

United Nations Development Programme
Country: Georgia
PROJECT DOCUMENT



| | |
|---|---|
| Project Title: | Expansion and Improved Management Effectiveness of the Achara Region's Protected Areas |
| UNDAF Outcomes: Underlying disaster risk factors are reduced, focusing on sustainable environmental and natural resource management. | |
| UNDP Strategic Plan Environment and Sustainable Development Primary Outcome: Strengthen national capacity to manage the environment in a sustainable manner while ensuring adequate protection of the poor. | |
| UNDP Strategic Plan Secondary Outcome: Mainstreaming environment and energy. | |
| Link to UNDP's Biodiversity and Ecosystems Global Framework (2012-2020): | |
| Signature Programme #2: Unlocking the potential of protected areas (PAs), including indigenous and community conserved areas, to conserve biodiversity while contributing to sustainable development. | |
| Expected CP Outcome(s) 3.2 Underlying disaster risk factors are reduced, focusing on sustainable environmental and natural resource management | |
| Expected CPAP Output(s) 3.2.1. Sustainable practices and instruments for the management of chemicals and natural resources, including land, water and biological resources demonstrated at pilot areas and up-scaled at national and/or trans boundary levels 3.2.5 Financial and operational sustainability of protected areas increased | |
| [Project Objective] To enhance the management effectiveness of Protected Areas to conserve forest ecosystems in the Achara Region | |
| [Project Components] (1) Enhancing PA Management Effectiveness (2) PA System Expansion to increase functional connectivity of PAs | |
| Implementing Partner : LEPL Agency for Protected Areas under the Ministry of Environment and Natural Resources Protection of Georgia | |

Brief Description: This project is designed to enhance the management effectiveness, biogeographically coverage and connectivity of Protected Areas of the Achara Autonomous Region of Georgia in order to better conserve the globally unique Colchic Forests (temperate rainforest). The area is of biodiversity importance because of being a humid Pliocene flora refugium, having a high proportion of narrow-ranged (local endemic) plants, a high percentage of endemic fauna, as being a well-known bottle-neck for migratory birds. The project will support the government to bring about the functional operation of the recently gazetted Machakhela National Park which will form the last link in a chain of 4 protected area units established to conserve the Colchic forests of the region (i.e. Kintrishi, Mtrala and Machakhela in Georgia and Jamili in Turkey).

| | |
|--------------------------|-------------------|
| Programme Period: | |
| Atlas Award ID: | 00076819 |
| Project ID: | 00088000 |
| PIMS #: | 4732 |
| Start date: | |
| End Date: | 4 years |
| Mgt Arrangements | NIM |
| PAC Meeting Date | 17 December, 2013 |

| | |
|---|---------------------|
| <i>Total resources required (total project funds) [A+B]</i> | <i>14,998,778\$</i> |
| [A] Total resources allocated to UNDP in this PRODOC | 1,323,636\$ |
| - Regular (UNDP TRAC) | 40,000\$ |
| - GEF | 1,283,636\$ |
| [B] Other (partner managed resources) | |
| - Agency For Protected Areas of Georgia | 1,395,490\$ |
| - Achara Autonomous Republic Government | 7,638,036\$ |
| - Khelvachauri Municipality | 1,757,553\$ |
| - KfW | 2,317,063\$ |
| - WWF | 100,000\$ |
| - USDoI | 40,000\$ |
| - CNF | 317,000\$ |
| In-kind Contributions: | |
| - UNDP CO (TRAC) | 110,000\$ |

Agreed by (Government):

Signature

Date

Agreed by (UNDP):

Signature

Date



Project Document

Government of Georgia and UNDP

Executing Agency / Implementing Partner: Ministry of Environment and Natural Resources Protection through the
LEPL Agency of Protected Areas

United Nations Development Programme

UNDP GEF PIMS 4732/ GEF Secretariat Project ID 4835
Atlas Award / Atlas Project ID 00082879

National Biodiversity Project: Expansion and Improvement Management of Achara Protected Areas System

Brief Description

This project is designed to enhance the management effectiveness, biogeographically coverage and connectivity of Protected Areas of the Achara Autonomous Region of Georgia in order to better conserve the globally unique Colchic Forests¹ (temperate rainforest). The area is of biodiversity importance because of the humid Pliocene flora refugium, high proportion of narrow-ranged (local endemic) plants, high percentage of endemic, as a well-known bottle-neck for migratory birds.

The project will support the government to bring about the functional operation of the recently gazetted Machakhela National Park which will form the last link in a chain of 4 protected areas established to conserve the Colchic forests of the region (i.e. Kintrishi, Mtirala and Machakhela in Georgia and Jamili in Turkey). Additionally, the project will help to build management effectiveness and sustainability of all the protected areas in this chain in Achara and help establish transboundary links with the Jamili Biosphere Reserve in Turkey.

It will further support the Georgian Agency for Protected Areas (APA) and the target PA Administrations to improve financial planning, better integrate local communities into protected areas management and build capacity for applying, adaptable and participatory approaches most likely to achieve long term conservation and sustainable local rural livelihoods.

¹ The Colchic Forests are found around the southeast corner of the Black Sea in Turkey and Georgia. The forests are mixed, with deciduous Black Alder (*Alnus glutinosa*), Hornbeam (*Carpinus betulus* and *C. orientalis*), Oriental Beech (*Fagus orientalis*) and Sweet Chestnut (*Castanea sativa*), together with evergreen Nordmann Fir (*Abies nordmanniana*), Caucasian Spruce (*Picea orientalis*) and Scots pine (*Pinus sylvestris*).

Table of Contents

| | |
|---|-----------|
| ACRONYMS | 4 |
| SECTION I: ELABORATION OF THE NARRATIVE | 6 |
| Executive Summary | 6 |
| PART I: Situation Analysis..... | 9 |
| Context and Global Significance..... | 9 |
| Threats, Root Causes and Impacts | 24 |
| Long-term solution and barriers to achieving the solution..... | 25 |
| Stakeholder analysis..... | 28 |
| Baseline analysis | 32 |
| PART II:Strategy..... | 33 |
| Project Rationale and Policy Conformity..... | 34 |
| Project Goal, Objective, Outcomes and Outputs/activities | 35 |
| Indicators and risks..... | 43 |
| Cost-effectiveness | 45 |
| Country Ownership: Country Eligibility and Country Drivenness | 46 |
| Project consistency with national priorities/plans | 46 |
| Sustainabilityand Replicability..... | 47 |
| PART III: Management Arrangements..... | 49 |
| Project Implémentation arrangement | 49 |
| Financial and other procedures..... | 51 |
| Audit Clause..... | 51 |
| PART IV: Monitoring Framework and Evaluation | 52 |
| Monitoring and reporting | 52 |
| PART V: Legal Context | 57 |
| SECTION II: STRATEGIC RESULTS FRAMEWORK (SRF) | 59 |
| SECTION III: TOTAL BUDGET AND WORKPLAN..... | 62 |
| SECTION IV: ADDITIONAL INFORMATION..... | 67 |
| PART I: Terms of Reference for key project staff | 67 |
| Project Manager | 67 |
| Project Administrative Assistant | 68 |
| National Project Technical Coordinator | 69 |
| Other Consultants | 70 |
| PART II: Project Maps | 72 |
| PART III: Stakeholder Involvement Plan | 76 |
| PART IV: Letters of co-financing commitment..... | 79 |
| PART V: Technical reports | 79 |
| PART VI: METT and Capacity Development Scorecards | 79 |
| PART VII: Translation of Machakhela NP Establishment Law | 81 |

ACRONYMS

| | |
|--------|--|
| APA | Agency for Protected Areas |
| APR | Annual Progress Report |
| AR | Autonomous Republic |
| ASDA | Achara Sustainable Development Association |
| AWP | Annual Work Plan |
| CBD | Convention on Biological Diversity |
| CBO | Community Based Organisation |
| CITES | Convention on International Trade in Endangered Species |
| CNF | Caucasus Nature Fund |
| CO | (UNDP) Country Office |
| COP | Conference of Parties |
| CPAP | Country Programme Action Plan |
| ECPC | Eco-regional Conservation Plan for the Caucasus |
| EIA | Environmental Impact Assessment |
| EU | European Union |
| GDP | Gross Domestic Product |
| GEF | Global Environment Facility |
| GEL | Georgian Lari (currency) |
| GIS | Geographical Information System |
| GIZ | <i>Deutsche Gesellschaft für Internationale Zusammenarbeit</i> |
| IUCN | International Union for Conservation of Nature |
| M&E | Monitoring and Evaluation |
| METT | Management Effectiveness Tracking Tool |
| MoENRP | Ministry of Environment and Natural Resources Protection |
| NBSAP | National Biodiversity Strategy and Action Plan |
| NEAP | National Environmental Action Plan |
| NIM | National Implementation Modality |
| NGO | Non Government Organisation |
| NP | National Park |
| NTFP | Non Timber Forest Products |
| PEB | Project Executive Board |
| PIR | Project Implementation Report |
| PM | Project Manager |
| RCU | (UNDP) Regional Coordinating Unit |
| RDB | Red Data Book |

| | |
|-------|---|
| RTA | (UNDP) Regional Technical Adviser |
| SBAA | Standard Basic Assistance Agreement |
| SR | State Reserve |
| TBW | Total Budget and Work plan |
| TCB | Technical Coordination Group |
| UNDP | United Nations Development Programme |
| UNDAF | United Nations Development Assistance Framework |
| USDoI | United States Department of Interior |
| WWF | Worldwide Fund for Nature |

SECTION I: ELABORATION OF THE NARRATIVE

Executive Summary

The Caucasus Eco-region is a critical store house of threatened biodiversity, being one of the Global 200 WWF Eco-regions, one of the World's 34 biologically richest and most endangered terrestrial ecosystems, and one of the World's 221 Endemic Bird Areas. Forests are the most important ecosystem for biodiversity conservation in the Caucasus, covering nearly 20% of the region. Currently 13.78% of forests in the Eco-region are conserved in protected areas. The most significant forests for biodiversity conservation can be grouped into five primary geographical areas, one being the Lesser Caucasus Mountain Chain.

Georgia, in its entirety (69,500km²), forms part of the Caucasus Eco-region (covering 12%), and harbors a representative sample of its biodiversity endowment. It is located on the isthmus between the Black and Caspian Seas. The country has a diverse landscape and climate: West Georgia is characterized by a relatively humid subtropical climate while East Georgia has a drier, moderately humid climate. Georgia is an important reservoir of biodiversity, due to its location (at the juncture of two major bio-geographic regions, Black Sea and Alpine), the land form (the peninsula between the Black and Caspian Seas provides an important migration route and flyway), the topography of the landscape (with great variations in altitudes, and opportunities for isolation) and the climate. All the major ecosystems found in the Caucasus Eco-region are found in Georgia, with the forest ecosystem making up 60% of the country. The western part of the Lesser Caucasus Mountain Range is an especially important area of high conservation importance in Georgia due to the abundance of relic and endemic plant species.

Within Georgia, and indeed the Eco-region as a whole, the **Achara region** is of particularly high conservation significance. The region covers an area of 2,900 km² covering 0.5% and 4.2% of the total area of the Caucasus Eco-region and Georgia respectively. Achara is located on the south-eastern coast of the Black Sea and lies at the northern edge of the Lesser Caucasus Mountain Range. The area forms part of an important priority conservation area in the Caucasus Eco-region (West Lesser Caucasus Priority Conservation Area) that stretches into Turkey. The area is of biodiversity importance because of the humid Pliocene flora refugium, high proportion of narrow-ranged (local endemic) plants (including two rhododendron and other evergreen shrubs and trees), high percentage of endemics among fish, amphibians, lizards and small animals; endemic snails and beetles; and as a well-known bottle-neck for migratory birds. Colchic Forests (temperate rainforest) dominate in Achara with 67% of the landmass covered by such forests.

The region of Achara is an autonomous Republic within Georgia and has its own local Parliament and legislative system. Due to the unsettled history of the Achara region since the collapse of the Soviet Union and Georgia's independence (1991), the area has, in the past, received less attention from national and international biodiversity conservation efforts (with the exception of Kobuleti PAs which received support in the recent past).

The first protected area of the modern era was Lagodekhi State Reserve in 1912, which was also the first such reserve in the whole Caucasus region. The first protected areas in the Achara region were the Kintrishi and Tsiskara State Reserves created during the Soviet era in 1969. The period following the Soviet Union collapse and the early period of independence were marked by significant economic and political instability which negatively impacted the financing and management capacity of the PA system. However, in the last 15 years, and particularly the last 7 years, Georgia has made steady and very significant efforts to re-establish, reform, expand and bring into line with international norms its PA system. The NBSAP (1996) identified the PA system as a key element of biodiversity conservation efforts in Georgia and the new Protected Areas Law (1996) brought about a radical redefinition of its components in conformity with IUCN recommended PA categories and management priorities.

The Legal Entity of Public Law (LEPL) Agency for Protected Areas (APA), was created within the Ministry of Environment and Natural Resources Protection in 2008 which became responsible for management of the majority of nationally significant PAs (see Table 2). APA has been extremely successful at advocating the expansion and financing of the PA estate, particularly within the context of the national tourism development objectives. Thus the total PA coverage has increased from approximately 2.6% of the country at independence to a total approximately 7.3% currently, and financing almost doubled between 2007 and 2012 (USD 1.3 million to 2.1 million). This has been accompanied by over USD 13.5 million in donor assistance over the past 6 years.

Despite its very significant achievements, APA is still a young organization and the evolution of the protected areas system is both rapid and ongoing. Thus, inevitably, there remain areas where the overall managerial and cost effectiveness of the system needs to be enhanced and the capacity of staff, particularly in the field, needs to be strengthened. The current significant dependence of the PA system on international and regional donors, including funding of recurrent costs, means that the system is highly vulnerable to any changes that might occur in such sources and thus its long term sustainability is at risk. Progress has been made in establishing principles and general guidelines for financial planning in APA's PAs. However this work needs to be further disseminated and built into improving a 'business-planning' approach to further increase efficiency.

Another, and partly related, issue is the need to enhance the level of public participation and bring about the greater involvement of local populations in the management of PAs. Though this entails a greater complexity of planning and institutions, it is generally accepted from international experience to be important in reducing long term threats to biodiversity and for improving sustainability of the PAs. However, historically such approaches have limited precedent in Georgia and at this stage in the evolution of the national PA system only initial steps in this direction have been attempted.

Poaching and the illegal wildlife trade in the sub-region have increased significantly as a result of the economic crisis and the opening of the borders within the former Soviet countries. Fortunately, in Achara threats from over exploitation remain incipient and have so far had only a limited impact. On the other hand, Achara is a fast developing region of Georgia and its economic profile and forms of land utilization is changing rapidly in response to this. The major sources of immediate threats to the forest ecosystem in Achara relate to the rapid economic development in the region and from the fact that the region is becoming a transport hub and a rapidly growing tourism destination.

The long-term solution to the threats described above is to create a functional, representative and sustainable protected areas estate in the Achara region that effectively protects biodiversity and provides functional connectivity among the individual protected areas. To achieve effectiveness and sustainability, this solution needs to be coupled with efforts to reduce illegal and excessive use of biodiversity, limit inappropriate development, and to involve the active participation of local communities in collaboration with strengthened Government institutions (at central and decentralized levels).

The project goal is to establish a regional PA estate that can effectively ensure the conservation and sustainable use of the globally important Colchic Temperate Rain Forests of the Lesser Caucasus Mountain Range in South West Georgia. The project objective is to enhance the management effectiveness, biogeographically coverage, and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region. In order to achieve the project objective two outcomes will be pursued i.e. enhancement of PA management effectiveness in the Achara Region, and PA system expansion to increase functional connectivity of PAs in the West Lesser Caucasus.

The project will undertake activities to support the expansion of the protected areas estate in Achara and address barriers to long term sustainable and effective management. It will do this through technical assistance to help

establish the new Machakhela National Park and to build the overall management effectiveness of the chain of PAs established in Achara to conserve the Colchic rainforests of the West Lesser Caucasus Priority Conservation Area.

A major focus will therefore be on increasing cost effectiveness, financial and social sustainability of the PA system in Achara. In this context the capacity of PA staff to apply effective and adaptable management will be built, effective financial planning and income generation approaches will be tested, and the participation of local communities in PA management will be developed. This will include the establishment of the necessary collaborative governance mechanisms and capacity within APA, PA Administrations, and local stakeholders (local authorities and communities). Lessons and best practices from the project will be of direct value to APA in its further development of the overall PA system within Georgia.

PART I: Situation Analysis

CONTEXT AND GLOBAL SIGNIFICANCE

Environmental Context

The Caucasus Eco-region is a critical store house of threatened biodiversity, being one of the Global 200 WWF Eco-regions², one of the World's 34 biologically richest and most endangered terrestrial ecosystems³, and one of the World's 221 Endemic Bird Areas⁴. Over 6,500 species of vascular plants and seventeen endemic plant genera thrive in the Caucasus. The Caucasus Eco-region covers a total area of 580,000 km² and consists of six countries, including Georgia. Mountains cover approximately 65% of the Eco-region, while plains and lowlands cover the remaining 35%. The elaborate mountain relief creates a diversity of climate zones, resulting in large variation among different regions. These numerous microclimates support a range of ecosystems. Forests are the most important ecosystem for biodiversity conservation in the Caucasus, covering nearly 20% of the region. Currently 13.78% of forests in the Eco-region are conserved in protected areas. The most significant forests for biodiversity conservation can be grouped into five primary geographical areas, one being the Lesser Caucasus Mountain Chain.

Georgia, in its entirety (69,500km²), forms part of the Caucasus Eco-region (covering 12%), and harbors a representative sample of its biodiversity endowment. It is located on the isthmus between the Black and Caspian Seas. The country has a diverse landscape and climate: West Georgia is characterized by a relatively humid subtropical climate while East Georgia has a drier, moderately humid climate. Georgia is an important reservoir of biodiversity, due to its location (at the juncture of two major bio-geographic regions, Black Sea and Alpine), the land form (the peninsula between the Black and Caspian Seas provides an important migration route and flyway), the topography of the landscape (with great variations in altitudes, and opportunities for isolation) and the climate. All the major ecosystems found in the Caucasus Eco-region are found in Georgia, with the forest ecosystem making up 60% of the country. The main natural vegetation regions found in Georgia are (i) Alpine belt and subalpine scrub/forest; (ii) Mesic deciduous forest; (iii) Mixed forest with evergreen under-storey; (iv) Steppe; (v) Colchic Forest and (vi) shrub land and dry woodland/scrub⁵. The western part of the Lesser Caucasus Mountain Range is an especially important area of high conservation importance in Georgia due to the abundance of relic and endemic plant species.

Project Area: Within Georgia, and indeed the Eco-region as a whole, the **Achara region** is of particularly high conservation significance. The region covers an area of 2,900 km² covering 0.5% and 4.2% of the total area of the Caucasus Eco-region and Georgia respectively. Achara is located on the south-eastern coast of the Black Sea and lies at the northern edge of the Lesser Caucasus Mountain Range. The area forms part of an important priority conservation area in the Caucasus Eco-region (West Lesser Caucasus Priority Conservation Area⁶) that stretches into Turkey. The area is of biodiversity importance because of the humid Pliocene flora refugium, high proportion of narrow-ranged (local endemic) plants (including two rhododendron and other evergreen shrubs and trees), high percentage of endemics among fish, amphibians, lizards and small animals; endemic snails and beetles; and as a

²Olson, D.M. & Dinerstein, E. 2002. *The Global 200: Priority Ecoregions for Global Conservation*. Ann. Missouri Bot. Gard. 89:199 – 224.

³Mittermeier, R.A., Myers, N. & Mittermeier, C.G. 2000. *Hotspots: Earth's Biologically Richest and Most Endangered Terrestrial Ecoregions*. Conservation International.

⁴“Worldwide, the most important places for habitat-based conservation of birds are the endemic Bird Areas (EBAs). Most species are quite widespread and have large ranges. However, over 2,500 are restricted to an area smaller than 50,000 km², and they are said to be endemic to it. Birdlife has identified regions of the world where the distributions of two or more of these restricted-range species overlap to form Endemic Bird Areas” from www.birdlife.org/datazone/eba accessed 12/30/2011

⁵Box, E.O.; Fujiwara, K.; Nakhutsrishvili, G.; Zazanashvili, N.; Liebermann, R.J. and Miyawaki, A. 2000. Vegetation and Landscapes of Georgia (Caucasus) as a Basis for Landscape Restoration. Bull. Inst. Environ. Sci. Technol. Yokohama. Natm. Univ. 26: 69 – 102.

⁶WWF. 2006. An Ecoregional Conservation Plan for the Caucasus.

well-known bottle-neck for migratory birds. Colchic Forests⁷ (temperate rainforest) dominates in Achara with 67% of the landmass covered by such forests.

The region of Achara is an autonomous Republic within Georgia and has its own local Parliament and legislative system. Due to the unsettled history of the Achara region since the collapse of the Soviet Union and Georgia’s independence (1991), the area has, in the past, received less attention from national and international biodiversity conservation efforts (with the exception of Kobuleti PAs which received support in the recent past).

Protected Area System: History, Current Status and Coverage

The protected areas of Georgia have a long history. For many centuries people protected some areas for religious reason i.e. so called “icon forests”. In addition, there were royal and feudal hunting lands and church forests in the mountains of Georgia where felling was prohibited and care was taken to conserve hunting species. For example, in the 17th century King Vakhtang VI issued a “Code of Laws” that designated the Koruli area as a protected site where felling and walking were prohibited and which was protected by royal guards. However, it was when Georgia was absorbed into the Russian Empire that areas were set aside for scientific and conservation reasons. The first protected area of the modern era was Lagodekhi State Reserve in 1912, which was also the first such reserve in the whole Caucasus region. The first protected areas in the Achara region were the Kintrishi and Tsiskara State Reserves created during the Soviet era in 1969. When the Soviet Union collapsed in 1991 and Georgia once again became an independent republic, the total PA estate covered 180,000ha (2.6% land area) mostly consisting of relatively small strictly protected State Reserves (Zapovedniki).

The period following the Soviet Union collapse and the early period of independence were marked by significant economic and political instability which negatively impacted the financing and management capacity of the PA system. However, in the last 15 years, and particularly the last 7 years, Georgia has made steady and very significant efforts to re-establish, reform, expand and bring into line with international norms its PA system. The NBSAP (1996) identified the PA system as a key element of biodiversity conservation efforts in Georgia and the new Protected Areas Law (1996) brought about a radical redefinition of its components in conformity with IUCN recommended PA categories and management priorities. The LEPL Agency for Protected Areas (APA), was created within the Ministry of Environment and Natural Resources Protection in 2008 which became responsible for management of the majority of nationally significant PAs. APA has been extremely successful at advocating the expansion and financing of the PA estate, particularly within the context of the national tourism development objectives. Thus the total PA coverage has increased from approximately 2.6% of the country at independence to a total approximately 7.3% currently, and financing almost doubled between 2007 and 2012 (USD 1.3 million to 2.1 million). This has been accompanied by over USD 13.5 million in donor assistance over the past 6 years (see Table 1 and Graph 1 below).

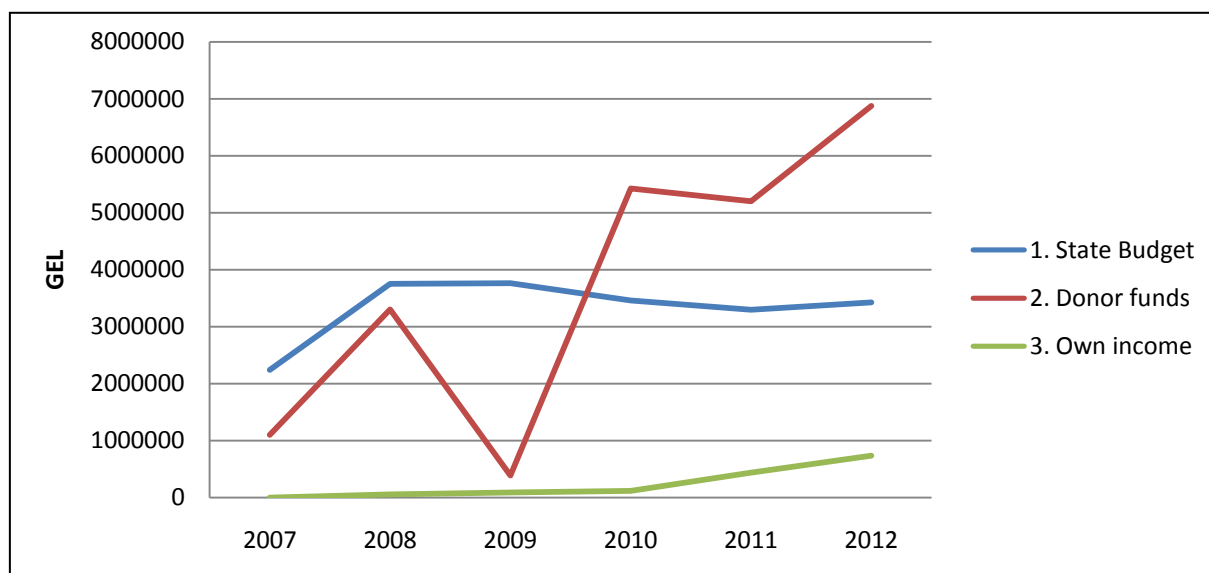
Table 1: Summary of Changes in Financing of PA System Since 2006

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|------|------|------|------|------|------|
|--|------|------|------|------|------|------|

⁷ The Colchic Forests are found around the southeast corner of the Black Sea in Turkey and Georgia. The forests are mixed, with deciduous Black Alder (*Alnus glutinosa*), Hornbeam (*Carpinus betulas* and *C. orientalis*), Oriental Beech (*Fagus orientalis*) and Sweet Chestnut (*Castanea sativa*), together with evergreen Nordmann Fir (*Abies nordmanniana*), Caucasian Spruce (*Picea orientalis*) and Scots pine (*Pinus sylvestris*).

| | | | | | | | |
|-----------------|------------------|-----------|-----------|-----------|-----------|-----------|------------|
| 1. State Budget | GEL ⁸ | 2,237,400 | 3,752,800 | 3,762,000 | 3,461,000 | 3,297,000 | 3,426,000 |
| | USD | 1,356,000 | 2,274,424 | 2,280,000 | 2,097,576 | 1,998,182 | 2,076,364 |
| 2. Donor funds | GEL | 1,100,000 | 3,300,000 | 388,194 | 5,422,820 | 5,199,644 | 6,873,376 |
| | USD | 666,667 | 2,000,000 | 235,269 | 3,286,558 | 3,151,299 | 4,165,682 |
| 3. Own income | GEL | 0 | 54,193 | 87,167 | 118,138 | 436,793 | 736,464 |
| | USD | 0 | 32,844 | 52,828 | 71,599 | 264,723 | 446,342 |
| TOTAL | GEL | 3,337,400 | 3,106,993 | 4,237,361 | 9,001,958 | 8,933,437 | 11,035,840 |
| | USD | 2,022,667 | 4,307,268 | 2,568,097 | 5,455,733 | 5,414,024 | 6,688,388 |

Graph 1: APA Financing 2007- 2012



At present in Georgia there are 14 Strict Nature Reserves/State Reserves, 9 National Parks, 21 Managed Reserves, 18 National Monuments, 2 Protected Landscapes and 1 Multiple-Use Territories. Protected Areas cover 512,063 ha, which is 7.35% of the country's territory (see Table 2). However, all the major ecosystems are underrepresented in the protected area system of Georgia, with the forest ecosystem only represented by 9.7% in protected areas.

