Global Environment Facility

GEF

MOHAMED T. EL-ASHRY
CHIEF EXECUTIVE OFFICER
AND CHAIRMAN

April 18, 2000

Dear Council Member:

I am writing to notify you that the World Bank, the Implementing Agency for the project entitled, *Turkey: Biodiversity and Natural Resource Management*, has submitted the proposed project document for CEO endorsement prior to final approval of the project in accordance with World Bank procedures.

Over the next four weeks, the Secretariat will be reviewing the project document to ascertain that it is consistent with the proposal included in the work program approved by the Council in March 1998, and with GEF policies and procedures. The Secretariat will also ascertain whether the proposed level of GEF financing is appropriate in light of the project's objectives.

If by May 16, 2000, I have not received requests from at least four Council Members to have the proposed project reviewed at a Council meeting because in the Member's view the project is not consistent with the Instrument or GEF policies and procedures, I will complete the Secretariat's assessment with a view to endorsing the proposed project document.

We have today posted the proposed project document on the GEF website at www.gefweb.org. If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

Mohamed T. El-Ashry
Chief Executive Officer
and Chairman

Cc: Alternates, Implementing Agencies, STAP

GEF SECRETARIAT, 1818 H STREET NW, WASHINGTON, DC 20433 USA
TELEPHONE (202) 473 3202 FAX (202) 522 3240/3245

THE WORLD BANK/IFC/M.I.G.A.

OFFICE MEMORANDUM

DATE: April 3, 2000

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

FROM: Lars Vidaeus, GEF Executive Coordinator

EXTENSION: 34188

SUBJECT: ***REPUBLIC OF TURKEY***
Biodiversity and Natural Resources Management Project (P044175 / TF023556)
Final Council Review/CEO Endorsement

1. Please find attached the Project Appraisal Document for the above-mentioned project for review by Secretariat staff, prior to circulation to Council and your final endorsement.

2. The project document is fully consistent with the objectives and scope of the proposal endorsed by Council as part of the March 1998 work program and reflects comments made during work program endorsement by GEFSEC, STAP, and Council members. In addition to developing monitoring indicators and more detailed description of project activities, issues raised have been addressed in the following manner:

3. *Financial sustainability:* The Government of Turkey (GoT) has demonstrated consistent financial commitment to both this project and the recently completed GEF-financed In-Situ Conservation of Genetic Resources Project. Total project co-financing stands at roughly $3.35 million (29%). This covers 100% of recurrent costs ($1.01m) and 22% of project investment costs ($2.34m). The Ministry of Forestry (MoF) has committed to financing all recurrent costs resulting from the proposed expansion of the protected area network which will occur during and after the project implementation. A major activity under the project will be to explore self-financing mechanisms such as the proposed "Protected Area Conservation and Promotion Foundations" for generating and retaining revenues at each of the pilot project sites and reducing pressure on Government budget.

4. *Economic analysis of alternative resource use practices:* During implementation, the project will provide technical assistance to assist local communities and the Protected Area (PA) Management Authorities to identify and develop alternative resource use practices that are consistent with PA management plans. The project will also finance feasibility studies including economic analysis, to assess the financial and ecological sustainability and impact of these alternative uses.

5. *Participation of local communities*. During project preparation, a stakeholder analysis and socio-economic assessment was undertaken (detailed in Annex 11), the results of which were used to help design and support mechanisms for national and local stakeholder participation in PA management and decision-making. A Project Advisory Committee, Biodiversity Legal and Policy Review Committee, Biodiversity Integration Committee, and working groups established by these committees will ensure intersectoral

stakeholder participation at the national level. At the local level, participatory mechanisms include PA Advisory Committees, PA Conservation and Promotion Foundations, and village-based Sustainable Resource Use Committees, which will be established and supported under the project. These mechanisms will assist local stakeholders to develop plans appropriate to their needs and resources and to ensure ownership of project activities. Project performance indicators include (a) the improvement of social indicators linked with the use of natural resources at project sites, and (b) an increase in the public support for biodiversity conservation at the national and local levels. These indicators will be monitored through periodic socio-economic and public opinion / awareness surveys.

6. *Innovative capacity building and project flexibility:* The project provides for a strategic and participatory "self-evaluation" of (a) the roles and mandates of existing institutions responsible for biodiversity conservation in Turkey, and (b) the institutional needs for effective biodiversity and natural resources management. Once this process has been completed, self-initiated institutional restructuring and/or reform will be supported through technical assistance and training, including internship/fellowship programs at the pilot sites. This participatory process will help build ownership and a greater understanding for the new management structures and roles of the relevant institutions and will ensure that these institutions that are adaptable to both short-term and long-term change. Periodic review and a mid-term evaluation of project progress with respect to monitoring indicators will ensure that the project is also responding to local needs and changing conditions.

7. *Complementarity with on-going activities:* The project puts into action recommendations of the Government endorsed National Environmental Action Plan (NEAP) and National Biodiversity Strategy and Action Plan (BSAP), both of which guided the identification and preparation of the project. Priority actions include development of an effective, decentralized and sustainable protected areas and natural resources management system. The project will build mechanisms and provide a programmatic framework within which other biodiversity programs can be coordinated, to ensure that there is no duplication of effort. An outline of complementary biodiversity-related activities currently taking place in Turkey can be found in the incremental costs analysis (Annex 4 of the PAD).

8. Please let me know if you require any additional information to complete your review of the project document prior to circulation to Council. We look forward to hearing from the Secretariat as soon as possible, so that we may prepare the 75 copies for distribution. Many thanks.

Attachments

cc: Messrs./Mmes. King, GEF PROGRAM COORDINATION (GEFSEC); Chhibber (ECC06); Zeijlon (ECCA4); Blanc, Lyle, Bernard (ECSSQ); Cleaver, Hayward, Bromhead, Shepardson, Stewart, Wuerffel, Durutan, Okan, Bomani, Maho (ECSSD); MacKinnon, Canby, Aryal, Towsey (ENV); Barlas (LEGEC); Mehta (LOAEL); ENVGC ISC, ECSSD Imaging

Document of
The World Bank

Report No: 19876-TU

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GEF GRANT

IN THE AMOUNT OF US$8.2 MILLION

TO THE

REPUBLIC OF TURKEY

FOR A

BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT PROJECT

Europe and Central Asia Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective)

Currency Unit = Turkish Lira (TRL)
535,260 TRL= US$ 1
US$ 1 = 535,260 TRL

FISCAL YEAR
January 1 December 31

ABBREVIATIONS AND ACRONYMS

AC	Advisory Council
APK	Planning and Coordination Council
ASPA	Agency for Specially Protected Areas
BCAC	Biodiversity Conservation Awareness Committee
BIC	Biodiversity Integration Committee
BLPRC	Biodiversity Legal and Policy Review Committee
BMU	Biodiversity Monitoring Unit
BSAP	Biodiversity Strategy and Action Plan
CAS	Country Assistance Strategy
CBD	Convention on Biological Diversity
COP	Convention of the Parties
DHKD	Society for the Protection of Nature
DHKV	Kayseri Foundation for the Protection of Nature
DSI	State Hydraulic Works
EC	Eco-Tourism Committee
FAO	Food and Agricultural Organization of the United Nations
FSC	Forest Stewardship Council
GC	Grazing Committee
GDAR	General Directorate of Agricultural Reform
GDF	General Directorate of Forestry
GDEP	General Directorate for Environmental Protection
GDNP	General Directorate of National Parks, Game and Wildlife
GDF	General Directorate for Forestry
GDCNEC	General Directorate of Cultural and Entities Conservation
GDP	Gross Domestic Product
GDREC	General Directorate of Afforestation and Erosion Control
GDRH	General Directorate of Roads and Highways
GDRS	General Directorate of Rural Services
GEF	Global Environment Facility
GEF STAP	GEF Scientific and Technical Advisory Panel
IBRD	International Bank for Reconstruction and Development
MARA	Ministry of Agriculture and Rural Affairs
MENR	Ministry of Energy and Natural Resources

MOC	Ministry of Culture
MOD	Ministry of Defense
MOE	Ministry of Environment
MoED	Ministry of Education
MOF	Ministry of Forestry
MOI	Ministry of Interior
MOT	Ministry of Tourism
MRS	Ministry of Reconstruction and Settlements
MTA	Institute of Mineral Exploration
NWC	Non-Wood Forest Products Committee
NEAP	National Environment Action Plan
NGO	Non-governmental Organization
OECD	Organization for Economic Cooperation and Development
ORKOY	General Directorate of Forest and Village Relations
PA	Protected Area
PAC	Project Advisory Committee
PACPF	Protected Area Conservation and Protection Foundation
PAMA	Protected Area Management Authority
PARU	Protected Area Replication Unit
PIC	Project Implementation Committee
PMR	Project Management Report
PMT	Project Management Team
OP	Operational Program
RC	Reed Committee
SGP	Small Grants Program
SRUC	Sustainable Resource Use Committe4e
SPO	State Planning Organization
STKV	Society for the Protection of Sultan Sazligi
TEMA	Turkish Foundation for Erosion Control
TKV	Turkish Development Foundation
TOR	Terms of Reference
TRT	Turkish Radio and Television
WWF	World Wide Fund for Nature

Vice President:	Johannes F. Linn
Country Manager/Director:	Ajay Chhibber
Sector Manager/Director:	Kevin M. Cleaver
Task Team Leader/Task Manager:	John Fraser Stewart

BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT PROJECT

CONTENTS

Annexes

MAP(S)

TURKEY

Biodiversity and Natural Resource Management Project

Project Appraisal Document

Europe and Central Asia Region
ECSSD

Date: February 28, 1999
Team Leader: John W. Fraser Stewart
Country Manager/Director: Ajay Chhibber
Sector Manager/Director: Kevin M. Cleaver
Project ID: P044175
Sector(s): VM - Natural Resources Management
Lending Instrument: Specific Investment Loan (SIL)
Theme(s): ENVIRONMENT
Focal Area: B - Biodiversity
Poverty Targeted Intervention: N

Project Financing Data

☐ Loan ☐ Credit ☒ Grant ☐ Guarantee ☐ Other (Specify)

For Loans/Credits/Others:
Amount (US$m): 8.2

Proposed Terms:
Grace period (years): **Years to maturity:**
Commitment fee:

Financing Plan: Source	Local	Foreign	Total
Government	0.00	0.00	0.00
IBRD			
IDA			
GLOBAL ENVIRONMENT FACILITY	5.12	3.07	8.19
GOVERNMENT OF TURKEY	3.20	0.15	3.35
Total:	8.32	3.22	11.54

Borrower/Recipient: GOVERNMENT OF TURKEY
Responsible agency: GENERAL DIRECTORATE OF NATIONAL PARKS, GAME & WILDLIFE, MOF
Local offices of the General Directorate of Forestry and the Ministry of Environment, the General Directorate of Environmental Protection
Address: Milli Parklar Av ve Yaban Hayati Genel Mudurlugu, Ataturk Orman Ciftligi, ANKARA
Contact Person: Mesut Kamiloglu
Tel: (312) 212 9265 Fax: (312) 222 5140 Email:

Estimated disbursements (Bank FY/US$M):

FY	2001	2002	2003	2004	2005	2006	
Annual	1.3	2.3	2.3	0.9	0.8	0.6	
Cumulative	1.3	3.6	5.9	6.8	7.6	8.2	

Project implementation period: 6 years
Expected effectiveness date: 08/15/2000 **Expected closing date:** 12/31/2006

A. Project Development Objective

1. Project development objective: (see Annex 1)

The objective of the project is to establish effective, intersectoral, participatory planning and sustainable management of protected areas and natural resources at four selected biodiversity conservation demonstration sites, and build capacity at the national level to facilitate replication of these activities at priority conservation sites throughout Turkey.

2. Key performance indicators: (see Annex 1)

The key performance indicators of project impact are:

(a) Reduced rate of decline of biodiversity, habitats and plant communities at project sites;

(b) No increase in adverse impacts of resource use (grazing, forest products, etc.) on biodiversity in project sites;

(c) Decrease in destruction of natural formations and cultural sites within project sites;

(d) Decrease in uncontrolled/unplanned construction within and around project sites;

(e) No increase in percentage of area degraded by tourism impacts at project sites;

(f) Increase in public support for biodiversity conservation at national and local level;

(g) Legal and regulatory framework for biodiversity conservation established, and

(h) Improvement of social indicators linked with the use of natural resources at project sites.

B. Strategic Context

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

Document number: 16992-TU **Date of latest CAS discussion:** 08/06/97

The project will implement strategic actions identified in the CAS, including: (i) strengthening the policy, regulatory and management capabilities of the Ministry of Environment (MoE), and establish a database and monitoring program; (ii) conducting public awareness campaigns and promote stakeholder participation in project preparation, implementation and enforcement; and (iii) formulating and implementing with stakeholders, a natural resource conservation strategy to address legal, policy/regulatory and public awareness issues. Preparation of this project is an environmental benchmark identified in the CAS.

1a. Global Operational strategy/Program objective addressed by the project:

The Global objective of the project is sustainable conservation of the biological diversity and ecological integrity of selected forest, wetland, steppe and alpine ecosystems that are representative of Turkey's four major biogeographic zones. These include the Black Sea and Caucasian mountain region; the Central Anatolian plateau; and the European and Mediterranean regions.

Turkey ratified the Convention on Biological Diversity (CBD) in December 1996. The project is consistent with the GEF Operational Strategy, especially the Operational Programs for Forest Ecosystems (OP3),

Mountains (OP4) and Coastal, Marine and Freshwater Ecosystems (OP2). The project will support conservation and sustainable use of biodiversity in a biodiversity-rich country through the establishment of effective protected areas and integrating conservation into local land use. Project sites fall within the Global 200 priority biodiversity sites (WWF).

The project is consistent with the Convention of the Parties (COP) guidance, as it focuses on conservation and sustainable use of critical ecosystems and threatened endemic species, and supports the active involvement of local communities as managers and beneficiaries of better forest and land management. It responds to guidance of the third meeting of the COP through promoting economic incentives and alternative livelihood opportunities for local communities through capacity building, and by integrating biodiversity issues into improved management in the forestry, agricultural and tourism sectors.

2. Main sector issues and Government strategy:

Turkey is one of the most biologically diverse countries in the temperate world. One third of the 9,000 plant species found in the country are exclusive to Turkey. Turkish flora includes many wild relatives of important domestic species (e.g., wheat, barley, chic pea, lentil, cherry, pear, apricot, chestnut, pistachio, etc.). In addition to agricultural species, the Turkish flora also includes many commercially important timber species, and medicinal, aromatic, industrial and ornamental plants. Since domestication of plants took place in the region, there are a wide variety of land races of domestic species whose genetic resources could be of immeasurable economic value for breeding crop species with specific disease resistance and other desirable characteristics. In addition, one of the three major flyways for millions of migratory birds, which move between the Western Palearctic and Africa each year, passes through Turkey. Since the country is predominantly semi-arid, Turkish wetlands are of crucial importance for many of these migrants, and also for many breeding species of water birds, including a significant proportion of the global populations of some species.

The General Directorate for National Parks Game and Wildlife (GDNP), within the Ministry of Forestry (MoF) is responsible for establishing and managing the majority of Turkey's various categories of protected areas and has a nationwide network of field based staff. MoF is also responsible for managing all forest lands. One quarter of Turkey's land area (20 million ha) is classified as forest land. MoE is responsible for regulation of environmental management across all sectors and for observing Turkey's obligations under the Convention on Biological Diversity, the Ramsar, CITES and Bern Conventions.

Major issues influencing the sustainability of natural resource use and the conservation of biodiversity in Turkey include: (i) weak capacity to implement the overall strategy for environmental management; (ii) forest resource planning and utilization systems do not adequately incorporate environmental and biodiversity conservation issues; (iii) unsustainable range and grazing resource management systems; (iv) lack of inter-sectoral coordination, particularly between conservation agencies and the Ministries responsible for regulation of tourism development, management of cultural heritage, and the use of water resources, and (v) lack of public awareness of the importance of Turkish biodiversity and the urgent need for effective conservation initiatives. The impact of these sector issues on Turkey's natural resources has been exacerbated by a high population growth rate, rapid urbanization, and intensification of agriculture.

Turkish authorities are becoming increasingly aware of the threats to sustainable resource management associated with rural development, and are taking action to address them. MoE, which was established in 1991, has developed environmental assessment procedures, and a new environmental law is being reviewed by Parliament. A National Environmental Action Plan (NEAP) has been prepared with the involvement of the Government, Municipalities, the private sector and NGO community. As part of the NEAP process,

and with GEF support, the Government also prepared a National Biodiversity Strategy and Action Plan (BSAP), which in turn guided identification of this project. In April 1999, the Government also successfully completed the pilot phase the GEF-financed In-Situ Conservation of Genetic Resources Project.

The Government is committed to incorporating environmental and biodiversity conservation issues into forest resource management. Current forest resource management plans do not adequately recognize the importance of forest biodiversity or fully address the needs of forest communities, which include 9 million of the country's poorest people, whose economic dependency on forest resources constitutes a significant threat to Turkish forest resources and biodiversity. Consequently, MoF is developing programs to involve local communities in forest management and, with the assistance of the World Bank, has undertaken a review of the forestry sector, with a view to implementing reforms that would (a) alleviate poverty among forest communities, and (b) establish sustainable forest resource planning and management systems that will recognize the value of all forest products and services, specifically including biodiversity. Reforms recommended under the Forestry Sector Review may be implemented under a proposed natural resource management project.

The Government is supporting sustainable range and grazing resource management through the World Bank supported Eastern Anatolia Watershed Project. This project is building experience in the use of a participatory approach to developing community based sustainable natural resource management in project provinces where one of the major land uses is grazing. Encouraging progress has led the Government to increase the number of provinces included in the project (including Antalya, which is where one of the GEF project demonstration sites is located). With regard to water resources, the Government is supporting widespread establishment of water users associations for operation and maintenance of irrigation systems, which should lead to more efficient water use.

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

The project will assist the Government to address the above sector issues and implement priorities identified in the National Biodiversity Conservation Strategy and Action Plan (BSAP) by reviewing the legal framework for conservation, building the capacity for protected area planning and management at the field and central levels, and raising awareness of the importance and urgency of biodiversity conservation in Turkey. This will be achieved through preparing and implementing protected area management plans at four priority conservation sites and developing mechanisms and priorities for replication of this experience to establish an effective network of protected areas throughout Turkey. The project will build some of the new skills in inter-sectoral and participatory planning and management, that will be necessary to establish effective conservation and sustainable natural resource management systems.

To assist the Government in promoting sustainable range and grazing resource management, the project will develop social mechanisms for community management of shared grazing resources, which could be expanded under the context of the Eastern Anatolian Watershed Project and the proposed natural resource management project. To support sustainable use of water resources, the project will build on positive collaboration that has been initiated between conservation organizations and State Hydraulic Works (DSI), and will demonstrate how formal mechanisms for constructive collaboration can be established and implemented for Turkey's priority freshwater wetland ecosystems.

The project will work closely with the Ministry of Tourism (MoT), Ministry of Culture (MoC), tourism associations and local tour operators to integrate biodiversity conservation into tourism development planning. The goal is to demonstrate how environmentally responsible tourism can support the objectives

of conservation at the four project demonstration sites, and how such successful partnerships could be replicated elsewhere in the country. A number of national and local NGOs, such as the Society for the Protection of Nature (DHKD), the Turkish Foundation for Erosion Control (TEMA), the Turkish Development Foundation (TKV), and the Turkish Association for Nature Conservation are actively involved in promoting public awareness of the need for environmental protection, conservation and sustainable rural development. The project will build on this experience and further strengthen the capacity of these NGOs and the Government to identify key target audiences, and develop and implement effective programs to raise awareness of the importance of the project objectives and their relationship to the strategic initiatives outlined above.

Major Sector Issue	***Strategic Choice***
Implementation of national environmental priorities	The project will implement priority actions identified in the national biodiversity strategy.
Unsustainable forest resource management	The project will demonstrate how environmental externalities, including biodiversity, can be incorporated in forest management planning systems.
Unsustainable use of grazing resources	The project will establish and demonstrate participatory mechanisms for sustainable use of shared pastoral resources by community based organizations.
Management of water resources	The project will build effective collaboration between water resources management and conservation institutions (Government and NGOs) at Sultan Sazligi and Igneada.
Impacts of uncontrolled tourism development	The project will build effective collaboration between MoT, MoC, tour operators and conservation agencies, and will demonstrate how biodiversity conservation can be incorporated in planning and management of tourism at biodiversity conservation and cultural sites.
Lack of public awareness	The project will build capacity to develop and implement targeted programs to raise awareness of the importance and opportunities for biodiversity conservation in Turkey.

C. Project Description Summary

1. Project components (see Annex 2 for a detailed description and Annex 3 for a detailed cost breakdown):

The project will establish effective participatory systems for sustainable conservation and natural resource

management at four pilot sites selected from each of Turkey's four main biogeographic zones and will build the national capacity and public support to catalyze replication of this experience to develop a nationwide network of protected areas. It will also review the legal and regulatory framework for biodiversity conservation and explore opportunities for mainstreaming biodiversity conservation in forest planning and management, local land use planning, tourism development, agricultural extension and environmental management of water systems. The project's four pilot sites include:

(a) **Caucasian mixed temperate rain forest and high alpine meadows** of Camili Forest District, Artvin Province, North East Black Sea mountains (27,000 ha., altitude 400-3,500m).

(b) **Wetland and steppe ecosystems** of Sultan Sazligi-Erciyes protected area, Kayseri, Central Anatolian Plateau (18,000 ha., altitude 1,000-3,000m).

(c) **Mediterranean forest and high alpine ecosystems** of the Taurus mountains in Koprulu Kanyon National Park, Taurus Mountains, Southern Turkey (approximately 40,000 ha., altitude 400-2,500m).

(d) **Alluvial forest with associated aquatic and coastal ecosystems** at Igneada, Kirklareli, protected and wildlife management areas of the Thracean Black Sea coast, (2,500 ha.).

Different conservation challenges will be addressed at each of the four project sites. These include the impacts of existing or encroaching mass tourism, unsustainable use of common resources and inadequate coordination of biodiversity conservation initiatives with sectoral and local land use planning. The project will address priority conservation planning and management challenges that are common to many priority biodiversity sites throughout Turkey and will provide practical experience to support effective implementation of the national biodiversity conservation strategy.

Component	Sector	Indicative Costs (US$M)	% of Total	GEF financing (US$M)	Bank-financing (US$M)	% of Bank-financing
Strengthen the National Framework for Biodiversity Conservation	Environmental Institutions	3.29	28.5	2.55	0.00	0.0
Develop Prototypes for Protected Area Management	Natural Resources Management	7.69	66.6	5.25	0.00	0.0
Project Management and Monitoring	Institutional Development	0.56	4.9	0.40	0.00	0.0
Total Project Costs		11.54	100.0	8.20	0.00	0.0
Total Financing Required		11.54	100.0	8.20	0.00	0.0

The Project includes the following three components:

Component 1: Strengthening the National Framework for Biodiversity Conservation (US$ 3.29 million) will be achieved through: (i) participatory review and development of a strategy for rationalizing the legal framework for biodiversity conservation, including removal of overlapping sectoral legislation and

policy, and adjustment of other legislation impacting on biodiversity; (ii) strengthening the institutional capacity to develop a national network of protected areas and replicate the experience of effective participatory protected area management systems developed at the four project sites. This will include assessing and developing sustainable financing mechanisms to support conservation initiatives; (iii) establishing a system to monitor the status of biodiversity and conservation initiatives throughout the country; (iv) developing and implementing a prioritized national strategy and targeted action plan for raising the awareness of key stakeholders and the general public about the importance, urgent needs and opportunities for biodiversity conservation in Turkey; and (v) demonstrating how biodiversity issues can be incorporated in the forest management planning process at three of the four project sites.

Component 2: Developing Prototypes for Effective Protected Area Management (US$ 7.69 million) will entail establishing innovative systems for conservation management at the project's four pilot sites. This will be achieved through: (i) building Protected Area Management Authority (PAMA) staff skills, developing protected area management planning systems, including exploring mechanisms for generating and retaining revenues at the sites, and providing equipment and facilities, including visitor interpretation, educational and/or community centers; (ii) preparing protected area management plans in a participatory manner and guided by baseline ecological and socio-economic surveys and biodiversity monitoring systems that the project will establish. The monitoring systems will provide periodic feedback to protected area management staff on the status of ecosystems and their biodiversity, particularly in relation to existing and anticipated threats such as tourism impacts, grazing and the use of forest or wetland resources; (iii) building local support for biodiversity conservation through a public awareness and education program targeted at key stakeholder groups; (iv) facilitating establishment of community based mechanisms, such as small grant schemes or revolving funds, to support conservation-linked development and reduce unsustainable use of shared resources such as forest and wetland products and grazing. Eligibility criteria and procedures for awarding grants/funds will be developed during the first year of project implementation, in consultation with local stakeholders, and approved by the Bank prior to disbursement of funds; (v) guiding the development of environmentally responsible tourism that emphasizes linkages between conservation and benefits for local stakeholders; and (vi) establishing collaborative mechanisms to ensure biodiversity conservation is incorporated in local sectoral and land use plans.

