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Response Due Date: 02/17/99

Correspondence Description

Addressed to: *Mr. Kenneth King*	Correspondence Date: 02/09/99
Date Received: 02/10/99	Organization: UNDP
From: Rafael Asenjo	

Assigned To: M. Ramos

Status: Open

Type: Document
Topic: PDF B: RUSSIAN FEDERATION: Demonstrating Sustainable Conservation of Biological Diversity in Four Protected Areas on Russia's Kamchatka Peninsula

Action Instructions

☒ For Bilateral meeting
☐ For information only. No action needed.
☐ Please handle/respond on behalf of Mr. Kenneth King and provide a copy.
☐ Please handle/respond on behalf of Mr. Mohamed El-Ashry and provide a copy.
☐ Please prepare a draft response and return to Program Coordinator
☐ Please reply directly and provide a copy.
☒ Please review and/or technical comments

Special Instructions

Please prepare Project Review Sheet for the pre-bilateral meeting

Information Copies Sent To:

A. Duda, K. Kumari, H. Acquay, M. Cruz, W. Lusigi, J. Taylor

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United Nations Development Programme

GLOBAL ENVIRONMENT FACILITY (GEF)

Memorandum

To: Attn: Dr Ken King, Programme Co-ordination, GEF Secretariat
Mr Lars Vidaeus, GEF World Bank
Mr Ahmed Djoghlaf, UNEP/GEF
Mr Rohit Khanna, UNEP/GEF
Mr Mark Griffith, STAP Secretariat
Dr Hamdallah Zedan, Executive Secretary CBD (Acting)
Mr Michael Zammit Cutajar, Executive Secretary UNCCCF, C/O Ms Martha Perdomo
Dr Madhav Gadgil, STAP Chairman
Dr Christine Padoch STAP, Vice Chairman
Dr Peter Bridgewater, STAP
Professor Jose Sarukhan, STAP
Dr Paola Rossi Pisa, STAP
Dr Michael Colombier, STAP
Dr Zhou Dadi, STAP
Dr Stephen Karekezi, STAP
Professor Shuzo Nishioka, STAP
Dr Dennis Andersen, STAP

From: Rafael Asenjo, UNDP/GEF

Date: 9th February 1999

Subject **UNDP's Submission for the 24th February Bilateral Discussions**

Please find enclosed for your review the proposals listed below, and in submission for the above bilateral:

A. Climate Change

Full Projects

Lebanon: Cross Sectoral Energy Efficiency and Removal of Barriers to ESCO Operation (USD 3, 400,000)

Morocco: Market Development for Solar Water Heaters (USD 2,965,000)

PDF's

Chile: Removing Barriers to Rural Electrification with Renewable Energy (USD 75,200)

Kazakhstan: Capacity Building to reduce Key Barriers to Energy Efficiency in Heat and Hot Water Supply (USD 236,900)

Ukraine: Removing Barriers to Greenhouse Gas Emissions Mitigation Thorugh Energy Efficiency in the District Heating System (USD 205,200)

B. Biodiversity

PDF's

Russian Federation: Conservation Management of Wild Salmonid Diversity in Kamchatka (USD 47,500)

Russian Federation: Demonstrating Sustainable Conservation of Biological Diversity in Four Protected Areas on Russia's Kamchatka Peninsula (USD 233,700)

Algeria: Conservation and Sustainable Use of Globally Significant Biodiversity in the Tassili and Hoggar National Parks (USD 180,000)

We look forwards to discussing your comments at the bilateral.

Street Address: 304 East 45th Street, 10th Floor, New York, N.Y. 10017
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Global Environment Facility
Proposal for a PDF Block B Grant

Country:	Russian Federation
Focal Areas:	Biodiversity
Operational Programs:	OP #4: Mountain Ecosystems
Project Title:	Demonstrating sustainable conservation of biological diversity in four protected areas on Russia's Kamchatka peninsula
Block B Funding:	GEF: $233,700 Block A Grant: 24,900 UNDP: $72,000 Govt: $24,500 Others: $59,500
Requesting Agency:	United Nations Development Programme
PDF Duration:	10 months
Council Submission:	April 2000
Duration:	10 years
Total cost of full project:	GEF: US$6-10 million; Co-financing: US$12-20 million

Summary:

1. Included in WWF's Global 200 list of the world's most important ecoregions, the Kamchatka peninsula is widely recognized for the globally significant biological diversity that is found there. Historically, Kamchatka's biodiversity was protected by a well-run system of federal protected areas, by Kamchatka's remote, rugged landscape (located 10 time zones east of Moscow) and by a significant level of incidental protection afforded to the peninsula by its former strategic military importance. During the past 10 years the situation has completely changed and there are now significant and growing threats to biodiversity and the protected areas themselves as the region becomes more accessible and protected area budgets are cut to practically nil. In a business-as-usual "baseline" scenario, Kamchatka's biodiversity will face growing threats from inappropriate development in the productive landscape (mineral extraction, oil exploration), overharvesting of wildlife, and uncontrolled tourism/sport hunting, significantly diminishing possible global benefits. As part of its sustainable development agenda, the Kamchatka Oblast and UNDP are developing a program to promote sustainable development in three programmatic areas: environmental management of the productive landscape surrounding protected areas, clean energy sources, and rural alternative livelihoods/ecotourism. The program would provide a sustainable development baseline for a GEF incremental intervention.

2. The extraordinary difficulties Russia is currently experiencing require GEF to take a different approach than it has used for protected areas in other parts of the world, one that takes a benchmarked, measurable path to sustainability and fills-in gaps with long-term co-funding. GEF funding is being sought to support the development of an incremental project to top-up the sustainable baseline to be bolstered by UNDP and Government. The project would secure the global benefits of conserving biological diversity in all 31 protected areas in the Kamchatka Oblast by demonstrating replicable, sustainable protected area conservation in four protected areas. Stakeholder commitment and capacity for conserving biodiversity would be strengthened by demonstrating cooperative, participatory protected area management at two federally managed protected areas and two regionally managed areas. At the federal level Russia has demonstrated a long-term historical commitment to its protected areas. Currently, there is a gap in support and in capacity to meet new challenges; this project would help bridge the gap to sustainability. GEF

resources would strengthen administrative capacity and enable a more rational legal foundation to be developed, increase stakeholder commitment and participation, improve the ability of federal areas to work at the regional level, and secure long-term, post-project co-funding support for approximately 10 years.

3. At the state level, the five-year old protected area system needs help and support in bolstering its long-term management capacity. GEF funds would help build sustainable protected area management from the ground-up. This would involve helping them to become more self-sufficient by capturing rent for protection (from productive uses like reindeer herding and tourism in multiple-use areas); develop community management approaches and involve stakeholders in conservation; and increase stakeholder awareness through education.

Background

4. The Kamchatka peninsula is one of the world's most spectacular and pristine natural areas. The size of Germany, Austria and Switzerland combined, this 1,500 kilometer-long peninsula has a total population of 430,000 people. Kamchatka ranks near the top of any list of globally important Palearctic bioregions. The significance of Kamchatka's biological diversity is not measured so much by the number of different species, but more by the presence of a variety of rare and unique species, species assemblages and ecosystem processes. A great number of endemic species and subspecies of plants and animals inhabit the Kamchatka peninsula. In all, 10% of the 1,168 plants of Kamchatka are endemic. As a result of its island-like environment there is a continuing process of diversification among the endemic species and subspecies.

5. Approximately 5,000 Kamchatka brown bear *(Ursus arctos)*, the second largest subspecies in the world, are found in pockets throughout the peninsula. The peninsula is also the center of distribution for the largest eagle in the world, the rare Steller sea eagle (*Haliaeetus pelagicus*). Sixty percent of these eagles (some 4,500) make their home on the peninsula. Approximately 1,800 endangered northern sea lions (*Eumetopias jubatus*) live along the coast, as does the only population of sea otters in the Eastern Pacific (World Heritage Nomination 1995). Walrus and the five species of seal found in the North Pacific can also be found in abundance along the coastline of the peninsula and surrounding islands along with numerous seabird colonies. Fifty percent of the global population of Aleutian tern nest on the peninsula. The diversity described above is supported in large part by the diversity and abundance of fish fauna in the peninsula's exceptionally unpolluted streams and coastal/marine waters. The peninsula contains the greatest diversity of salmon, trout, and char on earth. All seven species of Pacific salmon (an estimated one third of the Pacific population) spawn in Kamchatka rivers.

6. Russia has one of the oldest national protected area systems in the world. These protected areas have been the focus of scientific research and management over many decades and represent a unique reservoir of biological information and expertise. This protected area network is globally one of the largest and most important and, until recently, was one of the best organised in the world. However the financing for the management of these protected areas has declined by 90% since 1989. Changes in national government practice since 1989 have resulted in a power vacuum at regional levels. This situation, coming after decades of rigid, centralised mismanagement of the environment has now exposed protected areas to an uncertain and dangerous future (Wells and Williams, 1998).

7. Russia is also home to one of the newest protected area systems in the world, those established at the state level during this period of transition. The Kamchatka Oblast (state) administration established an oblast level protected area administration in 1994, declaring over 20% of the peninsula protected. There are now 31 nature reserves at the federal and oblast level within Kamchatka. The four protected areas to be strengthened under this project harbor representative, globally significant assemblages of species, ecosystems and the different protected area management regimes on the peninsula (see Annex 2).

8. Under the regime of the former Soviet Union, protected areas were able to ignore the needs and aspirations of park neighbors, enforce the law rigorously on their territories, and to rely on the government for a stable source of income (Wells and Williams 1998). The current situation is just the opposite, and if Russia's protected areas of critical global biodiversity are to survive within Kamchatka and throughout the country as a whole then innovative approaches must be developed that will guarantee their long-term effectiveness and sustainability. Russia's current socio-economic situation is critical and does not bode well for the government's ability to resume full funding of its own conservation activities in the next 8-10 years. However critical the situation is, it has also a time of opportunity to try new ways to protect biodiversity, to develop stakeholder commitment, and to capture rent from productive uses (Wells and Williams, 1998). Demonstrating these "new ways" would have tremendous value and impact for the rest of Russia.