Table 2: Summary of Protected Area Types in Georgia⁹

| Type of PA | Management Objectives | Management Agency | Number | Area (ha) | Share in Total Territory |
|---|---|-------------------|--------|------------|--------------------------|
| State / Strict Nature Reserve <i>IUCN Category I</i> | Created and managed mainly for scientific research and/maintain wilderness in untouched condition | APA | 14 | 143,218.3 | 2.05% |
| National Park <i>IUCN Category II</i> | Established and managed mainly for natural ecosystem conservation and recreation | APA | 9 | 268,719.91 | 3.86% |

⁸ GEL – Georgian Lari (national currency)

⁹ Republic of Georgia 2005. *National Biodiversity Strategy and Action Plan – Georgia*.

| | | | | | |
|---|--|----------------------|----|------------|-------|
| Natural Monument <i>IUCN Category III</i> | Established and managed mainly for the conservation of specific natural features | APA | 21 | 455.1 | 0.01% |
| Managed Reserve <i>IUCN Category IV</i> | Established and managed mainly for conservation through management interventions | APA | 18 | 64,119 | 0.92% |
| Protected Landscape <i>IUCN Category V</i> | Established and managed mainly for natural/cultural landscape conservation, scenery preservation and recreation | Local Municipalities | 2 | 34,708 | 0.5% |
| Multiple Use Territory <i>IUCN Category VI</i> | Established and managed mainly for the sustainable use of natural ecosystems and renewable natural resources. Is the legal category specified in PA Law for PA "Support" (buffer) zones if such are created. | Local Municipalities | 1 | 842.4 | 0.01% |
| Total | | | 65 | 512,062.71 | 7.35% |

Despite its very significant achievements, APA is still a young organization and the evolution of the protected areas system is both rapid and ongoing. Thus, inevitably, there remain areas where the overall managerial and cost effectiveness of the system needs to be enhanced and the capacity of staff, particularly in the field, needs to be strengthened. For example, the current system is highly centralized and management in PAs is directed almost exclusively by HQ staff, leaving little flexibility for PA administrations in the field. This centralization of powers was a necessary first step following the period immediately post independence when PA Administrations, with weak support from the centre and limited funding or capacities to adapt to the new circumstances, became ineffective. However, as circumstances have changed and the system has evolved, the current level of centralization is inhibiting the opportunities for PA Administrations to apply flexible adaptive management. Adaptive management is necessary to reach sustained conservation goals and ensure they are achieved in a cost effective manner. On the latter issue (cost-effectiveness), it is noteworthy that the Georgian PA system level of financing, particularly if donor funds are included, is significantly higher than almost all former Soviet and Eastern bloc countries (and many "developed" countries) in terms of per km² expenditure. Staffing levels are also significantly greater than international averages. Though this could be seen as a very positive indicator of commitment, and also an indicator of capacities to mobilize (financial and human) resources, when viewed in combination with other factors (high centralization, limited experience and training, etc.) it may equally indicate poor cost-effectiveness of the system and a need for improvement. The current significant dependence of the PA system on international and regional donors, including funding of recurrent costs, means that the system is highly vulnerable to any changes that might occur in such sources and thus its long term sustainability is at risk. Additionally, the high numbers of staff, and the resulting dominance of salaries in their annual budget, make PA administrations vulnerable to any change in available funds. Progress has been made in establishing principles and general guidelines for financial planning in APA's PAs. However this work needs to be further disseminated and built into improving a 'business-planning' approach to further increase efficiency.

Another, and partly related, issue is the need to enhance the level of public participation and bring about the greater involvement of local populations in the management of PAs. Though this entails a greater complexity of planning and institutions, it is generally accepted from international experience to be important in reducing long term threats to biodiversity and for improving sustainability of the PAs. Appropriate co-management approaches can bring gains, not just in terms of greater support and reduced threats, but also in terms of cost effectiveness of management (i.e. through reduced enforcement needs and delegation of management tasks and investments).

However, historically such approaches have limited precedent in Georgia and at this stage in the evolution of the national PA system only initial steps in this direction have been attempted.

The Legal Context and the Actual Involvement of Local Community in PA Management in Georgia: The national Law on Protected Territories (1996) includes a number of articles relating to local populations involvement in PA management in the context of State Reserves and National Parks IUCN Category I and II PAs. In summary Article 16: “Support Zones of Protected Territories” paragraph 1 states that “Support Zones” can be created where deemed necessary around State Reserves or NPs and this will be accomplished by establishing them as legally designated “Multi-purpose Use PAs (IUCN Category VI). The second part of paragraph 2, Article 16 says” Zone management and coordination developments and permitted activities shall be specified in a special program, which, along with the Management Plan, shall be approved by the President of Georgia”. Thus, in legal terms, the provisions for what are typically known internationally as “buffer zones” around Category I and II PAs, are clear. However, in practice the situation is less straightforward: firstly, APA has different definitions of what a “support zone” and a “buffer zone” are. The former is as defined in the law, but additionally they recognize “buffer zones” around PAs as areas with a similar definition as “support zones” but no legal designation. Thus in areas that they define as “buffer zones” they have no legal mandate to operate and no legal basis to include them within management planning.

Secondly, apart from the article dealing with “Support zones”, the Law on Protected Territories also addresses local population involvement in NP management. Firstly, Article 5: National Parks, paragraph 3 specifies the need to undertake zonation of NPs and one type of zone is “traditional use”. The same paragraph goes on to say “*A traditional usage zone shall be established to conduct economic activities related to the environment protection and traditional use of renewable natural resources. In such zones there shall be permitted: mowing, pasturing, wood collecting, etc., within the limits of local needs and natural productivity. There shall be prohibited: sowing, plowing and erecting agricultural facilities*”. Finally, Article 12 of the Law on Protected Territories which deals with ownership of PA land states under paragraph 2 that “*The territories of all state reserves, national parks, natural monuments shall be an exclusive property of the State. Hereby is prohibited the transfer of natural resources located in such territories to individuals or legal entities, with the exception of traditional usage zones of national parks and certain sites of the prohibited areas*”. Thus in summary it would seem from the law that “traditional use zones” within an NP are allowed and that the “*transfer of natural resources located in such territories to individuals or legal entities*”[such as local community groups]is legally possible and that their management of such areas for various extractive uses is allowable. However, application of the options for co-management made possible under these articles does not seem to have been yet widely applied in Georgia. The only existing PA in Achara with a designated “traditional use” zone is Mtirala NP and the only access allowed for local communities to resources in it has been the licensed collection of fuel wood.

Achara Region PAs: The protected areas in the Achara region comprises of one Strict Nature Reserve (Kintrishi – 13,893 ha), one National Park (Mtirala - 15,806 ha), one Protected Landscape (Kintrishi – 3,190 ha), one Nature Reserve (Kobuleti – 331.25 ha) and one Managed Reserve (Kobuleti - 438.75 ha). These protected areas have had sub optimal conservation investment over the years, in part because of the autonomous nature of the region (the exception is the Kobuleti PAs which in the recent past received adequate funding), and in part due to a period of political instability. The PAs in the Achara region are deficient in terms of i) bio-geographic coverage and ii) management effectiveness of protected areas to address the previously mentioned mounting threats. The biodiversity of Achara region is managed through a complicated system of national, region and local administrations. Designated Protected Areas (IUCN Categories I-V) are managed by the national institution (Agency of Protected Areas). IUCN Category VI PAs and “buffer zones”, which are legally undesigned, are managed by the regional Forestry Agency and local municipalities working directly with local communities. Forestry and land use planning policy development is undertaken by the Environment and Natural Resources Directorate of Achara. Thus currently, the PA management plans do not incorporate actions or stakeholders in the

“buffer zones” as PA Administrations have no legal mandate in those areas. The protected areas of the Achara region are described in Table 3 below:

Table 3: Protected Areas of the Achara Region¹⁰

| PA Name | IUCN Category | Size | Conservation Objective | Ecosystem covered |
|---|---------------|-----------|---|--|
| Kobuleti PA Complex – located along the Black Sea in the northern part of the Kobuleti district of Autonomous Republic of Achara | | | | |
| Kobuleti Nature Reserve | I | 331.25 ha | The protected areas were created with the purpose to preserve the unique sphagnum peat bogs | Freshwater Ecosystems |
| Kobuleti Managed Reserve ¹¹ | IV | 438.75 ha | | Freshwater and Coastal and Marine Ecosystems |
| Kintrishi PA Complex – located in the Kobuleti District of Autonomous Republic of Achara | | | | |
| Kintrishi Nature Reserve | I | 10,703 ha | The protected areas were established with the purpose to preserve Colchic forests with evergreen relict sub forest. The Kintrishi Protected Areas’ topography stretch from 250-300 m above sea level to the Alpine pastures. The area is rich in rivers. In the high mountains at a height of 2200 m a small lake, Tbikeli, is found. | Freshwater and Forest Ecosystems (Coniferous, Deciduous and Colchic forests) |
| Kintrishi Protected Landscape | V | 3,190 ha | | Freshwater and Forest Ecosystems (Coniferous, Deciduous and Colchic forests) |
| Mtirala Protected Area – Located in the Kobuleti, Khelvachauri and Keda districts of Autonomous Republic of Achara | | | | |
| Mtirala National Park | II | 15,806 ha | Mtirala National Park was created with the purpose to preserve the Colchic forest ecosystems and deciduous forest ecosystems, and rare endemic areas. | Forest Ecosystem (Coniferous, Deciduous and Colchic forests) |

Description of Project Target Protected Areas (maps are provided in Annexes):

Mtirala National Park is established on the Kobuleti-Chakvi Ridge in the western part of the Achara-Imereti Range of the Smaller Caucasus Mountains in order to preserve unique Colchic ecosystems. This uniqueness derives from the fact that the area was shelter during the ice age and provided a refuge for tertiary relicts which still survive. The area where the NP was created is distinguished with typical Colchic relicts. The NP is contiguous with Kintrishi State Reserve (north east boundary). It was legally gazetted in 2006. The initial 6 year management plan is reaching its end and requires updating and enhancing. The management objectives of the NP are the conservation of unique Colchic ecosystems, and development of tourism. Relief within the NP is formed by spectacular narrow valleys (including canyons) and there is a large variation in altitude (from 200m a.m. up to 1,763.8 m.a.m.). In Mtirala NP and its buffer zone there are 26 species of plants endemic to the Caucasus region and 69 plants listed in the Caucasus Red Data Book (6 in IUCN Red Data Book (RDB) including *Taxus baccata*, *Buxus colchica* and *Carpinus orientalis*). The NP contains 30 fauna species listed in the IUCN RDB including: *Cyprinus carpio*, *Darevskia clarkorum*, *Aquila chrysaetos*, *Neophron percnopterus*, *Rupicapra rupicapra* and *Ursus arctos*. Mtirala National Park’s total area comprises 15,806 ha, of which 2,584 ha (16.3%) is designated as Strict Protection Zone,

¹⁰ See Annex for maps showing locations of these PAs

¹¹ This protected area was designated a Ramsar site in 1996.

8,519 ha (53,9%) as Visitors' Zone, and 4,703 ha (29,8%) as Traditional Use Zone. The total area of Buffer Zone of Mtirala NP is 10,202 ha, comprising of 76.7% state forest fund land (7,842 ha) and 23.3% settled and agricultural lands (2,360 ha). The NP lies in Khelvachauri and Kobuleti municipalities and contains 11 communities, 21 villages, 4,468 households and a total of 16,620 inhabitants. Currently, the buffer zone of Mtirala NP is managed by local authorities and the Forestry Agency and has no specific legal status as a conservation area. It was not covered by the initial NP management plan. Many of the households depend mainly on employment of one or more family member outside the village environment (i.e. in nearby urban areas). Local resource use is thus mainly subsistence and is used to supplement other sources of income. Land use involves: small household plots for maize and horticultural production and orchards (averaging 0.2 -0.4 ha. per household); a limited number of livestock and poultry per household; and a variety of activities based on the forest and rivers. These include: bee keeping, fishing (both catching and farming), decorative plant collection, nut and berry collection and fuel wood collection. Mtirala NP and its buffer zone are rich with spring water courses. The NP is the source of drinking water for 16,620 people in the buffer zone and the main river originating in the NP (Chakvistiskali river) is the source of the drinking water supply for the city of Batumi (with more than 150,000 residents and at least double this in the tourist season).

Kintrishi PA Complex: The Kintrishi PA complex is comprised of two areas: Kintrishi State Reserve (IUCN Category I), which was created in 1959, and Kintrishi Protected Landscape (IUCN Category V) established in 2007 on the territory of the original State Reserve. The Protected Landscape was established to rationalize the zonation of the original State Reserve and recognize the presence of limited settlement and land use along the main river valley. Thus the Protected Landscape consists of a narrow strip of land within the State Reserve along the main river valleys. The creation of the Protected Landscape also allowed the access of some tourism (previously not allowed under the State Reserve regime). The total area of the Kintrishi protected areas complex equals 13,893 hectares, of which the State Reserve covers 10,703 hectares and the Protected Landscape covers 3,190 hectares. The State Reserve is contiguous with Mtirala NP on its southern boundary. The main management objective is “*To preserve Colchic relict flora and Colchic forests and fauna*”. The relief of the Kintrishi PAs is mountainous and cut by deep ravines. The main artery of the area, the river Kintrishi, has its source on Mount Khino and flows into the Black Sea nearby Kobuleti resort. High in the mountains at an altitude of 2,200 m there are two small lakes - Tbiliki and Sidzerdzali which cover about 1.5 hectares. The lowest point in the PAs is 350 m and the highest point 2,471 m a.s.l. Out of the total area of the PAs, Chestnut forest and the Beech forest together with evergreen sub-forest covers the vast majority i.e. 13,350 hectares (96,1%). The State Reserve contains eight IUCN RBD species of flora, including: *Abies nordmanniana*, *Taxus baccata*, and *Buxus colchica*. Within the State Reserve 28 species of fauna are listed in the IUCN RDB including: *Salmo labrax*, *Mertensiella caucasica*, *Ommatotriton ophryticus*, *Bufo verrucosissimus*, *Darevskia clarkoru*, *Vipera kaznakovi*, *Aquila nipalensis*, *Lutra lutra*, *Ursus arctos*, and *Rupicapra rupicapra*. Local settlements within the territory of the Protected Landscape comprise 3 families living there permanently and 20 families living temporarily (only in summer: for April-November period). The activities of the permanent and temporary inhabitants in the Protected Landscape area consist of limited livestock grazing, some fishing, wild fruit and berry collection, extraction of necessary amount of timber (mainly fuel wood and material for construction), and provision of some visitor services.

Machakhela National Park: The NP was legally gazetted by Parliament in 2012 but currently awaits steps to operationally establish it. The total gazetted area is 8,733 ha, but currently the “support” and “buffer” zones are not designated and internal zonation of the NP has not been carried out. The area is covered by forests, 75 % of which are virgin forests. Most of the area is covered by the Colchic type mixed forests. The establishment of the Machakhela National Park will increase the total percentage of protected area coverage in Georgia to 7.5% and that of the Forest Ecosystem representation in Georgia to 13%. Furthermore, the establishment of this PA will increase the national representation of Colchic Forests by at least 20%. The area is also characterized by a unique variety of

relict and endemic plants. There are two plants endemic to Achara¹², 20 species endemic to Colchic vegetation¹³, and 4 endemics to Georgia¹⁴. There are also 12 endemics of the Caucasus Eco-region¹⁵ found in the area of the proposed Machakhela National Park. Among woody plants found in the proposed NP area, 13 species are listed in the “Red List” of Georgia as threatened and endangered species, and 5 are listed in the IUCN international “Red List”. Additionally, 23 IUCN Red List fauna species occur within the NP planned territory. The location of the planned National Park is strategically located between the Mtirala National Park and a Turkish PA, i.e. the Jamili Biosphere Reserve to the south. The establishment of the NP will decrease the distance between the combined Mtirala and Kintrishi Protected Areas to the nearest other protected areas (the new NP and Jamili BR) from 13 km to 6km. This will enhance the functional connectivity of these protected areas. The planned NP territory lies within two municipalities, Khelvachauri and Qeda (but the NP territory is mainly in Khelvachauri). Major land uses in Khelvachauri municipality are State forest fund territories (10,868ha.) and agricultural/settled lands (1,746ha.). Within the planned NP and its adjacent territory there are a total of 2 groups of communities i.e Machakhela valley community consisting of 8 villages and a total population of 3,072 people (741 households) and Kirnati valley community consisting of 6 villages and a total human population of 1,826 (467 households). All households practice subsistence agriculture and NFTP use and most depend on the employment of one or more family member outside the village environment (i.e. in nearby urban areas) for additional income. Incomes have fallen drastically since Soviet times due to a reduction in secure markets for tea, tobacco and citrus fruit products. Main land uses currently involves small household plots for maize and horticultural production and orchards (averaging 0.2-04 ha.), a limited number of livestock and poultry (a few milking / meat cows, chickens etc) and a variety of activities in the natural forest and river. These include: bee keeping, fishing (both catching and farming), nut and berry collection and fuel wood collection. Some households specialize in livestock but in total the number only adds up to 200 head and these are pastured in summer in a different and distant location (are stall kept during winter). Energy needs for heating are entirely met by fuel wood and this is therefore a key resource need which the new NP will have to ensure and a source of specific concern of the population.

Tourism in Achara: According to official data, the number of visitors to the Achara region has significantly increased during the last years, from less than 100,000 in 2004 to about 1.3 million in 2011 (Table 4). About 64% of all visitors are citizens of Georgia and remaining 46% are foreigners.

Table 4. Numbers of Visitors in Achara (2004-2011)

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------|--------|---------|---------|---------|---------|---------|---------|-----------|
| Domestic visitors | 75,000 | 120,000 | 182,523 | 239,786 | 208,782 | 392,091 | 662,288 | 838,661 |
| Foreign visitors | 8,000 | 27,000 | 67,477 | 112,299 | 76,218 | 162,059 | 312,275 | 480,852 |
| TOTAL | 83,000 | 147,000 | 250,000 | 352,085 | 285,000 | 554,150 | 974,563 | 1,319,513 |

Table 5. Number of Foreign Visitors in Achara by Countries

¹²*Ficariapopovii*, *Ranunculusampelophyllus*var. *adzharica*,

¹³*Cyclamenadzharicum*, *Rhododendronungernii*, *Rh. smirnowii*, *Teucriumtrapezunticum*, *Quercusdshorochensis*, *Dryopterisalexenkoana*, *Euonymusleiophlea*, *Swidakoengii*, *Stachysmacrophylla*, *Stachistrapezuntae*, *Scillamonanthos*, *Ornithogalumworonowii*, *Ficariacalthifoliavar. adzharica*, *Aristolochiapontica*, *Hederacolchica*, *Ficus colchica*, *Rubuscaucasicus*, *Iris lazica*, *Buxuscolchica*and*Heracleumcyclocarpum*.

¹⁴*Galanthusworonowii*, *Symphytumibericum*, *Cynoglossumimeretinum*, *Rubusworonowii*

¹⁵*Angelica pachyptera*, *Heracleumsosnovskyi*, *Taraxacumgrossheimi*, *Symphytumcaucasicum*, *Pachyphragmamacrophyllum*, *Arabisnordmanniana*, *Campanula cordifolia*, *Gadelialactiflora*, *Helleboruscaucasicus*, *Ranunculus grandiflorus*, *Digitalis ferruginea*, *Pyruscaucasica*.

| | Foreign, total | Azerbaijan | Turkey | Iran | Israel | Armenia | Ukraine | Other |
|------|----------------|------------|---------|--------|--------|---------|---------|--------|
| 2005 | 27,000 | 1,700 | 2,369 | 230 | 55 | 20,000 | 250 | 2,396 |
| 2006 | 67,477 | 2,498 | 10,062 | 514 | 105 | 46,273 | 1,349 | 6,676 |
| 2007 | 112,299 | 4,628 | 39,588 | 634 | 956 | 54,996 | 1,785 | 9,712 |
| 2008 | 76,218 | 3,757 | 30,804 | 330 | 1,740 | 26,130 | 1,704 | 11,753 |
| 2009 | 162,059 | 12,811 | 70,476 | 232 | 405 | 60,636 | 2,309 | 15,190 |
| 2010 | 312,275 | 43,970 | 136,341 | 4,536 | 967 | 98,995 | 7,706 | 19,760 |
| 2011 | 480,852 | 56,178 | 232,506 | 27,021 | 10,064 | 104,561 | 10,657 | 39,865 |

More detailed information on foreign visitors (Table 5) shows that about half are from Turkey (48%), about 40% are from Azerbaijan, Armenia and Iran, and the remaining 12% from other countries (Ukraine, Israel, etc.). There is no information on purpose of trips by countries, but according to information from locals the visitors from Turkey come mainly for the purpose of business or gambling, while visitors from other countries come mainly for summer holidays (beach tourism). 64% of all visitors (including domestic visitors) come to Achara during the June-August period.

Table 6: Number of Visitors by Municipalities in Achara (2004-2011)

| Year | Batumi | | Kobuleti | | Khelvachauri | | Khulo | |
|------|---------|---------|----------|---------|--------------|---------|--------|---------|
| | Total | Total % | Total | Total % | Total | Total % | Total | Total % |
| 2004 | 39,800 | 48% | 32,700 | 39% | 9,500 | 11% | 1,000 | 1% |
| 2005 | 66,775 | 45% | 60,845 | 41% | 17,930 | 12% | 1,450 | 1% |
| 2006 | 134,244 | 54% | 78,577 | 31% | 33,649 | 13% | 3,530 | 1% |
| 2007 | 189,696 | 54% | 118,942 | 34% | 36,488 | 10% | 6,959 | 2% |
| 2008 | 179,728 | 63% | 67,430 | 24% | 25,272 | 9% | 12,570 | 4% |
| 2009 | 261,783 | 47% | 207,850 | 38% | 81,259 | 15% | 3,258 | 1% |
| 2010 | 557,639 | 57% | 276,880 | 28% | 128,731 | 13% | 11,313 | 1% |
| 2011 | 840,847 | 64% | 322,754 | 24% | 149,163 | 11% | 4,771 | 0% |

As can be seen from the table 6 above, though the number of visitors to Acharahas increased significantly over the last 8 years the proportion visiting Batumi and Kobuleti (the seaside municipalities), compared to those visiting the mountain municipalities where the PAs are located, has not changed. So for example in 2004 87% of all visitors came to Batumi and Kobuleti on the Black Sea, while only 12% visited inland; in 2011 88% visited Batumi and Kobuleti and only 11% the inland municipalities. Thus there has been no change in the basic tourism trend except numbers. Inland municipalities are still attracting very little of the overall tourism business.

During Soviet times Batumi Port was receiving over 50 cruise ships annually and in order to restore and develop this type of tourism the Batumi port became a member of the Association of Mediterranean Cruise Ports (Med Cruise) in 2006, making it possible to increase the frequency of visits by cruise vessels to the Batumi Port. Batumi has been included into the routes of well-known world cruise companies such as Sea Born and Holland-America as one of their ports of call since 2009. 10 cruise vessels entered the Batumi Port in 2009.

The number of accommodation facilities in Achara in 2011 increased by 87% compared to 2006. Out of the 51,100 lodging places, the majority (80%) are for families. There are 25 tour-operator agencies in Achara and 9

information centers. Three of them are located in Batumi, others in the administrative centers of Khelvachauri, Qeda, Khulo, Shuakhevi. 43% of private investments made in 2011 in Achara were related to the tourism sector.

Income from visitors to Project target PAs: Mtirala NP was visited by about 22,000 people in 2012 and income generated was 3,725 GEL (2,257 USD) – about 0.10 USD per visitor. Kintrishi PAs were visited by about 5,000 people in 2012 and income generated was 1,185 GEL (718 USD) – about 0.14 USD per visitor. As mentioned previously the majority of tourists visiting Achara come to holiday by the sea (beach holidays) or to access gambling and business opportunities. This explains the relatively small numbers that currently visit the reserves compared to those who visit Achara as a whole. It also provides an opportunity to increase numbers visiting the reserves if a unified effort is made by the PAs, the Achara Tourism Agency and commercial tourism organizations to provide appropriate services and diversify the “Batumi holiday experience”.

The relatively low incomes from the comparatively high visitor numbers in Mtirala NP is mainly due to the fact that most visitors are local school trips (who visit as part of government education programme and do not pay). In any case visitors to the PAs are not charged an entrance fee. The limited money that was generated by Mtirala NP was from renting camping equipment, sales of orientation and education materials such as maps, brochures, and camping site charges. Previous services as guides and accommodation in a rest house were leased to local operators in recent years. Kintrishi PA complex currently has very limited tourism facilities / services under the administration. To increase incomes PAs either have to change the entrance fee policy, increase revenues from other services, or generate income from tourism concessions (leasing access and facilities to commercial operators, preferably local).

Tourism development potential in and around Achara PAs: Achara region is one of the most popular tourism destinations in Georgia and the PAs in Achara may benefit from this. Two strategic options exist for PAs when planning to tap into the tourism potential in Achara a) to increase number of visitors; and b) to increase income generated from each visitor. In terms of the PAs meeting their biodiversity conservation goals objectives, the second option is clearly preferable as it can help generate increased revenue for management but without a big risk of visitor numbers having significant negative impacts. However, in practice the PAs probably need to achieve a balance of both approaches.

There are some fairly simple and straightforward ways that the PAs can achieve better incomes even with the current level of visitors and without significant investments. As previously indicated, the current rate of income per visitor in Mtirala NP and Kintrishi PAs is very low (0.10 and 0.14 USD respectively). In order to increase the income the simplest step would be the introduction of a PA entrance fee which is currently not charged. It can be symbolic initially (for example the equivalent of 5 USD for adults and 2 USD for children), but it can generate significant amounts. Existing experience in Georgia with charging fees at the Imareti Caves has demonstrated this and can be a good basis for widening its application. Additionally, the PA or commercial entities through concessions (fees going to the PA), could also diversify services provided in the PAs (souvenirs and published materials to visitors, organized picnic areas and dining services, etc.) in order to generate more money, but this would require capital investment.

More strategically, the PAs could attempt to target and attract higher paying visitors, particularly European tourists from niche markets (for example, adventure tourists, birdwatchers, etc.). Such visitors require little additional investments in infrastructure but can generate significantly more income than mass local or regional visitors and without the related negative impacts and management effort. In order to maximize the potential benefits from tourism in relation to meeting their conservation objectives the PAs in Achara need to plan carefully and develop long term strategic approaches that can best serve their needs.

Finally, the mechanism by which funds generated by PAs is distributed needs to be adjusted. Currently, all generated revenue is returned to the APA budget and then redistributed to PAs as APA deems appropriate. Though this approach is justified in terms of ensuring those PAs with less income generating opportunities, but equal conservation values, are supported, it does remove incentives of PA managers to effectively pursue the income generating options available. Furthermore, the basis upon which the funds are distributed is not transparent and reasons for the various allocations are not easily apparent to PA Administrations, Achara (and other regional) authorities, NGOs and the public.

Institutional Context

National

Ministry of Environment and Natural Resources Protection: In Georgia the first state environmental agency, the State Committee of Nature Protection, was established in 1974. The main activities of the Committee were state control on water and air pollution and inter-sectoral coordination functions. In parallel, the State Departments operated in different sectors (protected areas, forestry, geology, hydrometeorology, geodesy and cartography) which were subordinated by the relevant federal USSR ministries from Moscow.

In 2004 the existing sixteen ministries in Georgia were consolidated into thirteen and the new environment Ministry was created - Ministry of Environment and Natural Resources (MEPNR). However, major institutional changes occur in 2011 with the Ministry's name being changed to Ministry of Environment (MoE). Additionally, the Forestry Agency moved to the Ministry of Energy (which was renamed to the Ministry of Energy and Natural Resources); and the resource use licensing functions to the Ministry of Economic Development and Sustainable Development. It was also planned to move the Agency of Protected Areas to the Ministry of Economic Development and to be merged with the Tourism Department, but this initial plan was dropped as a result of lobby from international organizations and civil society. Thus, APA remained as a Legal Entity of Public Law under the management of the MoENRP.

