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“Conservation and sustainable use of globally significant biological diversity in Khazar Nature Reserve on the Caspian Sea Coast”

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Brief Description

This project will strengthen Turkmenistan’s National System of Protected Areas by demonstrating effective protected area management and biodiversity conservation in Turkmenistan’s Khazar Nature Reserve (KhR) on the Caspian Sea coast. Two of the world’s major flyways -- the Central Asian-Indian Flyway and the East African Flyway -- converge on Turkmenistan’s Caspian coastal region. This fact makes the coastal wetlands of KhR especially important for migratory birds as they move north from Africa and India and south from Europe and arctic Russia. The area also includes important wintering areas for the Caspian sturgeon and some of the most important habitats for the Caspian seal, the only Caspian pinniped and an endemic species.

The conservation and sustainable use of such a wide range of biological diversity requires more integrated approaches to conservation and coastal resource management in Turkmenistan. It requires increased involvement by local communities, more cross-sector collaboration among government and civil society institutions, a deeper understanding of coastal ecosystem function and coastal zone management practices, increased capacity of resource management organizations, improved PA and financial management, and applied incentives for conservation and sustainable use. This project is designed to provide the tools, the expertise, and the arena for stakeholders to adopt these new practices in ways that are appropriate for Turkmenistan and that strengthen Turkmenistan’s National System of Protected Areas. In so doing, the project will generate substantial global environmental and national sustainable development benefits.

TABLE OF CONTENTS

| | |
|-----------------------------------------------------------------------------------------|-----------|
| ACRONYMS | 3 |
| SECTION I: ELABORATION OF THE NARRATIVE | 4 |
| PART I: Situation Analysis | 4 |
| <i>Context and global significance</i> | 4 |
| <i>Threats, root causes and barriers analysis</i> | 5 |
| <i>Stakeholder analysis</i> | 7 |
| <i>Baseline analysis: Institutional, Policy Sectoral Context</i> | 9 |
| PART II: Strategy | 17 |
| <i>Project Rationale and Policy Conformity</i> | 17 |
| <i>Program designation and conformity</i> | 18 |
| <i>Project Goal, Objective, Outcomes and Outputs/activities</i> | 20 |
| <i>Project Indicators, Risks/Assumptions</i> | 32 |
| <i>Expected global, national and local benefits</i> | 33 |
| <i>Country Ownership: Country Eligibility and Country Driven-ness</i> | 34 |
| <i>Sustainability</i> | 34 |
| PART III: Management Arrangements | 35 |
| PART IV: Monitoring and Evaluation Plan and Budget | 37 |
| SECTION II: STRATEGIC RESULTS FRAMEWORK AND GEF INCREMENT | 45 |
| PART I: Incremental Cost Analysis | 45 |
| PART II: Logical Framework Analysis | 47 |
| SECTION III: TOTAL BUDGET AND WORK PLAN | 51 |
| SECTION IV: ADDITIONAL INFORMATION | 53 |
| PART I : Other agreements | 53 |
| <i>Endorsement letter and Commitment letters</i> | 53 |
| PART II: Terms of References for key project staff | 54 |
| PART III: Stakeholder Involvement Plan | 61 |
| Part IV: Map -- Location of Khazar Reserve | 67 |
| Part V: Biodiversity Tracking Tool / METT Questionnaire for Khazar Reserve | 68 |
| SIGNATURE PAGE | 83 |

Acronyms

| | |
|---------|---------------------------------------------------------|
| APR | Annual Project Review |
| BB | Balkanbalyk State Fishery Production Association |
| BD-1 | Biodiversity Priority 1 of GEF's Strategic Priorities. |
| CBD | Convention on Biological Diversity |
| CBO | Community-based Organization |
| CBNRM | Community-based Natural Resource Management |
| CEC | Caspian Ecological Control |
| CEP | Caspian Environment Program |
| CO | Country Office (UNDP) |
| CPWG | Coastal Planning Working Group |
| CZM | Coastal Zone Management |
| DEX | Direct Execution |
| DI | Designated Institution |
| DRI | Desert Research Institute |
| EoY | End of Year |
| FIS | Fishery Inspection Service |
| GEF | Global Environment Facility |
| GIS | Geographic Information System |
| IC | Incremental Cost |
| ICM | Integrated Coastal Management |
| IR | Inception Report |
| IUCN | World Conservation Union |
| IW | Inception Workshop |
| KhR | Khazar Nature Reserve |
| METT | Management Effectiveness Tracking Tool (Protected Area) |
| MNP | Ministry for Nature Protection |
| MOG | Ministry of Oil and Gas |
| NCAP | National Caspian Action Plan |
| NEX | National Execution |
| NGO | Non-governmental Organization |
| NPD | National Project Director |
| OP | Operational Program |
| OSCE | Organization for Security and Cooperation in Europe |
| PA | Protected Area |
| PA-T | Port Authority - Turkmenbashi |
| PIPP | Priority Investment Portfolio Project |
| PIR | Project Implementation Review |
| PMU | Project Management Unit |
| POC | Project Oversight Committee |
| ROAR | Results-oriented Appraisal and Review |
| SECI | State Enterprise for Caspian Issues |
| SWG | Stakeholder Working Group (KhR) |
| TPR | Tripartite Review |
| TSU | Turkmen State University |
| UNDP | United Nations Development Programme |
| UNDP-CO | United Nations Development Programme – Country Office |
| USAID | United States Agency for International Development |
| WB | World Bank |

SECTION I: Elaboration of the Narrative

PART I: SITUATION ANALYSIS

Context and global significance

Khazar¹ Nature Reserve - Biological Diversity:

1. The biological diversity of the Caspian Sea and its coastal zone are of global significance. The biodiversity of flora and fauna on Turkmenistan's southeast Caspian coast consists of 854 species, or one-third of the biodiversity of the sea as a whole¹.

2. The flora of the Reserve includes more than 360 species of flowering plants, including nine endemic to the region and five that are included in Turkmenistan's Red Book of endangered species. The productive waters of the many large and small shallow bays on the Turkmen coast support a rich submerged and aquatic vegetation and a rich zoobenthos of molluscs, Crustacea and marine worms (29 species in all). Submerged and aquatic vegetation consists mainly of *Charophyta*, *Potamogeton*, *Ruppia* and *Zostera* species. Shoreline vegetation includes reedbeds of *Typha* spp. and *Phragmites australis*, with halophytes such as *Salsola incanescens* on more saline soils. Moreover five flowering plant species are listed as protected, along with 42 species of algae. The water meadow and floating aquatic vegetation consists of *Poa bulbosa*, *Trapa natans*, *Alhagi pseudalhagi*, *Astragalus* sp., *Tamarix* sp., and the monotypic genera *Halocnemum strobilaceum* and *Halostachys caspica*. The flourishing small plant and animal life in the productive shallow coastal waters attracts vast numbers of birds to Khazar Nature Reserve (KhR).

3. The fauna of the KhR consists of more than 420 vertebrate species, including 48 fish species, 29 reptiles and two amphibians. Some of them are included into the Red Book of Turkmenistan. Birds are the most numerous and diverse group of vertebrates. Two hundred ninety-three (293) bird species representing twenty-one Classes occur here. Two of the world's major flyways and their respective branches, the Central Asian-Indian Flyway and the East African Flyway, converge on Turkmenistan's Caspian coastal region. This fact makes these wetlands especially important for migratory birds as they pass through on their way north from Africa and India and south from Europe and arctic Russia. Coming from as far away as Western Europe to the west, Siberia to the East, the Arctic to the north and Africa to the south, an estimated five to eight million birds rely on the wetland resources in Turkmenistan for summer nesting and winter feeding grounds.

4. Attracted by the mild climate, hundreds of thousands of these birds overwinter here, spending four to five months in the Reserve and surrounding areas. The area is a very important staging and wintering area for migratory water birds and regularly supports over twenty-one percent (21%) of the wintering population of the Greater flamingo globally, significant populations of the Coot and up to two million ducks. Approximately twenty-five percent (25%) of the world population of the Sandwich tern (*Sterna sandvicensis*) breeds on the islands of Khazar Nature Reserve.

5. Up to 600,000 wintering waterfowl have been recorded in Khazar (formerly Krasnovodsk) Nature Reserve itself. Khazar Nature Reserve's 1995-96 autumn and winter bird survey (the most recent figures available), counted the following species and associated numbers: Greater Flamingo *Phoenicopterus ruber* (8,670), Shelduck *Tadorna tadorna* (1,570), Mallard *Anas platyrhynchos* (36,600), Teal *Anas crecca* (13,000), Garganey *A. querquedula* (10,700), Pintail *A. acuta* (4,800), Red-crested Pochard *Netta rufina* (53,800), Pochard *Aythya ferina* (32,521), Tufted duck *A. fuligula* (33,730), White-headed duck

¹ Also spelled "Hazar" in some publications.

Oxyura leucocephala (84), Coot *Fulica atra* (83,430), Sociable plover *Ivanellus gregarius* (6) Kentish plover *Charadrius alexandrinus* (2,430), Black-winged stilt *Himantopus himantopus* (2,480), Greenshank *Tringa nebularia* (2,100), Red-necked phalarope *Phalaropus lobatus* (1,700), Turnstone *Arenaria interpres* (2,700), Dunlin *Calidris alpina* (130,000), Collared pratincole *Glareola pratincola* (1,700), Yellow-legged gull *Larus cachinnans* (4,970), Slender-billed gull *L. genei* (1,022), Little gull *L. minutus* (1,100), Common tern *Sterna hirundo* (2,900), Little tern *S. albifrons* (2,170), Sandwich tern *S. sandvicensis* (4,720), Gull-billed tern *S. nilotica* (360), White-tailed eagle *Haliaeetus albicilla* (65), and Marsh harrier *Circus aeruginosus* (1,730).

6. The increase in the Caspian Sea level over the last several decades has enlarged the wetland territories of the southeast Caspian region by at least fifty percent (50%), attracting more wintering and migrating birds to the area. These wetlands are listed as a Ramsar Site² (#106) for wetlands of international importance under the Convention on Wetlands.

7. The Turkmen sector of the Caspian, especially from Turkmenbashi Bay south to the Iranian border, is the wintering place of many fish species, including the sturgeon. The many bays and shallows of the Turkmen coast serve as nurseries for the maturation of herring, gray mullets and other fish. The central part of the Caspian Sea supports the largest number of fish species endemic to the Caspian due to its relatively constant and high salinity levels.

8. The area is also one of the most important habitats for the Caspian seal (*Phoca caspica*), the only Caspian pinniped and an endemic species. Caspian seals are found in Turkmenistan's waters throughout the year, although their numbers fluctuate. From spring to summer, seals generally migrate to the South Caspian to feed after breeding and molting on the ice of the North Caspian. During this time, between 70 and 80 individuals regularly reside on the islands along Turkmenistan's coast (Mikhailov and Ogurchinsky) and in the Turkmenbashi bays. In autumn, their numbers increase to approximately 300 individuals on Ogurchinsky and 200 on Mikhailov islands. During the winter months, the number of seals in Khazar Nature Reserve grows, with up to 7,000 individuals on the southern spit of Ogurchinsky Island and 3,000 on the Mikhailov islands and on the North-Cheleken and Turkmenbashi spits. Other mammals known to occur in the area include *Canis lupus*, *C. aureus*, *Hystrix cristata*, *Lepus tolai*, *Vulpes vulpes*, *Mellivora indica*, *Sus scrofa* and *Gazella subgutturosa*.

9. Khazar State Nature Reserve comprises extensive shallow saltwater bays bordered by a vast desert zone of sand dunes and plains extending to the east. The Krasnovodsk and North-Cheleken Islands, and a chain of smaller islands, separate the saline to brackish waters of the two bays from the Caspian Sea. Along the shoreline, arid scrub vegetation is interspersed with reedbeds of *Typha* and *Phragmites*, while the surrounding waters support rich submerged and aquatic vegetation.

10. The total number of species of the Khazar Nature Reserve (KhR) that are protected by the Red Book of Turkmenistan (1985 and 1994 editions) exceed 47, including 42 vertebrates and five plants. Thirteen of these 47 are included in the IUCN Red Book.

Threats, root causes and barriers analysis

The main threats to biodiversity are:

- 1) Habitat degradation and
- 2) Unsustainable exploitation of wildlife resources.

² The listing of the Ramsar Site dates from the Soviet period. As Turkmenistan has not yet signed the Ramsar Convention, the listing is left in limbo.

Habitat Degradation

11. Turkmenistan's coastal zone is the cleanest of all five Caspian littoral states. Still, marine and wetland habitat degradation is a serious, albeit imminent, threat for Khazar Reserve to consider. Warning signs have been seen; periodic pollution from the oil and gas industries and municipal wastewater causes habitat degradation by affecting nesting and feeding areas for migratory birdlife, and in some extreme cases, has resulted in the localized poisoning and death of birds and fish.

12. The exploration, extraction, transport, and refining of oil and gas in areas around KhR poses a imminent threat to habitat health within the reserve, as this activity will continue to grow in the coastal zone and currently, there is no proactive comprehensive effort to manage or limit its potential affect. Three oil processing and transport enterprises around Khazar Nature Reserve and Turkmenbashi Bay (Turkmenbashi Oil Refinery, the oil terminal in Ufra and the loading terminal at Turkmenbashi port) pose a potential threat to marine habitats within KhR, only 2-3 kilometers away. Oil terminals are also located further south along the Caspian Sea Coast at Aladja and in Okarem, close to Ogurchinskiy Island and the Essenguly section of KhR. Transport routes run through Turkmenbashi Bay just a few hundred meters from the Reserve border. Transportation routes from the Aladja and Okarem terminals pass the Island of Ogurchinskiy and the Essenguly section of KhR.

13. Ongoing oil and gas exploration activities in Turkmenistan's coastal zone could damage the habitat through oil spills or through the discharge of wastewater. Sufficient environmental criteria are not incorporated into oil and gas exploration leases. Offshore exploration is being conducted by the Dragon Oil Company 35-40 km from Ogurchinskiy Island. Oil exploration on the Cheleken peninsula (the Dagadjik, Erdekli, Aliguli fields) and near Essenguly (the Keymir and Akpatluk fields) border on the Reserve. Minor periodic spills from these fields damage nearby migratory bird habitat used for refuge during storms in the coastal areas.

14. Turkmenbashi, the largest municipality on Turkmenbashi Bay, treats its wastewater before discharge, but during storm events the system is overloaded and raw sewage flows directly into the Bay. The other five small municipalities around the Bay and bordering the Reserve do not have central sewage collection and/or treatment facilities. Although this limits the amount of sewage leaking into coastal waters, untreated wastewater is still a localized, potential threat to the health of marine habitats in the area that needs to be monitored.

15. Unsustainable Exploitation of Wildlife Resources

16. No detailed studies have been undertaken of bird hunting in the Khazar area in terms of numbers taken and the ecological costs associated with frequent disturbance-related stress of bird populations. Some scientists estimate the reduction in the number of waterfowl and shorebirds to be as high as 60% in recent years (1993-1999)ⁱⁱ. The precautionary principle leads one to conclude that over-hunting threatens the population size of some bird species (including some that are endemic and/or endangered) and could undermine the country's potential revenues from the sustainable use of such resources.

17. While these numbers are highly approximate, KhR specialists estimate that poaching takes at least 85,000 birds/year, worth approximately US\$250,000. Informal interviews with hunters conducted during the preparatory consultations suggest a figure possibly closer to 400,000 birds/year being harvested along the coast. The perceived cause (over hunting) and resulting effect (reduced numbers observed) have not been linked directly to date. Despite uncertainty surrounding the effect of over hunting, it is certain that hunting pressure on bird resources will not diminish in the near future and existing un-controlled hunting practices threaten bird populations in Khazar Reserve.

18. Property rights over wildlife resources have a significant impact upon how the resource is managed or not managed. Under “government controlled access to resources” property regime, the government alone mandates all resource-use decisions, something that distances local people from the resource. Community members do not perceive the resources as belonging to them and as a result, community members do not feel a sense of responsibility to wisely use the resource. Without an incentive to sustainably use the resources, over-exploitation or other misuse of resources results. This is occurring along Turkmenistan’s Caspian Sea coast with respect to birdlife and to a lesser extent, fish.

19. Along Turkmenistan’s Caspian Sea coast, nearly all wildlife resources can be classified as being “open access,” meaning there are no practical controls over their use. The result is uncontrolled access. Community-based natural resource management (CBNRM) is needed in these areas in order to provide an alternative resource access regime by creating “community managed” access.

Barriers and Root Causes

In addition to these threats, there are significant barriers and root causes that prevent the PA system from fulfilling its role of effective and efficient biodiversity conservation.

Knowledge and experiential barriers:

- Fishermen lack knowledge and experience in catching and successfully finding markets for other species. During the past 15-20 years, the commercial fishery in Turkmenistan’s Caspian Coast has focused almost exclusively on sturgeon and ignored other species. This narrow focus is now a mental barrier and a knowledge-related barrier to the fishery being able to diversify away from sturgeon to other more plentiful species.
- Minimal familiarity with participatory management principles and concepts for protected areas.
- Insufficient knowledge of sustainable livelihood options and how to link PA management to these (*e.g.*, ecotourism is little understood).
- CBNRM practices and principles are little known or understood in Turkmenistan.

Capacity barriers:

- Inadequate environmental governance capacity. Local input to KhR management is not encouraged and is accorded little weight by PA managers.
- Many staff have departed and few qualified staff are left in the reserve.
- Underdeveloped Integrated Coastal Zone Management (ICZM) approach and inadequate regional land-use planning capacity;
 - narrow, sector-based perspective of oil and gas industry, port authorities, and protected area management.
 - inadequate collaboration between reserve and other resource management stakeholders.

Value perception barrier:

- Inadequate economic valuation of PAs, non-consumptive use of natural resources & ecosystem services.

Stakeholder analysis

20. Cooperation among the Reserve’s stakeholders is important to the strategic approach of the project. Preparatory work interviewed individual resource-users in order to understand the socio-economic dynamic around the reserve. During the preparatory period, five local stakeholder consultations were held, involving more than 100 people in coastal communities near the Reserve.

21. Preparatory analysis centered on consulting with resource users and other stakeholders in order to qualify and quantify the overall level of resource use, and its relative importance. Different hunters and fishermen were individually consulted with the aim to explain the project rationale and objectives, and to obtain information about their resource use, their level of awareness about Reserve issues, and the importance of local resources in their livelihoods.

22. Four national-level coordination meetings were held among representatives of MNP and SECI. And finally, individual meetings with officials from MNP, SECI, KhR, Port Authority, Caspian Ecological Control, Fishery Inspection Service, local and national NGOs, community groups, and the private oil and gas sector were conducted to discuss the project, its main approaches, and possible partnering and co-financing arrangements.

Project Partners and Respective Roles in the Project:

| Partner | Role in Project |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ministry of Nature Protection (MNP)/Khazar Nature Reserve | Chair of POC; Co-funder; Project beneficiary. Direct involvement in: implementing all four Outcomes, including: <ul style="list-style-type: none"> • adopting legal documents within the government; • realizing project activities (contact and advice point) etc.; • providing experts and personnel and other in-kind contributions. |
| State Enterprise for Caspian Issues (SECI) under the President of Turkmenistan | Member of POC; Direct involvement in implementation of the Outcome 2, including selecting experts and organizing working groups, drafting regulations and other legal documents, providing expertise, personnel, office space for project staff, meeting rooms for working group meetings, office materials and other in-kind contributions. |
| Ministry of Oil and Gas, Turkmen Chemicals (Turkmendokunkhimia Co.), Turkmen Oil and Gas Trade Corp, Turkmen Oil State Concern. | Provision of experts for Outcome 2, participation in POC. |
| Turkmenbashi and Essenguly Etraps | Members of POC; Direct involvement in Outcome 3, including: <ul style="list-style-type: none"> • providing in-kind contributions and facilitating sustainable fishery community capacity building work; • supporting liaison between civil society and the KhR in general. |
| Port Authority of Turkmenbashi (PA-T) | Direct involvement in Outcomes 1 and 2, including: <ul style="list-style-type: none"> • providing assistance to the KhR in anti-poaching campaigns and oil-spill response planning; • playing an important role in mainstreaming conservation planning into productive-sector planning in the coastal zone through its membership on the Coastal Planning Working Group. |
| Balkanbalyk (BB) – “State Fishery Production Association” | Direct involvement in Outcome 3 in terms of serving as a market for fisher cooperatives harvest as well as providing expertise in fish marketing and processing. |
| Counterpart Consortium Turkmenistan, USAID funded project in Turkmenistan | Co-funder of and direct involvement in Outcome 3, including: <ul style="list-style-type: none"> • establishing community resource centers in two communities; • providing community leader training courses; • providing small community action grants and expertise in |

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|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | community development. |
| Central Asian Regional Environment Center (TACIS-funded Caspian Community Development grant program) | Co-financing of civil society capacity strengthening work under Output 3.1. |
| Fishery Inspection Service (FIS) | FIS is an important project partner in strengthening fishery management in the productive sector of the coastal zone. |
| Local Fishermen & Hunters | Key project beneficiaries. Direct involvement in: <ul style="list-style-type: none"> • implementing Outcome 3 (sustainable management of bird and fishery resources) and Outcome 1 (Strengthening PA management); • PA conservation and management planning working groups; • providing in-kind contribution for and participation in Outcome 3. |
| Desert Research Institute (DRI) | Direct involvement in: <ul style="list-style-type: none"> • strengthening the information baseline on biodiversity and KhR's scientific capacity to conduct surveys in support of KhR's management goals; • providing expertise in community project implementation; • potentially serving as the host institution for the new PA management training program. |
| Caspian Ecological Control | Member of POC. Direct involvement in: <ul style="list-style-type: none"> • providing monitoring data and conducting surveys in PA and coastal zone overall as part of Outcome 2 implementation; • awareness programs. |
| Organization for Security and Cooperation in Europe (OSCE) | Project co-funder of developing sustainable fishery under Outcome 3. |
| Private fishing entrepreneurs | Direct support for sustainable fishery activity under Outcome 3, including in-kind (boats) support and small investments to social-economic and business development projects for Gyyanly village and improving relations between KhR and local communities. |
| Emerol (private oil company) | Direct involvement in Outcome 1 by helping to strengthen KhR's information baseline and field monitoring capacity. Emerol will provide data gathered on environmental parameters in Turkmenbashi and Saymonov Bays. It will also provide the time of its environmental experts and participate in project working groups. |
| Border Guards | Direct involvement in Outcome 1, strengthening of enforcement measures, including providing equipment (boats) and guards for joint enforcement activities within Khazar State Reserve. |
| Turkmenkartographyya | Will provide mapping services and other expertise to prepare maps for zoning and experts for working groups in Outcome 2. |

See also more detailed description under Stakeholder Participation plan in Section IV.

