.

The Project objectives were based on country challenges and priorities identified in Country Assistance Strategy (CAS). The project was designed to address, amongst the others: (a) development of an effective system of protected areas, (b) enhancing environmental regulation capability, and (c) promoting public awareness of environmental issues.

During the project design phase, an active process of consultation was implemented. The project preparation team includes internal and external experts from the World Bank and local experts at national level and from each of the project’s sites. In addition, international and local experts were consulted, providing valuable inputs during the process. Various scenarios were developed and analyzed.

Contacts with various institutions representatives and decisions factors as well as good communication and cooperation between all team members led to a better understanding of background situation in Romania with special emphasis on the environmental sector and forestry in particular. As a result, the main challenges and threats to biodiversity conservation were identified and clear objectives were developed and scheduled for the implementation period of the project. All project objectives were developed and agreed in close cooperation and local team members expressed their commitment to accomplish project main goal and objectives. While, during the project preparation phase, the World Bank staff benefits from local expert’s knowledge and experience in the area, the locals received an intensive training in relation to project design and planning, resources assessment etc. The bank experts provided for excellent assistance during project design phase. The original objectives remained appropriate throughout the implementation period and were not revised. It is considered that the goal, objectives and outputs provided in the project design have been realistic and adequate to the existing situation.

The project comprises the following components, each of them including related outputs:

1. Strengthening the National Framework for Biodiversity Conservation
2. Develop Models for Protected Areas and Forest park management
3. Build Public Support for Biodiversity Conservation
4. Project Management and Monitoring

B. Assessment of Project Implementation and Achievement of Objectives and Outputs

1. Strengthening the National Framework for Biodiversity Conservation

1.1. Strengthen national laws and regulatory framework

One of the first logical priorities was creating a frame for implementing biodiversity conservation purposes. A lack of clear regulations and laws often results in “on-paper protected areas”. Following activities undertaken at national and local level, the national legislation and regulatory framework for biodiversity management and conservation have been significantly changed during project implementation. The process included developing strategy, schedule and mechanism for participatory process to review existing laws and sectoral policies and to develop guidelines for the implementation of the existing legislation. International consultants from Flora and Fauna International (FFI) provided support in implementation of these activities. Among the new issued laws and regulations are the following:

- Gov. Ordinance No. 236/2000 regarding protected areas, habitats and wildlife conservation
- Law No. 462/2001 amending the Gov. Ord. 236/2000
- Gov. Decision 230/2003 establishing national and natural parks boundaries and management
- Minister Order 552/2003 establishing internal zoning of national and nature parks
- Minister Order 850/2003 delegating management responsibilities
- Minister Order 494/2003

Other laws were modified and/or amended (e.g. Environmental Law, Law No. 5/2000 etc.) in order to be consistent with the new provisions in relation with biodiversity conservation and protected areas. Emergency Ordinance 195 on Environmental Protection, passed on 22 December 2005, provides for the establishment of a new National Agency on Protected Areas and Biodiversity Conservation.

The new developed laws and regulations provided tools for protected areas management and biodiversity conservation activities – e.g. legal frame for establishing new PAs, clear borders and internal zoning for existing PAs, management and administration etc. Transparency, participatory approach and stakeholder consultation are part of PAs management according to new legislation provisions. A National Agency for Protected Areas and Biodiversity Conservation is now under development. It is still undecided which of the state institution shall run the agency.

There is still poor enforcement of adequately managing the private owned forests. Forest restitution process and transfer of land ownership from state to private, including parts of protected areas, had a certain impact on (a) protected area management goals; (b) biodiversity status. On the other hand, restitution process shall significantly reduce the NFA capacity to generate funds. It is likely that a large part of the social and environmental services of the national forests will stay with NFA while the total forest area managed by the institution will be smaller, which will pose significant constraints on NFA capacity to fund biodiversity conservation. There is a need for developing alternative financial mechanisms to support such

activities.

1.2. Strengthen capacity to plan and lead biodiversity conservation

A Biodiversity Management Information System (BIMS) has been developed at national level. Preparation of BIMS involved international and local experts/consultants, including the Danube Delta National Institute for Research & Development (DDNI) and databases were created. A national GAP analysis and preparation and implementation of a national strategic plan to address priorities for conservation were done in this view. Since the protected areas were not precisely mapped, the process included also digitizing and mapping all protected areas, based on the best available information, including satellite images. Training needs on biodiversity management and biodiversity conservation tools were identified and training provided by FFI staff.