Component 3: Project Management and Monitoring (US$ 0.56 million) includes providing equipment and covers incremental expenses associated with implementation of the project by the Project Management Team (PMT) at the national level. PMT will oversee and support implementation of all project activities in accordance with agreed monitorable indicators. It will work closely with PAMA staff at the four sites, and with agency staff responsible for implementing project activities at the national level, and will develop and monitor work plans for all project activities on a biannual basis.

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

Key reforms supported by the project include: (i) improved collaboration among sectoral ministries to facilitate conservation objectives, including establishment of effective protected area and sustainable natural resource management; (ii) harmonization of sectoral legislation and policy that impacts on biodiversity conservation; (iii) development of a strategic approach and criteria for identification of priority conservation sites to ensure that limited financial resources can be directed to establishing a protected area system that effectively conserves viable portions of all Turkish ecosystems; (iv) development of decentralized participatory systems for preparation and implementation of protected area management plans; and (v) incorporation of biodiversity conservation in the forest management planning process.

3. Benefits and target population:

By addressing conservation planning and management issues common to many important biodiversity sites throughout Turkey and providing models for replication in priority conservation areas in other parts of the country and the region, the project will provide ecological, social, economic and institutional benefits at the global, regional, national and project site levels.

By contributing to the sustainable conservation management of biologically rich ecosystems in all four of Turkey's major biogeographic zones and developing mechanisms for strategic expansion of an effective system of protected areas throughout the country, the project will result in both national and global benefits . Additionally, the project will contribute to multi-national, regional initiatives to ensure conservation of the Caucasian region. At the national level, the project will strengthen and build the institutional and technical capacity of the public agencies that are responsible for biodiversity conservation management in Turkey. National beneficiaries include Government (MoF, MoE and MoC), NGOs and the public at large, whose awareness and appreciation of Turkey's natural assets will be increased through public awareness and education programs supported by the project.

At the project sites, the project will develop decentralized institutional arrangements and build mechanisms and capacity to assist stakeholders to develop and implement conservation and resource use management plans. Sustainable management of the sites will directly benefit poor rural communities by stimulating local economies within and around the sites through environmentally responsible income generating activities, including eco-tourism, non-wood forest products marketing, etc. Local beneficiaries will include local communities and their organizations, as well as implementing agencies, NGOs and the private sector. The project will also increase public awareness of biodiversity at the local level through local public awareness and education programs.

4. Institutional and implementation arrangements:

Implementation period: 6 years.

A Project Advisory Committee (PAC) consisting of representatives from relevant Ministries and institutions, including MoF, MoE, MoC and other relevant ministries and institutions will be established by MoF. The committee, which will meet on a biannual basis, will be responsible for providing project oversight advice, inter-ministerial coordination, and assistance in resolving issues associated with project implementation. The head of the Planning and Coordination Council of MoF will chair the PAC.

Project Management at the National Level: MoF will have overall responsibility for the project, including procurement, disbursement, maintenance of project accounts and coordination of implementation. For this purpose, MoF will establish a Project Management Team (PMT), attached to MoF's General Directorate for National Parks, Game and Wildlife (GDNP). MoF will assign full time staff members to the PMT for the duration of project implementation, including a project coordinator, a procurement officer and a financial manager. In addition to responsibility for overall management of project activities, PMT will supervise Protected Area Management Authorities (PAMAs) at the four project sites, and project activities being implemented at the national level.

Project Implementation at the National Level: Under the supervision of PMT, MoE's General Directorate for Environmental Protection (GDEP) and MoF's General Directorate for Forestry (GDF) and GDNP will be responsible for carrying out project activities at the national level. With the assistance of the project: (i) GDEP will review sectoral policy, legal, and regulatory aspects of biodiversity conservation and, in collaboration with MoF, will prepare and implement an effective public awareness strategy to build support

for key biodiversity conservation issues; (ii) GDNP will develop the capacity to catalyze development of an effective system of protected areas, and (iii) GDF will provide information management services for GDNP to establish a system to monitor the status of biodiversity and the effectiveness of the protected area network. The project will also build MoFs capacity for incorporating biodiversity concerns in forest management planning.

Project Implementation (Local Level): PAMAs will be established within MoF at each of the four project sites (Antalya/Beskonak in Manavgat County; Borcka/Camili in Borcka County; Igneada in Demirkoy County, and at Sultan Sazligi in Yesilhisar County) and will be responsible for implementing project activities at the field level. Each PAMA will include a protected area manager, an accountant, an ecologist/biodiversity specialist, a community outreach specialist and a GIS/information specialist. All PAMA staff will be assigned and paid by MoF. A team of experienced technical and management consultants will advise, train and assist PMT, GDF, GDNP, GDEP and the four PAMAs as necessary.

Financial Management and Accounting

The financial management and accounting preparedness of the project has been reviewed by the Financial Management Specialist for the project and by the country Financial Management Officer at the Turkey Country Office and has been found to be satisfactory. A detailed review of the arrangements are provided in Annex 6.

Organization Structure, Special Accounts and Accounting System

The Financial Management and Accounting function for the Project is centralized at the PMT. Project books of accounts for the PMT and the PAMAs are kept at the PMT (in parallel to the sets of accounts maintained by the PAMAs). All contracts and tender documents are issued by the PMT even though much of the preparatory work on tender documentation and contracts are undertaken by the PAMAs. The PMT is also responsible for operating the Special Account and for submitting SOEs to the Bank

The Ministry of Forestry keeps its books of accounts on a *cash basis* of accounting in accordance with internationally acceptable principles (Based on a review of the National Chart of Accounts and format of financial statements). The PMT and the PAMAs use a computerized accounting system for keeping their books of accounts and is able to generate the financial statements as per the requirements of the Government.

Audit

In Turkey, by law, books of accounts of government agencies cannot be audited by independent auditors. All World Bank projects for which the borrowers is a government agency are audited by the Treasury Auditors. Financial Statements and supporting documentation are provided to the auditors by May or June and audited reports are not available till after September. Funds have been provided for in the project for appointing independent auditors in the event that the Government allows an independent audit.

The PMT will submit unaudited financial statements for the project by three months after the close of every fiscal year and audited statements within six months after the close of every fiscal year.

Project Management Reports (PMRs) LACI

The Ministry of Forestry has selected not to use PMR based disbursement for the project during the first

year of the project. A decision on PMR based disbursement will be made after the first audited report is submitted. The main problem with PMR based disbursement would be the certification (or endorsement) of the PMRs prior to them being sent to Bank. Since independent auditors are not allowed to verify the books of accounts, the PMT would have to depend on the Treasury to perform a quarterly review of the PMRs within 30-35 days of every quarter (in order to meet the Bank's deadline of 45 days). The PMT will send the Bank PMRs on a quarterly basis from the quarter ended December 31, 2000 or earlier.

D. Project Rationale

1. Project alternatives considered and reasons for rejection:

Rationale for Project Design: The project design was prepared through a facilitated participatory process that assisted the Turkish project management team to identify and agree on existing and anticipated threats to biodiversity and their underlying causes, and then developed project components and activities to address these root causes. The project rationale, summarizing the linkages between threats, causes, desired project outcomes and project components is summarized in Attachment 2 of Annex 2.

During project identification, the National Biodiversity Steering Committee considered a short list of twelve potential project demonstration sites prior to selecting the four that are the focus of the project. Sites were selected so as to include: (a) representation of each of Turkey's four major biogeographic zones; (b) examples of the major challenges to biodiversity conservation in Turkey, and (c) biodiversity of national and global significance. In addition, the feasibility of implementing conservation management and the presence or absence of other national or international conservation initiatives was taken into consideration in selecting the location and number of sites. Experience gained at the four project demonstration sites will be replicated during the second half of project implementation, in the context of a prioritized action plan for establishment of an effective national protected area network. In this way, the project will both demonstrate and catalyze establishment of effective conservation systems in Turkey.

Without Project Scenario: While Government commitment to biodiversity conservation is indicated by the existence of a large number of protected areas, few of these are managed effectively. In the absence of priority setting for conservation and coordination among key sectors, conservation initiatives are poorly targeted and resources are spread too thinly. Importantly, implementing agencies lack the necessary new skills in participatory intersectoral planning and establishing mechanisms for sustainable shared resource and conservation management that will be essential if Turkey is to effectively safeguard its valuable biological heritage under the changing social and economic pressures. In the absence of the project, Government and NGO groups concerned with conservation would remain poorly equipped, uncoordinated and unable to effectively address short and medium term threats and the ongoing degradation of Turkish biodiversity and natural resources would continue.

Project Alternatives.

Project preparation considered and rejected the following alternatives:

Selection of alternative project demonstration sites: Two priority sites were identified by the GEF financed conservation strategy for the Black Sea, but were not included in the project. The Turkish technical committee responsible for selecting project sites concluded that conservation management would be impractical at one of these priority sites, because large scale tourism investment is too great of a threat, and not necessary at the other, which is being addressed by the Turkish NGO community. Consequently, two

alternative sites within the Black Sea basin were chosen for the project.

Adoption of prescriptive protected area management plans for project sites: During preparation, consultants developed framework management plans for all project sites. However, these plans were not preceded by adequate baseline surveys and, hence, were based on limited information about biodiversity and patterns of resource use. More importantly, the plans were developed without participation of local stakeholders living in and around the sites. Since experience in Turkey and elsewhere indicates that successful conservation management solutions must be developed through a participatory process of stakeholder involvement, management plans developed by the consultants during preparation will not be adopted at the sites but, instead, will be used as a source of background and reference material. Thorough baseline surveys of ecosystems and resource use will be undertaken during implementation, and will be used to guide the participatory development and implementation of conservation management plans.

Concession management of protected areas by the private sector: While this suggestion has merit in its potential for reducing Government costs associated with protected area management, the Government currently lacks adequate regulatory and monitoring mechanisms to ensure that biodiversity conservation concerns would not take second place to the drive for profit in areas where concessions are possible. The project will help strengthen the Government's capacity to regulate and monitor biodiversity conservation, while exploring a range of options for future financing and decentralized management of protected areas, including concession management.

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

Sector Issue	Project	Latest Supervision (PSR) Ratings (Bank-financed projects only)	
		Implementation Progress (IP)	Development Objective (DO)
Bank-financed			
	Eastern Anatolia Watershed Project (ongoing)	S	S
GEF financed	In-situ Gene Conservation (completed) Forestry Sector Review-completed (includes support from the Global Environmental Overlays Program and FAO/CP) National Environmental Action Plan - completed In-situ Gene Conservation (completed)	S	S
Other development agencies			
FAO	Protected Areas Training (completed)		

IP/DO Ratings: HS (Highly Satisfactory), S (Satisfactory), U (Unsatisfactory), HU (Highly Unsatisfactory)

3. Lessons learned and reflected in the project design:

The proposed GEF project would build on the experience of the Turkish pilot phase GEF project (In-Situ Conservation of Genetic Resources), the Eastern Anatolian Watershed Project, and other pilot phase GEF biodiversity conservation projects in the region (e.g., Belarus, Poland, Romania, Trans-Carpathians and Ukraine). These projects have clearly demonstrated the need to: (a) address socio-economic issues linking local communities with natural resource use in project design; (b) use a transparent and participatory approach to developing natural resource management plans; (c) actively support the development of productive working relationships between sector Ministries and the NGO community, and (d) mobilize Turkish NGO capacity to contribute constructively to planing and implementation of natural resource conservation and rural development programs.

The project design particularly benefits from lessons learned in Turkey from the In-Situ Conservation of Genetic Resources Project. These include (a) the need to involve key sectoral agencies in coordinating in-situ conservation initiatives, (b) the importance of establishing a core team within the implementing agency that is equipped with the necessary skills to assist implementing units with procurement and administrative matters, and (c) the importance of local community participation in the design of conservation management plans.

The principal recommendations of the GEF STAP reviewer have been incorporated into the project design and will be addressed during implementation. These include the need to: (i) build effective interagency collaboration at the national level; (ii) establish inter-sectoral collaboration at the local level through project implementation committees; (iii) develop capacity for spatial planning to safeguard conservation priorities; (iv) develop mechanism for conflict resolution that will support benefit sharing among stakeholders; and (v) strengthen the capacity of NGOs to work collaboratively with the Government in supporting conservation and the sustainable use of natural resources.

4. Indications of borrower and recipient commitment and ownership:

The Government of Turkey first expressed interest in a possible second GEF biodiversity project in mid 1994. Turkey prepared a National Biodiversity Strategy and Action Plan (BSAP) between 1995-97, ensuring the participation of numerous sectoral agencies and the NGO community. National priorities identified in the strategy preparation process guided development of the concept for this project.

With the assistance of the World Bank, MoF recently undertook a review of the forestry sector with a view to implementing reforms that would establish sustainable forest resource planning and management systems, and alleviate poverty among forest communities. An integral component of the forestry sector review is a Global Environmental Overlay, which estimates the values, costs and benefits of incorporating all forest products and services, specifically including biodiversity, within the forest management planning process. The forestry sector review recognizes the great importance of Turkish biodiversity and recommends its inclusion in forest management planning and the incorporation of appropriate economic and scientific criteria for identification and management of priority protected areas. The project provides the Government with an opportunity to demonstrate how recommendations of the sector review can be implemented with respect to biodiversity conservation. Best practices developed by the project, will subsequently be applied throughout the country, with the assistance of this project and a proposed natural resource management program, which will build on the successes of the Eastern Anatolia Watershed Management Project.

Government commitment to biodiversity conservation is also indicated by the successful completion of the GEF pilot phase In-Situ Conservation of Genetic Resources Project, and the State Planning Organization's

commitment to allocate approximately US$3.2 million equivalent from the Treasury for all recurrent and a portion of the incremental costs of this project.

5. Value added of Bank and Global support in this project:

GEF support is warranted because of the global significance of the forest, steppe and alpine ecosystems in the demonstration sites and the need for incremental financing for their long-term protection. Without GEF support, it would not be possible to develop and implement the conservation actions needed for these globally significant areas. The Bank adds value to the project through its experience in Turkey and its ability to build on experience gained in development of NEAP, BSAP, the Eastern Anatolia Watershed Management Project, ongoing sector work in the Turkish forestry sector, and biodiversity and forestry projects throughout the region. It also brings experience of GEF and Bank activities in forestry, biodiversity conservation and natural resource management throughout the region, and the potential to transfer experience from Turkey to other countries.

E. Summary Project Analysis (Detailed assessments are in the project file, see Annex 8)

1. Economic (see Annex 4):

○ Cost benefit NPV=US$ million; ERR = % (see Annex 4)
○ Cost effectiveness
● Incremental Cost
○ Other (specify)

Incremental Costs: The incremental costs of the project are calculated by first estimating baseline expenditure on the conservation and sustainable use of biodiversity at the project sites as well as at the national level, during the life of the project. Then, a GEF Alternative that would make possible activities and programs which would not be undertaken under the Baseline Scenario is developed. The difference between the cost of the baseline scenario (US$ 48.92 million) and the cost of the GEF alternative (US$ 60.46 million) is estimated at US$ 11.54 million. This represents the incremental cost of achieving global environmental benefits through establishing new protected areas, strengthening policy and legal frameworks for protected area management, developing mechanisms for conservation and sustainable use of biodiversity and natural resources in rural landscapes, and strengthening local and national capacity for conserving globally significant biodiversity. The Government has committed to mobilizing US$ 3.2 million toward the GEF alternative, covering all recurrent costs and 10% of investment costs. Consequently, the GEF grant contribution would be US$ 8.2 million.

2. Financial (see Annex 5):

NPV=US$ million; FRR = % (see Annex 4)

Fiscal Impact:

Total Government financing during the project implementation period is estimated to be US$3.2 million equivalent, covering all taxes (US$1.4 million), all recurrent costs (US$1.0 million) and 10% of incremental investment costs (US$0.9 million). Spread over 6 years, the annual fiscal impact of this contribution is negligible, representing less than 0.001 and 0.2 percent of the estimated 1999 annual Government (US$54.3 billion) and MoF budgets (US$178.9 million), respectively.

The project seeks to reduce overall pressure on the national budget. By developing the capacity and legal framework for protected areas to generate and retain revenues through mechanisms such as introducing

visitor fees and raising revenue through taxes and levies on natural resource use, the project will promote sustainable management of protected areas while reducing reliance on Government funding. Additionally, tourism and other economic activities supported by the project, will help increase Turkey's tax base due to increased spending by consumers and foreign visitors.

3. Technical:

The project will address local and national technical needs for effective protected area planning and management. At the project site level, this will include initial comprehensive surveys of ecosystems, plant and animal communities, and the population dynamics of selected threatened or indicator species and the relative dependences on resources by local stakeholders. These assessments will identify protected area conservation management priorities and guide the design of interventions that may include redirecting tourism impacts, adjusting agricultural and silvicultural practice and limiting the use of natural resources. They will also allow for selection of species and parameters that can be systematically measured, in order to provide periodic feedback on the impact of conservation interventions. In addition to monitoring biodiversity directly, the project will establish the technical capacity for monitoring and managing water quality and the impacts of forestry and agricultural practices, including grazing, on the biodiversity of project sites and adjacent production landscapes. The project will also build an information technology system and interagency network to support strategic conservation planning and management at the national and local level.

4. Institutional:

a. Executing agencies:

Within MoF, institutional capacity for project implementation at the field and national level is good. Similarly, MoE is already involved in environmental regulatory issues and public awareness activities. However, with respect to biodiversity conservation objectives, the tradition of collaboration between the two ministries has not been strong. Similarly, there has been insufficient coordination among MoFs general directorates. Since MoE has no field capacity or mandate for protected area management, MoF will take lead responsibility for the project, while MoE will assume prime responsibility for activities within its mandate. The project will build the interagency collaborative mechanisms and technical expertise needed for successful project implementation.

b. Project management:

Project management will be undertaken by PMT attached to GDNP. PMT will oversee implementation of project activities at the national and field level. National level activities will be undertaken by existing and assigned MoF and MoE staff. Competent protected area managers will be appointed by MoF at each of the four demonstration sites, and additional staff, specializing in ecology/biodiversity, community outreach and GIS/information technology, will be assigned by MoF prior to project effectiveness.

5. Social:

A social assessment was carried out by consultants and updated by the Bank during project preparation through consultation with a broad range of stakeholder groups using a number of different information gathering techniques including formal and semi-formal interviews, group discussions and workshops, rapid rural appraisal and literature review (see Annex 11). The assessment indicates that the stakeholders that will be most directly affected by the project are in general poor forest villagers with average annual incomes per household as low as US$700. In forest villages, unemployment rates are generally high, resulting in increased pressure on natural resources and high levels of out-migration. Important land use activities include forestry, agriculture, sheep and cattle grazing, reed cutting and tourism.

Key rural development issues that impact on biodiversity conservation include unemployment, unsustainable use of resources, lack of basic infrastructure and services, and access to markets and credit to support development of new income generating activities. Poor economic conditions and their implications on social welfare result in over-exploitation of resources. In some cases, local communities regard protected areas as a threat to their livelihoods since they perceive that conservation will result in loss of access to income derived from use of natural resources. Consequently, the project will support economic development that is linked with the objectives of the project. The project will establish mechanisms for community management of common resources, such as pastures, forest products and reeds; support sustainable management of agricultural and water resources; provide access to small grants for conservation linked development; employ local individuals, and engage local NGOs and small commercial enterprises in protected area management.

6. Environmental assessment: Environment Category: B

The entire project constitutes an environmental mitigation and management plan. It has been designed and will be implemented in a participatory manner, in order to have a positive environmental impact, through establishing effective systems to conserve the natural integrity and biodiversity of Turkish ecosystems in protected areas, associated landscapes and production forests. The project will, however, finance some civil works for visitor centers and other protected areas infrastructure (staff housing, entrance buildings, lookout points, boundary markers, boardwalks, car parks trails, etc.), and will support local stakeholder participation in environmentally responsible development (including tourism), which is linked with the conservation objective of the project. Since these activities could have environmental impacts, the project is rated category B. Consequently, the siting of infrastructure developments and management interventions intended to minimize and localize tourism visitation and other human impacts, will be agreed following baseline ecological surveys. Visitor centers will not be located inside the core protected areas, and their design, construction and management will be in accordance with World Bank environmental guidelines. A brief environmental review will be included in the protected area management plans, prior to investments in infrastructure, and will adhere to the Government of Turkey's environmental regulations regarding siting, construction, and implementation of the proposed infrastructure.

7. Participatory Approach (key stakeholders, how involved, and what they have influenced or may influence; if participatory approach not used, describe why not applicable):

a. Primary beneficiaries and other affected groups:

Primary beneficiaries and other affected groups include MoF, GDNP GDF, MoE and MoC; local forest, agricultural and pastoral communities, tourists and other visitors to the parks; the private sector, including tour operators, forest harvesters, marketing agents for forest products; local cooperatives; local and national environmental NGOs; hunter associations; local governments and local units of implementing agencies (See Annex 11).

Participation in project identification and preparation: Project components are based on the top priorities identified in the National Biodiversity Strategy and Action Plan (BSAP), which was prepared in a participatory manner with the involvement of key national institutions concerned with conservation in Turkey. The project concept document was developed in close collaboration with Government counterparts and NGOs. Project preparation was undertaken in consultation with major stakeholders at the local and national levels, including a broad range of NGOs. The project rationale was developed, over a seven day period in a facilitated workshop setting, by a project preparation team composed of prospective project managers from MoF, MoE, MoC and the World Bank. All project activities address root causes of biodiversity loss identified in the project rationale (see Attachment 2 of Annex 2).

Mechanisms for participation in project implementation: Since project success is reliant on the involvement, ownership and support of local and national stakeholders, the project will establish mechanisms to support their participation. Participation mechanisms are detailed in Annex 11. At the national level, these include the Project Advisory Committee (PAC), the Biodiversity Legal and Policy Review Committee (BLPRC), the Biodiversity Integration Committee (BIC), the Biodiversity Awareness Committee (BAC), and various working groups established by these committees. At the local level, participation mechanisms include the Protected Area Advisory Councils (ACs), Protected Area Conservation and Promotion Foundations (PACPFs), and village-based Sustainable Resource Use Committees (SRUCs) for grazing, reed-cutting, forest product harvesting, etc.

b. Other key stakeholders:

Other key stakeholders include academic institutions, related government agencies such as MARA, Ministry of Reconstruction and Settlements, MoT, Ministry of Education, Parliament, Treasury, State Planning Organization, as well as international NGOs, donor agencies and the media.

F. Sustainability and Risks

1. Sustainability:

The project will ensure institutional sustainability through rationalization of protected area management responsibilities and capacity building and institutional strengthening at both national and local levels (Government implementing agencies and NGOs). MoF, which is responsible for management of all national parks and forest lands in Turkey and has an extensive network of field based staff, will take lead responsibility for project implementation at the field level. The project will strengthen the existing collaboration between MoF and other concerned Government agencies, and will build new partnerships with NGO and stakeholder organizations to improve the efficiency and sustainability of project activities.

The participatory approach used in design and preparation, helped build local buy-in to the project. Continued involvement of local communities and other key stakeholders during project implementation will be ensured through a variety of mechanisms that will provide opportunities for stakeholders to participate in decision making, capacity building, awareness raising, and income generation. These participatory mechanisms will help foster local ownership of project activities and contribute to the project's social sustainability.

With regards to financial sustainability: Government demonstrated consistent financial commitment to implementation of the GEF In-Situ Conservation of Genetic Resources Project and recognizes that an effective system of protected areas is an essential element of biodiversity conservation. Consequently, Government has committed to funding all recurrent costs of the project as well as 10% or US0.9 million of the project's after-tax investment costs. The Government is also committed to expanding the protected area network during and after completion of the project. The recurrent costs of this expansion will be borne primarily by MoF. The project will explore mechanisms for generating and retaining revenues at the project sites for biodiversity conservation and protected area management. This will not only contribute to the financial sustainability of conservation initiatives at the sites, but will reduce pressure on MoF budget.