Baseline analysis: Institutional, Policy Sectoral Context

National System of Protected Areas

23. The main government policy for *in situ* biodiversity conservation is now based on the establishment of a National Protected Areas System. The System's objective is to conserve representative samples of the country's biodiversity by creating and managing efficient protected areas, and to guarantee that environmental, social, and economic benefits accrue to society at large. The total area encompassed by PA system in Turkmenistan is currently 1,978,300 ha or 4.2% of the country's area, less than half the 10% figure recommended by World Conservation Union (IUCN).

24. Before independence, Turkmenistan undertook substantial efforts to conserve its unique biodiversity; by establishing a network of protected areas. Ten years after independence, Turkmenistan increased its commitment to its National System of Protected Areas substantially with the employment of approximately 385 PA staff, the provision of administration facilities and basic equipment, and funding of recurrent management costs for the system totaling US\$1,198,795 in 2002 (MNP). In more recent years, Turkmenistan has taken additional steps towards expanding and consolidating its National System of Protected Areas. Some of the more significant milestones achieved during this process include a) approval of some necessary enabling legislation; b) preparation of a National Environment Action Plan; and c) publication of Biodiversity Strategy and Action Plan.

Background

25. The Khazar Nature Reserve (formerly Krasnovodskiy) was established in 1932 and encompasses 262,037 hectares from Turkmenbashi Bay in the north to the Iranian border on the south (See Map in Section V, Part IV). Eighty-six percent (226,589 hectares) of the reserve is classified as a strictly protected area where only scientific field research is allowed. Limited fishing is allowed in the remaining 14% (35,448 hectares) of the reserve.

26. The Reserve was established to protect the globally significant migratory bird populations that utilize the area, as well as rare and endemic species of plants, fish and the Caspian seal. The Reserve encompasses one of the largest nesting areas in Africa, Europe or Asia, one of the most important assemblages of habitats for the endemic Caspian seal and crucial habitat for rare and threatened plants and fish species, including over-wintering shallow water areas for the Caspian sturgeon.

27. The Reserve consists of three distinct areas: Ogurchinskiy (1993)ⁱⁱⁱ, Turkmenbashi (*Kranovodskiy*, 1968), and Essenguly (1932).

⇒ The Ogurchinskiy section is located on Ogurchinskiy Island, 35-40 km from the coast, and has an area of about seven thousand hectares. The Reserve section of the island encompasses the most important haul-out habitat in this part of the Caspian Sea for the Caspian seal.

⇒ The Turkmenbashi section is the largest within the Reserve and contains bays, coastal salt marshes, desert, sea islands and spits. This section includes Turkmenbashi and North-Cheleken Bays, the Turkmenbashi, North Cheleken, Balkhan and Mikhaylovskiy Peninsulas, and a one kilometer-wide coastal terrestrial buffer around the periphery. The total territory is 192.3 thousand hectares (82% water).

Krasnovodsk and North-Cheleken Bays are situated directly to the southeast of Krasnovodsk, the main port at the southeastern end of the Caspian Sea. Krasnovodsk and North-Cheleken Bays are good examples of saltwater lakes characteristic to the eastern Caspian Sea coast. The site comprises extensive shallow saltwater bays, bordered on the east by a vast desert zone of aeolian sand dunes and plains. The brackish waters of the two bays are separated from the Caspian Sea by the low Krasnovodsk and North-Cheleken Islands, and a chain of smaller islands.

⇒ The Essenguly area occupies 69.7 thousand hectares (50% water). This part of the reserve occupies a narrow coastal strip seven kilometers wide and 80 km long from the Atrek River in the south, including the small Delili Lake and the former sturgeon spawning grounds of Adjiyab and near coastal waters of the Caspian to the north.

Reserve Capacity: Enforcement of Reserve Rules and Policies

28. The present organizational structure of the reserve consists of 50 employees, including 12 rangers. The Khazar Nature Reserve has been in slow decline since the demise of the Soviet Union. While the office is still operational, many staff have departed, leaving only two or three qualified specialists remaining. KhR's weak technical and institutional capacity, as well as the lack of public awareness and involvement in biodiversity protection activities, both contribute to the inadequate enforcement of Reserve regulations. KhR lacks modern organizational capacity, including proper operational procedures, personnel training and management. The Reserve suffers from a lack of proper vehicles and the absence of any operational boats, field equipment, uniforms, and modern office equipment. Presently, KhR has two cars, two motorcycles, and two inoperable motorboats -- clearly inadequate to the task of managing over 2,600 km² of coastal marine areas.

29. KhR's official legal status as a "zapovedniki" restricts any use of the biological resources in the area and limits access to the reserve. Previously, no activities other than research were allowed. Research was conducted on the Reserve's complex shallow water ecosystems and adjacent desert regions, and on the wintering waterfowl. An annual bird census was conducted in cooperation with the Caspian Ornithological Station. Hunting is also legally prohibited in the aquatic and coastal area of KhR. In the past 15 years, however, these programs suffered severe budget cuts and staff reductions, crippling KhR's fieldwork and enforcement.

30. Responsibility for the protection of biodiversity on the greater coast is shared by three major coastal agencies -- the Khazar Nature Reserve, the Fishery Inspection Service, and Caspian Ecological Control -- though there is little coordination among them.

Khazar Reserve Management

31. Preserving wildlife and conducting scientific research have been KhR's two top priorities. In order to achieve preservation, traditional protected area management in Turkmenistan has favored fences, fines for rule infractions and collaboration with local stakeholders; the Khazar Reserve is no exception.

32. Management of the Reserve has traditionally applied the "fences and fines" approach to interacting with surrounding communities. In the 1980's, the community of Kyzyl Suw was literally fenced off from the Reserve area, their domestic animals were shot or confiscated, and hunters were arrested and jailed. To local people in these places, the Reserve during the 70's and 80's was a disaster, and bitter feelings still linger. Building trust and cultivating good will must be a priority for the Reserve; yet today, there remains very little productive interaction with community or stakeholder groups. This is a particularly inadequate approach when the Reserve boundaries are not respected nor adequately enforced.

33. Research has also suffered. The scientific department used to conduct active monitoring and ecological research activities. But these activities have diminished considerably in scope and frequency in recent years, reflecting the scarcity of resources and loss of qualified personnel.

34. Twenty-first century reserve management in Turkmenistan requires a new approach, one that emphasizes effective management and enforcement as well as a proactive, collaborate approach with local

communities. Effective management of KhR will require a sustainable-use mandate. Working towards sustainability with many stakeholders (communities, fishermen, hunters, tourists) requires skills, participatory techniques, staffing and knowledge that KhR Administration does not have. The low level of public participation and involvement in protection activities hampers the effectiveness of the Reserve and diminishes its sustainability. There are community groups and initiative groups working in the area on environmental issues, but there are no mechanisms to allow or encourage collaboration with civil society.

35. Contributing to the problem of weak enforcement is the fact that the borders of the Reserve are not demarcated clearly. During project preparatory work, none of the officials interviewed, not to mention the general population, had a map of the Reserve at their disposal. This leads to the confusion among local authorities as to how or whether or not they should enforce Reserve rules. The amount of local people aware of the Reserve, especially by those under 20 years old, is estimated to be less than 10%. This low level of awareness about the purpose of the Reserve makes it difficult to gain the people's support for various management initiatives.

36. As a result, the current status of the Reserve, for all practical purposes, is that of a "paper park." The reality now in Khazar Nature Reserve is that where once only research was allowed, now nearly everything but research occurs, from oil and gas exploration, to hunting and fishing, all with most of the actors not realizing that they are even operating within a strictly protected area.

Law and Policy Framework

37. Protected area law and policy is gradually changing in Turkmenistan to reflect international standards such as IUCN's protected area categories. But as laws and policies are able to change relatively quickly, existing practice is much more slow to change. This is where one of the strategic opportunities for this project lies.

38. Current law and policy governing the consumptive use of wildlife were not developed to manage commercial or "professional" hunting. As a result, not only are existing consumptive use policies for wildlife inadequate to the task, they contribute to the unsustainable use of wildlife, an inadequate level of reserve management, and make the enforcement of rules and policies all but impossible.

39. It is estimated that under current law, an officially registered hunter is allowed to make 15 trips per month and to take 20 birds per trip. This means an officially registered hunter is permitted to shoot over 1,500 birds during the five-month hunting season each year. There is a hunting area demarcated outside of the Reserve, but there are no birds in this area for most of the year. Thus, even though KhR is a "zapovednik", where all resource use (hunting included) is prohibited, hunters must go into the Reserve to find game.

40. Current law and policy hampers the ability of the reserve to work with local civil society. At present, local NGOs are not officially registered, and as a result are not allowed to work formally with the protected area administration. This lack of cooperation undermines NGOs ability to support and participate in biodiversity protection activities in the Turkmen sector of the Caspian Sea. In addition, state environmental agencies lack the access to grant funding to widen environmental activities and have limited experience in educational activities.

Livelihoods

41. The largest employer in the seven communities surrounding the Khazar Nature Reserve is the Government; the second largest is the oil and gas industry. Local people's dependence upon natural

resources (fish and wildlife) for a significant portion of their livelihood varies among the eleven towns and villages within five kilometers of KhR. For example, Turkmenbashi, the district center and the largest town bordering the Reserve, has many employment opportunities in government and the oil industry, providing easy access to larger job markets.

42. Among the other villages around Turkmenbashi Bay, most families rely upon several sources of income in the following order of importance: 1) salaried work; 2) livestock; 3) hunting; 4) fishing; 5) traditional crafts/sewing. Preparatory field surveys estimated that approximately 10-15% of the 10,000 local people rely on the hunting of waterfowl as a significant source of food and/or income. Approximately 300 boats ply the waters around the Reserve. Assuming that half of them are utilized for hunting, an estimate of the number of birds taken per year could exceed 400,000.

43. The amount of birds taken by poachers interviewed during preparatory work for this project varied. On the low end is someone like Mukhamed, who hunts birds on his boat without a motor, taking approximately 40 birds/month to supplement his family's budget. In the middle is Annanazar, a thirty-five year-old from Turkmenbashi who works for the oil refinery. His wife works and they have two children. Annanazar has an inflatable rubber boat without an engine. On a good hunting day, he might take 20-25 birds and his average is 15 birds/day, yielding an average monthly take of approximately 200 birds. Hunting provides 45% of his budget. On the high end there is Arslan, who is 34 and makes his living from hunting and fishing every day the weather permits (approximately 15 days/month). He takes approximately 50 birds/day and hunting and fishing generate 100% of his income.

Fisheries

44. Within the project area, initial socioeconomic surveys revealed a profound slump in the fishing sector due to two factors: 1) the Caspian-wide decline in sturgeon numbers and the inability of the fishery to diversify away from its traditional reliance upon sturgeon and 2) the difficult and ongoing transition from large, Soviet-style fishing cooperatives to smaller, more dynamic private fishing associations or cooperatives. Along Turkmenistan's Caspian Sea coast, sturgeon are the only type of fish deemed worth catching and traditionally the commercial fishery has focused exclusively on sturgeon and ignored all other species. This narrow focus is now a mental barrier and a knowledge-related barrier to the fishery being able to diversify away from sturgeon to other more plentiful species. Fishermen lack knowledge and experience in catching and successfully finding markets for other species.

45. The closing of the Soviet-style fishing cooperatives has left an institutional void in the coastal fishery. This void is being partially filled by new fishing companies, which employ some 100 fishermen, but approximately 200 fishermen are left to fend for themselves, severely restricting their access to new knowledge, new methods, and financing. This has resulted in an increase in unemployment and insecurity in small Caspian coastal communities and reduced income levels

46. The situation is exacerbated by the fact that fishermen have not yet been able to form a cooperative to solve their common problems related to inadequate equipment (nets, boats) storage and sales. This has in turn forced many former fishermen to turn to poaching migratory birds for personal consumption and commercial sale. While cause and effect is not proven yet, some estimates show the population in globally significant migratory bird species dropping by over 50% along the Turkmen coast in recent years.

47. Turkmenistan's diminished sturgeon catches have reflected a Caspian-wide decline. Official data from Caspian states (excluding Iran) indicate that the sturgeon catch has dropped dramatically from its peak levels of 22,000 tons/year in the 1970's to 1,800 tons/year in the mid-1990's. The loss of spawning habitat around the Caspian due to dams on the major sturgeon producing rivers, increased harvesting

pressure from surrounding populations in the wake of the Soviet Union's demise, increasingly sophisticated poaching from other littoral states, and perhaps pollution in some areas have all contributed to the decline of the sturgeon fishery. Commercial catches of herring, salmon, sprat, and other commercial species are also down.

48. At present, there are approximately 700 boats, ranging from small sailing vessels to larger motorboats that are privately registered along Turkmenistan's 500 km Caspian Sea Coast. Legally, the Fishery Inspection Service (FIS) is supposed to play a significant role in the protection of the Caspian's fish resources, particularly sturgeon. However, this issue is of modest importance in Turkmenistan, due to the lack of any significant spawning rivers on Turkmen territory. The main objective of the FIS is to control the use of sea resources by licensing fishermen, regulating fines, and overseeing boat registration.

49. Turkmenistan's FIS-Caspian Branch currently employs 15 inspectors and 33 administrators and boating personnel. It has three all-season vessels and several four-wheel drive cars, trucks and other equipment. The organization has representatives in Turkmenbashi, Essenguly, Cheleken and Bekdash and is accountable to the State Committee on the Fishing Industry, but is financed through the Environmental Fund of Turkmenistan, which is supervised by the Ministry of Nature Protection.

50. While the FIS has many professional and capable staff, the Service itself is a product of the highly autocratic and centralized Soviet government system that imposed strong controls on fish resource use. During the past 15 years, the political system has changed, leaving the FIS' outdated management traditions unable to support Turkmenistan's new circumstances. There is a real need for more responsibility to be placed in the hands of the fishermen themselves and for the formation of partnerships between the FIS and fishermen's groups in order to pursue the mutual goals of both – a sustainable fishery resource.

51. FIS's current permitting scheme fails to facilitate effective regulation. Permit prices are set too high in respect to the value of the average fisherman's catch, and their period of validity does not reflect the fishing season. This discourages fishermen from taking the time, trouble and expense to obtain them. As a result, the FIS misses out on a significant amount of revenue to support its management efforts and leads to their insufficient enforcement capacity. Equipment is inoperable, personnel are not adequately trained, and legal regulations limiting fish poaching are inconsistent and do not provide sufficient disincentive.

52. Balkanbalyk is the largest catcher and processor of fish in Turkmenistan. The organization owns nine, 40-foot fishing boats that it leases to private interests, who catch the fish and in turn, sell it back to Balkanbalyk. Balkanbalyk is also the primary buyer of fish for all fishermen in the region. In project preparatory discussions, Balkanbalyk indicated its readiness to purchase additional supplies of fish, if fishermen were able to generate additional catches of non-traditional, non-threatened species of fish.

Financial and Knowledge Barriers

53. Many barriers prevent people from improving their natural resource use practices. Local economic actors do not have the financing and/or expertise to develop new markets for new species of fish or other value-added local products. Marketing structures are primitive and capacities are underdeveloped. People have difficulty marketing and securing regular buyers for even a small volume of fish. Infrastructure and equipment costs (including those for fish storage) far exceed the financial capacity of individual local fishermen. In addition, Turkmen law does not provide incentives for fishermen to form groups or cooperatives to combine efforts and costs in terms of improving storage capacity, marketing, and price predictability. There are no affordable training programs that could help them conceive of and pursue alternatives.

Coastal Management

54. The underlying cause of potential habitat degradation in and around Khazar Reserve is the relatively fragmented, non-integrated approach to coastal resource management. Currently, there is no active coastal zone-management program for any portion of Turkmenistan's Caspian Sea Coast. However, this situation is beginning to change with cross-sector coastal management in its nascent stages.

55. Recently, Government established the State Enterprise for Caspian Issues (SECI) within the Ministry of Oil and Gas. SECI's mandate is to integrate the dual requirements of environment and development along the Caspian Sea Coast by promoting integrated coastal management (ICM). The government recognizes that the coastal area is unique due to the many different resources. Although SECI's level of authority is not yet specified, it is supposed to be the coordinating agency for coastal issues over all other agencies. SECI has negotiated and signed rules of cooperation with the main Ministries relevant to Caspian/coastal issues, laying the basic groundwork for future cooperation. However, neither it nor KhR has specialists with expertise on coastal area planning and management, effective monitoring capacity and up-to-date technology to monitor pollution levels.

56. Further evidence of Turkmenistan moving towards cross-sector coastal management can be found in the recent finalization of the National Caspian Action Plan (NCAP), a product of Turkmenistan's participation in the Caspian Environment Program. SECI took the lead in formulating the NCAP, which is now with the Cabinet of Ministers pending approval. SECI consulted with partners in the Ministry of Oil and Gas and the Ministry of Nature Protection to formulate both the NCAP, as well as guidelines to better manage ship-based waste dumping in Caspian ports. SECI also coordinated the development of the oil spill response plan, which was then adopted by order of the President.

57. Current levels of pollution in Turkmenistan's coastal area are the lowest among the Caspian littoral states. As a result, pollution in Turkmenbashi Bay, for example, is not considered to be a serious problem. Pollution impacts on biodiversity are more of an imminent threat from the increasing amount of oil and gas exploration, production and transportation in the coastal zone abutting the Reserve. An inadequate level of cross-sector cooperation among the key organizational stakeholders in planning for the prevention of and response to large and small pollution events aggravates the threat.

58. Although KhR is a primary stakeholder on the Caspian Sea Coast, there is inadequate collaboration between KhR and other resource management stakeholders. KhR's concern has been limited to the area within its own boundaries, ignoring the surrounding coastal lands and seascapes. The application of a landscape-scale perspective to conservation, as well as an integrated conservation and development approach, is a relatively new concept and challenge for KhR.

59. Another new challenge for KhR is the development of cross-sector partnerships to improve biodiversity conservation and to integrate biodiversity conservation objectives into industry practices. This challenge is one that most of the primary actors in coastal Turkmenistan are not equipped to meet. Knowledge, experiential and capacity barriers prevent Reserve administrators from effectively harnessing the myriad cross-sector resources that are already available.

60. Discussions with the national and local level PA stakeholders revealed that the participation of these stakeholders in decision-making is usually very limited or non-existent. Moreover, most are not aware of coastal management/landscape-scale principles, the biodiversity value of the area or their role in maintaining it. The Reserve authorities lack the training and skills to encourage participation; the Reserve has no public relations programs to build relationships or develop the hunters' and fishermen's support of PA's.

Oil and Gas

61. The oil and gas industries dominate the economy of the Caspian region, followed by chemical and electricity production (of which the latter makes up 18 % of the Turkmen economy). The Caspian produced approximately seven million tons of oil and six billion cubic meters of natural gas in 2000^{iv}.

62. The rapid development of the oil sector in Turkmenistan has caused a dramatic increase in cargo transport from the port of Turkmenbashi and oil-loading terminals in Ufra (Turkmenbashi bay), Aladja (Cheleken peninsula) and Okarem (south of the Caspian). Oil and gas transport reached 4 million tons in 2001, most of which was oil cargo; in the future, port traffic is projected to grow 15% annually. The Port Authority on the Caspian Coast is based in Turkmenbashi. Given the rapid growth of the oil and gas industries and their related imports and exports, the Authority is an important resource management institution on Turkmenistan's Caspian Sea Coast.

63. The Authority cooperates with KhR in a very minor way by occasionally helping to take action against poachers. Currently, as part of the coastal management work called for under the NCAP, the Authority is beginning to modernize the management of their navigation channels, mapping them with modern hydrographic equipment to improve shipping and reduce the risk of accidents. The NCAP calls for the Port Authority to equip their own vessels for environmental monitoring with support from Turkmen Oil/Gas. The Authority is also a partner with SECI in addressing coastal management issues. In recent years, the Authority has renovated its Port wastewater catchment and treatment program to improve the quality of run-off. In addition, they are purchasing oil spill containment equipment and training their staff in its use.

64. With the growing volume of cargo moving in and out of Turkmenbashi Bay, the Khazar Nature Reserve (and the Turkmen coast) faces imminent threats from future oil spills and other shipping accidents. To address this problem, the Turkmen Maritime and River Lines Company is working with U.S. NOAA and the World Bank under the Caspian Matched Small Grants Program to create a computer model to predict the behavior of oil spills in Turkmenbashi Bay. These computer models will be available to any interested party free of charge.

65. Turkmenbashi Bay is the site of the largest refinery on the Turkmen coast. Located in the town of Turkmenbashi, the refinery has recently embarked upon an environmental clean-up and environmental impact-reduction program as well as establishing an ongoing monitoring effort. In the past, oil and gas development in Turkmenistan, as in much of the former Soviet Union, proceeded with little regard for the environment. This is changing - the Turkmenbashi refinery is spending over US\$1 million on several environmental projects now underway. The refinery is building a purification plant to treat all the liquid waste from the refining process so that the only effluent is pure drinking water. It is also re-constructing the sewage system for the refinery, reconstructing the oil terminal at Ufra and implementing a ground water cleaning project that will draw off the layer of gasoline that sits on top of ground water.

66. A monitoring initiative for Saymonov Bay is also underway. In past decades, the refinery used Saymonov Bay, a small, closed bay connected by a narrow channel to Turkmenbashi Bay, as a dumping ground for waste. Technical staff are now monitoring water and bottom sediment conditions in order to assess the degree of the pollution problem and to make recommendations for its restoration. Approximately one thousand measurements have been made in the past year.

Caspian Ecological Control

67. The organization Caspian Ecological Control (CEC) was established in 1970. It operates under the Ministry of Nature Protection of Turkmenistan and is financed from the Ecological Fund of

Turkmenistan. The main objective of the CEC is to provide proper pollution monitoring for industrial and municipal enterprises in the Turkmen sector of the Caspian coastal and marine environment. Moreover, the organization issues methodological recommendations for all industrial laboratories and other enterprises in the coastal area. Its resources include two stationary laboratories in the town of Turkmenbashi for air and land pollution control, as well as an all-season ship. Presently, the lab conducts about twenty types of tests, though the outdated laboratory equipment does not allow the analysis of heavy metals. The CEC employs 56 specialists and administrative staff.

68. The absence of modern equipment, the lack of financing, and inadequate personnel capacity are the main problems faced by the CEC. Currently, the CEC provides testing of only a few basic parameters for water and sediments. Staff have not been able to keep up with new analysis techniques and methods in recent years. According to international specialists, the situation with the laboratory is estimated as the worst in the Caspian^v. Despite these difficulties, the CEC's dedicated staff and work history represents a potential asset to Turkmenistan as the country develops a new approach to coastal management. With strengthened cross-sector cooperation, the CEC could play an important role in the sustainable development of the Turkmen Caspian coast.

In Conclusion

69. Oil and gas development around the Khazar Nature Reserve is becoming more environmentally friendly, at least to a limited extent. The activities described above are promising. What is missing in the current situation, however, is effective cross-sector coordination. A computer model predicting oil spill behavior is of little use to conservation if nearby Reserve officials do not understand the model or how to use it in planning their own responses. At the same time, port officials would be better able to develop a relevant spill response plan if the Reserve shared more information about the ecology of priority species.