Every park conducted baseline surveys, for the identification of relevant species of flora and fauna and for the habitats and ecosystems. Based on the results, every park elaborated the biodiversity monitoring system, which will provide the feedback for the implementation and effects of the park management plan. The model for the park management plans was created and now it is used nationwide for the other parks, being implemented in a similar manner, which will help for the evaluation and comparison of the various park administrations activities and for the creation of a common information system.

1.3. Strengthen NFA to Replicate PAs in Forest Areas

A Protected Areas Service, including 3 staff was established in the NFA. The PA Service is dealing with all PAs in the NFA. Currently NFA is managing 21 national and nature parks, each of them having own administration. In addition, over 200 other protected areas are placed in the forest area and managed by NFA. NFA proved a highly committed to manage protected areas within its area of responsibility. Expanding experience from the three project sites, NFA started hiring personnel for national and nature park administration since 2002, even before the new legislation requiring this.

NFA provided the necessary infrastructure for PAs management e.g. offices, vehicles, furniture, IT technology, field equipment (USD 1.1 million). In addition, NFA support other international projects in those PAs which are under NFA management and committed to co-finance those projects (Phare, Life, and other EU funded projects) 5.27 mil USD. NFA spent 2.0 mil USD in 2004 and 2.2 mil USD in 2005 for national and nature parks administration. NFA has already appointed 162 staff for PAs management in its own area of responsibilities. The number of staff is intended to increase to 323. Staff from each of the three sites and from the national level was actively involved in developing management plans and activities in the new established protected areas within the NFA and/or other institutions. Relevant staff in the NFA (central and field level) was invited to take part in workshops, working groups and training sessions and study tours were organized. It is considered that NFA achieved the needed skills and tools to adequately manage and maintain protected areas and transition from the project status to regular operation has already been done smoothly. Thus, replication capacity for NFA has already been proved through the existing management system in place for the 21 parks within NFA.

1.4. Develop strategy to incorporate ecosystem concerns into national forest management planning

The objective of incorporating ecosystem concerns into forest management planning and forest management is strongly supported by the forest management certification objective of the project, achieved in 2002. The very first forest management certification in Romania in the Vanatori Neamt Natural Park (VNNP) area included strong requirements in relation to biodiversity conservation and ecosystem approach. The NFA

decision to go for forest management certification with another 1.075 thousand hectares contributes to a better consideration of biodiversity concerns in forest management. Currently, incorporating biodiversity approach at ecosystem level in forest management planning is rather a problem of case by case approach. Although the principle of biodiversity conservation is stated in the forest management planning regulations, it is not clearly develop further in the regulation. For the 3 sites existing in the project, staff has been involved in management planning – in terms of introducing biodiversity issues in planning process. However, this is not yet implemented as a framework in forest planning regulations and techniques. During the remaining period of life of the project, it is intended o develop a system for including biodiversity in management planning at an adequate level.

2. *Develop Models for Protected Areas and Forest Park Management*

2.1. Establish systems for planning and management and establish administrative structure

Following project implementation starting activities, ministerial order has been issued to establish PAs' administration for the three sites of the project. According to existing legislation, the parks are managed with support of Scientific Councils and Consultative Councils. This provides for support in scientific work and management decisions of the parks and provide for a better understanding and involvement of stakeholders in the park administration. The three parks administrations benefit from transferring of international PAs management skills. This included:

Training provided by international and local consultants (FFI)

A training needs assessment was done before starting training modules. This included analysis of the base situation, workshop activities involving staff from various levels: ministry, NFA, forest districts, protected areas. Training modules were developed and implemented in relation to:

- Management planning
- Biodiversity management
- Resource analysis
- Team building and working in team
- Conflict resolution techniques
- Tourism strategy development
- Public awareness techniques, including relation with mass-media, relation with stakeholders
- Education
- Participatory approaches and levels of stakeholders involvement in planning and decision making
- Fund raising

Training provided by local institutions (e.g. USAID-ETP, Romanian Social Development Fund-RSDF)

This includes various training modules with participation of staff from all institutions involved in the project.