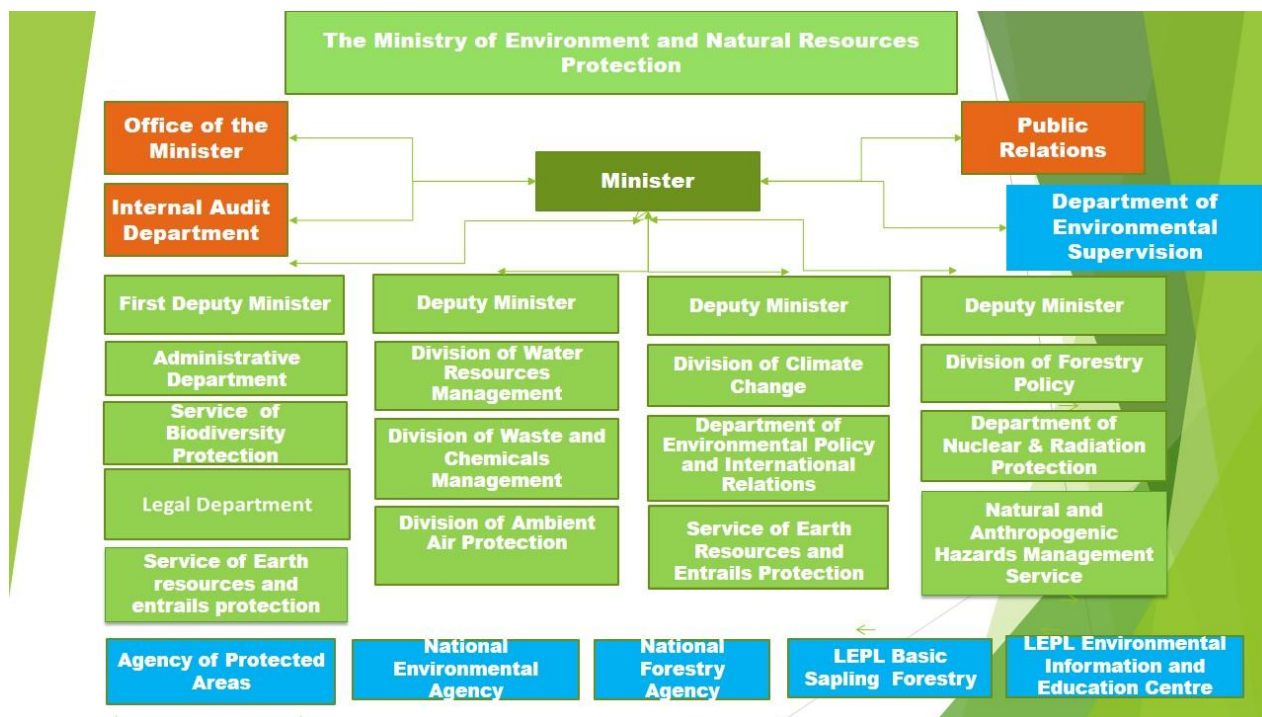
In 2012 the newly elected Government of Georgia (October, 2012) decided to change again the Environment Ministry's name, status and functions and the relevant legal amendments have been drafted. After parliamentary adoption (expected in late Spring 2013), the Ministry's name will be "Ministry of Environment and Natural Resources Protection" (MENRP). Natural resources protection, environmental inspectorate and other relevant functions will come back to this Ministry again. Important goals of the Ministry will be:

- to support sustainable development of the country in the field of environment;
- to organize environmental planning system;
- to elaborate and implement state policy, target programs, strategy of environmental protection for sustainable development, national environmental action programs and management plans in the field of environmental protection and natural resources;
- to protect and preserve unique landscapes and ecosystems, rare and endangered species of flora and fauna that are characteristic for the country, biodiversity, atmospheric air, water, land and mineral resources;
- to implement public administration (regulation, registration, supervision and control) on waste management and chemicals;
- to follow the Georgian legislation in the field of environmental protection and to implement the international commitments within its competence.

The Ministry of Environment and Natural Resources Protection of Georgia provides public access to environmental information, their participation in environmental decision-making process and to support development of environmental education and raising environmental awareness. Currently the Ministry of Environment and Natural

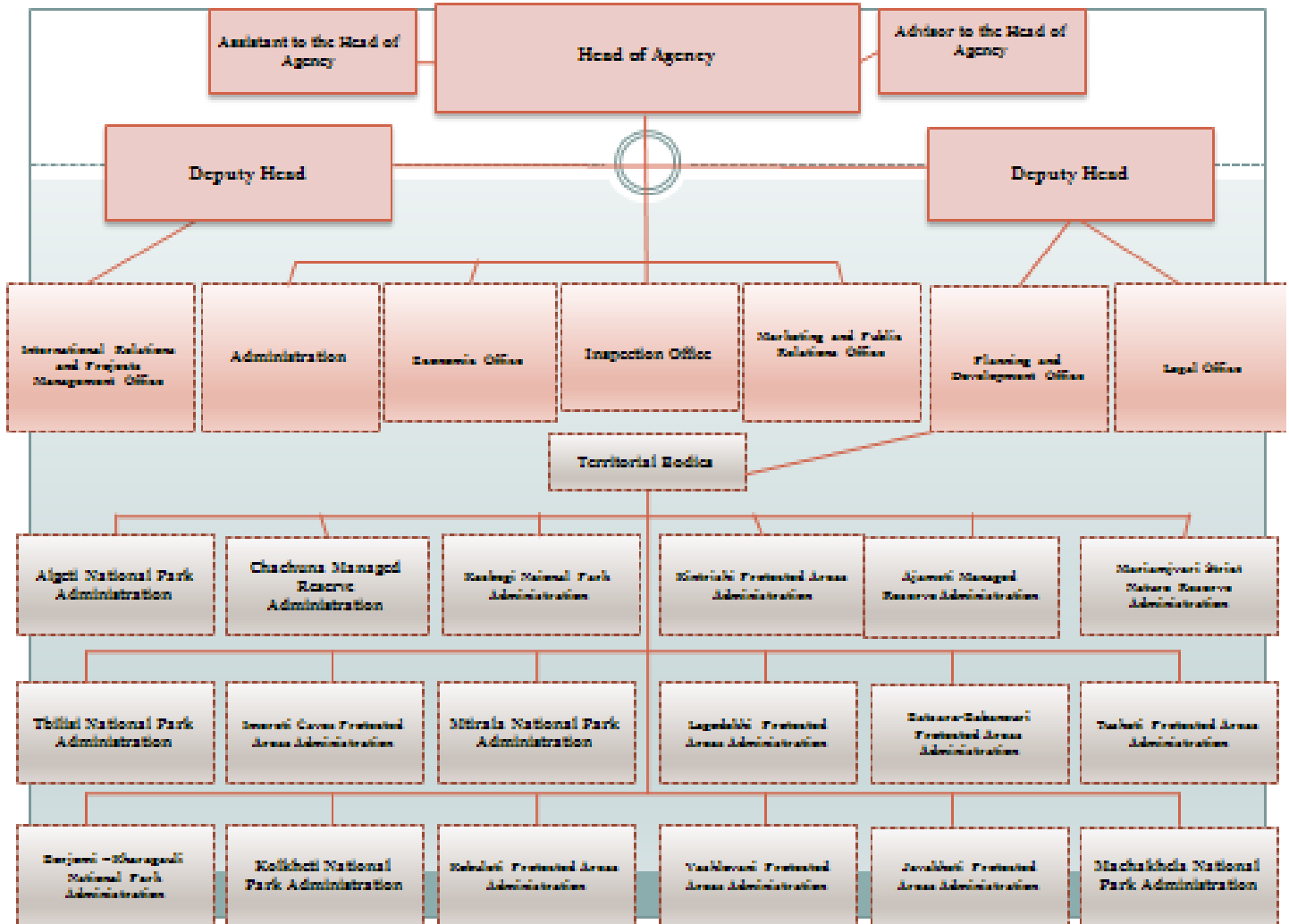
Resources Protection coordinates 15 international environmental conventions among the convention ratified by Georgia, 3 protocols and 3 agreements to these conventions. In addition, the Ministry carries out certain actions and participates in environmental activities under 7 international environmental conventions and protocols, which are not ratified by Georgia yet.

Structure of the Ministry of Environment and Natural Resources Protection



LEPL Agency of Protected Areas (APA), MoENRP: The LEPL Agency of Protected Areas (APA), within the Ministry of Environment and Natural Resources Protection, is responsible for the overall administration of Georgia’s protected areas. The roles and responsibilities of the agency are stipulated in a “Charter of the LEPL - Agency of Protected Areas” and the “Standard Provision on Territorial Administrations of the Agency of Protected Areas” approved by the Orders №3 and №12 respectively by the Minister of Environment and Natural Resources Protection as of May 10, 2013. This charter contains the key issues related to the agency’s authority, scope of activities, and objectives. This agency is discussed in other sections of the document.

Structure of the Agency of Protected Areas



Achara:

Background: Achara is an Autonomous Republic within Georgia. Issues of significant importance are subject to the Constitutional Law of Georgia on the Status of the Autonomous Republic of Achara. The supreme legislative body is the Supreme Council of the Autonomous Republic of Achara, elected for four-year term. The supreme executive body is the Government of the Autonomous Republic of Achara. Local self-authorities consist of municipal councils; and local executive branches consist of mayors. The Autonomous Republic of Achara has its own budget annually adopted by the Supreme Council of the Autonomous Republic of Achara. Important institutions for the project within Achara are:

Commission on Agrarian and Self-Government Issues of the Supreme Council of Achara: The Supreme Council of Achara is the highest legislative body of the Autonomous Republic that implements control over the government and approves the budget of the Republic. The council has its seat in Batumi, and consists of 18 members who are elected for four years. The Chairman of Achara government is elected by the Council. The Commission on Agrarian and Self-Government Issues is a portfolio committee of the Supreme Council of Achara with the following areas of responsibility: regional development policy and local governance, infrastructure and roads;

drafts laws and considers the lawfulness of the subordinate legislation. The commission is mandated to oversee the activities of the respective ministries of the government of Achara.

Agency (Directorate) of the Environment and Natural Resources of AR Achara: The directorate is the Sub-governmental entity of the Achara Autonomous Republic Government. Its main objective is to promote integrated environmental monitoring and sustainable management of forests in the region. Important activities are carried out for geological monitoring, coastline protection and environmental awareness raising. Primary objectives are: Improvement of drinking and surface water quality; Improvement of air quality; Monitoring of geological processes and implementation of respective environmental measures; Improvement of institutional system for waste management; Sustainable forest resources management; Protection of the Black Sea from pollution; Biodiversity conservation; Raising of public awareness on environmental problems.

Agro-Service Center under Ministry of Agriculture of Achara: The Ministry operates Agro-Service Centre which is aimed at providing under one roof essential farm services for farmers through direct assistance to farmers in the areas of agricultural mechanization, provision of improved and high yielding planting materials and other agricultural inputs, including awareness raising and strengthening farmers' knowledge in contemporary practices in agriculture and rural development.

Policy and Legislative Context

Policy Context:

The National Environmental Action Plan (NEAP) is the main policy document in Georgia that includes government priorities in environmental field. The NEAP-2 was approved in January 2012 and covers the period 2012-2016. Eleven priority themes are outlined in this document: Water resources, Ambient Air Protection, Waste and Chemicals, Black Sea, Biodiversity and Protected Areas, Forestry, Land Resources, Mineral Resources and Groundwater, Disasters, Nuclear and Radiation Safety, and Climate Change. A long-term goal (20 years) is developed for each theme and several short-term (5 years) targets are outlined with a number of measures for each target. According to the Ministry of Environment and Natural Resources Protection, NEAP 2 revision is planned in the near future.

Eco-regional Conservation Plan for the Caucasus (ECPC). The vision of this plan for the Caucasus is a region where healthy populations of native plants and animals flourish; habitats, landscapes and natural processes are preserved; and where vibrant and diverse peoples actively participate in the equitable and sustainable management and use of natural resources. The proposed project is especially well aligned to the following strategies of this regional plan: (i) Organize a well-managed protected area network across the Eco-region; (ii) Encourage collaborative management through involvement of all stakeholders, from national governments to NGOs and local communities; (iii) Conserve and restore endangered species; (iv) Promote trans-boundary cooperation. The Achara region is part of one of the geographic priorities of the ECPC.

The National Biodiversity Strategy and Action Plan (NBSAP, 2005) for Georgia lays out the country's vision for biodiversity conservation. The key priorities listed in the NBSAP of relevance to this project include the development of a protected area system that ensures conservation and sustainable use of biological resources, the development of a biodiversity monitoring system and an active and integrated biodiversity database to ensure sustainable use and conservation of biological resources, the raising of public awareness of biodiversity issues, and the encouragement of public participation in the decision making process. The development of new NBSAP has been initiated in Georgia in 2012 to be completed and launched in 2013.

National Tourism Development and Investment Strategy for the Republic of Georgia (March 2008), especially under the following strategic objectives: 1) Attractions and Experiences: Revitalize, protect and improve existing attractions and identify new attractions to meet market demand; and 2) Destination Management: Improve

infrastructure and visitor services. Conserve natural environment and cultural heritage through sustainable tourism development. The Sustainable Development Strategy, that is legally required in Georgia, is not developed yet. This is an important document that theoretically would ensure the balance of economic development and environmental interests.

Legislation:

Over the past decade, Soviet legislation has gradually been replaced by new laws that are largely based on European legislation and the principles of the Rio Declaration and Agenda 21. During the period 1995 to 1999, the Parliament of Georgia adopted 22 acts relating to environmental protection and use of natural resources. Subsequently many changes in management systems have been adopted in response to the new legislation. For example, Georgia's new environmental legislation has introduced the principle that users must pay to exploit natural resources, and consequently license and permit schemes have been established for many forms of natural resource use.

The Environmental Protection Act was developed and adopted in 1996. This is a framework law that underlies a number of other laws in the field. However, it does not have the status of a supreme law, and where contradicted by the provision of more recently created laws, these will take precedence.

Protected Areas Legislation: The main act regulating protected areas in Georgia is the Law “*On the System of Protected Areas*” of March 7, 1996 (*in the following: Protected Areas Law*). In addition, the Georgian law of November 22, 2007 “*On the Status of Protected Areas*” defines the requirements of establishing a number of protected areas. On the sub-legal regulations level, the following documents play a central role:

- Various Orders of the Minister of Environment and Natural Resources Protection on Approval of the Management Plans of individual Protected Areas
- Order #. 3 of the Georgian Minister of Environment and Natural Resources Protection “*On Approval of Charter of the LEPL Agency of Protected Areas*” (May 10, 2013)
- Order # 12 of the Georgian Minister of Environment and Natural Resources “*On Approval of Typical Regulations of Territorial Administrations of the Agency of Protected Areas*” (May 10, 2013)
- Order # 98 of the Government of Georgia “*On Approval of the Regulations of Georgian Ministry of Environment and Natural Resources Protection*” (April 26, 2013)

Wildlife Legislation: The main legal instrument for the conservation and sustainable use of wildlife is the “*Law on Wild Fauna*” (1996). This law governs the relationship between the authorities and key users (both individuals and legal entities) relating to the use and protection of wild fauna, and declares all wildlife as state property. It protects wild animal species, their habitats, and their products, it provides for the sustainable use of Georgia's wild fauna and establishes a legal basis for both *ex situ* and *in situ* conservation of wild animal species. According to this law many aspects of wildlife conservation and sustainable use should be covered by regulations. Current Government (elected in October 2012) plans to revise this Law, particularly in light of amendments made in March 2012 which are now considered counterproductive. Further changes are expected in the Law on Wild Fauna with the aims to bring it closer in line to the European legislation (particularly to the habitat directive) and to better reflect biodiversity conservation objectives.

Forest Legislation: The “*Forest Code of Georgia*” was adopted in 1999 and established “legal grounds for conducting tending, protection, restoration and use of the Georgian Forest Fund and its resources”. With regard to biodiversity, the Forest Code aims to protect Georgia's forests, maintain the integrity of primary forests, and to preserve endemic, relic and otherwise important species of plants. Under the Code biodiversity conservation is

fully based on the provisions of the Convention on Biological Diversity and national legislation (Article 46). This Forest Code was amended several times during 2004-2012 due to frequent changes of Government's approaches on forest privatization and timber resources management aspects. After changes of Government in October 2012, it is planned to adopt a new national policy on forests (presumably significantly different from previous Government's approaches), which would consequently result in development of a new legal framework and regulations.

Other laws protecting biodiversity outside protected areas: In addition to the above laws, the protection of biodiversity outside protected areas is addressed by the “*Law on Environmental Permits*” (1997) and the “*Law on State Ecological Expertise*” (1997). According to these laws, permits for any type of development project can only be issued after environmental impact assessments and state ecological expertise have been completed. If a project is expected to have an irreversible negative impact on biodiversity, then an environmental permit may not be issued. Where the impact is less serious and may be minimized by special mitigation measures, these activities appear in the permit as conditions to be met by the developer. Such conditions may include: habitat protection; species conservation activities; protection of migration corridors; minimization of disturbance, for example by altering the timing of activities; and habitat improvement and restoration. Implementation of mitigation measures outlined in environmental permits is monitored by the governmental agencies responsible.

THREATS, ROOT CAUSES AND IMPACTS

Historically, the level of threats to biodiversity in the region has been low. The ecological integrity of the ecosystem is therefore still very high with little fragmentation of habitat or significant reduction of species. However, the severity of threats is now growing. These threats include habitat destruction/fragmentation, unsustainable use of natural resources and climate change. The extent regionally of these threats has grown rapidly in recent years and the threats are starting to negatively impact the special biodiversity of even the Achara area. Such threats include:

Over Exploitation of Biological Resources: Poaching and the illegal wildlife trade in the sub-region have increased significantly as a result of the economic crisis and the opening of the borders within the former Soviet countries. Overhunting of legal game species and poaching of rare species is widespread. Large herbivore numbers have dropped dramatically in the past century, largely due to poaching and overhunting. Lynx, otter, wild cat, fox, and jackal are killed for their furs. Reptiles and amphibians (e.g. Caucasian salamanders (*Mertensiellacaucasica*)) are collected for laboratory use and the pet trade. Vipers are being exploited for their venom. Illegal logging and fuel wood harvesting are on the increase and lead to habitat degradation and disappearance of certain species. Fuel wood collection and tree cutting are probably the most widespread use of forests and have in some areas had significant impacts. Fortunately, in Achara threats from over exploitation remain incipient and have so far had only a limited impact. In fact, the population of local communities close to the PAs has in many cases reduced during recent years due to emigration to population centres on the coast where more opportunities for jobs, etc. exist. Though their activities have some actual and potential danger for biodiversity the greater risk is from organized outside parties pursuing high value biodiversity products for the growing regional and international market.

Habitat Destruction/Fragmentation of Habitats and Disruption of Hydrological Functions: Achara is a fast developing region of Georgia and its economic profile and forms of land utilization is changing rapidly in response to this. The demography of Achara is also changing – there is a gradual move of settlement towards the coastal lands of the Black Sea and to the main highways. This concentration of settlement and development will in time lead to fragmentation and blocking of large wildlife movement through previous continuous forest cover corridors. In the agriculture sector, cattle breeding and arable agriculture is growing. These factors are producing long term potential pressures on forest habitats. However, the major sources of immediate threats to the forest ecosystem in Achara relate to the rapid economic development in the region and from the fact that the region is becoming a

transport hub¹⁶ and a rapidly growing tourism destination. Infrastructure development, including roads, settlements, factories and medium to small hydroelectric plants, when inappropriately planned and monitored, cause fragmentation of natural habitats and disruption of natural hydrological systems. The lack of a well-executed and transparent environmental impact assessment (EIA) process for such new development often exacerbates impacts and prevents identification of potential mitigation approaches that could be applied. Though historical development in Achara has already caused a limited level of fragmentation of forest habitat, the rapidity of current economic changes and the potentially exponential growth in tourism¹⁷, if not well planned and coordinated, threatens to swiftly surpass all past impacts. If so, the consequences of this growth in tourism could cause significant and irreversible fragmentation and loss of the forest ecosystem. Fragmentation would have serious consequences to biodiversity in the forests such as¹⁸: (i) reducing the overall quantity of habitat available; (ii) decreasing the quality of habitat by increasing the exposure to invasive species, to fire and to other edge effects; (iii) concentrating species populations into smaller patches, thereby increasing competition for scarce resources; (iv) restricting species movement, thereby reducing genetic vigor and overall resilience; and (v) disrupting key ecological and evolutionary processes upon which species depend.

Threats to Biodiversity from Climate Change: Climate change is projected to have significant impacts on mountain ecosystems. Considering that high altitude ecosystems are delicately calibrated to the nuances of climatic factors, even minor changes in the prevailing climate could disrupt species ecology with serious debilitating impacts on biodiversity. It is reported that every 1° Celsius rise in temperature will lead to shifting the zone of occurrence of several specialist species by 270 m vertically (to get similar ecosystem conditions). Further, protected areas that were set up to safeguard biodiversity and ecological processes are likely to be affected by climate change in a number of ways. Climate change is expected to cause species to migrate to areas with more favourable temperature and precipitation. There is a high probability that competing, sometimes invasive species, more adapted to a new climate, will move in. Such movements could leave some protected areas with a different habitat and species assemblage than they were initially designed to protect. Climate change is expected to lead to disease outbreaks as pest species may become more resistant or survive longer and new pest species may invade protected areas. Climate change is also likely to lead to higher incidence of fire in some situations and floods in others¹⁹. Within preparation of the Third National Communication of Georgia to UNFCCC the assessment of vulnerability to Climate Change in Achara region was conducted. Some key problems identified by the vulnerability assessment was the the increase of temperature and humidity in conjunction with anthropogenic factors leading to: soil erosion, increase in pathological diseases in forests, disappearance of forests from sub-alpine areas, descending forest upper line by 300-400 m and increase of geo-morphological hazards and disasters.

LONG-TERM SOLUTION AND BARRIERS TO ACHIEVING THE SOLUTION

The **long-term solution** to the threats described above is to create a functional, representative and sustainable protected areas estate in the Achara region that effectively protects biodiversity and provides functional

¹⁶Achara enjoys a strategic location it has yet to fully capitalize on. It is the shortest route between Europe and Azerbaijan, Armenia and the Central Asian Republics, through its Black Sea port. The physical location ensures that it is a key transport link on the most direct route between the Black Sea and the Caspian Sea and Central Asia. The current poor infrastructure inhibits the full exploitation of transit economy potential, but progress is made in this regard. Through the upgrading of the ports of Batumi on the Black Sea, the establishment of an oil pipeline from Baku, Azerbaijan through Tbilisi to Ceyhan, Turkey, the Baku-Tbilisi-Ceyhan pipeline (BTC) and a parallel gas pipeline, the South Causasus Pipeline through the Achara region, Achara is fast developing into an international transport corridor. Georgia's other main imports are machinery and parts, and transport equipment, which also uses the port of Batumi.

¹⁷ Tourism is an increasingly significant part of the Georgian economy. The number of international tourist arrivals reached over 2 million in 2010, representing a 36% growth compared to arrival numbers in 2009. FDI in tourism sector grew substantially to over US\$ 132 million in 2009. Tourism earnings more than tripled from \$ 147 million in 2004 to \$470 million in 2009. Achara is the main centre of Georgia's tourism industry - the Achara region hosted 86% of the tourists that visited Georgia in 2010.

¹⁸ Ervin, J., Mulongoy, K.J., Lawrence, K., Game, E., Sheppard, D., Bridgewater, P., Bennett, G., Gidda, S. B., and Bos, P. 2010. *Making Protected Areas Relevant: A guide to integrating protected areas into wider landscapes, seascapes and sectoral plans and strategies.* CBD Technical Series No. 44. Montreal

¹⁹IPCC. 2007. *Climate Change 2007: Synthesis Report. Contribution of Working Groups I, II and III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change.* IPCC, Geneva, Switzerland.

connectivity among the individual protected areas. To achieve effectiveness and sustainability, this solution needs to be coupled with efforts to reduce illegal and excessive use of biodiversity, limit inappropriate development, and to involve the active participation of local communities in collaboration with strengthened Government institutions (at central and decentralized levels). The following barriers hamper the achievement of this long-term solution:

Weak PA management effectiveness: While there is a national system, and various attempts are being made to strengthening the national system, site action capabilities are deficient. Management practices in the Kintrishi and Mtirala PAs do not guarantee effective or cost efficient management of biodiversity. There are a number of specific barriers that contribute to this:

Firstly, there is a need for a more participatory management approach involving the local community. The protected areas were created without due consideration or consultation with the local communities or local authorities. In the areas adjacent to the Kintrishi Nature Reserve and the Mtirala National Park, as well as inside the Kintrishi Protected Landscape where the local population lives, the roles and responsibilities of APA, the local authorities and the local communities are unclear and sometimes there are overlapping mandates or an absence of responsibilities. As a result, conflicts occur, and are likely to increase, and public support for PAs to erode. Local people are poorly informed of the purpose and management of PAs and are not involved in management decision making that may significantly impact them. Cost-effective methods which involve the local population in the monitoring, management and enforcement system of the protected areas have not been tried and thus successful “tried and tested models” for such approaches do not exist. Buffer zones are not legally designated or included into the PA management planning process, with the result that PA Administrations have no opportunity to play a role in ensuring that development in these areas is compatible with the conservation interests of the PAs. Some of the threats, for example, illegal harvesting of natural resources, are driven by poverty among the local community and lack of other livelihood options, while others, such as unsustainable NTFP collection, are largely due to limited knowledge of ecological processes. Interventions to mitigate these root causes of threats are in the interest of the PA Administrations. There is a need for general support to the implementation of management plans, but especially the setting up of appropriate institutional arrangements for collaboration and conflict resolution with local communities and for developing joint mechanisms for monitoring, forest management and enforcement.

Secondly, a major issue for both the Kintrishi PA Complex and the Mtirala PA to address is the financial sustainability of the protected areas in the long term, particularly after various donor projects have ended. Long term funding for the implementation of the management planning remains a big concern. The lack of established and transparent revenue generating mechanisms which can be used by the PAs for reinvestment in management is therefore a significant barrier blocking progress towards their sustainability. Due to the fact that tourism in the Achara region is growing fast, there are growing opportunities for PAs to increase revenue generation if appropriate mechanisms were in place to do so. However, in order to do this without compromising the PA objectives new capacities need to be built in regard strategic planning, visitor management and appropriate tourism infrastructure development.

Thirdly, an important prerequisite for PA Administrations to successfully implement management planning is the ability to apply adaptive management. A plan is just a systematic basis for trying to achieve desired objectives and inevitably implementation realities and emerging new threats will require changes and refinements in order for the PA to successfully achieve the desired management objectives set out in plans. Failure to adapt management in response to implementation realities will compromise both the effectiveness to achieve planned objectives and the cost efficiency of PA actions. However, currently PA Administrations face two barriers to being able to apply adaptive management a) they lack the capacity, experience and confidence to adapt management in response to changing conditions b) they lack the opportunity due to the current highly centralization nature of management planning and operations in Georgia. Addressing these two barriers is thus an important overarching need if PA management effectiveness in Mtirala National Park and the Kintrishi PA complex is to be improved.

Barriers to the development of a PA that can effectively address biogeographically deficiencies within the region:

Within the national protected area system forests only represent about 9.7% (and mountain forests considered even less at 8%),²⁰ which is low compared with the standard in the Caucasus Eco-region (13.78%). Furthermore, the Colchic temperate rainforest is currently only represented in Georgia by the Kintrishi and Mtirala PAs, constituting only an estimated 3% of the national PA territory. Presently the Protected Areas of Kintrishi and Mtirala are connected by forest landscape with the Jamili Biosphere Reserve in Turkey which is located along the border of the Achara Region. Jamili Reserve again has functional connectivity with other protected areas in Turkey, linking the entire system. The Kintrishi and Mtirala Protected Areas are located adjacent to each other and form a 29,699 ha block in the centre of the Achara region. The distance between the nearest points of Mtirala National Park (the most southerly of the PAs) and the Jamili Biosphere Reserve is estimated at 13 km. The “connecting corridors” in this stretch of forested landscape are threatened with fragmentation and habitat loss by physical development (towns, transport, tourism developments) and land use (mostly agriculture and forestry) practices. The importance of maintaining functional connectivity of the forests is increased by the emerging and real threat of climate change. There is therefore an opportunity and need to expand the existing protected area system of the Achara region to 1) cover critical forest types and habitats that are not adequately covered by the present system, and 2) increase ecological connectivity between protected forests both in Achara and Turkey. To this end the establishment of a new PA (Machakhela National Park) was proposed and agreed.

However, in order to establish a national park and support / buffer zones that can effectively meet the conservation objectives of conserving the Colchic forest in Georgia, and ensuring functional connectivity of such forest within its range in Turkey and Achara, a number of barriers need to be overcome. Firstly, though the planned territory for the NP and its support zones has limited development, it is nonetheless used by local communities in various ways to support their livelihoods. Local communities naturally have significant concerns over any potential restrictions to their natural resource use options that might arise from the establishment of a NP. They have a limited knowledge of the wider threats facing local ecosystems, the implications this has for them, and the benefits possible from an NP which could help protect not only biodiversity but also their sustainable livelihoods. Thus, any future expansion of the protected areas system needs to find an accommodation between production and expansion and to effectively communicate this with local populations. The new NP needs to adequately allow the local community to benefit from current and new sustainable natural resource use (recreation / ecotourism activities, forestry, fisheries and NTFP use, etc.) while also ensuring such use is compatible with biodiversity conservation aims. The NP needs to be governed through a multi-stakeholder management structure to ensure the full buy-in of local communities and local authorities and to ensure coordinate, cost-effective management action.