70. While coastal management seems to be evolving in the right direction in Turkmenistan, some key elements remain to be strengthened. From the perspective of the global environment, key questions remain to be addressed: "How can biodiversity conservation be integrated effectively into the goals and objectives of these different coastal institutions?" "How can biodiversity conservation be approached from a broader coastal perspective – both geographically and conceptually?" These points are especially germane in that the Caspian coast's globally significant biological resources are highly mobile migratory birds, fish and seals that use myriad habitats during different seasons of the year.

PART II: STRATEGY

Project Rationale and Policy Conformity

Rationale:

71. Since Turkmenistan's independence from the former Soviet Union, protected area management has taken a back seat to the urgent economic and social development needs of the country. While protected areas have been maintained at a minimum level, the human resource capacity of and professional management capacity for these protected areas have declined significantly.

72. Government is beginning to reverse this 15-year trend of declining capacity and has recently increased funding for protected area management. Reversing this trend, however, and putting Turkmenistan's protected area system on the path to sustainability from an institutional, conservation and resource use perspective will require significant inputs of additional, incremental financing, skills and international best practice in modern conservation techniques and tools, participatory management, economic value assessment, and capacity building. GEF financing will be used to demonstrate effective protected area management and landscape-based conservation practices in Turkmenistan's largest

protected area, Khazar Nature Reserve, and enable the replication of these best practices across Turkmenistan's National System of Protected Areas. As such it will play a strategic role in leveraging co-funding and shaping the emergence of a modern, effective, and sustainable protected area network in Turkmenistan.

Program designation and conformity

73. This project is consistent with the GEF's Strategic Priority #1 (Catalyzing the Sustainability of Protected Areas). This project will contribute to the sustainability of Turkmenistan's National System of Protected Areas by focusing on demonstrating innovative practices and techniques first in Khazar Nature Reserve on Turkmenistan's Caspian Sea Coast, then taking the resulting best practices and applying them system-wide. Khazar was chosen as the demonstration area for three reasons: 1) It is the largest protected area (PA) within the national system; 2) It faces the key challenges in modernizing its management capacity and approach that are faced by every protected area in Turkmenistan - of looking outward rather than inward in terms of its management and long term conservation perspective; of participatory protected area management; of how to work more closely with local communities on resource management; of modernizing its basic organizational management capacities; and of catching up with and integrating into protected area management modern conservation biology and landscape ecology tools; and 3) It is complementary with and carries forward the GEF Caspian Environment Program's priority areas. The project is designed to enable Khazar Nature Reserve to meet these challenges and to replicate the best practices in the National System of Protected Areas.

74. The current protected area system suffers from a number of significant limitations that hamper the effectiveness and sustainability of biodiversity conservation efforts and impede achievement of the long-term benefits for Turkmenistan and globally.

75. First, during the Soviet period, the core of the PA system consisted of *zapovedniks* (strictly protected areas) and *zakazniks* (seasonal or temporary PA's). While many good things can be said about this system, such as the strong and fairly effective controls placed on resource use, it is a product of a highly autocratic and centralized government. Over the past 15 years however, this system has changed and such categories and management norms are no longer adequate in the new political and socio-economic circumstances of Turkmenistan.

76. The way forward would best be served by looking to international experience with protected areas and by introducing new PA categories and management approaches. In particular, there needs to be greater consideration of the PA system's overall contribution to Turkmenistan's development objectives as well as a great deal more participation by local communities in deciding how natural resources are used. This project will provide an opportunity to increase the role for the local authorities, community groups, and civil society institutions in the management and conservation of the country's biodiversity resources.

77. Secondly, there is a need to undertake a fundamental reorganization of the PA system including a) a redefinition of its overall objectives within the context of the country's development; b) a reorganization of the institutional and financial basis for developing, managing and monitoring the National System of Protected Areas. This project will provide best practice experience and demonstrations to feed into this process of re-organization and capacity building of the National System of Protected Areas.

78. Third, the PA system was developed in a largely ad hoc manner in response to species-specific concerns rather than a systematic effort to conserve a representative cross-section of ecosystems and habitats. System designers gave little consideration to the protected areas' potential to provide important ecosystem services. For example, many PAs worldwide provide critical national development benefits by

protecting key watershed areas. Such criteria have not been integrated into Turkmenistan’s PA selection process, nor does Turkmenistan have accurate knowledge of their protected areas’ economic value. As a result, PAs have not benefited the country as much as they could and the rationale for vigorous support of the PA system is not as strong as it could be. This project will introduce the concepts of process-creation, long-term financial planning, and PA training programs to Turkmenistan for the first time and will incorporate their principles into government fiscal policy.

79. Fourth, many PAs are small and even the larger PAs such as Khazar are often broken into small, scattered pieces. This makes biodiversity conservation problematic over the long-term, especially if pressures in the surrounding landscape continue to grow. Coverage of ecosystems is often fragmented, and there is a lack of connectivity between areas that would help redress size limitations. This project will demonstrate how to overcome these size limitations by teaching protected area managers landscape-scale conservation planning.

Operational Program Conformity

80. The project meets GEF eligibility criteria under Operational Program #2 (OP-2) (*Coastal, Marine and Freshwater Ecosystems*). The project promotes the conservation and sustainable use of globally significant biological diversity of coastal and marine resources under threat. Per OP-2 guidance, the project will take an ecosystem (landscape ecology) approach to furthering conservation and sustainable use objectives in and around Khazar Nature Reserve.

81. Note: Linking the project’s overall ecosystem management approach to its “landscape approach” to biodiversity conservation. The landscape approach to conservation enunciated by the project fits easily within the broader ecosystem management approach of the project. The landscape approach is a conservation strategy designed to encourage protected area stakeholders to “look outside of the protected area box” and in so doing, strengthen the links between the protected area and its surrounding landscape. The landscape approach was incorporated into this project to strengthen the long-term sustainability of the Khazar Reserve. The ecosystem approach is the overall approach applied by the project, including not only the conservation strategy, but also is manifested in the adaptive management, “learning while doing” approach of the project as well as in the project’s efforts to highlight the importance of local communities as well as the importance of considering the total economic value of the ecosystem services generated by Khazar Reserve, among other things.

CBD Conformity

82. This project is designed to support the primary objectives of the Convention on Biological Diversity (CBD): the conservation of biological diversity, the sustainable-use of its components, and the equitable sharing of the benefits arising out of the utilization of these components.

| CBD Articles | How the Articles of the CBD are supported by project. |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Article 6: General Measures for Conservation and Sustainable Use | Supported by integrating conservation and sustainable use of biodiversity into relevant coastal plans and policies. |
| Article 7: Identification and Monitoring and Article 8: <i>In-situ</i> Conservation | Supported through the strengthening of park management and the targeted species and habitat management, research and monitoring program. |
| Article 10: Sustainable Use of Components of Biological Diversity and Article 11: Incentive Measures. | Supported through the development and demonstration of alternative, sustainable livelihood options that avoid or minimize adverse impacts on biological diversity, providing incentives for sustainable use. |

| | |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Article 12: Research and Training and Article 17: Exchange of Information. | by promoting targeted research on priority biodiversity in wetlands, providing training in technical and managerial areas, and developing linkages for exchange of information |
| Article 13 | Education and awareness raising is also a project priority. |

83. The project has been designed to complement the activities and objectives of the Caspian Environment Program and the goals of the Framework Convention for the Protection of the Marine Environment of the Caspian Sea. It will complement Turkmenistan’s activities and priorities under the Caspian Strategic Action Program, as well as the National Caspian Action Program (strengthening environmental, legal and policy frameworks, implementation of the SAP and NCAP, particularly in the priority area of Biodiversity, etc.);

Project Goal, Objective, Outcomes and Outputs/activities

Overall Goal: The protection of Turkmenistan’s globally significant biodiversity by strengthening the sustainability of its National System of Protected Areas

OBJECTIVE: A new participatory and adaptive approach to conservation and management is demonstrated in Khazar Nature Reserve and is replicated throughout the system.

OUTCOME 1: KHAZAR NATURE RESERVE (KhR) MANAGEMENT CAPACITY AND CONSERVATION EFFECTIVENESS IS SECURED. (mostly GEF funds)

OUTPUT 1.1 Adaptive participatory management practice piloted in Khazar Nature Reserve.

Activity 1.1.1 Establish KhR Stakeholder Working Group and develop and implement protected area management plan based upon results of the METT survey. During project preparation, the METT questionnaire was filled out, establishing a management effectiveness baseline score for the Reserve from which improvements in KhR management effectiveness will be measured over the life of the project (See Section IV, Part V). Indeed, the design of this project was influenced by the results of this exercise.

Activity 1.1.2. Under this activity, the KhR management team will first establish the KhR Stakeholder Working Group (SWG). The SWG will be chaired by the Director of the KhR and will be comprised of one representative from each of the following stakeholder groups: Essenguly Etrap, Turkmenbashi Etrap, Fishing community from one village, 2 local community groups, Hunter community from one village, the Fishery Inspection Service, the Desert Research Institute, the Border Guard, and two representatives from KhR. The working group will review the results of the METT survey and the information gathering undertaken under Output 1.3, and with PA management planning input from the project, will develop a management plan in response to the issues raised by the METT and confirmed by additional socio-economic and biological data from the field. The management plan will focus on building the capacity of the Reserve in a phased, measured approach so as not to exceed absorptive capacity and will detail most if not all of the ideas described in the other outputs and activities under this Outcome. The Working Group will fill out the METT survey annually in order to track progress, improve PA management transparency, improve management capacity and catalyze adaptive management.

OUTPUT 1.2. Strengthened Reserve Staff’s Technical Knowledge and Abilities.

Activity 1.2.1 Conduct comprehensive human capacity-building program for KhR in protected area management. Under this activity, the project will strengthen reserve capacity in three ways: 1) by bringing new talent into the protected area system and 2) by training existing reserve staff in new conservation principles, methods and techniques; 3) work with the Ministry of Nature Protection to work out innovative ways to ensure that the KhR is able to train good people but also keep them working at Khazar for a reasonable period of time.

Replenishing the ranks of PA staff through student internships: To facilitate and encourage young Turkmenistan is to go into the conservation field, the project will work with Turkmen State University (TSU) to a) identify qualified and interested students for training in conservation biology, ecology or protected area management disciplines; b) establish linkages among KhR, Desert Institute and the TSU to operate a program to train students and existing KhR staff in basic ecology and survey techniques, and; c) establish an internship program with the local schools, where a select number of students each year are paid a student wage to work with different members of the Reserve staff. The two top student interns each year will be given assistance in securing scholarships for more advanced training overseas based upon an agreement that they will return and serve for at least three years with the government in PA management.

Strengthening existing staff capacity through in-country training: Conduct short-term, in-country training programs in conservation biology, long term financial planning, law & policy enforcement, PA management, and data management. Effective cooperation between the Reserve and resource users is crucial to the success of the project. This activity will also seek to improve the capacity of the Reserve administration to apply community-based resource management practices. Training will focus on developing the ability of KhR staff to interact and build relationships with local stakeholders such as community leaders, NGOs, hunters, and fishermen. It will require new ways of thinking broadly and across sectors, including harmonizing hunting and fishing with biodiversity conservation schemes.

KhR will also strengthen its capacity to work collaboratively with resource-users by training its rangers to serve as local community liaison officers rather than purely law enforcement officers. One of the officers' new primary tasks will be to not just simply arresting people, but to develop cooperative relationships with key stakeholders. In addition, the project will strengthen the capacity of local community leaders to improve the cooperative work between civil society and KhR.

Strengthening reserve capacity to envision change through overseas training: The project will train Reserve staff in applying community-based resource management approaches to biodiversity conservation challenges. To support this change process, overseas short-term training in protected area management for two or three key staff from the Reserve will also be organized. Reserve staff will go on at least one study tour to a park in the region that is successfully conducting CBRM to experience community-based management in action. Also under this activity, at least one exchange visit will be organized between the Reserve and a partner park in another Eastern European or FSU country.

Activity 1.2.2 Strengthen legal and policy framework for protected area management and enforcement. Under this activity, the project will strengthen the legal and policy framework to support the Reserve's ability to conserve biodiversity effectively in a culturally appropriate and scientifically rigorous manner. This will involve working closely with the GoT/UNDP "EcoNet" project to modernize the protected area categories and management policies in Turkmenistan. UNESCO's Biosphere Reserve provides the necessary management framework on which the project can build and the concept will be examined for its potential integration into Turkmenistan's PA categories. This will include facilitating the integration of sustainable use and cooperative management, and landscape ecology principles into reserve management law and policy. Per priorities delineated in the Strategic Action Programme for the Caspian, this will also include an emphasis on community involvement and support for management of

biodiversity and other resources in the coastal zone. This activity will also cooperate closely with the UNDP/GEF-Government of Turkmenistan capacity assessment initiative, scheduled for implementation in 2004. This initiative will help to develop further the platform for strengthening Turkmenistan's biodiversity conservation initiatives, thereby facilitating work under this activity.

Under this activity, the project will strengthen the capacity of Reserve staff to understand and enforce laws and policies. Field-level staff are often not well briefed on the laws and policies they are supposed to enforce. Under this activity, staff would be thoroughly briefed on relevant laws and policies and given basic training in implementing them. In-country training will be provided in modern wildlife and resource-use law enforcement methods and appropriate technological tools. Also under this activity, KhR will strengthen enforcement of existing conservation and resource-use law by forging cross-institutional enforcement agreements with the border guard patrol, the Port Authority, the refinery, and the fishery department.

OUTPUT 1.3. Strengthened Field Conservation Capacity of the Reserve.

Activity 1.3.1 Bring science into its proper advisory role in protected area management through surveys and targeted research. This activity will generate, maintain and expand the information base through regular monitoring. Government, protected areas, and local communities need information to manage biodiversity effectively. An effective, practical survey, targeted research, monitoring and information management program is an important component of protected area management. Without up-to-date information, the protected area does not know how its own work is progressing, nor does it learn from mistakes or successes.

Conduct field assessments as the basis for ongoing survey, research and monitoring. During the first year of the project, baseline assessments and surveys will be conducted through

- a) aerial photographs and satellite imagery to achieve basic coverage of the Reserve;
- b) published and unpublished information on biodiversity, resource use, and fisheries.

Conduct biodiversity survey, research and monitoring to support proactive management.

Surveys of priority species and habitats will be conducted over the lifetime of the project to build on the information baseline. Initial surveys will cover the following:

- a) resource use patterns; ii) gender & resource use; iii) property rights; iv) traditional knowledge;
- b) water quality in designated sampling sites;
- c) terrestrial and marine habitat condition and extent;
- d) biodiversity in priority areas (e.g. Caspian seal haul out distribution and seal abundance);
- e) coastal biodiversity, including migratory bird species distribution and abundance.

Currently, the KhR has very little capacity, staff or equipment – to conduct wildlife surveys. As a gap filling measure, during the first two years of the project period, the Institute of Deserts in collaboration with KhR staff and the input from environment program staff of Emerol (Turkmenbashi refinery) will conduct survey work collaboratively. The Institute of Deserts has the most scientific capacity of any research institute or academic program in Turkmenistan. The surveys will be designed and conducted in a way that is sustainable in the Turkmen context. Project resources will enable KhR staff and the Institute of Deserts to devise a survey methodology that is low cost, participatory and that strengthens local capacity. Limited and targeted research will also be conducted to improve understanding of ecosystem structure and function and species ecology and habitat needs. At the end of the initial two year period, KhR and the Institute will consider the most practical way forward to establishing a long-term field survey capacity for Khazar Nature Reserve, be it “in-house” or some other cost-effective option.

Data will be compiled in standardized map and report formats and survey methodology will follow recommended best practices. Surveys will be designed to involve community groups, port and refinery officials, and resource users. For example, as part of the resource-use assessments, youth organizations will map the boundaries of customary fishing areas in the Turkmenbashi Bay.

Monitor coastal biodiversity and ecosystem condition. GEF resources will support the monitoring start-up costs and sustain them through the project's lifetime. The Reserve has committed to continuing the monitoring activities upon conclusion of the project. This will be an important milestone in year three of the project.

A technologically appropriate, low-cost, community-based monitoring protocol will provide the basis for the project's monitoring activities. The Institute of Deserts jointly with KhR will carry out the monitoring priority areas in partnership with local communities and schools with the intention of providing data on the field survey priorities described above. This work will also contribute to the updating of the next Red Book of Turkmenistan.

As part of the project's focus on establishing sustainable conservation mechanisms, the project will reinvigorate the involvement of the private sector in ongoing monitoring, especially within Turkmenbashi Bay. A cooperative agreement will be devised between KhR and Turkmenbashi Refinery.

Upgrade information management and geographic information system (GIS). High-quality data management is crucial to an institution's ability to access information to inform decision-making processes. Under this activity, GEF resources will support stakeholders, first in ensuring that existing paper data files are adequately stored and preserved, and second, that new data is recorded in paper and electronic form. Also, this activity will support the Reserve in standardizing and incrementally upgrading existing paper-based data files into computer files for a modest geographic information system (GIS). It will ensure that the files are adequate to manage data gathered by survey and monitoring efforts and are compatible with the international migratory bird database. Work under this activity will collaborate with MNP work under the EcoNet project to create a unified national database for protected areas in Turkmenistan. In addition, KhR's data management system will be designed in cooperation with the Caspian Environment Programme to ensure ease of data transfer and biodiversity data sharing among Caspian littoral states.

Activity 1.3.2 Stakeholders develop and implement a biodiversity conservation plan for Khazar Nature Reserve. In this activity, staff from Khazar Nature Reserve will work with a group comprised of representatives from the two Etraps, as well as communities and resource users from the areas surround the Khazar Reserve to develop and implement a biodiversity conservation plan for Khazar Nature Reserve.

The planning process will rely on a two-way flow of information between national and local stakeholders, with consultations in Ashgabat and in each of the relevant towns and villages. Relevant information on specific habitats, areas of conservation importance (e.g. priority habitats, species assemblages), and resource use areas will be mapped in a participatory process with stakeholders.

Through this activity, conservation and recovery plans will be made for priority species and habitat types in the Reserve. Specific conservation goals will be established, and recovery management activities proscribed and undertaken. Coastal habitats will be prioritized for conservation action. In the process, community leaders will be trained in coastal conservation planning. Based on this process of documenting and mapping information, stakeholders will learn to apply landscape-ecology principles to specify priority coastal habitats and species and to define ecological needs for conservation.

This participatory approach will be applied to the process of adopting the plan at the national and local levels. Approval from the MNP will be required before implementation.

Activity 1.3.3 Develop education and outreach materials for raising awareness among targeted stakeholder groups. Local peoples' attitude and knowledge of the Reserve will affect the Reserve's ability to successfully conserve biodiversity. This activity will focus education and awareness-raising efforts on school children and resource-users. The project will build a youth constituency for conservation by helping local schools teach children about their surrounding environment. The Reserve's excellent, but aging, visitor interpretive center will be re-modeled and updated. Teaching materials on the biodiversity and coastal ecosystems of the Turkmenistan's Caspian Sea coast will be developed for elementary school, middle school and high school. Teachers will be trained in using these new materials. The project will support pilot efforts to introduce practical work in Environmental Science by supporting programs to enable teachers and school children to visit the Reserve.

Strengthen the capacity of local associations and community groups to raise awareness among resource users. Awareness-raising is a useful and necessary tool in helping to change people's harmful behavior toward biodiversity. Community group specialists will organize education and awareness courses with KhR staff and community group representatives. By teaching trainers, the project will focus on enabling KhR to produce and implement a growing number of courses for resource users and schools.

This activity also promotes the sharing of project information and results with the local media. Articles will be prepared for the most popular weekly regional magazine. Reports will be prepared for the regional television news and information posted on the Internet. Promotional leaflets will be produced for hunters and fishermen and the wider community.

Activity 1.3.4 Strengthen staff law enforcement capacity and improve equipment capacity to support sustainable management and enforcement efforts. Under this activity, the Reserve field staff will be trained in modern law enforcement techniques. In addition, the Reserve's field infrastructure and equipment will be modernized to the level needed for effective, sustainable management. The minimum number of motorized transport vehicles would be supplied, including 2 four-wheel drives vehicles, 3 motorcycles, and at least three powerboats. Field equipment would be supplied to rangers along with training in operating this equipment. The choice of equipment purchased will be based on the capacity of local expertise to maintain the equipment. Modest field observation stations would be constructed in 3 different spots across the Reserve. Coordinating closely with mapping work done under Activity 2.2.2, this activity will help demarcate boundaries of the reserve on the ground in relevant places. Boundary demarcation will be done collaboratively with local community representatives and will include information signage both on the community and the reserve.

OUTCOME 2: CROSS-SECTOR CAPACITY FOR INTEGRATED COASTAL MANAGEMENT ESTABLISHED AND BIODIVERSITY CONSERVATION OBJECTIVES MAINSTREAMED INTO PRODUCTIVE COASTAL SECTORS SURROUNDING KHAZAR RESERVE (part GEF, part co-funding)

The main purpose of Outcome 2 is to ensure that the coastal context within which Khazar Nature Reserve exists becomes as biodiversity-friendly as possible. This attention paid to a protected area's landscape context is a key element to be included in the strengthening of all protected areas of Turkmenistan.

The following outcome calls for a modest, operational cross-sector planning process, and is designed to be a reasonable intermediate step towards more integrated, cross-sector conservation and development practices. These kinds of changes come slowly. Indeed, these kinds of changes are only recently being made in even the most advanced countries.

The primary institutional stakeholders in this process will be the State Enterprise for Caspian Issues (SECI), the Ministry of Nature Protection & Khazar Nature Reserve (MNP/KhR), the Ministry of Oil and Gas (MOG), the Port Authority for Turkmenbashi, and local government administrations. Achievement of this outcome will strengthen the partnership among these organizations.

OUTPUT 2.1: Coastal Zone Management (CZM) Framework and Planning Process In Place.

Activity 2.1.1 Establish a Coastal Planning Working Group (CPWG). Under this activity, the Turkmen Government will establish a coastal conservation working group comprised of representatives from key national and local government entities, including the SECI, MNP/KhR, Fishery Inspection Service, Cabinet of Ministers Deputy for Oil and Gas, Port Authority for Turkmenbashi, Ministry of Tourism, and one representative from the two coastal Etraps. From GEF's perspective, one of the main purposes of the working group is to integrate KhR into the land and resource planning and development processes underway in the surrounding productive coastal zone.

The working group will be led by SECI and will meet semi-annually to discuss cross-sector planning and management issues relevant to the coastal region's conservation and sustainable development. The working group will also be the primary mechanism by which each member organization could distribute materials to other organizations. For example, the working group would be an ideal mechanism through which to distribute the oil-spill behavior computer model being developed by Emerol. The CPWG will serve as the primary entity to continue the ongoing cross-sector management and collaboration process initiated under this outcome.