Institutional, Law and Policy Framework:

9. Throughout Russia, state and federal protected areas exist side by side under different administrative regimes and with very different legislative foundations. At the federal level, the Ministry of Environmental Protection and Natural Resources (MEPNR) is responsible for implementing environmental policy. The MEPNR's Department of Biological Resources and Nature Reserve Management is responsible for managing the federal protected areas in Kamchatka. At the oblast level, The Kamchatka Oblast Committee for Nature Protection is responsible for the management of regional protected areas or "nature parks." The Committee is responsible for sustainable wildlife management, management of Kamchatka's oblast system of 23 protected areas, and for the enforcement of environmental laws (both regional and federal) in Kamchatka. The Kamchatka Institute of Ecology and Nature Management was founded in 1991 and supports the Kamchatka protected area system by conducting ecological research. The Institute has recently begun to address more applied ecological issues related to sustainable aquatic and terrestrial resource management.

10. Conservation at the oblast level is strengthened by a committed community of Russian and international NGOs. There are over 15 Kamchatkan NGOs concerned with protected area/biodiversity conservation issues. Following the PDF A stakeholders meeting in July 1998 they have now formed themselves into the Kamchatka International League of Experts. This group is working closely with UNDP GEF project development efforts (through the coordination of the UNDP office in Petropavlovsk) in liaison with the government administration. These NGOs in turn have strong ties to a number of international NGOs, including: the Pacific Environment Resources Center, WWF, Rockefeller Brothers Fund, Friends of the Earth—Japan, and IUCN.

Legislation:

11. *Federal:* Russia's "Law on Specially Protected Natural Areas" (1995) regulates the organization, protection and exploitation of natural resources. In addition to the already recognized forms of protected areas (e.g. federal zapovedniki), the law enabled the establishment of regional (local) nature parks and other types of areas. The law also stipulates that fines collected in protected areas are to be designated to the protected areas themselves. However, this legislation, in order to be more effective, requires some consolidated enabling legislation to link it to other environmental conservation measures and enable federal protected areas to be managed as part of the total landscape, rather than as separate pieces. Neither does the law help federal protected areas in the outlying regions of the Russian Federation to seek collaborative assistance from local and regional authorities. This is a pressing need. The World Bank-GEF project includes a component to strengthen the law and policy framework at the federal level.

12. *Oblast:* Kamchatka Oblast's "Law on Specially Protected Areas of Kamchatka Oblast" (1997) to regulate the establishment, organization, protection and utilization of specially protected natural areas. The law establishes the framework for the preservation of unique natural areas under four designations: 1) nature

parks, 2) wildlife refuges, 3) natural monuments, and 4) medicinal and healing areas. The law mandates the conservation and/or sustainable-use of the biological resources within these areas. The law also requires Nature Parks to "establish the conditions that allow for traditional resource use practices by indigenous peoples of Kamchatka Oblast for their incorporation in the natural, scientific, educational, and recreational goals of the park." The law does not adequately clarify how these protected areas are to be managed as part of the overall landscape, nor does it provide for cooperative agreements between regional and federal authorities in joint park management. An RBF-supported initiative is working with NGOs to bolster public awareness and support for protected areas, and WWF is working with oblast park authorities to develop a management plan for a protected area that will address some of these concerns.

Protected Area Management Regulations:

13. Federal: Kamchatka has three Biosphere Zapovednikis (IUCN Category I) and two federal Zakazniki (IUCN Category IV). This project would be working in two of these areas -- Kronotsky Zapodvednik and the South Kamchatka Federal Zakaznik (see Annex 2 for descriptions). The Zapodvedniki (Strict Scientific Nature Reserves) are the most important component of Russia's national protected area network. Zapodvedniki are scientific research institutions responsible for conserving biodiversity and maintaining protected ecosystems and species in a wild, natural a state. Until very recently, most Zapodvedniki were off-limits to the general public and activities within them were limited to research and education. No economic activities were permitted. New rules are being considered which could allow for the designation of special zones inside Zapovedniki where local people can harvest berries, fish and conduct small-scale ecotourism. Zapovedniki have always been managed by central government and have little history of interaction with or benefit to local communities. As a consequence few local authorities have shown any interest or enthusiasm in their management. As central government support shrinks and the regional bodies find themselves responsible for natural resource management, local populations are less inclined to respect and obey the laws protecting the Zapovedniki. Zakazniki (Special Purpose Reserves) allow for limited economic activities such as hunting or harvesting of berries during prescribed periods, although they too have historically been centrally managed and are finding it difficult to sustain activities in a de-centralized Russia.

14. Oblast: In 1996, the Kamchatka Oblast Administration created new Nature Parks based upon the new category of protected areas stipulated in Law on Specially Protected Natural Areas (1995). Since then 23 local Nature Parks (IUCN Category VI) have been established. This project would be working in two of these areas -- Bystrinsky Nature Park and Nalychevo Nature Park, both of which were established in 1995 by the regional government of the Kamchatka Oblast. The Kamchatka Institute of Ecology and Nature Use manages the Parks at the regional level. Nature Parks are managed with a more multiple-use, sustainable development perspective, than are the federal areas. Bystrinsky Nature Park, for example, has nearly 3,000 people living inside of the Park (see Annex 2 for details). The two federal reserves are administered separately from the two regional reserves and there is a lack of sufficient coordination between the federal and regional levels at all activity levels, from awareness raising to conservation monitoring.

Threats to Biodiversity

15. Kamchatka's protected areas currently do not have the capacity to ensure the long-term conservation of their biological diversity. A threats analysis was undertaken during a Block A Stakeholders consultation which identified many of the root causes of this problem. The Block B will clarify and define the root causes in greater detail. The threats analysis defined the principal threats to biodiversity in Kamchatka as:

16. Inappropriate exploitation of natural resources Inappropriate mineral extraction is a serious imminent threat to some of Kamchatka's most significant biological diversity. For example, proven commercial reserves of gold have been granted mining permits in sensitive areas bordering Bystrinsky Nature Park and the South Kamchatka Zakaznik. Proposed extraction methods are of primary concern in that the preferred

technique used for gold extraction is cyanide leaching. Many of the watersheds within Kamchatka's protected areas support major spawning areas for Pacific salmonid species. Any uncontrolled spillage from the leaching ponds would be almost certainly be catastrophic.

17. Inappropriate oil and natural gas exploration and extraction is also an imminent threat, with plans under development for a gas pipeline running down the west coast of Kamchatka and inland past the Bystrinsky Nature Park to Petropavlovsk. Further drilling and pipeline proposals can be expected as exploration expands, particularly along the coastline adjacent to protected areas. Fuel availability and cost in an isolated area like Kamchatka, are a serious problem and other more cost-effective and cleaner energy options need to be explored. However, many of the good sites for geothermal and hydro-power generation are clearly within protected areas. Changes to watershed regimes and river water temperatures would threaten biodiversity should such developments go ahead within these areas. Even outside of the parks they should be designed and constructed in such a manner as to have as little impact on river conditions.

18. Overharvesting of wildlife Four types of wildlife harvesting are a growing problem: subsistence hunting, illegal sport hunting, hunting to extract wildlife organs for traditional medicines, and illegal commercial harvesting. Subsistence hunting is increasing as a matter of necessity in an area where jobs are few and salaries are frequently unpaid due to the national economic crisis. Illegal sport hunting of bear, mountain sheep, and marine mammals occurs in protected areas where the greatest concentration of desirable species is often found. The traditional medicines market also drives poachers into protected areas in search animals and their valuable organs (i.e. bear gall-bladders). Illegal commercial harvesting of salmonid species in protected areas is also a problem.

19. Uncontrolled tourism This sector is growing in Kamchatka despite the hardships seen elsewhere within the country. Kamchatka is one of the world's last great, unspoiled wildernesses and has only recently become accessible which makes it highly attractive to rich, foreign tourists. None of the protected areas in Kamchatka have any experience with managing tourists. Indeed, the zapodvedniki are strictly protected by law; access has historically been allowed only for scientific research. As a result there is no infrastructure for managing legal tourism and only a small number of wardens prevent illegal access within the areas as this was previously unnecessary. Areas within the Zapodvedniki are natural tourism attractions and tourists are being flown into such areas resulting in much controversy between federal and regional authorities.

20. The principal **root causes** of these threats are as follows:

i. Lack of capacity (staff, knowledge/tools, equipment/technology): Administrative, management, field monitoring, and enforcement capacities of the protected areas in Kamchatka are inadequate, creating a situation where protected areas will continue to devolve to being 'paper' parks. New, less costly and more effective management modalities must be explored. With the withdrawal of financial assistance by Moscow the development of community based management programs would seem to be not only feasible but also essential. There is no tradition of or experience with involving local and indigenous people in biodiversity management. Existing protected area staff need up-to-date training in modern management and compliance techniques. Local communities need to become directly involved and feel ownership of the protected areas system so that they see it as being in their own interests not only to comply with the law but also to defend it.

ii. Lack of financial mechanisms and local stakeholder commitment: Protected areas need to develop new mechanisms to capture some "rent" from productive uses undertaken inside protected areas (tourism, sustained harvest of fish, timber). Stakeholders with an interest in pursuing sustainable use options cannot do so without financial mechanisms such as micro-credit programs or community trusts. Sustainable

financing has to be identified to meet the full cost of providing salaries and equipment. There are no working models in Kamchatka (or the Russian Far East) of how to integrate self-financing mechanisms into protected area management, or of alternative livelihood programs that can support sustainable development and community-based conservation.

iii. Lack of public knowledge/awareness of biodiversity values: Local stakeholders lack basic awareness of resource depletion, conservation issues, and alternative livelihood options. The Rockefeller Brothers Fund is supporting NGO enabling programs to improve the capacity to raise environmental awareness in Kamchatka and in communities within and nearby protected areas. Kamchatka has many skilled scientists and journalists in government and NGO circles whose abilities need to be applied to a long-term program to raise awareness of the role protected areas play in conservation and sustainable development.

iv. Inadequate federal/regional cooperation: Currently, there are no working models in Kamchatka (or the Russian Far East) of effective federal-state cooperative protected area management. Under the very best of conditions communication would not be easy between two administrative entities separated by 10 time zones. Cooperation and communication between the federal administration of the Zapodvedniki and Zakazniki and the Kamchatka (oblast) level administration of the state Nature Parks has always been limited at best and the current economic crisis in Russia has multiplied these difficulties. Federal reserves have little history of interacting with or providing any benefits to local government or communities. As a consequence, few local authorities have shown any interest in protecting nature reserves in their territory. In the interest of sustaining both federal and state-level networks, some way of sharing expertise and resources must be devised.

v. Inadequate legislation/policies: The legal framework supporting the federal and state protected areas network is a labyrinth of overlapping and contradictory legislative documentation. The legislation governing federal protected areas concentrates more on enactment and less on compliance and management. This was adequate in former times, but now the process and policy of compliance and management now needs to be spelt out. The Zapovedniki system was considered to need little in the way of enforcement regulation because any access to the protected area was prohibited except under special license. Consequently, the Zapovedniki have never adopted any policy for interacting or cooperating with local stakeholders. Protected area legislation and policy should be revisited most effectively manage the realities of multiple-use and stakeholder involvement. Given the increasing development pressure on Kamchatka's biodiversity resources, Kamchatka needs a sustainable development strategic policy framework delineating priorities and guidelines for the sustainable development of her natural wealth.

vi. Lack of information baseline for management: The Russian federation has a well-known history of academic and technical achievement and basically well educated and dedicated scientists and managers. What Kamchatka lacks is the capacity and resources to maintain and improve upon this level of expertise and to improve the capacity for accessing and sharing important information. Protected area management is not a static affair. Parks need to be constantly reviewed and monitored to ensure that they are fulfilling their purpose. The expertise is available both within the government agencies and within the highly professional and motivated NGO community, though some training in new techniques and modern technologies better suited to effective database design and management is needed.