Unfortunately, limited experience currently exists both in the Achara region and nationally of developing and operationalizing such an NP. This constitutes a major barrier to addressing the biogeographically deficiencies of the PA system in Achara/the region. Significant technical assistance will therefore be required to help overcome this barrier and to build the appropriate integrated management structures needed to meet the long term conservation needs. Such assistance should not be limited just to the setting up of a conservation structure (i.e. the NP), but also to support the initial implementation and field testing of new approaches. This can then allow the building of the practical capacity of all stakeholders to work together effectively and to develop sufficient adaptive management capability to succeed in the long term, whatever threats emerge.

Secondly, the establishment “from scratch” of such a national park will take significant initial investment from the Agency for Protected Areas (APA), as well as the relevant Achara regional and municipal authorities. Both APA and the Achara authorities are fully committed to make available the long term recurrent costs of the NP and

²⁰Source: WWF, Ministry of Environment of Georgia, National Environment Agency, Forest Agency

construction of basic infrastructure needed (office, roads, etc.). However, they will struggle to cover adequately other essential “technical” tasks necessary for the proper establishment of the NP, such as proper boundary and zonation and the initial multi-stakeholder management planning process which adequately incorporates the interests and inputs of local communities.

Thirdly, to effectively meet its objectives, and maximize its opportunities, the new Machakhela NP must develop linkages, collaborative strategic directions and joint activities with the contiguous Jamili Biosphere Reserve in Turkey. However, as state institutions neither APA nor the relevant Achara authorities can easily initiate such cross border collaboration. In this context both the Jamili and Machakhela NP authorities will need the support of international institutions and interested parties to facilitate contacts and the development of mechanisms for joint actions.

STAKEHOLDER ANALYSIS

During the project preparation stage, a stakeholder analysis was undertaken in order to identify key stakeholders and assess their roles and responsibilities in the context of the proposed project. The table below describes the major stakeholders identified at national, region, local and regional/international levels, plus a brief summary of their specific roles and responsibilities in supporting or facilitating the implementation of project activities.

| | Government Agencies | Stakeholder (s) interest and influence | Role/responsibility in the project |
|-----------------|---|---|---|
| National | Ministry of Environment and Natural Resources Protection (MoENRP) | <u>Interest</u> : High interest in creation, effective management and expansion of Georgian PA system; law enforcement and execution of state policy in environment protection sector <u>Influence</u> : High. Supervisory and direction giving, enabling and supreme nature conservation authority creating sound legislative basis and institutional framework | Project National Implementation agency |
| | LEPL Agency of Protected Areas (APA) of the Ministry of Environment and Natural Resources Protection (MoENRP) | <u>Interest</u> : Effective management of PAs aimed at meeting conservation objectives and deliver the desired conservation outcomes; high interest in all activities <u>Influence</u> : Very influential on individual territorial administration within PA system, exercises central management and oversight functions | Responsible department of National Implementation agency with direct responsibility for implementation; appoints National Project Director to chair the PEB |
| | Ministry of Energy | <u>Interest</u> : Support for foreign investor companies in hydro energy sector - construction of Hydro Power Plants (HPPs), interest to meet safety requirements and environment standards <u>Influence</u> : Higher authority on energy industry and domestic-communal sector on natural resources; Lower nature conservation authority | Needs to be included into consultations during management planning of PA’s in regard to HHP’s |
| | Ministry of Culture | <u>Interest</u> : Conservation of historical and cultural monuments inside the National Park | Needs to be included into consultations during management planning of PA’s in regard to |

| | | | |
|-----------------|--|---|--|
| | | <u>Influence</u> : Low. Potential to have a bigger impact | preservation of culturally important monuments and landscapes |
| | State Border Service | <u>Interest</u> : State border protection, low interest in conservation and sustainable use of resources <u>Influence</u> : Potential for high impact due to the overlap of their operational area with the territory of Machakhela NP and responsibilities for cross-border movements (important in context of relations with Jamili BR in Turkey and transboundary tourist movements) | Need to be consulted in regard to improving if possible transboundary movement with Turkey (Jamili BR) and issues of access and protection along Turkish border part of Machakhela NP |
| | Cross-border Working Group: Georgia Machakhela NP- Turkey Jamili Biosphere Reserve | <u>Interest</u> : Keen inter-governmental interests in cooperation between two protected areas with active common work in eco-tourism and infrastructure <u>Influence</u> : High impact in the context of the project | Needs to be actively engaged in order to push forward agreed practical actions. Key members (such as US Department of Interior [DoI] and WWF) will be members of project Technical coordination group |
| | | | |
| Regional | Department of Agricultural Development and Agro-Service Center under Ministry of Agriculture of Achara | <u>Interest</u> : Interested in support to particular activities in rural development traditionally centered on agriculture, Consult local farmers on environmentally safe technologies e.g. pasture management, innovations <u>Influence</u> : Potential for impact since as per statute aims at awareness raising and strengthening farmers' knowledge in contemporary practices in agriculture and rural development | Potential role in aspects of the project related to improvements of livelihood levels and sustainability. Links with the project will be built via the project implementation partner, UNDP project "Support for Agricultural Development in the Achara Autonomous Republic" |
| | Achara Sustainable Development Association - ASDA | <u>Interest</u> : Interest in providing support in establishment of the buffer zones and including development and implementing projects in directions such as forestry, sustainable use of pastures; beekeeping; eco-tourism; education <u>Influence</u> : Demonstrates clear interest towards project development; relies on external funding, potential to have a bigger impact on the overall success of the project | Potential role in aspects of the project related to improvements of livelihood levels and sustainability. Links with the project will be built via the project implementation partner, UNDP project "Support for Agricultural Development in the Achara Autonomous Republic" |

| | | | |
|-------|--|--|--|
| | Environment Protection and Sustainable Development Support Association "Mta - Bari" | <u>Interest:</u> Interest in development and management of various projects on wildlife protection and sustainable development; Creation, promotion and distribution of educational materials on ecological issues; development of related video materials; etc. <u>Influence:</u> Demonstrates clear interest towards project development; relies on external funding, potential to have a bigger impact on the overall success of the project | Potential role of this regional NGO needs to be fully explored during project inception phase. |
| | Association Flora and Fauna | <u>Interest:</u> Interest in conservation, restoration and effective management in biodiversity; Research; Implementation of corresponding actions and mandates <u>Influence:</u> Demonstrates clear interest towards project development; relies on external funding, potential to have a bigger impact on the overall success of the project | Potential role in supporting development of general public / community based biodiversity and environmental monitoring, including support for organizing data collection and processing results. |
| | Achara Tourism Association | <u>Interest:</u> Formed by tour companies in Achara region to play a coordinating role between private, public and international organizations and contribute to promotion and facilitation of tourism industry together with Georgian Tourism Association <u>Influence:</u> Potential to have a bigger impact | Important player in the development of tourism in Achara and needs to be integrated into planning for tourism development in the target PA's. |
| | | | |
| Local | Administrations of Mtirala NP, Machakhela NP and KintrishiPA. | <u>Interest:</u> High interest in working with all stakeholders in good partnership and engage with local communities in on-ground conservation activities within PA territory and surrounding adjacent areas <u>Influence:</u> High influence within boundaries of PAs and some influence within areas and communities around PA's. | Main field level beneficiaries and target stakeholders for the project. Will play a central role in all activities. |
| | Local Government Bodies: mainly the Municipality of Kobuleti, but also Khelvachauri, and Keda | Generally high interest in activities related to strengthening local-governance through public service delivery, infrastructure, revenue, local socio-economic activities, etc. | Key players for the practical implementation of field level activities. Need to be closely liaised with. Will be members PEB and Technical coordination group. |
| | Kobuleti, Khelvachauri and Keda Forestry Departments of the Forestry Agency under the Environment Protection and Natural Resources Agency of | <u>Interest:</u> Interest in managing social wood-cutting for local population. Willing to work in good cooperation with individual PA authorities locally <u>Influence:</u> Influential since they are in close relationships with local governments, local PA authorities and | Important players in terms of management of forest blocks adjacent to target PAs and thus vital to coordinate effectively and involve into management planning process. |

| | | | |
|--------------------------|---|---|---|
| | Achara | the community within municipalities | |
| | Local people living within and adjacent to the National Parks and State Reserves- Villages whose inhabitants' daily activities are naturally connected to the PAs | <u>Interest:</u> High interest in reduced vulnerability caused by land conservation for forest-dependent people and improving their livelihood basis, tourism- related jobs, receive proportion from tourism income <u>Influence:</u> Have an impact on the targeted protected territory since they are located either within or in the immediate vicinity or not far (e.g. 5 km).Density of population in the nearby territory is very high (more than 100 inhabitants per 1 sq.km) | A major focus of the project is to ensure local communities have better representation within the planning and governance structures of PAs and role in practical management of appropriate areas for sustainable uses within the framework of agreed management. Specific activities to ensure they can play this role (both in terms of representation/consultation and capacity) are included into project design. |
| | Community Officials | <u>Interest:</u> Appointed local community representatives with high interests specifically in economic opportunities and infrastructural gains for villages and communes <u>Influence:</u> Potential to have a bigger impact since they are ideally placed to engage local communities within protected territory and adjacent areas | Ditto above. Community officials, as designated representatives of the community, will play a key role in ensuring community interests are met. In this context they will represent communities on key governance/planning structures such as NP management boards |
| | Local Community Beekeeping Associations (in Mtirala and Machakhela) | <u>Interest:</u> High Interest in maintenance of forest, business and financial benefits, additional funding <u>Influence:</u> Participates as key player due to a complex relationship as part of the community | Local Bee keepers associations are existing examples of efforts by local farmers to adopt a unified and cooperative approach to a local resource use. These associations will play a role not just in context of bee keeping and related livelihood issues but as basis for broader cooperative efforts to improve incomes and sustainability of natural resource use by communities living in and around PAs. |
| | | | |
| International / Regional | WWF | <u>Interest:</u> Very high interest demonstrated by past inputs and assistance to Mtirala NP and in process of establishing Machakhela NP. <u>Influence:</u> An important player both regionally (Caucasus region), nationally and in Achara. Has local capacity and experience. | WWF will co-finance / support transboundary activities with Jamili BR and through provision of useful base data derived from GIS data base previously developed. WWF representatives will be invited members of project Technical coordination group |
| | EU | <u>Interest:</u> Interested in supporting conservation of European biodiversity and building capacity of potential future EU member to fulfill member obligations. <u>Influence:</u> Moderate to High influence due to Georgian Government interest in EU membership. EU support and | Project will coordinate closely with EU Twinning Project: Strengthening Management of Protected Areas of Georgia which will co-finance activities in Mtirala NP and help build capacity at national level relevant to achieving project objectives. EU project staff |

| | | | |
|--|---------------------------------|--|---|
| | | guidance is taken seriously. | will be part of Technical coordination group. |
| | KfW | <u>Interest:</u> Long term interest and support to Caucasus region conservation efforts. Directly interested in the Kintrishi Pa complex as part of planned support to improve conservation management in Georgia. <u>Influence:</u> A major donor and with close and effective working ties with APA. | Project will coordinate closely with KfW financed support to PA system in Georgia and in particular regarding inputs to the Kintrishi PA complex . KfWproject staff will be part of Technical coordination group. |
| | US Department of Interior (DoI) | <u>Interest:</u> As part of its overseasprogramme the DoI provides support to Georgia in regard to management of Public Land. It has an existing interest in developing the transboundary relationship with Turkey (re. Machakhela and Jamili Reserves). <u>Influence:</u> An existing member of efforts to prepare a trans-boundary Work plan and thus in a position to positively influence further efforts in this regard. | USDoI staff involved in Transboundary efforts with Jamili BR will be part of Technical coordination group and project will undertake complementary activities on the basis of agreed work programme. |
| | Caucasus Nature Fund (CNF) | <u>Interest:</u> The CNF is a trust fund established (with support of GEF and others) to support conservation efforts in the region. <u>Influence:</u> The CNF will directly fund part of the management costs of Mtirala NP in future years | Relevant CNF staff (representative for Georgia) will be member of the Technical coordination group. |

BASELINE ANALYSIS

A significant level of commitment is being demonstrated by the Georgian national government and the AcharaRegional government towards maintaining and trying to further secure the Protected Areas estate as is demonstrated by the inputs described below.

Environmental Protection: The Ministry of Environment and Natural Resources Protection of Georgia will continue to support sustainable development in the field of environment by providing policy guidance and regulations. This will ensure that environmental issues are considered in the development agenda of the country (see Institutional context for details on structure and function of Ministry of Environment and Natural Resources Protection).

PA Management: Over US\$ 16 million over the project period will go towards the management of the national PA system (to cover recurrent and investment costs of the APA). APA expected to be further supported by investments from development partners of US\$ 40 million over the project period (based on figures from the last five years) for improvement of protected area infrastructure and capacity development of its staff. The Government will invest approximately US\$ 1,240,000 during the project period in the management of the forest protected areas of Achara region through APA. This will be made up of annual recurrent budgets for the 4 PAs (approximately USD 84,600 / year for Mtirala NP, USD35,600 / year for the Kintrishi PA complex, USD 30,000 / year for Kobuleti SR, and USD 50,000 / year for Machakhela NP), plus initial investment costs for establishing Machakhela NP (estimated at USD 300,000 over 4 years) and additional (non-recurrent) investments in the other PAs of about USD 140,000 over 4

years. The KfW “Support Programme for Protected Areas in the Caucasus” – Georgia (Eco-regional Programme Georgia, Phase III) project will support APA in the management of the Kintrishi PAs with approximately US\$ 2.3 million over the project period. The EU through its Twinning project will again support APA with US\$ 215,000 over the project period in the development of a management plan for the Mtirala National Park and capacity building in park management plan development and implementation. APA also receives support for the management of the Kobuleti Protected Areas of approximately US\$ 60,000 annually from the Kulevi Fund. The investment of funds in the Achara region targets mostly enforcement and environmental education activities, as well as the development of tourism infrastructure. The Agency of Protected Areas has developed, in cooperation with the Critical Ecosystem Partnership Plan Fund and the World Wildlife Fund, a draft spatial-territorial plan (Management Plan of Natural-Landscape Territory of Mtirala and Machakhela”) which recommends the establishment of the Machakhela National Park. This plan was approved by the Autonomous Republic of Achara, and has received the final approval by the Parliament of Georgia. A landscape planning approach was modeled in the Achara region, including the Machakhela-Mtirala region, and inventories and assessments were undertaken providing quality baseline information on development and conservation aspects of the area. Detailed satellite imagery (1:120,000 scale) were procured on which various land degradation and development issues were highlighted.

Conservation Work in Wider Landscape: Additionally to the funds provided for PA management, the Government will be investing a further US\$ 12.5 million during the project period in the biodiversity management outside the PAs, which included the management of forests, conduction of Environmental Impact Assessments to ensure biodiversity aspects are considered in development plans, Environmental policy development and streamlining policy with international conventions, Integrated Environmental Management and Legal and Administrative issues. The Autonomous Republic of Achara will also invest approximately US\$ 3 million over the project period for the management of forests outside of PAs in Achara. This investment is directed towards fortifying enforcement, reforestation, habitat improvement, forest fire management, and invasive species removal. The Ministry of Environment through its Ecological Expertise and Inspection Department invests US\$ 100,000 per annum in recurrent costs in support of Environmental Impact Assessment and ecological examinations in the region to control the negative impacts of developments on the environment. The Ministry, with assistance from the Aarhus Centre Georgia, is evaluating the current EIA system, analyzing that factors that determine the effectiveness of the system, and developing recommendations for its improvement.

Support for Sustainable Agricultural Development in Achara: The Ministry of Agriculture of Achara, with the technical support of UNDP and financing from the EU, will invest Euro 3.3 million during the project period to improve the economic effectiveness and sustainability of small farmers in the mountains, including those in communities around and within the PAs, and to strengthen the capability of the Ministry of Agriculture of the Autonomous Republic of Achara in policy analysis and related tasks (Support to Agricultural Development in the Achara Autonomous Republic project).

Despite the above baseline investments the afore-listed threats are projected to grow in the Achara region, in part because of its location and proximity to major development nodes in the region. Within this framework, there is a need to consolidate and conserve areas of high biodiversity and areas of importance to the conservation of biodiversity in order to increase the resilience of ecosystems against the threats and also to ensure that adequate refugia are protected for continued provision of ecosystem goods and services, e.g. biodiversity conservation, water quality and quantity maintenance.

PART II:Strategy

PROJECT RATIONALE AND POLICY CONFORMITY

Fit with the GEF Focal Area Strategy and Strategic Programme

The proposed project is programmed under the GEF Biodiversity Focal Area, Strategic Objective One: Improve sustainability of Protected Areas (PA). The project will support the implementation of the CBD 2011 – 2020 Strategic Plan and the CBD’s Programme of Work on Protected Areas (PoWPA) that was reaffirmed in Nagoya, Japan in 2011. In particular the project is in line with the PoWPA through the establishment and strengthening of national systems of PA, strengthening regional networks and transboundary PAs and collaboration between neighboring PAs across national boundaries, and substantially improving PA planning and management. Further, the project will implement innovative types of PA governance, promote equity and benefit sharing and enhance and secure involvement of local communities and stakeholders in the management of protected areas, all in line with the CBD’s PoWPA.

Project Contribution to GEF Indicators

| GEF Strategic Program | Expected Outcomes | GEF Indicators | Project Contribution to GEF Indicators |
|---|---|---|---|
| Improved Sustainability of Protected Area Systems | 1. Improved ecosystem coverage of under-represented terrestrial ecosystems areas 2. Improved management of terrestrial protected areas | 1. Terrestrial ecosystem coverage in national protected area system 2. Protected area management effectiveness as measured by tracking tools | 1. Effective protected area coverage increased from a baseline of 33,659 ha to 42,392 ha. 2. National coverage of the Colchic Temperate Rain Forest within PAs increased by at least 25% 3. Management Effectiveness Score for 4 out of 5 PAs in Achara region increased over the baseline score by at least 5%. 4. Capacity Development Scorecard increases from a baseline scores of Systemic 14, Institutional 21, Individual 9 by at least 40% |

The Project, furthermore, directly contributes to achievement of the Aichi Targets, in particular under the strategic goal C: To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity. It contributes to Target 11 through increasing the coverage and connectivity of the PA system in important regions with high biodiversity importance and significant ecosystem services, and by increasing management effectiveness of the PA system.

Rationale and summary of GEF Alternative

The Government of Georgia is requesting GEF support through this project to remove, in an incremental manner, the existing barriers to promoting a viable, representative and effectively managed PA-approach to the conservation of biodiversity in the Achara region of Georgia. The requested investment is strategic, targeting the most urgent needs. Specifically, support will be focused on addressing the emerging threats to biodiversity in the Achara region and to consolidating the PA estate in the region. This will be achieved through support to the operational establishment of a new national park and improved management effectiveness of 3 existing PAs, development of mechanisms for greater participation and role of local communities in PA management, and long term development

and financial planning to ensure appropriate sustainable tourism and natural resource use and PA sustainable financing.

PROJECT GOAL, OBJECTIVE, OUTCOMES AND OUTPUTS/ACTIVITIES

The project **goal** is to “*establish a regional PA estate that can effectively ensure the conservation and sustainably use of the globally important Colchic Temperate Rain Forests of the Lesser Caucasus Mountain Range in South West Georgia*”.

The project **objective** is “*To enhance the management effectiveness, biogeographically coverage , and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region*”.

In order to achieve the project objective, and address the barriers (see [Section I, Part I](#)), the project’s intervention has been organised into two **outcomes** (this is in line with the components presented at the PIF stage):

Outcome 1: Enhancement of PA Management Effectiveness in the Achara Region

Outcome 2: PA System Expansion to increase functional connectivity of PAs in the West Lesser Caucasus

Outcome 1: Enhancement of PA Management Effectiveness in the Achara Region

This component will strengthen the capacity of APA and local stakeholders in the management of the Mtirala National Park and the Kintrishi PA complex. Outputs and activities will be targeted to complement and enhance other related development activities by the project partners²¹ aimed at building the management planning capacity of APA, the development of updated and refined management and operational plans, and the relevant capacities to implement these plans in an effective, cost-efficient and sustainable manner.

The outputs necessary to achieve this outcome are described below.

Output 1.1: Enforcement and surveillance system strengthened in Kintrishi Protected Areas and Mtirala NP

This will be accomplished through:

Technical and material capacity of PA staff to implement cost effective enforcement built: field staff will be equipped and capacitated by the project, largely with a focus on improving efficiency of management and the better engagement of the public and local communities in the management of protected areas. Based on capacity assessment work undertaken during PPG and inception phase a detailed “Training and practical skills enhancement” programme will be developed. The emphasis of this programme will be on building capacity, skills and practical experience directly related and applicable to the real life circumstances and needs of the target PA staff. Provisionally the main thematic areas for training include: approaches and methodologies for achieving cost effective illegal activity control (patrolling and surveillance method); ecological management (methods and approaches for managing ecosystems to best meet conservation objectives of the PA’s, such as fire, disease and alien species control, habitat manipulation, flagship species management, etc.); financial management and accountability, with particular focus on mechanisms for handling investments and income from tourism and other income generating activities (important in order to ensure a basis for APA to devolve more control over such

²¹ Specifically, the EU financed “Strengthening Management of Protected Areas of Georgia” project and Caucasus Nature Fund (CNF) in and around MtiralaNP, KfW financed “Support Programme for Protected Areas, Georgia” in and around the Kintrishi PA complex.

activities to PAs); methodologies, approaches and mechanisms for interaction and participation of local communities in order to best meet PA management objectives; practical lessons on tourism management and control; strengthened capacity to ensure meaningful application of EIA process for proposed infrastructure development potentially impacting the PAs; key principles and methodologies for undertaking management orientated (results based) monitoring and evaluation; effective conservation and environmental awareness, education and outreach.

A long-term collaborative monitoring and enforcement system in place and a platform for information sharing established between park authority and the local communities: a long-term monitoring and enforcement system will be developed to ensure that local communities and PA field staff are actively involved in the collection of biodiversity monitoring and management effectiveness evaluation data. Public involvement in monitoring will be based on successful examples of such approaches in many countries in the world, including other transition countries such as those in the Baltic States and Eastern Europe. Such approaches, if set up properly, have proved to provide invaluable and quality data of use to PA managers and wider scientific and environmental management decision makers, but at a fraction of the cost of “professional” data collection approaches. The monitoring system will ensure the continual improvement of management effectiveness, but also help to gauge the resilience of the protected areas against outside pressures and emerging threats such as climate change impacts. Coordination of the analysis of the monitoring data will be established with the scientific community. Enforcement will also be strengthened through a combination of (a) refined patrolling and surveillance methods that maximize time and effort efficiency, (b) local community surveillance and reporting of illegal or inappropriate activities by parties from outside the buffer/support zone, and by tour operators or tourists.

Output 1.2: Reduced threats at source by constructive involvement of local communities in planning and co-management arrangements within the governance framework of 2 newly established community-based organizations

In areas of high biodiversity adjacent to the Mtirala National Park and inside the Kintrishi Protected Landscape, communities will be assisted in the setting up of 2 community-based organizations that will provide representation for the communities during management planning processes and on PA management boards. These CBOs will also coordinate with the PA Administration in regards to co-management of areas and help ensure members of the community abide by agreed management terms and conditions. Roles and responsibilities for co-management (e.g. fuel wood and NTFP collection, grazing densities, etc.) will be agreed between the PA Administration and the CBOs on behalf of the communities.

The buffer zones will be incorporated into the management plans of the respective protected areas. The project will, through the established CBOs and inputs of project partners²², support local communities to improve livelihoods in a sustainable way and build their capacity to benefit from the opportunities afforded by their location in the support or buffer zone of PAs. This support will include the establishment of appropriate extension services and technical advice related to both current and new uses of local natural resources in ways that do not compromise the role of the buffer/support zones and the PA conservation objectives. Examples of such uses may include: community based tourism; improved agriculture/horticulture and bee keeping; sustainable forest use (for fuel, local construction needs, NTFP’s collection such as berries, nuts and medicinal plants); improved livestock management; value adding activities such as bottling, drying or packaging local products, and marketing support; demonstrations of appropriate fuel efficiency and fuel alternative technologies (to reduce pressures on fuel wood demand and reduce labor costs/ health impacts, particularly for women). The project will also help to strengthen the role of local communities in the EIA process in order to bring greater transparency and consideration of local concerns.

²² UNDP/EU Agricultural Project for Achara, SGP and others

Specific thematic areas to be supported by project partners, such as the UNDP Support to Agriculture in Acharaproject and other sources such as the GEF Small Grant Programme, will be selected via consultation with the CBOs and interested members of the communities. The project, as part of appropriate tourism development and building of community cohesion, will also investigate the opportunities for the revival of traditional cultural skills and practices such as traditional carpentry and other handcrafts activities. The project will then support the development of concrete initiatives within the agreed thematic areas by CBO's and other relevant community and local authority stakeholders and build their capacity to make applications to relevant sources of small grant or loans. The project will encourage project partners to ensure cost sharing by local proponents of initiatives is always required as the experience of UNDP has demonstrated this is usually an essential prerequisite for ensuring their real commitment and maximizing the chances of sustainability.

Output 1.3: Future financial needs of the Kintrishi and Mtirala PAs addressed by developing mechanisms to generate finances on the scale needed to address emerging long term pressures on biodiversity

This output will be accomplished by:

Assessment of the current and future financial gaps of PAs: Based on Management Plans prepared by Kintrishi PA complex and Mtirala NP with the assistance of the project partners (KfW and EU Twinning project respectively), the project will make an in-depth assessment of the long term financial needs of the PAs in order to implement the MPs, the current financial gaps, and thus the required additional financial resources that will have to be generated in order to ensure management planning is feasible. Additionally, the assessment will help review options for filling the identified gaps and short list those with highest practical viability. This will be done in collaboration with APA and the responsible PA Administration staff in order to give them practical experience of applying capacity learned from previous project training activities.

Business plans²³ developed: Based on the above, business plans will be developed for Mtirala National Park and Kintrishi Protected Areas and, crucially, support provided for their initial implementation. These business plans will target increasing the sustainable revenue source of the PAs and ensuring such revenue is managed in a transparent way and re-investment in PA management. Development of such plans will help PA Administration staff to put into real practice knowledge gained from previous trainings.

The business plans will be based on the previous analysis of needs and opportunities, including estimating the economic value of the PAs; a cost-benefit analysis of increasing investment; investigating options for improving financing; and developing budgets and roll-out programs for financing. The guidelines and standard format for business plan writing developed under the GEF-funded project "*Catalyzing Financial Sustainability of Protected Areas of Georgia*", as well as the economic valuation study done for Mtirala National Park, will be utilized in order to ensure that a robust business model is applied by the project. Tourism is growing exponentially in the Achara region and the managers should tap into this in order to address the financial sustainability of the protected areas. Other revenue opportunities may exist in terms of payment for ecosystem services and licensed spring water bottling, etc., and the possibilities related to carbon credits from forest maintenance should be investigated. All such opportunities will be evaluated by the project and based on their feasibility included into business plans. Improving the cost-effectiveness of management effort e.g. streamlining practices and through greater involvement of local community in the management of the areas, will also be analyzed.

Once plans have been collaboratively developed with APA and the PA Administrations the project will support their initial practical implementation, thus ensuring the momentum is maintained and the often difficult transition

²³Using guidelines and standard format for Protected Areas Business Plans developed under the GEF/UNDP project "*Catalyzing Financial Sustainability of Protected Areas of Georgia*".

from planning to action is overcome. Support for practical implementation will also provide an opportunity for the project to test in practice the various options and mechanisms identified and to help ensure the real mobilization of longer term sources of PA financing.

Outcome 2: PA System Expansion to Increase Functional Connectivity of PAs in the West Lesser Caucasus:

This component will facilitate the process of expanding the protected area estate in Achara, and increasing the functional connectivity of Colchic forest in the region by supporting all the relevant stakeholders to operationally establish the Machakhela National Park (an area of 8,733 ha.) and support/buffer territories - see Annex for map of location of the planned NP. The creation of Machakhela National Park has been endorsed by the Autonomous Republic of Achara, and received approval by the parliament of the Republic of Georgia in May, 2012²⁴. APA and the Achara Region authorities are fully committed to initiating investments to establish the practical NP management but require technical and material support to do this effectively.