The working group will also be an ideal mechanism to enable KhR to understand existing oil spill contingency plans with its coastal neighbors and seek the development of additional contingency measures to protect priority habitats in the event of a oil spill disaster. This activity will be coordinated with the CEP's Caspian Regional Thematic Centre for Integrated Transboundary Coastal Area Planning and Management.

Activity 2.1.2 Strengthen existing law and policy framework to support CZM. This activity will build upon work already underway by the Government of Turkmenistan and other Caspian littoral states on the legal status of the Caspian Sea. The Coastal Planning Working Group will produce recommendations for strengthening existing law and policy in Turkmenistan on coastal zone management issues. The CPWG will consult with key stakeholders and decision makers regarding the question of establishing one regulatory oversight, development review, and planning authority for development in the coastal zone of Turkmenistan.

Specific work will focus on developing a draft model for integrated development and conservation in the coastal zone, with the intent of later including a more detailed CZM strategy and program. SECI, with project support, will also draft development planning, zoning, and construction standards for the coastal zone, and submit them for adoption by Government. The adoption of these new requirements would be an important milestone in the project's implementation.

Activity 2.1.3 Strengthen the ability of stakeholder institutions to apply CZM concepts and practices.

This activity will conduct short-term training for key institutional staff in CZM principles and practices. SECI staff will undergo short-term training abroad to learn planning principles and best practices for implementation of CZM initiatives. The training will lay the groundwork for SECI to pursue the development of a CZM framework Turkmenistan's Caspian Sea Coast.

In addition, a series of in-country seminars will be conducted on the following topics:

1. Inclusion of special environmental conditions into agreements on oil and gas development.
2. CZM and participatory resource management, information management, monitoring, and planning.
3. Design, legislation and implementation of CZM policies.
4. Application of fiscal and policy incentives to encourage stakeholders to adopt resource management practices consistent with conservation and sustainable-use principles.

OUTPUT 2.2: Conservation landscape and Khazar Nature Reserve's place in that landscape is defined.

Activity 2.2.1 Define the conservation landscape and seascape more comprehensively on the Caspian Sea Coast. KhR is comprised of three distinct areas along 800 kilometers of Caspian coastline, with productive land and seascapes interspersing them. Under this activity, the KhR stakeholder working group, with the addition of SECI and the Port Authority, will develop a coastal landscape-scale management plan for priority species and ecological processes that encompasses those neighboring areas outside KhR. This definition of the conservation landscape will supplement the KhR management plan developed under Activity 1.1.1 and the reserve-oriented species conservation plans developed under Activity 1.3.2.

The plan will draw upon existing knowledge and supplemental surveys of priority species. The plan will describe the strategic vision of CZM with an overall emphasis on the sustainable conservation and use of biological diversity within a landscape perspective. The plan will direct sustainable development and conservation efforts using a conceptual, spatially-explicit methodology that systematically frames the landscape in terms of biological requirements and human uses.

By applying the landscape species approach³, this management plan will define more comprehensively the “conservation landscape” in which the Khazar Reserve exists. The biological requirements (feeding, nesting, home range, etc.) of priority species and plant or animal communities will be overlaid on landscape maps in order to identify their key habitats and their geographical placements within the landscape. For example, the priority habitats of nesting bird populations and local seal populations will be identified and mapped – from hauling-out to feeding – as will habitats providing services such as coastal erosion control. Landscape-scale biodiversity conservation priorities will then be compared to the corresponding human landscape (land-use type and intensity, etc.) using GIS capabilities. This activity will coordinate closely with Activity 1.3.2 so that the results are complementary.

This activity will also consider the risk posed by the Caspian Sea's ever changing natural conditions, particularly water levels, by assessing the potential impacts on its priority species and habitats of additional increases in water levels and decreased water levels as well and including these assessments as part of its landscape scale conservation plan developed with coastal partners under this Activity.

Activity 2.2.2 Demarcate the boundaries of KhR on all official maps at all the relevant, published scales used for planning and resource development. Under this activity, new maps of the Reserve will be prepared by the Government of Turkmenistan's Cartographic Services using GIS and GPS technology, clearly defining the Reserve's boundaries. This work will be done for maps at different scales relevant for wall maps, protected area management, and oil, gas, fishery, and other resource management planning. These maps will be disseminated to stakeholders in the coastal zone (e.g. large maps will be distributed to local officials and small pocket maps will be made available to the public). If agreement can be reached on other areas in the coastal zone, areas of coastal sensitivity, fishing areas, and tourism areas will also be demarcated.

³ Sanderson, E.W. et. al. 2002. Landscape and Urban Planning. 58 (2002) 41-56.

OUTPUT 2.3: Strengthened Information Baseline on Coastal Ecosystem Health Parameters. (JICA co-funding)

Activity 2.3.1 Strengthen and modernize capacity. Under this activity, co-funding resources would strengthen, upgrade and modernize the capacity of Caspian Ecological Control to conduct field data collection, monitoring and laboratory analyses of ecosystem health-related parameters. Quarterly monitoring of water quality will be conducted at priority points along the coast. Information generated under this activity will be included in KhR's strengthened data management program. Of course, this activity will be tied closely with the work undertaken by Khazar Reserve under Output 1.3.

OUTCOME 3: KHAZAR RESERVE BUILDS TRUST AND GOODWILL WITH LOCAL COMMUNITIES AND STRENGTHENS ENVIRONMENTAL GOVERNANCE OVER WILDLIFE RESOURCES.

OUTPUT 3.1: Social Capital is Strengthened in Targeted Communities around Khazar Nature Reserve and Goodwill between KhR and Local Communities is Nurtured and Restored.

Activity 3.1.1 Establish community resource centers in three communities neighboring KhR and having the highest number of bird hunters per capita. Encouraging and respecting local input is a basic principle of both good environmental governance and ecosystem management. Equally important to this effort is building social capital – structural capital, rather than individual capital.

Under this activity, funding from project partners (Counterpart and the TACIS CCD) will support transitional self-help social development in the target communities around Khazar in order to strengthen capacity for community collaboration with KhR. The project will work jointly with the local government, and Counterpart, to create three community support resource centers in the three neighboring communities with the highest impact on KhR wildlife resources.

These centers are meant to be transitional and not permanent, with funding provide by Counterpart and TACIS for at least 4 years. They will focus on training community leaders in community mobilization, self-help, project identification, and financing. The centers will serve to bring together KhR and community members to work on developing collaborative and mutually beneficial activities. The centers will also serve as a base for providing community development services. The centers provide access to information services, the internet, and a library. The centers will be utilized as a source for KhR information and related activities.

These same three neighboring communities will be targeted for participatory assessments of community assets and strengths. Counterpart/USAID funding will support this work. This asset-based planning will lead the establishment of community action plans for development. GEF co-financing will provide input in helping communities and KhR consider and discuss reserve-specific actions to include in Community Action Plans.

Activity 3.1.2 Extend small grant program to support community-based development and the improvement of Reserve-community relations. The main purpose of this activity is to link tangible benefits for local communities with Khazar Nature Reserve, something that has never been done before in Turkmenistan. By supporting community development in tangible ways, this activity will improve badly damaged relations between the KhR and local communities. Funding for this activity is intended to be catalytic and not permanent and it is focused upon community development and civil society strengthening.

Under this activity, the project will work with project partner Regional Environmental Center (TACIS) in implementing a small grant program in the Khazar area. Based in the Khazar Reserve offices, the program will provide grants of up to US\$25,000 to community leaders, social entrepreneurs, and

community groups for community-driven projects, including local environmental clean-up, water and electricity supply, sustainable energy demonstrations, and school assistance. For example, community action plans and related activities developed under Activity 3.1.1 will be eligible for consideration.

The fund will consider supporting small-scale income-generating activities that are able to complete a business plan and demonstrate a reasonable chance of viability, though this will not be the focus of the fund. Individual and group entrepreneurs will be eligible for up to US\$5,000 grant assistance in identifying economically viable ideas for livelihood creation and enhancement. Basic cost-benefit analyses will be applied to all ideas, as well as realistic market assessments. GEF co-financing will support the development of a livelihood feasibility options paper through a participatory and consultative process to support these discussions and help stakeholders to identify ideas that hold the most promise.

OUTPUT 3.2: Sustainable natural resource use demonstrations generate new options for coastal fishery and reduce pressure on migratory waterfowl in coastal area surrounding KhR.

Activity 3.2.1 Demonstrate re-oriented sustainable fishery practices. The aim of this activity is to develop fisheries other than those based on sturgeon. Co-funding from UNDP and the OSCE will support this work.

This activity will focus on two communities bordering Khazar Reserve, Gyzylsuw and Checkishlyar. Gyzylsuw is located about 18 km west from Turkmenbashi town on Gyzylsuw Island. The village of 621 (175 households) is one of the oldest settlements on the Caspian coast with a long history of fishing. It used to have the first fish processing plant on the Turkmenistan Caspian coast in 60s, but this was moved recently to Turkmenbashi town. Today the main occupation of the villagers includes the state-provided employment, remittances from migrant workers, and fishing and illegal bird hunting during the winter in the territory of the Khazar State Reserve.

Checkishlyar is located in the southern part of Turkmen sector of the Caspian Sea. During Soviet times, a specialized fishery co-operative operated in the village, which caught and processed sprat, herring and vobla, the only non-sturgeon fishing cooperative of its kind then. The fishermen operated larger boats provided by the state and were sold their catch to the factory of Balkanbalyk association in Turkmenbashi town for processing. The co-operative was closed in the mid 1980's, leaving fishermen to rely on their own much smaller boats and resulting in the loss of expertise in non-sturgeon fishery during the past 20 years.

Approximately 37% of the population of 1,380 (337 households) in Checkishlyar are unemployed. Of these people, an estimated 50% rely on biological resources (fish and birds) from Khazar and neighboring environs. The illegal hunting creates enormous pressure on the population of the migratory birds.

The fact that a fishing cooperative used to exist in Checkishlyar during Soviet times that specialized in non-sturgeon fish species bodes well for efforts now to build upon that quickly fading community experience and establish a new cooperative. Preliminary discussions with the Fishery Inspection Scientists confirmed that some fish stocks were sufficient to support a growing community-based fish cooperative. Preliminary discussions with Balkanbalyk confirmed that they would buy the production of such a cooperative, ensuring a market for the fledgling cooperative. To confirm and solidify these points, as well as specify needs with respect to cold storage and transport to market, a feasibility study will be carried out an initial phase of this activity.

The target group will be 200 fishermen from both villages. The activity is aimed at the promotion of the traditional livelihood of fishing by helping fishermen increase their incomes while maintaining a sustainable harvest regime. This activity will establish sustainable fish harvesting and marketing initiatives in two target communities neighboring KhR. An OSCE co-funded grant would support civil society leaders in the villages of Gyzylysuw and Checkishlyar to establish two fishing cooperatives in order to pool the labor and other resources of local fishermen to better meet the needs of the market and secure and maintain proper equipment.

Working jointly with Turkmenbalyk production association, the activity will seek to improve fish marketing (including consulting and training on small-scale fish processing), appropriate storage, and transportation to improve access to markets in un-served parts of the country. Under this activity, fishing practices would also be improved and made more sustainable by providing the two cooperatives with training in modern fishing techniques and by teaching the fishery agency modern fishery management practices.

Activity 3.2.2 Pilot community-based natural resource management (CBNRM) for birdlife resources in at least one community bordering Khazar Reserve.

This activity will demonstrate a solution to the problem of unsustainable wildlife resource use, building upon existing policy of the Government of Turkmenistan. Currently, the Government of Turkmenistan allows people to hunt for subsistence purposes. This activity builds upon this policy and makes it more sustainable over the long-term. It addresses the root cause of this problem – uncontrolled access to wildlife resources. CBNRM provides an alternative resource access regime by creating “community managed” access. CBNRM provides expanded development and natural resource management opportunities to persons living closest to areas of high biodiversity value. People who live closest to these areas generally: 1) must absorb the greatest costs associated with biodiversity conservation; 2) have the most impact on biological resources; and, 3) given the proper tools and incentives are the most likely to successfully conserve and benefit from biological resources.

Under community-controlled access, the government still determines the base amount and general terms of resource exploitation and retains the authority to charge resource use fees in the form of licenses and permits.

The Ministry of Nature Protection would transfer natural resource rights to at least one and perhaps two pilot communities. The community assumes these natural resource rights through a community-based organization (CBO), which serves as their representative management institution. As a result, the community shares a mutual interest in natural resources and is responsible for collectively managing those resources. Resources become “community property”. Each member of the community holds a common interest in the natural resources and a concern for the resources’ wellbeing. No longer are natural resources viewed solely as “government property” or is access to resources unregulated.

Under this activity, UNDP co-funding will enable the project to introduce new sustainable community-based hunting management practices in one pilot area of the project site. Consultations will be held with three local communities regarding the areas with the highest hunting pressure. The community with the most expressed interest and active leadership in terms of participation in these consultations will be chosen to serve as a pilot CBO.

Project-supported experts will work with the CBO and MNP to determine the area where resource rights will be transferred. Information on bird population numbers will be shared and discussed with CBO members, and they will reach consensus on a best-guess estimate of bird population numbers and most sustainable bird harvest levels for the coming year.

To increase feelings of local ownership and self-determination, the community should determine the distribution of benefits from hunting activities. The community, through the CBO, must determine the most equitable means for distributing both indirect and direct benefits. The project will provide neutral expertise and facilitators to facilitate the process. The project will also provide funding to support the modest transaction costs of establishing the pilot CBO (transportation, meetings).

This demonstration will be designed and implemented to extract and impart lessons learned to feed directly into replication activities.

OUTCOME 4: PROJECT BEST PRACTICES ARE MAINSTREAMED INTO THE NATIONAL SYSTEM OF PROTECTED AREAS OF TURKMENISTAN.

OUTPUT 4.1. New Policies within MNP to encourage adaptive management.

Activity 4.1.1 Design and adopt mechanisms or policies requiring the MNP to adopt best practices. This activity will work with the MNP to develop policies which encouraging adaptive management and emphasize the importance of learning from experience and applying those lessons to future experiences. The purpose of the policy will be to provide incentive for PA managers around Turkmenistan. The activity will work with MNP staff to establish annual performance evaluations for protected area managers. This will promote adaptive management in the system-wide management of the PA system and is a way to provide direct incentives to PA managers to learn from one another's experiences by including best practice adoption as a criterion in PA managers' performance evaluations.

OUTPUT 4.2 Protected Area Management Training Program

Activity 4.2.1. Establish protected area management training program.

The aim of this project is to ensure that new knowledge and skills will be taught to the next generation of PA and environmental practitioners in Turkmenistan as a significant contribution to the long-term sustainability of the protected area system. It will be jointly funded by GEF, UNDP, and the MNP's in-kind contributions.

This activity will focus on establishing a modest protected area management training program for Turkmenistan's network of protected areas. The program will be at least initially based in the Institute where there is the most existing scientific capacity, the Desert Research Institute. Initially, the program will rely heavily upon the training materials produced by the project under the capacity building work of Activity 1.2.1 as well as the lessons learned by KhR and partners during the implementation of the project. Work with the MNP (and SECI under Outcome 3) to incorporate the new knowledge gained from the project's training programs and activities into the curricula of a new PA training program. The training program will include not only the basic scientific tools from conservation biology, field ecology, and marine and limnological studies, but also financial management, organizational management, participatory PA management, and other people-oriented issues.

Long term financing for this training program is not yet secured. It will be the first of its kind in Turkmenistan and there are experiential barriers to overcome prior to being able secure the political support for additional funding of such a modest program. Securing this funding will be a crucial part of this activity and a milestone in the third year of the project.

OUTPUT 4.3 Operational Network for Nationwide Replication of Best Practices by PAs.

Results from the project will be disseminated within and beyond the project intervention zone through a number of information sharing networks and fora.

Activity 4.3.1 Capture lessons learned from the ongoing M&E process. The project will identify, analyze, and share lessons learned on an ongoing basis, but not less frequently once/year. This activity will capitalize on the project's ongoing Monitoring and Evaluation process by drawing upon lessons learned (both positive and negative), sharing them, and feeding them into specific replication activities as described below. This will be done in ways which strengthen organizational and stakeholder capacity and contribute to the evolution of national policy. Key areas for lesson extraction, include:

- Adaptive management;
- Application of METT and how this has or has not improved PA management at Khazar;
- Involvement of local communities in KhR management planning, enforcement, and monitoring;
- Reserve involvement in promoting/facilitating sustainable use of resources with local stakeholders in and around reserve; and
- Application of a landscape ecology perspective to practical reserve management challenges.

Lessons will be disseminated through project result documents, training workshops, and annual lessons-learned round-table discussions. Round-table discussions will produce practical recommendations for replicating these lessons and for integrating them into existing policies and training programs. UNDP/GEF will provide a format and assist the project team in categorizing, documenting and reporting on lessons learned.

Activity 4.3.2 Replicate lessons learned and best practices through the MNP's nationwide network of protected areas. Under this activity, the project will work with the MNP to build a modest "national knowledge network" among protected area managers, providing the necessary enabling environment as well as a mechanism to facilitate the adoption of best practices by others. In practical terms, this means the network will establish a website and publish a newsletter (and when feasible, e-mail lists) and hold annual meetings where best (and worst) practice experiences can be presented and discussed, and arrangements will be made for necessary site visits and trainings.

PA staff from other areas will be invited to KhR for study tours. A series of workshops will be held for PA staff from across Turkmenistan and an integrated conservation and development practice group for PA's will be established. Materials will be prepared to facilitate mainstreaming and scaling-up of the project's best practices, and among them, a booklet for PA authorities outlining the approach taken to establish a landscape management scheme.

OUTPUT 4.4 Strengthened Caspian-wide PA information exchange and sharing of lessons learned.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, emerging from the Caspian Environment Program (CEP). Furthermore, the project will support collaboration among the CEP, MNP and SECI in building a Caspian-wide knowledge network of protected area managers from around the Caspian littoral states to share lessons learned. For example, the project's participatory approach will provide some interesting experiences for coastal communities in other Caspian states. Project experiences will be shared at CEP fora on topics such as coastal conservation and management, biodiversity protection, technical meetings and workshops. Protected area and coastal zone management staff from other Caspian states will be brought to KhR for a "lessons learned" workshop.

OUTPUT 4.5: A Clear and Compelling Economic Argument for PA Contribution to Development and for Long-Term Financing of KhR and the National System of Protected Areas.

Activity 4.5.1 Conduct economic analyses of the value PA contributes to coastal fisheries, tourism, and environmental health. PA financing needs to be underpinned by sound economics, including proper evaluation of the opportunity costs and resources under consideration. This activity will apply sound environmental economics tools to assess and calculate the value of the services provided by Khazar Reserve.

Activity 4.5.2 Prepare recommendations for resource extraction levies dedicated to funding conservation. Extraction of non-renewable natural resources is an important economic activity in many countries. These activities include the mining of ores and fossil fuels like natural gas and oil. Extracting these resources inevitably causes environmental damage. Resource extraction fees are mandatory levies on extractive industries (or often, voluntary contributions by extractive industries) used to mitigate environmental damages and can be a potential source of complementary funding dedicated to conservation. This activity will assess the potential for such a levy in Turkmenistan, draw upon best practices from other parts of the world where such levies have been applied, and propose to government the best way to apply such a fee or levy in Turkmenistan.

Project Indicators, Risks/Assumptions

84. Impact and performance indicators can be found in the Logical Framework of the project. These indicators focus on measuring impact w/respect to increased protected area management capacity (individual and systemic), populations of target species, replication, and land/sea area under improved management. Indicators used to actually measure these impacts include: METT score improvement, number of hectares under improved PA and conservation management, and number of PA in Turkmenistan adopting practices demonstrated under this project.

Assumptions/Risks

⇒ **Natural conditions will not change for the worse.** The Caspian Sea has surprised littoral countries in recent years with a dramatic increase in water levels all along the eastern coastline of the Sea. In some ways, this has been good for coastal wetland-dependent biodiversity. One key assumption for this project is that the natural conditions will not change during the life of the project in a way that would negatively affect the biodiversity of the area and/or Reserve's ability to achieve its management objectives.

Associated risk: *Low.* Mitigating efforts: Project design emphasizes adaptive management practices.

⇒ **Government commitment to cross-sectoral collaboration and Integrated Coastal Management (ICM) will be maintained.** The Government of Turkmenistan has recently moved in the direction of increasing cross-sectoral coordination along the Caspian coast. This project assumes that this trend will continue and that the political will to further develop ICM will not weaken. The project requires cooperation between the MNP, the SECI, the Port Authority, and the Ministry of Oil and Gas; several entities which traditionally work almost exclusively vertically, rather than horizontally. For people with sector-specific backgrounds, the cross-sector "middle ground" is often hard to find.

Associated risk: *Low-Medium.* Turkmenistan's oil and natural gas sector is growing quickly. There is the chance that this sector will simply ignore environmental issues. The risk is mitigated by the high level of interest in and priority given to environmental issues within the Turkmen Government as well as the high level of cooperation Turkmenistan has proffered to date to the Caspian Environment Program. Project design mitigation includes involving key actors from the oil and gas sector in its

ICM activities, demonstrating step-by-step the different ways of working together, and by providing the tools, information, and incentives to do so.

- ⇒ **Government commitment to trying new protected area approaches will be maintained.** There is no strong tradition of community involvement and consultation with local people in Turkmenistan's protected area history or in Turkmenistan's natural resource management experience. The project will be introducing new, more participatory approaches that will require a receptive approach on the part of government and local communities. The project will need to break down barriers and build bridges in both directions – so that government officials acknowledge and listen to other stakeholders, and the local population sees value and merit in their own participation.

Associated Risk: *Low-Medium.* Turkmenistan's protected area system is rooted in policies from another era. These will take time to change. The project mitigates this risk by addressing the issue at the national policy level and at the protected area management/community level, and introducing changes slowly and cumulatively, building upon existing policy and precedent to the maximum extent.

- ⇒ A major threat to the Caspian environment may be **pollution from outside the system/outside Turkmenistan.** Pollution entering the Caspian from Russia via the Volga is seen by some (CEP website) as the main long-term environmental issue, along with oil spills from the many oil and gas wells/pipelines/refineries in and around the Caspian. An assumption is that this remains at the present level (or decreases) and that nothing catastrophic happens – at least during the life of the project.

Associated Risk: *Low-Medium.* The CEP, a high profile regional environmental program, is addressing these issues directly. In addition, the project includes under Outcome 2, a provision to help the KhR understand existing oil spill contingency plans with its coastal neighbors and seek additional contingency measures be developed to protect priority habitats in the event of a disaster.

Expected global, national and local benefits

Global benefits:

- Globally significant biological diversity in terms of significant populations of migratory birdlife, Caspian seals, and coastal wetland habitat is conserved by applying new partnerships, resources and re-oriented coastal management.
- Global indirect use values, future use values and existence values are secured.
- Lessons learned at the local level contribute to the development of mainstreaming improved PA management and biodiversity conservation practice to other PA around the Caspian Region.