Project Description: and outline of the full project's system boundary: Baseline and the GEF project Alternative (sustainable development baseline and the incremental conservation activities)

21. In Russia's new period of democratic processes and limited resources it is necessary to build conservation coalitions among different sectors of Russian society in order to ensure the long-term

sustainability of protected areas. The purpose of the full project is to secure global biodiversity benefits harbored in all 31 of the protected areas in the Kamchatka Oblast by demonstrating replicable, sustainable protected area conservation in four protected areas. To achieve this purpose, the project will meet two objectives. First, the project will catalyze the development of cooperative, stakeholder-based management regimes for the four areas, based upon each area's unique geographic and administrative context, thus strengthening stakeholder commitment to and capacity for conservation of biological diversity in the four protected areas. This will require that the traditional concept of who is a stakeholder and who is not be re-defined in order to include the diverse interest groups that now comprise Russian society. Secondly, the project will support the development of innovative demonstrations of how to support protected areas in the extra-ordinary times in which Russia finds itself. This will require stakeholders to think innovatively about how to integrate self-financing mechanisms into protected area management, including alternative livelihood programs that can support sustainable development and community-based conservation.

Baseline

22. Natural resource management. The removal of Soviet-era subsidies means that isolated regions like Kamchatka are now forced to fend for themselves in the absence of federal assistance. This need for revenue is primarily being met by the development of natural resources. In a business as usual scenario, Kamchatka's good intentions to sustainably develop its natural resources would be hampered by a lack of environmental management expertise. Few, if any, officials would be trained in environmental impact assessment, or pollution abatement and control. Gold mining concessions would continue to be granted and existing licenses would be exercised with gold mines likely operating on the periphery of Bystrinsky Natural Park and South Kamchatsky Zakaznik. Natural resource exploitation in the "productive landscape" would continue to pose a threat to the biodiversity in protected areas.

23. Protected area management The present economic crisis in the Russian Federation threatens a total collapse in the availability of federal government funds for supporting parks staff, maintenance and monitoring equipment. Protected areas would continue to operate at the most minimal of levels, due largely to the extraordinary dedication of park officials, who continue to work even after months of unpaid salaries. Law enforcement for protected areas would continue to weaken, resulting in a sharp increase in illegal activities within the park boundaries At the Kamchatka Oblast level, the government will continue to expand it's regional system of protected areas to encompass 31% of the Kamchatka Oblast's territory. International cooperation would continue at a low level. WWF-Russia would continue its cooperation, completing a protected areas gap analysis and preliminary work to strengthen educational capacity of Nalychevo Natural Park. Recommendations on opportunities for ecotourism would be published, as will a management plan for the brown bears of Kamchatka. Reflecting global interest in protected area management, UNESCO would be actively considering expanding it's 1996 "Volcanoes of Kamchatka" World Heritage Site nomination to include the Kommandorsky Islands off the east coast of Kamchatka.

24. Sustainable livelihood support Sustainable livelihoods per say would receive little if any support in a business as usual scenario. State and Federal Governments of Russia are able to provide only minimal financial support to rural communities, and few sustainable development alternatives exist in Kamchatka. However, the Government of Kamchatka places a high priority on the development of ecotourism as a sustainable development option for its economy. This would continue to be the case, as regional government works to remove legal, policy, and economic barriers to developing its tourism sector. A cooperative project with the U.S. State of Alaska to develop a tourism development strategy would be completed. The international NGO, PERC would continue to support Kamchatka-based NGOs in the promotion of a more sustainable path to development of Kamchatka's economy.

25. Conservation and Education Awareness Conservation education and awareness would be carried out to the extent that small non-profit budgets allow by five existing NGOs in Kamchatka that specialize in education and awareness raising about the environment.

26. Data collection and monitoring Eight Kamchatka-based scientific institutes would continue to gather biodiversity and natural resource data as funds allow. The Wildlife Conservation Society will continue working with Russian experts in an ongoing study of brown bear ecology.

27. Financing In a business as usual scenario, it would be unrealistic to expect any significant government investments into biodiversity conservation in the near future and the chances of mobilising resources from other sources within the country are limited. Recognising the vulnerability of Russia's biodiversity during this period of transition a number of international organisations plan to provide financial assistance in Kamchatka as discussed above. A WWF grant is supporting studies on financial mechanisms for the long-term support of protected areas by two different academic groups in Russia. The report, due by the end of 1998, studies the opportunities for income generation from direct and indirect economic benefits within the protected areas and the opportunities to integrate development of nature conservation into the regional economic development of Kamchatka. The Block B will draw upon the results obtained by these efforts.

GEF Project Alternative

The following is a preliminary description of the approach the full project would take towards securing global biodiversity benefits in the Kamchatka. Of course, Block B consultations will provide the opportunity to refine and focus the project's approach even more.

A. Sustainable Development Baseline:

28. The following interventions are being programmed, leveraged by the GEF project development process to provide a sustainable development baseline to complement GEF incremental funding.

i. Demonstration projects for sustainable livelihood development: One of the key threats to the globally significant biological diversity in these protected areas is the illegal and unsustainable utilization of biodiversity (poaching of wildlife such as bears, sea mammals, anadromous fish, etc.) and the unsustainable exploitation of natural resources (timber and minerals). Using it's own funds and leveraging funding from other relevant international donor agencies, UNDP will intervene to assist Kamchatka in promoting sustainable development by developing demonstration projects in three key programmatic areas: rural alternative livelihoods/tourism, environmental management capacities and clean energy sources.

- Alternative livelihoods: One of the root causes of this threat is the lack of any alternative livelihoods for many people in Kamchatka's rural communities. Another would be the lack of information and knowledge on how to pursue more sustainable methods. This activity will be designed to overcome this and other barriers to sustainability under the full project. Due to the economic difficulties some people are forced to poach wildlife in order to survive. The project will build-up the infrastructure (financial and otherwise) to support the sustainable development baseline using UNDP funding to demonstrate skills and technologies necessary to overcome existing barriers to sustainable development and significant co-financing to extend and expand these demonstration programs. Possible alternative livelihood components include ecotourism development (fishing, wildlife watching, natural landscape viewing), reindeer herding, and selected wildlife species management for income generation.

- Environmental management: This component would assist the regional government in developing an overall sustainable development strategic framework and the development of a more effective EIA capacity and associated monitoring and compliance structures;

- Development of clean energy sources: This component would develop policies to adopt 'clean energy' approaches using geothermal and hydro power in a cost-effective and biodiversity-friendly manner. An alternative energy demonstration project will be developed in two communities near protected areas in order to conserve the natural mountain vegetation.

ii. Financing for long-term biodiversity conservation must be effectively addressed in order for any conservation effort in Kamchatka to achieve sustainability in the next 10 years. This project would request GEF resources to assist in the development of a financial mechanism for supporting biodiversity conservation in the Parks upon completion of the project. Co-funding would be secured to fund the mechanism itself and would involve a two-pronged approach. First, at the national level, the UNDP Ecocentre in Moscow (a joint effort between UNDP and the Russian Federation) will contribute expertise and staff time to the development of new policies and gap-bridging financing mechanisms in order to secure more long-term co-funding for protected areas. Secondly, given the large baseline of natural resource development activities in Kamchatka, a "re-investment" programme would be developed to re-invest profits from the exploitation of natural resources into the sustainable management and conservation of those same resources. The Block B project would identify co-funders to be included in the full project brief.

B. Incremental Conservation Activities

29. Preliminary Description: New approaches to protected area conservation in Russia will have to be explored and tested immediately if critical biodiversity is to be protected. The project will develop and test new approaches in four priority protected areas: Kronotsky Zapovednik, South Kamchatka Federal Zakaznik, Nalychevo State Nature Park, and Bystrinsky State Nature Park. These four areas harbor a cross-section of the globally significant biomes and species assemblages present on the peninsula and they represent a cross-section of the different administrative management regimes under use in Kamchatka and throughout Russia – from strictly protected to multiple-use areas (see Annex 2). Conservation methodologies will have to balance the urgent need for action and the need for caution when new options are being tested. In this approach, progressive commitments from the Russian Federation, local stakeholders, non-GEF donors and the GEF will have to be balanced through time to ensure sustainability and minimize the risk of sunken costs.

30. For example, the Russian Federation will need to develop a system to ensure the effective protection of multiple use areas with minimal "traditional" government-funded management. Bystrinsky Nature Park, with it's multiple-use mandate and local population, would be an ideal place to test and develop a participatory, community-run protected area, where local people are trained to be *de facto* conservators of biodiversity and where communities use revenues obtained from sustainable uses of bio-resources (fishing, hunting, small-scale agriculture) for sustainable biodiversity protection. In addition, the legal and regulatory frameworks and necessary technical assistance would have to be demonstrated to people who are accustomed to a very different economic and political regime. This demonstration would enable stakeholders to respond in an innovative manner to the lack of government personnel and funding.