The Project support under this component will focus primarily on helping to provide the newly created NP administration with the technical and operational know-how necessary to effectively manage the area for long term conservation objectives and to apply from its beginning new more inclusive approaches. In this way the project aims to fill gaps in current PA management approaches, and provide examples and experiences applicable across the Achara and national PA system, as well as ensure effective management for Machakhela. Hard” investments such as infrastructure, vehicles, staff allocation/recruitment will remain the responsibility of APA, local authorities and long term regional institutions (such as CNF) but the project will also fill some key gaps in this regard in those cases where an incremental investment will have significant sustained impact. A key aspect of the project’s technical inputs will be towards helping to establishing a governance structure that adequately ensure the role of all stakeholders, particularly local populations, in the NP’s management planning and implementation. This includes building local community capacity to play their role in sustainable natural resource management.

Specific outputs planned under Outcome 2 are:

Output 2.1: Functional establishment of a new IUCN Category II PA of 8,733 ha in the Machakhela Valley

The Machakhela NP has been legally gazetted and overall boundaries delineated. However, no further actions to actually establish the NP have yet been taken. There is a need therefore to initiate a variety of initial key steps necessary to build a basis for future functional operation. Many of these relate to purely administrative / infrastructural steps such as identification of administration office, recruitment of staff, etc. The project will play a limited role in this regard mainly in a “stakeholder facilitation” context – i.e. assist APA, Achara regional government and local government to jointly solve these questions. However, some limited material support will also be provided to help refurbish the selected administration office building and similar limited capital investments that will be necessary.

However, the principle input of the project under this output will be the establishment of an appropriate governance structure (i.e. NP Management Board), the completion of an in-depth ecological and resource use inventory, and the definition of the detailed management zoning of then which is fully reviewed and agreed with all stakeholders. In order to build a solid foundation for the practical application of planning, and ensure its inherent flexibility and adaptability, the project will undertake further activities to build the technical capacity and practical experience of

²⁴ See Annex I for copy of the Law establishing Machakhela NP

all key management stakeholders (including local communities) via training and “learning-by doing” support to initial implementation of the management plan.

The establishment of a NP Management Board at the outset, with representatives of all key stakeholders including the local communities, is important in order to ensure full participation and buy-in of all key stakeholders during the process of functionally establishing the NP. This will immediately mark a departure from normal practice where stakeholders are frequently not consulted at the initial stages of establishing PAs and only superficially involved at later stages when management plans are being prepared. However, NP zoning in particular is of critical importance to all parties and must be agreed on a collective basis.

As part of the process of strengthening local community stakeholder participation, the project will at an early stage in the project support a process by local community leaders (both formal and informal) to establish 2 Community based organizations representing the two main population groupings (Machakhela valley and Kernati valley communities). This will provide them with a vehicle for community representation on the NP Board and practical involvement / coordination of community input to NP zonation process, management decision making and implementation.

Output 2.2: Public-Civil Society-Community PA Planning and Management Governance Board established and provided with a legal basis to manage the proposed Machakhela National Park

On the basis of the operational and organizational capacity established under Output 2.1 (NP Board, agreed zoning plan, community representation structure) the next key step for the NP is to put in place the planning framework for achieving its midterm objectives and strengthening its financial sustainability. In order to achieve this 3 key activities will be undertaken:

- (i) Preparation and approval of a 6-year Machakhela NP management plan with the full participation of community representatives;
- (ii) Articulation of a practical mid-term (3 year) operation plan (standard APA procedure).
- (iii) Development of an accompanying approved 6-year Business Plan²⁵,

In accordance with standard procedures in place within APA, a six year management plan will be developed in a fully participatory and transparent manner which ensures and clarifies a role for the local communities and local authorities, both in planning and implementation. Based on the management plan, a costed 3 year “operational plan” will be developed to guide practical management and mid-term financial planning.

APA HQ staff will receive training on how to effectively carry out Management and Operational planning within the context of project partner activities (EU Twinning Project). However, the project will provide additional training and “in process” capacity development to APA field staff and to local community structures, particularly in regard to creating an inclusive governance system for the NP and ensuring meaningful involvement of local stakeholders in the planning process.

Once fully articulated Management and Operational Plans have been developed and agreed, the project will support the development of a Business Plan to help map out the strategic directions and practical actions required to secure the new NP’s financing in the long term. Both the Management Plan and the Business Plan will address strategic choices and practical actions required to ensure that tourism in the new NP is effectively managed, with focus on

²⁵ Utilizing the experience and methodology developed by the UNDP/GEF Catalyzing Financial Sustainability of Georgia’s Protected Area System Project

maximizing benefits while minimizing potential negative impacts. The two strategic directions for tourism development provisionally identified as best meeting the NP's objectives are (a) Focus on small volume but high value niche markets (such as bird watcher groups, adventure tourists); and (b) work collaboratively with Jamili NP in Turkey to increase higher value tourism to these combined territories.

Output 2.3: Established operational capacity at Machakhela National Park

Practical operational capacity of the new Machakhela NP will be developed through a systematic set of activities ranging from formal and on-job training to practical application of new resource use and livelihood approaches that provide examples for sustainable ways forwards. In order to capture the lessons learned so they can be applied in the future in Machakhela, and potentially throughout the PA system, this component includes activities for "lessons learned" documentation and guideline development.

Specific activities include;

Capacity building of NP staff: The new Machakhela staff will be mainly recruited from the cadre of people previously working within the local forestry units that managed the area and will thus have local knowledge and some basic forestry management capacity. However, this capacity and their practical "know-how" in terms of fulfilling new competencies demanded by the NP management objectives will require careful and targeted re-training and skills enhancement.

A first step will be to help draw up clear terms of references for each category of staff that incorporate the new approaches being introduced by the project and to identify the key competencies and skills required for each category of staff. Based on this, and a review of their existing experience, a properly worked out "Training and practical skills enhancement" programme will be developed. As in the other target PAs, the emphasis of this programme will be on building capacity, skills and practical experience directly related and applicable to the real life circumstances and needs of the newly created Machakhela NP staff. Provisionally the main thematic areas for training include: approaches and methodologies for achieving cost effective illegal activity control (patrolling and surveillance method); ecological management (methods and approaches for managing ecosystems to best meet conservation objectives of the PA's, such as fire, disease and alien species control, habitat manipulation, flagship species management, etc.); financial management and accountability, with particular focus on mechanisms for handling investments and income from tourism and other income generating activities (important in order to ensure a basis for APA to devolve more control over such activities to PAs); methodologies, approaches and mechanisms for interaction and participation of local communities in order to best meet PA management objectives; practical lessons on tourism management and control; key principles and methodologies for undertaking management orientated (results based) monitoring and evaluation; effective conservation and environmental awareness, education and outreach. Clearly different categories of staff will require a different emphasis of training with practical field skills and knowledge being essential for field staff and more technical planning, governance, administration and conservation understanding being a higher priority for senior staff.

Establish PA infrastructure and equip staff (offices, staff quarters, visitor centre and facilities, accommodation, logistics, equipment): As mentioned before, this aspect of the NP's establishment is mainly the responsibility of the national stakeholders but the project will provide limited specific investment in key infrastructural works and equipment where a clear incremental benefit rational can be justified (i.e. the extra investment achieves a significant impact or helps leverage other resources). In this context the project will also support the project stakeholders (particularly APA and NP Administration, local authorities and CBOs) to access additional funding or material support for important infrastructural items and facilities (construction and equipping of visitor and education centre for example). At this stage the project is committed to supporting a proportion of the costs related to the refurbishment of the NP Administrative HQ once a site has been provided by the local authorities (one of

their co-financing commitments) and agreed with APA. Other such works will be identified during the project inception phase.

Development of an established long-term ecological and management monitoring system for Machakhela NP and adjacent areas: Based on the experiences gained under Outcome 1 in Mtirala and Kintrishi PAs, the project will develop an appropriate, cost effective and operationally practical monitoring and evaluation system which can provide information of direct use in terms of management decision making and the effective achievement of the NP objectives over time. This system will combine 3 components: (a) Targeted direct research by the NP Science Officer (with support of field staff); (b) Use of community data gathering approaches on key ecological and management indicators; and (c) Facilitation of research by outside academic institutions and scientists (either through provision of data collected by the NP staff and community or by allowing access to the NP for field work). The project will further support the initiation of this system once staff and community structures are in place in order to ensure the required practical experience to put it into practice is acquired. Initial data will be directly utilized in the process of management plan development and adaptation during its initial implementation.

Support to initial Board-approved management plan implementation: It is recognized that the transition from management and operational planning to practical implementation is likely to face many challenges due to the more complex nature of the management arrangements of the new NP, and the limited experience of all parties involved to apply collaborative and co-management approaches. Therefore a critical role for the project will be to support this transition. It will do so by providing on-going operational advice and support to the NP administration and all local partners identified within the NP operational plan as having specific practical roles in undertaking management actions (including local communities in both the Machakhela and Kerneti valleys). This will help ensure that the practical application of management actions described in the NP Operational Plan are initiated effectively and that the practical experience of the NP administration staff and other stakeholders is incrementally built in terms of how to work together effectively, and pragmatically adapt to the challenges that will inevitably be faced during implementation.

Secure financial resources for the management of the PA through the implementation of a Board-approved Business Plan: Again building on the experience gained in the other target PAs the project will support the PA Administration, APA, local authorities and CBO's to develop a multi-approach plan of action for generating financial resources in a way compatible with the mandate of the NP and which can fill gaps in identified management planning needs.

Enhance local community capacity and role in the sustainable management of the area: Based on relevant experience gained at Mtirala NP and Kintrishi PA complex, support will be provided by the project to the local community to enhance their capacity and role in the sustainable management of the area. This will be delivered via the establishment or strengthening of existing local CBOs in the Machakhela and Kernati valleys and other appropriate co-operative mechanisms necessary to achieve viable economic scales for local agricultural and sustainable forest production²⁶. Support will focus on: a). improving sustainability of livelihoods, increasing their potential to have a direct role in practical management, and build community capacity to benefit from the opportunities afforded by their location in the support or buffer zone of the NP. As in the case of Mtirala NP and Kintrishi PA complex, this support will be delivered through the establishment of appropriate extension and technical advisory services, b). the revival of traditional cultural skills and practices related to forest sustainable use such as traditional carpentry and other handcrafts activities, and upgrading of an existing a "Machakhela heritage museum" that emphasizes the traditional links between culture and the forest²⁷. The project will also build the

²⁶ Development of local householder co-operatives and provision of appropriate extension services are components of the UNDP/EU Achara Agricultural project and access of the project communities to such support will be facilitated by the project

²⁷ Interest in establishing some kind of local history / cultural museum has been expressed by people from Machakhela

capacity of the NP administration, municipality and local CBOs to apply and access relevant small grant opportunities such as the GEF SGP²⁸, and other similar mechanisms for supporting relevant environmental and sustainable resource use initiatives by civil society actors. Likewise, capacity within NP administration, municipality and local CBOs to apply effective EIA for planned infrastructure development potentially impacting the NP will be built.

Establish cross-border cooperation between Machakhela NP Administration and the Jamili BR authorities. The project, in collaboration with project partners²⁹, will facilitate cross-border cooperation between Machakhela NP Administration and the Jamili BR authorities. Specifically, the project and its partners will support the development of a joint plan of action to address mutually important priority issues and interests including enforcement issues, ecological management (disease control, alien species, response to climate change) and tourism development and management. This plan of action was already agreed via various joint Georgian/Turkish workshops sponsored by US DoI but progress has stalled in terms of turning agreed actions into practice. Based on this the project will support implementation of practical joint action agreed and facilitate useful experience exchange, particularly in regard to the effective involvement of local communities and the general public in achieving the PAs management goals, and tourism management. Additionally, the project will facilitate consultation with the Georgian border security agency regarding changes to specific border crossings with Turkey that would facilitate cross border tourism and opportunities for joint management.

Documentation of Lessons learned and best Practices: Finally, based on the overall experiences of the project at both the existing PAs (Mtirala NP, Kintrishi Pa complex) and the newly established Machakhela NP, the project will identify important best practices and lessons learned which can be of value to the management of PAs in Georgia generally. These best practices and lessons learned will be documented, and guidelines for facilitating their wider replication and “up-scaling” will be prepared.

Incremental Cost Justification: In the Achara region the business-as-usual scenario in the next few years without the GEF investment in the project is one where: (1) a new PA (Machakhela National Park) remains an under-funded paper park for quite some time, (2) infrastructural, tourism and agricultural developments will continue to isolate the Mtirala-Kintrishi PA complex creating a “green island in a sea of development” and fragmentation of the remaining forests outside these PAs will occur, lowering the adaptive capacity of the ecosystems to sustain threats; (3) PAs will have limited opportunity to apply adaptive management and a weak planning and enforcement framework will be in place in buffer/corridor areas outside official protected areas; (4) the financing of the Mtirala, Kintrishi and Machakhela PAs will remain below optimum and piece-meal, depending on donor interest, without a strategic investment plan; (5) local communities will be in conflict with PA authorities as they perceive biodiversity conservation as a cost to their living standards; (6) key stakeholders involved in the management of biodiversity inside PAs and adjacent to PAs will not collaborate effectively and (8) biodiversity will continue to be lost due to overharvesting and illegal extraction/hunting and species with large ranges will become locally extinct due to habitat loss and fragmentation of the forests.

In the alternative scenario enabled by the GEF Machakhela NP, Mtirala NP and the Kintrishi PA complex, together with the adjacent Jamili Biosphere Reserve in Turkey will in combination become effective tools for the long term sustainable conservation of the globally unique Colchic temperate rainforest. Staff will have sufficient capacity to effectively manage the PAs and be adaptable in the face of changing threats including climate change. Systematic, cost effective monitoring and evaluation systems will ensure a solid information base upon which to make management decisions. Local communities will have an active role in decision making and management and a

²⁸ The GEF SGP was recently established in Georgia and will be operational by the time the project commences.

²⁹ US Dept. of Interior and WWF

significant stake in ensuring the long term conservation objectives of the reserve are met. Inappropriate tourism and infrastructural development (particularly small hydro-electric units) will be prevented or their impact mitigated. The Government of Georgia will continue to provide basic financing but each PA will have in place and be implementing a systematic plan to ensure additional adequate and sustained financing is available to undertake planned management. As a result the Achara region successfully maintains Colchic forest biodiversity and habitat loss and fragmentation is limited. Maintenance of connectivity between large areas of well protected forest increases the chances of long term survival of species vulnerable to “island” effects and increases the resilience of sensitive species to climate change.

Global benefits. The GEF funding will secure the conservation status of biodiversity in the critical areas within the Achara region. It will deliver global benefits through facilitating the expansion of the PA network (added biogeographic representation and functional connectivity) and improving the effectiveness of PA management. In particular, the conservation status of the following globally-threatened plant and animal species will be improved: Mediterranean Horseshoe Bat (*Rhinolophus euryale*), Mehely’s Horseshoe bat (*Rhinolophus mehelyi*), Barbastelle (*Barbastell barbastellus*), Bechstein’s Bat (*Myotis bechsteinii*), Greater Spotted Eagle (*Aquila clanga*), Clark’s Lizard (*Darevskia clarkorum*), Caucasian Viper (*Viperakaznakovi*), Caucasian Salamander (*Mertensiella caucasica*) and Apollo Butterfly (*Parnassius apollo*). This project will result in ecological sustainability in the Achara Region, which will result in benefits (goods and services) that will be produced ecosystem-wide. Ecosystem goods and services will include soil protection, water provision (quality and quantity), flood control, carbon sequestration, carbon storage, tourism attractions and increased resilience and self-repair of ecosystems from other stresses e.g. increase surface temperature.

INDICATORS AND RISKS

The project indicators are detailed in the [Strategic Results Framework](#) which is attached in Section II of this Project Document.

Project risks and risk mitigation measures are described below.

| IDENTIFIED RISKS AND CATEGORY | IMPACT | LIKELIHOOD | RISK ASSESSMENT | MITIGATION MEASURES |
|---|--------|------------|-----------------|--|
| <p>POLITICAL The Government fails to commit sufficient financial support to new protected area’s planning and operations, and protected areas are unable to finance the subsequent shortfall</p> | High | Likely | High | <p>The project will firstly consider the most appropriate institutional set-up for the management of the PA, based on cost-effectiveness reasoning and ability to fund raise. The incorporation of the local community on the management board of PA will reduce cost as the presence of local community in the area and their cooperation with PA authorities will reduce the cost of enforcement. Additionally, NGOs, with their fund-raising abilities will be welcomed and made part of the management structure. Private sector partners, interested in investing in the PA, will also be incorporated. Further, the project will develop realistic, robust business plans for the PAs to ensure long-term financial sustainability. The project will also broker additional financial commitments from government to support the expanded protected area system. The financial sustainability of the protected area system in Georgia has also been addressed through other initiatives, namely through the GEF-funded projects ‘Catalysing Financial Sustainability of Protected Areas of Georgia’ and ‘Ensuring Sufficiency and Predictability of Revenue for Georgia’s Protected Area</p> |

| IDENTIFIED RISKS AND CATEGORY | IMPACT | LIKELIHOOD | RISK ASSESSMENT | MITIGATION MEASURES |
|---|--------|-------------------|-----------------|--|
| | | | | System”. The experience and lessons from these projects are being applied by the government and donors and will be utilized by the project. The Georgian economy is also growing briskly and the financial wherewithal of the government to address PA financial needs is improving. |
| POLITICAL Conflicts and misunderstanding among public institutions, private sector partners, NGOs and resource users undermine partnership approaches and implementation of cooperative governance arrangements | High | Unlikely | Moderate | Where possible, formal agreements/MOUs will be used to define roles and responsibilities. Training will be provided to stakeholders on governance and conflict resolution. Activities will be designed and implemented in a win-win manner, beneficial to all, as far as possible. The sustainable development of the landscape will be emphasized with arguments that are supported with long-term economic forecasts. |
| POLITICAL Current institutions show limited support for “de-concentration” ³⁰ management authority to PA Administrations or to changes needed to improve PA management cost-effectiveness | Low | Moderately likely | Moderate | The Project partners (EU Twinning Project) support activities to initiate discussion on de-concentration issues and the incorporation of agreement on this into standard management and operational plans. The project, through a detailed analysis of the current cost effectiveness of PA management in the target PAs in Achara, and the identification of ways to improve cost effectiveness, will provide a rational basis to further the discussion and help resolve internal resistance to necessary changes. In Machakhela NP the project will help ensure greater devolution of management and resources control (both state budget and self generated funds) in the process of management plan and business planning and initial practical implementation of such plans. |
| ENVIRONMENTAL Ecosystems are not sufficiently resilient and their biological and physical integrity is incrementally compromised by the effects of global and regional climate change | Low | Moderately likely | Moderate | The design of a more representative, comprehensive and adequate system of PAs in the Achara Region will seek to integrate the PA system needs into the country’s evolving climate change adaptation strategy. This, combined with integration of PA management within the wider landscape will provide improved functional connectivity for species (both fauna and flora) to adapt to climate change. The removal of threats, pressures and stresses that impact the biodiversity of this region, will also ensure that ecosystems are more resilient to the impacts of climate change and therefore less vulnerable to its effects. Finally, site-level protected area managers, private sectors individuals and members of local communities will be trained to better understand the likely impacts of CC on biodiversity/ecosystems and to be better able to apply adaptive management and to adopt conservation and management strategies for mitigating CC effects and enhancing resilience. This will include practical experience in applying relevant practical actions included into management planning that increase resilience and tracks impacts. |
| STRATEGIC Current institutions have inadequate capacity or resources to | Low | Not likely | Low | The project will review the capacities of the different actors in the project and ensure that the gaps identified will be addressed before project end. APA staff has limited capacity in collaborative approaches and in engaging the local |

³⁰ “De-concentration” is the accepted phrase used in Georgia to refer to decentralization (devolution of resources and management control from centre to regional, district, field levels)

| IDENTIFIED RISKS AND CATEGORY | IMPACT | LIKELIHOOD | RISK ASSESSMENT | MITIGATION MEASURES |
|-------------------------------|--------|------------|-----------------|--|
| manage protected areas | | | | community in PA management; this capacity will be improved through tailored training and learning-by-doing. The local community and the private sector again lack experience and capacities in PA management and in undertaking collaborative activities with state actors, which will be addressed through training, but also through engaging in the partnership management and learning from experienced PA managers from APA and the NGOs. |

COST-EFFECTIVENESS

The project incorporates into its design several features aimed at improving efficiency and cost-effectiveness of the targeted protected areas management in Achara. Based on an evaluation to be carried out during its terminal phase regarding the impact of these features, the project will prepare “best practice” and “lessons learned” assessments, and hence guideline documents to stimulate replication of the most applicable experience throughout the Georgian Protected Areas system.

As detailed in previous sections of this document, a crude analysis of the Georgian PA system (based on a comparison of current financing and staffing per km² of PA in Georgia with other countries in the region and internationally) suggests that significant opportunities for improving cost effectiveness probably exist. Furthermore, given the very high current dependence of the Georgian PA system on non-state (and mostly international) sources of funds to cover gaps in PA financing needs, it is clearly a priority to achieve better financial sustainability. To achieve financial sustainability of the PAs requires to address two factors i.e. costs and income (state budget and self-generated revenue).

The project contributes to addressing this priority through two strategic approaches: (a) support to improving financial planning and the self-generation of additional funds (i.e. business planning support), and (b). support to increasing the cost effectiveness of PA management practices and approaches. In the context of the latter (cost effectiveness), the project and its partners will focus on three basic approaches for achieving improvement of PA cost effectiveness in relation to management effort and conservation achievement. Firstly, the project will assist APA and the Administrations to identify ways within the project target PAs in which to streamline and improve the efficiency of the PAs core management tasks, including enforcement activities, scientific research, ecological management (disease, alien species and fire control, etc.), tourism and other revenue generation management. Having helped identified various methods and approaches to increase cost effectiveness of management, the project will assist PA Administrations to practically apply them during the initial implementation of updated or new Management plans in order to test and evaluate their feasibility and benefits. A detailed analysis of the impact of these introduced methods and approaches will be made towards the end of the project and on that basis clear recommendations and guidelines of how to replicate them throughout the system will be made.

Secondly, the project will facilitate the greater participation and practical involvement of local communities in the management of the PAs, specifically: monitoring data collection, surveillance, and ecological management (within traditional use zones and support/buffer zones). This partial delegation of tasks and the shifting of PA Administrations role from being direct executors of such tasks to being regulators, will reduce both the level of material and time investments required from the PA Administrations and thus generate cost savings. Furthermore, greater benefit sharing and increased “ownership” of the local communities should reduce conflicts and the enforcement costs related to them which should further reduce management effort and costs. Once again, the project will undertake an assessment during its terminal phase of the activities related to improving community participation in PAs which will include evaluating their impact in terms of overall management effectiveness, and impacts in terms of cost effectiveness.

Finally, the current rather centralized system, and the limited flexibility afforded to PA Administrations, inevitably results in inefficiencies. Thus, activities will be undertaken by the project and its implementation partners that will encourage greater de-concentration of management control to PA Administrations, and increase their capacity to be accountable and apply adaptive management that adjust to practical management challenges. It is expected that this will reduce unnecessary effort and increase over cost-effectiveness of PA management.

COUNTRY OWNERSHIP: COUNTRY ELIGIBILITY AND COUNTRY DRIVENNESS

The Government of Georgia signed the United Nations Convention on Biological Diversity (CBD) on 12 June, 1992 and ratified it on June 02, 1994. As a party to the CBD, Georgia is committed to implement the Programme of Work on Protected Areas (PoWPA) (COP 7, Decision VII/28). The project will specifically contribute to addressing the following PoWPA activities in Component 1: Activities 1.1.4/ 2.1.5/ 2.2.1/ 2.2.2/ 2.2.4/ 3.5.4 (encouraging participation of indigenous and local communities); Activity 1.3.3 (strengthening collaboration across national boundaries); Activity 1.4.1 (site-based participatory planning); and Activity 1.4.6 (effective management). The project will specifically contribute to addressing the following PoWPA activities in Component 2: Activity 1.5.5 (assess key threats and develop and implement strategies to address threats; Activity 1.4.6 (effective management); and Activity 3.2.1 (capacity needs assessment and capacity building).

The Fourth National Report (Framework Report on Georgia's Biodiversity, 2009) has been prepared by the country in conformance with COP 8 decision VIII/14 of the CBD. This report confirms the high priority placed by the government on the establishment and management of a system of terrestrial protected areas as an effective mechanism for the *in situ* conservation of biodiversity (Article 8 of the CBD). It is noted in the Fourth National Report that the greatest threats to the ecological integrity of the protected areas are destruction/degradation of habitats and the extensive extraction of biological resources.

The principal causes for habitat destruction in and around PAs are timber logging, degradation of water ecosystems and intensive grazing. Despite the fact that more recent trends indicate a decrease in illicit extraction of forest resources, wood and fire wood processing remains one of the threats to biodiversity. The report notes the significant progress made in terms of PA expansion and management but highlights the need to further improve effectiveness of management, develop sustainable tourism, better involve local populations, better secure the financial sustainability, and improve monitoring and research as basis for targeting effort and resources more effectively.

PROJECT CONSISTENCY WITH NATIONAL PRIORITIES/PLANS

The project is designed to implement key elements of the Ecoregional Conservation Plan for the Caucasus (ECPC). The vision of this plan for the Caucasus is a region where healthy populations of native plants and animals flourish; habitats, landscapes and natural processes are preserved; and where vibrant and diverse peoples actively participate in the equitable and sustainable management and use of natural resources. The proposed project is especially closely aligned to the following strategies of this regional plan: (i) Organise a well-managed protected area network across the Ecoregion; (ii) Encourage collaborative management through involvement of all stakeholders, from national governments to NGOs and local communities; (iii) Conserve and restore endangered species; (iv) Promote transboundary cooperation. The Adjara region is part of one of the geographic priorities of the ECPC.

The National Biodiversity Strategy and Action Plan (NBSAP, 2005) for Georgia lays out the country's vision for biodiversity conservation. The key priorities listed in the NBSAP of relevance to this project include the development of a protected area system that ensures conservation and sustainable use of biological resources, the development of a biodiversity monitoring system and an active and integrated biodiversity database to ensure sustainable use and conservation of biological resources, and the raising of public awareness of biodiversity issues and to encourage public participation in the decision making process. The National Environmental Action Plan (NEAP) summarizes the government's strategic environmental priorities. The NEAP-2 was approved in January 2012 and covers period 2012-2016. It outlines eleven priority themes in the areas of 1) water resources; 2) ambient air protection; 3) waste and chemicals; 4) Black Sea; 5) biodiversity and protected areas; 6) forestry; 7) land resources; 8) mineral resources and groundwater; 9) disasters; 10) nuclear and radiation safety; and 11) climate change. Each theme has a long-term goal for the next 20 year period. Several short-term (5 year) targets are also given with a number of measures identified for each target. According to the Ministry of Environment and Natural Resources Protection, the NEAP 2 is currently under revision, namely some measures may be added under provided targets.

The project is also in line with the National Tourism Development and Investment Strategy for the Republic of Georgia, especially so under the following strategic objectives: 1) Attractions and Experiences: Revitalize, protect and improve existing attractions and identify new attractions to meet market demand; and 2) Destination Management: Improve infrastructure and visitor services. Conserve natural environment and cultural heritage through sustainable tourism development.

SUSTAINABILITY AND REPLICABILITY

The institutional and financial sustainability of the project will be ensured through several provisions. The strengthening of the PA institutional and governance frameworks will be basis for the institutional sustainability of project actions. These institutional frameworks will improve coordination among the various national and local institutions regarding planning and management of PAs. It will aid in defining common goals, specifying roles, and clarifying responsibilities regarding PAs and forest biodiversity conservation. The establishment of local level Public-Community-Civil Society PA Governance Boards will constitute a significant step in strengthening the country's ability to ensure the protection and monitoring of Forest biodiversity and its sustainable use. These Boards will continue to operate after project completion with the full support of the Government of Georgia. The model of multi-stakeholder co-management decision-making both at a local and regional level will reduce disputes among resource users and will provide the opportunity for rural communities to participate in protected area management. Specific consideration will be given to benefit distribution, emphasizing the participation of women. The increase in socio-economic benefits to the people of the regions where protected areas are established will help to ensure that biodiversity efforts are sustainable in the long term, that the PAs enjoy security and are managed in a manner that protects biodiversity.