National & local benefits:

- Improved prospects for Turkmenistan's Protected Areas to provide social and economic benefits
- Integrated Coastal Management principles applied to project area, maintaining environmental quality while development proceeds.
- Fishing sector becomes more viable and sustainable, benefiting local economies.
- People are empowered with new knowledge and access to resources to develop more sustainable resource use practices.

- New management regime establishes sustainable take levels, mitigating and distributing uncertainty of bird resource across hunters.

Country Ownership: Country Eligibility and Country Driven-ness

85. Turkmenistan ratified the Convention on Biological Diversity in June 1996. The country is eligible to borrow from the World Bank and receives technical and financial assistance from the United Nations Development Programme.

86. The sustainable and balanced development of the Caspian coastal region of Turkmenistan is a priority task included in Turkmenistan's National Development Strategy for 2010. The National Caspian Action Plan of Turkmenistan calls for the strengthening of Khazar Nature Reserve, developing and implementing a more integrated coastal management and planning approach to resource use on the coast and the strengthening of related laws and policies. The project's areas of emphases are considered priority actions in the National Biodiversity Strategy and Action Plan and the National Environmental Action Plan.

87. The Government of Turkmenistan, in consultation with the World Bank, identified the project concept as a main priority with respect to the Caspian Environment Program Priority Investment Portfolio Project (CEP/PIPP). Turkmenistan has been an active participant in the CEP and has accorded a high priority to Caspian environmental issues, as evidenced by their joining the four other littoral states in November of 2003 in signing the Framework Convention for the Protection of the Marine Environment of the Caspian Sea. In addition, halting the loss of Caspian biodiversity is also one of the top priorities agreed to by Turkmenistan and other states as part of the recently adopted Caspian regional Strategic Action Programme (SAP). Further evidence of country driven-ness and ownership are visible in the Government's commitment to provide in kind contributions for co-financing.

88. The Global Environmental Facility (GEF) Operational Focal Point, in a letter dated 29 December 2004, has endorsed the project. See Section IV for the endorsement.

Sustainability

89. This project is designed to express and demonstrate sustainability in the context of the national level protected area system of Turkmenistan. The project design process considered and the implementation process will address several dimensions of sustainability: environmental, social, institutional and financial sustainability.

90. The project focuses specifically on the first three dimensions - environmental, social and institutional - by emphasizing the importance of a sustainable environmental and social context for the reserve and by focusing on the very practical capacity building needs of the reserve itself. The prospects for financial sustainability are promising, with the Government recently increasing significant funding for protected areas. The project seeks to bolster this trend by highlighting the total economic value to Turkmenistan of Khazar Reserve and replicating this value assessment for other protected areas.

91. The project is not designed to achieve full sustainability in each of its dimensions for the National System of Protected Areas in Turkmenistan. Rather, it is designed to demonstrate more sustainable reserve management practices in one reserve and achieve replication of these practices in others, thereby improving the overall conservation effectiveness of the PA system.

92. The project's design reflects several overriding assumptions related to the achievement of sustainability:

- a) The project's outputs and activities are largely achievable with existing institutions and financial resources through strengthened capacity of reserve personnel, strengthened PA financial management, and strengthened partnerships with other coastal stakeholders.
- b) Integrating conservation objectives into larger sectoral programs will build individual and institutional momentum, and be a significant contributing factor to sustainability.
- c) Government has proven its interest in cross-sector management of coastal resources, and this interest will only grow in the future.
- d) Local communities' reliance upon natural resources for food and supplementary income will decline as the oil and gas economy grows in the coastal zone. However, it will not change significantly in the short to mid term and thus the need for more sustainable management practices for water bird and fishery resources.

93. The project's approach can be summarized in four primary ideas:

- I) Long-term capacity and policy maturation underpin the sustainability of PA systems.
- II) Reserve management, both inside the reserve and at the landscape scale, is more proactive, sustainable and effective when there is greater collaboration with partner organizations (Outcomes 1, 2).
- III) Reserve management is more sustainable when local stakeholders have sufficient capacity for collaboration and good will towards the protected area (Outcome 1).
- IV) Reserve management is more sustainable when the productive landscape in which it exists is more biodiversity friendly and sustainable (Outcome 3).

94. With respect to point I, the project focuses on strengthening long-term capacity and the maturation of relevant policies by undertaking a broad capacity-building initiative designed to recruit young people from the University and strengthen the capacity of existing staff. The project addresses issues related to policy maturation by working closely with the UNDP EcoNet project to update Turkmenistan's PA policies and categories. With respect to point II, partnerships among the reserve and local stakeholders will be an important element in ensuring sustainability. Partnerships will strengthen the capacity of KhR and local communities to sustain integrated conservation efforts over the long-term. Collaborative partnerships (among MNP, SECI, community groups and leaders, and resource-users) across the traditional sectoral boundaries offer low-cost management solutions. With respect to point III, the project is designed to strengthen local institutional and stakeholder capacity through training and partnership building. Sustained implementation of these activities will be ensured by building the capacity of a cross-section of civil-society (Reserve offices, hunters, fishermen, fisher group and cooperatives, community groups, and Ministry departments). With respect to point IV the project is designed to improve methods of managed hunting and fishing in the surrounding land and sea scapes.

95. Replicability is a key element of this project's strategy. The goal of the project is the conservation of globally significant biodiversity through the augmented effectiveness and sustainability of the National System of Protected Areas. The project strategy is built on the premise that new, modern techniques of biodiversity conservation can be demonstrated at the country's largest PA and best practices derived from this experience and disseminated and replicated throughout the national system. Thus, proponents explicitly designed a component (Outcome, Outputs and Activities) to ensure replication of the identified innovative practices within the larger national system.

96. See Outcome 4 for specific replication activities and Section III for the budget associated with these activities.

PART III: MANAGEMENT ARRANGEMENTS

The project will be implemented over a period of five years. Project execution will adhere to UNDP national execution (NEX) procedures.

Executing Agency (EA)

97. The Ministry of Nature Protection will execute the project in accordance with standard UNDP procedures for national execution. The Ministry of Nature Protection, as executing agency, will appoint a National Project Director (NPD) who will chair the Project Oversight Committee and be responsible for providing government oversight and guidance to the project implementation.

Project Management

98. A National Project Manager will be recruited using standard UNDP recruitment procedures. He/she will assume the overall responsibility for management of the project, i.e. accountability for the use of funds and meeting the overall objectives of the project. The NPM will manage the project on a day-to-day basis and is accountable to the executing agency and the POC for the quality, timeliness and effectiveness of the activities carried out, as well as for the use of funds. The NPM will ensure the regular monitoring and feedback from activities already under implementation. A Project Admin/Finance Assistant will assist the NPM. One of the most important responsibilities of the PM will be working effectively with members of the POC to ensure that project-inspired activities proceed on schedule within each project partner. A part-time Senior Advisor will provide annual best practice input to project monitoring and sharing of lessons learned, as well as ongoing support to the PM and the IA via e-mail.

UNDP

99. Working closely with the National Executing Agency, the UNDP Country Office (CO) will be responsible for a) overseeing project budgets and expenditures; b) providing support to the project execution at the request of the National Executing Agency; c) project evaluation and reporting, result-based project monitoring, and organizing independent audits to ensure the proper use of GEF funds.

UNDP will carry out the following additional fiduciary control and monitoring measures this project at the request of the GEF Council:

- (i) a UNDP staff member will be assigned to carry out day-to-day management and control over financial operations, reporting to the Deputy Resident Representative;
- (ii) increased funding for independent audit will be allocated; the independent financial audit (international) will be commissioned by UNDP and carried out by a certified independent auditor;
- (iii) project recruitment and contracting will be carried out and monitored by UNDP in accordance with UNDP/GEF competitive bidding and procurement rules;
- (iv) progress reports, evaluation reports and annual financial reports will be open to public view and reviewed/approved by the Project Oversight Committee (steering committee). These materials will be also regularly presented to and discussed with project partners and stakeholders.

Project Oversight Committee (POC)

100. The Ministry of Nature Protection (MNP) will establish and chair the POC. The POC will consist of one member from each of the following institutions or stakeholder groups: MNP; the State Enterprise on Caspian Issues (SECI); UNDP; CaspiControl; BalkanBalyk; Essenguly Etrap; and Turkmenbashi Etrap. The POC has four main responsibilities.

- To serve as a forum for stakeholder input and discussion.
- To oversee project implementation and meetings on an annual basis to review project progress, and approve annual project work plans.
- To act as a check on any unintended changes in project implementation. The POC must approve any major changes in project plans or programs before they can take effect.

- POC members will facilitate project work in their respective spheres, ensure timely implementation of cooperative activities, and facilitate the integration of project-inspired activities into existing programs and practices.

101. In order to accord proper acknowledgement to GEF for providing funding, a GEF logo should appear on all relevant GEF project publications, including among others, project hardware and vehicles purchased with GEF funds. Any citation on publications regarding projects funded by GEF should also accord proper acknowledgment to GEF. The UNDP logo should be more prominent -- and separated a bit from the GEF logo if possible as, with non-UN logos, there can be security issues for staff.

PART IV: MONITORING AND EVALUATION PLAN AND BUDGET

1. MONITORING AND REPORTING

1.1. Project Inception Phase

102. A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit, as well as UNDP-GEF (HQs) as appropriate.

103. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's logframe matrix. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise finalize the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project. A second objective will be to ensure that the project begins in an open and participatory manner and involves representatives from the full spectrum of Turkmen civil society relevant to Khazar Reserve.

104. Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF expanded team which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, as well as mid-term and final evaluations. Equally, the IW will provide an opportunity to inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget rephasings.

105. The IW will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff and decision-making structures will be discussed again, as needed, in order to clarify for all, each party's responsibilities during the project's implementation phase.

1.2. Monitoring responsibilities and events

106. A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Tripartite Reviews,

Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

107. Day to day monitoring of implementation progress will be the responsibility of the National Project Manager⁴ based on the Annual Work Plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

108. The National Project Manager and the Project Director will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. The local implementing agencies will also take part in the Inception Workshop in which a common vision of overall project goals will be established. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

109. Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template at the end of this Annex. The measurement, of these will be undertaken through subcontracts or retainers with relevant institutions (e.g. vegetation cover via analysis of satellite imagery, or populations of key species through inventories) or through specific studies that are to form part of the projects activities (e.g. measurement carbon benefits from improved efficiency of ovens or through surveys for capacity building efforts) or periodic sampling such as with sedimentation.

110. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

111. UNDP Country Offices and UNDP-GEF RCUs as appropriate, will conduct yearly visits to projects that have field sites, or more often based on an agreed upon scheduled to be detailed in the project's Inception Report / Annual Work Plan to assess first hand project progress. Any other member of the Steering Committee can also accompany, as decided by the SC. A Field Visit Report will be prepared by the CO and circulated no less than one month after the visit to the project team, all SC members, and UNDP-GEF.

112. Annual Monitoring will occur through the ***Tripartite Review (TPR)***. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to Tripartite Review (TPR) at least once every year. The first such meeting will be held within the first twelve months of the start of full implementation. The project proponent will prepare an Annual Project Report (APR) and submit it to UNDP-CO and the UNDP-GEF regional office at least two weeks prior to the TPR for review and comments.

113. The APR will be used as one of the basic documents for discussions in the TPR meeting. The project proponent will present the APR to the TPR, highlighting policy issues and recommendations for the decision of the TPR participants. The project proponent also informs the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues.

⁴ The detailed Terms of Reference are presented in Section IV. Additional Information. Part II.

Separate reviews of each project component may also be conducted if necessary.

Terminal Tripartite Review (TTR)

114. The terminal tripartite review is held in the last month of project operations. The project proponent is responsible for preparing the Terminal Report and submitting it to UNDP-CO and RBAP-GEF's Regional Coordinating Unit. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation of formulation.

115. The TPR has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the Inception Workshop, based on delivery rates, and qualitative assessments of achievements of outputs.

116. Project Monitoring Reporting

117. The Project Coordinator in conjunction with the UNDP-GEF extended team will be responsible for the preparation and submission of the following reports that form part of the monitoring process. Items (a) through (f) are mandatory and strictly related to monitoring, while (g) through (h) have a broader function and the frequency and nature is project specific to be defined throughout implementation.

118. Inception Report

119. A Project Inception Report (IR) will be prepared immediately following the Inception Workshop. It will include a detailed First Year/ Annual Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, and time-frames for meetings of the project's decision making structures. The IR will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

120. The IR will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may effect project implementation.

121. When finalized the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

(b) Annual Project Report (APR)

122. The APR is a UNDP requirement and part of UNDP's Country Office central oversight, monitoring and project management. It is a self -assessment report by project management to the CO and provides input to the country office reporting process and the ROAR, as well as forming a key input to the

Tripartite Project Review. An APR will be prepared on an annual basis prior to the Tripartite Project Review, to reflect progress achieved in meeting the project's Annual Work Plan and assess performance of the project in contributing to intended outcomes through outputs and partnership work.

The format of the APR is flexible but should include the following:

- An analysis of project performance over the reporting period, including outputs produced and, where possible, information on the status of the outcome
- The constraints experienced in the progress towards results and the reasons for these
- The three (at most) major constraints to achievement of results
- AWP, CAE and other expenditure reports (ERP generated)
- Lessons learned
- Clear recommendations for future orientation in addressing key problems in lack of progress

(c) *Project Implementation Review (PIR)*

123. The PIR is an annual monitoring process mandated by the GEF. It has become an essential management and monitoring tool for project managers and offers the main vehicle for extracting lessons from ongoing projects. Once the project has been under implementation for a year, the CO together with the project must complete a Project Implementation Report. The PIR can be prepared any time during the year (July-June) and ideally prior to the TPR. The PIR should then be discussed in the TPR so that the result would be a PIR that has been agreed upon by the project, the executing agency, UNDP CO and the concerned RC.

124. The individual PIRs are collected, reviewed and analysed by the RCs prior to sending them to the focal area clusters at the UNDP/GEF headquarters. The focal area clusters supported by the UNDP/GEF M&E Unit analyse the PIRs by focal area, theme and region for common issues/results and lessons. The TAs and PTAs play a key role in this consolidating analysis.

125. The focal area PIRs are then discussed in the GEF Interagency Focal Area Task Forces in or around November each year and consolidated reports by focal area are collated by the GEF Independent M&E Unit based on the Task Force findings.

126. The GEF M&E Unit provides the scope and content of the PIR. In light of the similarities of both APR and PIR, UNDP/GEF has prepared a harmonized format for reference.

(d) *Quarterly Progress Reports*

Reports outlining main updates in project progress will be provided quarterly by Project Manger to the local UNDP Country Office. Country Office will use this as a base for preparation of short reports shared with UNDP-GEF regional office on quarterly basis.

Periodic Thematic Reports

127. As and when called for by UNDP, UNDP-GEF or the Implementing Partner, the project team will prepare Specific Thematic Reports, focusing on specific issues or areas of activity. The request for a Thematic Report will be provided to the project team in written form by UNDP and will clearly state the issue or activities that need to be reported on. These reports can be used as a form of lessons learnt exercise, specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered. UNDP is requested to minimize its requests for Thematic Reports, and when such are necessary will allow reasonable timeframes for their preparation by the project team.

(e) *Project Terminal Report*

128. During the last three months of the project the project team will prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the Project, lessons learnt, objectives met, or not achieved, structures and systems implemented, etc. and will be the definitive statement of the Project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the Project's activities.

(f) ***Technical Reports***

129. Technical Reports are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List, detailing the technical reports that are expected to be prepared on key areas of activity during the course of the Project, and tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent APRs. Technical Reports may also be prepared by external consultants and should be comprehensive, specialized analyses of clearly defined areas of research within the framework of the project and its sites. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national and international levels.

(g) ***Project Publications***

130. Project Publications will form a key method of crystallizing and disseminating the results and achievements of the Project. These publications may be scientific or informational texts on the activities and achievements of the Project, in the form of journal articles, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. of these Reports, or may be summaries or compilations of a series of Technical Reports and other research. The project team will determine if any of the Technical Reports merit formal publication, and will also (in consultation with UNDP, the government and other relevant stakeholder groups) plan and produce these Publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget.

2. INDEPENDENT EVALUATION

The project will be subjected to at least two independent external evaluations as follows:-

(i) ***Mid-term Evaluation***

131. An independent Mid-Term Evaluation will be undertaken at the end of the second year of implementation. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. In addition, GEF M&E specialists will accompany this mid-term evaluation to assess project progress.

(ii) ***Final Evaluation***

132. An independent Final Evaluation will take place three months prior to the terminal tripartite review meeting, and will focus on the same issues as the mid-term evaluation. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

Audit Clause

133. An annual independent audit will be conducted of the project's finances. This will be done based upon international best practices following UNDP's rigorous financial management and reporting requirements.

| Type of M&E activity | Responsible Parties | Budget US\$ <i>Excluding project team Staff time</i> | Time frame |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Inception Workshop (IW) | <ul style="list-style-type: none"> ▪ Project Coordinator ▪ UNDP CO ▪ UNDP GEF | 5,000 | Within first two months of project start up |
| Inception Report | <ul style="list-style-type: none"> ▪ Project Team ▪ UNDP CO | None | Immediately following IW |
| Measurement of Means of Verification for Project Purpose Indicators | <ul style="list-style-type: none"> ▪ Project Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members | To be finalized in Inception Phase and Workshop. Cost to be covered by targeted survey funds. | Start, mid and end of project |
| Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis) | <ul style="list-style-type: none"> ▪ Oversight by Project GEF Technical Advisor and Project Coordinator ▪ Measurements by regional field officers and local IAs | To be determined as part of the Annual Work Plan's preparation. Cost to be covered by field survey budget. | Annually prior to APR/PIR and to the definition of annual work plans |
| APR and PIR | <ul style="list-style-type: none"> ▪ Project Team ▪ UNDP-CO ▪ UNDP-GEF | None | Annually |
| TPR and TPR report | <ul style="list-style-type: none"> ▪ Government Counterparts ▪ UNDP CO ▪ Project team ▪ UNDP-GEF Regional Coordinating Unit (RCU) | None | Every year, upon receipt of APR |
| Steering Committee Meetings | <ul style="list-style-type: none"> ▪ Project Coordinator ▪ UNDP CO | None | Following Project IW and subsequently at least once a year |
| Periodic status reports | <ul style="list-style-type: none"> ▪ Project team | None | To be determined by Project team and UNDP CO |
| Technical reports | <ul style="list-style-type: none"> ▪ Project team ▪ Hired consultants as needed | None | To be determined by Project Team and UNDP-CO |

| | | | |
|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------|
| Mid-term External Evaluation | <ul style="list-style-type: none"> ▪ Project team ▪ UNDP- CO ▪ UNDP-GEF RCU ▪ External Consultants (evaluation team) | 40,000 | At the mid-point of project implementation. |
| Final External Evaluation | <ul style="list-style-type: none"> ▪ Project team, ▪ UNDP-CO ▪ UNDP-GEF RCU ▪ External Consultants (evaluation team) | 50,000 | At the end of project implementation |
| Terminal Report | <ul style="list-style-type: none"> ▪ Project team ▪ UNDP-CO ▪ External Consultant | None | At least one month before the end of the project |
| Lessons learned | <ul style="list-style-type: none"> ▪ Project team ▪ UNDP-GEF RCU (formats for documenting best practices) | 12,000 (average 3,000 per year) | Yearly |
| Audit | <ul style="list-style-type: none"> ▪ UNDP-CO ▪ Project team | 4,000 (average \$1000 per year) | Yearly |
| Visits to field sites (UNDP staff travel costs to be charged to IA fees) | <ul style="list-style-type: none"> ▪ UNDP Country Office ▪ UNDP-GEF RCU ▪ Government representatives | 18,000 (average one visit per year) | Yearly |
| TOTAL INDICATIVE COST <i>Excluding project team staff time and UNDP staff and travel expenses</i> | | US\$ 129,000 | |

SECTION II: STRATEGIC RESULTS FRAMEWORK AND GEF INCREMENT

PART I: INCREMENTAL COST ANALYSIS

The total cost of the project “Alternative” to the baseline is US\$ 3,026,600. Of this total, co-funding constitutes 52.8% or US\$ 1,598,000. GEF financing constitutes the remaining 47.2% of the total, or US\$ 1,428,600. The incremental cost matrix provides a summary breakdown of baseline values and Co-funded and GEF-funded Alternative costs.

1. National Development Objectives:

1.1 The Government of the Turkmenistan is committed to pursuing a policy of sustainable development. The Office of the President of Turkmenistan demonstrated this commitment specifically in the Caspian coastal zone by establishing the State Enterprise for Caspian Issues to coordinate sustainable development approaches in Turkmenistan’s Caspian coastal zone.

1.2 The conservation of biodiversity is a recognized cornerstone of the country’s sustainable development agenda. Turkmenistan ratified the Convention on Biological Diversity in 1996 and has completed its National Biodiversity Strategy. The establishment and effective management of protected areas is a key tool within the strategy for the conservation of the country’s biodiversity. Currently, the Government of Turkmenistan (GoT) annually appropriates approximately over \$240,000 for biodiversity conservation management activities related to Khazar Nature Reserve (KhR). This figure is not insignificant and represents the GoT’s continued commitment to the protection of this area and indeed all of its protected areas. The ongoing financing of the KhR’s management needs as well as those of the national PA system is particularly striking given the current severe numerous competing priorities as Turkmenistan moves into its second decade of independence. Consequently, international financing is being sought to offset the incremental costs associated with conserving globally significant biological diversity by strengthening Turkmenistan’s National System of Protected Areas.

2. Global Environmental Objectives:

2.1 The project’s global environmental goal is the conservation of Turkmenistan’s globally significant biodiversity by strengthening the sustainability of its National System of Protected Areas. The project will do this by demonstrating a new effective, participatory and adaptive approach to conservation and management with KhR, which also constitutes a model for replication throughout the PA system of Turkmenistan.

2.2 The biological diversity of the Caspian Sea and its coastal zone makes the region of undisputed global significance. The biodiversity of flora and fauna on Turkmenistan’s southeast Caspian coast consists of 854 species, or one-third of the biodiversity of the sea as a whole. KhR and its biodiversity values are being increasingly threatened. In spite of the GoT’s concern and commitment to the continued conservation of these areas, baseline activities and levels of financing and institutional capacity are inadequate to fully realize effective and sustainable conservation of these sites. Without the prescribed interventions and essential incremental assistance, the globally significant environmental benefits associated with these areas will be seriously compromised.

