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GLOBAL ENVIRONMENT FACILITY**

Project of the Government of Republic of Kazakhstan

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PIMS # 650

Project title: Integrated Conservation of Priority Globally Significant Migratory Bird Wetland Habitat: A Demonstration on Three Sites.

Start date: August 2003

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Government: Ministry of Economy and Budget Planning of the Republic of Kazakhstan

Coordinating Agency: Ministry of Environmental Protection of the Republic of Kazakhstan

Executing Agency: Ministry of Agriculture of the Republic of Kazakhstan

Implementing Agency: Forestry Fishery and Hunting Department of the Ministry of Agriculture of the Republic of Kazakhstan

Project site: Republic of Kazakhstan

ACC/UNDP sector: 0430 Nature, National Parks, Biodiversity and Bioresources

ACC/UNDP subsector: 0410 Water resources protection and effective use
2010 Legislative planning policy
0650 Fish production and use
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GEF \$ 8,710,000

Parallel Financing:

Government \$ 24,270,000

Third party \$ 2,965,000

TOTAL **\$ 35,945,000**

Brief description: The proposed project will establish the basis for the development and testing of an integrated and participatory approach to the conservation and sustainable use of biological diversity in three priority wetland sites. The three sites lie along two globally significant migratory flyways and each enables the project to demonstrate solutions to different issues affecting Kazakhstan's wetland biodiversity resources. In doing so, it will assist the government to meet its commitments under the Ramsar Convention, due to be signed in 2004.

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ABBREVIATIONS

| | |
|--------|---|
| AOEMD | Atyrau Oblast Environmental Monitoring Department |
| APR | Annual Project Report |
| AS | Alakol-Sassykol |
| CBD | Convention on Biological Diversity |
| CITES | Convention on the International Trade in Endangered Species |
| CoWR | Committee on Water Resources |
| CoLR | Committee on Land Resources |
| FFHC | Forestry, Fishery, and Hunting Committee |
| GEF | Global Environment Facility |
| GEF-OP | Global Environment Facility Operational Program |
| GoF | Government of Finland |
| GoK | Government of Kazakhstan |
| IMB | Inter-Ministerial Board |
| IUCN | International Union for the Conservation of Nature |
| KAS | Kazakhstan Academy of Sciences |
| KCAZS | Kazakhstan Central Asian Zoological Society |
| KHU | Kazakh Hunters Union |
| LL | Land Law |
| LEP | Law on Environmental Protection |
| LRC | Land Resources Committee |
| LTFM | Long-term Funding Mechanisms |
| MBWCF | Migratory Bird Wetland Conservation Fund |
| MoA | Ministry of Agriculture |
| MNREP | Ministry of Natural Resources and Environment Protection* |
| MEP | Ministry of Environmental Protection |
| NABU | German Association for Nature Conservation |
| NGOs | Non-governmental Organization |
| NPS | Nature Protection Society |
| NPC | National Project Coordinator |
| NSC | National Steering Committee |
| NWL | National Wetland Conservation Law |
| OKIOC | Overseas Kazakhstan International Oil Consortium |
| PDF-B | Project Development Facility, Block B (GEF project development grant) |
| PEC | Parliamentary Environment Committee |
| PM | Project Manager |
| SEG | Site Expert Group |
| SIC | Site Implementation Committee |
| TK | Tengiz-Kurgaldzhin |
| TPR | Tripartite Project Review |
| UNDP | United Nations Development Program |
| UNEP | United Nations Environment Program |
| URD | Ural River Delta |
| USAID | United States Agency for International Development |
| WB | World Bank |
| WRC | Water Resources Committee |
| WI | Wetlands International |
| WWF | World Wildlife Fund |

* MNREP was restructured and renamed to MEP in September 2002

1. BACKGROUND AND PROJECT CONTEXT

1.1 Environmental context:

The Republic of Kazakhstan is the ninth largest country in the world. Located in the center of Eurasia, Kazakhstan harbors a distinctive and varied landscape. Nearly every biogeographic zone can be found here, from the forest-steppe of the Siberian lowland, to the Caspian Sea coastline and the central desert steppe, up to the alpine systems of the Tien Shan Mountains. This ecological diversity supports Kazakhstan's globally important plant and animal life. Over 6,000 species of plants are known to occur here and fourteen percent of these species are endemic. The animal assemblage is equally as diverse. Approximately 489 species of birds have been found in Kazakhstan.