A key element for the financial sustainability of PA management will be the development of business plans for the PAs. The project is programmed jointly with other interventions, financed by the GEF to enhance the financial sustainability of PAs in Georgia as a whole. Business plans will further aid in evaluating the specific financial needs for each area (i.e. basic and optimum management costs analysis) and evaluating future revenue generation sources for each PA and the capture of other outside revenue sources (donor or government). Also, an action plan will be developed to encourage private sector voluntary financial contributions on the basis that effectively managed protected areas will provide lasting ecosystems goods and services that will bring economic benefits to the sectors involved (e.g. hydropower, tourism, agriculture, physical development), which will serve as an incentive to invest in PAs' management and protection.

Social Sustainability: As discussed above, a major emphasis of the project is building the better integration and role of local communities in PA management and, in that context, to put in place suitable governance structures to achieve it. Since independence previous structures that ensured social stability have largely collapsed (collective farms etc.) and one of the most pressing problems facing rural communities is the impact this has had both on incomes and social cohesion. This project, by supporting the establishment of new social structures (community based organizations, resource use co-operatives, etc.), will help to reverse this situation. This is critical for ensuring that mountain communities in and around the PA have the long term cohesion, capacity and incentive to play a positive role and mutually beneficial results for both conservation and communities can be achieved in the future.

Replication: The Project Manager will ensure the collation of all the project experiences and information. This knowledge database will then be made accessible to different stakeholder groups in order to support better decision-making processes in protected areas. The project will identify important best practices and lessons learned which can be of value to the management of PAs in Georgia generally. These best practices and lessons learned will be documented, and guidelines for facilitating their wider replication and “up-scaling” will be prepared. Subsequently, the project will make systematic efforts for their dissemination including publishing in written and digital format, dissemination workshops, cross-fertilization study tours between PAs and on film. Adequate budget for this purpose has been included.

PART III: Management Arrangements

PROJECT IMPLEMENTATION ARRANGEMENTS

The project will be implemented via National Implementation Modality (NIM). Implementing partner will be Agency for Protected Areas (Ministry of Environment and Natural Resources Protection).

Project governance structure will be aligned with UNDP's new rules for Results Based Management and will be composed of: (i) Project Executive Group – Project Board; (ii) Project Management; (iii) Project Assurance; and (iv) Project Support. The governance structure is described below:

Project Executive Group: The Project Executive Board will be the executive decision making body for the project, providing guidance based upon project progress assessments and related recommendations from the Project Manager (PM). The PEB will review and approve annual project reviews and work plans, technical documents, budgets and financial reports. The PEB will provide general strategic and implementation guidance to the PM. It will meet quarterly, and make decisions by consensus. The specific rules and procedures of the PEB will be decided upon at the project inception meeting. The Project Board is responsible for making management decisions for project in particular when guidance is required by the Project Manager. The Project Board plays a critical role in project monitoring and evaluations by quality assuring these processes and products, and using evaluations for performance improvement, accountability and learning. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems with external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities. Based on the approved Annual Work Plan, the Project Board can also consider and approve the quarterly plans (if applicable) and also approve any essential deviations from the original plans that may be necessary. In order to ensure UNDP's ultimate accountability for the project results, Project Board decisions will be made in accordance to standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In cases when consensus cannot be reached within the Board, the final decision shall rest with the UNDP Project Manager. The success of the project implementation is dependent upon strong project guidance, coordination and advocacy from the Project Board.

In addition to the Project Executive Board, the project will establish together with APA a Technical Coordination Group to ensure synergetic collaboration and effective coordination of efforts in Achara by project development partners (EU Twinning Project, KFW Support to Protected Areas in Georgia programme, WWF, CNF, USDoI) and other important partners (such as the Jamili BR Administration if possible). The TCG will meet on a quarterly basis to share and coordinate activities and discuss emerging challenges so that a coordinate approach can be used to address them.

Project National Director: the MoENRP, through its Agency for Protected Areas is identified as responsible agency for the project implementation. The APA/MoENRP will assume responsibility for the project implementation, and the timely and verifiable attainment of project objectives and outcomes. It will provide support to the project management unit, and inputs for the implementation of all project activities. The APA/MoENRP will nominate a high level official who will serve as the National Project Director (NPD) for the project implementation.

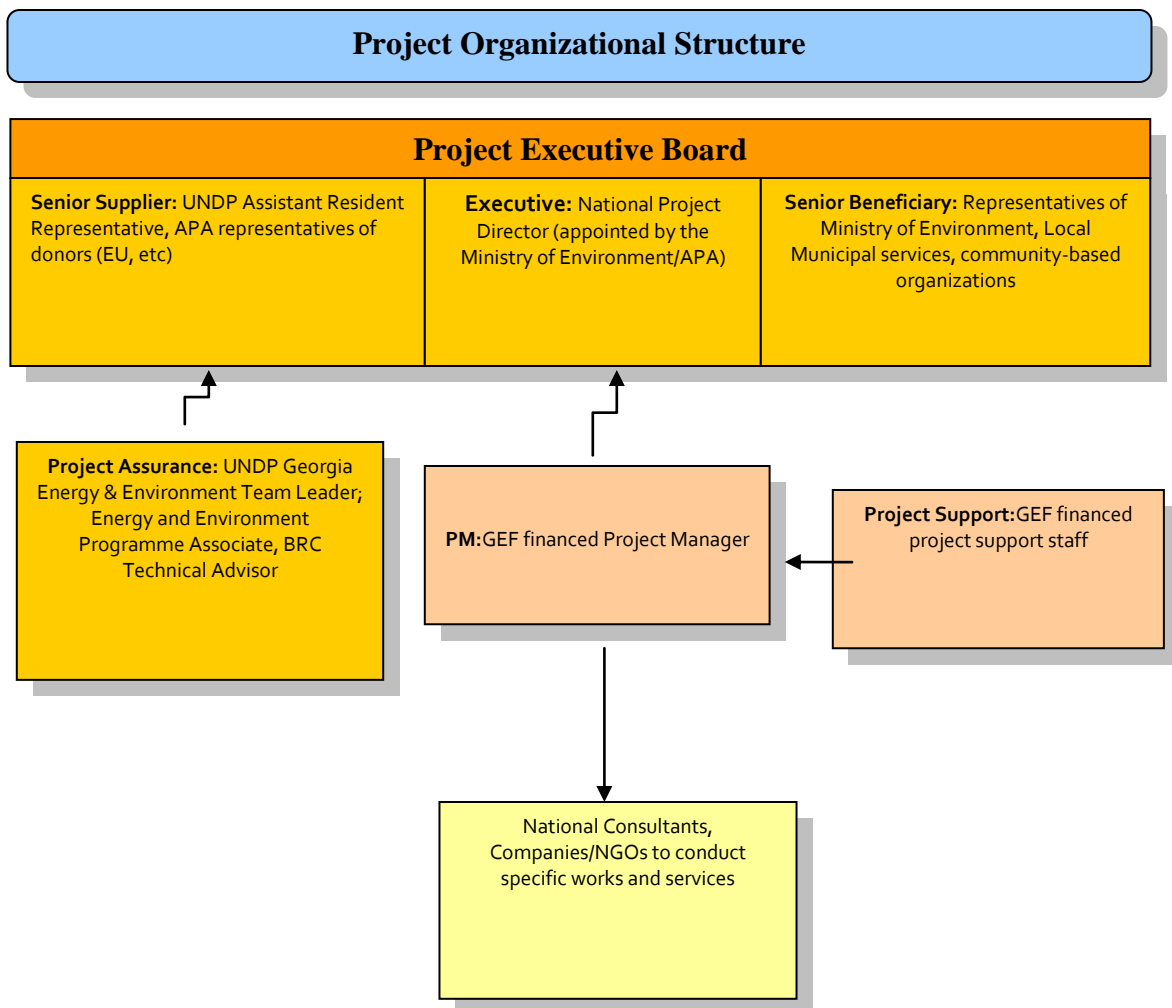
Project Management Unit: The PMU will be located in Batumi, Achara Region. Core PMU staff will consist of: A National Project Manager (NPM) who will be tasked with the day-to-day management of project activities, as well as with financial and administrative reporting. Other core staff include: a part-time Chief Technical Adviser (CTA), responsible for guiding the overall technical direction of the project, and a full time National Technical Coordinator (NTC) who will be responsible for day to day supervision of project technical activities, and a part-time

Administration and Finance Assistant (AFA). The Project Manager will be responsible for project implementation and will be guided by Annual Work Plans and follow the RBM standards. The Project Manager, in consultation with the CTA and NTC, will prepare Annual Work plans in advance of each successive year and submit them to the Project Executive Group for approval. Administrative support, office space, utility costs, office equipment and local vehicle costs will be shared with the UNDP Agricultural Project in Batumi. The National Project Manager will have the authority to run the project on a daily basis on behalf of the Implementing Partner within the constraints laid down by the Group. The NPM's prime responsibility will be to ensure that the project produces the planned outputs and achieves the planned indicators by undertaking necessary activities specified in the project document to the required standard of quality and within the specified constraints of time and cost. This will require linking the indicators to the work plan to ensure RBM. The Project Management Unit (PMU) will be responsible for arranging Project Board meetings, providing materials to members prior to the meeting, and delineating a clear set of meeting objectives and sub-objectives to be met.

Project Assurance: This role is the responsibility of each Project Board member; however, it will be delegated to the UNDP Environment and Energy Portfolio Team Leader and Portfolio Associate to provide independent project oversight and monitoring functions, to ensure that project activities are managed and milestones accomplished. The UNDP E&E Team Leader will be responsible for reviewing Risk, Issues and Lessons Learned logs, and ensuring compliance with the Monitoring and Communications Plan. The UNDP-GEF Regional Technical Advisor located in Bratislava will also play an important project quality assurance role by supporting the annual APR/PIR process.

Project Support. UNDP will provide financial and administrative support to the project including procurement, contracting, travel and payments.

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 will also accord proper acknowledgment to GEF (see also part Communications and Visibility Requirements).



FINANCIAL AND OTHER PROCEDURES

The financial arrangements and procedures for the project are governed by the UNDP rules and regulations for National Implementation(NIM).

AUDIT CLAUSE

The Project audits will be conducted according to UNDP Financial Regulations and Rules and applicable Audit policies.

PART IV: Monitoring Framework and Evaluation

MONITORING AND REPORTING

The project will be monitored through the following M&E activities. The M&E budget is provided in at the end of this chapter.

The project's Monitoring & Evaluation (M&E) framework will build on the UNDP's existing M&E Framework for biodiversity programming. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from the UNDP/GEF Regional Coordination Unit in Bratislava, Slovakia. The Strategic Results Framework in Section II, Part I, provides performance and impact indicators for project implementation along with their corresponding means of verification. The METT tool, and Capacity Assessment Scorecards (see Section IV, Part V) will all be used as instruments to monitor progress in PA management effectiveness. The M&E plan includes: inception report, project implementation reviews, quarterly and annual review reports, an internal no-cost mid-term review and final evaluation. The following sections outline the principle components of the Monitoring and Evaluation Plan and indicative cost estimates related to M&E activities. The project's Monitoring and Evaluation Plan will be presented and finalized in the Project's Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Inception Phase

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 within 3 months of project start up. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goal and objective, as well as finalize preparation of the project's first annual work plan. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise, finalizing the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF 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 Review Report (ARR), 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 re-phrasings. The IW will also provide an opportunity for all parties to understand their roles and responsibilities within the project's decision-making structures, including reporting and communication lines.

A detailed schedule of project review meetings will be developed by 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 Project Executive Board Meetings (PEBM) and (ii) project related Monitoring and Evaluation activities. Day-to-day monitoring of implementation progress will be the responsibility of the Project Manager (PM) based on the project's Annual Work Plan and agreed indicators. The PM 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. The PM will also 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. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

Measurement of impact indicators related to global biodiversity benefits will occur according to the schedules defined in the Inception Workshop, using METT scores, assessments of forest cover, wildlife movements and other means. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the Implementing Partner, 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. Annual Monitoring will occur through the Project Executive Board Meetings. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to PEBM four times a year. The first such meeting will be held within the first six months of the start of full implementation.

A terminal PEB meeting will be held in the last month of project operations. The PM is responsible for preparing the Terminal Report and submitting it to UNDP-CO and UNDP-GEF RCU after close consultation with the PEBM. It shall be prepared in draft at least two months in advance of the terminal PEBM in order to allow review, and will serve as the basis for discussions in the PEBM. The terminal meeting considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its objectives and contributed to the broader environmental objectives. 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.

UNDP Country Offices and UNDP-GEF RCU as appropriate, will conduct yearly visits to project sites based on an agreed upon schedule to be detailed in the project's Inception Report/Annual Work Plan to assess first hand project progress. A Field Visit Report/BTOR will be prepared by the Country Office and UNDP-GEF RCU and circulated no less than one month after the visit to the project team, all PEB members, and UNDP-GEF.

Project Reporting

The PMU, 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. The first six reports are mandatory and strictly related to monitoring, while the last two have a broader function and their focus will be defined during implementation.

A Project Inception Report will be prepared immediately following the Inception Workshop. It will include a detailed First Year 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 will include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time-frames for meetings of the project's decision making structures. The Report 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.

The Inception Report 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 affect project implementation. 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. The inception report will be prepared and final version submitted not later than 4 months after project document signature (considered as project start).

The Annual Project Report/ Project Implementation Review (PIR) must be completed once a year. The APR/ PIR is an essential management and monitoring tool for UNDP, the Executing Agency and Project Coordinators and offers the main vehicle for extracting lessons from ongoing projects at the portfolio level.

Quarterly progress reports: Short reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and by the project team, headed by the Policy Specialist using UNDP formats. Quarterly progress reports will be entered into ERBM platform by Country Office and will be checked by UNDP-GEF RCURCU randomly and at the time of PIR preparation.

UNDP ATLAS Monitoring Reports: A Combined Delivery Report (CDR) summarizing all project expenditures, is mandatory and should be issued quarterly. The PM will send it to the PEB for review and the Executing Partner will certify it. The following logs should be prepared: (i) The Issues Log is used to capture and track the status of all project issues throughout the implementation of the project. It will be the responsibility of the PM to track, capture and assign issues, and to ensure that all project issues are appropriately addressed; (ii) the Risk Log is maintained throughout the project to capture potential risks to the project and associated measures to manage risks. It will be the responsibility of the PM to maintain and update the Risk Log, using Atlas; and (iii) the Lessons Learned Log is maintained throughout the project to capture insights and lessons based on the positive and negative outcomes of the project. It is the responsibility of the PM to maintain and update the Lessons Learned Log.

Internal mid-term review: An internal no-cost mid-term review will be undertaken at the mid-point of the project lifetime. The mid-term review 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.

Project Terminal Report: During the last three months of the project the project team under the PM 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 the long term sustainability and the wide replicability of the Project's outcomes. It will be drafted prior to the conduction of the independent terminal evaluation and finalized after. In this way it will both contribute to the understanding of the evaluators and can benefit in its final version from the TE conclusions and evaluators comments.

Periodic Thematic Reports: 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.

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.

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, under the PM, 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.

Independent Evaluation, Audits and Financial Reporting

The project will be subjected to one independent external evaluation. An independent Final Evaluation will take place three months prior to the terminal Project Executive Board meeting, and will focus on evaluating the overall impact of the project in the context of its goal, objectives outcomes and outputs. The final evaluation will 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 UNDP-GEF Regional Coordinating Unit.

Learning and Knowledge Sharing

Results from the project will be disseminated both within and beyond the project intervention zone through a number of existing information sharing networks and forums. On-going internal assessment by PMO staff will help to collate lessons learned, and will seek to identify what the project team considers to be useful and practical information to gather and analyze. Because this requires additional effort, time and funds, an associated budget has been included for this.

In addition, the project will participate, as relevant and appropriate, in UNDP/GEF sponsored networks, organized for Senior Personnel working on projects that share common characteristics. UNDP/GEF Regional Unit has established an electronic platform for sharing lessons between the project coordinators. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identifying and analyzing lessons learned is an on-going process, and the need to communicate such lessons as one of the project's central contributions is a requirement to be delivered not less frequently than once every 12 months. UNDP/GEF shall provide a format and assist the team in categorizing, documenting and reporting on lessons learned.

Capturing and sharing knowledge and lessons learned will constitute an important component of the project and an essential way to ensure sustainability and replicability of project achievements. This project element cuts across all project components. It is also noteworthy that most field areas are unable to receive electronic information, therefore reliance on printed materials will be high.

Communications and Visibility Requirements

Full compliance is required with UNDP's Branding Guidelines and guidance on the use of the UNDP logo. These can be accessed at <http://web.undp.org/comtoolkit/reaching-the-outside-world/outside-world-core-concepts-visual.shtml>. Full compliance is also required with the GEF Branding Guidelines and guidance on the use of the

GEF logo. These can be accessed at http://www.thegef.org/gef/GEF_logo. The UNDP and GEF logos should be the same size. When both logs appear on a publication, the UNDP logo should be on the left top corner and the GEF logo on the right top corner. Further details are available from the UNDP-GEF team based in the region.

Full compliance is also required with the GEF’s Communication and Visibility Guidelines (the “GEF Guidelines”).³¹ Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

Audit Clause

The Government will provide the Resident Representative with certified periodic financial statements, and with an audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted according to UNDP financial regulations, rules and audit policies by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

Table 7. M&E Activities, Responsibilities, Budget and Time Frame

| Type of M&E activity | Responsible Parties | Budget USD <i>Excluding project team Staff time</i> | Time frame |
|---|--|---|--|
| Inception Workshop | <ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO ▪ UNDP GEF | \$10,000 | Within first two months of project start up |
| Inception Report | <ul style="list-style-type: none"> ▪ Project Team ▪ UNDP CO | None | Immediately following Inception workshop |
| Measurement of Means of Verification for Project Purpose Indicators | <ul style="list-style-type: none"> ▪ Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members | To be finalized in Inception Phase. | 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 Manager ▪ Monitoring and Evaluation Officer ▪ Project team | To be determined as part of the Annual Work Plan's preparation. | Annually prior to ARR/PIR and to the definition of annual work plans |
| ARR and PIR | <ul style="list-style-type: none"> ▪ Project Team ▪ UNDP-CO ▪ UNDP-GEF | None | Annually |
| Quarterly progress reports | <ul style="list-style-type: none"> ▪ Project team | None | Quarterly |
| CDRs | <ul style="list-style-type: none"> ▪ Project Manager | None | Quarterly |
| Issues Log | <ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO Programme Staff | None | Quarterly |
| Risks Log | <ul style="list-style-type: none"> ▪ Project Manager | None | Quarterly |

³¹The GEF Guidelines can be accessed at http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf

| Type of M&E activity | Responsible Parties | Budget USD <i>Excluding project team Staff time</i> | Time frame |
|---|--|---|--|
| | <ul style="list-style-type: none"> ▪ UNDP CO Programme Staff | | |
| Lessons Learned Log | <ul style="list-style-type: none"> ▪ Project Manager ▪ UNDP CO Programme Staff | None | Quarterly |
| Internal mid-term review | <ul style="list-style-type: none"> ▪ Project team ▪ UNDP- CO ▪ UNDP-GEF Regional Coordinating Unit ▪ | None | At the mid-point of project implementation. |
| Final Evaluation | <ul style="list-style-type: none"> ▪ Project team, ▪ UNDP-CO ▪ UNDP-GEF Regional Coordinating Unit ▪ External Consultants (i.e. evaluation team) | \$30,000 | At least three months before the end of project implementation |
| Terminal Report | <ul style="list-style-type: none"> ▪ Project team ▪ UNDP-CO ▪ local consultant | Funds are budgeted for local consultants to assist where needed | At least threemonths before the end of the project |
| Lessons learned | <ul style="list-style-type: none"> ▪ Project team ▪ Monitoring and Evaluation Officer ▪ UNDP-GEF Regional Coordinating Unit (suggested formats for documenting best practices, etc) | 0 | Yearly |
| Audit | <ul style="list-style-type: none"> ▪ UNDP-CO ▪ Project team | \$3,000 | Once during lifetime of project as per UNDP audit regulations |
| Visits to field sites | <ul style="list-style-type: none"> ▪ UNDP Country Office ▪ UNDP-GEF Regional Coordinating Unit (as appropriate) ▪ Government representatives | Paid from IA fees and operational budget | Yearly |
| TOTAL INDICATIVE COST | | | |
| Excluding project team staff time and UNDP staff and travel expenses | | USD 43,000* | |

PART V: Legal Context

This document, together with the CPAP signed by the Government and UNDP which is incorporated by reference, constitute together a Project Document as referred to in the SBAA and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; and
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

SECTION II: STRATEGIC RESULTS FRAMEWORK (SRF)

| |
|--|
| This project will contribute to achieving the following Country Programme Outcome as defined in CPAP: <u>Expected CP Outcome</u> 3.2.1. Sustainable practices and instruments for the management of chemicals and natural resources, including land, water and biological resources demonstrated at pilot areas and up-scaled at national and/or trans boundary levels <u>Output:</u> Financial and operational sustainability of PA increased |
| Country Programme Outcome Indicators: 3.2 Underlying disaster risk factors are reduced, focusing on sustainable environmental and natural resource management |
| Primary applicable Key Environment and Sustainable Development Key Result Area: Strengthen national capacity to manage the environment in a sustainable manner while ensuring adequate protection of the poor. |
| Applicable GEF Strategic Objective and Program: <u>Objective 1</u> Improve sustainability of protected area systems |
| Applicable GEF Expected Outcomes: <u>Outcome 1.1</u> Improved management of existing and new protected area |
| Applicable GEF Outcome Indicators: <u>Indicator 1.1</u> Protected area management effectiveness as recorded by Management Effectiveness Tracking Tool |

| Project Strategy | Indicator | Baseline value | Target by end of Project | Sources of verification | Risks and Assumptions |
|--|---|--|--|--|---|
| Objective: To enhance the management effectiveness , biogeographically coverage and connectivity of Protected Areas to conserve forest ecosystems in the Achara Region | Protected Area Coverage within the Achara Region increased | 30,469 ha | 39,202 ha. | Official APA and Achara Region statistics. | <u>Risk:</u> That Government will not remain committed to the maintenance and financing of the existing PAs and not make the necessary investments needed to establish Machakhela NP <u>Assumption:</u> That Government of Georgia and Achara Region will act on legal gazetteement of Machakhela NP and continue to support other PA's and will fully meet investment and recurrent costs for management. |
| | Increased national and Achara PA Coverage of the Colchic Temperate Rain Forest by at least 1% and 5% respectively | Nationally: 10.7% Achara: 15% | Nationally: 11.7% Achara: 20% | Official APA and Achara Region statistics. | |
| | Capacity development indicator score for protected area system | Systemic: 14% Institutional: 21% Individual: 9% | Systemic: >20% Institutional: >29% Individual: >13% | Project review of Capacity Development Indicator Scorecard | |
| | Management effectiveness for Kintrishi PA Complex, Mtirala NP and Machakhela NP measured by METT scorecard | Mtirala NP METT score:68% Kintrishi State Reserve METT score: 62% Kintrishi Protected Landscape METT score: 58% Machakhela NP METT score: 11% | Mtirala NP METT score:> 73% Kintrishi State Reserve METT score: > 67% Kintrishi Protected Landscape METT score:> 63% Machakhela NP METT score:71% | Project review of METT scorecard (every two years) | |

| Project Strategy | Indicator | Baseline value | Target by end of Project | Sources of verification | Risks and Assumptions |
|--|---|---|---|---|---|
| Outcome 1: Enhanced PA Management Effectiveness in the Achara Region | No net increase in the illegal harvesting of wood and non wood forest products | Mtirala NP: 7.82 m ³ . ³² Kintrishi PA Complex: 0 m ³ . | Mtirala NP: < 7.82 m ³ . Kintrishi PA Complex: 0 m ³ . | PA annual reports and project evaluation/progress reports | <u>Risk</u> : That activities to build effectiveness of PA Administrations will be hampered by continued limited autonomy to act and excessive centralization <u>Assumption</u> : That APA will allow sufficient “de-concentration” of management to allow more adaptive management. |
| | Reduction or no increase in illegal activity measured by % of patrols resulting in arrests or fines ³³ | Mtirala NP: 1.3% (12 incidents, 915 patrols) Kintrishi PA Complex: 0.37% (1 incident, 267 patrols) | Mtirala NP: 1.3% or less Kintrishi PA Complex: 0.37% or less | PA annual reports and project evaluation/progress reports | |
| | Outputs 1.1 Enforcement and surveillance system strengthened in Kintrishi Protected Areas and andMtirala NP 1.2 Reduced threats at source by constructive involvement of local communities in planning and co-management arrangements within the governance framework of 2 newly established community-based organizations. 1.3 Future financial needs of the Kintrishi and Mtirala PAs addressed by developing mechanisms to generate finances on the scale needed to address emerging long term pressures on biodiversity | | | | |
| Outcome 2: PA System Expanded to increase functional connectivity of PAs in the West Lesser Caucasus | Extent (ha) of area surveyed, and formally proclaimed and managed as Machakhela National Park (IUCN Cat II) | 0 ha | Machakhela National Park covering 8,733 ha by yr 2 | Official Achara and Georgian state statistics | <u>Risk</u> : That economic or political conditions weaken commitment / possibilities to adequately finance required investments during project duration |
| | Distance between the Mtirala/Kintrishi PA Complex and the nearest Forest Habitat PA | 13 km to Jamili PA, Turkey | Less than 6 km to Machakhela NP | Boundary and Zonation documents and maps. Management plan document | <u>Assumption</u> : That Achara authorities and APA implement law establishing Machakhela NP and provide adequate investments to establish suitable management. |
| | Necessary infrastructure investment is made by APA and Achara authorities to establish effective management of the NP | Zero | Approx. 120,000 USD | NP Management board meeting minutes Project PIRs | |
| | Machakhela NP boundaries and zonation decided and participatory management plan in existence | Boundaries only provisionally demarcated and zonation not carried out | Clearly defined and consensually agreed boundaries and zones by | Boundary and Zonation documents and maps. | |

³² Mean illegal extraction recorded between 2008 – 2011 (4 years)

³³ This measures records of illegal activity incidents as a proportion of patrol effort

| Project Strategy | Indicator | Baseline value | Target by end of Project | Sources of verification | Risks and Assumptions |
|------------------|---|----------------|--|--|-----------------------|
| | | | yr 2 Consensually agreed Management plan exists by yr 3 | Management plan document. | |
| | Level of involvement of communities in the management and governance of the NP | N/A | Public-Civil Society-Community PA Planning and Management Governance Board established with proper representation and involvement of local communities in the planning and management of the Machakhela NP (by year 2) | NP Management Board membership documents | |
| | <p>Outputs</p> <p>2.1 Functional establishment of a new IUCN Category II PA of 8,733 ha in the Machakhela Valley</p> <p>2.2 Public-Civil Society- Community PA Planning and Management Governance Board established and provided with a legal basis to manage the proposed Machakhela National Park.</p> <p>2.3 Established operational capacity at Machakhela National Park.</p> | | | | |