31. At the other extreme the project would work with stakeholders to update and strengthen management of the strictly-protected Kronotsky Reserve, where no human activity except scientific research is allowed. Under current circumstances in Kamchatka this area is not receiving the needed protection and is threatened by illegal resource extraction and infrastructure development and there is little chance of this situation improving in the near future. A financial and technical assistance package is needed that will provide a bridge of biodiversity protection over time, until the Russia can again ensure the protection of this Reserve

(and others) once the economic situation is normalized in 10 years. This demonstration will build a multi-donor effort to maintain Kronotsky's conservation capacity for the next 10 years.

32. The other two sites, Nalychevo and South Kamchatka Federal Zakaznik (SK) illustrate somewhat intermediate situations. SK is a remote multiple-use wildlife reserve area (fisheries, sport hunting) with three different government (federal and state) agencies overlapping in their duties here. The project would help stakeholders develop management agreements and build stakeholder coalitions to more effectively and collaboratively manage the area. Nalychevo is designed to accommodate tourists and to serve as the main vehicle for outreach and education. Nalychevo is receiving some assistance from WWF. The project would provide limited additional resources to upgrade and ensure the self-sustaining tourism and education programs are fully developed and successful.

33. A phased approach to sustainability. Given the risks currently involved with designing and implementing a sustainable project in Russia, the Block B process would design the full project to be implemented using a phased, benchmarked approach with milestones throughout. The PDF will aim to develop this approach by separating the project into two consecutive phases, probably each of 3-4 years duration, followed by a final phase of approximately two years duration. Each of these phases would be evaluated upon their completion to ensure a high level of achievement and commitment and each would have sustainability milestones identified for the components therein. Milestones would have to be reached before project activities and funding would continue on into the next phase.

34. Initially the project will focus on getting the needed commitments, awareness raising and essential training in all four areas. This will consist of preparatory activities to prepare the ground for the more substantive and phased interventions. In all cases the GEF support will aim to ensure that all threats to each area's biodiversity are eliminated. There would be training, awareness raising, and policy and regulatory framework development in the first and second phases. Phase III will be a consolidation phase where the project would focus on ensuring longevity for all major project components.

35. Other activities will start after specific milestones have been reached in year two (*i.e.* specific regulatory frameworks, policies and basic training are in place). The strengthening of policies regarding logging, hunting, fishing, and conflicting land uses (mining, infrastructure) would be the priority. In addition, at the end of these two years additional long-term co-funding will have been largely obtained. Activities geared towards full implementation of alternative livelihood programs to enable the local capture of revenue will also pick up after the second year and will be prolonged through Phases I and II. In view of its Strict Protection status, efforts at Kronotsky will focus on installing the needed capacities and in obtaining required co-funding from other donors to maintain protection during the next 10 years. Amounts and modalities will be developed during the PDF B..

36. In the development of this phased approach, the PDF B process will look at the feasibility and relevance of addressing specific issues within each of the specific areas under phase I as a prelude to transferring those lessons to other areas in phase II. For example, the promotion of sustainable alternative livelihood options in and around SK and Nalychevo will begin in Phase I as will some capacity building and infrastructure strengthening (in coordination with and complementary to other donor inputs). However, it may be in the interests of project sustainability if the bulk of the capacity building activities undertaken during phase II in SK and Nalychevo were to largely capitalize on the lessons learned during Phase I at the other two areas. The same policy and regulatory framework milestones could apply to SK and Nalychevo. The project will complement WWF's co-funding for Nalychevo and will emphasize the establishment of stakeholder coalitions to further public awareness activities and provide organized, stakeholder support for these two areas. At the end of the project, sustainable use activities at relevant sites will be well underway. By the time the project reaches Phase III, emphasis will be placed upon providing a seamless transition from

catalytic demonstrations to extended and expanded support from other donors for the protection of the remaining areas in Kamchatka.

37. **Strengthening Protected Area Operations:** The project will strengthen the operations of the four protected areas through the following activities.

i. Training and Infrastructure: Training would be provided in different topics related to biodiversity conservation to provide staff with relevant new tools and information to assist with their respective tasks. Training topics would include: Integrated conservation and development; economic valuation of biodiversity; conservation biology/wildlife management; data collection and use; participatory management approaches; environmental law and policy; lessons learned from different countries; tourism management; patrolling and enforcement and how to network and fundraise. Park infrastructure such as guard posts, trails, and field shelters would be bolstered where needed and appropriate. Where feasible, protected area borders would be more specifically demarcated on-the-ground. Equipment would be provided to the protected areas to support basic park operations (enforcement, monitoring, visitor management).

ii. Collaborative management and enforcement: Kamchatka's State Parks are new and no tradition of cooperation and teamwork with the federal protected areas exists. Enforcement would be strengthened not only by providing necessary basic equipment and training, but also by strengthening policy and programmatic linkages between federal and regional authorities through policy changes (*e.g.* cross-authorization of enforcement officials) and developing visitor guidelines and information.

iii. Strengthening Law and Policy: Stakeholders have identified the law and policy arena as one that needs special assistance in Kamchatka. The project would strengthen the germane conservation laws and policies in Kamchatka by training policy makers, introducing a range of policy and regulatory options in use around the world, and establishing permanent web-based linkages between Kamchatka's policy makers and environmental policy resources throughout the world. Sectoral integration would also be an important objective under this component. The project would support the incorporation of biodiversity protection concerns into the main productive sectors of Kamchatka's economy. Ecosystem management demonstrations for each of the four protected areas would be conducted, creating management links between protected areas and the surrounding productive landscape and enabling stakeholders to integrate protected area-based biodiversity conservation and sustainable use of biodiversity in the surrounding landscape.

iv. Advocacy and Awareness of Biodiversity Values: The project's awareness raising component would: 1) develop educational programmes for children; 2) develop awareness-raising printed media as well as audio and video media focussed on raising the awareness of the general public; and 3) build the capacity of civil society institutions, especially NGOs, to sustain public awareness activities. Curricula and teaching-aid materials will be developed and teachers trained in their use. This project will support ongoing efforts to develop locally produced radio and video pieces on specific biodiversity conservation topics for broadcast on Kamchatka and Russian television. Existing NGO capacity for education and awareness raising work will be utilised and strengthened. Training will be provided to biodiversity conservation-related NGO institutions in order to strengthen the civil society foundation upon which long-term conservation depends. NGO strengthening will be co-funded in part by partners like the Rockefeller Brothers Fund and the Pacific Environment and Resources Center. Local experts will conduct a WWF co-financed survey to measure the level of awareness and support for protected areas among the general public.

v. Developing participatory management plans. The project will develop a participatory approach to be utilized in each of the protected areas. Local community input to protected area management will be formalized in the establishment of a public comment process and community advisory committees for each

protected area. This process will be exercised under the project to enable a participatory learning approach to take place in which stakeholders cooperatively identify problems related to biodiversity conservation issues and identify workable solutions for those problems to be implemented in cooperation with the regional and federal authorities. Rockefeller Brothers Fund is willing to support NGO capacity building efforts, in a very important contribution to building a sustainable conservation regime in Kamchatka.

vi. Building stakeholder coalitions. The project would develop human resources and skills that are necessary to conserve biological diversity using a community-oriented approach. It would do this by building conservation coalitions among government agencies, non-governmental organizations, private companies, and local communities. These coalitions will differ for each of the protected areas, as their social/economic contexts are vastly different. Emphasis will be placed upon applying lessons learned from successful initiatives in other parts of Russia and the rest of the world.

vii. Preservation and maintenance of indigenous peoples' knowledge.
An important part of the project's community-oriented biodiversity conservation work will be related to indigenous communities living within the Bystrinsky Nature Park. At the request of these communities, the project will support capacity building efforts that promote the preservation and maintenance of indigenous communities' knowledge and practices relevant to conservation and sustainable use of biological diversity.

viii. Biodiversity monitoring and information management. The existing baseline research and monitoring programme is not sufficient to support effective decision-making. The M&E program would enable the project to apply a dynamic, adaptive management approach. Building on earlier work, biological assessments in each protected area would be conducted to identify priority habitats/management zones. An ongoing monitoring and evaluation program would be developed based upon the baseline as defined on the biological assessments.

Linkages with Other GEF Projects

38. The World Bank (WB)-GEF/Russian Federation "Biodiversity Conservation Project" has three components. The first, the strategic overview component, will assist the Russian Federation in the preparation of its national biodiversity strategy. Secondly, the protected areas component will strengthen the institutions at the national level responsible for protected areas management, as well as strengthening regional zapovedniki directorates and developing management plans for eight areas in the western half of Russia and two areas in the Far East. This project will coordinate with those activities. The third component is focussed on Lake Baikal to establish a regional model for integrating sustainable development and biodiversity conservation. The WB-GEF project will not operate on Kamchatka peninsula, although the strengthening of federal institutions under the WB-GEF project will benefit conservation in Kamchatka.

Incremental Costs.

39. The project would be designed as a "package" of integrated interventions intended to produce the GEF Alternative. This alternative would be comprised of a "bundle" of activities, some of them incremental and some of them not incremental, but all necessary to adequately address the problems and conserve biodiversity. The project brief developed under this Block B will include an incremental cost analysis and the GEF will be asked to fund the agreed incremental cost of conservation activities. The existing baseline of related activities includes federal and state appropriations for park management, agriculture and forestry management, economic and social infrastructure development, livelihood support and public and private awareness raising activities. Non-GEF funding will be secured for additional activities to bolster the sustainable development baseline as part of the GEF project alternative.

Eligibility:

40. The government ratified the Convention on Biological Diversity (CBD) in April of 1995. Russia is a recipient of UNDP technical assistance and as such is eligible for GEF funding. The GEF would fund eligible activities listed under GEF Operational Program #4: Mountain Ecosystems. The project would support the objectives of the CBD relating to the in situ conservation of biodiversity and enhancement of national biodiversity conservation capacities.

41. International sources recognize the global significance of Kamchatka's biological diversity. In 1996, UNESCO created "The Volcanoes of Kamchatka" World Heritage Site. This decision recognized the global importance of natural environments in five world-class protected territories on the Kamchatka Peninsula. Kamchatka is one of the priority bioregions identified under WWF's Global 200 initiative. The Kamchatka-Okhotsk Bioregion is one of the fourteen highlighted and discussed in the MacArthur Foundation/WWF "Conserving Russia's Biological Diversity"

National Level Support

42. The Government of Russia has identified Kamchatka's biodiversity as a top priority for conservation action in its national biodiversity action plan. Protected area strengthening figure at the top of those priorities. The joint Russia-American effort to identify sustainable development possibilities identified Kamchatka as a prime spot for the development of integrated conservation and development partnerships. The Declaration on the Protection of the Arctic Environment was signed in 1991 by representatives of eight arctic countries, including Russia. The declaration included the adoption of the Arctic Environmental Protection Strategy (AEPS) and identified habitat conservation in the Kamchatka peninsula as an area of special attention. Kamchatka is a high priority for the WWF Russia programme.