Two of the world's major flyways and their respective branches, the Central Asian-Indian Flyway and the East African Flyway, converge on Kazakhstan's Eurasian wetlands. This fact makes these wetlands especially important for migratory birds as they pass through on their way north from Africa and India and south from Europe and arctic Russia. In essence, Kazakhstan is an international migratory bird "hub." Birds from as far away as Italy and Finland on the west to Yakutia on the East and from the Arctic in the north and Australia to the south rely on wetlands resources in Kazakhstan for nesting and feeding habitat. In fact, Kazakhstan supports the largest population (over 130 species) of waterfowl in Asia. It is estimated that over 50 million birds migrate semi-annually through Kazakhstan from winter feeding grounds to summer nesting grounds and back again. Approximately 20% of these are estimated to nest in Kazakhstan. As such, Kazakhstan is one of the priority areas for wetland conservation in this part of the world. Three project sites were chosen during the Block B project development process based upon six criteria: 1) International biodiversity significance; 2) National significance; 3) Socio-economic importance; 4) Level of threat to wetland biodiversity; 5) Opportunities for economic development in surrounding areas; 6) Urgency for action. The three sites are: Ural River Delta, Tengiz-Kurgaldzhin wetlands, and Alakol-Sassyykol lakes complex. Please refer to maps in Annex I.

The most important wetland for migratory birds on the Western Siberian/Caspian Sea branch of the East African flyway is the Ural River Delta (URD) and the nearby Caspian coast seven km south-west of the town of Atyrau (46-45 N, 51-50 E). Although not officially registered as a Ramsar site, the URD meets or exceeds the Ramsar wetland site criteria and is on the Government of Kazakhstan (GoK)'s list of site nominations to be submitted after its imminent accession to the Ramsar Convention. The 600 km² delta breaks the Ural river into myriad branches, that in turn fills hundreds of shallow-water wetland areas ringed by the tall reed (*Phragmites communis*), the aquatic plant (*Typha latifolia*) and the willow (*Salix silvestris*). Here swans and other waterfowl moult in high numbers. Rare species nest here as well, such as the Glossy ibis (*Plegadis falcinellus*), Eurasian spoonbill *Platalea leucorodia*, Little egret (*Egretta garzetta*), Cattle egret (*Bubulcus ibis*), Squacco heron (*Ardeola*

ralloides), Purple Swamp Hen (*Porphyrio porphyrio*). During migratory periods, thousands of Greater flamingo (*Phoenicopterus ruber*), Dalmatian pelican (*Pelecanus crispus*), Great black-headed gull (*Larus ichtyaetus*) as well as the highly threatened Lesser white-fronted goose (*Anser erythropus*) stop-over here.

The URD is home to the world famous, caviar-bearing sturgeon fish as well. In addition, there is the specially protected species of Caspian salmon (*Salmo trutta*), (*Caspiomezon wagneri*), (*Stinodus leucikhtys*), as well as the Caspian seal, known to frequent the delta mouth area. Among the wide diversity of the aquatic plants are the rare and relic species: the white water lily (*Nymphae alba*), *Nymphae nuciferum*, *Aldrovanda vesiculosa*, and the water-nut (*Trapa natans*). The rich aquatic flora facilitates the growth of zooplankton, and microphyte thickets that serve as spawning areas for fish.