SECTION III: TOTAL BUDGET AND WORKPLAN

| | |
|-----------------------|---|
| Award ID: | 66852 |
| Award Title: | Expansion and Improved Management Effectiveness of the Achara Region's Protected Areas |
| Business Unit: | GEO10 |
| Project Title: | Expansion and Improved Management Effectiveness of the Achara Region's Protected Areas |
| Project ID: | 4732 |
| PIMS No. | 4835 |
| Implementing Partner: | Ministry of Environment and Natural Resources Protection, LPEL Agency for Protected Areas (APA) |

| GEF Outcome / Atlas Activity | Responsible Party / Implementing Agent | Fund ID | Donor Name | Atlas Budgetary Account Code | ATLAS Budget Description | Amount Year 1 (USD) | Amount Year 2 (USD) | Amount Year 3 (USD) | Amount Year 4 (USD) | Total (USD) | Notes |
|---|--|---------|------------|------------------------------|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------|----------------|
| Outcome 1: Enhancement of PA Management Effectiveness in the Achara Region | APA | 62000 | GEF | 71300 | Local Consultants | 12,400 | 15,200 | 15,200 | 14,200 | 57,000 | 1 |
| | | | | 71600 | Travel | 5,000 | 6,000 | 6,000 | 6,000 | 23,000 | 2 |
| | | | | 72100 | Contractual Services | 10,000 | 40,000 | 20,000 | 5,000 | 75,000 | 3 |
| | | | | 72200 | Equipment | 15,000 | 45,000 | 20,000 | 10,000 | 90,000 | 4 |
| | | | | 74200 | Publications | 5,047 | 14,000 | 15,000 | 15,000 | 49,047 | 5 |
| | | | | 75700 | Training | 10,000 | 35,000 | 20,000 | 15,000 | 80,000 | 6 |
| | | | | 74500 | Misc - Services | 1,000 | 2,000 | 2,620 | 2,606 | 8,226 | 24 |
| | | | | Total Outcome 1: | | | | | | 58,447 | 157,200 |
| Outcome 2: PA System Expansion to Increase Functional Connectivity of | APA | 62000 | GEF | 71200 | Int'l Consultants | 32,800 | 33,600 | 7,800 | 13,000 | 87,200 | 7 |
| | | | | 71300 | Local Consultants | 23,400 | 42,400 | 42,400 | 28,200 | 136,400 | 8 |
| | | | | 71600 | Travel | 8,000 | 10,000 | 10,000 | 25,000 | 53,000 | 9 |

| | | | | | | | | | | | |
|---|-------|-------------------------------|--------------------------------|--------------------------------------|-------------------------|----------------|----------------|----------------|----------------|------------------|----------------|
| PAs in the West Lesser Caucasus | | | | 72100 | Contractual Services | 5,000 | 60,000 | 30,000 | 35,000 | 130,000 | 10 |
| | | | | 72200 | Equipment | 40,000 | 45,000 | 20,000 | 30,000 | 135,000 | 11 |
| | | | | 74200 | Publications | 10,000 | 21,000 | 22,000 | 45,000 | 98,000 | 12 |
| | | | | 75700 | Training | 20,000 | 50,000 | 30,000 | 34,000 | 134,000 | 13 |
| | | | | 74500 | Misc - Services | 4,000 | 4,067 | 4,200 | 4,130 | 16,397 | 25 |
| | | | | Total Outcome 2: | | | 143,200 | 266,067 | 166,400 | 214,330 | 789,997 |
| Project Management Costs and Project M&E | 62000 | GEF | 71400 | Project Personnel (2) | 21,550 | 21,550 | 21,550 | 21,550 | 86,200 | 14 | |
| | | | 71200 | Int'l Consultants (E) | - | 4,800 | - | 4,800 | 9,600 | 15 | |
| | | | 71300 | Local Consultants (E) | - | 760 | - | 760 | 1,520 | 16 | |
| | | | 71600 | Travel | 1,000 | 1,000 | 1,000 | 700 | 3,700 | 17 | |
| | | | 72200 | Equipment | 2,000 | - | - | - | 2,000 | 18 | |
| | | | 72400 | Communication | 100 | 500 | 500 | 500 | 1,600 | 19 | |
| | | | 72500 | Supplies | 1,000 | 1,000 | 1,000 | 1,000 | 4,000 | 20 | |
| | | | 74500 | Misc - Services | 700 | 700 | 700 | 646 | 2,746 | 26 | |
| | | | <i>Sub total GEF</i> | | | 26,350 | 30,310 | 24,750 | 29,956 | 111,366 | |
| | | UNDP TRAC | 71400 | Project Personnel (Management) | 5,125 | 5,125 | 5,125 | 5,125 | 20,500 | 21 | |
| | | | 73500 | Reimbursement costs (ISS/DPC) | 4,875 | 4,875 | 4,875 | 4,875 | 19,500 | 22 | |
| | | | <i>Sub total UNDP TRAC</i> | | | 10,000 | 10,000 | 10,000 | 10,000 | 40,000 | 23 |
| | | Total Management costs | | | 36,350 | 40,310 | 34,750 | 39,956 | 151,366 | | |
| GEF (62000) | | | | | | 227,997 | 453,577 | 289,970 | 312,092 | 1,283,636 | |
| UNDP TRAC (04000) | | | | | | 10,000 | 10,000 | 10,000 | 10,000 | 40,000 | |

| | | | | | | |
|--------------------|----------------|----------------|----------------|----------------|------------------|--|
| GRAND TOTAL | 237,997 | 463,577 | 299,970 | 322,092 | 1,323,636 | |
|--------------------|----------------|----------------|----------------|----------------|------------------|--|

| GRAND TOTALS BY BUDGET CATEGORY | | | | | | | | | | | |
|--|-----|-------|----------------------------|--|-----------------------------------|--------|---------|--------|--------|----------------|----------------|
| GRAND TOTALS | APA | 62000 | GEF and UNDP TRAC | 71200 | Int'l Consultants | 32,800 | 38,400 | 7,800 | 17,800 | 96,800 | |
| | | | | 71300 | Local Consultants | 35,800 | 58,360 | 57,600 | 43,160 | 194,920 | |
| | | | | 71400 | Project Personnel (Management) | 26,675 | 26,675 | 26,675 | 26,675 | 106,700 | |
| | | | | 71600 | Travel | 14,000 | 17,000 | 17,000 | 31,700 | 79,700 | |
| | | | | 72100 | Contractual Services | 15,000 | 100,000 | 50,000 | 40,000 | 205,000 | |
| | | | | 72200 | Equipment | 57,000 | 90,000 | 40,000 | 40,000 | 227,000 | |
| | | | | 72400 | Communications | 100 | 500 | 500 | 500 | 1,600 | |
| | | | | 72500 | Supplies | 1,000 | 1,000 | 1,000 | 1,000 | 4,000 | |
| | | | | 73500 | Reimbursement costs | 4,875 | 4,875 | 4,875 | 4,875 | 19,500 | |
| | | | | 74200 | Publications | 15,047 | 35,000 | 37,000 | 60,000 | 147,047 | |
| | | | | 75700 | Training | 30,000 | 85,000 | 50,000 | 49,000 | 214,000 | |
| | | | | 74500 | Misc - Services | 5,700 | 6,767 | 7,520 | 7,382 | 27,369 | |
| | | | | Total Project (GEF and UNDP TRAC) | | | | | | 237,997 | 463,577 |

* Refer to [Section IV, Part IV](#) for a complete view of the co-financing break-down. The above refers only to funds managed under the Full-Project's Atlas Award.

| Summary of Funds ³⁴ : | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL |
|----------------------------------|---------|---------|---------|---------|-----------|
| GEF | 227,997 | 453,577 | 289,970 | 312,092 | 1,283,636 |

³⁴ Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc...

| | | | | | |
|--|--------|--------|--------|--------|------------|
| UNDP (including in-kind) | 37,500 | 37,500 | 37,500 | 37,500 | 150,000 |
| Ministry of Environment and Natural Resources Protection (LEPL Agency PA) | | | | | 440,672 |
| Ministry of Environment and Natural Resources Protection (LEPL Agency PA) | | | | | 954,818 |
| Achara Autonomous Republic | | | | | 7,638,036 |
| Municipality of Kvelvachauri, Achara Autonomous Republic | | | | | 1,757,553 |
| KfW | | | | | 2,317,063 |
| US DoI | | | | | 40,000 |
| Caucasus Nature Fund | | | | | 317,000 |
| World Wildlife Fund for Nature | | | | | 100,000 |
| Total | | | | | 14,888,778 |

| Budget Notes | |
|---------------------|---|
| 1 | Local consultants: This covers local consultants recruited directly under the GEF/ UNDP project budget (about 30% allocated under Component 1), required for achieving outputs under Component 1 (Outputs 1.1, 1.2 and 1.3). Additional local consultants will be provided through the “Support for Agricultural Development in the Achara Autonomous Republic” project as part of agriculture and forest resources extension and agri-business services. Further local consultants on PA management planning and related issues will be provided by project partners (EU Twinning Project in Mtirala NP and KfW in Kintrishi PAs) for complimentary activities. |
| 2 | Travel: Travel costs relate to field trips of project technical staff to the PA territories and administrative centres of relevant municipalities (from Batumi and Tbilisi), plus travel of local beneficiaries PA staff, CBO and local authority staff, key community stakeholders, etc.) for local travel (to Batumi and inter PA exchange visits for training and experience exchange (Outputs 1.1, 1.2, 1.3). Some travel to Tbilisi by PA Staff and consultants will also be necessary to participate in project related events and planning at APA. |
| 3 | Contractual services include support to APA and the local municipality in refurbishment of key buildings and infrastructure for the Mtirala NP, and Kintrishi PA complex (Output 1.1, 1.2) |
| 4 | Equipment: include office based / light equipment required for the project counterparts to operate effectively and to meet the needs of the PAs management plans / implementation of project activities (Output 1.1, 1.2). |
| 5 | Publications: Publications will include: publication of lessons learned and guidebooks / manuals on the range of innovative approaches / methods used during component 1 of the project, in particular regarding community participation, staff training and competencies, tourism management, etc. Key documents of public interest such as PA management Plan summaries and strategic tourism development plans, etc. will also be published (Outputs 1.1, 1.2, 1.3) |
| 6 | Training: capacity building for PA Administration staff to apply effective and adaptive management approaches to Mtirala and Kintrishi PA’s and in particular their ability to manage and facilitate local community participation and “buy-in” for PA management activities and long term objectives. Training will be targeted towards maximizing practical application in the context of the PAs management and operational plans and be based on a “staff competency” review to be undertaken once management planning is complete and concrete needs are thus discernible (mainly Outputs 1.1) |
| 7 | International consultants: This includes a long term (duration of the project) but part-time CTA (total of 22 PW) who will ensure the overall technical direction of the project stays on track via periodic but strategic inputs. The CTAs biggest inputs will be during the project inception phase, post mid-term evaluation and during the project wrap up stage. An additional international (10 PW) will be utilized to bring specialist PA management planning and training expertise, particularly in regard to local population participation mechanisms. International consultants are budgeted under component 2 as this will be their principle focus but they will of course have important inputs to Component 1 also (Outputs 2.2, 2.3 and 1.1). Detailed breakdown of Int’l consultant costs are provided in Annex C. |
| 8 | Local consultants: This covers local consultants for Component 2 (about 70% of the allocation), including a full time “National Technical Coordinator” |

| | |
|----|--|
| | responsible on a day to day basis for supervising technical activities (170 PW). Other local consultants and detailed breakdown of costs are provided in Annex C. Resources for local consultants will be used mainly for Outputs 2.2, 2.3. Additional local consultants will be provided through the “Support for Agricultural Development in the Achara Autonomous Republic” project as part of agriculture and forest resources extension and agri-business services. |
| 9 | Travel: Travel costs to cover field trips of project technical staff to the Machakhela NP territories and administrative centres of relevant municipalities (from Batumi and Tbilisi), plus travel of local beneficiaries (PA staff, CBO and local authority staff, key community stakeholders, etc.) for local travel (to Batumi and inter PA exchange visits for training and experience exchange (2.2, 2.3). Some travel to Tbilisi by PA Staff and consultants to participate in project related events and planning at APA, plus exchange visits to Jamili Biosphere Reserve across the border in Turkey (Output 2.3). |
| 10 | Contractual services include support to APA and the local municipality in refurbishment of key buildings and infrastructure for Machakhela NP which still has to establish Administration office, visit centre, repair key bridges etc. Output 1.1 and Output 2.3 |
| 11 | Equipment: include both light equipment needed for activities under the project such as field expeditions, boundary and zonation demarcation etc. (Output 2.1) and office based / large equipment required for the project counterparts to operate effectively and to meet the needs of the PAs / implementation of project activities (Output 2.3). The majority of funds allocated for equipment will be required under Component 2 for Machakhela NP because the baseline is zero. |
| 12 | Publications: publication of lessons learned and guidebooks / manuals on the range of innovative approaches / methods used during implementation of Component 2 activities, in particular regarding community participation, staff training and competencies, tourism management, etc. Key documents of public interest such as the Machakhela NP management Plan summary and strategic tourism development plans, etc. will also be published (Outputs 2.2, 2.3) |
| 13 | Training: Capacity building for Machakhela NP Administration staff to apply effective and adaptive management approaches and in particular their ability to manage and facilitate local community participation and “buy-in” for PA management activities and long term objectives. Training will be targeted towards maximizing its practical application in the context of the NP management and operational plan and be based on a “staff competency” review to be undertaken once management planning is complete and concrete needs are thus discernible (mainly Outputs 2.3). |
| 14 | Project Personnel: part of costs for project manager and other core staff (see Annex C) |
| 15 | International consultants for evaluation (Mid and terminal independent evaluations) |
| 16 | Local Consultants for evaluation (Mid and terminal independent evaluations) |
| 17 | Travel: Travel under Management costs relates to visits by project management staff (PM and AFA) within Batumi and when necessary to UNDP Tbilisi for relevant reporting and administrative/financial tasks. Costs of project management related travel will be shared with the “Support for Agricultural Development in the Achara Autonomous Republic” project (for example, , transport in and around Batumi) |
| 18 | Equipment: Project office equipment for shared office in Batumi (with “Support for Agricultural Development in the Achara Autonomous Republic” project). |
| 19 | Communications: Costs related to project office telephone and internet communication facilities. |
| 20 | Supplies – office supplies required for project management |
| 21 | Project Personnel (management): Part of costs for project manager and other core staff (see Annex C) |
| 22 | Reimbursement costs (ISS/DPC) - DPC for project management covered by UNDP TRAC (1.5%) |
| 23 | Project Management costs: 5% of 2 CO staff costs of the Environment Team. The project will share office and office equipment and costs with the “Support for Agricultural Development in the Achara Autonomous Republic” project. Cost sharing is estimated at USD 40,000 over the project duration. Figures indicated in the budget are only those costs which will be covered by the project. |
| 24 | Miscellaneous: sundry that include minor costs such as postage service, supplies during workshops/round tables, and other unspecified expenses |
| 25 | Miscellaneous: sundry that include minor costs such as postage service, supplies during workshops/round tables, and other unspecified expenses |
| 26 | Miscellaneous: sundry that include minor costs such as postage service, supplies during workshops/round tables, and other unspecified expenses |

SECTION IV: ADDITIONAL INFORMATION

PART I: Terms of Reference for key project staff

PROJECT MANAGER

Background

The Project Manager will be regionally recruited, based on an open competitive process. He/She will be responsible for the overall management of the project, including the mobilization of all project inputs, supervision over project staff, consultants and sub-contractors. The Project Manager will report to the National Project Director for all of the project's substantive and administrative issues. From the strategic point of view of the project, the Project Manager will report on a periodic basis to the Project Executive Board (PEB). Generally, he/she will be responsible for meeting government obligations under the project, under the national implementation modality (NIM). The incumbent will perform a liaison role with the Government, UNDP, implementing partners, NGOs and other stakeholders, and maintain close collaboration with any donor agencies providing co-financing (notably the EU, KfW, CNF, USDoI).

Duties and Responsibilities

- Supervise and coordinate the production of project outputs, as per the project document;
- Mobilize all project inputs in accordance with procedures for nationally implemented projects;
- Supervise and coordinate the work of all project staff, consultants and sub-contractors;
- Coordinate the recruitment and selection of project personnel;
- Prepare and revise project work and financial plans;
- Liaise with UNDP, relevant government agencies, and all project partners, including donor organizations and NGOs for effective coordination of all project activities;
- Facilitate administrative backstopping to subcontractors and training activities supported by the Project;
- Oversee and ensure timely submission of the Inception Report, Combined Project Implementation Review/Annual Project Report (PIR/APR), Technical reports, quarterly financial reports, and other reports as may be required by UNDP, GEF, APA and other oversight agencies;
- Disseminate project reports and respond to queries from concerned stakeholders;
- Report progress of project to the PEB, and ensure the fulfilment of PEB directives.
- Oversee the exchange and sharing of experiences and lessons learned with relevant community based integrated conservation and development projects nationally and internationally;
- Ensure the timely and effective implementation of all components of the project;
- Assist relevant government agencies and project partners - including initiatives financed by donor organizations and executed by NGOs - with development of essential skills through training workshops and on the job training thereby upgrading their institutional capabilities;
- Coordinate and assist scientific institutions with the initiation and implementation of any field studies and monitoring components of the project
- Carry regular, announced and unannounced inspections of all sites and the activities of any project site management units.

Qualifications

- A post-graduate university degree in Business and/or Environmental Management;
- At least 10 years of experience in business and/or natural resource planning and management (preferably in the context of protected area financial planning and management);
- At least 5 years of project management experience;
- Working experience with the project national stakeholder institutions and agencies is desired;
- Ability to effectively coordinate a large, multi-stakeholder project;
- Ability to administer budgets, train and work effectively with counterpart staff at all levels and with all groups involved in the project;
- Strong drafting, presentation and reporting skills;
- Strong computer skills;
- Excellent written communication skills; and
- A good working knowledge of Georgian and English and is a requirement.

PROJECT ADMINISTRATIVE ASSISTANT

Background

The Project Administrative Assistant will be locally recruited based on an open competitive process. He/She will be responsible, on a part-time basis, for the overall administration of the project. The Project Assistant will report to the Project Manager. Generally, the Project Administrative Assistant will be responsible for supporting the Project Manager in meeting government obligations under the project, under the national implementation modality (NIM).

Duties and Responsibilities

- Collect, register and maintain all information on project activities;
- Contribute to the preparation and implementation of progress reports;
- Monitor project activities, budgets and financial expenditures;
- Advise all project counterparts on applicable administrative procedures and ensures their proper implementation;
- Maintain project correspondence and communication;
- Support the preparations of project work-plans and operational and financial planning processes;
- Assist in procurement and recruitment processes;
- Assist in the preparation of payments requests for operational expenses, salaries, insurance, etc. against project budgets and work plans;
- Follow-up on timely disbursements by UNDP CO;
- Receive, screen and distribute correspondence and attach necessary background information;
- Prepare routine correspondence and memoranda for Project Managers signature;
- Assist in logistical organization of meetings, training and workshops;
- Prepare agendas and arrange field visits, appointments and meetings both internal and external related to the project activities and write minutes from the meetings;
- Maintain project filing system;
- Maintain records over project equipment inventory; and
- Perform other duties as required.

Qualifications

- A post-school qualification (diploma, or equivalent);
- At least 5 years of administrative and/or financial management experience;
- Demonstrable ability to administer project budgets, and track financial expenditure;
- Demonstrable ability to maintain effective communications with different stakeholders, and arrange stakeholder meetings and/or workshops;
- Excellent computer skills, in particular mastery of all applications of the MS Office package;
- Excellent written communication skills; and
- A good working knowledge of Georgian and English is a requirement.

NATIONAL PROJECT TECHNICAL COORDINATOR

Background

The Project National Technical Coordinator will be locally recruited based on an open competitive process. He/She will be responsible, on a part-time basis, for the overall technical implementation of the project. The National Technical Coordinator report to the Project Manager but be technically supervised by the part-time Chief Technical Adviser. Generally, the Project Administrative Assistant will be responsible for supporting the Project Manager in meeting government obligations under the project, under the national implementation modality (NIM).

Duties and Responsibilities

The National Technical Coordinator of the Project will be responsible for overseeing on a day to day basis the sound and timely implementation of all technical tasks of the project. Specific responsibilities will include:

Work planning and Reporting

The NTC will provide support to the PM in the preparation of all required work planning and reporting in terms of their technical content including AWP, PIR, Quarterly reports, Terminal Project report, etc.

Recruitment and supervision of technical consultants

- TOR drafting: the NTC will have primary responsibility for defining the technical responsibilities and deliverables expected from national and international consultants and service providers recruited by the project and to elaborate them in comprehensive Terms of Reference
- Selection process: The NTC will play a key role in the selection of individuals or service providers to fulfill TOR's
- Supervision: the NTC will have responsibility for ensuring technical consultants prepare adequate work-plans, will monitor progress, and provide technical guidance as required
- The NTC will ensure effective management of work towards defined project results by consultants recruited by the project through periodic technical staff management meetings

Technical Reports Oversight and finalization:

The NTC will be responsible for reviewing, following up and finalization of all technical reports, best practices, lessons learned, publications, etc. prepared by the project.

Technical Coordination Group and Liaison with Project Technical Partners

- The NTC will chair the Project Technical coordination Group and will ensure that it effectively achieves its objectives (i.e. to achieve technical coordination and information exchange in the field between various project partners to ensure complementarity and collaboration).

Liaison and Support to Chief Technical Adviser (CTA)

- The NTC will liaise and consult closely with the part-time CTA in order to ensure that the technical direction of the project implementation remains on course.
- The NTC will directly support and work closely with the CTA while in-country and in particular during the project Inception phase in order to facilitate effectiveness of results and reach clear understanding of technical tasks to be achieved during the project duration..

Monitoring and evaluation

- The NTC will take direct responsibility for ensuring the practical tasks required to effectively implement the M&E plan are performed and that an appropriate database is established to enter, process and generate materials required to measure project progress towards indicators.
- The NTC will play a central role in supporting the process of undertaking the mid and terminal Independent Evaluations

Qualifications

- A post-graduate university degree or higher in a relevant academic area (Biodiversity or Environmental Management, etc.);
- At least 10 years of experience innatural resource planning and management (preferably in the context of protected area planning and management);
- Preferably experience working within the context of international donor projects, ideally with UNDP;
- Working experience with the project national stakeholder institutions and agencies is desired;
- Ability to effectively coordinate and interact effectively with a wide range on national, provincial and local actors;
- Ability to effectively plan work and apply adaptive problem solving skills in order to achieve desired results
- Ability to work effectively with counterpart staff at all levels and with all groups involved in the project;
- Strong drafting, presentation and reporting skills;
- Strong computer skills;
- Excellent written communication skills; and
- A good working knowledge of Georgian and English is a requirement and Russian would be an advantage.

OTHER CONSULTANTS

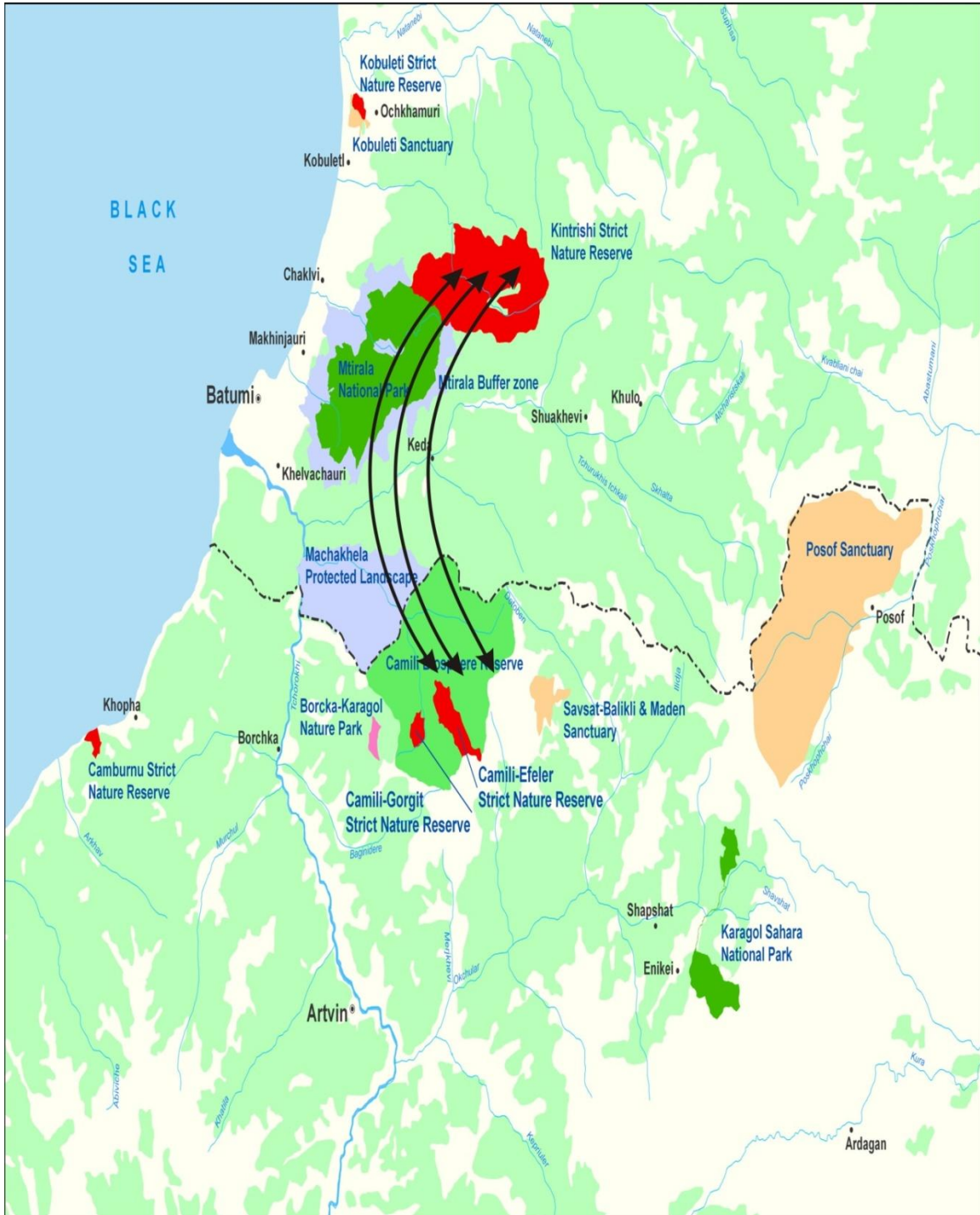
| <i>Position Titles</i> | <i>Tasks to be performed</i> |
|---------------------------------------|--|
| <i>Local</i> | |
| PA Community Participation consultant | This consultant will provide support to the development of effective means to ensure community participation in the PA's management planning process and governing system, including guidance on CBO establishment and realted issues. |
| PA Capacity Development consultant | This consultant will work with the international Capacity consultant to identify concrete practical capacity needs for PA staff and local authorities and communities, develop suitable training and practical skills development programmes for each Pa and assist in the practical implementation of these programmes. |
| Boundary and Zonation Mapping | A GIS specialist to help develop a database, initially for the purposes of |

| <i>Position Titles</i> | <i>Tasks to be performed</i> |
|---|--|
| consultant (GIS) | developing and agreeing Machakhela NP zonation but in the long term as a basis for ecological and land use monitoring, scientific research and management planning/implementation. |
| PA Financial Planning | This consultant will provide specifically technical inputs for the development of PA “Business” plans and general support with the development of sustainable financing means for PAs |
| Conservation Education and Awareness Consultant | This consultant will be responsible for ensuring objectives and planned activities are widely understood by key stakeholders and for supporting the development of appropriate conservation education and awareness activities within the Machakhela NP management plan and its implementation. |
| Tourism Consultant | This consultant will help identify and plan effective strategies for the sustainable development of tourism which is appropriate for the target PA’s and provide support in the elaboration of practical tourism development plans. |
| Appropriate technology / renewable energy consultant | This consultant will review existing related activities and practical examples of such technologies used in the region plus other relevant international experience and on this basis make concrete recommendations on support the project could provide to help facilitate their introduction and application by PA administrations and local communities (in order to reduce pressures on natural resources, and improve socio-economic conditions) |
| Rural Livelihoods / Agri-business Consultant | Undertake a review and provide concrete recommendations on specific approaches local communities could improve livelihoods which would not conflict with objectives and aims of PAs. |
| National Evaluator | Be part of mid and terminal evaluation team |
| | |
| <i>International</i> | |
| Chief Technical Advisor | The Chief Technical Advisor will be responsible for ensuring that the overall technical direction of the project is in line with the project objective and expected outcomes. He / she will provide periodic part-time strategic inputs to ensure this and will assist the PM and NTC to adjust and adapt project management in order to maximize its impact and efficiency. The inputs of the CTA will be most critical at the initial inception and project implementation stages, post mid term evaluation and during the project terminal phases (in order to ensure full value is gained from documentation of lessons learned/best practices and to support development and implementation of an effective exit strategy). |
| PA Management Effectiveness and community participation (Training) Consultant | This consultant is expected to provide specific expertise on improvement of PA management effectiveness and mechanisms for ensuring meaningful participation of local communities. In this role the consultant will provide inputs to PA organizational structure and to Management and operational plans, particularly in the case of Machakhela NP. He/she will also be responsible for capacity review of key stakeholders in this context and the development of Pa staff competency requirements and a training plan for establishing the necessary capacity. |
| Int.1 Evaluator | Refer to the UNDP PRODOC |

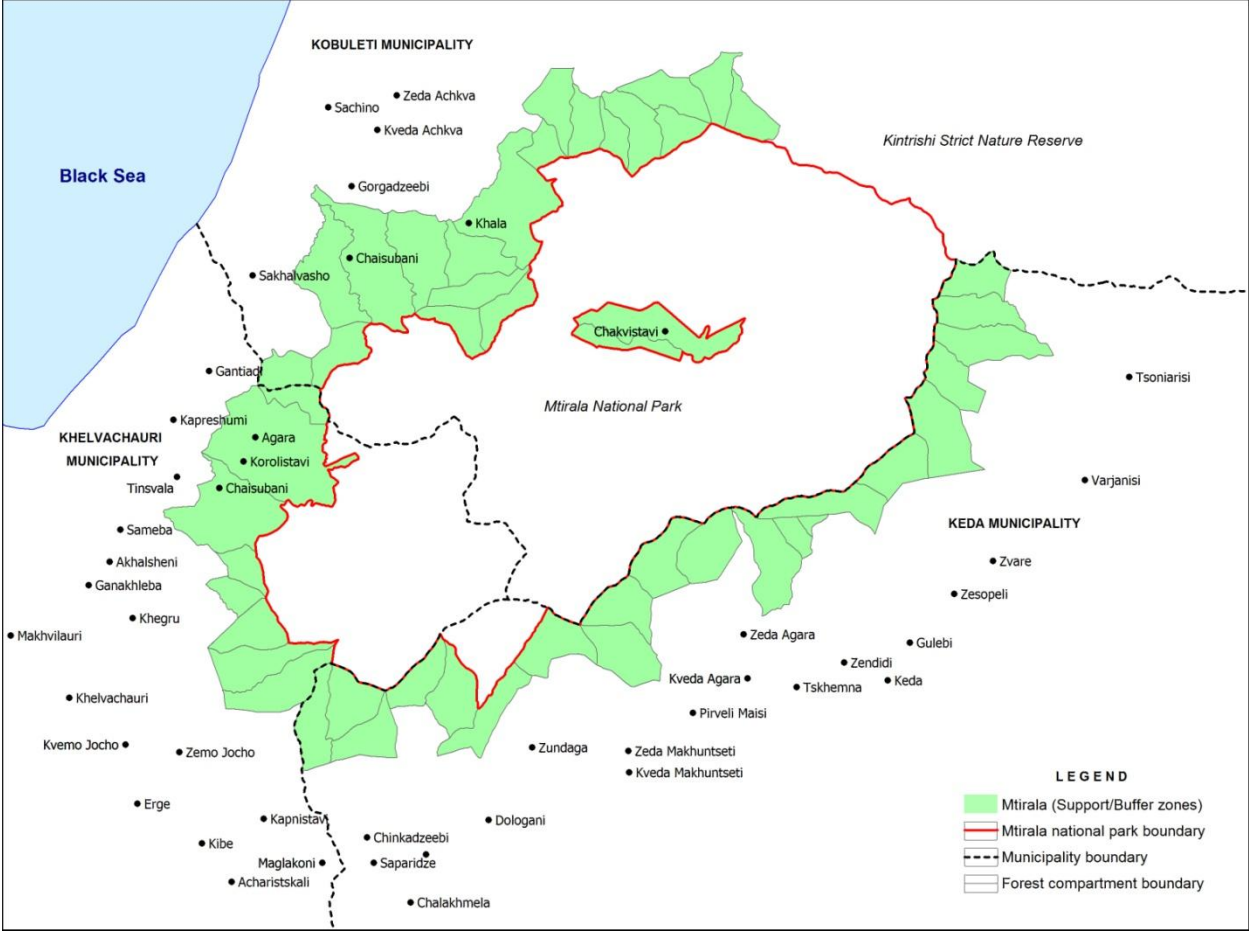
Complete and thorough ToR for these positions will be developed by the Project Manager with the support of the National Technical Coordinator, once recruited.