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

Risk	Risk Rating	Risk Minimization Measure
From Outputs to Objective		

Proposed changes in sectoral policy, legislation, regulations are not adopted	M	The project will review sectoral policies and legislation in a participatory manner with the involvement of all concerned agencies in order to build consensus at the technical level. The project will also implement a public awareness program targeting key policy makers responsible for adoption of recommended adjustments to the legal framework.
Inadequate capacity to enforce conservation management plan regulations at project sites.	M	Development of regulations with the full participation of key local stakeholders, establishment of community based resolution of resource use conflicts, together with targeted public awareness programs emphasizing the rationale and benefits of conservation interventions will limit the need for enforcement.
Benefits of conservation linked income generating activities do not motivate stakeholders to use resources sustainably.	M	Project support for income generating activities will target resource users engaged in unsustainable activities and, wherever possible, the project will establish community based regulation of resource use.
From Components to Outputs		
MoF is not able to attract and retain qualified staff at project sites.	M	The project will provide training in new skills and new career opportunities for MoF staff. The project will also develop mechanisms for establishing and managing new protected areas by other stakeholder groups.
Military Authority limits access to Camili military zone for project activities	N	MoF will obtain agreement from the Ministry of Defense for access to Camili for project activities.
Overall Risk Rating	M	

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

3. Possible Controversial Aspects:

No major controversial issues are foreseen regarding implementation of the project. Controversial issues that are beyond the control of the project, but which may impact project sites and other priority conservation sites in Turkey, include possible conflict between conservation needs and the self interests of influential developers intent on construction of private housing and conservation-incompatible infrastructure in protected areas. The project's review of sectoral policies and legislation, its establishment of inter-sectoral collaborative mechanisms, and the strategic design and implementation of the national public awareness program will help to contain such potential controversy by strengthening the legal framework and emphasizing the national/public benefits of biodiversity conservation.

G. Main Grant Conditions

1. Effectiveness Condition

A financial management system, satisfactory to the Bank, shall have been established

Hierarchy of Objectives	Key Performance Indicators	Monitoring & Evaluation	Critical Assumptions
Output from each component: <u>Strengthen National Framework for Biodiversity Conservation:</u> 1. National legal and regulatory framework for biodiversity conservation established 2. Effective management and monitoring system established for sustainable and participatory biodiversity conservation 3. Biodiversity concerns incorporated into forest management planning 4. Strategic, targeted national public awareness program to build support for biodiversity implemented 5. Strengthened institutional capacity to develop a national network of conservation management and protected areas	**Output Indicators:** Overlapping or contradictory laws, regulation and policies for biodiversity conservation identified and proposals for rationalization presented to sectoral Ministries and Parliament Biodiversity management information and monitoring system established Prototype effective, decentralized, participatory management systems replicated at four priority conservation sites NGOs involved in identifying, developing and managing Protected Areas Three prototype forest management plans completed which incorporate biodiversity concerns Strategy developed for mainstreaming biodiversity and socio-economic concerns into Forest Management Plans Strategy for building public awareness completed and implemented Programs for raising awareness of biodiversity issues through formal and in-service education presented to the Ministry of National Education Mechanisms established for sharing knowledge and information on biodiversity conservation in public domain	**Project reports:** Parliament agenda, Ministerial orders, etc. Prioritized list of future PAs Monitoring and evaluation reports Forest Management Plans for three pilot sites National level public awareness strategy Education strategy and curriculum Internet web pages (MoF and MoE) Baseline and periodic surveys of public support/interest in biodiversity conservation	**(from Outputs to Objective)** Proposed changes in sectoral policy, legislation and regulations are adopted Government allocates sufficient budgetary resources to support replication of protected area prototypes

Establish Prototypes for Protected Area (PA) Management: 1. Systems established for sustainable, participatory planning and management of biodiversity conservation at four PAs 2. Mechanisms established for sustainable natural resource management in and around PAs. 3. Environmentally responsible tourism linked with conservation management objective developed at PAs 4. Program established to build Public Awareness in and around PA 5. Biodiversity is integrated into local land use plans	PA management plans developed and implemented Revenues from PA activities and natural resource use retained to cover a portion of the cost of conservation management All rights to land/resources and land ownership within PAs have been clarified Land use plans for areas adjacent to the PAs reflect biodiversity concerns Increased awareness and local support for biodiversity conservation in and around PAs	PA management plans Minutes of regular stakeholder meetings Protected Area project progress reports Supervision reports Biodiversity monitoring plans Protected Area Conservation and Promotion Foundation budget reports Cadastre Land-use plans Public awareness strategy and action plan for each site	Adequate capacity to enforce conservation management plan regulations at the project sites Cooperation among relevant local agencies Benefits of conservation-linked income generating activities motivate stakeholders to use resources sustainably
Project Components / Sub-components: National Framework for Biodiversity Conservation: 1. Legal and regulatory framework 2. Biodiversity conservation planning and management 3. Biodiversity information and monitoring system 4. Forest management planning	**Inputs: (budget for each component)**	**Project reports:** Progress reports Disbursement reports Bank supervision reports Quarterly Project Management Reports (PMRs) Procurement documents/contracts	**(from Components to Outputs)** Adequate inter-sectoral collaboration in support of conservation objectives Ministry able to attract and retain qualified staff at project sites Stakeholders willing to work with the Government Military allows access to military zone (in Camili) for project activities

5. National public awareness program <u>Prototypes for Protected Area Management:</u> 1. PA management 2. Sustainable natural resource management 3. Environmentally responsible tourism 4. Local public awareness program 5. Integrate biodiversity into local land use plans			

Annex 2: Project Description

TURKEY: Biodiversity and Natural Resource Management Project

Background:

Turkey has 75% of the 12,000 plant species that occur in Europe. One third of this flora occurs only in Turkey. Turkish flora includes many wild relatives of important domestic species (e.g., wheat, barley, chic pea, lentil, cherry, pear, apricot, chestnut, pistachio, etc.). In addition to agricultural species, the Turkish flora also includes many commercially important timber species, and medicinal, aromatic, industrial and ornamental plants. Since domestication of plants first took place in the region, there are a wide variety of land races of domestic species, whose genetic resources could be of immeasurable economic value. In addition, one of the three major flyways for millions of migratory birds, which move between the Western Palearctic and Africa each year, passes through Turkey. Since the country is predominantly semi-arid, Turkish wetlands are of crucial importance for many of these migrants, and also for many breeding species of water birds, including a significant proportion of the global populations of some species.

Turkish authorities are becoming increasingly aware of both the importance of indigenous biodiversity and the significant threats to its sustainable management, which include a variety of unsustainable land and natural resource practices that are impacting all Turkish ecosystems. In response, a National Environmental Action Plan (NEAP) has been prepared with the involvement of the Government, Municipalities, the private sector, and the NGO community. As part of this exercise, and with the support of GEF, a National Biodiversity Strategy and Action Plan (BSAP), which identifies the nation's priority conservation issues, has been prepared. In addition, with the assistance of the World Bank, the Ministry Forestry (MoF) has recently undertaken a review of the Turkish forestry sector (approximately one quarter of the country's land area) and has developed recommendations to bring about sustainable management of all forest products and services, specifically including biodiversity.

This project will address urgent priority actions identified in BSAP and the Forestry Sector Review through establishing effective, decentralized and sustainable protected area and natural resource management at four of the country's most important biodiversity sites, and will build the capacity to identify and replicate this experience at priority sites throughout the country.

The four project sites were chosen by the National Biodiversity Steering Committee which was formed in 1995 to oversee preparation of the National Biodiversity Strategy and Action Plan (BSAP), and is composed of representatives from the Ministries of Agriculture and Rural Affairs (MARA), Culture (MoC), Environment (MoE), and Forestry (MoF); the State Hydraulic Works (DSI), the Agency for Specially Protected Areas (ASPA), and an NGO, the Society for Protection of Nature in Turkey (DHKD). Sites were selected because of their international significance, and their representation of each of the country's four major biogeographic zones.

The sites also include examples of the different conservation challenges that are common to many priority biodiversity sites throughout Turkey. These include the impacts of existing or encroaching mass tourism, unsustainable use of common resources, and inadequate coordination for biodiversity conservation with sectoral and local land use planning. The biodiversity and demonstration value envisaged for each of the four sites is as follows:

(a) **Caucasian mixed temperate rain forest and high alpine meadows** of Camili Forest District, Artvin Province, North East Black Sea mountains (27,000 ha., altitude 400-3,500m). The Camili

Forest District protected area is a forested highland river basin. Poor access to facilities has led to natural out-migration and gradual depopulation that, to date, has prevented degradation of the area by uncontrolled tourism development and resource use. However, in the absence of conservation planning and management, these common causes of degradation are likely to impact the area. Camili provides a rare opportunity to establish conservation imperatives and participatory management mechanisms of an important area before significant biodiversity loss has occurred. It is likely that eco-tourism based on experiencing the areas existing character and features, will provide the strongest link between conservation and economic benefits for local stakeholders, whether or not they remain resident in the Camili basin.

(b) **Wetland and steppe ecosystems** of Sultan Sazligi-Erciyes protected area, Kayseri, Central Anatolian Plateau (18,000 ha., altitude 1,000-3,000m). The Sultan Sazligi-Erciyes protected area is an important wetland impacted by disruption of the hydrological regime and water pollution from industry and agriculture. Responsibility for conservation of the site falls under the overlapping mandates of several different ministries. Sultan Sazligi provides an excellent opportunity to demonstrate how agricultural practice, the activities of the State Hydraulic Works (DSI), and enforcement of environmental regulations by MoE, can be coordinated to conserve wetland biodiversity in Turkey.

(c) **Mediterranean forest and high alpine ecosystems** of the Taurus mountains in Koprulu Kanyon National Park, Taurus Mountains, Southern Turkey (approximately 40,000 ha., altitude 400-2,500m). The Koprulu Kanyon is a National Park that has primarily been used by a large number of visitors as a source of recreational facilities (river rafting, scenic picnic areas and cultural sites). Poorly regulated tourism related developments have proceeded in the absence of a conservation management plan. In addition, grazing by poor local residents and semi-nomadic pastoralists is resulting in further degradation of natural resources. The site provides an opportunity to demonstrate how the environmental impacts of mass tourism can be mitigated and managed while providing revenues for conservation and benefits for poor local stakeholders that are linked with conservation.

(d) **Alluvial forest with associated aquatic and coastal ecosystems** at Igneada, Kirklareli, protected and wildlife management areas of the Thracean Black Sea coast, (2,500 ha.). The Alluvial forests are scarce throughout their former range because the value of the timber species growing in them, and the fertility of the agricultural land that is produced by clearing them, are high. The proximity of this aquatic (freshwater) forest to littoral (sand dune) and marine ecosystems provides an opportunity for ecological interpretation and facilities for formal and informal education and public awareness about the value of this rare, remnant ecosystem complex.

A summary description of the four sites together with the threats to their biodiversity is in attachment 1. A summary of the rationale for project design is in attachment 2.

The project will include the following three major components:

- One: Strengthening the national framework for biodiversity conservation;
- Two: Developing prototypes for effective protected area management;
- Three: Project management and monitoring.

Detailed description of these components follows below.

By Component:

Project Component 1 - US$3.29 million

Strengthening the National Framework for Biodiversity Conservation will be achieved through: (a) participatory review and development of a strategy for rationalization of the legal framework for biodiversity conservation, including overlapping sectoral legislation and policy, and other legislation impacting biodiversity; (b) strengthening the institutional capacity to develop a national network of protected areas by catalyzing replication of effective participatory protected area management systems at Turkey's priority biodiversity sites
This will include assessing and developing sustainable financing mechanisms to support conservation initiatives; (c) establishing a system to monitor the status of biodiversity and conservation initiatives throughout the country; (d) development and implementation of a prioritized national strategy and targeted action plan for raising the awareness of key stakeholders and the general public about the importance of, and opportunities for, biodiversity conservation in Turkey, and (e) demonstrating how biodiversity conservation can be mainstreamed in the forest management planning process at three of the four project sites.

A. Preparing a strategy for rationalization of the legal framework for biodiversity conservation, will be led by MoE which will establish and chair a Biodiversity Legal and Policy Review Committee (BLPRC). Preparation of the strategy will entail the following steps:

(a) review of all existing sectoral policies and legislation that have implications for biodiversity conservation, in order to identify: (i) overlaps in sectoral legislation and policy, and (ii) legislation or policy that impacts negatively on biodiversity;

(b) development of a detailed implementation plan to rationalize and improve the legal framework; and

(c) preparation of proposed amendments to sectoral policy, legislation and regulations.

All steps will be undertaken through a phased and publicized participatory process entailing workshops, review of draft working papers by BLPRC and key stakeholders, press releases, and distribution of recommendations to the relevant ministries.

B. Strengthening the institutional capacity to develop a national network of protected areas will focus on providing strategic guidance to and developing the skills of a core team of professional staff of the Protected Area Replication Unit (PARU) within MoF's General Directorate of National Parks (GDNP). Staff from MoF's General Directorate of Forests (GDF), MoE's General Directorate for Environmental Protection (GDEP) and MoC will also participate in PARU, whose primary function will be to catalyze replication of effective participatory protected area management systems at Turkey's priority biodiversity sites.

Participatory institutional needs assessment, development and implementation of training programs and work plans will be undertaken soon after project effectiveness. The institutional review will also undertake a financial needs assessment and will review options available for establishing sustainable financing mechanisms to support conservation initiatives, including protected area management. Staff training will include participation in project site field work (at least 2 weeks each year for each PARU staff member at each of the project's four pilot sites), experience exchange with protected area managers in other countries, short study tours and in-service training provided by national and international experts and national institutions. In addition, the project will equip PARU with vehicles, office equipment, information

technology and relevant GIS/information technology and training.

Review of the existing system, classification and coverage of protected areas will be undertaken with the assistance of GIS/information technology services provided, under the project, by GDF. This will lead to development of a strategically prioritized list of target sites and an action plan for replication of effective protected area management systems throughout Turkey. The project will develop tools for replication, which will include guidelines and a reference manual of techniques and resources (knowledge, human and financial) to assist in participatory establishment of effective protected areas, together with a knowledge sharing network, including a web page with links to relevant international databases and the national and local public awareness programs.

Catalyzing establishment of protected areas at priority sites will commence in the second year of project implementation and will entail rapid field assessments to identify key issues and consult with major stakeholders, followed by supervision of NGO or other relevant agency participation in baseline assessments (biodiversity, social, institutional), establishment of management objectives, and participatory preparation and implementation of conservation and sustainable resource use management plans. An integral feature of the strategy for establishing conservation management at new priority sites will include provision of training for key stakeholders including local community representatives, administrators, farmers and the private sector.

C. Establishing a system to monitor the status of biodiversity and the effectiveness of conservation initiatives throughout the country (particularly protected area management) will be undertaken by a Biodiversity Monitoring Unit (BMU) within GDF in close collaboration with GDNP and MoE.

At the national level, the project will provide equipment, training and specialist services needed to develop and implement a strategic plan to: (a) identify the location of conservation priorities throughout the country (gap analysis), (b) design a GIS based database to provide information to support biodiversity conservation initiatives and public awareness programs, and (c) develop an information management system to monitor the expansion and management of an effective protected area network and its coverage of national conservation priorities.

Information technology/GIS support for protected area management: BMU will prepare and provide maps of the four project sites for use by protected area managers. The project will provide local protected area managers with training and equipment to facilitate update of site maps with layers of additional information derived from baseline surveys and periodic monitoring. Site maps will be developed with the use of new aerial photography, which will be updated after a three year period. BMU will assist protected area managers with data analysis and design of site level biodiversity databases and monitoring systems.

D. Preparing and implementing a national public awareness program to build support for biodiversity conservation will be undertaken by MoE, in collaboration with MoF, with the assistance of market survey and promotional skills derived from the commercial advertising industry. It will entail preparation and implementation of a national strategy and targeted action plan for delivering specific information to key stakeholders and the general public, about the importance of, and opportunities for biodiversity conservation in Turkey. The national public awareness program will be networked and developed in coordination with protected area level public awareness initiatives.

Preparation of the national public awareness program will entail establishment of a Biodiversity Awareness Committee to: (a) **review**: (i) the status, trends and historical context of Turkish ecosystems and their management (specifically including the protected area network); together with their ecological, economic

and cultural significance; (ii) the existing and potential impacts and influence of key stakeholder groups on Turkish natural resource management and biodiversity. Stakeholder groups will include: urban and rural residents, local and national Government (including key policy makers), private sector interests, NGOs and advocacy groups, media, the academic community, the general public, and the international conservation and donor communities; and (b) **identify and prioritize**: (i) key constraints to conservation and sustainable management of biodiversity resources caused by lack of awareness on the part of identified stakeholder groups; (ii) the information needs for each identified group; and (iii) cost effective delivery mechanisms to address these information needs.

Implementation of the national public awareness program will be undertaken through a variety of delivery mechanisms including mass media, formal and informal education, networking, and the development of linkages with related conservation initiatives in Turkey and elsewhere through establishment and maintenance of an interactive WEB page. In addition, the public awareness strategy will identify financially sustainable options, such as private sector development of publications, eco-tourism, and the use of eco- labeling in marketing products that are linked to conservation needs and opportunities.

Strategic NGO participation in implementing the public awareness strategy will encourage following: (a) an assessment of the mandates, effectiveness and capacity of NGOs involved in conservation, and (b) identification of priority areas for strategic focus and capacity building. The project would, subsequently, support preparation, by an NGO forum, of a strategic action plan, guidelines and training for capacity building, to assist the NGO community to develop specific public awareness raising skills and targeted work plans, to most effectively support the national conservation initiative.

Protected area public awareness programs will be developed and implemented by each PAMA but will provide input to, and derive support from, the national public awareness program.

E. Demonstrating how biodiversity issues can be incorporated in the forest management planning process, will be undertaken under the supervision of an MoF Biodiversity Integration Committee composed of all MoF general directorates, the MoF planning office, MoE, and the Chamber of Forest Engineers. The committee will develop ToRs and supervise a consultant team, which will review forest management planning regulations and prepare a draft proposal outlining the steps to be taken to integrate biodiversity conservation into forest management planning, both: (a) on a national level, and (b) at selected demonstration sites. The findings and recommendations of the study will be subject to participatory review by a broad range of forestry sector stakeholders, leading to development of prioritized, phased strategy for incorporating biodiversity in forest management plans nationally. Selection of priorities will be based on analysis derived from of the biodiversity "gap analysis" review and monitoring system established within GDF.

Pilot multi-functional forest planning management teams will be established and trained with the specific objective of mainstreaming biodiversity conservation in forest management planning. The teams will include expertise in forest biodiversity, forest ecology, socio-economics, forestry and silviculture. Training will include exposure to multi-functional forest planning and Forest Stuardship Council (FSC) certified forest management in other countries, together with in-service training in Turkey. The teams will update forest management plans, incorporating biodiversity and social concerns, at project sites and will develop and disseminate guidelines for biodiversity friendly multi-functional forest management planning to other planning teams and forest district chiefs.

Project Component 2 - US$7.69 million

Developing Prototypes for Effective Protected Area Management will establish innovative systems for conservation management at the project's four pilot sites. This component will focus on building skills of PAMA staff, within MoF, developing protected area management planning systems, and providing equipment and facilities, including visitor interpretation, educational and/or community centers. Baseline ecological and socio-economic surveys will be undertaken and a biodiversity monitoring system will be established to provide periodic feedback on the status of ecosystems and their biodiversity, particularly in relation to existing and anticipated threats such as tourism impacts, grazing and the use of forest or wetland resources. The project will build local support for biodiversity conservation through a public awareness and education program targeted at key stakeholder groups. In particular, the project will facilitate establishment of social systems to support conservation-linked development and mechanisms to reduce unsustainable use of shared resources, such as forest and wetland products and grazing. It will also support environmentally responsible tourism that focuses on establishing linkages between conservation and benefits for local stakeholders. Additionally, it will establish collaborative mechanisms to ensure biodiversity conservation is incorporated in local sectoral and land use plans.

A. Establish Systems for Participatory Planning and Management of Four Protected Areas

(i) Establishing Protected Area Management Authorities (PAMAs) will follow institutional and training needs assessment and will entail building PAMA staff skills, and providing field equipment and constructing facilities, including visitor interpretation, educational and/or community centers. Training will include study tours, in service training and exchange programs, and will focus on developing core skills including protected area planning and management, ecological and socio-economic survey and monitoring, participatory techniques and small scale business development.

(ii) Participatory preparation of protected area management plans will be undertaken in consultation with concerned stakeholders following baseline ecological and socio-economic surveys to identify the distribution of biodiversity rich or sensitive areas, together with options to mitigate threats. Protected area management plans will be continually updated as targets are reached and in accordance with developing management needs and conservation priorities of the site. The project will provide GIS/Information technology to assist in developing, updating and monitoring protected area management plans. In close collaboration with BMU, PAMAs will build GIS databases of biodiversity and information relevant for conservation management needs of the site, and will update site maps as new information becomes available.

(iii) Biodiversity and project impact monitoring systems will be developed by PAMAs to assess the effectiveness of project implementation and impact. Biodiversity monitoring will focus on measurement of selected ecological or species indicators to provide periodic cost-effective feedback on the status of ecosystems and their biodiversity, particularly in relation to existing and anticipated threats such as tourism impacts, grazing and the use of forest or wetland resources, and the impacts of management interventions, including public awareness. In addition, the project will directly monitor stakeholder activities and critical social indicators in order to (a) monitor natural resource use within the project area; (b) measure its impact on biodiversity, the natural ecosystem and livelihoods; and (c) better understand the links between poverty, natural resource use and other potential project outcomes such as increased sharing of revenues from the tourism industry.

B. Establish Mechanisms for Sustainable Natural Resource Management

(i) Sustainable natural resource management: With the assistance of international and national expertise, PAMAs will develop and apply the new skills needed to: (a) facilitate establishment of social

mechanisms to reduce unsustainable use of shared resources, such as forest and wetland products and grazing, and (b) foster establishment of conservation-linked development based on sustainable resource use and tourism. This will entail participatory assessment of existing resource use and the relative economic dependencies of stakeholder groups, review of resource management and market potential, followed by participatory development and operation of stakeholder managed systems for sustainable management of shared resources. Establishment of sustainable shared resource management systems will be supported through provision of training and guidance in business development and marketing, and establishing micro-financing mechanisms for sustainable resource use, including small grants programs and community funds. Institutional arrangements and procedures, eligibility criteria and systems for establishing, supervising and monitoring small grants programs and community funds will be developed in close consultation with stakeholders by the second year of project implementation.

(ii) Environmentally responsible tourism, which establishes clear linkages between conservation and benefits for local stakeholders will be supported under the project. Target activities will include provision of village accommodation for visitors, training local guides, establishment of tourism oriented cottage industries and marketing, and capacity building in existing local tourism cooperatives or enterprises. This will be achieved following assessment of tourism and market potentials, through establishing community tourism associations, provision of training and strategic planning for tourism development and marketing, design and preparation of promotional materials, internet marketing, and establishing financing mechanisms (including small grants programs and community funds) to assist new entrepreneurs in overcoming incremental investment costs.

(iii) Integrating biodiversity conservation into local land use plans will be facilitated through involvement of key sectoral ministries (e.g., MARA, Ministry of Tourism, MoC, Ministry of Construction and Settlements) and local stakeholders (e.g. farmers associations, tour operators, local industry, etc.) in protected area working groups, which will meet periodically to review protected area plans and identify mechanisms to resolve issues of mutual concern. In addition, selected PAMAs will conduct specific sectoral studies and establish action programs aimed at mainstreaming biodiversity concerns beyond protected area boundaries. These include: (a) Update of forest management plans to incorporate biodiversity and social issues at project sites that occur in forest lands); (b) assessment of the environmental implications of existing agricultural practices at sites where their impact on conservation management is likely to be significant, and development and implementation of an extension program aimed at mitigating impacts on biodiversity; (c) development of a model biodiversity friendly management plan for cultural heritage sites for one of the project sites; (d) development of environmentally responsible tourism plans by three PAMAs with the participation of local government agencies and tour operators, and (e) monitoring and regulation of industrial pollution and the impacts of water management on biodiversity in the project's wetland protected area by MoE.

C. Establish Public Awareness Programs for Parks will be undertaken by PAMAs through awareness raising and education programs targeted at key local stakeholder groups. Protected area publicity campaigns will be integrated with the national public awareness program. While visitor centers will provide interpretation of ecosystem functions and other important features of the sites to visitors, public awareness programs will be designed to enhance the impact of this experience and carry understanding of key ecological and conservation issues to a wider audience. Protected area public awareness programs will target local schools, communities and other stakeholder groups that are of particular significance to each conservation area. Activities will include provision of regular press and media releases and newsletters, annual meetings of concerned NGOs and other groups, development of educational packages for primary schools, park volunteer programs, internships, award programs targeting local communities.

Project Component 3 - US$ 0.56 million

Project Management and Monitoring at the national level will be undertaken by the Project Management Team (PMT). The project will provide equipment and training, and cover incremental expenses associated with project management at the national level. PMT will oversee and support implementation of all project activities in accordance with agreed monitorable indicators. It will work closely with PAMA staff at the four sites and with the agencies responsible for implementing project activities at the national level, and will develop and monitor work plans for all project activities on a biannual basis.