The Tengiz-Kurgaldzhin (TK) system is located on the crossroads of the Central Asian and Siberian-South European Flyways. Fed by the Nura river, the 2,600 km² system is one of the most important migratory bird wetlands in Kazakhstan. The wetland was designated a Ramsar site in 1974, a strict protected area in 1975, and is to be nominated for World Heritage Site status. Approximately 112 species of waterfowl inhabit TK. The wetland is protected habitat for one of the world's largest nesting populations of Greater flamingo (*Phoenicopterus ruber*), and other rare and globally endangered species like the Dalmatian pelican (*Pelecanus crispus*), the Siberian white crane (*Grus leucogeranus*) listed in the IUCN Red Data Book, the White-headed duck (*Oxyura leucocephala*) (protected under CITES), the Ferruginous duck (*Aythya nyroca*), and the Sociable lapwing (*Chettusia gregaria*). The TK system harbors 17 species of fish, including the endemic "crucian." Seven rare and endemic species of plants occur in the TK complex: *Marsilia strigosa*, *Damasonium alisma*, *Eleocharis oxilepis*, *Nymphaea lutea*, and the relicts *Lemna minor* and *Utricularia intermedia* and the endemic *Potamogeton macrocarpus*.

On the Indo-Chinese migratory flyway, Kazakhstan's most important wetland complex is the Alakol and Sassykol (AS) lakes complex. Two hundred fifty-seven species of birds (19 of them endangered) nest in and around the 12,500 hectare Alakol wetland in eastern Kazakhstan. Nominated in 1997 by GoK for listing as a Ramsar site, the AS complex is situated on the territories of Almaty and Eastern-Kazakhstan oblasts, (46 18 N 81 24 E). Alakol Lake is 2650 km², and Sassykol Lake is 736 km². The shores of fresh-water Sassykol are gently sloping and densely covered with reeds. Approximately 249 species of aquatic plants occur in the two lakes; two species (*Trachelomonas pseudofelix*, *Dactylocopsis linearis*) are specially protected. Ichthyofauna consists of 17 species including two specially protected species, Ili marinka (*Schizothorax intermedius*) and the endemic perch (*Perca schrenki*).

The shores of saline Alakol Lake are rugged, with large islands providing good nesting habitat. Over 107 species of waterfowl including 15 specially protected species are found here. The rarest bird found here is the Relict gull (*Larus relictus*). Alakol is one of two known nesting places in the world for the Relict gull, the global population of which has recently peaked at 1800 pairs. There are also large numbers of Dalmatian pelican and Eastern white pelican (*Pelecanus crispus*, *Pelecanus onocrotalus*), and the Ferruginous duck (*Aythya nyroca*). Other threatened and

endangered species of waterbirds listed in the Red Book of Kazakhstan and known to occur in the project's three wetland sites include: Red-breasted goose (*Branta ruficollis*), Slender-billed curlew (*Numenius tenuirostris*), Black stork (*Ciconia nigra*), Bewick swan (*Cygnus bewickii*), and the Marbled teal (*Anas angustirostris*).

1.2 Socio-economic, Institutional, and Policy Context:

Kazakhstan's social and economic situation is one of a country in transition from a centralized system to a free-market system. In 1997-1998, after years of steep declines in the economic, financial, and social sectors, trends for some human development indicators became more favorable, with several actually stabilizing. The Government's policy agenda for the next five years is complex, but overall objectives focus on: a) promoting private sector-led growth, including improving the legal and institutional framework and rehabilitating the physical infrastructure required and b) improving the delivery of social services.

Kazakhstan's environment is generally arid and water-limited. Surface freshwater has particular social and economic significance, providing natural food resources (fish and game) and irrigation water to support agricultural development as well as access to mineral resources.

In recent years, water-use rights have been ill defined. As a result, water resources in Kazakhstan have been treated as an "open access" resource. Kazakhstan's irrigation infrastructure is in dire need of reconstruction and technological improvement. Stemming from these two problems, control over volume and method of extraction has been inadequate, water use is priced artificially low, and lines of responsibility are not clear. In addition, as a rule, the incomes gained from exploitation of natural resources (including biodiversity resources) do not reach local budgets and are not easily associated with socio-economic programs for local people. For example, the controlling authority for issuing fishing permits for Lake Alakol is in Almaty, 600 km away, and none of these revenues are actually recycled into fisheries management at Lake Alakol.