2.3

Incremental cost matrix

| Benefits and Costs | Baseline | Alternative | Increment |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Domestic Benefits | Minimal and declining. Fishing yields insufficient returns for most fishermen due to a number of constraints and barriers. 30% of people in small communities are forced to supplement their income by hunting migratory birds in a downward spiral of excessive hunting and decreasing populations. Domestic tourism holds some promise but is in the nascent stages of development. | Fishing sector becomes more viable and sustainable, benefiting local economies. New management regime establishes sustainable take levels, mitigating and distributing uncertainty of bird resource across hunters. People are empowered with new knowledge and access to resources to develop alternatives. Improved prospects for Turkmen Protected Areas to provide social and economic benefits | Enhanced ability of Turkmen stakeholders in government institutions, local communities and NGOs to conserve biodiversity through sustainable use. |
| Global Benefits | Limited, ineffective protected area management and coastal conservation efforts are undertaken to conserve coastal ecosystems in the Caspian coast, one of the most threatened habitats in Europe. | Conservation efforts are improved in KhR and the productive coastal landscape Caspian coastal habitat through capacity building, stakeholder participation, and applying new partnerships, resources. Biodiversity conservation objectives mainstreamed into productive coastal environment. Globally significant biological diversity is conserved | Improvement in conservation of significant populations of migratory birdlife, Caspian seals, and coastal wetland habitat Global indirect use values, future use values and existence values secured. KhR lessons learned contribute to the development of mainstreaming biodiversity practice around Caspian region. |
| | Baseline (US\$ over 4 yr period) | Co-funding | GEF |
| Outcome 1: Khazar Nature Reserve (KhR) management capacity and conservation effectiveness is secured | MNP: \$920,000 FIS: \$1,832,000 Total: 2,752,000 | MNP 319,000 FIS 20,000 UNDP 75,000 | |

| | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------|-------------------------------------------|------------------|--------------------------------------------|
| | | Total: | 414,000 | GEF: | 584,600 |
| Outcome 2: Cross-sector capacity for integrated coastal management established and biodiversity conservation objectives mainstreamed into productive coastal sectors surrounding KhR. | SECI | 100,000 | SECI | 20,000 | |
| | Port Authority | 150,000 | MNP: | 138,000 | |
| | Turkmenbashi Refinery | 1,000,000 | UNDP | 70,000 | |
| | Total: | 1,250,000 | Total: | 228,000 | GEF: |
| | | | | | 310,000 |
| Outcome 3: Khazar Reserve strengthens environmental governance and builds trust and goodwill with local communities | Essenguly and Turkmenbashi Etraps | --- | UNDP | 268,000 | |
| | USAID/Counterpart | 300,000 | OSCE: | 25,000 | |
| | | | TACIS | 265,000 | |
| | | | USAID | 200,000 | |
| | | | MNP | 74,000 | |
| | Total: | 300,000 | Total: | 832,000 | GEF |
| | | | | | 95,000 |
| Outcome 4: Project best practices are mainstreamed into the national PA system of Turkmenistan. | Total: | 0 | UNDP: | 65,000 | |
| | | | MNP | 46,000 | |
| | | | Total: | 111,000 | GEF: |
| | | | | | 180,000 |
| M&E (travel included under relevant outcomes) and Project Management | Total: | 13,000 | MNP (M&E) | 13,000 | GEF: (M&E) |
| | | | | | 104,000 |
| | | | | | GEF (Proj Mngmnt) |
| | | | Total: | 13,000 | Total: |
| | | | | | 259,000 |
| Total: | Baseline cost | 4,315,000 | Total Co-financing for Alternative | 1,598,000 | Total GEF financing For Alternative |
| | | | | | 1,428,600 |

PART II: LOGICAL FRAMEWORK ANALYSIS

| Objective/Outcomes | Impact and Process Indicators | Baseline | Target goal | Sources of Verification | Assumptions and Risks |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------|------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------|
| Goal: The protection of Turkmenistan's globally significant biodiversity by strengthening the sustainability of its National System of Protected Areas | | | | | |
| Objective: A new effective, participatory and adaptive approach to conservation and management is demonstrated by | New PA categories, community participation, and landscape ecology principles are adopted into law. | Not adopted. | Are adopted and under implementation by EoY 2. | Government decree. | Natural conditions will not change so as to negatively impact the # and condition of target |

| | | | | | |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Khazar Nature Reserve and constitutes a model for replication throughout the system.</p> | <p>METT score improvement.</p> <p>Hectares under community-based resource management around Khazar Reserve.</p> <p># of other protected areas in Turkmenistan applying METT to track management effectiveness.</p> <p># of other protected areas incorporating new, participatory management mechanisms into their PA management approach</p> | <p>Baseline METT score: 24</p> <p>None.</p> <p>None</p> <p>None.</p> | <p>Improves at least 10% annually.</p> <p>100,000 by year 4.</p> <p>At least 50% by end of project.</p> <p>At least 50% by end of project</p> | <p>METT test score records.</p> <p>Resource management agreements.</p> <p>Field visits/interviews; PA correspondence/planning documents.</p> <p>Field visits/interviews; PA correspondence/planning documents.</p> | <p>species within the reserve.</p> |
| <p>OUTCOME 1. Khazar Nature Reserve (KhR) management capacity and conservation effectiveness is secured.</p> | <p>Adaptive management program for KhR operational. Presence of specific management objectives; Application of METT to track progress.</p> <p># newly trained professional staff on payroll for KhR.</p> <p>Populations of indicator species; target bird, fish, and mammal species w/in the Reserve.</p> <p># of species/habitats for which active conservation plans are being implemented.</p> | <p>No specific management objectives in place; METT not applied.</p> <p>Three</p> <p>Baseline TBD.</p> <p>Zero</p> | <p>Objectives defined; workplan approved by EoY 1; METT applied annually.</p> <p>4 by yr 2 and 6 by yr 4.</p> <p>Remains stable or increases by yr 4.</p> <p>At least 4 by year 2; 8 by year 3.</p> | <p>New management plan document; PA staff interviews; METT questionnaires.</p> <p>MNP budget; Official papers.</p> <p>Annual surveys; Data records</p> <p>The plans themselves. Field records; interviews.</p> | <p>Promised budgetary resources will actually materialize.</p> <p>KhR/MNP could become more risk averse and reduce its support for new approaches.</p> <p>This outcome is largely achievable with existing institutions, existing and to be increased financial resources and personnel from the MNP/KhR.</p> |

| | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>OUTCOME 2. Cross-sector capacity for integrated coastal management established and biodiversity conservation objectives mainstreamed into productive coastal sectors surrounding KhR.</p> | <p>Coastal Planning Working Group is operational.</p> <p>Biodi-friendly coastal zoning, development, and construction standards approved/not approved as Gov't policy.</p> <p>KhR is/is not gazetted on the authoritative official government maps.</p> <p>Target landscape species conservation priorities incorporated into key productive sector planning and development review mechanisms.</p> | <p>Does not exist</p> <p>No standards currently.</p> <p>Not gazetted; Not clearly marked</p> <p>Not incorporated.</p> | <p>Established by Yr 1.</p> <p>Standards approved by EoY 3.</p> <p>Is gazetted EoY 3; Is clearly marked.</p> <p>Incorporated into Oil/gas, fisheries, port, and tourism development by EoY 4.</p> | <p>Official document; Meeting minutes.</p> <p>Official policy papers.</p> <p>Official maps; Field visits.</p> <p>SECI's development review mechanisms; Sector planning reports.</p> | <p>Cross-sectoral coordination remains a priority among key partner agencies.</p> <p>Local administrations <u>maintain</u> their level of interest in participating.</p> |
| <p>OUTCOME 3. KhR builds trust and goodwill with local communities and strengthens environmental governance over wildlife resources</p> | <p># of fishermen working as part of new cooperative</p> <p>community-based hunting management operational in target areas based upon mutually agreed sustainable harvest levels.</p> <p>% decrease in # of birds harvested annually in KhR.</p> <p>% people in four target communities who agree with the statement "the reserve is improving social and economic conditions in our community."</p> | <p>None</p> <p>No such management exists. Zero hunters involved</p> <p>Baseline to be confirmed at inception.</p> <p>Unknown – TBD at project launch.</p> | <p>Over 20 fishermen part of coop EoY 2.</p> <p>Target levels agreed among stakeholders and monitoring underway. At least 20 in one community by EoY 2.</p> <p>At least a 30% reduction by year 3.</p> <p>30% up by EoY 3.</p> | <p>Field monitoring surveys.</p> <p>Field monitoring/surveys</p> <p>Field stakeholder surveys.</p> <p>Annual opinion survey.</p> | <p>Overcoming barriers (<u>knowledge</u>, financial, "proof of concept") will catalyze the adoption of new protected area management approaches.</p> |

| | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------|
| <p>OUTCOME 4: Project best practices are mainstreamed into the National System of Protected Areas of Turkmenistan.</p> | <p>PA management training program incorporated into MNP's national PA system.</p> | <p>No such program exists</p> | <p>Trainers appointed/first courses offered by yr 2.</p> | <p>Letters of appointment; interviews.</p> | <p>Adaptive management finds active supporters within MNP.</p> |
| | <p>MNP adoption of best practices demonstrated at Khazar.</p> | <p>No new best practices.</p> | <p>MNP incorporates at least four key best practices into national PA policy and oversight.</p> | <p>MNP policy;</p> | |
| | <p># of protected areas in Tstan applying specific new practices demonstrated at Khazar w/respect to improved financial and human resource management, data management, field surveys, and community relations.</p> | <p>None</p> | <p>At least 40% by EoY 3.</p> | <p>MNP records; interviews with PA directors; field visits.</p> | |

SECTION III: Total Budget and Work Plan

Outcome budget (4 years)

| Outcome | GEF | Government | | OSCE | TACIS | UNDP | USAID | Total cofin | Total |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|---------------|---------------|----------------|----------------|----------------|------------------|------------------|
| | | MNP | SECI/FIS | | | | | | |
| OUTCOME 1: Khazar Nature Reserve (HhR) management capacity and conservation effectiveness in secured | 584,500 | 319,000 | 20,000 | 0 | 0 | 75,000 | 0 | 414,000 | 998,500 |
| OUTCOME 2: Cross-sector capacity for integrated coastal management established and biodiversity conservation objectives mainstreamed into productive coastal sectors surrounding KhR | 310,000 | 138,000 | 20,000 | | | 70,000 | 0 | 228,000 | 538,000 |
| OUTCOME 3: Khazar Reserve strengthens environmental governance and builds trust and goodwill with local communities | 95,000 | 74,000 | 0 | 25,000 | 265,000 | 268,000 | 200,000 | 832,000 | 927,000 |
| OUTCOME 4: Project best practices are mainstreamed into the national PA system of Turkmenistan | 180,000 | 46,000 | 0 | 0 | 0 | 65,000 | 0 | 111,000 | 291,000 |
| OUTCOME 5: M&E (travel included under relevant outcomes) and Project Management | 259,000 | 13,000 | 0 | 0 | 0 | 0 | 0 | 13,000 | 272,000 |
| TOTAL | 1,428,600 | 590,000 | 40,000 | 25,000 | 265,000 | 478,000 | 200,000 | 1,598,000 | 3,026,600 |

Information on co-financing

| Name of Co-financier (source) | Classification | Type | Amount (US\$) | Status |
|-------------------------------|---------------------|-----------------------------------------|------------------|---------------------------------------------------------------|
| SECI/FIS | Government | In-kind | 40,000 | Confirmed |
| MNP | Government | Re-oriented MNP baseline funding. | 590,000 | confirmed |
| OSCE | Multilateral donor | New funding for fishery activity. | 25,000 | Confirmed |
| USAID | Bi-lateral donor | New funding for parallel program. | 200,000 | Confirmed by letter, even though, the amount is not specified |
| TACIS | Multi-lateral donor | New funding leveraged for project areas | 265,000 | confirmed |
| UNDP | Impl. agency | Cash (278,000) and in-kind (200,000) | 478,000 | confirmed |
| TOTAL | | | 1,598,000 | |

Work Plan

| Outcome/Outputs | Year 1 | Year 2 | Year 3 | Year 4 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|--------|--------|
| 1. Khazar Nature Reserve (KhR) management capacity and conservation effectiveness is secured. | | | | |
| 1 Adaptive management practice piloted in Khazar Reserve. | X | X | X | X |
| 2. Strengthened Reserve Staff's Technical Knowledge and Abilities | X | X | X | X |
| a. Strengthen legal and policies for enforcement and protected area management. | X | X | | |
| 3. Strengthened Field Conservation Capacity of the Reserve. | X | X | X | X |
| a. Strengthen baseline of information on biodiversity and ecosystem health through surveys, targeted research, and maintain by regular monitoring.. | X | X | X | X |
| b. Stakeholders develop and implement conservation plans for Khazar Reserve and priority species and habitats. | X | X | X | X |
| c. Develop education and outreach materials. | X | X | X | X |
| d. Strengthen enforcement and PA infrastructure. | X | X | X | |
| 2: Cross-sector capacity for integrated coastal management established and biodiversity conservation objectives mainstreamed into productive coastal sectors surrounding Khazar Reserve. | | | | |
| 1. Establish/operate Coastal Conservation Working Group | | X | X | X |
| 2. Strengthen existing law and policy framework to enable ICM | | X | X | |
| 3. Strengthen partner institutions' application of ICM concepts/practices. | | X | X | X |
| 4. Define the conservation land and seascape along the Caspian Sea Coast | | X | X | |
| 5. Demarcate boundaries of KhR on official maps at relevant scales. | | X | X | |
| 6. Strengthen info baseline on coastal ecosystem health parameters. | | | X | X |
| 3. Khazar Reserve builds trust and goodwill with local communities and strengthens environmental governance over wildlife resources. | | | | |
| 1. Strengthen social capital among stakeholders in coastal communities. | X | X | X | |
| 2. Extend small grant program to support community action. | | X | X | X |
| 3. Demonstrate sustainable fishery management | X | X | X | X |
| 4. Demonstrate community-based management for birdlife resources. | X | X | X | X |
| 4: Project best practices are mainstreamed into the National System of Protected Areas of Turkmenistan. . | | | | |
| 1. New Policies within MNP to encourage adaptive management. | | X | X | X |
| 2 Protected Area Management Training Program. | | X | X | X |
| 3. Operational network for nationwide replication of best practices by PA. | | | X | X |
| 4. Strengthened Caspian-wide PA information exchange and sharing of lessons learned. | | X | X | X |
| 5. Full economic evaluation of PA contribution to development and environmental security. | | | X | X |
| Monitoring and Evaluation integrated into project implementation. | | X | | X |

SECTION IV: Additional Information

PART I : OTHER AGREEMENTS

Endorsement letter and Commitment letters

The letters are attached as a separate attachment to the project document

PART II: TERMS OF REFERENCES FOR KEY PROJECT STAFF

A. TERMS OF REFERENCE FOR PROJECT STAFF.

B. NATIONAL AND INTERNATIONAL CONSULTANT POSITIONS; SERVICE CONTRACTS.

A. TERMS OF REFERENCE FOR PROJECT STAFF.

1. National Project Director (NPD)

The NPD is a state employee designated by the MNP (Ministry of Nature Protection) and entrusted with providing overall guidance and coordination of the project implementation. It is an unpaid position covered by the Government as an in-kind contribution to the project. The NPD is accountable to the UNDP for the production of the project outputs, appropriate use of the project resources provided by GEF and other donors, and coordination of the project with other programmes and projects implemented in the region.

In particular the NPD will:

- Approve project work plans, budget revisions and if necessary project revisions;
- Chair the Project Oversight Committee;
- In consultations with UNDP assign implementing agencies for the project components and coordinate their work (through the project manager);
- Ensure that TK legislation, rules and procedures are fully met in the course of the project implementation;
- Approve terms of reference, selection of project staff and reports produced by the project manager and the key experts/contractors;
- Approve procurement;
- Certify financial reports including financial requests, planned expenditures and reports on the annual disbursements;
- Approve/certify Project Implementation Reviews (PIR), audit reports evaluation reports;
- Facilitate liaison and cooperation with the federal Government authorities in the course of the project implementation;
- Report to the National Executing Agency, UNDP/GEF and POC on the use of the project resources and achievement of the project outputs.

The Project Manager and the UNDP office will support the work of the NPD. If appropriate, the NPD may partially delegate his/her responsibilities to the PM or UNDP office per existing agreements.

2. Terms of Reference

Duration: Five years

Stakeholder Working Group (SWG)

(See Activity 1.1)

The main purpose of the working group is to involve local stakeholders in reserve management planning in order to facilitate the participation of all relevant stakeholders.

The Project Manager and the Protected Area Director will establish KhR Stakeholder Working Group (SWG) to take part in developing and implementing a new protected area management plan for Khazar Reserve.

The SWG will be chaired by the Director of the KhR and will be comprised of one representative from each of the following stakeholder groups: Essenguly Etrap, Turkmenbashi Etrap, two relevant local community groups, fishing community from one village, hunter community from one village, the Fishery Inspection Service, the Desert Research Institute, the Border Guard, and two representatives from KhR.

The working group will review the results of the METT survey and the information gathering undertaken under Output 1.3, and with PA management planning input from the project, will develop a management plan in response to the issues raised by the METT and confirmed by additional socio-economic and biological data from the field. The management plan will focus on building the capacity of the Reserve in a phased, measured approach so as not to exceed absorptive capacity and will detail most if not all of the ideas described in the other outputs and activities under this Outcome. The Working Group will conduct annually the METT survey in order to track progress, improve PA management transparency, improve management capacity and catalyze adaptive management.

Terms of Reference

3. Project Oversight Committee (POC)

Duration: Five years

Background:

The POC will meet for the first time once the Project Manager has been hired and a workplan prepared for the first year of operation. The POC will meet semi-annually.

The POC's role is comprised of three main responsibilities:

- 1) the POC will serve as a forum for stakeholder input and discussion.
- 2) the POC will oversee project implementation and meet on a semi-annual basis to review project progress, financial reports and provide input to the finalization of annual project work plans.
- 3) POC members will facilitate the implementation of project activities in their respective organizations, ensure that cooperative activities are implemented in a timely manner, and facilitate the integration of project-inspired activities into existing programs and practices. Representatives of partner and co-funding organizations not represented on the POC will be invited to attend POC meetings on an as-needed basis.

Other responsibilities of the POC as a whole and the individual members are to:

- Provide key policy guidance to the Project Manager and to project implementation;
- Facilitate project work within each member's respective institution and ensure that cooperative activities are implemented in a timely manner;
- Facilitate the integration of project-inspired activities into existing programs and practices;
- Annually review and approve the work plan and updated budgets of the Project and its activities;
- Provide strategic direction on the work plan and approve annual work plans prepared by the PMU;
- Support the cross-sectoral approach of the project by creating mechanisms for interaction with community groups, resource users, and other stakeholders;

- Continue to seek additional funding to support the outputs and activities of the Project beyond the lifespan of GEF funding;
- Annually review and assess the progress of the Project and its components and monitor the project's implementation to ensure timely progress in attaining the desired results, and efficient coordination with other projects;
- Discuss and approve any major changes in project plans or programs prior to the changes taking effect;
- Resolve any conflicts or disagreements that arise w/respect to project activities that cannot be resolved by the SWG.

4. PROJECT MANAGEMENT UNIT (PMU)

The project will establish a Project Management unit (PMU) which will be located in Ashgabat. All staff will be hired in an open and fair competitive basis following UNDP standard hiring procedures. The Project Manager will head the PMU.

The PMU's job will be to coordinate and manage the day-to-day implementation of all project activities. One of its main priorities will be to build the capacity of existing organizations and institutions to carry out project activities. Therefore the PMU's work will be ensure the full involvement of the SWG, community groups, technical teams, expertise from international organizations and networks, selected short-term national and international consultants in order to organize training for staff in key institutions.

The PMU will be comprised of:

1. National Project Manager (PM)
2. Finance and Administrative Officer
3. Program Officer

5. Project Manager (PM)

Duty station: Turkmenbashi with frequent travel to Ashgabat and travel to other locations as needed.

Duration: 5 years.

Background:

The PM will be a full time employee of the project and will report to the NPD and UNDP CO. The PM will work closely with the NPD and the UNDP program officer. The PM will be responsible for the successful implementation of project.

This project is a partnership among GoT, local government, communities, civil society, the UNDP and the GEF. The project seeks to conserve globally significant biological diversity by implementing a cross-sectoral program of integrated activities that generate specific and meaningful results on the ground. To do this, the project will need to create and to follow successfully a path of coordinated action among these stakeholders. The PM should actually consider him or herself to be the "chief partnership builder" to ensure coordinated action happens in an effective and lasting manner.

On a practical level, the PM will be responsible for:

- a) the successful implementation of all the project's activities;
- b) facilitating the adaptive management process within the PMU and the work of the SWG;
- c) serving as an ex-officio member of the POC;

- d) reporting on PMU's work for the annual project implementation review (PIR);
- e) contributing to the production of lessons learned documents; representing and promoting the project in national and international meetings; and giving presentations to international fora for wetlands, migratory bird conservation, etc.
- f) overseeing two staff.

Description of Specific Responsibilities:

1. Organize and conduct the inception workshop in the first three months of the project effectiveness;
2. Develop annual workplans in close consultation with the UNDP and NPD to ensure that specified tasks are undertaken in as organized and planned manner as possible;
3. Oversee implementation of all aspects of the Project's work;
4. Oversee day-to-day project implementation and management of project activities and effectively delegate responsibility to Program Officer for specific activities.
5. Organize and oversee contractor and consultant input, prepare ToR for consultants and contractors in collaboration with UNDP colleagues, and confirm the quality of the project's outputs. Utilize the expertise of the POC members to support this work as well;
6. Build effective working relationships with members of the POC to ensure that project-inspired activities proceed on schedule within each partner Ministry and non-governmental organization;
7. Support the work of consultants and contracted organizations and provide technical input where appropriate and contribute substantive technical input per his/her area of relevant expertise;
8. Build effective working relationships with the project's key partners at the local level: (i) the Municipality/Commune to ensure that project-inspired activities proceed with the full support and involvement of local stakeholders; (ii) Village leaders and other local institutions/groups; and (iii) private sector, resource users, etc.;
9. Build partnerships among the PA and other institutions in the coastal zone – create and implement cross-institutional enforcement agreements;
10. Support PA director in the development of and implementation of the internship program;
11. Prepare and submit quarterly narrative reports to the POC, the NPD and UNDP;
12. Prepare and submit quarterly financial reports to the POC and NPD for approval before submitting them to the UNDP;
13. Produce the Project Implementation Review (PIR) and involve all key stakeholders in the process;
14. Conduct and support the annual Tripartite Review (TPR) meeting -- the highest policy-level meeting of the parties directly involved in the implementation of a project.
15. Work with UNDP colleagues to inculcate project staff, PoC, and Ministry partners with a results oriented approach. Work with project staff members and consultants to help each one utilize a practical and simple method for helping to determine the impact of project activities – of training activities, of workshops (what have people learned and how have their practices changed as a result?),

the process of developing new laws and policies (how are people changing the way they think or the way they do their jobs?);

16. Work with co-funding partners to ensure that their activities/programs are integrated and complementary with those of the GEF project;
17. Enable the project to learn from other relevant UNDP and GEF – financed projects in the region and worldwide and establish links with other related GEF – financed projects;
18. Submit quarterly reports of relevant project progress and problems to the POC and work with UNDP to prepare all necessary project implementation reports and organize all necessary project evaluations and review missions;
19. Serve as a fundraiser and lobbyist for activities included in the project but in need of funding from other partners;
20. Oversee an effective ongoing project monitoring program and development of a process whereby the project assesses best practices as it gains experience. This will include encouraging an atmosphere of adaptive management in the project, (*i.e.* organizing round table discussions on project successes and failures) where people focus on meaningful results “on the ground”, rather than generating reports;
21. Develop and disseminate lessons learned/best practices handbook derived from the project’s experience in, for example: (i) watershed management; (ii) sustainable forest management; (iii) the introduction of participatory management practices; and so on.