Attachment 1

Protected Area Demonstration Site Descriptions

Name	Area	Biological Features	Local Economy	Threats	Project Opportunities
Camili Forest District	Artvin Province, North East Black Sea mountains (adjacent to Georgian border) 27,000 ha. Altitude 400-3,500m	**Caucasian mixed temperate rain forest and high alpine meadows.** Some of the region's last pristine and natural mixed forest, dominated by oriental beech (*Fagus orientalis*), oriental spruce (*Picea orientalis*), Caucasian lime (*Tilia rubra*), Crimean fir (*Abies nordmanniana*), Alder (*Alnus glutinosa*), chestnut (*Castanea sativa*), walnut (*Juglans regia*), hornbeam (*Carpinus betulus*), and oak (*Quercus pontica and petraea*). The understory of this unique forest system is predominantly rhododendron (*Rhododendron caucasicum, ponticum, ungernii, smirnowii* and *luteum*)	Population in six villages is approximately 1300. Currently based on traditional sustainable subsistence agriculture, and the production of honey (from lime and chestnut blossom) and livestock products for barter and sale. Due to its remote location and proximity to the international border, Camili is the only forest district in the North Eastern Black Sea Mountains that has not yet been logged or developed for tourism.	District currently has no protection status. Biodiversity and ecological integrity of this important site is imminently threatened by current plans to: harvest timber, construct roads and fish farms, and encourage tourism.	Opportunity to introduce sustainable forest resource management, tourism and rural development plans before irreversible damage from logging and inappropriate forms of tourism occurs. Little exploitation of forest resources has occurred due to the area's proximity to the former Soviet Union and resulting designation as a military exclusion zone.

Sultan Sazligi-Erciyes protected area	Kayseri, Central Anatolian Plateau 18,000 ha. Altitude 1,000-3,000m	**Wetland and steppe ecosystems.** Listed as a Ramsar site and also falls under several overlapping categories of protection status, due to its diversity of ecosystems, which include salt steppe, freshwater meadows, and saline and freshwater lakes and pools. Of the 365 taxa of flora present, approximately 25 species are endemic. As many as 50,000 greater flamingoes and a wide variety of other migratory water bird species rely on the food resources, provided by the area's wetland ecosystems, during autumn and spring migrations.	Major sources of income for the six villages and two towns (approximate population 9,500) that surround the wetlands, include agriculture, livestock production and reed harvesting (150 tones per annum).	Diversion of rivers feeding the wetlands for irrigation, and discharge of irrigation drainage water into the wetlands, have interfered with the hydrological cycle and caused loss of some natural habitat.	Opportunity to build on and strengthen constructive relations established between the State Hydraulic Works (DSI) and the conservation community and to demonstrate collaborative mechanisms that support conservation management of Turkey's wetlands, involving all key Government agencies working with NGOs and local community resource users.

Koprulu Kanyon National Park	Taurus Mountains, Southern Turkey Approximately 40,000 ha. Altitude 400-2,500m	**Mediterranean forest and high alpine ecosystems.** Probably the largest remaining pristine cyprus forest in the world (approximately 300 ha of *Cupressus sempervirens*), 350 plant species (including 43 endemics), and most elements of the Mediterranean Maquis community (e.g., *Arbutus andrachnea*, *Olea europea*, *Cistus spp.*, *Laurus nobilis*, *Pistacea lentiscus* and *terbinthus*, *Myrtus communis*, *Quercus spp*. and *infectoria*, *Styrax officinalis*, etc.). **Cultural Features –** The site has features of significant international cultural heritage including the ruins of the ancient (400 BC) city of Selge, and a spectacular Greco-Roman theater. Several Roman single arch bridges, from which the National Park derives its name, span the narrow central gorge.	The park and environs include 18 villages (approximate population 25,000). Rural populations living above the tree line, currently employ traditional agricultural systems to cultivate locally adapted landraces of wheat and barley, and also derive income from harvesting pine resin, livestock production and tourism.	Inappropriate tourism developments. Increased visitor impact. Unsustainable use of natural resources, including: tree cutting, grazing of forest areas by goats, and uncontrolled hunting.	In addition to conserving biodiversity of international significance, this site provides an opportunity to demonstrate how multi-use planning could be applied to a typical existing Turkish protected area, whose current management focus is the provision of recreational facilities for urban dwellers to the detriment of conservation objectives.

Igneada	Kirklareli, protected and wildlife management areas of the Thracean Black Sea coast 2,500 ha.	**Alluvial forest with associated aquatic and coastal ecosystems.** Dominated by ash (*Fraxinus spp*.), elm (*Ulmus spp*.), beam (*Carpinus spp*.) and oak (*Quercus spp*.). Largely pristine forest, includes approximately 200 ha of pristine pure stands of ash forest (*Fraxinus excelsior*). Includes several permanent mesotrophic wetlands, and is separated from the marine environment of the Black Sea by a narrow border of sand dune ecosystems. Important winter sanctuary for migratory water birds, and a bottleneck for many bird species (including tens of thousands of raptors) that move along the Bosphorus flyway between the Western Palearctic and Africa.	Seasonally grazing of cattle by a small number of subsistence families in floodplains area, which is surrounded by production beech forest that is managed by the local forest authority for timber production. Residents are beginning to recognize opportunities for the development of beach tourism.	Three different categories of protection status apply to separate portions of the forest, and yet the natural integrity of the site is threatened by: inappropriate forest management practices, habitat conversion for land development, uncontrolled hunting, and growth of tourism, particularly in the coastal zone.	Conservation of unique Turkish alluvial forest will be undertaken through implementation of resource management plans which promote sustainable use of forest resources, including game and wildlife, grazing, non-wood and other products, and tourism regulation.

Attachment

Project Rationale*

Symptoms for Concern	**Underlying Reasons and Causes**	**Desired Changes in the Status of Biodiversity Conservation**	**Desired Intervention**
Weak legal regulatory and institutional framework for biodiversity conservation	**Lack of political commitment to biodiversity conservation**	**Legislation, regulations and policies reviewed and revised; effective management of biodiversity conservation; public support**	**Strengthen the National Framework for Biodiversity Conservation**
1. Laws and regulations do not adequately address or adversely impact biodiversity concerns 2. Contradicting laws regarding biodiversity 3. Legislation does not conform to international conventions to which Turkey is signatory 4. Lack of effective sanctions. 5. Sectoral policy does not recognize the value of biodiversity and natural resource management	1. The importance of biodiversity has not been adequately addressed in legislation 2. Overlapping institutional mandates for biodiversity conservation 3. Lack of pressure (public, NGO) to influence Parliament to incorporate biodiversity concerns in law	1. Overlapping or contradictory laws, regulations and policies for biodiversity conservation have been identified and rationalized 2. Ministries responsible for forests, environment and culture are cooperating to ensure that all ministries address biodiversity conservation concerns	Strengthen legal and regulatory framework and sectoral policies for biodiversity

1. Many designated Protected Areas (PAs) but few effectively managed for biodiversity conservation 2. Developments and activities in PAs is inconsistent with biodiversity conservation objectives (e.g., construction and tourism in core areas) 3. Inadequate resource allocation for biodiversity conservation 4. Lack of enforcement of biodiversity laws and regulations 5. Biodiversity concerns are not incorporated into forest management planning	1. No prioritized strategy for selection and designation of priority sites for PA management 2. Key stakeholders are not involved in identification and selection of PAs 3. Lack of necessary capacity to effectively manage biodiversity conservation and to replicate best practice throughout the country 4. No mechanisms to ensure financial sustainability of biodiversity conservation initiatives 5. Traditional management objectives of PAs are focused on provision of recreation facilities for visitors, rather than biodiversity conservation 6. Lack of capacity of agencies to enforce laws and regulations 7. Forest management planning focuses primarily on wood production	1. A prioritized strategy and action plan for establishing a National system of effective PAs exists and is supported by relevant national stakeholders 2. Adequate capacity for effective management and conservation of biodiversity at the national level 3. New protected area management approaches are financially sustainable 4. A Management Information System provides information leading to effective biodiversity conservation and natural resource use 5. A strategy exists for introducing biodiversity and socio-economic concerns into development of forest management plans	1. Establish mechanisms for sustainable and participatory biodiversity conservation planning and management 2. Establish an information system to support planning, implementation and monitoring of replication and PA management 3. Establish mechanism to incorporate biodiversity concerns into forest management plans

1. Public engages in behavior that is detrimental to biodiversity conservation and cultural values 2. Weak political support for biodiversity concerns / conservation 3. Lack of effective public opposition to environmentally degrading investments. 4. Lack of educational materials and media support for biodiversity conservation	1. The public is not aware of the value or the current danger to Turkey's rich biodiversity, natural habitats and cultural heritage 2. Courses and material on biodiversity conservation not included in education curricula 3. Biodiversity conservation is not taken into consideration in 5-year national development plans 4. Profit motive in private media 5. Protection agencies lack capacity (i.e., staff, equipment, training, resources) to undertake or facilitate education and public awareness activities	1. The public actively provides strong support for biodiversity conservation 2. The public opposes investments that adversely impact the environment and biodiversity 3. Increased media coverage of environmental and biodiversity issues 4. Strategy and action plan for raising awareness of biodiversity issues in formal and in-service education 5. Network/system for building/sharing knowledge base 6. NGOs more constructively and effectively support biodiversity conservation	Develop and implement a strategic, targeted national public awareness program to build support for biodiversity conservation

Accelerating destruction of Turkey's rich biodiversity	**Unsustainable recourse use**	**Effective prototypes for biodiversity conservation ready for replication throughout Turkey**	**Develop Prototypes for PA Management**
1. Decreasing diversity and abundance of indigenous flora and fauna, including steppe, forest, wetland and alpine species; game animals; and land races 2. Loss and/or destruction of natural ecosystems, e.g., conversion for agriculture, soil erosion, invasive species, habitat fragmentation, biological pests, illicit tree cutting and reed bed cutting 3. Pollution of wetlands and soils from industry and agriculture, salinization and disruption of hydrological processes 4. Destruction of cultural sites and unique natural formations in PAs 5. Uncontrolled construction in and around PAs that threatens biodiversity 6. Local opposition to biodiversity conservation projects in PAs	1. Limited capacity to manage PAs, including planning, field implementation, monitoring and enforcement of regulations 2. Lack of clarity over land/resource-use and/or ownership rights 3. Uncontrolled access to PAs 4. Unsustainable natural resource use: e.g., over-grazing, hunting, harvesting of medicinal and ornamental plants, reed burning, drainage and wild tree grafting 5. Lack of awareness of financially viable, sustainable agricultural practices 6. Planning and management of PAs is not participatory or decentralized 7. Biodiversity and environmental issues not incorporated in land-use planning 8. Forest management plans are not multi-functional and do not incorporate biodiversity issues 9. EIA regulations may not adequately reflect biodiversity concerns 10. Poverty leading to unsustainable use of natural resources	1. PA prototypes demonstrating effective participatory planning, management and monitoring 2. Sustainable use of natural resources in and around the PAs 3. Land use plans for areas adjacent to the PAs reflect biodiversity concerns 4. Tourism in and around the PAs is consistent with the objectives of biodiversity conservation 5. Prototype forest plans exist that demonstrate how to incorporate biodiversity concerns during the planning process 6. Increase in income-generating activities in protected areas that support biodiversity conservation 7. Clarification of rights to land/resources and land ownership within PAs	1. Establish systems for sustainable participatory planning and management of four PAs 2. Establish mechanisms for sustainable natural resource management in and around PAs 3. Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective 4. Develop awareness and support for biodiversity conservation at PAs

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MoF - Ministry of Forestry
GDF - General Directorate of Forestry
GDNPGW – General Directorate for National Parks Game and Wildlife
MoE – Ministry of Environment
MoC – Ministry of Culture
WB – World Bank

Annex 3: Estimated Project Costs

TURKEY: Biodiversity and Natural Resource Management Project

Project Cost By Component	Local US $million	Foreign US $million	Total US $million
Component 1: Strengthen the National Framework for Biodiversity Conservation			0.00
a. Preparing a strategy for rationalizing the legal framework for biodiversity conservation	0.14	0.09	0.23
b. Strengthening the institutional capacity to develop a national network of protected areas	0.58	0.40	0.98
c. Establishing a system to monitor the status of biodiversity	0.30	0.23	0.53
d. Demonstrating how biodiversity issues can be incorporated in forest management planning	0.16	0.17	0.33
e. Preparing and implementing a National Public Awareness Program to build support for biodiversity conservation	0.55	0.36	0.91
Component 2: Develop Prototypes for effective PA Management			0.00
a. Establishing systems for sustainable participatory planning and management of four PAs	3.10	1.24	4.34
b. Establishing mechanisms for sustainable natural resource management	1.42	0.21	1.63
c. Establishing public awareness programs for parks	0.86	0.07	0.93
Component 3: Project Management and Monitoring	0.32	0.19	0.51
Total Baseline Cost	7.43	2.96	10.39
Physical Contingencies	0.37	0.12	0.49
Price Contingencies	0.52	0.14	0.66
Total Project Costs	8.32	3.22	11.54
Total Financing Required	8.32	3.22	11.54

Project Cost By Category	Local US $million	Foreign US $million	Total US $million
Land	0.02	0.00	0.02
Works	1.51	0.17	1.68
Goods	1.70	1.04	2.74
Studies, training and consulting services	3.01	2.01	5.02
Subgrants	1.07	0.00	1.07
Recurrent Costs	1.01	0.00	1.01
Total Project Costs	8.32	3.22	11.54
Total Financing Required	8.32	3.22	11.54

Annex 4

TURKEY: Biodiversity and Natural Resource Management Project

Incremental Costs and Global Environment Benefits

Overview

1. The overall goal of the GEF Alternative is the sustainable conservation of the biological diversity and ecological integrity of selected forest, wetland, steppe and alpine ecosystems that are representative of Turkey's four major biogeographic zones. These include the Black Sea and Caucasian mountain region, the Central Anatolian plateau, and the European and Mediterranean regions. The GEF Alternative will (i) establish effective, intersectoral, participatory planning and sustainable management of protected areas and natural resources at four selected biodiversity conservation demonstration sites, and (ii) build capacity at the national level to facilitate replication of these activities at priority conservation sites throughout Turkey. This will include a review of the legal and regulatory framework for biodiversity conservation and exploration of opportunities for mainstreaming biodiversity conservation in forest planning and management, local land use planning, tourism development, agricultural extension and environmental management of water systems. The total incremental cost to achieve these outputs is approximately US$11.54 million, of which a grant of US$8.2 million is requested from GEF. The Government of Turkey has committed to financing US$3.2 million (including US$0.9 million in incremental investment costs) from its resources to complement GEF funding. Although there is no direct co-financing for the project, there are many on-going and planned donor activities in Turkey which support the objectives of the proposed project. The breakdown of these activities is provided in the analysis below.

Context & Broad Development Goals

2. Turkey has 75% of the 12,000 plant species that occur in the whole of Europe. One third of Turkish flora occurs only in Turkey. These include many wild relatives of important domestic species (e.g., wheat, barley, chic pea, lentil, cherry, pear, apricot, chestnut, pistachio, etc.), and many commercially important timber, medicinal, aromatic, industrial and ornamental plant species. Also, since domestication of plants first took place in the region, there are a wide variety of land races of domestic species, whose genetic resources could be of immeasurable economic value. In addition, one of the three major flyways for millions of migratory birds, which move between the Western Palearctic and Africa each year, passes through Turkey. Since the country is predominantly semi-arid, Turkish wetlands are of crucial importance for many of these migrants, and also for many breeding species of water birds, including a significant proportion of the global populations of some species.

3. The Turkish authorities are becoming increasingly aware of both the importance of indigenous biodiversity and the significant threats to its sustainable management, which include a variety of unsustainable land and natural resource practices that are increasingly impacting all Turkish ecosystems and have been exacerbated by the six fold increase in population that has taken place in the country over the last 60 years. These include: overgrazing and other unsustainable agricultural practices; conversion of wetlands and other critical natural habitats to agriculture or other land development; interference with the hydrological regime of wetlands for agriculture, municipal and industrial use of water; pollution, hunting and unsustainable harvesting of wild plants and tubers. A staggering 80% of Turkey's land area (63 million hectares) is estimated to be suffering from various levels of erosion due to unsustainable land use; since the 1940s, over three million hectares of gazetted forest lands have been lost to other forms of land use; more than one third of Turkish wetlands (approximately 700,000 hectares) have been lost in the last four decades, and as many as 70 million wild harvested ornamental bulbs and tubers (including aconites,

anemones and snowdrops, etc.) are exported annually.

4. Turkey's broad development goals include accelerating structural reforms, addressing poverty and social development, and enhancing competitiveness and employment growth, which requires integrating environmental issues in economic policy and business decisions. In its effort to prioritize and emphasize the importance of environmental issues, the Ministry of Environment (MoE) has developed environmental assessment procedures, and a new environmental law is being reviewed by the Parliament. Additionally, a National Environmental Action Plan (NEAP) has been prepared with the involvement of Government, Municipalities, the private sector, and the NGO community. As a part of this exercise, and with the support of GEF, a National Biodiversity Strategy and Action Plan (BSAP), which identifies the nations priority conservation issues, has been prepared. With the assistance of the World Bank, a Turkish Forestry Sector Review has been undertaken by the Ministry of Forestry (MoF) to (i) investigate ways of alleviating poverty among forest communities (9 million of the country's poorest people, living in approximately one quarter of the country's land area), and (ii) develop recommendations to bring about sustainable management of all forest products and services, specifically including biodiversity.

Baseline Scenario

5. The Baseline Scenario includes (a) on-going and planned activities undertaken by the Government in order to promote conservation of biodiversity, sustainable natural resource management and environmental awareness at the four project sites and the national level; and (b) current and planned expenditures by donors (development agencies and NGOs) on biodiversity conservation activities in Turkey.

6. **Government.** Key government agencies that are responsible for biodiversity related issues in Turkey are MoF and MoE, and their joint contribution to the Baseline Scenario over the life of the project is estimated as US$35.88 million.

7. MoF spent approximately US$7.7 million in 1999 on activities that ranged from erosion control and reforestation to management of forest recreation. Of this figure, US$2.5 million was spent specifically on national parks and US$0.9 million on forest recreation areas. Using the figure spent on national parks as a typical annual average for expenditure on biodiversity related issues, it is expected that MoF will spend approximately $15.0 million on activities related to biodiversity conservation and natural resource management at the national scale over the life of the project. This figure reflects MoF’s contribution to the Baseline cost estimate.

8. The General Directorate of National Parks and Wildlife (GDNP) of MoF is responsible for the designation and management of the majority of Turkey's various categories of protected area and, through its regional directorates, has a nationwide network of field based staff. Despite a doubling in size of protected areas and national parks over the last five years, there has been negligible real increase in GDNP’ s budget for national parks. This increase in area, without a corresponding increase in resources, has resulted in a decrease in the allocation available for management in the field. In a best case scenario, using averages from the last 5 years, GDNP will spend approximately US$28.8 million in the four regional directorates in which the project sites are located. The country is divided into nine regional directorates. The projects sites are located in the following four: Central Anatolia, Western Black Sea, Eastern Black Sea and Eastern Mediterranean. Anticipated expenditures in the actual project areas are approximately $0.48 million over the life of the project. This figure reflects GDNP’s contribution to the Baseline cost estimate.

9. The General Directorate of Forestry (GDF), another related agency under MoF, is responsible for the management of forest ecosystems, forest production, protection of forests to prevent erosion, and preparation of forest management plans. GDF spent approximately US$33 million in 1999 on forest protection and management activities, including US$0.4 million on forest resource information systems and US$1.4 million on cadastre. It is estimated that only a small amount of this total expenditure was related to biodiversity conservation and protected area management. In a best case scenario, it is assumed that the forest resource information systems will contribute to biodiversity management and monitoring, and using the above expenditure as a typical annual average, it is expected that GDF will spend approximately US$2.4 million on biodiversity related management activities at the national scale over the life of the project. This figure reflects GDF's contribution to the Baseline cost estimate.

10. MoE is responsible for the protection of environmental quality and natural values in Turkey and the coordination of international agreements/conventions related to nature conservation. MoE spent approximately US$3 million in 1999 on activities that ranged from ecological evaluation and monitoring of wetlands to watershed management projects in various sites throughout the country. Using this figure as a typical annual average, it is expected that MoE will spend approximately $18 million on biodiversity conservation activities at the national scale over the life of the project. This figure reflects MoE's contribution to the Baseline cost estimate.

11. **Donors.** The Government of Turkey, in conjunction with donors, bilateral and multilateral development agencies such as the World Bank, FAO and GTZ, is undertaking activities related to natural resource management and biodiversity conservation. To date, several projects related to biodiversity conservation have been completed in Turkey with support from such donors. Although not included in the Baseline Scenario, these projects have provided an enabling environment for the implementation of the GEF Alternative. These include:

- In-situ Conservation of Genetic Diversity (Ministry of Agriculture and Rural Affairs - MARA, MoF, and MoE) - US$5.7 million
- National Environmental Action Plan (MoE, World Bank) - US$100,000;
- Forestry Sector Review (MoF, FAO, World Bank, Global Overlays Program) - US$350,000;
- National Biodiversity Strategy and Action Plan (MOE, World Bank - GEF) - US$50,000;
- Master plan for Sultan Sazligi National Park (Society for the Protection of Nature- DHKD, GEF) - US$50,000;
- National Parks and protected areas management study tour to support capacity building for planning and management of national parks and protected areas (FAO) - US$311,650.

12. There are also a number of recently completed, on-going and planned donor-supported biodiversity conservation and sustainable resource management activities in Turkey. The cost of these activities have been included in the cost of the Baseline Scenario and are estimated as a total of US$11.2 million. These activities include:

- Eastern Anatolia Watershed Rehabilitation Project, through MARA, MoF and the World Bank, which helps to restore sustainable range, forest and farming activities in the upper watershed regions by supporting participatory and integrated approaches to natural resource management. The total cost of this project is US$109 million, of which approximately US$40 million remains. Approximately US$6.8 million of this amount supports biodiversity conservation and natural resource management and therefore is included in the Baseline cost estimate.
- The management of broad-leaved species forests in the Black Sea region, through the MoF and GTZ, which is developing plans and implementation methods for the sustainable management and

utilization of pure and mixed broad-leaved species forests in the northern regions of Turkey. The total cost of the project is US$1.4 million, of which US$210,000 builds national capacity for natural resources management (completed).

- Forestry and Food Security in the Mediterranean and Near East Region, through the MoF and FAO, which aims to contribute to more effective protection and sustainable development of the forest and range resources in the project countries (which also include Jordan and Syria) through participatory approaches. The Turkish component of this program costs US$850,000, of which US$212,500 will support national capacity to address sustainable natural resources management (completed).
- MoA and IFAD rural development projects in Bingol-Mus and Yozgat, which will improve the living standards of the population in the project area through participatory development and implementation of natural resource management. The cost of the two projects is US$10.9 million, of which approximately US$1.1 million supports national capacity for natural resources management.
- GDF's project on development of Forest Resource Information Systems and Forest Management Plans (FRIS) has US$2.4 million contribution from ENSO, Finland.
- Training from FAO in project preparation and management for selected staff of the MoF (US$244,000 - completed).
- A METAP project, through MoE, which is preparing an integrated conservation management and economic development plan for Patara Beach with national NGOs (US$324,000).

13. **NGOs.** International and national NGOs are involved in several biodiversity conservation and sustainable resource management projects in Turkey, contributing to the enabling environment with support from private and corporate donors, bilateral and multilateral agencies. The cost of these projects, US$0.4 million in total, are also included in the Baseline cost estimate. These projects are:

- WWF's (Italy) regional Mediterranean program to support conservation (US$100,000).
- DHKD's wetlands project at Sultan Sazligi (US$100,000) and watershed management project at Uluabat Lake in cooperation with MoE (US$40,000).
- The collaborative project by WWF (Italy), DHKD, and Flora & Fauna International for the commercial propagation of horticultural bulbs and tubers (US$35,000).
- TEMA's rural development project in Camili, which will promote ecotourism, bee keeping, etc. (US$25,000).
- CEKUL's public awareness activities, mainly through tree planting campaigns (US$100,000).

14. **Baseline Costs.** Total expenditures under the Baseline Scenario are estimated at US$47.4 million, including US$35.8 million from the Government of Turkey, US$11.2 million through international cooperation, and US$0.4 million from national and international NGOs.