The institutional, policy, and regulatory framework affecting Kazakhstan's wetlands is incomplete and the application of it is uncoordinated. Several institutions, such as Ministry of environmental Protection of the RK, Ministry of agriculture, Water Resources Committee, Land Resources Committee, and Forestry, Fishery and Hunting Committee, have legal and policy mandates related to proposed project activities within the realm of the project and at the site level of project activities, though there is no strict authority sharing between the institutions.

The organic law on the environment in Kazakhstan entitled "Law on Environment Protection" was passed in July of 1997. This law provides the overall framework for environment protection in Kazakhstan. The purpose of the law is to prevent pollution and to encourage the rational use of the environment. It is Kazakhstan's most important legal effort to prevent and control land-based pollution of wetlands. The law requires the involvement of local communities and stakeholders in the management of the country's natural resources and for the first time incorporates some free market principles such as the "polluter pays" into Kazakh environmental policy.

The Ministry of Environmental Protection (MEP) is responsible for implementing Kazakhstan's environmental policy and enforcing "brown" environmental conservation laws – air and water pollution control; oil and other industry environmental standards, and environmental clean-up activities.

The Ministry of Agriculture, through its Forestry, Fishery, and Hunting Committee (FFHC), is responsible for all biodiversity management issues, including migratory birds and wetlands. The FFHC's Department of Protected Areas responsible for managing most of the system of reserves in cooperation with local and oblast-level Akimats. The "Law on Protection, Reproduction, and Use of Fauna" is one of two laws that regulate biodiversity conservation (the Law on Specially Protected Territories is the other). The Law on Fauna requires wildlife to be sustainably utilized and makes provision for additional regulations to be promulgated as needed. There are no specific provisions for the conservation of migratory birdlife or for wetland ecosystems, one of Kazakhstan's most productive biomes.

Passed in 1997, the Law on Specially Protected Territories specifies the various categories of protected areas in Kazakhstan based upon international standards. These designations range from nature conservation areas and national parks to natural monuments and national forests. The protected area system is organized under thirteen different management designations emphasizing different management regimes depending upon the purpose, level of protection, and special features. The current system includes nine zapovednik¹, four national parks, 60 game reserves and 24 natural monuments, as well as controlled/regulated hunting and wild plant collecting areas.

Kazakhstan's agricultural sector has a significant impact on the quality of the country's wetland biodiversity. However, little provision is made under current agricultural laws to officially recognize this impact and develop policies to mitigate it. The "Law on Land," passed in 1995, specifies how Kazakhstan will approach the privatization of land and other natural resources. The Ministry of Agriculture's (MoA) Committee on Land Resources (CLR) is responsible for the nation-wide development of cadastre², as well as the regulations and standards for sustainable land-use. The national Kazakh Farmers Association is based in Almaty and lobbies Parliament on laws and policies of interest to farmers. Each Oblast has a Public Farmers Union that serves as a farming cooperative, enabling newly privatized farmers to support one other's efforts in this time of transition.

In 1993, Kazakhstan passed a revised law on water rights and water management. The new law, entitled "Water Code of the Republic of Kazakhstan" declares that all water resources in Kazakhstan are the property of the State. The Code gives water management responsibility in Kazakhstan to the Committee on Water Resources (CWR) through MoA's Oblast-level departments and their links with local communities. The CWR is responsible for developing and implementing new water management-related laws to manage Kazakhstan's fresh water resources sustainably

¹ Zapovednik is Russian for 'nature reserve/strictly protected natural areas'. The zapovednik system began in the former Russia with the establishment of the Barguzinsky Zapovednik on Lake Baikal in 1917. <http://www.isar.org/isar/archive/ST/RUZbd47.html>

² A cadaster is a tax register that listed the extent of land, its owner, and the number of people living on it.

and equitably. As part of CWR's work, local Water Users Associations are being established in selected areas of Kazakhstan.