43. The process of full involvement of all stakeholders in the project has already been initiated during the Block A consultations. A full stakeholder's meeting was held prior to development of this Block B proposal so as to involve NGOs and the private sector in the project development phase as early as possible. This is in fulfillment of GEF's criteria of 'ownership' of projects by stakeholders. The PDF A stakeholder's meeting discussed the many issues relevant to protected areas management ion the Kamchatka peninsula. Working groups identified the principal threats and the root causes, helping in the development of an overall strategy for biodiversity conservation for the peninsula that includes this current protected areas project.

Justification for PDF Grant

44. A number of activities have helped to develop the consensus and information base necessary to proceed with the development of a protected area project in Kamchatka. WWF has been active in Kamchatka for a number of years and committed itself in 1997 to a five-year involvement in Kamchatka and has since developed useful information through a protected area gap analysis, the legal status of protected areas, and on financial mechanisms for long-term protected area support. WWF has also developed recommendations on opportunities for tourism and a management plan for brown bear conservation in Kamchatka. An IUCN-supported hotspot conference in Siberia recently listed hotspot areas of interest in the Kamchatka peninsula. The Wildlife Conservation Society has been doing field research with Russian counterparts on brown bear ecology. All of this experience and information will be drawn upon by the Block B process. But additional, resources are needed in order to gather project-specific planning information for a full GEF project brief. Targeted assessments need to be done and a significant amount of co-financing needs to be raised. More time is needed to ensure that local stakeholders in Kamchatka are able provide input. More specific information on the extent of threats to biodiversity is needed, as is relevant information to guide the development of an alternative livelihood programme.

Description of Proposed PDF-B Activities:

45. PDF resources would be used to undertake the following activities:

1) Establish Block B stakeholder steering committee and technical advisory group.
2) Conduct a more site-specific analysis of the threats to biodiversity and their root causes.
3) Conduct stocktaking and assessment of existing information and conduct stakeholder workshops/socio-economic appraisals in and around priority sites.
4) Conduct the following assessments to direct project activity development:
   - Assess specific environmental management needs and project requirements to meet the needs (co-funded).
   - Assess staff and infrastructure training and capacity-building requirements.
   - Conduct aggressive effort to raise the necessary co-financing from public and private sources.
   - Assess financing mechanisms.
   - Assess what is required to achieve the necessary level of collaboration.
   - Conduct more detailed assessment of law and policy framework, as well as the most cost-effective capacity-building arrangements
   - Assess most strategic public-awareness and educational activities for possible project support
   - Clarify related livelihood-related threats and assessment of how project can best help and conduct aggressive co-financing effort.
   - Assess specific needs and requirements for coalition building
   - Assess how to best preserve and maintain indigenous peoples' knowledge
   - Assess specific approaches for project to take in improving data management and utilization.
5) Using information gathered from the Block A consultation, community workshops/socio-economic appraisals, develop the logical framework for the project.
6) Focus and refine the priority activities needed to address root causes. (i.e. programme development, institutional strengthening) in order to include them in the project brief.
7) Finalize the quantification and analysis of the "business as usual" baseline.
8) Building upon the baseline analysis, determine the global benefits to be derived from the project.
9) Determine the incremental costs of achieving global benefits over and above the baseline scenario.
10) Building on the logical framework and other materials prepare draft project brief for review by steering committee and potential co-funders. More specifically, this entails:
    - designing project activities, their scope and duration;
    - a monitoring and evaluation programme to measure project impact;
    - finalizing the mechanisms for stakeholder participation;
    - determining the technical and managerial skills needed for the effective implementation and sustainability of the project's outputs and activities.
11) Hold a Steering Committee meeting to consider previously circulated project document outline. Comments will be received from co-funders and other stakeholders as well.
12) Finalize co-funding arrangements & revise and finalize project brief.

Note: The work conducted under this Block B will utilize local and national experts for input related to Kamchatka's resources and institutions. International consultants will be utilised where such experience/perspective is needed.

Expected "Block B" Outputs:

46. A complete full project brief with requisite co-funding for non-incremental activities will be the primary output. The following will be produced as part of the project brief development process:

Assessments & Recommendations:

i. An analysis of the threats to biodiversity and root causes as they relate to each protected area.
ii. A survey of the socio-economic situation of local communities in around each of the protected areas (South Kamchatka Zakaznik, Bystrinsky Nature Park/South Tigilsky Traditional Resource Use area and a summary of possible areas of cooperation between local communities and protected areas.

iii. Recommendations on how the project can best promote the preservation and maintenance of indigenous communities' knowledge and practices relevant to conservation of biological diversity.
iv. Environmental management needs assessment and project requirements to meet them (co-funded).
v. Substantive and budgetary assessment of capacity-building (staff and infrastructure) requirements.
vi. Recommended long-term financing mechanism(s)
vii. Agreement with various donors on at least US$ 12 million in co-financing arrangements.
viii. Recommendations on how the project can facilitate the necessary level of federal/state collaboration in protected area management
ix. A detailed assessment of law and policy framework, and recommendations for the most cost-effective capacity-building arrangements
x. Recommendations for most cost-effective and strategic public-awareness and educational activities
xi. Complete programmatic recommendations for a project-supported programme to support the development of alternative livelihoods AND finalized co-funding agreement for this programme.
xii. Assessment of needs and requirements for coalition building
xiii. Assessment of specific approaches for project to take in improving data management and utilization.

Project Document Formulation:

- A clear logical framework (project planning matrix) along with an incremental cost analysis matrix.
- Quantified budgets to cover the project lifetime: protected area management programs, biodiversity/species management, development-related activities in communities near each protected area.

Output-based Budget

Item	GEF	UNDP	Gov't	Co-fund
Stakeholder consultations	80,000	18,000		5,000[1]
Local/regional transport costs	10,000	10,000	5,000	
Project brief and document formulation, including assessments: v, x, xiii	66,000		2,000	
Translation and interpretation	5,000	12,000	2,000	
Socioeconomic survey and analysis	16,000			
Threat/root cause analysis for each protected area	5,000		1,500	
Option paper on long-term financing mechanisms				15,000[1]
Agreement on specific co-funding arrangements (>$12 million)	15,000	8,000		
Recommendations for the maintenance of indigenous peoples' knowledge	9,000			
NGO participation/public involvement/coalition-building recommendations				25,000[2] 5,000[1]
Alternative livelihood programme and co-funding agreement	4,000	12,000		
Assessment of environmental management capacity-building requirements		8,000		
Assessment of how to facilitate federal/state collaboration and recommendations for improving law/policy framework	10,000			
Government counterpart staffing			10,000	
Monitoring & Evaluation	8,000			9,500[1]
Project Administration	5,700	4,000	4,000	
Total:	**233,700**	**72,000**	**24,500**	**59,500**

1-WWF co-funding
2-RBF (Rockefeller Brothers Fund) co-funding support for NGO facilitation

Block B Implementation Arrangements and Workplan

46. The PDF-financed activities will be carried out by a GEF Project assisted by Russian government counterparts. The Project Co-ordinator will report to a Steering Committee comprised of representatives from principle stakeholder groups from the federal and regional levels: the Ministry of Environmental Protection and Natural Resources (MEPNR); the Kamchatka Oblast Committee for Nature Protection (KOCNP); NGO representatives; local community leaders.

47. The Steering Committee will guide project development activities by ensuring stakeholder involvement and reviewing and approving the different iterations of the developing project proposal. The GEF Project Co-ordinator will be responsible for liasing with the project team on a frequent basis. The project team will be responsible for the final production of a GEF project document. The GEF Project Coordinator will provide expert input on his/her area of expertise as well as coordinating national and international expert input and organizing all consultations and meetings. Expert consultants will conduct surveys, analyses and assessments necessary to project development.

48. At the request made by stakeholders at a July 1998 PDF-A stakeholders meeting in Kamchatka, a Technical Advisory group will also be created. The purpose of this group will be to assist the project team in the technical development of the project brief. This group will consist of technical stakeholders and will also serve to provide continuity from the stakeholder involvement at the PDF-A level through to the final Project document and into the project implementation. The Technical Advisory group will also advise the Steering Committee on technical issues pertinent to project development and implementation.

Month / Activity	1	2	3	4	5	6	7	8	9	10
Establish Steering Committee and Technical Group/steering group meeting/recruitment of expert consultants.	x									
Stakeholder/issue analysis and consultations.	x	x								
Preparation of assessments/recommendations		x	x	x	x	x				
Logical framework/conceptual approach for project established (problem definition, objectives, outputs, activities)							x			
Fund-raising for co-financing		x	x	x	x	x	x	x	x	x
Preliminary determination of project activities							x			
Project brief drafted – baseline information gathered/ incremental cost calculated							x			
Steering committee meeting to review draft project								x		
Finalize project brief									x	
Project brief finalized & approved by government; project brief submitted to UNDP-GEF										x

References:
Chestin, I.E. et al., 1996. "Background for the Conservation and Management of the Brown Bears in Kamchatka". World Wide Fund for Nature (WWF). Russian and English. Unpublished.

Tsyplenkov, S. et al. 1995. "Nomination of the Volcanoes of Kamchatka for the Inclusion in the World Heritage List". Greenpeace Russia. unpublished.

Wells, Michael and Williams, Margaret. 1998. "Russia's Protected Areas in Transition: The Impacts of Perestroika, Economic Reform and the Move Towards Democracy" Ambio. 27:3. pp. 198-206.

World Heritage Nomination – IUCN. 1995. Technical Evaluation: "Volcanoes of Kamchatka. (Russia)". IUCN. Unpublished. Note: this nomination developed with information provided by Kamchatka-based experts.

Unofficial Translation

27.01.99
01-17/29-15

Mr. Philippe Elghouayel
UNDP Resident Representative
in the Russian Federation

Dear Mr. Elghouayel,

The State Committee for Environmental Protection of the Russian Federation thoroughly considered the proposed GEF PDF Block B "Demonstrating sustainable conservation of biological diversity in four protected areas on Russia's Kamchatka peninsula"

Acknowledging the unique value of the Kamchatka peninsula's biological diversity as well as the importance of conservation and sustainable development in the region, the Committee approves the GEF / UNDP initiatives aimed at the achievement of the above mentioned goals.