Qualifications/Requirements:

- Graduate degree in field(s) related to the project;
- Extensive experience in the field in one of the subject areas and as a senior project manager;
- Excellent inter-personal, communication and negotiating skills;
- Excellent references regarding his/her ability to manage staff effectively; must be a good manager who delegates well and encourages staff to excel;
- Familiarity with the goals and procedures of international organizations;
- Well developed English speaking and writing capability;
- Previous work experience in the region on issues related to the project;
- Ability and willingness to travel around the region;
- Demonstrable skills in office computer use - word processing, spread sheets.

6. Program Officer (PO)

Duty station: Turkmenbashi, with travel to other locations as needed.

Duration: 5 years.

Note: these ToR are intentionally general at this time. They will be customized and detailed once the Project manager is hired. They will complement the project manager’s expertise in the most effective way possible.

The Program Officer (PO) should have demonstrable knowledge and experience in one or more of the primary sectors under the project. Note, this experience should ideally differ from but complement the technical expertise of the project manager, who will also be knowledgeable in one or more of the primary sectors under the project.

The PO will report to the Project Manager. The PM and the respective UNDP officer will be in charge of overseeing their performance. The program officer will provide crucial input to the project's work to demonstrate new and innovative solutions to pressing environmental and sustainable development challenges in Khazar.

1. Organize, facilitate and support the work of expert consultants and sub-contracted organizations under the project's Outcomes 1, 2, and 3.
2. Work closely with MNP staff and other government staff relevant to the projects activities.
3. Contribute substantive technical input per his/her area of relevant expertise (this to be detailed).
4. Take part in the development of annual workplans that specify tasks undertaken and specify indicators of success.
5. Work with financial/admin officer to prepare managerial and financial reports as needed.
6. Take leadership role in implementation of his/her portion of the work plan and be responsible to PM for this work. This point to be detailed as well after PM is hired.
7. Emphasize the project's results oriented approach in all activities undertaken. Ensure the project is able to measure results of activities under the PO's responsibilities.
8. Submit quarterly reports of relevant project progress, successes and failures to the PM.
9. Contribute to the project assessment of best practices as it gains experience. This will include encouraging an atmosphere of adaptive management in the project, (*i.e.* organizing round table discussions on project successes and failures) where people focus on meaningful results "on the ground", rather than generating reports.
10. Contribute to the development of lessons learned derived from the project's experience.

Requirements:

1. Extensive experience and graduate level study in field(s) related to the assignment.
2. The willingness to work long hours.
3. Ability to work well among a wide range of colleagues from national Ministries to municipalities and village mayors to resource users to consultants.
4. Must be a self-starter who is able to work with little supervision.

7. Office Manager, Administration, & Accounts

Location: Ashgabat and Turkmenbashi

Duration: Five years.

Description of Responsibilities:

Under the supervision of the PM, the project officer will:

1. Manage the day-to-day operations of the project office;
2. Assist the PM in ensuring that the proper UNDP procedures are utilized when communicating with UNDP so as not to lose time in unnecessary delays.
3. Learn UNDP administrative procedures, processes, and requirements and provide administrative support to project staff;
4. Maintain the project's financial books and assure that necessary financial, procurement, disbursement and personnel matters are effectively addressed.
5. Prepare internal and external correspondence for the Project Office, maintain files and assist in the preparation of documentation and presentations for meetings;
6. Co-ordinate and assist in travel arrangements of project personnel;
7. Assist in the preparation of press releases, statements and speeches on the project's activities;
8. Support the PM in preparing project reports and related documentation.
9. Assist the PM to ensure smooth information sharing among POC members and UNDP.
10. Undertake such other duties as may be assigned by the NPD and PM.

Skills and Experience Required:

- Significant office environment work experience
- Experience with larger budgets and demonstrable, working knowledge of international budget management practices;
- Proficiency in office software/computer use.
- Some experience would be helpful working with international organizations, governmental offices, research organizations.
- Speaking and writing proficiency in English an advantage;
- Excellent inter-personal skills and obvious ability to work well with others
- Reliability, initiative, thoroughness and attention to detail.
- Self-starting and ability to work independently under general guidance.
- Willingness to work substantial periods of overtime upon short notice.

B. LIST OF NATIONAL EXPERT POSITIONS, SERVICE CONTRACTS, AND INTERNATIONAL EXPERT POSITIONS

NATIONAL EXPERTS:

National consultants will play an important role in project implementation providing technical support/input at important times and places along the project's implementation pathway. Detailed Terms of References for each required consultancy will be prepared by the PM as part of the annual work planning process during project implementation.

- | | |
|--------------------------------------------------------------------------------------------------------------|------------|
| 1. Community group specialists on education and awareness courses. | Output 1.2 |
| 2. Demarcation of PA boundaries. | Output 1.3 |
| 3. Assist local communities and KhR in considering KhR-specific actions to include in Community Action Plans | Output 3.1 |
| 4. Biodi-friendly livelihood option development in support of | |

- | | |
|----------------------------------------------------------------|------------|
| TACIS small grant program. | Output 3.1 |
| 5. Help CBO establish sustainable bird hunting practices. | Output 3.3 |
| 6. Develop new policies for strengthened PA management system. | Output 4.1 |
| 7. Establish PA training program | Output 4.2 |

SERVICE CONTRACTS:

The following are sub-contract headings describing the types of subcontracts that will most likely be utilized by the project. Detailed sub-contract documents and terms of reference will be prepared by the PM and UNDP staff as part of the annual work planning process so to ensure each contract takes into account the lessons learned and new concerns emerging as a result of project implementation. Sub-contracts will be written per UNDP rules and procedures.

- | | |
|--------------------------------------------------------------------------------------------------------------|------------------|
| 1. Protected Area Management Capacity Strengthening | Outputs 1.2, 1.3 |
| 2. Internship contracts for student interns. | Output 1.2 |
| 3. Develop monitoring program, conduct surveys and in-service training | Output 1.3 |
| 4. Facilitate biodiversity conservation plan with stakeholders. | Output 1.3 |
| 5. Data collection and analysis for ecosystem health-related parameters. (Caspian-Control) | Output 2.3 |
| 6. Fish catching and marketing initiatives in two target communities. | Output 3.1 |
| 7. Establish pilot community based bird hunting CBO | Output 3.2 |
| 8. Establish/implement PA training program and performance evaluation process. (funded by both GEF and UNDP) | Output 4.2 |

INTERNATIONAL EXPERTS:

Detailed Terms of References for each required consultancy will be prepared by the PM on an ongoing basis during project implementation.

- | | |
|----------------------------------------------------------------|------------|
| 1. Coastal Zone Management framework and planning process. | Output 2.1 |
| 2. Landscape scale species and ecosystem conservation planning | Output 2.2 |
| 3. Fisheries Management Training | Output 3.2 |
| 4. PA Law and Policy | Output 4.1 |
| 5. Environmental Economist | Output 4.5 |
| 6. Independent Evaluation (Mid-term and Terminal) | |

PART III: STAKEHOLDER INVOLVEMENT PLAN

A. Stakeholder identification -- stakeholder groups and the types of their involvement.

134. The project’s stakeholder analysis began with the question: Who has an interest in, influences and/or impacts the issues critical to the long-term sustainability of KhR and the globally significant biodiversity it harbors? The critical issues are: the status and condition of globally significant biodiversity; the condition of the broader coastal Caspian environment, and the management approach of KhR.

135. The result of this inquiry is the following list of stakeholders, now project partners. This approach is an example of the kind of landscape perspective that will be shared with other protected areas in Turkmenistan as part of the project’s PA system strengthening strategy.

| Partner | Role in Project |
|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ministry of Nature Protection (MNP)/Khazar Nature Reserve | Chair of POC; Co-funder; Project beneficiary. Direct involvement in: implementing all four Outcomes, including: <ul style="list-style-type: none"> • adopting legal documents within the government; • realizing project activities (contact and advice point) etc.; • providing experts and personnel and other in-kind contributions. |
| State Enterprise for Caspian Issues (SECI) under the President of Turkmenistan | Member of POC; Direct involvement in implementation of the Outcome 2, including selecting experts and organizing working groups, drafting regulations and other legal documents, providing expertise, personnel, office space for project staff, meeting rooms for working group meetings, office materials and other in-kind contributions. |
| Dept. of Ministry of Oil and Gas, Turkmendokunkhimia Co. (Turkmen chemicals), Turkmen Oil and Gas Trade Corp., Turkmen Oil State Concern. | Providing experts for Outcome 2, participating in POC. |
| Turkmenbashi and Essenguly Etraps | Members of POC; Direct involvement in Outcome 3, including: <ul style="list-style-type: none"> • providing in-kind contributions and facilitating sustainable fishery community capacity building work; • supporting liaison between civil society and the KhR in general. |
| Port Authority of Turkmenbashi (PA-T) | Direct involvement in Outcomes 1 and 2, including: <ul style="list-style-type: none"> • providing assistance to the KhR in anti-poaching campaigns and oil-spill response planning; • playing an important role in mainstreaming conservation planning into productive-sector planning in the coastal zone through its membership on the Coastal Planning Working Group. |
| Balkanbalyk (BB) – “State Fishery Production Association” | Direct involvement in Outcome 3 in terms of serving as a market for fisher cooperatives harvest as well as providing expertise in fish marketing and processing. |
| Counterpart Consortium Turkmenistan, USAID funded project in Turkmenistan | Co-funder of and direct involvement in Outcome 3, including: <ul style="list-style-type: none"> • establishing community resource centers in two communities; • providing community leader training courses; • providing small community action grants and expertise in community development. |

| | |
|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Central Asian Regional Environment Center (TACIS-funded Caspian Community Development grant program) | Co-financing \ parallel of activities under Component 3, including social-economic development of coastal zone, alternative income generation, etc.; provision of project preparation advice to coastal communities. |
| Fishery Inspection Service (FIS) | FIS will be a project beneficiary from JICA co-funding. FIS is an important project partner in strengthening fishery management in the productive sector of the coastal zone. |
| Local Fishermen & Hunters | Key project beneficiaries. Direct involvement in: <ul style="list-style-type: none"> • implementing Outcome 3 (sustainable management of bird and fishery resources) and Outcome 1 (Strengthening PA collaborative management capacity); • PA conservation and management planning working groups; • providing in-kind contribution for and participation in Outcome 3. |
| Desert Research Institute (DRI) | Direct involvement in: <ul style="list-style-type: none"> • strengthening the information baseline on coastal biodiversity and KhR's scientific capacity to carry out targeted surveys in support of KhR's long term management goals; • providing expertise in community project implementation; • potentially serving as the host institution for the new PA management training program. |
| Caspian Ecological Control | Member of POC. Direct involvement in: <ul style="list-style-type: none"> • providing monitoring data and conducting surveys in PA and coastal zone overall as part of Outcome 2 implementation; • awareness programs. |
| Organization for Security and Cooperation in Europe (OSCE) | Project co-funder of developing sustainable fishery under Outcome 3. |
| Private fishing entrepreneurs | Direct support for sustainable fishery activity under Outcome 3, including in-kind (boats) support and small investments to social-economic and business development projects for Gyanyly village and improving relations between KhR and local communities. |
| Emerol (private oil company) | Direct involvement in Outcome 1 by helping to strengthen KhR's information baseline and field monitoring capacity. Emerol will provide data gathered on environmental parameters in Turkmenbashi and Saymonov Bays. It will also provide the time of its environmental experts and participate in project working groups. |
| Border Guards | Direct involvement in Outcome 1, strengthening of enforcement measures, including providing equipment (boats) and guards for joint enforcement activities within Khazar State Reserve. |
| Turkmenkartographyya | Will provide mapping services and other expertise to prepare maps for zoning and experts for working groups in Outcome 2. |

Primary mechanisms for stakeholder participation and influence on project implementation as well as the exchange of technical information among stakeholders and Project.

1. Project Oversight Committee (See implementation section for details).
2. KhR Stakeholder Working Group (See Activity 1.1.2).

3. Coastal Planning Working Group (See Activity 2.1.1).
4. Annual lessons learned workshops and roundtable discussions (See Activity 4.3.1).
5. Mid-term evaluation. Evaluators will consult the Project Oversight Committee, the KhR Stakeholder Working Group, the Coastal Planning Working Group as part of the evaluation, allowing for another opportunity to have input into project management.
6. Participatory monitoring (See Activity 1.3.1)
7. Fisher cooperative and waterfowl CBNRM mechanisms. (See Activities 3.2.1 and 3.2.2)

Note: All the above except #5 will play a significant role in facilitating the exchange of technical information.

B. Information dissemination, consultation, and similar activities that occurred during preparatory period funded by the Caspian Environment Programme.

136. Cooperation among the Reserve’s stakeholders is important to the strategic approach of the project. Preparatory work interviewed individual resource-users in order to understand the socio-economic dynamic around the reserve. During the preparatory period, five local stakeholder consultations were held, involving more than 100 people in coastal communities near the Reserve.

137. Preparatory analysis centered on consulting with resource users and other stakeholders in order to qualify and quantify the overall level of resource use, and its relative importance. Different hunters and fishermen were individually consulted with the aim to explain the project rationale and objectives, and to obtain information about their resource use, their level of awareness about Reserve issues, and the importance of local resources in their livelihoods.

138. Four national-level coordination meetings were held among representatives of MNP and SECI. Finally, individual meetings with officials from MNP, SECI, KhR, Port Authority, Caspian Ecological Control, Fishery Inspection Service, Balkanbalyk, community groups, and the private oil and gas sector were conducted to discuss the project, its main approaches, and possible partnering and co-financing arrangements.

139. Activities planned during implementation and evaluation, including topics, groups involved, and outcomes.

| Type of Stakeholder Participation activity/outcome | Who is participating | Where Cost is Reflected in the Budget <i>Excluding project team Staff time</i> | Time frame |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Inception Workshop (IW) | <ul style="list-style-type: none"> ▪ Project Coordinator ▪ UNDP CO/UNDP GEF ▪ POC members/representatives | No additional | Within first two months of project start up |
| Establishing adaptive participatory PA management process. KhR Stakeholder Working Group (SWG) | Representatives of: Essenguly Etrap, Turkmenbashi Etrap, the Fisher and hunter community from one village respectively, the Fishery Inspection Service (FIS), the Desert Research Institute, and the Border Guard; relevant community-based organizations and concerned | Cost reflected in Output 1.1 | Established within first two months of project start up and meet quarterly. |

| | | | |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------|
| | citizens from local communities. | | |
| Establishing coastal zone management framework and planning process. Coastal Planning Working Group (CPWG) | Representatives of: SECI, MNP/KhR, FIS, Cabinet of Ministers Deputy for Oil and Gas, Port Authority for Turkmenbashi, Ministry of Tourism, and one representative from the two coastal Etraps, one private oil company. | Cost reflected in Output 2.1 | Established within first two months of project start up and meet semi-annually. |
| Development of biodiversity conservation plan for KhR. | KhR staff, SWG members; CaspeControl, SECI. Stakeholders will help identify conservation priorities and craft conservation strategies. | Cost reflected in Output 1.3. | Year 1 and ongoing. |
| Strengthening the social capital of communities around Khazar. | Community leaders in two target communities; School teachers; women's groups. | Cost reflected in Outputs 3.1, 3.2. | Ongoing throughout project period. |
| Establishing sustainable resource use regimes based upon community empowerment. | Fishermen and Hunters in two target communities. Government will empower stakeholders to form cooperatives and contribute to the sustainable management of fish and waterfowl resources in and around KhR. | Cost reflected in Outputs 3.1, 3.2. | Ongoing throughout project period. |
| Monitoring of biodiversity | Appropriate participatory monitoring approach to be developed and implemented. In addition to KhR staff: CaspeControl, DRI, private oil companies, fishermen, and hunters will participate. | Cost reflected under Output 1.3. | Beginning end of year 1 and ongoing. |
| Consultations to generate lessons learned | <ul style="list-style-type: none"> ▪ KhR; SWG; CPWG; ▪ Project team ▪ UNDP-GEF Regional Coordination Unite (RCU) formats for recording best practices. | Cost reflected under Outcome 4. | Yearly |
| Project Oversight Committee Meetings | POC Members along with any invited contributors/observers. | Cost reflected in project implementation costs. | Following Project IW and subsequently at least once a year. |

Note: The cost of stakeholder participation is reflected in nearly every output budget line of the project.

C. Long-term involvement and level of stakeholder participation.

140. The project is designed specifically to demonstrate long-term participatory approaches to: 1) protected area management and 2) natural resource management. This is fundamental to strengthening the National System of Protected Areas of Turkmenistan and improving resource management in rural areas where people rely upon natural resources for their livelihoods. The project's intention then, is to enable these mechanisms to be adopted as permanent features of Turkmenistan's emerging modern protected area system and natural resource management practice (*i.e.* coastal zone management).

141. The impacts of the project on beneficiaries and vulnerable coastal communities, especially women are envisioned to be largely positive, as the project aims to empower these communities, as well as the KhR, to collaborate in a mutually beneficial way. With respect to NGOs, Turkmenistan is currently considering how best to incorporate them into civil society and many have been de-registered in recent years. The project will therefore not be able to work directly with these groups because they are no longer legal entities. However, the project will make every effort to involve the individuals from these groups as concerned citizens of Turkmenistan and as important members of local society.

PART IV: MAP -- LOCATION OF KHAZAR RESERVE



Map. Khazar State Reserve's three branches: Khazar, Ogurchinskiy Island and Essenguly branch.

Other Operational Program not listed above: _____

8. Project Summary (one paragraph):

This project will strengthen Turkmenistan's National System of Protected Areas by demonstrating effective protected area management and biodiversity conservation in Turkmenistan's Khazar Nature Reserve (KhR) on the Caspian Sea coast. Two of the world's major flyways -- the Central Asian-Indian Flyway and the East African Flyway -- converge on Turkmenistan's Caspian coastal region. This fact makes the coastal wetlands of KhR especially important for migratory birds as they move north from Africa and India and south from Europe and arctic Russia. The area also includes important wintering areas for the Caspian sturgeon and some of the most important habitats for the Caspian seal, the only Caspian pinniped and endemic species. The conservation and sustainable use of such a wide range of biological diversity requires more integrated approaches to conservation and coastal resource management in Turkmenistan. This project is designed to provide the tools, the expertise, and the arena for stakeholders to adopt these new practices in ways that are appropriate for Turkmenistan and that strengthen Turkmenistan's National System of Protected Areas. In so doing, the project will generate substantial global environmental and national sustainable development benefits.

9. Project Development Objective: The protection of Turkmenistan's globally significant biodiversity by strengthening the sustainability of its National System of Protected Areas

10. Project Purpose/Immediate Objective: A new participatory and adaptive approach to conservation and management is demonstrated in Khazar Nature Reserve and is replicated throughout the system.

11. Expected Outcomes (GEF-related):

- Khazar nature reserve management capacity and conservation effectiveness is secured
- Cross-sector capacity for integrated coastal management established and biodiversity conservation objectives mainstreamed into productive coastal sectors surrounding Khazar reserve
- Khazar reserve builds trust and goodwill with local communities and strengthens environmental governance over wildlife resources
- Project best practices are mainstreamed into the National System of Protected Areas of Turkmenistan

12. Types of Protected Area Activities Supported:

12. a. Please select all activities that are being supported through the project.

Enabling Environment (please check each activity below)

Policy, legislation, regulation

Capacity building

Capacity building budget: US\$ 774,600

Comments on Capacity Building: Please note if capacity building is geared towards indigenous and local communities:

Local coastal communities are beneficiaries of the capacity building activities through education/awareness programmes, small grants programme, demonstration of the sustainable fishery practices and co-management practices.

- Education and awareness raising
- Institutional arrangements

Finance and incentives

Replication and scaling up

Management practices related to status of biodiversity

12. b. Is carbon sequestration an objective of the project (This question is included for purposes related to the GEF-3 targets for the Climate Change focal area)

___ Yes No

The estimated amount of carbon sequestered is: _____

13. Project Replication Strategy

13. a . Does the project specify budget, activities, and outputs for implementing the replication strategy? Yes No ___

13. b. For all projects, please complete box below. An example is provided.

| Replication Quantification Measure | Replication Target Foreseen at project start | Achievement at Mid-term Evaluation of Project | Achievement at Final Evaluation of Project |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|
| Outcome 4. National PA system is strengthened by replicating best practices into PA training and management and by strengthening the argument for sustainable funding of PA system | MNP incorporates at least four key best practices into national PA policy and oversight At least 40% of protected areas in Tstan applying specific new practices demonstrated at Khazar w/respect to improved financial and human resource management, data management, field surveys, and community relations | | |

14. Scope and Scale of Project:

Please complete the following statements.