PART II: Project Maps

Map1: Contextual map -Map of Project Area Showing the Kintrishi, Mtirala, Camili (Turkey) and planned Machakhela Protected Areas



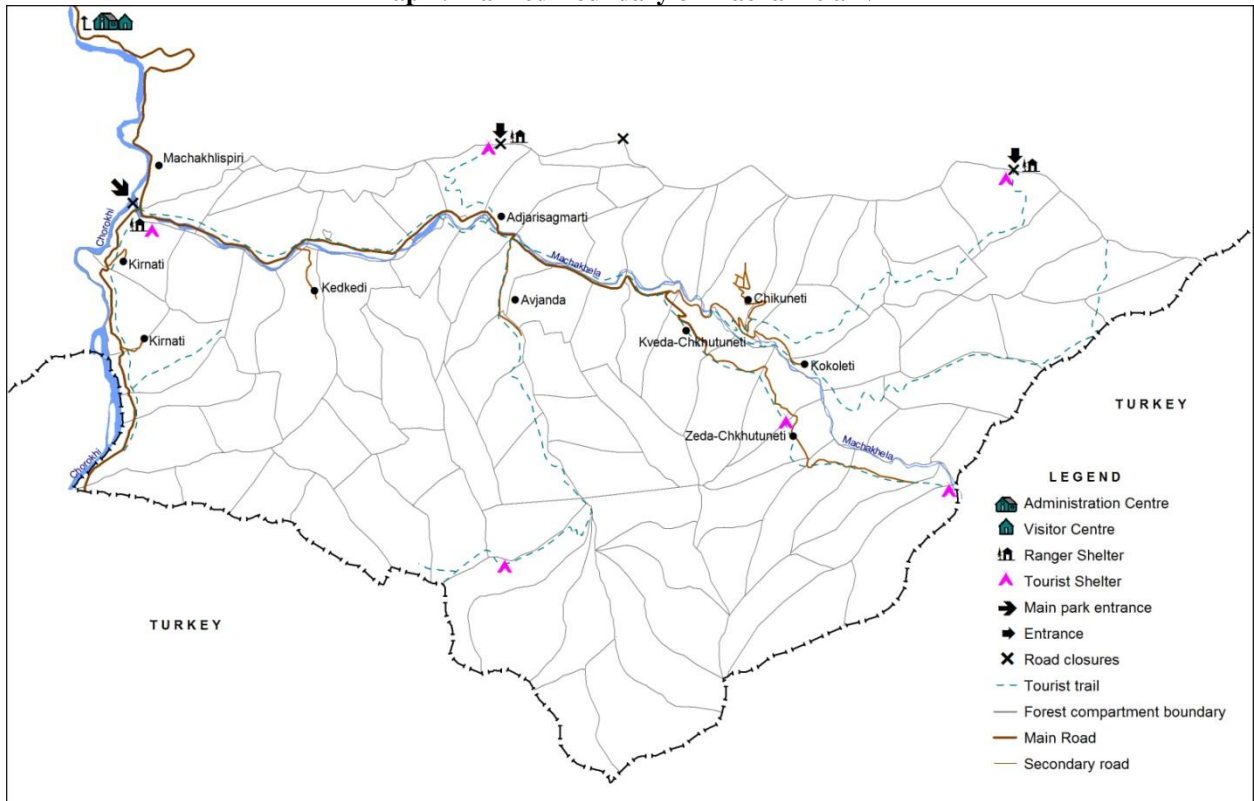
Map 2: Mtirala National Park Boundary and Buffer zone



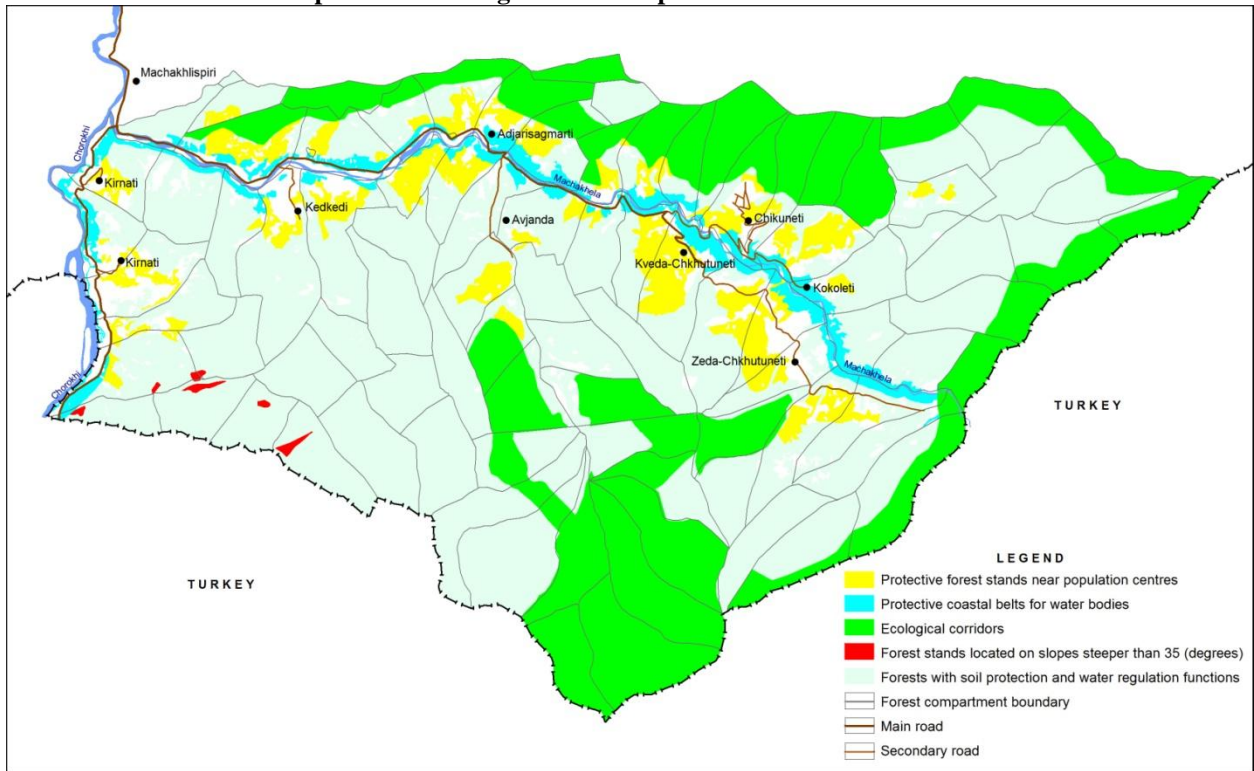
Map 3: Kintrishi State Reserve and Protected Landscape



Map 4: Planned Boundary of Machakhela NP



Map 5: Forest Categories of area planned for Machakhela NP



PART III: Stakeholder Involvement Plan

1. Stakeholder identification

During the project preparation stage, a stakeholder analysis was undertaken in order to identify key stakeholders, assess their interests in the project and define their roles and responsibilities in project implementation. Refer to matrix in Chapter ‘Stakeholder Analysis’, which describes the major categories of stakeholders identified, and the level of involvement envisaged in the project.

The mentioned matrix indicates that Ministry of Environment and Natural Resources Protection (Agency for Protected Areas) will be the main institutions responsible for different aspects of project implementation. They will work in close cooperation with other affected public institutions.

2. Information dissemination, consultation, and similar activities that took place during the PPG

Throughout the project’s development, very close contact was maintained with stakeholders at the national, regional (Achara) and local levels. All affected national and local government institutions were directly involved in project development, as were key donor agencies (notably the EU and KfW). Numerous consultations occurred with all of the above stakeholders to discuss different aspects of project design. These consultations included: bilateral and multilateral discussions; site visits to target PA’s in Achara (Kintrishi Pa complex, Mtirala NP, Machakhela NP), and adjacent areas; provincial and national workshops; and electronic communications. The preliminary project activities were presented to a range of stakeholders for review and discussions and, based on comments received, a final draft of the full project brief was presented to a consolidated stakeholder workshop for *in principle* approval and endorsement.

3. Approach to stakeholder participation

The projects approach to stakeholder involvement and participation is premised on the principles outlined in the table below.

| Principle | Stakeholder participation will: |
|--------------------------|---|
| Value Adding | be an essential means of adding value to the project |
| Inclusivity | include all relevant stakeholders |
| Accessibility and Access | be accessible and promote access to the process |
| Transparency | be based on transparency and fair access to information; main provisions of the project’s plans and results will be published in local mass-media |
| Fairness | ensure that all stakeholders are treated in a fair and unbiased way |
| Accountability | be based on a commitment to accountability by all stakeholders |
| Constructive | Seek to manage conflict and promote the public interest |
| Redressing | Seek to redress inequity and injustice |
| Capacitating | Seek to develop the capacity of all stakeholders |
| Needs Based | be based on the needs of all stakeholders |
| Flexible | be flexibly designed and implemented |
| Rational and Coordinated | be rationally planned and coordinated, and not be ad hoc |
| Excellence | be subject to ongoing reflection and improvement |

4. Stakeholder involvement plan

The project’s design incorporates several features to ensure ongoing and effective stakeholder participation in the project’s implementation. The mechanisms to facilitate involvement and active participation of different stakeholder in project implementation will comprise a number of different elements:

(i) Project inception workshop to enable stakeholder awareness of the start of project implementation

The project will be launched by a multi-stakeholder workshop. This workshop will provide an opportunity to provide all stakeholders with the most updated information on the project and the project work plan. It will also establish a basis for further consultation as the project's implementation commences.

(ii) Constitution of Project Executive Board to ensure representation of stakeholder interests in project

A Project Executive Board (PEB) will be constituted to ensure broad representation of all key interests throughout the project's implementation. The representation, and broad terms of reference, of the PSC are further described in [Section I, Part III](#) (Management Arrangements) of the Project Document.

(iii) Establishment of Project Technical Coordination Group:

(iv) Establishment of a Project Management team to oversee stakeholder engagement processes during project

The Project Management team - comprising a Project Manager, a National Technical Coordinator, a Project Administrative Assistant - will take direct operational and administrative responsibility for facilitating stakeholder involvement and ensuring increased local ownership of the project and its results. The Project Manager, National Technical Coordinator and Project Administrative Assistant will be located in Batumi in Achara close to the project target PAs and key regional stakeholders. This will ensure close "on-the-ground" communication on a day to day basis which will be important in ensuring good communication and Achara level ownership. A dedicated focal point in APA will be designated to ensure close cooperation at all times with national responsible authority.

(iv) Project communications to facilitate ongoing awareness of project

The project will develop, implement and maintain a communications strategy to ensure that all stakeholders are informed on an ongoing basis about: the project's objectives; the projects activities; overall project progress; and the opportunities for involvement in various aspects of the project's implementation.

(v) Direct involvement of local stakeholders in project implementation

Building the role of local communities in the decision making and implementation of management in the target Pa's is a major focus of the project. Direct involvement of the communities will be achieved in numerous ways but a key mechanism will be the establishment of CBOs by communities at the target PAs. These will provide representation for communities and will be closely involved in all relevant activities both in terms of consultation / planning and implementation. Regular meetings of the Technical coordination group will allow a cross-section of all stakeholders including community and local government representatives.

(vi) Establishing cooperative governance structures to formalise stakeholder involvement in project

The project will actively seek to formalise cooperative governance structures (e.g. *Park Management Board*) in Machakhela National Park to ensure the ongoing participation of local and institutional stakeholders in project and park activities, and strengthen such involvement in the management boards of other target PA's in collaboration with relevant project partners (EU and KfW).

(vii) Capacity building

All project activities are strategically focused on building the capacity – at systemic, institutional and individual level – of the institutional and community stakeholder groups to ensure sustainability of initial project investments. Project partners (EU particularly) are targeting significant resources at building the capacities of APA at the institutional level. The GEF resources will be focused on complimenting those investments at an individual PA level, both in terms of PA Administrations, but also local communities and authorities.

5. Coordination with other related initiatives

The project will work closely with APA to ensure complementarity of its activities in support of the governance, institutional and legislative reform processes currently underway in Georgia. The project is part and parcel of the overall donor assistance programme of support to the Georgian PA system. This project will work in close partnership with a number of donor agencies, NGOs and government (provincial and national) institutions already actively involved support to the PA system as a whole and in Achara specifically, including EU, KfW, WWF, US DoI, and CNF.

PART IV: Letters of co-financing commitment

[Refer to separate file for letters of co-financing commitment]

| <i>Name of Co-financier</i> | <i>Date</i> | <i>Amounts mentioned in letters</i> | <i>Amounts considered as project co-financing (in USD)</i> |
|---|-------------|-------------------------------------|--|
| UNDP-TRAC | 20.09.2013 | USD 150,000 | 150,000 |
| Agency For Protected areas (National Government) | 23.05.2013 | USD 1,395,490 | 1,395,490 |
| Achara Autonomous Republic | 31.05.2013 | USD 7,638,036 | 7,638,036 |
| Khelvachauri Municipality | 30.04.2013 | GEL 2,805,951 | 1,757,553 |
| KfW | 15.05.2013 | USD 2,317,063 | 2,317,063 |
| WWF | 18.06.2013 | USD 100,000 | 100,000 |
| USDoI | 30.05.2013 | USD 40,000 | 40,000 |
| CNF | 14.05.2013 | Euro 240,000 | 317,000 |
| Total | | | 13,605,142 |

PART V: Technical reports

| <i>Report</i> |
|---|
| 1. Biodiversity and Protected Areas Achara Autonomous Republic (available upon request) |
| 2. Financial Management of Protected Areas in Georgia with Focus on Achara Autonomous Republic (available upon request) |
| 3. Capacity Assessment Report: Administration of Kintrishi Protected Areas and Mtirala National Park (available upon request) |

PART VI: METT and Capacity Development Scorecards

| <i>Scorecard</i> |
|--|
| 1. *Management Effectiveness Tracking Tool (METT) – Mtirala NP, Kintrishi SR, Kintrishi PL (attached as a separate file) |
| 2. **Capacity Development Assessment Scorecard for Protected Area Systems (attached below) |

* 1 and 2 are combined into one file as per GEF template and attached separately. ** Summary scores and details are reproduced below.

| Matrix of the Capacity Development Assessment Scorecard for Protected Area Systems (Summary) | | | | | | | | | | |
|---|-----------------|----------------------|------------|----------------------|----------------------|------------|-------------------|----------------------|------------|------------------|
| Strategic Areas of Support | Systemic | | | Institutional | | | Individual | | | Average % |
| | Project Scores | Total possible score | % | Project Scores | Total possible score | % | Project Scores | Total possible score | % | |
| (1) Capacity to conceptualize and develop sectoral and cross-sectoral policy and regulatory frameworks | 4 | 6 | 67% | 1 | 3 | 33% | N/A | NA | NA | 50% |
| (2) Capacity to formulate, operationalise and implement sectoral and cross-sectoral programmes and projects | 4 | 9 | 44% | 13 | 27 | 48% | 6 | 12 | 50% | 48% |
| (3) Capacity to mobilize and manage partnerships, including with the civil society and the private sector | 3 | 6 | 50% | 3 | 6 | 50% | 1 | 3 | 33% | 44% |
| (4) Technical skills related specifically to the requirements of the SPs and associated Conventions | 1 | 3 | 33% | 1 | 3 | 33% | 1 | 3 | 33% | 33% |
| (5) Capacity to monitor, evaluate and report at the sector and project levels | 2 | 6 | 33% | 3 | 6 | 50% | 1 | 3 | 33% | 39% |
| TOTAL Score and average for %'s | 14 | 30 | 46% | 21 | 45 | 43% | 9 | 21 | 38% | 43% |

| | | |
|---------------|-------|-----|
| Systemic | 14/30 | 46% |
| Institutional | 21/45 | 43% |
| Individual | 9/21 | 38% |
| Average | | 43% |

PART VII: Translation of Machakhela NP Establishment Law

Webpage, 29 May 2012
Registration code
360060000.05.001.016742

Law of Georgia On Machakhela National Park

Article 1. General Provisions

1. In order to ensure maintenance of unique biological and landscape diversity of Ajara Autonomous Republic, long-term protection of Kolkhети forest ecosystems, ecological security and development of tourist and recreational activities within the natural environment, the state forest fund lands (with total space of 8733 ha) within the administrative borders of Khelvachauri and Keda municipalities to be assigned a national park status of protected area category and be named Machakhela National Park.
2. Territory assigned to the total space of Machakhela National Park is divided into following natural and geographic parts:
 - a. The Northern part of Machakhela National Park with total space of 2945 ha. The northern part is located on the state forest fund lands within the borders of Khelvachauri and Keda municipalities and covers:
 - a.a. the Sections 10, 12-13 of the Block 2 and Blocks 3-11 of Machakhela forestry under former Khelvachauri forestry – 1500 ha in total;
 - a.b. the part of the Section 4^a and Section 5 of the Block 12, the part of the Sections 1^a and 2 Section 3, 3^a, 5 of the Block 16 of Ajaristskali forest sector under former Khelvachauri inter-forestry – 81 ha in total;
 - a.c. the part of the Blocks 1-6 of Kedkedi forest sector of former Khelvachauri inter-forestry – 201 ha in total;
 - a.d. the part of the Blocks 1-6, Block 7, part of the Blocks 8-9,13-14,16,20 and Blocks 21-22 of Chkhutuneti forest sector of former Khelvachauri inter-forestry – 1028 ha in total;
 - a.e. the part of the Section 6^d of the Block 32, Sections 1^b, 3^b, 4^a-4^b, 5, 5^a, 6^a of the Block 33, part of the Sections 1-2^a, 3-4, Sections 5-5^b, 6-6^a and Section 7 of Dologani forest sector of former Keda inter-forestry – 135 ha in total.
 - b. The Southern part of Machakhela National Park with total space of 5788 ha. The southern part is located on the state forest fund lands within the administrative borders of Khelvachauri municipality and covers:
 - b.a. the Blocks 12-29 of Machakhela forestry under former Khelvachauri forestry – 2809 ha in total;
 - b.b. the part of the Block 13, Block 14, part of the Block 15 and Blocks 16-19 of Kirnati forest sector under former Khelvachauri inter-forestry – 660 ha in total;

- b.c. the part of the Blocks 7-19 and Block 15 of Kedkedi forest sector under the former Khelvachauri inter-forestry – 1099 ha in total;
 - b.d. the part of the Blocks 10-12, 15, 17-19, 23-27 and Blocks 28-30 of Chkhutuneti forest sector under former Khelvachauri inter-forestry – 1220 ha in total.
3. Following made grounds for stocktaking the state forest fund lands, forestry and inter-forestry, sectors, blocks and sections assigned to Machakhela National Park:
- a. For former Khelvachauri forestry – 1997-2007 draft plan for setting up and developing Khelvachauri forestry;
 - b. For former Khelvachauri inter-forestry – 1983-1993 draft plan for setting up and developing Khelvachauri inter-forestry;
 - c. For former Keda inter-forestry – 1983-1993 draft plan for setting up and developing Keda inter-forestry.

Article 2. Location of Machakhela National Park

External perimeter of the territory of Machakhela National Parks falls under the following geographic coordinates:

- a. Northern natural and geographic part:

| # | X | Y | # | X | Y | # | X | Y |
|----|--------|---------|----|--------|---------|----|--------|---------|
| 1 | 726980 | 4599912 | 16 | 740096 | 4599904 | 31 | 734736 | 4601023 |
| 2 | 728317 | 4600454 | 17 | 740114 | 4599410 | 32 | 733803 | 4600650 |
| 3 | 735335 | 4601702 | 18 | 739439 | 4599016 | 33 | 733763 | 4601221 |
| 4 | 741206 | 4601751 | 19 | 739411 | 4598769 | 34 | 733591 | 4600671 |
| 5 | 745791 | 4600356 | 20 | 738649 | 4598485 | 35 | 733577 | 4601288 |
| 6 | 741535 | 4596120 | 21 | 738365 | 4599250 | 36 | 731870 | 4600892 |
| 7 | 741139 | 4596373 | 22 | 737875 | 4599258 | 37 | 731016 | 4600481 |
| 8 | 740858 | 4596365 | 23 | 737558 | 4600030 | 38 | 730060 | 4600313 |
| 9 | 739942 | 4596572 | 24 | 737068 | 4599409 | 39 | 729427 | 4599710 |
| 10 | 740186 | 4597302 | 25 | 736241 | 4599970 | 40 | 729239 | 4599950 |
| 11 | 739252 | 4598137 | 26 | 736016 | 4599731 | 41 | 728796 | 4600190 |
| 12 | 740340 | 4598917 | 27 | 735292 | 4600288 | 42 | 728436 | 4599766 |
| 13 | 741391 | 4599370 | 28 | 735062 | 4599888 | 43 | 728104 | 4599827 |
| 14 | 741443 | 4599887 | 29 | 735216 | 4599474 | 44 | 728081 | 4599633 |
| 15 | 740721 | 4600089 | 30 | 733913 | 4600194 | | | |

- b. Southern natural and geographic part:

| # | X | Y | # | X | Y | # | X | Y |
|----|--------|---------|----|--------|---------|----|--------|---------|
| 45 | 726339 | 4594917 | 60 | 735268 | 4595307 | 75 | 738567 | 4596507 |
| 46 | 728251 | 4596390 | 61 | 734966 | 4596256 | 76 | 738606 | 4595487 |
| 47 | 728086 | 4597093 | 62 | 735167 | 4596656 | 77 | 738846 | 4595431 |
| 48 | 728647 | 4597922 | 63 | 734414 | 4597700 | 78 | 738863 | 4595687 |
| 49 | 729651 | 4598103 | 64 | 735524 | 4598142 | 79 | 739566 | 4595735 |
| 50 | 730179 | 4597657 | 65 | 735708 | 4598712 | 80 | 740263 | 4595686 |
| 51 | 731177 | 4598793 | 66 | 736308 | 4598587 | 81 | 741064 | 4596007 |
| 52 | 732191 | 4598927 | 67 | 736541 | 4598145 | 82 | 740827 | 4595763 |

| | | | | | | | | |
|----|--------|---------|----|--------|---------|----|--------|---------|
| 53 | 732261 | 4599629 | 68 | 736911 | 4597524 | 83 | 741190 | 4596035 |
| 54 | 733333 | 4599012 | 69 | 736973 | 4597927 | 84 | 741335 | 4596039 |
| 55 | 733159 | 4598528 | 70 | 737851 | 4597776 | 85 | 741522 | 4595912 |
| 56 | 733593 | 4597878 | 71 | 737132 | 4597254 | 86 | 741444 | 4596040 |
| 57 | 733339 | 4597383 | 72 | 737743 | 4597394 | 87 | 741525 | 4596045 |
| 58 | 733483 | 4597069 | 73 | 738091 | 4597423 | | | |
| 59 | 734041 | 4596711 | 74 | 738318 | 4596527 | | | |

Article 3. Use and Protection Regime for Machakhela National Park

1. Use and protection regime for Machakhela National Park is determined in compliance with the Georgian legislation and the management plan of Machakhela National Park.
2. The state fund lands assigned to the total space of Machakhela National Park is a state property and is not a subject to alienation.
3. Considering the needs of communities adjacent to Machakhela National Park, rational use of natural resources (except for fossil) is allowed on the territory of Machakhela National Park in compliance with the procedure determined under the Georgian legislation, as well as with the management plan of Machakhela National Park.
4. No hunting farms and use of fossil are allowed on the territory of Machakhela National Park.

Article 4. Management of Machakhela National Park

1. State management of Machakhela National Park is implemented in compliance with the Law of Georgia on Protected Area System.
2. Other state agencies and local self-governance bodies take part in the management of Machakhela National Park within their competence and in compliance with the procedure determined under the Georgian legislation and in coordination with the managing body of Machakhela National Park.

Article 5. Issues Related to Use of Land and Natural Resources with regard to Setting up Machakhela National Park

The present law does not apply to (a) the property relations (including those in cases of selling of land plots, usufruct, structure, rent, exchange, grant, inheritance, mortgage, lease), and (b) relations with regard to use of natural resources within the Machakhela National Park borders determined under the present law before the same law comes into force.

Article 6. Transitional Provisions

1. Inventory of the territory of Machakhela National Park (actual delimitation and final determination of land space borders) and maintenance of the land management paperwork is carried out in compliance with the Georgian legislation.

2. Before the management plan of Machakhela National Park (where requirement under Article 3.3 of the present Law is considered) comes into force, production of firewood timber as per needs of communities adjacent to Machakhela National Park is allowed in the forests of the forest fund lands (covered with forest) within the Machakhela National Park borders, along with use of non-timber forest resources, timber products and secondary wood materials.

Article 7. Concluding Remark

The present Law to come into force upon publication.

Mikheil Saakashvili
President of Georgia

Tbilisi
15 May 2012
#6179-rs