The State Committee for Environmental Protection of Russia agrees with the UNDP project proposal. The Committee considers it feasible to implement this project with necessary logistic support of the UNDP Ecocentre and is ready to participate actively in the project realization.

Sincerely yours,

V.I. Danilov-Danilian
Chairman

ГОСУДАРСТВЕННЫЙ КОМИТЕТ
РОССИЙСКОЙ ФЕДЕРАЦИИ ПО ОХРАНЕ ОКРУЖАЮЩЕЙ СРЕДЫ

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STATE COMMITTEE OF THE RUSSIAN FEDERATION FOR ENVIRONMENTAL PROTECTION

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27.01.99
01-17/29-15

Постоянному представителю ПРООН в Российской Федерации г-ну Филиппу Эльгуаэлю

Уважаемый господин Эльгуаэль!

Госконэкология России внимательно рассмотрел предложение по реализации фазы В разработки проекта ГЭФ "Демонстрация устойчивого сохранения биоразнообразия на четырех охраняемых территориях полуострова Камчатка" ,

Принимая во внимание уникальность биологического разнообразия полуострова, важность задачи его сохранения и обеспечения экологически устойчивого развития Камчатки, Госкомитет приветствует инициативы ГЭФ и ПРООН, направленные на достижение этих целей.

Госкомэкология России поддерживает предложение ПРООН по разработке данного проекта, считает целесообразным его реализацию в рамках деятельности ЭкоЦентра ПРООН и готов принять активное участие а этой работе.

С уважением.
Председатель
В.И.Данилов-Дани-дьян

Annex 2. Project Site Descriptions (protected areas)

Preliminary Indication of Project Sites:
Based upon Block A consultations, four protected areas have been chosen on a preliminary basis for inclusion into the project:

- Kronotsky Zapovednik
- South Kamchatka Zakaznik
- Nalychevo Nature Park
- Bystrinsky Nature Park

These four areas have been chosen on a preliminary basis using the following criteria:

1. Each one of the areas harbors different, representative, globally significant biomes, species assemblages, and ecosystems on the Kamchatka peninsula itself: 1) Tundra (arctic and alpine) 2) boreal coniferous forests 3) temperate deciduous forests; 4) freshwater lake ecosystem; 5) freshwater wetlands; and 6) marine inshore waters.
2. To maximize the demonstration value of the results to be achieved by the project, a cross section of the different management regimes was a priority consideration. These four areas represent the following management designations: 1) federal zapovednik -- strict protected area, IUCN category I priority: pure conservation and research); 2) federal zakaznik -- wildlife reserve, IUCN category IV, priority: wildlife conservation-production/sustainable hunting; 3) state nature park -- priority: tourism and public education as a priority; 4) state nature park/traditional resource use -- priority: incorporation of indigenous peoples' traditional lifestyles and sustainable-use of biodiversity resources.
3. All four of these areas were recognized by UNESCO under the World Heritage nomination.
4. The selected areas would all be manageable under one project. Inclusion of other areas, even if desirable under points 1-3 above, would not be practicable.

Description of sites:
Kronotsky Zapovednik: Established in 1966, Kronotsky Zapovednik covers an area of approximately 964,000 hectares (including 135,000 hectares of abutting coastal marine habitat) along the eastern-central coast of Kamchatka. The site is a zapovedniki or strict nature protected area designated for research and conservation only, the equivalent of an IUCN Category I Protected Area. These sites are considered to be the most important part of Russia's protected area network heritage (Wells, M. and Williams, M. 1998). Kronotsky was recognized under the UNESCO Man and the Biosphere Programme in 1984 for its rich biological and volcanic heritage. Known as "Russia's Yellowstone," the reserve is famous for its 12 active volcanoes and the Valley of the Geysers. The reserve was established to ensure the protection and ongoing scientific study of Eastern Kamchatka's natural processes and phenomena, unique ecosystems and plant and animal communities. The area is under the control of the federal Ministry for the Protection of Nature and the Environment and Natural Resources.

Home to over 2,000 species of plants and animals, the reserve is of particular importance for the conservation of boreal deciduous forest, arctic tundra, and Bering Sea marine communities. The number of vascular plant species recorded in the zapovedniki currently stands at 749. The reserve's active volcanic features support myriad microclimates that harbor a diversity of rare and unique species. Six plant species listed as threatened in the Russian Red Book occur here: *Poa radula, Carex viridula, Fimbristylis ochotensis, Cypripedium macranthon, Isoetes asiatica and Rhodiola rosea.* Kronotsky has some of the peninsula's finest examples of the stone birch (*Betula ermani*)/grassland community complexes, and is considered prime habitat for brown bears. Kronotsky harbors a unique forest stand of *Picea gracilis*, one of the rarest trees in all of Russia. Six species of mammals from the IUCN Red Book are known to occur within Kronotsky. Kronotsky Lake, the peninsula's largest lake, harbors an endemic species of freshwater salmon.

The coastal zone of the reserve harbors one of the world's most significant breeding population of the endangered Steller sea lion, as well as some of the largest seabird rookeries on the peninsula. In addition, walrus and seal occur here in significant numbers, as do significant nesting populations of Steller's sea eagle.

Kronotsky is currently not being managed on a sustainable basis as it is suffering from the lack of a supportive constituency, a lack of human capacity, the necessary physical infrastructure, and financial support. Little on-the-ground management is occurring. Until recently, Kronotsky, like all zapovedniki in Russia, was off-limits to the general public and human activity was strictly limited to scientific research. As a result, the reserve has little history or experience of interacting with, or providing benefits to local communities. Public awareness of the significance of the area is low and the few local communities in the vicinity of the area are largely disenfranchised from the reserve. Combine this with the economic difficulties that local populations face and it is not surprising that local people have proven to be less inclined to respect and obey the laws protecting these protected areas and more inclined to view the reserve as a storehouse of cash-valuable natural resources. As a result, poaching of wildlife is becoming a serious problem in Kronotsky, even though there are no communities in close proximity to the reserve. Changes in Russian society have also increased pressure on the zapovedniki to open-up more to non-exploitative economic activity. Because the reserve used to prohibit tourism or any other kind of non-official visitation, the reserve has no experience in controlling tourism access to sensitive sites. Therefore, uncontrolled access is becoming a problem as well.

A management plan does exist for the zapovedniki, but it was developed some years ago without the input of local stakeholder groups and a lack of resources hinders much of its implementation. An ongoing monitoring programme is in place, but a lack of funding has meant scientists have been unable to conduct necessary fieldwork. The zapovedniki has a headquarters near Petropavlovsk, the largest city on the Kamchatkan peninsula. Staffing includes one park director, a botanist, a zoologist, a volcanologist at the headquarters, and 3 part-time wardens living at the reserve.

South Kamchatka federal Zakaznik Established in 1965, the South Kamchatka federal Zakaznik covers an area of approximately 33,000 km^2. Zakaznik (Special Purpose Reserves) correspond to IUCN Category IV Protected Areas (Nature Conservation Reserves and Wildlife Sanctuaries).

The zakaznik is of particular importance for the conservation of its prime, inshore marine habitat and represents one of the more significant lake ecosystems on the entire peninsula. The South Kamchatka zakaznik rises from the coastal shores of the southeastern tip of the peninsula to the top of four active volcanoes. The vegetation can be characterized as shrub forest and mountainous in character. The flora of southern Kamchatka is diverse with 718 species recorded, and 85 of those species considered rare, including *C. acranthon, Epipogon aphyllum, Gymnadenia cantschatica, Oreorchis patens, Nuphar pumila and Carex laxa.* The diversity of this area is characterized by a mix of Kamchatka peninsula species with Kurile Island species. The reserve's prime, inshore marine habitat supports the most significant population of sea otters *(Enhydra lutris)* in the Eastern Pacific and over 1,000 endangered male Steller sea lions. Kuril Lake is the most significant (high-density) salmon (*Oncorhynchus nerka*) spawning lake in the peninsula. The periodic, tremendous influx of salmon into the lake and its small tributary rivers make the area one of the Russian Far East's most important feeding grounds for the brown bear. These high concentrations of *O. nerka*, also annually attracts to Kuril Lake one of the largest winter concentrations of birds of prey in the world. The reserve, situated at the southern tip of the peninsula, is an important resting area for migratory birds flying on the north-south eastern Pacific flyway.

There are three coastal fishing villages on the southwestern edge of this reserve and one fish monitoring station located at the outlet to Kuril Lake. Otherwise, a limited number of visitors come via helicopter.

Historically, the villagers have engaged in commercial fishing along with a limited amount of sport hunting, sport fishing and the gathering of mushrooms and berries in the South Kamchatka Zakaznik. Pressure from these activities has increased as state-supported commercial fishing operations have faltered and people have found few alternatives. More recently, weakened management has been unable to stop the growing problem of bear poaching from coastal and lake-side areas of the zakaznik as a result of demands from Asian medicinal markets. Salmon poaching from the main outlet to Kuril Lake downstream to the coastal area is an increasing problem as well. Additional pressure on the reserve is imminent from a mining concession located outside the northern boundary of the zakaznik. Management of this South Kamchatka zakaznik is linked with that of Kronotsky zapovedniki.

Bystrinsky State Reserve: Located in the center of the Kamchatka peninsula, this nature park is 1,333,478 ha. in size. Bystrinsky was designated a state park in 1996, based upon the hard work of Kamchatka-based experts. The communities of Esso and Anavgai are located in the Park. A total of 2,800 people live in the two communities; 920 of these are members of the Eveni and Koryak indigenous groups. The people's livelihood used to be based upon reindeer herding and some limited winter trapping of fur animals. With the economic changes, people are living on traditional small-scale agriculture, subsistence hunting, fishing and gathering of forest products.

Known as "Kamchatka's Switzerland" Bystrinsky straddles the central mountain range of the peninsula and is of particular importance for the conservation of mountain ecosystems (boreal coniferous forests), their indicative alpine species and the headwaters of significant rivers. The central Kamchatka area is of additional importance for the promise it holds in developing a participatory biodiversity conservation and sustainable use programme for local communities and indigenous peoples.