14.a. The project is working in:

- a single protected area
- ___ multiple protected areas
- national protected area system

14.b. The level of the intervention is:

- ___ global
- ___ regional

national
 subnational

14. c. Please complete the table below. An example is completed.

| Targets and Timeframe | Foreseen at project start | Achievement at Mid-term Evaluation of Project | Achievement at Final Evaluation of Project |
|----------------------------------------------------------------------|----------------------------------|------------------------------------------------------|---------------------------------------------------|
| Project Coverage | | | |
| Extent in hectares of protected areas targeted by the project | 262,037 hectares | | |
| | | | |
| | | | |

14. d. Please complete the table below for the protected areas that are the target of the GEF intervention. Use NA for not applicable. Examples are provided below.

| Name of Protected Area | Is this a new protected area? Please answer yes or no. | Area in Hectares | Global designation or priority lists (E.g., Biosphere Reserve, World Heritage site, Ramsar site, WWF Global 200, , etc.) | Local Designation of Protected Area (E.g, indigenous reserve, private reserve, etc.) | IUCN Category for each Protected Area ⁵ | | | | | |
|------------------------|--------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------|----|-----|----|---|----|
| | | | | | I | II | III | IV | V | VI |
| Khazar Nature Reserve | No | 262,037 | NA (Not applicable) | NA (Not applicable) | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

5

- I. Strict Nature Reserve/Wilderness Area: managed mainly for science or wilderness protection
- II. National Park: managed mainly for ecosystem protection and recreation
- III. Natural Monument: managed mainly for conservation of specific natural features
- IV. Habitat/Species Management Area: managed mainly for conservation through management intervention
- V. Protected Landscape/Seascape: managed mainly for landscape/seascape protection and recreation
- VI. Managed Resource Protected Area: managed mainly for the sustainable use of natural ecosystems



The
World
Bank



Reporting Progress at Protected Area Sites

A simple site-level tracking tool developed for the
World Bank and WWF

Reporting Progress at Protected Area Sites: Data Sheet

| | | |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Name of protected area | Khazar Nature Reserve | |
| Location of protected area (country and if possible map reference) | Turkmenistan, Caspian Sea Coast | |
| Date of establishment (distinguish between agreed and gazetted*) | Agreed | Gazetted Three distinct areas of the reserve, established in: 1932, 1968, 1993 respectively |
| Ownership details (i.e. owner, tenure rights etc) | Government of Turkmenistan | |
| Management Authority | Ministry of Nature Protection | |
| Size of protected area (ha) | 262,037 hectares | |
| Number of staff | Permanent 50 employees | Temporary |
| Budget | US\$ 240,000/year | |
| Designations (IUCN category, World Heritage, Ramsar etc) | | |
| Reasons for designation | To conserve significant habitat for and populations of migratory birds, Caspian Seals, and Caspian Sturgeon. | |
| Brief details of UNDP funded project or projects in PA | A GEF project is just being submitted to strengthen Reserve's Capacity (February 2005) | |
| Brief details of WWF funded project or projects in PA | None. | |
| Brief details of other relevant projects in PA | None. | |
| List the two primary protected area objectives | | |
| Objective 1 | Preserving wildlife populations. | |
| Objective 2 | Conducting research. | |
| List the top two most important threats to the PA (and indicate reasons why these were chosen) | | |
| Threat 1 | Habitat degradation | |
| Threat 2 | Unsustainable exploitation of wildlife resources | |
| List top two critical management activities | | |
| Activity 1 | Enforcement patrols | |

| | |
|------------|-------------------------|
| Activity 2 | Research and monitoring |
|------------|-------------------------|

Date assessment carried out: January 04, 2005

Name/s of assessor: Jeffrey Griffin & Oleg Guchgeldiev

| Issue | Criteria | Score | Comments | Next steps |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 1. Legal status | The protected area is not gazetted | 0 | | |
| Does the protected area have legal status? | The government has agreed that the protected area should be gazetted but the process has not yet begun | 1 | | |
| Context | The protected area is in the process of being gazetted but the process is still incomplete | 2 | | |
| | The protected area has been legally gazetted (or in the case of private reserves is owned by a trust or similar) | 3 | | |
| 2. Protected area regulations | There are no mechanisms for controlling inappropriate land use and activities in the protected area | 0 | There is a lack of inter-sectoral cooperation and normative regulation specifying the proper land use, especially in bordering areas. | |
| Are inappropriate land uses and activities (e.g. poaching) controlled? | Mechanisms for controlling inappropriate land use and activities in the protected area exist but there are major problems in implementing them effectively | 1 | | |
| Context | Mechanisms for controlling inappropriate land use and activities in the protected area exist but there are some problems in effectively implementing them | 2 | | |
| | Mechanisms for controlling inappropriate land use and activities in the protected area exist and are being effectively implemented | 3 | | |
| 3. Law enforcement | The staff have no effective capacity/resources to enforce protected area legislation and regulations | 0 | <i>Possible issue for comment:</i> What happens if people are arrested? They are being fined in accordance with the fine scheme. The main problem here is deficiencies in proper regulations, protection schemes (for instance, the schedules for monitoring) as well as in proper equipment. | |
| Can staff enforce protected area rules well enough? | There are major deficiencies in staff capacity/resources to enforce protected area legislation and regulations (e.g. lack of skills, no patrol budget) | 1 | | |
| Context | The staff have acceptable capacity/resources to enforce protected area legislation and regulations but some deficiencies remain | 2 | | |
| | The staff have excellent capacity/resources to enforce protected area legislation and regulations | 3 | | |
| 4. Protected area objectives | No firm objectives have been agreed for the protected area | 0 | The Reserve has its own statute, and relies upon the law on protected areas. Therefore some objectives are identified. But no annual management for example. | |
| Have objectives been agreed? | The protected area has agreed objectives, but is not managed according to these objectives | 1 | | |
| Planning | The protected area has agreed objectives, but these are only partially implemented | 2 | | |
| | The protected area has agreed objectives and is managed to meet these objectives | 3 | | |
| 5. Protected area design | Inadequacies in design mean achieving the protected areas major management objectives of the protected area is impossible | 0 | <i>Possible issue for comment:</i> does the protected area contain different management zones and are these well maintained? | |
| Does the protected area need enlarging, corridors etc to meet its objectives? | Inadequacies in design mean that achievement of major objectives are constrained to some extent | 1 | | |
| | Design is not significantly constraining achievement of major objectives, but could be improved | 2 | | |

| Issue | Criteria | Score | Comments | Next steps |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <i>Planning</i> | Reserve design features are particularly aiding achievement of major objectives of the protected area | 3 | of the more insignificant areas within the reserve. | |
| 6. Protected area boundary demarcation | The boundary of the protected area is not known by the management authority or local residents/neighbouring land users | 0 | <i>Possible issue for comment:</i> are there tenure disagreements affecting the protected area? Even local officials have a only a vague knowledge about the boundaries of the reserve, there is no clear understanding about the use of the land around settlements located inside of the reserve. | |
| Is the boundary known and demarcated? | The boundary of the protected area is known by the management authority but is not known by local residents/neighbouring land users | 1 | | |
| <i>Context</i> | The boundary of the protected area is known by both the management authority and local residents but is not appropriately demarcated | 2 | | |
| | The boundary of the protected area is known by the management authority and local residents and is appropriately demarcated | 3 | | |
| 7. Management plan | There is no management plan for the protected area | 0 | The are yearly plans prepared for the reserve administration, which include some scientific and protection activities, but it is not management plan for improving of protection, but plan of activities to fulfil positions with work for the next year. | |
| Is there a management plan and is it being implemented? | A management plan is being prepared or has been prepared but is not being implemented | 1 | | |
| <i>Planning</i> | An approved management plan exists but it is only being partially implemented because of funding constraints or other problems | 2 | | |
| | An approved management plan exists and is being implemented | 3 | | |
| Additional points | The planning process allows adequate opportunity for key stakeholders to influence the management plan | +1 | | |
| <i>Planning</i> | There is an established schedule and process for periodic review and updating of the management plan | +1 | | |
| | The results of monitoring, research and evaluation are routinely incorporated into planning | +1 | | |
| 8. Regular work plan | No regular work plan exists | 0 | See the points below, maybe they belong here. | |
| Is there an annual work plan? | A regular work plan exists but activities are not monitored against the plan's targets | 1 | | |
| <i>Planning/Outputs</i> | A regular work plan exists and actions are monitored against the plan's targets, but many activities are not completed | 2 | | |
| | A regular work plan exists, actions are monitored against the plan's targets and most or all prescribed activities are completed | 3 | | |
| 9. Resource inventory | There is little or no information available on the critical habitats, species and cultural values of the protected area | 0 | The surveys are being conducted but on very small scale due to lack of the HR capacity (training) as well as technical capacity. | |
| Do you have enough information to manage the area? | Information on the critical habitats, species and cultural values of the protected area is not sufficient to support planning and decision making | 1 | | |
| | Information on the critical habitats, species and cultural values of the protected area is sufficient for key areas of planning/decision making but the necessary survey work is not being maintained | 2 | | |

| Issue | Criteria | Score | Comments | Next steps |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <i>Context</i> | Information concerning on the critical habitats, species and cultural values of the protected area is sufficient to support planning and decision making and is being maintained | 3 | | |
| 10. Research | There is no survey or research work taking place in the protected area | 0 | In the past, the reserve had a very active survey/research program. Now it is essentially defunct, with some <i>ad hoc</i> work done. | |
| Is there a programme of management-orientated survey and research work? <i>Inputs</i> | There is some <i>ad hoc</i> survey and research work | 1 | | |
| | There is considerable survey and research work but it is not directed towards the needs of protected area management | 2 | | |
| | There is a comprehensive, integrated programme of survey and research work, which is relevant to management needs | 3 | | |
| 11. Resource management | Requirements for active management of critical ecosystems, species and cultural values have not been assessed | 0 | The names of critical species are known, the critical ecosystems are probably estimated, but lack of capacity makes impossible to address those issues. | |
| Is the protected area adequately managed (e.g. for fire, invasive species, poaching)? <i>Process</i> | Requirements for active management of critical ecosystems, species and cultural values are known but are not being addressed | 1 | | |
| | Requirements for active management of critical ecosystems, species and cultural values are only being partially addressed | 2 | | |
| | Requirements for active management of critical ecosystems, species and cultural values are being substantially or fully addressed | 3 | | |
| 12. Staff numbers | There are no staff | 0 | 50 people are in staff plan, but not all of them are hired and work in the reserve. The problem is to make them to work for the reserve by training and providing with tools. | |
| Are there enough people employed to manage the protected area? <i>Inputs</i> | Staff numbers are inadequate for critical management activities | 1 | | |
| | Staff numbers are below optimum level for critical management activities | 2 | | |
| | Staff numbers are adequate for the management needs of the site | 3 | | |
| 13. Personnel management | Problems with personnel management constrain the achievement of major management objectives | 0 | Management training for heads of the units and the reserve administration is required and significant, since none of it was conducted for them probably since the SU times. | |
| Are the staff managed well enough? <i>Process</i> | Problems with personnel management partially constrain the achievement of major management objectives | 1 | | |
| | Personnel management is adequate to the achievement of major management objectives but could be improved | 2 | | |
| | Personnel management is excellent and aids the achievement major management objectives | 3 | | |
| 14. Staff training | Staff are untrained | 0 | Some of staff have education in biology and some other subjects plus some irrelevant to the PA experience. | |
| Is there enough training for staff? | Staff training and skills are low relative to the needs of the protected area | 1 | | |
| | Staff training and skills are adequate, but could be further improved to fully achieve the objectives of management | 2 | | |

| Issue | Criteria | Score | Comments | Next steps |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <i>Inputs/Process</i> | Staff training and skills are in tune with the management needs of the protected area, and with anticipated future needs | 3 | | |
| 15. Current budget | There is no budget for the protected area | 0 | There is a salary, depreciation and administrative cost coverage, therefore I would not say it is not very much inadequate. The do not have investments into the equipment, training and more for the capacity building, and it causes serious constrains to management. | |
| Is the current budget sufficient? | The available budget is inadequate for basic management needs and presents a serious constraint to the capacity to manage | 1 | | |
| <i>Inputs</i> | The available budget is acceptable, but could be further improved to fully achieve effective management | 2 | | |
| | The available budget is sufficient and meets the full management needs of the protected area | 3 | | |
| 16. Security of budget | There is no secure budget for the protected area and management is wholly reliant on outside or year by year funding | 0 | Currently, the reserve does not generate any funds for itself, nor does it have the knowledge of how to obtain funds. | |
| Is the budget secure? | There is very little secure budget and the protected area could not function adequately without outside funding | 1 | | |
| <i>Inputs</i> | There is a reasonably secure core budget for the protected area but many innovations and initiatives are reliant on outside funding | 2 | | |
| | There is a secure budget for the protected area and its management needs on a multi-year cycle | 3 | | |
| 17. Management of budget | Budget management is poor and significantly undermines effectiveness | 0 | | |
| Is the budget managed to meet critical management needs? | Budget management is poor and constrains effectiveness | 1 | | |
| <i>Process</i> | Budget management is adequate but could be improved | 2 | | |
| | Budget management is excellent and aids effectiveness | 3 | | |
| 18. Equipment | There is little or no equipment and facilities | 0 | | |
| Is equipment adequately maintained? | There is some equipment and facilities but these are wholly inadequate | 1 | | |
| <i>Process</i> | There is equipment and facilities, but still some major gaps that constrain management | 2 | | |
| | There is adequate equipment and facilities | 3 | | |
| 19. Maintenance of equipment | There is little or no maintenance of equipment and facilities | 0 | There is some maintenance and provisions for that in the budget, otherwise there is no sense to provide them with the new equipment. | |
| Is equipment | There is some <i>ad hoc</i> maintenance of equipment and facilities | 1 | | |

| Issue | Criteria | Score | Comments | Next steps |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| adequately maintained? <i>Process</i> | There is maintenance of equipment and facilities, but there are some important gaps in maintenance | 2 | | |
| | Equipment and facilities are well maintained | 3 | | |
| 20. Education and awareness programme Is there a planned education programme? <i>Process</i> | There is no education and awareness programme | 0 | KhR has their plans awareness programs and one staff person responsible for awareness. They are printing articles in national and local newspapers, participating in TV programs, but they do not co-operate closely at the local level, where the awareness is needed the most. | |
| | There is a limited and <i>ad hoc</i> education and awareness programme, but no overall planning for this | 1 | | |
| | There is a planned education and awareness programme but there are still serious gaps | 2 | | |
| | There is a planned and effective education and awareness programme fully linked to the objectives and needs of the protected area | 3 | | |
| 21. State and commercial neighbours Is there co-operation with adjacent land users? <i>Process</i> | There is no contact between managers and neighbouring official or corporate land users | 0 | Very little cooperation with the border troops when the former catch fishermen boats in Reserve area. No close co-operation with local village administrations, with oil producers and deliverers (all potential polluters). | |
| | There is limited contact between managers and neighbouring official or corporate land users | 1 | | |
| | There is regular contact between managers and neighbouring official or corporate land users, but only limited co-operation | 2 | | |
| | There is regular contact between managers and neighbouring official or corporate land users, and substantial co-operation on management | 3 | | |
| 22. Indigenous people Do indigenous and traditional peoples resident or regularly using the PA have input to management decisions? <i>Process</i> | Indigenous and traditional peoples have no input into decisions relating to the management of the protected area | 0 | Not relevant | |
| | Indigenous and traditional peoples have some input into discussions relating to management but no direct involvement in the resulting decisions | 1 | | |
| | Indigenous and traditional peoples directly contribute to some decisions relating to management | 2 | | |
| | Indigenous and traditional peoples directly participate in making decisions relating to management | 3 | | |
| 23. Local communities Do local communities resident or near the protected area have input to management decisions? <i>Process</i> | Local communities have no input into decisions relating to the management of the protected area | 0 | Local people do not have any decision making powers. | |
| | Local communities have some input into discussions relating to management but no direct involvement in the resulting decisions | 1 | | |
| | Local communities directly contribute to some decisions relating to management | 2 | | |
| | Local communities directly participate in making decisions relating to management | 3 | | |
| Additional points <i>Outputs</i> | There is open communication and trust between local stakeholders and protected area managers | +1 | | |
| | Programmes to enhance local community welfare, while conserving protected area resources, are being implemented | +1 | | |

| Issue | Criteria | Score | Comments | Next steps |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 24. Visitor facilities | There are no visitor facilities and services | 0 | <i>Possible issue for comment:</i> Do visitors damage the protected area? | |
| Are visitor facilities (for tourists, pilgrims etc) good enough? | Visitor facilities and services are inappropriate for current levels of visitation or are under construction | 1 | Visitor facilities are limited to one museum that, while very nice, is outdated and in need of modernization. No visitor facilities exist inside the Reserve itself. Tourism is increase in the area and visitation to the Reserve is bound to increase. | |
| | Visitor facilities and services are adequate for current levels of visitation but could be improved | 2 | | |
| | <i>Outputs</i> | Visitor facilities and services are excellent for current levels of visitation | | |
| 25. Commercial tourism | There is little or no contact between managers and tourism operators using the protected area | 0 | | |
| Do commercial tour operators contribute to protected area management? | There is contact between managers and tourism operators but this is largely confined to administrative or regulatory matters | 1 | There is no noted co-operation established with tourist companies in the area. | |
| | There is limited co-operation between managers and tourism operators to enhance visitor experiences and maintain protected area values | 2 | There is no commercial tourism currently. | |
| | <i>Process</i> | There is excellent co-operation between managers and tourism operators to enhance visitor experiences, protect values and resolve conflicts | | 3 |
| 26. Fees | Although fees are theoretically applied, they are not collected | 0 | Fines and fees are applied for exploration and use of the reserve territories. Moreover, administrative and (less) criminal charges are applied to those poaching. | |
| If fees (tourism, fines) are applied, do they help protected area management? | The fee is collected, but it goes straight to central government and is not returned to the protected area or its environs | 1 | | |
| | <i>Outputs</i> | The fee is collected, but is disbursed to the local authority rather than the protected area | 2 | |
| | | There is a fee for visiting the protected area that helps to support this and/or other protected areas | 3 | The fines are applied even to those who enter the territory of the reserve. Fees collected go to a central fund used to pay wages for PA nation-wide. This deprives the reserve from the use of collected funds for protection. No visitation fee structure is established. The reserve is theoretically a strict protected area where visitation is not allowed. |
| 27. Condition assessment | Important biodiversity, ecological and cultural values are being severely degraded | 0 | <i>Possible issue for comment:</i> It is important to provide details of the biodiversity, ecological or cultural values being affected. | |
| Is the protected area being managed consistent to its objectives? | Some biodiversity, ecological and cultural values are being severely degraded | 1 | The migratory birds in general are being used in high numbers, threat to one the main migration route of birds. The most optimistic calculations shows that more than half a million birds are being shoot out every year in the territory of reserve, including the protected species. | |
| | Some biodiversity, ecological and cultural values are being partially degraded but the most important values have not been significantly impacted | 2 | | |
| | <i>Outcomes</i> | Biodiversity, ecological and cultural values are predominantly intact | | |

| Issue | Criteria | Score | Comments | Next steps |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Additional points <i>Outputs</i> | There are active programmes for restoration of degraded areas within the protected area and/or the protected area buffer zone | +1 | | |
| 28. Access assessment Are the available management mechanisms working to control access or use? <i>Outcomes</i> | Protection systems (patrols, permits etc) are ineffective in controlling access or use of the reserve in accordance with designated objectives | 0 | The protection system is ineffective in controlling access to most of the reserve, especially the marine areas. It might be called more or less effective in controlling access in the inland territory around Turkmenbashi area, where the staff has some means of transportation. | |
| | Protection systems are only partially effective in controlling access or use of the reserve in accordance with designated objectives | 1 | | |
| | Protection systems are moderately effective in controlling access or use of the reserve in accordance with designated objectives | 2 | | |
| | Protection systems are largely or wholly effective in controlling access or use of the reserve in accordance with designated objectives | 3 | | |
| 29. Economic benefit assessment Is the protected area providing economic benefits to local communities? <i>Outcomes</i> | The existence of the protected area has reduced the options for economic development of the local communities | 0 | <i>Possible issue for comment:</i> how does national or regional development impact on the protected area? The general increase of the population in settlements located within the Reserve affected the reserve, due to the increase of municipal wastes, use of local wetlands for livestock feeding and etc. IN the past it severely limited the options of local communities. Now it has no effect (agree completely) | |
| | The existence of the protected area has neither damaged nor benefited the local economy | 1 | | |
| | There is some flow of economic benefits to local communities from the existence of the protected area but this is of minor significance to the regional economy | 2 | | |
| | There is a significant or major flow of economic benefits to local communities from activities in and around the protected area (e.g. employment of locals, locally operated commercial tours etc) | 3 | | |
| 30. Monitoring and evaluation <i>Planning/Process</i> | There is no monitoring and evaluation in the protected area | 0 | There is nation-wide, cross-reserve monitoring and evaluation missions, where specialists from other reserves are coming to Khazar to evaluate the work and to work as inspectors for some time (from week to month). Really? I didn't know that .. I do not know if it what is meant in the question. . They mean do they monitor conditions in the reserve and evaluate the effectiveness of their work? | |
| | There is some <i>ad hoc</i> monitoring and evaluation, but no overall strategy and/or no regular collection of results | 1 | | |
| | There is an agreed and implemented monitoring and evaluation system but results are not systematically used for management | 2 | | |
| | A good monitoring and evaluation system exists, is well implemented and used in adaptive management | 3 | | |
| TOTAL SCORE, Jan 4, 2004 | | (30 total questions / 28 questions answered x total score of 22) = total adjusted score of 24 Total Adjusted Score: 24 Note: Maximum score possible: 96 | | |

SIGNATURE PAGE

Country: Turkmenistan

UNDAF Outcome(s)/Indicator(s):

(Link to UNDAF outcome., If no UNDAF, leave blank)

UNDAF outcome 4: By the end of 2009 comprehensive approach to environmentally sustainable principles and practices is integrated into policies at all levels and into community development to improve social well-being

Expected Outcome(s)/Indicator (s):

(CP outcomes linked t the SRF/MYFF goal and service line):

2005-2009 CP component: Environment
The component is linked to MYFF Goal: Energy and environment for sustainable development

Implementing partner:

(designated institution/Executing agency)

Ministry of Nature Protection

| |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Programme Period: <u>2005-2009</u> |
| Programme Component: _____ |
| Project Title: Conservation and sustainable use of globally significant biological diversity in Khazar Nature Reserve on the Caspian Sea Coast |
| Project ID: PIMS 3157 |
| Atlas Award ID: |
| Atlas Project ID: |
| Project Duration: 5 years |
| Management Arrangement: <u>_NEX</u> |

| | |
|-----------------------|-----------------------|
| Total budget: | US\$ 3,026,600 |
| Allocated resources: | |
| • GEF | US\$ 1,428,600 |
| • UNDP | US\$ 278,000 |
| • SECI | US\$ 40,000 |
| In kind contributions | |
| • UNDP | US\$ 200,000 |
| • Government | US\$ 590,000 |
| • OSCE (parallel) | US\$ 25,000 |
| • USAID (parallel) | US\$ 200,000 |
| • TACIS (parallel) | US\$ 265,000 |

Name

Date

Agreed by **(Government of Turkmenistan)**: _____

Agreed by **(Implementing partner/Executing agency)**: _____

Agreed by **(UNDP)**: _____

ⁱ Mamedniyazov O. Turkmenistan. Action Plan to protect biodiversity of the Caspian Sea (Turkmenistan), Caspian Environment Program, Ashgabat 2001A

ⁱⁱ Mamedniyazov O. Turkmenistan. Action Plan to protect biodiversity of the Caspian Sea (Turkmenistan), Caspian Environment Program, Ashgabat 2001

ⁱⁱⁱ Working papers on Khazar Nature Reserve. Ashgabat, Turkmenbashi 2002

^{iv} NCAP etc.

^v Caspian Environment Programme, Phase 2. Building a Reference Laboratory Structure November 2001

^{vi} Mamedniyazov O. Turkmenistan. Action Plan to protect biodiversity of the Caspian Sea (Turkmenistan), Caspian Environment Program, Ashgabat 2001A