Training provided by international institutions

Participating in training courses organized by international institutions (e.g. ProForest, International Center for Ecology within the Polish Academy of Sciences, Department of Animal Genetics Warsaw Agricultural University, Forest Stewardship Council (FSC) International Center. Participating in study tours, workshops and working groups in various countries (USA, Sweden, Finland, Spain, Austria, Germany,

France, India, Turkey, Portugal, Italy, South Africa, UK etc), concerning protected areas management, forest management certification, finances, procurement techniques, wildlife management, GIS techniques, biodiversity monitoring, participation, public awareness, education, landscape management etc. In addition the project staff benefit from a strong collaboration between all sites in the project, learning from each other experience and developing common approach for addressing the project issues. Whenever possible, the training courses and workshops were attended by other staff from ministry and NFA which were not involved in the project.

With international and national consultants support, the three sites developed their own management plans for protected areas, monitoring plans, and various studies. The management plans were developed through a wide consultation process, involving national, regional and local stakeholders. A baseline ecological survey was developed for each of the three sites in the project. A large amount of data was also collected from various institutions (studies, reports, monographs etc.) in order to support establishing database, management planning and management decision process for each site. The parks staff got training skills in writing project proposals and provide for additional funds for the protected areas management. As a result, LIFE project proposals (in relation to Natura 2000 activities) were submitted for all the three sites in the project. Piatra Craiului National Park (PCNP) and Retezat National Park's (RNP) proposals were approved. In addition proposals for small funds were approved for each of the three sites. Administrative structures were established in the parks, including information points and visitor centers. The last are still under construction in PCNP and VNNP, in advanced phases, and completion of works is expected for June 2006. In some cases, the approval process for civil works was delayed due to changes in leadership at national/local level, following elections. Equipment and technologies were purchased following the Bank procurement rules.

2.2. Establish mechanisms to reduce unsustainable resource use

The three sites administrations initiated contacts with local public administration in order to take into consideration the needs for including biodiversity concerns into land use planning. According to new legislation provisions, proposals for the buildings and developments in the PAs area and/or adjacent lands have to be priory endorsed by the park administration/Scientific Councils. In addition Commission for Natural Monuments (CMN) within Romanian Academy shall approve all development proposals. PCNP developed, in cooperation with volunteers – students of the Faculty of Architecture Bucharest design plans for new buildings in and around the park area, which fit the traditional existing architecture. Grazing impact studies were developed at PCNP and RNP in order to assess the pastures capacity for grazing and assess on possibilities of improving productivity and decide on sustainable level of grazing. This involves various experts' activities and strong public awareness and education activities with local communities. A Small Grants Program (SGP) was implemented for each of the three sites. The experience of the SGP was very satisfactory and significantly contributed to the project goals. The SGP promoted park-friendly activities and support initiatives in various fields:

- Improve grasslands productivity;
- Supporting local associations in ecotourism activities
- Supporting local B&Bs development;
- Promoting local traditions (handicrafts, sculpture camps, painting camps);
- Waste management in the parks area;
- Establishing ecological clubs in schools.

Most of the activities promoted cooperation and involvement of local public administration and local associations and/or NGOs. Local communities were encouraged to develop revenue-generating activities

with low impact on the environment.

2.3. Establish Ecotourism Programs

Relevant staff from all three sites in the project received training in developing tourism strategies. An ecotourism strategy has been developed for each of the site with support from FFI consultants. This included tourism baseline survey, questionnaires developing and data collection and analyzing with volunteer support, as well as public meetings, workshops and symposiums involving stakeholders in the area. Collaboration with students and tourism universities was of high benefit for the parks. The BCMP staff also participated in developing tourism strategies and action plans at Ministry of Tourism level. All sites developed databases in relation with tourism providers and services in the area. Tourism infrastructure was developed through:

- Building Information points, providing guidance for tourists
- Information panels, signposts
- Inventory of tourist trails
- Developing/maintaining/renewing tourist trails
- Cleaning tourist trails
- Establishing camping facilities, including garbage cans, benches, providing wood for grills
- Providing for mountain refuges in PCNP and RNP
- Issuing tourist maps showing trails, camping facilities, accommodation facilities in the area as well as public awareness items

The tourist trail proposed network has been approved by the Scientific Councils and CMN for each park.