Bystrinsky Park contains 16 plant species endemic to the Kamchatka peninsula. Coniferous forests grow on the eastern slopes of the central range in Bystrinsky with predominant larch (*L. kamchatschatica)* and the spruce (*Pinus ajanensis)*, while stone birch predominates in the western side of the range. Some 615 species of vascular plants have been recorded in Bystrinsky Nature Park. The Park also harbors four endangered plant species, five rare species and five species with dwindling numbers and habitats as listed in the IUCN Red Book. As for large ungulates, the park has the highest population of the rare snow sheep (*Ovis nivicola*) and reindeer (*Rangifer tarandus*) on the peninsula as well as being a major brown bear hibernation area. The endangered black-capped marmot is also found here. The area encompasses the upper reaches of important watersheds for many significant salmon-spawning rivers that flow into the Sea of Okhotsk along the West Coast as well as part of the Kamchatka River, which flows north and east into the Bering Sea. All seven species of salmon occurring in Kamchatka are known to occur in the river systems of this protected area complex.

Unlike Kronotsky, Bystrinsky Nature Park is a sustainable-use area established for the purpose of involving local people in the sustainable utilization and conservation of the area's biological diversity. This presents many challenges and the park is in need of assistance to enable it to strategically meet these challenges. Official unemployment among the people of the two communities is high at 30% and subsistence hunting, fishing and the gathering of mushrooms and berries occurs in the Bystrinski Nature Park. Gold mining on the outskirts of the park is also imminent, threatening the watersheds of significant salmon rivers; the direct and indirect impacts are a threat to the park's biodiversity and a management plan needs to be developed to regulate these activities. Park management is also developing zones where the hunting of brown bear and snow sheep is allowed. Park management consists of one park director and two support staff working out of their own homes in the town of Esso.

Nalychevo State Nature Park was established in 1995 encompassing the entire watershed of the Nalechevo River (some 250,000 hectares). Although Nalychevo is the most accessible of Kamchatka's state nature

parks, being located just 60 kilometres from the largest city in the Oblast (Petropavlovsk) there are no road links. As a result, the area is of particular importance for its intended role as a flagship Park for biodiversity education, awareness raising and ecotourism development, all in their earliest stages in Kamchatka. Kamchatka experts, with WWF support, developed a management plan for Nalychevo, constructed an education/visitor center in the park, and printed a brochure for park promotion. It is also considering supporting the preliminary implementation of the management plan.

Nalychevo is particularly important for the conservation of freshwater wetlands, temperate deciduous forest, and recent volcanic landscapes combined with the glacial remnants and specific micro-climatic conditions of the Nalychevo River valley. These conditions have created a unique environment for plant and animal life. Some 549 species of vascular plants have been recorded in Nalychevo Nature Park. Of special interest are the plant communities formed on the hydrothermally altered soil near the mineral springs, the composition of which is unique to each spring. The algal-bacterial communities of thermal water reservoirs (the importance of which is only now being investigated in America's Yellowstone National Park) are thought to have site-specific adaptations. Additionally, Nalychevo harbors an unusually high occurrence of rare species from the Orchidaceae family (*Cypripedium macranthon, Epipactus papillosa, neottia asiatica*). Furthermore, the Park's coastal area harbors the last remaining *Betula platyphylla* and *Maianthemum bifolium* deciduous forests in Kamchatka.

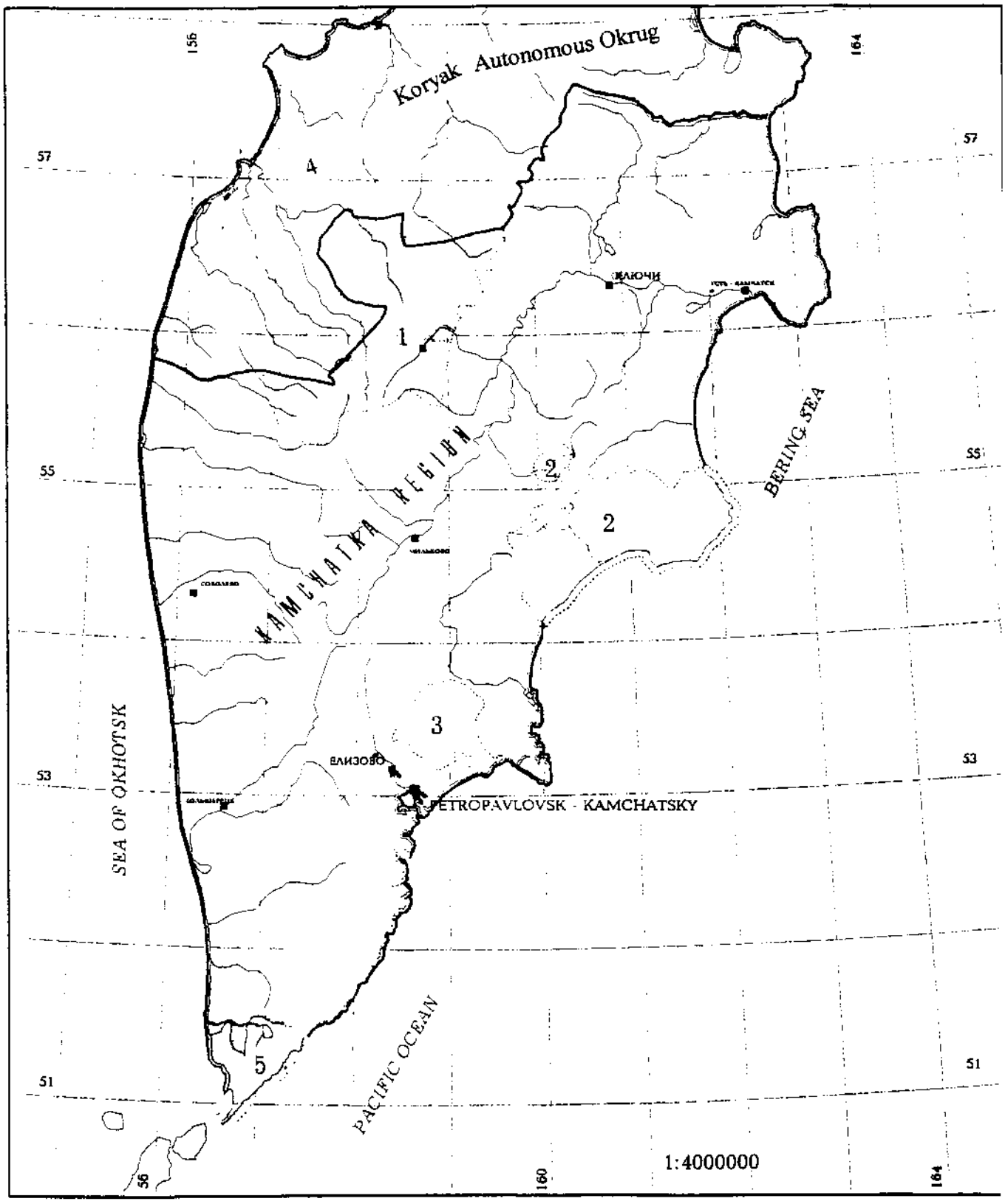
The faunal diversity for the Nalychevo Nature Park includes 33 species of mammals including brown bear and snow ram *Ovis nivicola nivicola*. One hundred and forty-five bird species have been recorded, eight of which are nationally threatened (*Philacte canagica, Branta bernicla, Pandion haliaetus, Haliaeetus albicilla, H. pelagicus, Falco gyrfalco, F. peregrinus and Gallinago solitaria*). Nalychevo River and its tributaries support great numbers of four species of salmon considered nationally threatened *Oncorhynchus sp., Salvelinus alpinus, S. mala and Salmo mykiss* (World Heritage Nomination Materials, 1995).

Hunting, fishing and the gathering of mushrooms and berries are allowed in Nalychevo Nature Park and a management plan has been developed to regulate these and other activities. Park management is also developing zones where the hunting of sheep and sable is allowed. Poaching is a problem in the park, with illegal taking of salmon from Nalychevo River, bear from the surrounding hills and other natural products. Park staff consists of one park director, 1 warden and 3 support staff.

Major Threats: • Inappropriate Exploitation of Natural Resources (Direct threats: pollution; Indirect: Roads, Workers in remote areas) • Overharvesting of Wildlife • Uncontrolled Tourism		
Root causes of threats	Possible actions to remove root causes	PDF activities planned to develop actions more completely
Lack of capacity to adequately address new development and conservation challenges	<u>Sustainable Baseline (co-funded):</u> • Capacity building for government agencies in environmental management (EIA process) • sustainable development strategic framework • Improve access to up-to-date clean energy technologies and capital to develop clean technologies <u>Incremental:</u> • Training for germane staff in different aspects of biodiversity conservation • Strengthening of infrastructure	<u>Sustainable Baseline (co-funded):</u> • Assessment of specific environmental management needs and project requirements to meet those needs. <u>Incremental:</u> • Assessment of staff and infrastructure training and capacity-building requirements.
Lack of financial mechanisms designed to support conservation in the long-term	• Development of innovative financial mechanisms; • secure bridge co-funding for a period of 10 years.	• Conduct aggressive effort to raise the necessary co-financing from various public and private sources. • Assessment of financing mechanisms.
Inadequate federal/regional cooperation in conservation matters	<u>Incremental:</u> • Building a collaborative biodiversity management and enforcement program among federal and regional authorities from key agencies.	• Assessment of what is required to achieve the necessary level of collaboration.

Inadequate conservation-related legislation and policies	• Strengthening of conservation legal and policy framework; • clarification of institutional roles at regional and federal levels.	• More detailed assessment of law and policy framework, as well as an assessment of most cost-effective capacity-building arrangements
Insufficient public awareness of the significance and value of their biological wealth	• Support for public awareness-building efforts as part of the participatory management; • curriculum development for schools; • field study programmes for students	• Assessment of most strategic public-awareness and educational activities for possible project support
Insufficient stakeholder commitment/ ownership of conservation efforts	• Development of alternative livelihoods • Development of participatory management plans/programmes • Building stakeholder coalitions • Preservation and maintenance of indigenous peoples' knowledge	• Clarification of related livelihood-related threats and assessment of how project can best help. Aggressive co-financing effort. • Assessment of specific needs and requirements for coalition building • Assessment of how to best preserve and maintain indigenous peoples' knowledge
Lack of information baseline	Incremental: • Conduct biodiversity assessments in each one of the protected areas and establish a research and monitoring program	• Assessment of specific approaches for project to take in improving data management and utilization.