15. **Baseline Benefits.** Implementation of the Baseline Scenario will result in limited protection of biodiversity in protected areas in Turkey and limited capacity to manage them sustainably. While the number of protected areas in Turkey is increasing, the lack of a corresponding increase in government resources means less is spent to manage each area. The efforts of international and national NGOs will result in a marginal increase in environmental awareness, and the activities of development agencies will result in a limited increase in sustainable natural resource management. These activities are unlikely to ensure protection of globally significant biological resources, due to lack of an explicit focus on biodiversity values as well as institutional, financial, legal, and socioeconomic constraints to their protection.

Global Environmental Objective

16. Protected area management in Turkey has, historically, been primarily focused on provision of recreational facilities for the public rather than the conservation of natural ecosystems and biodiversity. Sustainable conservation of Turkey's unique ecosystems, through protected area planning, management and monitoring has been hindered by: (a) overlapping responsibilities for protected area planning within GDNP; (b) insufficient coordination among the agencies with official responsibility for conservation; (c) lack of appropriate training for field and central level staff; and (d) insufficient involvement of local communities and NGOs in protected area planning and management. With less than 3% of the country designated as protected area, there is a need to improve the effectiveness of conservation management of many of these last remaining critical ecosystems. This will entail addressing the threats to biodiversity from regional development and natural resource use within the context of integrated conservation and sustainable land use plans for protected areas and the lands surrounding them.

17. **Scope.** The GEF Alternative would build on the Baseline Scenario by developing and implementing decentralized systems to support sustainable protected area and natural resource management plans at four priority biodiversity conservation sites and buffer zones, specifically targeting conservation of unique Turkish ecosystems. The GEF Alternative would make possible activities and programs that would not be undertaken under the Baseline Scenario, including strengthening of national level capacity to prioritize the needs for protected area interventions and to replicate the experience gained at the project sites throughout the country, and building of local capacity within key government agencies and NGOs involved in project implementation at the field level to create an enabling environment for biodiversity conservation. Moreover, it would facilitate the establishment of community based mechanisms to support conservation-linked development and to reduce unsustainable use of shared resources. It would also build public awareness of the importance and need to conserve Turkish biodiversity.

18. **Costs.** The total cost of the GEF Alternative is estimated at US$58.94 million, detailed as follows: a) Strengthen legal and regulatory framework and sectoral policies for biodiversity - US$1.06 million *(GEF financing - US$0.26 million)*; b) Establish institutional capacity to develop a national network of protected areas - US$6.21 million *(GEF financing - US$1.02 million)*; c) Establish an information system to support planning, implementation and monitoring of protected area management and replication - US$4.93 million *(GEF financing - US$0.59 million)*; d) Incorporate biodiversity concerns into forest management plans - US$2.64 million *(GEF financing - US$0.35 million)*; e) Establish a national public awareness program to build support for biodiversity conservation - US$3.98 million *(GEF financing - US$1.01 million)*; f) Establish systems for sustainable participatory planning and management of four protected areas - US$18.91 million *(GEF financing - US$4.86 million)*; g) Establish mechanisms for sustainable natural resource management - US$14.46 million *(GEF financing - US$1.78 million)*; h) Establish local public awareness programs biodiversity conservation - US$6.19 million *(GEF financing - US$1.05 million)*; i) Project management and monitoring - US$0.56 million *(GEF financing - US$0.39 million)*;

19. **Benefits.** Implementation of the GEF Alternative would protect unique forest, alpine, steppe and wetland ecosystems and threatened endemic species, as well as enhance the region's function as an internationally important flyway for water birds and other species. Benefits generated from the project would include those classified as “national” (protection of local and regional environmental resources and increased public awareness of environmental issues), as well as those considered “global” in nature. Global benefits would include the sustainable conservation of some of the last remaining stands of pristine and natural forests of the Mediterranean, Caucasian, and European regions; wetland and steppe ecosystems

of the Central Anatolian Plateau and Thrace; and the large number of endemic plant and animal species which are supported by these ecosystems.

20. **Incremental Costs.** The difference between the costs of the Baseline Scenario (US$58.94 million) and the cost of GEF Alternative (US$47.6 million) is estimated at US$ 11.54 million. This represents the incremental cost for achieving global environmental benefits. The Government of Turkey has committed to financing US$3.2 million (including US$0.9 million in incremental investment costs) from its resources to complement GEF funding. A GEF grant of US$ 8.2 million is proposed.

Incremental Cost Matrix

Component Sector	Cost Category	US$ Million	Domestic Benefit	Global Benefit
Preparing a strategy for rationalizing the legal framework for biodiversity conservation	Baseline	0.8	Increased capacity and enabling legal and regulatory environment for sustainable management of natural resources	
	With GEF Alternative	1.06		Increased capacity and enabling legal and regulatory environment to manage protected areas and natural resources sustainably and conserve biodiversity of global importance.
	Incremental	0.26		
Strengthen the institutional capacity to develop a national network of protected areas	Baseline	5.14	Increased capacity for sustainable management of biodiversity and natural resources.	
	With GEF Alternative	6.21		Increased capacity to manage protected areas and natural resources sustainably and to conserve biodiversity of global importance.
	Incremental	1.07		
Establish a system to monitor the status of biodiversity	Baseline	4.34	Demonstration of options for planning, establishment and long term monitoring of sustainable natural resource management in Turkey.	

	With GEF Alternative	4.93		Increased capacity to prioritize protected area interventions and manage protected areas to incorporate conservation of biodiversity of international significance.
	Incremental	0.59		
Demonstrate how biodiversity issues can be incorporated into forest management planning	Baseline	2.28	Increased capacity to incorporate biodiversity concerns into forest management plans	
	With GEF Alternative	2.64		Increased sustainable management of some of the last remaining stands of pristine and natural forests of the Mediterranean, Caucasian, and European (Thracean) regions.
	Incremental	0.35		
Preparing and implementing a national public awareness program to build support for biodiversity conservation	Baseline	2.97	Increased national capacity to raise public awareness; increased public awareness of environmental issues and the need for sustainable natural resource management.	
	With GEF Alternative	3.98		Increased public awareness of the importance of conservation of globally significant biodiversity in Turkey, and of the issues that need to be addressed in order to achieve this objective.
	Incremental	1.01		

Establish systems for sustainable participatory planning and management of four protected areas	Baseline	14.05	Prevention of environmental degradation and sustainable management of biodiversity and natural resources in these sites	
	With GEF Alternative	18.91		Conservation of globally significant biodiversity in the steppe, alpine, forest and wetland ecosystems of Turkey's four biogeographical zones.
	Incremental	4.86		
Establish mechanisms for sustainable natural resource management	Baseline	12.68	Economic benefits from sustainable use of natural resources and tourist activities in the project sites.	
	With GEF Alternative	14.46		Sustainable management of natural resources in areas of global significance, with particular emphasis on protected area buffer zone land-use planning.
	Incremental	1.78		
Establish public awareness programs for protected areas	Baseline	5.14	Increased public awareness of environmental issues and the need for sustainable natural resource management in and around the project sites.	

	With GEF Alternative	6.19		Increased public awareness of the importance of conservation of globally significant biodiversity in Turkey, particularly in the project sites, and of the issues that need to be addressed in order to achieve this objective.
	Incremental	1.04		
Project management and monitoring	Baseline	-	Not applicable	
	With GEF Alternative	0.56		Not applicable
	Incremental	0.56		
Totals	**Baseline**	**47.4**		
	With GEF Alternative	**60.46**		
	Incremental	**11.54**		

Annex 5: Financial Summary

TURKEY: Biodiversity and Natural Resource Management Project

Years Ending
06/30

	IMPLEMENTATION PERIOD						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Total Financing Required							
Project Costs							
Investment Costs	1.6	3.2	2.9	1.1	0.9	0.7	0.0
Recurrent Costs	0.2	0.2	0.2	0.2	0.2	0.1	0.0
Total Project Costs	1.8	3.4	3.1	1.3	1.1	0.8	0.0
Total Financing	1.8	3.4	3.1	1.3	1.1	0.8	0.0
Financing							
IBRD/IDA	1.3	2.3	2.3	0.9	0.8	0.6	0.0
Government	0.3	1.1	0.7	0.3	0.2	0.2	0.0
Central	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provincial	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Co-financiers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
User Fees/Beneficiaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.1	0.1	0.1	0.1	0.1	0.0	0.0
Total Project Financing	1.7	3.5	3.1	1.3	1.1	0.8	0.0

	OPERATIONAL PERIOD						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Total Financing Required							
Project Costs							
Investment Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recurrent Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Project Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing							
IBRD/IDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provincial	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Co-financiers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
User Fees/Beneficiaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Project Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Main assumptions:

Annex 6: Procurement and Disbursement Arrangements
TURKEY: Biodiversity and Natural Resource Management Project

Procurement

Summary of Procurement Procedures.

Proposed procurement arrangements are summarized in Tables A and A1. Consulting services, goods and works financed by the Bank shall be procured in accordance to Bank procurement guidelines. All other procurement information, including capability of the of the implementing agency, estimated dates for publication of GPN and the Bank's review process is presented in Tables B and B1.

Project Implementation Unit. MoF has overall responsibility for the project, including procurement, disbursement, maintenance of project accounts and coordination of implementation. MoF will establish a Project Management Team (PMT) attached to MoF's Research, Planning and Coordination Council (APK). MoF will assign full time staff to PMT, including a project coordinator, a procurement officer and a financial manager. PMT will undertake project management and will oversee implementation of project activities at both national and field levels.

Procurement Capacity Assessment. A Procurement Capacity Assessment of MoF was carried out by on October 2-8, 1999. While the government agencies involved have extensive experience in public procurement and procurement under internationally financed projects, the proposed staff to work in PMT does not have direct familiarity with procurement under World Bank-funded projects. The proposed risk category for the procurement under this project is "average", based on the analysis provided in the assessment. The assessment report has been attached to the Project Implementation Plan (PIP).

Procurement of Goods and Works

Goods and works will be procured in accordance with the provisions of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996, September 1997, and January 1999. The appropriate sample procurement documents issued by the Bank will be used with the minimum changes acceptable to the Bank.

Procurement of Civil Works (US$1.69 million, of which US$0.89 million will be financed by the Bank). Civil works are intended for construction of visitor centers, staff housing, entrance buildings, lookout points, boundary markers, boardwalks, car parks and daytime tourist facilities at the four project sites.

The following methods of procurement would be used:

· **National Competitive Bidding or NCB (US$1.49 million, of which US$0.78 million will be financed by the Bank).** NCB procedures will be applied for works contracts estimated to cost below US$1 million, but above US$100,000 up to an aggregate not to exceed US $1.49 million. For these contracts the regional Bank's standard NCB documents will be used. All efforts should be made to ensure proper advertisement, so that a wide range of contractors, including foreign contractors, can have the opportunity to bid.

· **Procurement of Minor Civil Works or MCW (US$0.2 million, of which US$0.11 million will**

be financed by the Bank). Minor civil works contracts with an estimated cost below US$100,000 up to an aggregate amount not to exceed US $0.20 million. These works will be procured under lump-sum, fixed price or unit rate contracts awarded on the basis of quotations obtained from at least three qualified local contractors in response to local advertisement. The bidding document shall include a detailed description of works, including basic specifications, the required completion period, a basic form of agreement consistent with the standard document to be cleared by the Bank and relevant drawings, where applicable. The award shall be made to the contractor who offers the lowest price quotation for work and who has the experience and resources to successfully complete the contract. A list of qualified contractors should be formed --and periodically updated-- by PMT by requesting at least every six months expressions of interest and relevant information from local contractors while advertising local minor civil works contract opportunities.

Procurement of Goods (US$2.0 million, of which US$1.6 million will be financed by the Bank). Visitor center equipment, including information technology and audio-visual equipment, field equipment, vehicles, agricultural demonstration kits, office equipment and supplies will be grouped to the extent practical to encourage competitive bidding. The following methods will be used:

· **International Competitive Bidding or ICB (US$1.2 million, of which US$0.96 million will be financed by the Bank).** Except as otherwise agreed with the Bank, goods contracts estimated to cost above US$100,000 will be procured through ICB procedures.

· **International Shopping or IS ($0.3 million, of which US$0.24 million will be financed by the Bank).** Except as otherwise agreed with the Bank, contracts for goods readily available off-the shelf or standard specification commodities estimated to cost less than US$100,000, but more than US$50,000, up to an aggregate not to exceed US$0.30 million may be procured under IS procedures by obtaining competitive price quotations from at least three suppliers in two different countries.

· **National Shopping or NS ($0.5 million, of which US$0.4 million will be financed by the Bank).** Goods contracts with an estimated cost below US$50,000 and up to an aggregate not to exceed US$0.50 million may be procured through NS by obtaining price quotations from at least three suppliers in Turkey at competitive prices.

Procurement of Services (US$3.0 million, of which US$2.4 million will be financed by the Bank). Contracts for consultants' services will be awarded in accordance with the provisions of the "Guidelines for the Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in January and revised in September 1997 and January, 1999. The services financed under the grant are: design and works supervision, technical assistance for legal review, park management, natural resource use and public awareness and training. Selection of Consultants and their contracts will be based on the standard documents issued by the Bank for the procurement of such services with the minimal necessary modifications as agreed by the Bank. Non-Governmental Organizations (NGOs) can compete in the selection process, provided that they have expressed their interest in doing so, and that their qualifications are satisfactory to both the Government and the Bank.

· **Selection of firms.** Unless otherwise agreed with the Bank, Quality-and Cost-Based Selection (QCBS) will be the preferred method for selection of firms in contracts with estimated values above US$100,000. Contracts for studies to design and maintain the biodiversity information system, for replicating prototype protected areas, designing and supervising construction, developing radio, television and film clips, studies for target conservation species, and also for some training courses and study tours, estimated to cost less than US$100,000 may be procured following the selection based on Consultants

Qualifications (CQ).

· **Selection of Individuals.** Unless otherwise agreed with the Bank, individual consultants will be selected on the basis of their qualifications for the assignment by comparing at least 3 CVs from potential candidates.

Sub-grants (US$1.07 million financed by the Bank). Sub-grants to encourage sustainable resource use and promote park-friendly business activities will be awarded to project beneficiaries on a competitive basis at each of the project sites. The mechanisms for awarding these grants, including establishing grant committees and developing eligibility criteria, procedures for application and a monitoring system, will be determined within the second year of project implementation with the participation of local stakeholders and will be submitted for the Bank's approval before implementation. Sub-grants will be available for both goods and works, for a maximum amount of US$20,000 and will be subject to an official audit.

Review by the Bank of Procurement Decisions.

Goods and Works: All ICB and the first two NCB works contracts are subject to Bank's prior review as set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines. Also the first two contracts procured under IS procedures, the first two contracts procured under NS procedures and the first two contracts procured for minor civil works are subject to prior review.

Consultants: With respect to consulting services, prior Bank review will be required for all terms of reference, irrespective of the contract value. For contracts estimated to cost US$200,000 or more, after the technical proposals have been evaluated, the technical evaluation reports will be submitted to the Bank for its review prior to the opening of the priced proposals. For contracts estimated to cost US$100,000 or more the Bank will be notified of the results of the technical evaluation prior to the opening of the priced proposals. For contracts with individuals costing US$25,000 or more, the qualifications, experience, terms of reference and terms of employment shall be furnished to the Bank for its review and approval prior to contract signature. All other contracts are subject to post review (one in ten contracts). With respect to the selection of individuals, all positions for international consultants, and positions for local consultants estimated to cost more than $10,000, will be advertised.

Procurement methods (Table A)

Table A: Project Costs by Procurement Arrangements
(US$ million equivalent)

Expenditure Category	Procurement Method[1]				Total Cost
	ICB	NCB	Other[2]	N.B.F.	
1. Works	0.00 (0.00)	1.49 (0.78)	0.20 (0.11)	0.00 (0.00)	1.69 (0.89)
2. Goods	1.20 (0.96)	0.00 (0.00)	0.80 (0.64)	0.02 (0.00)	2.02 (1.60)
3. Services **Workshops, training and study tours**	0.00 (0.00)	0.00 (0.00)	4.61 (3.69)	0.00 (0.00)	4.61 (3.69)
4. Sub-grants	0.00 (0.00)	0.00 (0.00)	1.07 (1.07)	0.00 (0.00)	1.07 (1.07)
5. Incremental Operating Costs	0.00 (0.00)	0.00 (0.00)	1.17 (0.94)	0.00 (0.00)	1.17 (0.94)
6. Recurrent Costs	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.98 (0.00)	0.98 (0.00)
Total	1.20 (0.96)	1.49 (0.78)	7.85 (6.45)	1.00 (0.00)	11.54 (8.19)

[1/] Figures in parenthesis are the amounts to be financed by the Bank Grant. All costs include contingencies

[2/] Under Works, other methods include minor works contracts (US$0.20 million).

Under Goods, other methods include: 1. IS contracts (US$0.30 million)
2. NS contracts (US$0.50 million).

Under Services, other methods include: 1. QCBS contract (US$1.25 million)
2. CQ contracts (US$0.98 million)
3. Contracts for Individuals (US$0.77 million)

Subgrants to project site beneficiaries (US$1.07 million): the maximum limit for these grants will be US$20,000.

Incremental Operating Costs include office supplies and materials, first aid kits, promotional materials, grant application materials, publications, memberships, subscriptions to international publications, press releases, training and educational materials, and travel.

Recurrent costs include: seasonal guards, vehicle operation and maintenance, office operation and maintenance and email/internet access.

Table A1: Consultant Selection Arrangements (optional)
(US$ million equivalent)

Consultant Services Expenditure Category	Selection Method							
	QCBS	QBS	SFB	LCS	CQ	Other	N.B.F.	Total Cost[1]
A. Firms	1.25 (1.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.98 (0.78)	0.00 (0.00)	0.00 (0.00)	2.23 (1.78)
B. Individuals	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.77 (0.62)	0.00 (0.00)	0.77 (0.62)
Total	1.25 (1.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.98 (0.78)	0.77 (0.62)	0.00 (0.00)	3.00 (2.40)

1\ Including contingencies

Note: QCBS = Quality- and Cost-Based Selection
QBS = Quality-based Selection
SFB = Selection under a Fixed Budget
LCS = Least-Cost Selection
CQ = Selection Based on Consultants' Qualifications
Other = Selection of individual consultants (per Section V of Consultants Guidelines), Commercial Practices, etc.

N.B.F. = Not Bank-financed
Figures in parenthesis are the amounts to be financed by the Bank Grant.

Prior review thresholds (Table B)

Table B: Thresholds for Procurement Methods and Prior Review

Expenditure Category	Contract Value (Threshold)	Procurement Method	Contracts Subject to Prior Review / Estimated Total Value Subject to Prior Review
	US $ millions		US $ millions
1. Works	< 1.000	NCB	0.85 (0.44)
	≤ 0.100	MW	0.11 (0.06)
2. Goods	≥ 0.100	ICB	1.20 (0.96)
	< 0.100	IS	0.14 (0.12)
	< 0.050	NS	0.05 (0.04)
3. Services		QCBS	1.25 (1.0)
	<0.100	CQ	0.00 (0.00)
		Ind.	0.09 (0.07)
Total			3.69 (2.69)
Total value of contracts subject to prior review:			32.0% (32.8%)

Note: Figures in parenthesis indicate the amount to be financed by the Bank grant.

Table B1: Summary Procurement Table

Section 1: Procurement Review							
Goods and Civil Works	ICB	NCB	IS	NS	Minor Works	Other methods	Percentage of loan amount subject to prior review
Procurement thresholds: Individual and aggregate	Goods ≥ $0.100 ($0.96) -	- W < $1.00 ($0.78)	G < $0.100 ($0.24) -	G < $0.050 ($0.40) -	W < $0.100 ($0.11)		
Prior Review	All ($0.96)	First two ($0.44)	First two ($0.12)	First two ($0.04)	First two ($0.06)		$1.62 19.8%
Consultants	QCBS	QBS	Fixed Budget	LCS	Qualifications	Individuals	
Procurement method thresholds	($1.00)	NA	NA	NA	< $100,000 ($0.78)	- ($0.62)	
Prior Review	All contracts ($1.00)	-	-	-	All terms of reference.	All terms of reference. > $0.025 full review ($0.07)	$1.07 13.0%
Ex-post	Explain briefly the ex-post review mechanism: One in ten contracts are subject to post review, which will be carried out periodically during supervision missions.						

Section 2: Capacity of the Implementing Agency in Procurement and Technical Assistance requirement review	
The capacity of the implementation agency to conduct procurement has been assessed. As a result, the following action plan is recommended: (i) A procurement book containing guidelines, templates, standard bidding documents, evaluation formats, sample invitation to quote, RFPs and standard consultant contracts should be prepared and made available to the PMT and PAMAs before the Project Launch Workshop on June 15, 2000; (ii) MoF should hire a procurement consultant with 5 years international experience in WB procurement to provide support to PMT prior to the Project Launch Workshop on June 15, 2000; (iii) PMT procurement staff shall attend training offered by CU or in ILO Turin during the early stage of project implementation; and (iv) during the project launch workshop, sufficient time should be devoted to procurement to discuss thresholds, review levels, standard bidding documents, etc..	
Country Procurement Assessment Report or Country Procurement Strategy Paper status:	Are the bidding documents for the procurement actions of the first year ready by negotiations Yes ☐ No ☑ will be discussed during appraisal

Section 3: Training, Information and Development on Procurement				
Estimated date of Project Launch Workshop 06/15/00	Estimated date of publication of General Procurement Notice 04/15/00	Indicate if there is procurement subject to mandatory advertisement in Development Business Yes ☑ No. . ..☐	Domestic Preference for Goods. Yes ☑ No ☐	Domestic Preference for Works, if applicable Yes ☐ No ☑
Retroactive financing Yes ✓ No Explain: There may be retroactive financing for costs associated with setting up a financial management system acceptable to the Bank, prior to effectiveness.			Advance procurement Yes ☐ No ☑ Explain	
Explain briefly the Procurement Monitoring System: Procurement implementation progress will be monitored through progress reports and supervision missions. Each supervision mission will include a procurement specialist. She/he will be responsible for updating the procurement plan and conducting ex-post review. His/her findings will be included in the supervision reports for monitoring and implementation.				
Co-financing: Explain briefly the procurement arrangements under co-financing: None				
Section 4: Procurement Staffing				
Indicate name of Procurement Staff or Bank's staff part of Task Team responsible for the procurement in the Project: Name: Naushad Khan, Senior Procurement Specialist				
Explain briefly the expected role of the Field Office in procurement: The Resident Mission has accredited procurement staff.				

* Figures in parenthesis indicate the amount to be financed by the Bank grant.

Disbursement

Allocation of grant proceeds (Table C)

Allocation of grant proceeds: Disbursements will follow normal Bank procedures and will be made against the categories of expenditures indicated in Table C. The proceeds of the proposed project area expected to be disbursed over a period of six years. The anticipated completion date is June 30, 2006, and the closing date December 31, 2006.

Table C: Allocation of Grant Proceeds

Expenditure Category	Amount in US$million	Financing Percentage
Works	0.80	52%
Goods	1.44	100% of foreign expenditures 100% of national expenditures (ex-factory cost) and 80% of national expenditures for other items procured locally
Consulting Services, Training, Workshops and Study Tours	3.32	80%
Sub-grants	0.96	100% of amount disbursed
Incremental Operating Costs	0.85	80%
Unallocated	0.83	
Total Project Costs	8.20	
Total	8.20	

Use of statements of expenditures (SOEs):

Use of Statements of Expenditures: Withdrawal applications would be fully documented, except for expenditures under: (a) contracts for goods valued at less than US$100,000 each; (b) contracts for works less than US$100,000 each; and (c) contracts for consulting firms costing less than US$100,000 equivalent, and contracts for individual consultants costing less than US$50,000 equivalent; and d) contracts for training; e) all sub-grant contracts; and f) all incremental operating costs.

Special account:

Special Account: To facilitate disbursements against eligible expenditures under the Grant account, the Government will establish a Special Account (SA) in a commercial bank to be operated by the PMT under terms and conditions satisfactory to the Bank. The authorized allocation amounts to US$500,000 equivalent. Upon effectiveness, the Bank will provide for an advance of US$250,000 representing 50% of the authorized allocation. When the total funds withdrawn from the Grant Account amount to US$2.0 million, the beneficiaries may withdraw the remaining balance amounting to US$250,000 equivalent. Replenishment applications should be submitted not later than every three months. These applications would be fully documented, except in the case where Statements of Expenditure (SOEs) are permitted, and would be supported by a reconciliation statement and bank statement(s). The SA will be maintained by the PMT.