2.4. Establish program to reintroduce European Bison

The program of reintroducing European Bison was specific for VNNP. Existing experience at national and local level was limited and included only some specific areas of European bison management. Thus the park staff benefit from high level of experience provided by foreigner consultants from Poland. Activities performed on reintroduction program component included:

- Training of parks staff
- Training of local veterinarian
- Training provided to other NFA personnel (e.g. Bucsani European Bison Reservation, Romania)
- Baseline assessment and developing bison reintroduction strategy
- Assistance in procuring special equipment and medicines
- Assistance in monitoring health status of the bison and active management of bison population
- Advice in bison diet
- Studies on feeding carrying capacity of the area for bison
- Assistance in developing buildings and enclosures for bison management
- Study tours in relevant European bison reservation, including areas with free-living European bison

According to reintroduction strategy, an enclosure of 180 ha was built in the VNNP area. DNA analyses were made for European bison from VNNP and Bucsani reservation. Following DNA analyses, the best fitting sources of bison were identified and the population of bison in VNNP was enlarged with bison from Bucsani (Romania), Germany and Swiss. In addition, bison from VNNP enclosure started to breed again, proving that management, health status was good. In addition, a quarantine farm for bison has been completed, as well as all the rehabilitation works at the “Dragos Voda” Bison and Carpathian fauna reserve

in the VNNP. Dragos Voda Bison Reserve was authorized as a quarantine farm for bison import according to EU veterinarian legislation – the first such facility in Romania. VNNP staff managed to register all European bison population in Romania and include them again in the European Bison Pedigree Book issued in Poland, following a period of 14 years of lack of information related to bison population in Romania. A strong campaign of public awareness was developed and implemented in the park area as well as in Romania. This involved education modules, press conferences and briefings, media packages. Two international conferences on bison reintroduction were organized in cooperation with Large Herbivores Initiative European organization. At the end of the project it is expected that European bison population will live in the 180 ha enclosure (compared with 4 ha currently) as a precursory step towards reintroduction in free.

2.5. Develop models of forest management practices that reflect BC concerns

As specified in section 1.4 above, forest management certification represents a tool for introducing biodiversity conservation concerns in forest management practices. During certification procedures, VNNP staff work in close cooperation with the forest managers and employees of the two forest districts lying in the park. This leads to a good understanding of biodiversity concerns and resulted in clear outputs in relation to biodiversity conservation and protected area management. As a result, the forest managers committed to comply with certification requirements. Forest personnel have been trained and databases, including mapping of biodiversity values were produced. Registers of biodiversity were developed for each certified forest district. NFA personnel were also involved in developing toolkit for identification and management of High Conservation Value Forests (HCVF), with WWF support. This was done through a wide consultation process, including experts from various fields (biologists, foresters, and university degree people). The HCVF toolkit was made available to all certified forest districts. Following completion of land restitution process, it is intended by the NFA to go for certification with all state forest lands.

Implementation of BC concerns in forest management practices is strongly related to introducing BC as an important chapter in forest management planning. Thus, developing clear regulation for management planning in relation to biodiversity shall support implementation in forest activities, since management plans are compulsory for each forest manager. Currently NFA, in cooperation with Forest Research and Management Planning Institute is developing a project for scientific researches in relation to biodiversity conservation in nature and national parks managed by NFA.

3. Build Public Support for Biodiversity Conservation

The third component included under the project provided for:

- Public awareness
- Ecological education

A responsible staff was in place for public awareness and education activities for each of the three parks. All implementation levels of the project benefit from training in the area of public awareness and building support for PA management provided by international consultants.

3.1. National program in place that raises public awareness of Romania's needs and opportunities for BC

At national level, a public awareness strategy and program were developed with support from local consultants (FIMAN). The strategy reviews overall status of biodiversity conservation, its ecological,

economic and cultural significance, examines existing and potential influence of key stakeholders on biodiversity conservation, identifies and prioritizes key constraints to conservation and sustainable management of biodiversity resources resulting from a lack of awareness on the part of identified stakeholder groups and the information needs of each identified group as well as cost effective delivery mechanisms to address these information needs. At each of the site level, public awareness strategies were developed and implemented. Baseline analysis has been developed and target group identified. Activities in relation to public awareness component included, among the others:

- developing media toolkit for each of the parks including both general issues related to protected areas and biodiversity management and specific issues for each of the protected area
- developing logos for each of the parks in the project, register logos under related national authority and promoting the logo in publications, meetings, symposiums, conferences etc.
- organizing media conferences, briefings, symposiums for promoting protected areas, biodiversity values, specific topics e.g. European bison in VNNP, chamois in PCNP and aquilas in RNP
- organizing events each year: European day of the parks, the Park Establishing Day
- participating in international events organized by other institutions
- participating in local events traditionally organized by the forestry sector e.g. Forest Month, Forester Day
- participating in international organizations (e.g. Pan Parks, EUROPARC, Large Herbivore Initiative)
- issuing posters, brochures, leaflets, badges, booklets, pocket books, pencils etc. at each of the parks and at the national level
- producing, in collaboration with professionals, movies promoting the parks values
- producing panels and placing them at the entries of the parks and along tourist trails in the park areas
- organizing/participating in tourist trades
- organizing/participating in exhibitions promoting protected areas, biodiversity issues, traditions of the area (Nature Museums, EPAs.)
- participating with studies/reports in scientific events organized by universities and faculties in the country (Bucharest, Brasov, Iasi, Cluj, Bacau, Suceava etc.)
- developing scientific publications in relation to each of the parks values
- producing maps of the parks
- involving teachers, students, Peace Corp volunteers and other volunteers/experts in developing specific activities in the parks (baseline surveys, questionnaires, publications)
- building information points for public/tourists in the area, and developing specific activities/providing advice and information

3.2. Ecological education packages developed for use in primary and secondary schools

Education has been seen as one of the most significant tool for building public awareness and support for protected areas and biodiversity conservation. Staff in charge and other employees from both national and local levels was involved to certain extent in public awareness and education activities. Students and teachers from the schools in the parks neighborhood and other areas were contacted and a very positive response was given to the park initiatives. Education modules referring to protected areas management, forest, wildlife and biodiversity conservation issues were developed and implemented in all schools around the three project sites. Specific manuals were also developed by the parks. A large number of ecological clubs has been established in the parks area. Students were actively involved in various activities e.g. planting trees, cleaning the park areas, producing handicrafts. Special contests were organized each year by the parks for students in the park area, often involving other institutions (forest districts, forest directorates, NFA, museums, education inspectorates, EPAs etc.).

C. Evaluation of the Recipient's Own Performance During Implementation

Project Preparation

The borrower participated in preparation of the project with local staff from national level (MAFRD) and from the three sites of the project. All necessary information was provided in order to support project preparation. In addition, various experts were consulted and provided inputs during preparation phase.

Project Management and Administration

The project management and administration team has been appointed in due time and worked in close cooperation with all sites. Following administrative changes in the ministries, PCT moved from the former Ministry of Waters, Forests and Environmental Protection to the new established Ministry of Agriculture, Forests and Rural development. These changes affected sometimes smooth communication with the Directorate for Nature and Biological Diversity Conservation, though not negatively impacting the project implementation. PCT has an important role in coordinating and provide for very good link and cooperation between all levels and sites of the project. PCT has also provided timely and professional advice for the sites in all matters regarding financial and procurement issues and overpasses various constrains and limitations of the project.

Some factors had a certain impact on project implementation and project staff had to deal with the following:

- Timber harvesting and processing sector mainly interested in wood resources and less concerned on biodiversity conservation goals.
- Timber harvesting by the new land owners
- Illegally building/pressure for increasing construction areas inside protected areas
- Grazing pressure on protected areas and adjacent lands
- Pressure for mineral resources harvesting – not always in line with PA conservation objectives

Although the three parks successful developed three models of protected areas management, and moreover, NFA successfully started replication in other 18 parks, the environmental protection authority does not express a clear position in respect of the parks future administration. Currently MEWM is still reserved in accepting the idea of managing the parks through the Protected Areas Service in the NFA, although a viable alternative for medium and long term has not been provided. However, it is considered such view is not the official position of the MEWM but some individuals inside this institution. This situation is creating a created an amount of uncertainty on the role and functions of the National Agency for Natural Protected Areas and Biodiversity Conservation, newly established through Emergency Ordinance 195/2005.