Annex 2: Protected Area Sites for Possible Inclusion in the Full Project



1	Bystrinsky Nature Park	4	South Koryakia Traditional Resource Use Area
2	Kronotsky State Biosphere Nature Preserve	5	Southern Kamchatka State Nature Reserve
3	Nalychevo Nature Park		

AN EXPLANATION OF THE STRATEGIC APPROACH PROPOSED FOR UNDP-GEF PROJECTS ON RUSSIA'S KAMCHATKA PENINSULA

The purpose of this note is to introduce a proposed integrated approach to biodiversity conservation for GEF incremental financing and sustainable baseline co-financing in Kamchatka. This constitutes a suite of projects supported by funding from GEF, UNDP, WWF and a number of other NGOs and foundations. This suite of projects is presented as a comprehensive, strategic approach to securing global biodiversity benefits on the Kamchatka peninsula. UNDP GEF is currently seeking support from its partner agencies and the GEF Secretariat for two PDF Bs under this strategic approach for the Protected Areas Strengthening project and for the Salmonid Diversity Conservation project (both Block Bs attached). Explanations of the other projects to support this programmed approach are included.

Kamchatka ranks near the top of any list of globally important nearctic and palearctic bioregions. This 1,500 kilometre-long peninsula is one of the world's most spectacular and pristine natural areas and has a total human population of under 430,000 people. The significance of Kamchatka's biological diversity is measured in terms of rare and unique species, species assemblages, and natural, uninterrupted ecosystem processes. The peninsula is home to the largest subspecies of brown bear in the world and to the rare Stellar sea eagle, the world's largest eagle. Significant populations of globally-threatened or endangered species live along the coast including northern sea lions, seals, walrus and the only population of sea otters in the Eastern Pacific. Fifty percent of the global population of Aleutian tern nest on the peninsula along with many other large seabird colonies. The peninsula's diversity is supported largely by the diversity and abundance of fish fauna in the peninsula's exceptionally unpolluted streams and coastal/marine waters contain the greatest diversity of salmon, trout, and char on earth. All seven species of Pacific salmon (an estimated one third of the Pacific population) spawn in Kamchatka rivers. These fish provide rich, seasonal food resources that directly affect the biology of both aquatic and terrestrial consumers and indirectly affect the entire food web linking the land and water together so that, in many significant aspects, Kamchatka's marine and terrestrial ecosystems are closely interwoven.

Any sustainable, long-term biodiversity conservation approach must seek to maintain and address these ecological links. Efforts to protect Kamchatka's ecosystems must include measures to ensure the continued health and diversity of salmonid fish and their freshwater and marine habitats both inside and outside existing protected areas. This in turn, should be linked to programmes for the protection of marine mammals as part of a holistic approach to the 'large marine ecosystem' concept.

The great size of the Kamchatka peninsula, combined with the complex, multi-ecosystem dependent nature of its globally significant biodiversity justifies more than one UNDP-GEF project to adequately address the incremental and sustainable baseline needs related to the long-term programme for the conservation of Kamchatka's bioresources. The proposed projects represent an integrated and closely coordinated programme of biodiversity and bioresource management. Each project has very different objectives and targets and addresses different threats using widely varying modalities thereby requiring specific interventions with specific measured outputs and achievements. The projects proposed are the result of detailed consultations and an initial public stakeholder meeting in Kamchatka.

UNDP's Commitmment to Fostering Sustainable Development on the Kamchatka Peninsula

The Kamchatka peninsula is one of UNDP-Russia's priority areas for demonstrating sustainable development approaches. After decades of a nationally subsidized local economy, the peninsula is just beginning to build its own "economic house" and UNDP's Russia programme is working with partners in Kamchatka to ensure that it is built on a sustainable, programmatic foundation.

One of the key barriers to sustainable development and the conservation of globally significant biological diversity in Kamchatka is the illegal and unsustainable utilization of biodiversity (poaching of wildlife) and the unsustainable exploitation of natural resources (timber and minerals). UNDP will strengthen the financial, institutional, and legal infrastructure in support of the sustainable development baseline by demonstrating the skills and technologies necessary to overcome existing barriers to sustainable development. Using it's own funds and leveraging funding from other relevant international donor agencies, UNDP will assist Kamchatka in promoting sustainable development by developing demonstration projects in three key programmatic areas: rural alternative livelihoods/tourism, environmental management capacities and clean energy sources.

Alternative livelihoods: Significant co-financing will be raised to support these demonstration programs in ecotourism development (fishing, wildlife watching, natural landscape viewing), reindeer herding, and selected wildlife species management for income generation.

Environmental management: UNDP will assist the regional government in developing an overall sustainable development strategic framework and the development of a more effective EIA capacity and associated monitoring and compliance structures;

Development of clean energy sources: UNDP will assist the regional government in developing policies to adopt `clean energy' approaches using geothermal and hydro power in a cost-effective and biodiversity-friendly manner. An alternative energy demonstration project will be developed in two communities near protected areas which would reduce threats to the natural mountain vegetation currently used as fuelwood.

Protected Area Strengthening Project (Block B brief attached)

The management of four protected areas (representing nearly all of the bioregions and ecosystems of the peninsula) will be developed and strengthened through a phased and carefully-monitored GEF protected-areas project. The project will ameliorate the root causes of threats to four protected areas harbouring a representative cross-section of the globally significant species assemblages and terrestrial and marine ecosystems on the peninsula. The four areas will be representative of different management approaches to different problems and threats which have arisen as a result of the collapse of the Russian `centralised' management system for protected areas. They will function as demonstration models which can be exported to other protected areas in the Russian Federation with similar problems of collapse in management. A full stakeholder's meeting in Kamchatka under the PDF A phase has already identified many of the root causes and threats and has endorsed the PDF B proposal which is attached. WWF has already agreed to provide approximately $1million in co-funding for the full project and UNDP is expected to provide between $50-100,000. Columbia University has proposed to co-fund a further $1.4 million and the Rockefeller Brothers Foundation a further $150,000, both figures to go towards community participation. other co-funders will be identified during the PDF B stage.

Salmonid Diversity Project (Block B brief attached)

Certain watersheds on the Kamchatka peninsula containing globally significant aquatic and terrestrial diversity are not included within Kamchatka's current system of protected areas. The rivers of west-central Kamchatka contain the greatest diversity of salmonid fish species on earth and these fish populations remain almost completely free of major human disturbances. Salmon and the nutrients they bring to freshwater and terrestrial ecosystems are the biological cornerstone of aquatic and terrestrial biodiversity in Kamchatka. Many aquatic and terrestrial wildlife species depend upon fish as a food resource. Research in other areas of the world supports the hypothesis that productive salmonid diversity is vital to the preservation of Kamchatka's globally significant biodiversity. An incremental initiative would 'top-up' the huge salmon fishery management baseline by assisting Kamchatka stakeholders with developing a diversity management programme for the seven salmonid species and the hundreds of genetic salmonid stocks existing in the watershed, estuarine and inshore ecosystems of the Kamchatka peninsula. This adaptive diversity management-oriented approach and the lessons learned in its development would also be applicable to addressing critical biological resource management in other regions of Russia. Following a PDF A, which included a well-represented stakeholder meeting in Kamchatka, UNDP GEF is proposing a detailed PDF B that is attached.

The Wild Salmon Center, the Pacific Environment Research Center, NOOA and the Rockefeller Brother Foundation have all expressed an intent to provide co-funding to the full project although the actual figures would need to be finalised during the PDF B stage.

North Pacific Transboundary Fisheries Stock Conservation

The North Pacific contains a number of Large Marine Ecosystems (LMEs) with extensive areas of highly productive continental shelf supporting some of the world's richest and most heavily exploited marine resources. Fishery catches have been declining over the last few years, dramatically so for some of the more commercially important species. A mixture of excessive fishing pressure, environmental components and some natural ecological variability are considered to be the causes. Continued exploitation without catch management and fleet movement control will inevitably result in a collapse among certain sectors of this fishery. This will cause distant-water fleets to place pressure on other global fisheries to meet world market demand. As commercial stocks become more depleted, greater levels of by-catch will be taken during attempts to meet market demands and greater threats will be placed on juveniles and non-commercial species. Of particular concern are the migratory and transboundary anadromous fish stocks. Adult salmonid species spend much of their life-cycle in the open water and high seas between Russia and North America where they are extremely vulnerable to over-fishing. Furthermore, large populations of marine mammals live around the coastlines and islands associated with the LMEs. Human pressure on fisheries can frequently have a detrimental effect on the welfare of globally-important marine mammal populations as their food resource shrink. This can have a 'knock-on' effect that can alter the overall status and welfare of marine ecosystems as food chains collapse and population balances shift.

A GEF intervention, currently at the PDF A stage, will set a trend for the protection of global fisheries stocks by proper management of one globally-important fishery. This would constitute a two-phased approach.

The first phase would concentrate on a detailed transboundary analysis of the problem to arrive at clearly identified policy, institutional and other activities to address the problem. The second project phase would be an implementation stage whereby recommendations and a targeted transboundary

stock management plan are put into implementation. The intended outcome of these two phases would be a viable, integrated fisheries stock management and monitoring programme for the North Pacific fishery. GEF would act to remove barriers to effective fisheries management and would assist in providing the resources to develop conceptual and technological tools for stock management and conservation.

Interested co-funders will be identified during the PDF A stage to ensure the viable development of a PDF B. NOOA, US State Department, US Fish and Wildlife and FAO have all expressed an interest in support.

Medium-Size Project To Sustain Kommandorsky Islands Zapovedniki

A recognized international priority, the Kommandorsky Islands Zapovedniki protects a prime example of the coastal-marine biological diversity of the Russian Far East. These islands support a wealth of marine mammals. Many, such as the walrus, sea otter and Steller's sea lion, are considered to be threatened or endangered. Both the UNESCO World Heritage Bureau and IUCN consider these islands to be so important to global biodiversity that they are to be nominated as a site under the World Heritage Convention. The remoteness of the area is logistically challenging, unique and deserving of the attention of one specific, focussed project. A medium-size project is currently at the PDF A stage to strengthen the zapovedniki on this island through capacity building, infrastructure support, and alternative livelihoods for local communities. The project will also assist in the preparation of a World Heritage Site nomination. This requires detailed data collection, mapping and both federal and regional endorsements. UNDP is currently negotiating with WWF and RBF to identify co-funding for the final project during the PDF A stage.