PAMA Advance Accounts: In addition to the Special Account administrated by PMT, an Advance Account will be established by each PAMA at a suitable commercial bank nearest to the site. Since

working capital is not available for project expenditures, the use of Advance Accounts will give the PAMAs direct access to funds for site expenditures. The Advance Accounts will be replenished by the Special Account. An amount equivalent to 90 days of anticipated expenditure would be advanced based on an annual work program. The advances will be used to meet project expenditures in the four sites. Subsequent advanced to PAMAs will be given only upon their accounting for the advanced previously received. PMT will be responsible for preparation and submission of regular replenishment requests with appropriate supporting documents for expenditures incurred. Among the documents that accompany replenishment applications a reconciliation statement for the Special Account showing deposits received from the Bank, the amount advanced to PAMAs, the date on which this advance was made and the amount awaiting documentation from PMT with an explanation for the delay.

PMR-based disbursements: It is expected that PMR based disbursements under the grant will commence during early implementation, based on quarterly Project Management Reports (PMRs). the format of the PMR reports will be discussed with the PMT during the follow-up mission by the Regional FMS.

Financial Management and Accounting

The financial management and accounting preparedness of the project has been reviewed by the Financial Management Specialist for the project and by the country Financial Management Officer at the Turkey Country Office and has been found to be satisfactory.

Organization Structure, Special Accounts and Accounting System

The Financial Management and Accounting function for the Project is centralized at the PMT. Project books of accounts for the PMT and the PAMAs are kept at the PMT (in parallel to the sets of accounts maintained by the PAMAs). All contracts and tender documents are issued by the PMT even though much of the preparatory work on tender documentation and contracts are undertaken by the PAMAs. The PMT is also responsible for operating the Special Account and for submitting SOEs to the Bank. The PAMAs maintain their own books of accounts but are required to send copies of documentation and records to the PMT.

The Financial Department of the PMT is headed by a Financial Manager who reports directly to the Project Manager of PMT. There are four staff under the Financial Manager responsible for maintaining the books of accounts. Every PAMA has an accountant responsible for maintaining records of all expenses under the project. Given that the Ministry of Forestry has implemented several internationally funded projects, (including a GEF grant) many of the staff are experienced in accounting and procurement requirements of the Bank. The organization structure is deemed satisfactory for the management of the project.

The funding for the project (including the grant and the Government's contribution) is earmarked in National budget. Funds will be allocated annually for the project to the Ministry of Forestry in line with the disbursement schedule provided in the project documents. Funds from the Bank would be transferred to a Special Account opened by the Treasury in US Dollars for this project at the Central Bank. The Special Account would be operated by the PMT. There will be four signatory authorities (two primary and two secondary) for the special account of which two signatures (at least one primary signatory authority) would be required. All expenses (except for direct payments by the Bank) for the project will be paid directly out of the Special Account. The operational expenses for the PMT and the PAMAs (e.g. salaries, rent, office expenses) will be borne by each of the implementation agencies out of their own budgets.

The Ministry of Forestry keeps its books of accounts on a *cash basis* of accounting in accordance with

internationally acceptable principles Based on a review of the National Chart of Accounts and format of financial statements.. The PMT will continue to use a cash basis of accounting and would prepare annual financial statements (including the Balance sheet, income and expenditure statement and a cash flow statement) as required by the Bank (under OP10.02). The chart of accounts have been prepared by the PMT and reviewed by the Bank. The PMT and the PAMAs use a computerized accounting system for keeping their books of accounts and is able to generate the financial statements as per the requirements of the Government.

Internal Controls and Audit

The organization structures of the PMT and PAMAs and the accounting (and procurement) procedures allow for good internal controls. All expenses made by the PMT or the PAMAs are first verified by the central procurements unit and checked against the budget allocated for each item (or component). Procurement for all good and services are made by the PMT based on the requisitions made by the PAMAs. Supplier invoices are verified against the contracts (or delivery of goods) by the procurements and signed off by the Project director and head of the procurement unit then sent to the Accounting department for payment. All payments under the project will made by bank transfers or payment orders. There is sufficient segregation along functional lines to allow for a good internal control system.

All Ministries in Turkey have their own internal audit department. These departments are responsible for verification of books of accounts or procedures or contracts of departments within each ministry. They rarely perform a complete internal audit of any department.

The Ministry of Finance also has an audit department that is responsible for reviewing the accounting and internal procedures of other ministries or government departments. These reviews are also made randomly does not constitute a full audit. All Government Departments are required to send their financial statements to the Ministry of Finance by March 31 of the following year.

The Court of Accounts in Turkey is responsible for verifying the books of accounts of <u>all</u> government departments and agencies. All government agencies send in the financial statements and copies of all supporting documents to the Court of Accounts for their review, by March 31 of the following year. Normally, the Court completes its assessment by the end of the calendar year. However, in cases where discrepancies are found, it immediately commences an in-depth review (or court action) without waiting for the completion of their review. The review of the Court does not comprise an audit but more of an in depth review of authenticity of contracts and adherence to budgets.

In Turkey, independent auditors cannot audit books of accounts of government agencies. The auditors of the Treasury audit all World Bank projects. Financial Statements and supporting documentation are provided to the auditors by May or June and audited reports are not available till after September. The quality of the audits is not up to the standards acceptable to the Bank.

There is an ongoing dialogue between the Bank and the Treasury to allow independent auditors to review accounts for all projects financed by the Bank. Funds have been provided for in the project for appointing independent auditors in the event that the Government allows an independent audit.

The PMT will submit unaudited financial statements for the project by three months after the close of every fiscal year and audited statements within six months after the close of every fiscal year.

Project Management Reports (PMRs) LACI

The Ministry of Forestry has selected not to use PMR based disbursement for the project during the first year of the project. A decision on PMR based disbursement will be made after the first audited report is submitted. The main problem with PMR based disbursement would be the certification (or endorsement) of the PMRs prior to them being sent to Bank. Since independent auditors are not allowed to verify the books of accounts, the PMT would have to depend on the Treasury to perform a quarterly review of the PMRs within 30-35 days of every quarter (in order to meet the Bank's deadline of 45 days). In view of the fact that the Treasury is normally delayed in providing audited reports in time, it not likely that the Treasury would be able to meet this deadline. The other option would be for the country FMO or FMS to review the PMRs every quarter – this may not be a practical option in view of the costs and time involved.

The PMT will send the Bank PMRs on a quarterly basis from the quarter ended December 31, 2000 or earlier. The PMT has identified three local consulting firms who would be able to prepare an automated system that would interface with the existing accounting system to generate the PMRs. The system is expected to be installed by June 30, 2000 and would be operational by September 30, 2000. For the three quarters starting quarter ended December 31, 2000, the PMT will submit reports 1A (Project Sources and Uses of Funds), 1B (Uses of Funds by Project Activity) and 1E (Special Account Statement). Starting with quarter ended June 30, 2001 all PMRs will be submitted to the Bank on a quarterly basis.

The format of the PMRs have been agreed with the PMT during appraisal.

Supervision and Oversight

Until such time as the Government allows independent auditors verify to the books of accounts of the project, there will be a need to closely supervise the progress of the project. The FMS for the project will visit the project on a semi annual basis in addition to reviewing the project accounts, PMRs and financial statements. The country FMO will also provide assistance in this regards as and when required.

Annex 7: Project Processing Schedule

TURKEY: Biodiversity and Natural Resource Management Project

Project Schedule	Planned	Actual
Time taken to prepare the project (months)		
First Bank mission (identification)	09/23/95	09/28/95
Appraisal mission departure	02/04/2000	02/21/2000
Negotiations	02/28/2000	03/07/2000
Planned Date of Effectiveness	08/15/2000	

Prepared by:

Ministry of Forestry

Preparation assistance:

GEF Block B Grant

Bank staff who worked on the project included:

Name	Speciality
John Fraser Stewart	Biodiversity and Natural Resouces Specialist - Team Leader
Nedret Durutan	Agricultural Specialist
Cuneyt Okan	Operations Officer
Charis Wuerffel	Operations Analyst
Kerstin Canby	Operations Analyst
Adriana Dinu	Biodiversity/Protected Area Specialist
John A. Hayward	Sector Leader; Quality Assurance
Marjory-Anne Bromhead	Senior Economist, Quality Assurance
Dilek Barlas	Legal Counsel
Rohit Mehta	Senior Disbursement Officer
Jose Martinez	Procurement Specialist
Arben Maho	Procurement Analyst
Gurdev Singh	Procurement Consultant
Ramendra Basu	Financial Management Specialist
Steve Lintner	Lead Specialist - peer reviewer
Tjaart W. Schillhorn Van Veen	Sr. Livestock Specialist - Peer Reviewer
Louis Carbonnier	Forestry Resource Specialist
Mircea Verghelet	Forest Conservation Planning Specialist
Gordon Temple	Economist
Karin Shepardson	ECA GEF Regional Coordinator
Kathleen Mackinnon	Senior Biodiversity Specialist
Jocelyne Albert	Senior GEF Regional Coordinator
Janis Bernstein	Environmental Specialist, Social Development
Yasemin Biro	Young Professional
Irene Bomani	Program Assistant

Ulker Karamullaoglu	Team Assistant

Annex 8: Documents in the Project File*

TURKEY: Biodiversity and Natural Resource Management Project

A. Project Implementation Plan

1. Terms of Reference for Project Management Team
2. Institutional Arrangements for Project Implementation
3. Project Implementation Schedule
4. Project Impact Indicators and Monitoring Plan
5. Procurement Plan
6. Project Cost Tables
7. Annual Work plans
8. Stakeholder Analysis and Participatory Approach

B. Bank Staff Assessments

1. Procurement Assessment
2. Environmental Review

C. Other

1. SECA-BRL Project Preparation Study
2. Forestry Sector Review Report
3. Global Environmental Overlays Program Report (undertaken in conjunction with the Forestry Sector Review)
4. Turkey Social Assessment (undertaken for the Forestry Sector Review)

*Including electronic files

Annex 9: Statement of Loans and Credits

TURKEY: Biodiversity and Natural Resource Management Project

Project ID	FY	Borrower	Purpose	Original Amount in US$ Millions				Difference between expected and actual disbursements[a]	
				IBRD	IDA	Cancel.	Undisb.	Orig	Frm Rev'd
P009044	1992	Turkey	AGRIC. RESEARCH	55.00	0.00	6.00	9.94	15.94	9.94
P009093	1995	Turkey	ANTALYA WATER SUPPLY	100.00	0.00	0.00	71.40	26.94	0.00
P009089	1998	Turkey	BASIC ED I	300.00	0.00	0.00	250.00	194.97	0.00
P009065	1993	Turkey	BURSA WATER & SANITA	129.50	0.00	20.00	10.31	18.35	-7.28
P008985	1998	Turkey	CESME W.S. & SEWER.	13.10	0.00	0.00	12.18	3.22	0.00
P048851	1999	Turkey	COMMODITIES.MKT.DEV.	4.00	0.00	0.00	3.90	1.80	0.00
P009023	1993	Turkey	E. ANATOLIA WATERSHE	77.00	0.00	0.00	34.46	42.06	-17.14
P009099	1993	Turkey	EARTHQUAKE RECONSTRU	285.00	0.00	78.50	7.17	85.67	24.17
P065188	2000	Turkey	EFIL	252.53	0.00	0.00	250.00	-2.48	0.00
P068394	2000	Turkey	EMG. EARTHQUAKE RECOV. - EERL	252.53	0.00	0.00	101.60	0.00	0.00
P058877	1999	Turkey	EMGY FLOOD RECOVERY	369.00	0.00	0.00	251.24	134.91	13.28
P009064	1993	Turkey	EMPLOYMENT & TRAININ	67.00	0.00	0.00	32.40	32.40	0.00
P009076	1995	Turkey	HEALTH II	150.00	0.00	0.00	93.48	100.24	0.33
P009073	1999	Turkey	INDUSTRIAL TECH	155.00	0.00	0.00	148.86	-4.47	0.00
P068368	2000	Turkey	MARMARA EARTHQUAKE	505.00	0.00	0.00	489.95	38.28	0.00
P048852	1998	Turkey	EMERGENCY RECONSTRUC.	270.00	0.00	0.00	269.75	107.59	0.00
P009095	1997	Turkey	NAT'L. TRNSM. GRID	14.50	0.00	0.00	14.20	11.31	0.37
P009072	1998	Turkey	PRIM HEALTH CARE SER	20.00	0.00	0.00	16.90	12.07	1.54
P035759	1996	Turkey	PRIV. OF IRRIGATION	62.00	0.00	0.00	52.60	47.27	7.13
P038091	1996	Turkey	PUBLIC FINAN. MGT.	250.00	0.00	0.00	118.14	81.02	0.00
P009097	1992	Turkey	ROAD IMPR. & SAFETY	9.20	0.00	0.00	0.72	0.72	0.00
P009071	1991	Turkey	TA FOR TREASURY DATA TEK RESTRUCT.	300.00	0.00	12.00	38.57	50.57	33.81
			Total:	3640.36	0.00	116.50	2277.77	998.38	66.15

TURKEY
STATEMENT OF IFC's
Held and Disbursed Portfolio
31-Jul-1999
In Millions US Dollars

		Committed				Disbursed			
		IFC				IFC			
FY Approval	Company	Loan	Equity	Quasi	Partic	Loan	Equity	Quasi	Partic
1994	AYTAC	5.33	0.00	0.00	6.67	5.33	0.00	0.00	6.67
1998	Adana Cement	15.00	0.00	0.00	10.00	15.00	0.00	0.00	10.00
1998	Alternatif Bank	10.00	0.00	5.00	15.00	10.00	0.00	5.00	15.00
1995/96	Arcelik	40.00	0.00	0.00	22.90	40.00	0.00	0.00	22.90
2000	Arcelik LG Klima	14.16	0.00	0.00	9.43	8.25	0.00	0.00	5.50
1994/97	Assan	7.68	0.00	5.00	6.25	7.68	0.00	5.00	6.25
	Borcelik	8.00	4.46	0.00	0.00	8.00	4.46	0.00	0.00
1994/96/97	CBS Boya Kimya	0.00	0.65	0.00	0.00	0.00	0.65	0.00	0.00
1995/96	CBS Holding	4.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00
1994	CBS Printas	0.00	0.62	0.00	0.00	0.00	0.62	0.00	0.00
1996	Cayeli Bakir	18.90	0.00	0.00	5.10	18.90	0.00	0.00	5.10
1992	Cerrahogullari	0.76	0.00	0.00	0.00	0.76	0.00	0.00	0.00
1994	Conrad	1.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1990/93	Demir Leasing	5.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
1997/98	Demirbank	10.50	0.00	0.00	14.50	10.50	0.00	0.00	14.50
1994/96	Edirne	1.71	0.00	0.00	0.00	1.71	0.00	0.00	0.00
1989	Ekspres Bank	2.86	0.00	0.00	0.00	2.86	0.00	0.00	0.00
1995	Eldor	4.50	0.00	0.00	0.00	4.50	0.00	0.00	0.00
1993/96	Elginkan	11.94	0.00	0.00	1.11	11.94	0.00	0.00	1.11
1988/93/96	Entek	25.00	0.00	0.00	26.50	25.00	0.00	0.00	26.50
1995	Finans Leasing	5.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
1997/98	Garanti Leasing	6.11	0.00	0.00	36.54	6.11	0.00	0.00	36.54
1994/98/00	Global Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1994/95/96	Gumussuyu Kap	9.00	0.00	2.78	0.00	4.00	0.00	2.78	0.00
1999	Indorama Iplik	10.00	0.66	0.00	0.00	10.00	0.66	0.00	0.00
1998	Ipek Paper	30.70	0.00	0.00	18.00	30.70	0.00	0.00	18.00
1998	Isvicre Hayat	0.00	0.08	0.00	0.00	0.00	0.08	0.00	0.00
1994/98	Kepez Elektrik	13.36	0.00	0.00	0.00	13.36	0.00	0.00	0.00
1990	Kiris	8.26	0.00	0.00	0.00	8.26	0.00	0.00	0.00
1988/90	Kocbank	8.57	0.00	0.00	0.00	8.57	0.00	0.00	0.00
1996	Koclease	10.71	0.00	0.00	0.00	10.71	0.00	0.00	0.00
1996	Korfezbank	12.00	0.00	0.00	24.00	12.00	0.00	0.00	24.00
1992/97	Koy-Tur	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1990/92	Kula	4.62	0.00	0.00	0.00	4.62	0.00	0.00	0.00
1991	Medya	0.00	0.00	4.99	0.00	0.00	0.00	4.99	0.00
1993/96	Modern Karton	20.00	0.00	0.00	10.00	20.00	0.00	0.00	10.00
1998	NASCO	10.22	0.00	0.00	3.51	10.22	0.00	0.00	3.51
1991	Ottoman	20.00	0.00	0.00	80.00	20.00	0.00	0.00	80.00
1998	Oyak Bank	11.67	0.00	0.00	15.00	11.67	0.00	0.00	15.00
1997	Pasabahce-Schott	14.56	0.00	0.00	14.56	14.56	0.00	0.00	14.56
1998	Pinar ET	11.00	0.00	0.00	0.00	11.00	0.00	0.00	0.00
1983/94/98	Pinar SUT	14.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1994/00	Rant Leasing	2.81	0.00	0.00	0.00	2.81	0.00	0.00	0.00
0/97	SAKoSa	23.09	0.00	0.00	22.59	23.09	0.00	0.00	22.59
1999									

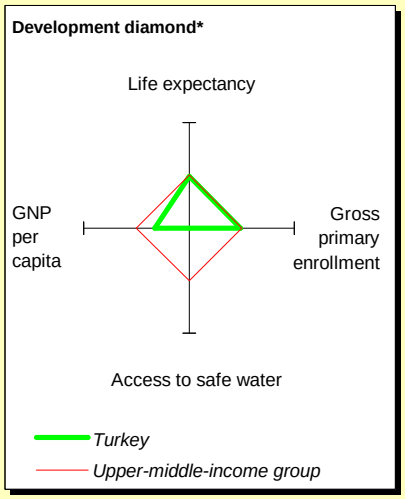
		Committed				Disbursed			
		IFC				IFC			
FY Approval	Company	Loan	Equity	Quasi	Partic	Loan	Equity	Quasi	Partic
1986/90	Silkar Turizm	3.52	0.00	0.00	4.01	3.52	0.00	0.00	4.01
1993/96	Sise Ve Cam	13.28	0.00	0.00	17.71	13.28	0.00	0.00	17.71
1998	Soktas	11.45	0.00	0.00	0.00	11.45	0.00	0.00	0.00
1996	TCRA	0.00	0.10	0.00	0.00	0.00	0.05	0.00	0.00
	TDD	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00
1995	TEB Finansal	5.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
1999	Tekfen	1.43	0.00	0.00	0.00	1.43	0.00	0.00	0.00
1994	Toprak Leasing	3.56	0.00	0.00	0.00	3.56	0.00	0.00	0.00
1997	Trakya Cam	0.00	1.48	0.00	0.00	0.00	1.48	0.00	0.00
1979/82/83/89/91/96/9	Turk Ekon Bank	15.00	0.00	0.00	20.00	15.00	0.00	0.00	20.00
9	Turkiye Garanti	18.18	0.00	0.00	86.36	18.18	0.00	0.00	86.36
1995/99	Unye Cement	20.82	0.00	0.00	0.00	20.82	0.00	0.00	0.00
1993/98	Uzel	20.00	0.00	0.00	15.00	7.94	0.00	0.00	5.96
1999	Viking	11.36	0.00	0.00	0.00	11.36	0.00	0.00	0.00
1999	Yalova Acrylic	5.65	0.00	0.00	3.01	5.65	0.00	0.00	3.01
1970/71/82/83/98	Yapi Kredi Lease	3.70	0.00	0.00	0.00	3.70	0.00	0.00	0.00
1995									
1997/98									
	Total Portfolio:	567.16	8.05	17.77	487.75	528.00	8.00	17.77	474.78

		Approvals Pending Commitment			
FY Approval	Company	Loan	Equity	Quasi	Partic
1999	CBS Group Restr	5800.00	0.00	0.00	0.00
1995	ENTEK - KOC	0.00	0.00	0.00	15000.00
2000	EarthquakeRelief	50000.00	0.00	0.00	0.00
2000	Educacion	9700.00	0.00	0.00	0.00
1999	Ege Seramik	18000.00	0.00	5000.00	0.00
2000	Erbakir	5000.00	5000.00	0.00	0.00
2000	FRB/RMBID	50000.00	0.00	0.00	0.00
1999	Finansbank A.S.	10000.00	0.00	0.00	35000.00
2000	Ipek BLINC	0.00	0.00	0.00	15000.00
2000	Kordsa (Dusa II)	15000.00	5000.00	0.00	15000.00
	Total Pending Commitment:	163500.00	10000.00	5000.00	80000.00

Annex 10: Country at a Glance

TURKEY: Biodiversity and Natural Resource Management Project

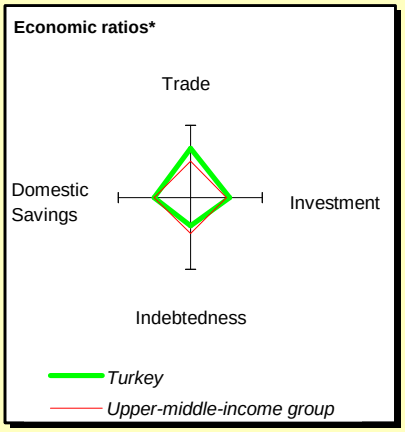
POVERTY and SOCIAL	Turkey	Europe & Central Asia	Upper-middle-income
1998			
Population, mid-year *(millions)*	63.5	473	588
GNP per capita *(Atlas method, US$)*	3,160	2,190	4,860
GNP *(Atlas method, US$ billions)*	200.5	1,039	2,862
Average annual growth, 1992-98			
Population *(%)*	1.5	0.1	1.4
Labor force *(%)*	2.8	0.6	2.0
Most recent estimate (latest year available, 1992-98)			
Poverty *(% of population below national poverty line)*	..	..	..
Urban population *(% of total population)*	73	68	77
Life expectancy at birth *(years)*	69	69	70
Infant mortality *(per 1,000 live births)*	40	23	27
Child malnutrition *(% of children under 5)*	10	..	..
Access to safe water *(% of population)*	..	..	79
Illiteracy *(% of population age 15+)*	17	4	11
Gross primary enrollment *(% of school-age population)*	105	100	108
Male	107	101	..
Female	102	99	..



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

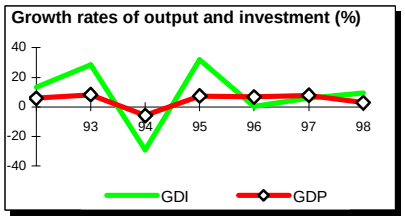
	1977	1987	1997	1998
GDP *(US$ billions)*	60.9	87.3	190.7	198.8
Gross domestic investment/GDP	19.9	25.7	25.1	24.6
Exports of goods and services/GDP	3.7	15.6	24.6	24.8
Gross domestic savings/GDP	13.3	23.5	19.3	21.1
Gross national savings/GDP	16.2	26.6	23.8	26.7
Current account balance/GDP	-5.2	-0.9	-2.4	0.3
Interest payments/GDP	0.3	2.2	1.7	1.7
Total debt/GDP	18.8	46.9	47.8	51.4
Total debt service/exports	29.1	35.5	20.2	21.6
Present value of debt/GDP	..	..	43.3	..
Present value of debt/exports	..	..	146.6	..

	1977-87	1988-98	1997	1998	1999-03
(average annual growth)					
GDP	4.0	4.3	7.7	2.8	5.0
GNP per capita	1.4	2.8	6.9	2.3	3.6
Exports of goods and services	..	10.4	19.1	10.5	6.8

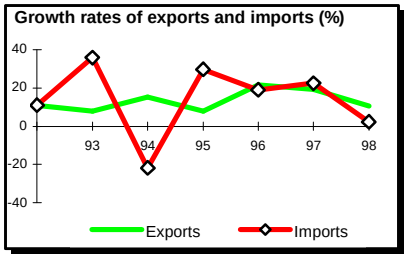


STRUCTURE of the ECONOMY

	1977	1987	1997	1998
(% of GDP)				
Agriculture	31.4	18.3	15.1	17.6
Industry	21.5	31.8	28.2	25.4
Manufacturing	13.6	20.2	18.3	16.1
Services	47.0	49.9	56.7	57.0
Private consumption	74.9	68.7	68.4	66.3
General government consumption	11.8	7.8	12.3	12.6
Imports of goods and services	10.3	17.8	30.4	28.2



	1977-87	1988-98	1997	1998
(average annual growth)				
Agriculture	0.9	1.3	-2.2	7.0
Industry	5.3	5.1	9.2	1.8
Manufacturing	5.5	6.0	11.2	1.8
Services	3.8	4.3	6.9	3.3
Private consumption	..	4.5	10.9	-3.1
General government consumption	..	3.5	4.1	5.0
Gross domestic investment	..	5.4	5.8	9.3
Imports of goods and services	..	11.8	22.4	2.2
Gross national product	3.8	4.5	8.6	3.9



Note: 1998 data are preliminary estimates.