Sustainability

Following project implementation, major changes took place in the environment and biodiversity conservation in Romania. A frame for protected areas management and BC has been developed, and institutional arrangement made. There is a clear base for establishing and managing protected areas, there are clear borders, zoning and maps for each of them. Experience achieved during project implementation as well as training provided to people from all relevant institutions, provided for a strong base for further management and development.

A special service within NFA (Protected Areas Service) is staffed, equipped and funded. In addition, staff

is well trained and already experienced in protected areas management and biodiversity conservation needs. The 21 national and nature parks managed by NFA are legally established, endowed (offices, vehicles, equipment, staff, funds). In addition, the PAs staff provided capacity for writing project proposal and accessing funds. NFA itself is committed to support with staff, goods and funds PAs management. Forest certification has been expanded to 1,1 ha and the goal is to go for forest management certification in all state forests managed by NFA. In addition, the public is better educated and more in touch with biodiversity conservation needs and provide for more support in this view. Replication capacity and commitment shown by relevant institutions and staff indicated that project achievement and outputs will be further carried on and activities will keep going. NFA showed a strong commitment to further support protected areas management.

Lessons Learned

- An adequate baseline assessment is crucial for adequately address all issues – it stays not for project design only, but for all issues faced during project implementation.
- Participatory approach and involvement of stakeholders had significantly contribute to support of project activities and reduce reluctance of the stakeholders.
- Bank staff involvement and assistance during all project phases (design, implementation and supervision) is essential in order to achieve the project goals. Banks staff recommendations and advice was vital for project implementation.
- Direct involvement of consultants in all activities and learning-by –doing approach leads to better results than the “teaching” method and transfer of theoretic knowledge.
- Close cooperation between project sites was of high benefit through economy of resources placed in various activities and better planning and implementing the project activities, avoiding doing the same mistakes by the project partners. Learning from others experience was also really important in terms of benefiting from other countries/institutions experience, instead of “re-inventing the wheel”.
- During Small Grants Program implementation it was seen that, in some specific areas, growing interest and better results was seen through allocating grants per families instead of communities/groups.
- Implementing a project thorough an existing experienced structure provides for better results than creating a new one (although some bureaucracy and resistance for the “new” has been noted)
- Public awareness and education are essential in gaining support for all activities. It is important to highly consider this in the FDP – dealing with private forest owners and finding ways to make people aware of the impact of their activities and the need for changes in their behave. Convincing owners to associate and to seek for better management of the private forests (e.g. forest certification) shall be professionally addressed and call for significant efforts. However it was noted that while education has an important impact on students/young people, providing for clear benefits (e.g. SGP) provided better understanding and support from adult population towards the project goals.

D. Evaluation of Performance by the Bank and Consultants

Bank

Project was designed following a deep assessment of existing situation and taking into consideration strategic priorities for biodiversity conservation in Romania. The process of designing the project has strongly involved participation of various local experts and professionals. Including in the project design team professionals form each of the sites envisaged by the project provided for a good baseline assessment and induce a high commitment from all involved parties in implementing the project and achieving the objectives. The Bank included in the project preparation team both professional staff, and bank consultants and provided for a wide consultation process involving government, forestry administration, representatives

of private sector, individual experts and NGOs. Supervision during implementation was carried out on a regular base. The supervision mission outputs, findings and recommendations were timely and clearly shown to implementation agency and involved staff. A deep understanding of Romanian current situation and constraints was proven during supervision missions. The Bank provided for direct support and for various training modules for implementation staff. Also a certain amount of flexibility while strongly looking for objective accomplishment and rigorous quality control was shown. Links between BCMP and other projects and activities, including EU accession constraints, were taken into consideration during project implementation.

Consultants

Various international and local consultant teams and individuals were hired during project implementation following World Bank procurement rules. The project staff highly benefit from the experience and active involvement of the consultants. Training sessions were organized for the implementation staff and for other relevant people as well (e.g. forestry sector employees, NGOs representatives, and other protected areas staff). Capacity building in forestry sector is a significant output and contributes to project implementation either by providing a better understanding of the project objectives and by improving communication by other institutions/people the project had to deal with. Consultants were generally highly professional and committed to direct involvement in the project activities. Among the best advice and consultancy services provided during project implementation are those related to: management planning, biodiversity management and monitoring planning, developing strategies for European bison reintroduction and bison management. As specified before, day-to-day working together with consultant proved to be the best approach in training, experience gaining and activities implementation success.