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

PRICES and GOVERNMENT FINANCE

Additional
Annex No.: 11

TURKEY: Biodiversity and Natural Resource Management Project
Stakeholder Analysis and Participatory Approach

1. Introduction

1. The long term survival of biodiversity can only be achieved if the socio-economic characteristics, needs and aspirations of all stakeholders are properly taken into account in the management of biodiversity and natural resources. Broad public involvement in project preparation and implementation will increase local ownership and the likelihood that the project will be sustainable in the long run. Therefore, participatory mechanisms that allow for increased stakeholder involvement in decision making and implementation should be seen as necessary elements of successful biodiversity and natural resource management projects.

2. In order to achieve long term sustainability and ownership, the project aims to involve key stakeholders at all stages of the project cycle. Accordingly, as part of project preparation, a stakeholder analysis and an assessment of relevant socio-economic issues were undertaken to:

- identify key stakeholders of the project at both national and local levels;
- determine the interests of key stakeholders with respect to biodiversity as well as their impacts on natural resources in the project sites;
- identify the ways in which key stakeholders interact with each other;
- review local patterns of land and natural resource use and local socio-cultural mechanisms/institutions that govern and influence these patterns;
- evaluate possible impacts of stakeholders on the project as well as potential negative impacts of the project on key stakeholders; and
- identify opportunities for the project to benefit stakeholders through capacity building in government agencies and NGOs, and through assisting local resource users to establish sustainable resource management mechanisms.

3. During project preparation, local consultants provided information and contributed to identification of risks, impacts and mitigation strategies. The project has also been designed to ensure continued stakeholder involvement throughout implementation via various participation mechanisms. A broad range of stakeholder groups were consulted using several methods, including formal and semi-formal interviews, group discussions, workshops, rapid rural appraisal and literature review. The list of stakeholders who were consulted and/or participated in project preparation is presented in Attachment 1.

2. Socio-Economic Context for the Project

4. Socio-economic context includes national level trends associated with economic growth, liberalization and privatization, as well as local level issues associated with land ownership, resource tenure, decentralization, organization and participation in the management of natural resources, and it can significantly influence the nature of proposed project activities as well as the viability and long-term success of the project. Consequently, the socio-economic context for the Biodiversity and Natural Resource Management project has been evaluated and taken into account during project preparation.

2.1 National Socio-Economic Conditions

5. Turkey has a population of 62.9 million (1997 Census). Population growth has fallen to below 1.5% per year from 1.9% in 1993. The deceleration in the birth rate since the 1950s is due to improvements in education of women, migration to urban areas and wider use of modern birth-control practices. Infant mortality has dropped to about 4% and life expectancy has soared to an estimated 66.5 years for men and 71.2 for women DPT, 1998. The population is still young with 50.5% aged 5-29 years and only 5% are over 65 years in 1995.

6. Although Turkey is considered an industrialized country, agriculture still accounts for almost 45% of employment. Recently there has been a major migration from rural areas to urban centers. In 1997, the urban population accounted for 65% of the total population, compared with 59% in 1990 and 27% in 1960. This increase in urbanization is largely due to recent rapid economic growth, one of the highest among the Organization for Economic Cooperation and Development (OECD) countries. Annual real GDP growth averaged just over 4% in the 1980s and almost 5% in the 1990s. Although the economy suffered a sharp contraction in 1994, it bounced back quickly, growing by 6.7% in 1995, 7.3% in 1996 and 7.6% in 1997.

7. Economic growth, rising incomes and urbanization in Turkey has resulted in pressures on the environment and has accelerated degradation of the natural resource base. It has also lead to increases in demand for recreational and environmental services, especially among wealthier groups. Forest recreation, for example, is currently estimated to account for 5.5 million visitors annually to national parks and other categories of protected area. Commitments made by the Government under international agreements, such as the Convention on Biodiversity, Desertification, Climate Change, and Ramsar (wetlands), have led to an increase in public awareness of, and demands for, nature conservation in general. In addition, along with growing demands for recreation and nature conservation, the need for developing practical solutions to the economic needs of poor rural populations is also being recognized.

8. *Implications for the Project*: In the project sites, local rural population has been declining due to out-migration while demand for tourism by visitors has been increasing, in accordance with national socio-economic trends. The project will build on growing public concerns regarding biodiversity, natural resources as well as the rural poor, and will enhance national capacity for sustainable biodiversity conservation and management through collaborative participation of key national organizations, including MoF, MoE, MoC, MARA, MoT and the academic and NGO communities.

2.2 Local Socio-economic Conditions

9. According to 1997 census data, 3.2 million people in Turkey live in forest villages, and another 5.1 million live in forest-neighboring villages. This equals 15% of Turkey's total and 48% of its rural population . The average population in forest villages is less than 800, with regional variations from 498 along the coast of Black Sea region, to 1,100 people in the plateaus of the Mediterranean region. Between 1975 and 1990, the population in about 95% of forest villages has shrunk due to poor economic conditions and a high rate of out-migration, particularly of the younger generation. This has led to a decrease in the available work force in these villages. Elderly persons (older than 60) now make up 14% of the total forest population. Since most migrants are men, there is a disproportionately high female population in most forest villages. Overall in Turkey, only 9% of household heads are female, while 24% of families in forest villages are female headed households.

10. Forest villages are poorer than other Turkish villages with poverty indicators far below national averages. With respect to land ownership, where the national average is 64 da per household, regional averages for forest villages are 20 da in the Black Sea region, 24 da in the Mediterranean region, and 28 da

in the Aegean region. The most important sources of income in forest villages are farming, livestock raising and horticulture. Families earn about one third of their income from farming and another third from raising livestock. Poverty is particularly pronounced in mountain villages where land for agriculture and pasture is severely limited.

11. Infrastructure in most forest villages is inadequate. One third of roads in forest areas are dirt paths which limit access to local markets, and villagers have problems gaining access to irrigation and drinking water. While most forest villages have schools, interviews with residents indicate that the quality of education is low and most teachers do not work continuously. In addition, there is a lack of access to higher education, which accelerates permanent or seasonal out-migration from forest villages, especially among the younger generation. Forest villagers also complain about the unreliability and unavailability of health services. Although MOF, ORKOY and the General Directorate of Rural Services, provide funding for housing, infrastructure, and maintenance work, these funds are inadequate to bring all the necessary infrastructure to the villages.

12. The most important benefit villagers derive from forests is wood for heating and cooking. It is estimated that 58% of the forest village population depends solely on the forest for energy. Although forests also provide various other values, only a small proportion of forest villagers derive direct financial benefits from forests. According to surveys of forest villages, average annual household incomes earned from the forest amount to $349 in the Black Sea region (18% of total income), $274 in the Mediterranean region (14%) and $285 in the Aegean region (11%).

13. In Turkey, most PAs are located in forested areas, of which 99% belong to and are managed by the State. According to the Constitution of Turkey, the ownership of forest land may not be transferred. The management and exploitation of forests are the responsibility of the State. Private forests existed in Turkey prior to 1945, at which point all forested land was nationalized. There was a strong reaction against nationalization from the public, especially from private forest owners and villagers who lived within or near forests and were used to exploiting forest products. In general, nationalization of forests has reduced the incentive for villagers to use forests sustainably since they have lost their sense of ownership over forest resources and do not have legal capacity to prevent others from using them. Moreover, poor land tenure records and incomplete forest cadastre in general, contribute to the uncertainty regarding land ownership and use rights, leading to disputes not only between individuals, but also among neighboring communities and different government agencies. Consequently, forest fires and illegal cutting of forests have increased since 1945, leading to massive biodiversity loss.

14. Key issues that shape the local socio-economic context include: unemployment; lack of clarity as regards rights to use natural resources, leading to unsustainable resource use; lack of local participation in resource management; poor access markets for local produce; and lack of availability of credit to support development of income generating activities.

15. *Implications for the Project:* In the project sites, with the exception of Sultan Sazligi wetlands, all villages are classified as forest villages by Turkish Law and share the general socio-economic characteristics of forest villages. Moreover, in all project sites, there are uncertainties and conflicts regarding land ownership and user rights. For example, in Sultan Sazligi, villagers own 160,000 da of land inside the PA, including private land and treasury land allocated for grazing. PA status of the wetlands prevents the villagers from developing their land or selling it; they are only permitted to cultivate. Since ownership is no longer secure, villagers manage their land to maximize short-term gains, with little regard for long-term productivity. Therefore, wherever possible, the project will support clarification of land ownership and use rights and development of economic opportunities for key stakeholders that are linked

with project objectives, and it will encourage participatory management schemes for shared resources, such as pastures, reeds and non-wood forest products.

3. Socio-economic Situation and Resource Use in the Project Sites

3.1 Demographic Trends in the Project Sites

16. In all project sites, lack of access to credit, inadequate infrastructure, and lack of employment opportunities have contributed to an increase in migration of young people to bigger towns and cities in search of jobs. For example, from 1990 to 1997, the population in most villages in Sultan Sazligi has declined around 20 - 30%. The following table summarizes the current demographics of the project sites:

Table 1: Estimated Population Figures

Project Site	Settlements	Number of Households	Total Population	Female Population
Sultan Sazligi	6 villages, 2 towns	1,871	9,352	45%
Igneada	2 villages, 1 town	770	2,845	43%
Camili	6 villages	350	1,284	49%
Koprulu Kanyon	7 villages	1,179	5,132	55%

3.2 Land Use in the Project Sites

17. Except in Sultan Sazligi, forests cover most of the area in the project sites, followed by pastures. Cultivated areas are relatively small. The following table provides a breakdown of land types in the project sites:

Table 2: Land Use

Project Site	Total Land Area (ha)	Cultivated Area	Forest Area	Wetlands	Pastures
Sultan Sazligi	314,961da	17%	N/A	27%	26%
Igneada	25,076	11%	85%	N/A	2%
Camili	25,258.5	0.2%	65%	0.03%	28%
Koprulu Kanyon	21,494.5	9%	90%	N/A	N/A

3.3 Resource Use in the Project Sites

18. *Sultan Sazligi*: Key economic activities include agriculture, poplar plantations, pumice mining, sheep and cattle grazing, and reed cutting. Average annual income per household in the villages within the PA ranges from $700 to $1500. Wheat, oats and alfalfa, barley, rye, various fruits, sugar beet, string beans, sunflower, and clover are produced. Livestock breeding is also a major economic activity. The marshes are used for grazing and fodder supply. Reed cutting is another economic activity, especially for poorer households with small areas to cultivate. Another economic activity, pumice mining takes place at the foothills of Erciyes Mountain.

19. Growing interest in eco-tourism and especially bird watching as well as local efforts to conserve the wetlands have brought about a slight increase in visitors to Sultan Sazligi. However, overall economic impact of 2-3,000 annual visitors to Sultan Sazligi is low and limited to a few local bed & breakfasts and a small-scale boat trip business. Moreover, illegal hunting continues in the wetlands, damaging wildlife and

wildlife habitats. There are also small scale industrial facilities in nearby towns (with total population near 100,000). Most waste water outflows from these facilities are released into the wetlands without any treatment, contributing to the degradation of wildlife habitats in the wetlands.

20. *Koprulu Kanyon*: Key economic activities in Koprulu Kanyon include forestry, agriculture, sheep and cattle grazing, bee keeping, tourism, cotton picking and non-wood forest product harvesting. All villages grow wheat, barley, oats and corn, but some also produce cotton and sesame, and have greenhouses for vegetable production. There is a considerable number of livestock in the region including an estimated 22,000 goats that graze inside the PA. There are also about 1100 beehives in the villages within the PA. There are many nomadic families who pass, with their herds, through Koprulu Kanyon during their seasonal moves between coastal plains and the yaylas. In general, average annual household incomes differ from village to village and range from US$1000 to US$3000.

21. Since 1993, logging has not been allowed in Koprulu Kanyon. However, despite the logging ban, timber is cut illegally in response to demands from the coastal plain for furniture and building materials as well as for fuel wood, which is the main source of energy for all villages. Since the ban, local people have been exploring new possibilities to earn income. Some have started to collect and sell herbs (*Salvia sativa* - sage, *Cistus salvifolia* - sage leaf rockrose, *Thymus sp*. - thyme, *Origanum vulgare* - oregano) in the forests. Additional but relatively marginal income is generated through honey production and collection of chestnuts and walnuts. Although hunting is illegal within the PA, poaching continues.

22. Tourism is also a source of income for villages within the PA. The ruins of the ancient city of Selge are located within the PA and operated by MoC. They are degraded by public use, illegal construction and inappropriate restoration, but continue to be an attraction to tourists whose visits to the area generate income for local villagers. Rafting is another source of income related to tourism; however, only about 10% of total revenue from rafting is retained in the area. Indirect benefits to the local communities from tourism include income from labor, transport, restaurants and shops. Currently, no fees are collected by the Government from rafting companies. Additionally, rafting operators pay no rent, nor do they have leases or permission to construct buildings or operate businesses within the PA. There are conflicts within and between villages as well as with outside rafting operators regarding control of rafting activities.

23. *Igneada*: The main economic sectors in the Igneada settlements are forestry, fishing, livestock, tourism, and reed cutting. It is estimated that the average annual household income in Igneada is about US$ 4,000. Agriculture is not a major activity in the villages, although corn, wheat, beans and vegetables are grown for home consumption. Most households in the villages keep livestock, including goats, sheep and cows. Generally, livestock is grazed in the forest during summer months and is stall-fed indoors in the winter. The majority of the 'working population' (about 930 people) are employed by the District Directorate of Forestry as contract laborers in timber harvesting. All villages also have poplar plantations that are scattered throughout the forest, some on privately owned land and some on illegally occupied land. Local people also cut reeds in the wetlands, mostly for their own consumption. Hunting affects the whole site and is regarded by many as a traditional recreational activity and not as a way to increase household economic revenues. For land-owners, hunting wild boar is a way to reduce crop damages. In addition, outsiders from big cities (mainly Istanbul) come to Igneada for sport hunting.

24. Tourism is quite important for the economy of Igneada. There are an estimated 30,000 visitors per year. Tourism industry in the area is seasonal. Tourism along the coast occurs between June and August. There are 529 secondary homes owned mostly by Turks residing in Istanbul, and more are being built every year. There are also six bed & breakfasts and four government recreation facilities.

25. *Camili*: Currently, in Camili, the most prominent economic activity is subsistence farming coupled with small scale production of cash crops such as hazelnut, walnut and vegetables as well as bee keeping and livestock rearing. In addition, communities receive income from relatives who live outside the area. This income is critical especially for the elderly, which constitute the majority of the population. Some households also earn money through seasonal labor activities outside the basin (but within the region), such as tea picking and hazelnut harvesting. It is estimated that annual average household incomes in Camili range from US$700 to US$1000.

26. In general, the area is isolated and underdeveloped. The critical constraint to economic development is lack of year-round access to markets. The road to Borçka, the closest town, is in very poor condition, often destroyed by avalanches, and is normally closed by snow for up to seven months per year. Such poor access limits economic activities that can be pursued in the basin and causes under-employment. Poor access also means that agricultural extension services seldom visit the basin and government employees refuse to be posted to the area . Therefore, production practices do not improve and out-migration is exacerbated. The situation is made worse by erratic electricity supply, especially in winter. Additionally, lack of land registration certificates prevents farmers from securing loans. Since the basin is located along the Georgian border and is a military zone, special permission is required for entry and it is difficult for non-villagers to visit the area.

27. On the other hand, poor access has preserved the cultural integrity of the local people, as well as the natural integrity of the environment. If a major road had been constructed, it is likely that much of the forest would have been destroyed by timber exploitation. Also, increased out-migration due to poor access and socio-economic conditions has prevented large scale development of the area and has resulted in less intensive use of natural resources in the basin. In Camili, local communities use forest resources only to sustain their livelihood: chestnut and lime tree flowers are the main source of food for bees; houses and furniture are made with chestnut; beech provides fuel wood which is the main source of energy, and fodder for cattle and shelters bee hives; yayla wooden refuges and roof tiles are made with spruce. People hunt wildlife for meat and also to control damage to agricultural fields, livestock and bee hives. The communities recognize that forest cover protects their land against landslides and their settlements against avalanches and thus, they are opposed to any large-scale forest logging within their valleys. Currently, there is no forest production in Camili. Most forests in upper valleys remain untouched and are considered pristine. Forest preservation has been possible because human population has always been scarce in this area. Another reason is the customary land tenure system, where forest land belongs to the state, but local people have the usufruct of land around their houses, including forest stands which are shared by villages. Each village also has an allocated area of meadow in the high plateau (yayla) for summer grazing.

4. Stakeholder Groups

28. The project sites are characterized by multiple use of natural resources by a broad range of stakeholders, and a long history of agro-pastoral and forestry activities. Key stakeholders include: (a) Government institutions and agencies at the national, regional and local levels (including MoF, MoE, Ministries of Agriculture, Tourism, etc.); (b) the academic community and research institutes; (c) local residents and resource users (farmers, shepherds, forest users, reed cutters, rafting operators); (d) national and local NGOs; (e) tourists; and (f) local businesses and industries. Each of these stakeholder groups has specific interests and needs related to resource use and control, and, will therefore, be affected differently by the project.

29. Three different groupings of stakeholders are described below. These include: (i) stakeholders

most able to influence the project; (ii) those who are most affected by the project; and (iii) those who have a potential to contribute to the project. The project's response to each stakeholder's influence on the project is also described. An analysis of these stakeholders is provided below.

4.1 Stakeholders Most Able to Influence the Project

30. This group includes decision makers at national and local levels; those who have significant influence regarding decision making; and those with legal responsibility for biodiversity conservation, natural resource management and/or PAs.

31. *Ministry of Forestry (MoF)*: MoF's responsibilities include protection, improvement and maintenance of forests, prevention of erosion, restoration of pastures within forests, promotion and establishment of nurseries, development of forest villages, improvement of the relationship between forests and villagers, production of raw timber material, and management of protected areas. MoF is composed of three core service units: General Directorate of Afforestation and Erosion Control (GDREC), General Directorate of Forest and Village Relations (ORKOY), General Directorate of National Parks, Game and Wildlife (GDNP). Another related institution under MoF is the General Directorate of Forestry (GDF). Most forest land in Turkey is managed by GDF through a system of regional directorates, with forest districts as the basic operational unit. Both MoF and GDF are organized regionally. Conservation forests, nature parks, nature reserves, national parks, wildlife conservation areas, and recreation areas are under the direction of GDNP and occupy only 2.6 percent of the forest area.

32. MoF has a centralized and hierarchical structure. Forest management plans are prepared with little involvement of local stakeholders. MoF's traditional approach to forest management tends to emphasize conventional wood production priorities over alternative uses of forest resources. Consequently, the project will demonstrate the importance of participatory processes and decentralized management while building the capacity of MoF's GDNP, GDF and the regional directorates to plan and lead biodiversity conservation. This will be achieved through provision of training and equipment to support implementation of national level project activities, including replication of project experience throughout the country.

33. *Ministry of Environment (MoE)*: The role of MoE is to coordinate all environmental affairs in Turkey, but it is also assigned jurisdictional and operational responsibilities for protecting the environment in Turkey. For example, MoE, through its General Directorate for Environmental Protection (GDEP), has jurisdiction over Turkey's wetlands and endangered species. (This conflicts with MoF's responsibility over wetlands and wildlife within forests and national parks.) However, MoE is centrally organized and does not have local presence in rural areas, including the project sites. Therefore, MoE will be most influential at the national level during project implementation. It will play a crucial role in the coordination of project components regarding improvement of the legal framework for biodiversity conservation and the establishment of a nationwide public awareness campaign. The project will provide training and equipment to build MoE's capacity to act as the coordinator of these activities and effectively implement its national mandate with respect to biodiversity conservation.

34. *Ministry of Culture (MoC)*: The responsibility of MoC is to preserve natural and cultural values in Turkey for the benefit of future generations. The ministry operates via the General Directorate of Cultural and Natural Entities Conservation (GDCNEC), High Council of Cultural and Natural Entities Conservation and its 17 regional commissions. The regional commissions are responsible for identifying areas of cultural and natural significance as well as establishing and implementing protection measures in these areas. All government agencies (including municipalities) are required to follow the instructions of these commissions regarding management of these areas. In three project sites, there are areas which have

been identified as natural and cultural protection sites. Since the decisions of the MoC overrides those of any other agency within these areas, MoC emerges as a very important stakeholder in these three sites. Therefore, the project will not only ensure MoC's active participation in the project activities, but it will also provide training and equipment to MoC in order to build its capacity to effectively participate in biodiversity conservation activities in these sites and also at the national level.

35. *Non-governmental Organizations* (NGOs): There are many national and international NGOs involved in different aspects of biodiversity in Turkey, including conservation and protection of forests and biodiversity, development and management of forests and natural resource bases, and rural development. In many cases, NGOs play a big role in protecting a resource base from destruction and publicizing the concerns of forest villagers. Some of these groups are: Society for the Protection of Nature (DHKD), Turkish Development Foundation (TKV); Association for the Protection of Natural Resources; Association for Investigation of the Rural Environment and Forestry Problems; the Turkish Association for the Conservation of Nature; and Turkish Foundation for Erosion Control (TEMA). The project will ensure the active participation of NGOs in project activities at both national and local levels. It will also benefit from the knowledge and experience of NGOs through workshops and consultations, and provide training and technical support to NGOs on biodiversity management.

36. *Tourists/Tourism Industry*: With rapid urbanization, demands for recreational activities have shown a significant increase in Turkey. One estimate shows that about 10-million people per year visit the 428 forest recreation sites covering 15,946 hectares under the management of GDNP. Another study finds that eco-tourism is booming in several regions including the Mediterranean and Aegean regions. For example, in Alanya district of Antalya province, there are six to seven private eco-tourism companies which take over 20,000 visitors per year to mountain and forest areas. These figures indicate that tourists are emerging as important stakeholders in the management of PAs. If uncontrolled, tourism development can be extremely damaging to biodiversity. However, if managed properly, tourism can emerge as a biodiversity friendly income generating opportunity for local communities in and around the PAs. Consequently, the project will support the development of such activities in the project sites via provision of small grants, training and guidance. It will also monitor local tourism developments and encourage environmentally responsible tourism via public awareness programs and economic tools such as user fees.

37. *Media*: Media in Turkey has so far been very marginally involved in covering and promoting biodiversity and natural resource management issues. However, it has the potential to contribute greatly to raising public awareness on these issues. The project, through national and local public awareness programs, will encourage larger media coverage of biodiversity issues as well as PA management in an effort to publicize the importance of sustainable biodiversity and natural resource management.

4.2 Stakeholders Most Affected by the Project

38. These stakeholders include villagers, herders, land owners, village heads/mayors, beekeepers, tourists and visitors, local NGOs, local small enterprises and cooperatives, harvesting companies, hunters and hunting associations. This group is likely to be impacted both negatively (e.g. through loss of access to resources) and positively (e.g. through provision of new opportunities for income generation). The project will mitigate possible negative impacts on these stakeholders by establishing mechanisms to generate flow of benefits in a manner that is in line with project objectives.

39. *Local resource users*: These groups include local landowners, herders, farmers, foresters, beekeepers, and reed cutters. Key resource uses include land, water, wood and non-wood forest products, meadows, and reeds. The primary issues of interest for local communities associated with the project are

access to resources, employment and income generation. These groups will voice their interests, concerns and preferences regarding these issues via the Sustainable Use Committees that will be established in each project site. They will also be eligible to apply for small grants that will support biodiversity friendly resource use practices.

40. *Local Government* (including village heads/muhtars and mayors): Although local governments have the potential to influence the project and will participate in its implementation, they will primarily be impacted by the project. The establishment of PAs within their jurisdiction may result in direct access to income generating resources such as grazing fees on meadows or potential private development. The project may also result in a decline in their power as mechanisms for decentralized decision making are put in place. They may also experience difficulty in balancing constituent demands with PA objectives. To help mitigate these impacts, the project will a) target local authorities through public awareness programs to raise their understanding of the long-term benefits of sustainable resource use and the potential for economic benefit through project activities, such as eco-tourism and the Small Grants Program, and b) involve them in the development and implementation of project activities.

41. *Local NGOs*: Local NGOs exist in all project sites. These NGOs are capable of initiating and undertaking a variety of PA management activities, such as education, public awareness, tourism monitoring, restoration and rehabilitation of trails, fund-raising, etc. In addition, they can be instrumental in developing public interest and participation in local environmental issues. To support increased involvement of NGOs in PA management, the project will support capacity building in local NGOs and provide opportunities for them to participate constructively in PA management and public awareness programs.

42. *Hunters and Hunting Associations*: In general, hunting is a popular activity in Turkey. One estimate indicates that there are over one million licensed hunters and three million unlicensed hunters in Turkey. In Antalya alone, there are two hunting tourism firms who organize regular safari tours for foreign hunters in designated hunting grounds. Similar formal or informal hunting associations exist in all project sites. Therefore, the project will put in mechanisms to monitor their activities and involve them in project implementation in order to prevent over-exploitation of game and wildlife and illegal hunting practices within the PAs.

4.3 Stakeholders with a Potential to Contribute to the Project

43. *Industry*: Forest industry has a significant role in the sustainable use and management of forest resources. According to an evaluation made in 1988, based on total production value, the forest products industry is ninth among 34 manufacturing industries. The incorporation of biodiversity concerns to forest management plans by the project may lead to possible reductions in domestic production of timber and other forest products. If this happens, the industry may be forced to import raw materials and in situations where this proves to be costly, it may try to force MoF to increase domestic production. Therefore, the project will involve the industry as a stakeholder in project implementation and include it as a key target of the public awareness programs.

44. *Research institutions and universities:* Research in biodiversity and forestry is vital for identifying issues and devising mechanisms to resolve these issues. The nine universities with forestry faculties and 11 research directorates of MoF have a major role in providing these functions and are already involved in such efforts, like the Forestry Research Master Plan that was recently developed and is currently being implemented. Research institutions and universities will play a role in this project by providing expertise and a knowledge-base for design and monitoring of PA management plans and sustainable resource use

practices. They will also participate in the project's public awareness and education components.

45. *Other government agencies*: Many other government agencies are stakeholders of the project and may be able to contribute to the project since they are involved in provision of basic services to the project sites as well as national level planning. These agencies include: the State Hydraulic Works (DSI); Ministry of Defense (MoD), General Directorate of Rural Services (GDRS), Ministry of Finance (MoF), Ministry of Education (MoED), Treasury, Ministry of Interior (MoI), State Planning Organization (SPO), Ministry of Reconstruction and Settlements (MRS), General Directorate for Roads and Highways (GDRH), Ministry of Energy and Natural Resources, Institute of Mineral Exploration (MTA), Ministry of Agriculture and Rural Affairs (MARA), General Directorate for Agricultural Reform (GDAR), Ministry of Tourism (MoT), and Turkish Radio and Television (TRT). The project will involve these agencies in project implementation via workshops and working groups, and will target them through public awareness programs.

5. Participation Mechanisms

46. At present, local and national level stakeholders have little experience in decentralized planning and management of resources. Consequently, the project will foster decentralization of responsibility from the national to the local level and will develop management processes that facilitate the participation of key stakeholder groups, including NGOs. The project will provide the following opportunities for participation:

a) decision making, e.g. through establishment of Protected Area Management Authorities (PAMAs), Advisory Committees and Councils, working groups, Village Councils, etc.;

b) capacity building, e.g. through the provision of training for: (i) PAMA staff to acquire new skills such as conflict resolution, integrated resource management, community participation, public awareness, and communication, etc.; and (ii) NGOs and local stakeholders to implement project activities;

c) raising stakeholder awareness of conservation needs and of opportunities to participate in and /or to support project activities.

d) establishing and supporting new opportunities for employment and income generation that are linked to the objectives of the project, including: (i) sustainable use of natural resources, including grazing and forest products; (ii) provision of small grants to support conservation compatible activities; (iii) employment of local individuals; and (iv) engagement of local NGOs and small commercial enterprises in PA management activities.

47. Further development of the project, including identification of training needs and economic development opportunities that will be supported by the project, will be undertaken in a participatory manner through decision making mechanisms that the project will establish at the national and local levels. These mechanisms for stakeholder participation are described below and outlined in Attachment 2.

5.1 National Level Participation in Decision Making

48. The ***Project Advisory Committee*** (PAC) will be responsible for providing project oversight advice and assistance in resolving project implementation issues. The committee will provide the opportunity for all stakeholders to participate in project implementation and it will be responsible for providing project oversight advice, interministerial coordination and assistance in resolving issues associated with

implementation. It will be established by MoF and will consist of experts from MoF, MoE, MoC, MARA, MoT, and NGOs. The Deputy Under Secretary of Forestry will chair PAC.

49. The ***Biodiversity Legal and Policy Review Committee*** (BLPRC) will be responsible for preparing a strategy for rationalization of the legal and policy framework for biodiversity conservation. It will review conservation legislation, together with all overlapping sectoral legislation and policy, and other legislation impacting on biodiversity. It will develop a detailed implementation plan to rationalize and improve the legal framework. It will also prepare proposed amendments to sectoral policy, legislation and regulations. This committee will be coordinated and chaired by MoE's General Directorate for Environmental Protection (GDEP). Its members will include MoF, MoE, MoC, MARA, DSI, MoT, GDF, MRS, MoI, MENR, MTA, GDRS, the academic community and NGOs. The committee will establish a working group composed of technical personnel from MoE, MoF and MoC. The technical group will develop, and BLPRC will approve the ToR for a consultant to facilitate the legal and policy review. The participatory process will include: a) workshop review by BLPRC of a draft issues paper; b) preparation of a draft report; c) workshop review by BLPRC draft report; d) publication and distribution of the final report, including recommendations and proposed implementation plan to relevant ministries; and e) final press conference.

50. The ***Biodiversity Integration Committee*** (BIC) will develop mechanisms to integrate biodiversity conservation to forest management plans. BIC will be housed, coordinated and chaired by GDF and will be composed of representatives from GDF, MoF, GDRS, GDNP, MoE, Chamber of Forest Engineers as well as consultants and academicians. The committee will develop ToRs and supervise consultants who will review forest management planning regulations and prepare a draft proposal to integrate biodiversity conservation into forest management planning, both at the national level and at selected demonstration sites. The findings and recommendations of the study will be reviewed by a broad range of forestry sector stakeholders, leading to a prioritized, phased strategy to incorporate biodiversity in forest management plans. Pilot multi-functional forest planning management teams will be established and trained to mainstream biodiversity conservation in forest management planning. The teams will include expertise in forest biodiversity, forest ecology, socio-economics, forestry and silviculture.

5.2 Local Level Participation in Decision Making

51. ***Protected Area Advisory Councils*** (ACs) will be established at each site to ensure the participation of all local stakeholders in the implementation of project activities and the sustainable management of natural resources within and around the PAs. ACs will guide PAMAs as well as coordinate the sustainable management of the buffer zones around the PAs. They will also provide a platform for the discussion of conflicts regarding the PAs and will help PAMAs resolve problems. ACs will be chaired by the local Regional Directorate of National Parks and membership will include local representatives from MoF, MoE, MoC, MoT, DSI and other local government agencies as well as representatives of the local communities such as muhtars, teachers, religious figures, local NGOs, and representatives of *Sustainable Resource Use Committees* (SRUC). Representatives of the local communities will convene among themselves at least once a month to discuss local issues and priorities to bring to the attention of ACs in general. ACs will convene once every three months to make decisions regarding local concerns and issues related to the PA management. It is envisioned that within each AC, a *Working Group for PA Friendly Activities* (WGPFA) will be established for the execution of the *Small Grants Program* (SGP) in each site. This working group will have at least one representative from each SRUC in the site. It will also have representation from the site's PAMA.

52. The feasibility of establishing local ***Protected Area Conservation and Promotion Foundations*** (PACPF) in all project sites will be assessed during the first year of project implementation. Foundations

could be established with the guidance of the ACs and would contribute to the financial sustainability by providing a mechanisms for recycling PA generated revenues for use in PA management. Foundations could operate as independent NGOs and would receive all or a large portion of the income generated from entrance fees, user fees, souvenir sales, etc. As they become financially stronger, PACPFs may initiate small grant or micro-finance programs, targeting local communities, to support environmentally sustainable activities in and around the PAs. They would also help fund the Awards and Internship Programs that could be executed by ACs. A working example of such a foundation exists in Uludag National Park.

53. ***Sustainable Resource Use Committees*** (SRUCs) will be created at each project site in order to establish mechanisms to facilitate sustainable use of local natural resources in line with PA management plans. The mandate and membership of SRUCs will be established following baseline assessment of shared resource use to be undertaken during the first year of project implementation. Categories of SRUCs are likely to include: *Grazing Committees* (GC), *Reed Committees* (RC), *Eco-tourism Committees* (EC), and *Non-wood Forest Products Committees* (NWC). The members of these committees will be muhtars, representatives of village associations and resource users who will be elected by villagers on a bi-annual basis. The committees will elect their chairpersons and set up working groups. They will meet once a month to discuss local resource use issues and priorities to bring to the attention of ACs in general. They will also elect their representatives to ACs. They will focus on issues related to resource use in and around PAs and meet regularly to (i) discuss concerns raised by resource owners and users; (ii) participate in the development of resource use management plans (iii) ensure the implementation of resource management plans; (iv) establish objectives for the SGP for various different king of resource uses; (v) give recommendations to WGPFAs regarding allocations for different types of grants, application procedures for grants, deadlines for announcement, application, review and award of grant funds; and (iv) monitor the impact of grant activities.

5.3 Small Grants Program

54. The project will help facilitate development of mechanisms to catalyze the establishment of conservation-linked income generating activities. Establishment of a ***Small Grants Program*** (SGP) may be one such mechanism. A SGP would financially support participation of local communities in the sustainable use of natural resources and contribute toward mitigation of potential economic losses associated with restricted access to natural resources resulting from the implementation of PA management plans. It would provide resources and incentives for individuals, community based organizations, cooperatives, and NGOs to carry out projects that reduce pressure on PA natural resources. It would target sustainable resource use, including grazing, non-wood forest products collection, bee-keeping, eco-tourism and other PA-friendly investment activities by local communities and other resource users. It is envisioned that WGPFA*s* within ACs would determine the appropriate types of grant, and define eligibility criteria, procedures for application and monitoring of grant funded activities at each site within the first year of the project. It would also review applications and select projects. Grants would be disbursed by PAMAs. Specific arrangements for SGP would be agreed upon during the first year of project implementation. Options for grant types include:

a) Seed grants that would support the start of new activities to reduce the pressures on natural resources inside the PAs and to build local support for the PAs;

b) Matching grants that would support park friendly developments undertaken by a local partner or organization that contributes no less than 50% of the overall cost of the initiative. Eligibility would include provision of a memorandum confirming and detailing the budget and work plan for the grant and the matching contribution;

c) Micro-enterprise grants that would support applicants who are pursuing business activities that support PA management plan objectives, provide an equitable share of benefits to local stakeholders, and are technically and financially feasible and culturally acceptable.

5.4 Other Programs

55. An annual ***Awards Program*** will be established by ACs to publicly acknowledge and encourage locally initiated and designed sustainable resource use practices. Nominations will be made by community members via the SRUCs in each village. Both individuals and groups will be eligible for nomination. WGPFAs within ACs will determine the appropriate types of awards, and define eligibility criteria as well as procedures for application at each site within the first year of the project. They will also review the nominations and select the winners. The awards program will be initially funded by the project. It is envisioned that funding by PACPF at each site will be available once these foundations are successfully established and functional.

56. An ***Internship/PA Fellows Program*** will be established by the PAMAs in order to increase awareness of PAs and project objectives. Students and researchers from local/national universities as well as local community members who would like to learn about biodiversity conservation, and gain experience in conservation management in the PAs will be invited to work at the PAs on a volunteer basis for short periods of time. PAMAs will determine the eligibility criteria as well as procedures for application for internships at each site within the first year of the project. They will also review the applications and select the interns. The internship/PA fellows program will be initially funded by the project. It is envisioned that funding will be available from the PACPF at each site once these foundations are successfully established and functional.

Attachment 1 - List of Stakeholders Consulted and/or Participated in Project Preparation

I. Government Agencies:

A. National
Prime Ministry (Undersecretariat of Treasury, State Planning Organization); Ministry of Forestry (General Directorate of Forestry, General Directorate of National Park, Game and Wildlife, General Directorate of Afforestation); Ministry of Agriculture and Rural Affairs (General Directorate of Rural Research); Ministry of Environment (General Directorate of Environmental Protection); Ministry of Energy and Natural Resources (State Hydraulic Works), Ministry of Culture, TUBITAK.

B. Local
1. *Sultan Sazligi*: Governor; District Governor; Muhtars; Mayors; PAMA; Local Representatives of General Directorate of Forestry, Ministry of Culture, Ministry of Environment, Ministry of Tourism, State Hydraulic Works, Ministry of Agriculture and Rural Affairs.
2. *Camili*: Ministry of Defense, District Governor; Muhtars; Local Representatives of General Directorate of Forestry, Ministry of Environment, Ministry of Agriculture and Rural Affairs
3. *Igneada*: District Governor; Muhtars; Mayors; Local Representatives of General Directorate of Forestry, Ministry of Culture, Ministry of Environment, Ministry of Agriculture and Rural Affairs.
4. *Koprulu Kanyon*: Governor; District Governor; Muhtars; Mayors; PAMA; Local Reps. of General Directorate of Forestry, Ministry of Culture, Ministry of Environment, Ministry of Tourism, State Hydraulic Works, Ministry of Agriculture and Rural Affairs.

II. Non-governmental Organizations:

A. National
TEMA Foundation; Society for the Protection of Nature (DHKD); Turkish Development Foundation (TKV); Society for the Protection of Turkish Nature.

B. Local
1. *Sultan Sazligi*: Kayseri Foundation for the Protection of Nature (DHKV); Foundation for the Protection of Sultan Sazligi (STKV), Irrigation Societies, Village Development Cooperatives
2. *Camili*: Macahel Foundation, Society for the Protection and Development of Camili

C. International
World Bank

III. Private Sector:

1. *Sultan Sazligi*: TURSAP (Travel agents); Bremer Tourism; HIS & Brosman; Bed & Breakfast owners; Boat Trip operators
2. *Camili*: Macahel Ltd.
3. *Igneada*: Restaurant and Bed & Breakfast owners
4. *Koprulu Kanyon*: Rafting companies; Restaurant owners; Tour operators

Attachment 2 – Mechanisms for Key Stakeholder Participation in Project Activities

Stakeholder	Participation by Project Component	Mechanism for Participation	Monitoring
MoF (GDF, GDNP)	1. Strengthen the National Framework for Biodiversity Conservation ● Strengthen institutional capacity to develop national network of protected areas ● Establish a system to monitor the status of biodiversity ● Demonstrate how biodiversity issues can be incorporated in the forest management plans 2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	- Chair the Project Advisory Committee - Working Groups - Workshops at national level	- Guidelines for PA management plan development, boundary analysis and internal zoning - Guidelines for forest management plans that incorporate biodiversity and social concerns - minutes and reports from workshops
MoE (GDEP)	1. Strengthen the National Framework for Biodiversity Conservation ● Prepare a strategy for rationalization of the legal framework ● Prepare and implement national public awareness program 2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop awareness and support for biodiversity conservation at PAs	- Project Advisory Committee - Chair Biodiversity Legal and Policy Review Committee - Working Groups - Workshops at national level and at project sites - Protected Area Advisory Councils	- Minutes and reports of Project Advisory Committees and Protected Area Advisory Councils - Reports of the working groups - strategy and implementation plan to rationalize and improve the legal framework for biodiversity conservation - minutes and reports from workshops

MoC, MoF, MoT, MoPW, MoE, MARA and other related ministries	1. Strengthen the National Framework for Biodiversity Conservation ● Prepare a strategy for rationalization of the legal framework ● Prepare and implement national public awareness program 2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	- Working Groups - Workshops at the national level - Protected Area Advisory Councils at the local level	- Reports of the working groups - Minutes and reports from workshops - Minutes and reports of Protected Area Advisory Councils
Villagers, Local Resource Users (Herders, Farmers, Reed Cutters, Cooperative Members, etc.)	2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PA	- Sustainable Resource Use Committees - Small Grants Program	- Minutes and reports from workshops - Minutes and reports of Sustainable Resource Use Committee - Annual reports of Small Grants Program
Local Government (Village Heads, Village Council, Mayors)	2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	- Sustainable Resource Use Committees - Protected Area Advisory Council	- Minutes and reports from workshops - Minutes and reports of Sustainable Resource Use Committees - Minutes and reports from Protected Area Advisory Council
Local Governors	2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	- Chair of the Protected Area Advisory Council - Founding member of Protected Area Conservation and Promotion Foundations	- Minutes and reports of Protected Area Advisory Councils - Minutes and reports from workshops - Minutes, reports and annual reports of Protected Area Conservation and Promotion Foundations

Tourists/Visitors	2. Develop prototypes for effective protected area management ● develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective	- Fill out opinion surveys after visits to the PAs - Make financial contributions to the PA - Attend educational activities organized by PAMAs	- Analysis of survey results - Records of number of visitors - User/Entrance fees; PA souvenir sales - Donations by visitors - Activity attendance records
Tourism Operators, Local Businesses	2. Develop prototypes for effective protected area management ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	- Protected Area Advisory Council - Sustainable Resource Use Committee (e.g. eco-tourism Committee) - Workshops in project sites - Working groups - Small Grants Program	- Minutes and reports of Protected Area Advisory Council - Minutes and reports of Sustainable Resource Use Committee - Minutes and reports from workshops - Annual reports of Small Grants Program
Hunting Associations	2. Develop prototypes for effective protected area management ● Establish mechanisms for sustainable resource management in and around PAs ● Develop awareness and support for biodiversity conservation at PAs	- Protected Area Advisory Council	- Minutes and reports of Protected Area Advisory Councils
NGOs	1. Strengthen the National Framework for Biodiversity Conservation ● Prepare a strategy for rationalization of the legal framework ● Prepare and implement national public awareness program 2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop and implement strategy for environmentally responsible tourism at PAs linked with PA conservation management objective ● Develop awareness and support for biodiversity conservation at PAs	-Project Oversight Committee - Protected Area Advisory Council - Working Groups - Workshops at the national level and at project sites - Contracted activities	- Minutes and reports of Project Advisory Committee - Minutes and reports of Protected Area Advisory Council - Minutes and reports of workshops - Working groups reports - Contracted activities
Research Institutes, Universities	1. Strengthen the National Framework for Biodiversity Conservation ● Prepare a strategy for rationalization of the legal framework 2. Develop prototypes for effective protected area management ● Establish systems for sustainable participatory planning and management of four PAs ● Establish mechanisms for sustainable resource management in and around PAs ● Develop awareness and support for biodiversity conservation at PAs	- Project Advisory Committee - Working Groups - Contracted activities - Workshops at national level and project sites - Internship/PA fellows program - Scientific research in PAs	- Minutes and reports of Project Advisory Committee - Minutes and reports of workshops - Working groups reports - Evaluation of Internship/PA fellows program - Scientific publications

Media	1. Strengthen the National Framework for Biodiversity Conservation ● Prepare and implement national public awareness program 2. Develop prototypes for effective protected area management ● Develop awareness and support for biodiversity conservation at PAs	- Press Conferences - Workshops - Purchase of air time: Release of documentaries on PAs and biodiversity on various TV channels	- Press releases - Minutes and reports of workshops - Frequency and number of broadcasts of documentaries

Additional
Annex No.: 12

TECHNICAL REVIEW
TURKEY
INTEGRATED PROTECTED AREAS AND CONSERVATION MANAGEMENT

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19th September 1996

(3 pages)

Dear John:

Thanks for asking me to review the PID on the Turkish Integrated Protected Areas and Conservation Management Project, which clearly explains several key issues:

a) The importance of Turkey's remaining biodiversity resources, which comprise both near-pristine refuges for many ecosystems that have elsewhere been lost, and wild relatives of many domestic plants.

b) Links with GEF pilot phase activities and international and national conservation priorities, including the very important Biodiversity Steering Committee (but less clearly with national development priorities, see below).

c) Threats to biodiversity including poor coordination of government activities, weak regulation of the private sector, and lack of awareness and interest among the public and decision makers. These are aggravated by population growth and a very limited protected area system (1% of land area, compared with IUCN's minimum recommended 10%) which was laid out originally according to recreation rather than conservation needs.

d) There is a clear rationale for selecting the four key representative project areas, all of which seem to be worthy of investment and which will receive about 80% of project expenditure. The rate of spending is not stated (but at less than US$ 1.5 million/year should not be too fast), and there is no plan to establish a sustainable financing mechanism (SFM, e.g. a trust fund).

e) The PID is fairly explicit on what the project will do, being primarily focussed on field activities that create links between conservation and local benefit capture, and research, capacity building and awareness-raising. Local benefit capture may reduce the need for a distinct SFM but will be hard to arrange, since investments by local people tend to create inequities (e.g. who builds the hotel reaps the profit), and local taxes/service charges may conflict with government policies. Keeping a link between benefits and conservation is also difficult.

Some other matters could be discussed more fully, or be considered as the project develops further. One of the key weaknesses listed is "insufficient coordination among the agencies with official responsibility for conservation" (page 3), i.e. the Ministries of Forestry, Environment and Culture, and especially the 2 Departments and 5 Divisions of Forestry responsible for 8 kinds of protected area, a situation that cries out to be rationalized. The project might study this issue, referring to relevant models such as the Costa Rican conservation area system (see chapters in Lutz & Caldecott on decentralization, and in my *Designing Conservation Projects*, Cambridge, 1996). I see that the section on 'Lessons Learned' draws only on Turkish experience, and could be broadened.

The coordination issue may be partly addressed through the reorganization that is mentioned under 'Capacity Building' (page 7), help with environmental regulation for the Ministry of Environment (pages 8-9), and regular meetings of the Biodiversity Steering Committee. The latter would need a well-resourced secretariat if it is to do anything other than meet, but this is not to be provided under the project (if it already exists it should be mentioned). Mainly, however, the problem of coordination will be avoided by running each of the four field components of the project through local Project Implementation Committees.

It seems that these will make sensible arrangements such as allocating core area management to local officials of the GDNPGW and community development in buffer zones to NGOs and/or local government. This should work at the site level, but leaves unaddressed the larger need to straighten out the competing bureaucracies in the 'conservation sector', and those too among other groups which will often impact upon biodiversity (i.e. the people who make roads, dams, hotels, plantations, etc. in the wrong places). Even without trying to rationalize the whole system, there may be ways to help the existing environmental impact assessment and spatial planning processes to safeguard conservation areas (this might involve building on the database from the GEF pilot phase project).

I also see that links with national development priorities are discussed solely with reference to the NEAP. The latter is said to have been developed using 'conflict resolution' workshop methods, but these are only part of the broader 'conflict avoidance' process, which also includes:

a) the <u>partnerships</u> by which the interests of different stakeholders are recognized in arrangements for jointly owning and capturing benefits from particular resources, and for planning and managing their use;

b) the forums which allow continuing dialogue among stakeholders;

c) the lines of communication among different forums with overlapping interests; and

d) the procedures for appeal and arbitration that are needed for solving problems that cannot be solved by any one forum.

Perhaps the next point is covered in the NEAP, but the PID does not convince me that government sees biodiversity as a key resource upon which national development will be based in future (the section on 'Borrower Commitment' seems lukewarm). It would be good to know if government positively appreciates biodiversity and is committed to sustainable development. Depending on this, different strategies will emerge on how to deal with major issues like tourism (e.g. does Turkey actively want it to be sustainable, or is it viewed more as a temporary source of finance for other forms of development?), and water management (e.g. water is a valuable forest product, but does government policy allow it to be charged for at realistic rates and the money returned to the forests, thus helping to finance at least some conservation areas?).

A similar issue of clarifying government commitment exists on the role of NGOs, since it is often easy for a government to accept a well-established national or international NGO into its counsel (such as the SPNT), while having difficulty with the community-based groups that may more directly represent the interests of local people around conservation areas. It is the latter NGOs with which planning, benefit sharing and other partnerships will need to be established, but this can only be accomplished through a long learning process based on clear differentiation of roles, of which the PID makes no mention (except perhaps in paragraph 24).

In conclusion, based on the PID Turkey is a high priority for conservation investment and the sites chosen and methods to be developed are appropriate even though some major issues are left hanging at the moment. I think the project should move forward into its next phase of development, and I hope that the comments above will help it along. Meanwhile, if there is anything else I can do please do not hesitate to contact me.

Best regards,

6th February 1998

Kathy MacKinnon, Biodiversity Specialist
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Dear Kathy:

Turkey: Project 44175 (Integrated Protected Areas Management)

Thanks for sending me this proposal for review. I have now gone through the document and can confirm that my earlier comments have been taken into account. This has mostly been done in the form of plans to identify mechanisms for sustainable financing, interagency collaboration, participatory planning, and NGO participation and capacity building during project preparation and implementation (see e.g. paragraph 2 page 5 and paragraph 2 page 7). In the expectation that this will be done I think that the project should now proceed as currently designed, since I believe it will have a very positive impact on urgent biodiversity conservation issues in an extremely important national context.

Yours sincerely,

(Reviewer: Julian Caldecott)