The GoK has issued a series of laws clarifying and protecting property rights in land and other real estate. These include the Constitution, Part One of the Civil Code, the Mortgage Law and the Land Code. On December 25, 1995, a Presidential Decree with the force of law, "On State Registration of Rights and Transactions in Real Estate" (henceforth, Registration Law) was issued. The Registration Law establishes a system for the unified registration of rights in land and real estate. It creates a Registration Body as part of the Ministry of Justice and defines the concept of the Legal Cadastre, which represents the information base for the registration system. The Law further clarifies the rights that are subject to registration and the general procedures to be followed in registering those rights. The Registration Law leaves open a number of important questions about the practical functioning of the registration system and how environmental concerns (*e.g.* wetlands) will be incorporated into property rights associated with wetland areas.

Environmental NGOs in Kazakhstan tend to work primarily in the public education sector and public policy development: the Kazakhstan-Central Asian Zoological Society (KSAZS) works to increase public awareness of biodiversity-related issues and published the Red Data Book with support from Chevron oil company. The Altai Fund produces movies and posters on rare water-fowl species and unique wetlands. In order to enable broader community participation in ornithology protection the Birds Protection Union was founded in 2002. The National Academy of Sciences' Institute of Zoology, Institute of Botany, and the Institute of Geography support wetland conservation and management with their ongoing research programs.

2. BASELINE COURSE OF ACTION

2.1 Threats to Wetland Biodiversity and their Root Causes:

Kazakhstan's wetland biodiversity endowment remains intact in most of its wetland areas, despite some infamous exceptions such as the Aral Sea. Nonetheless, threats to wetland biodiversity have begun to emerge in the last decade of Kazakhstan's transition to a market economy. The threats to the three priority sites are real and pressures from their root causes may in time grow. However it is more than feasible for this project to mitigate these threats and their root causes and the project has been designed to do so. These threats, their respective root causes, and actions to mitigate these root causes are detailed in Annex II and are summarized below.

Threat 1: Unsustainable use of biological resources

The unsustainable use of wetland biological resources in the priority sites is caused in part by an inadequate level of management and protection for these priority sites. Currently, only two of the sites (TK and AS) have sufficient protection status and none are managed at an effective operational level. Another root cause is that wetland biological resources suffer from being in effect "open access" resources. Local communities fish, hunt waterfowl and small game, graze cattle, cut hay, and gather reeds in the three priority wetland areas with little in the way of sustainable parameters to guide this resource use. The resource-use is mostly at the subsistence

level, but there are some commercial hunting and fishing operations in the Ural Delta and Alakol Lake. Licenses for fishing and hunting are issued in the absence of scientifically derived quotas, often by agencies hundreds of kilometers from the wetland areas. This lack of accountability and local control has contributed to the decline of Caspian salmon and sturgeon populations in the Ural Delta and the loss of the Balkhash Marinka population in Alakol Lake. Poaching has increased in some places as a result of weak enforcement and the lack of alternative livelihoods and/or traditional property management systems for local people.

Threat #2: Unsustainable-use of water resources

Currently Kazakhstan lacks an integrated approach to water resource management where water needs of different users are recognized and equitably balanced among development needs and the needs of wetlands, for example. The GoK's land and water-use planning programs in Kazakhstan do not accord wetlands the same level of priority as forests or drinking water reservoirs. Water management issues are made more difficult by Kazakhstan's outdated Soviet-era irrigation and water supply structures and methods that waste water. Unless managed in an integrated fashion, a planned water supply system for the new capital city of Astana is a potential threat to Tengiz-Kurgaldzhin wetlands, since it is designed to take the significant water supply from Nura River. Kazakhstan's economic difficulties and the resulting sharp decline in industrial and agricultural activities have caused a significant decline in the amount of pollutants emitted into water bodies throughout Kazakhstan. This respite provides Kazakhstan with an opportunity to put into place the necessary policies and regulatory structures to prevent this kind of pollution from occurring when the economy begins to develop more strength. One of the project's priority sites, Tengiz-Kurgaldzhin, is threatened not by ongoing pollution, but by polluted sediment in the bed of the Nura River generated during Soviet times – a historical threat left-over from the Soviet period. A GoK/WB supported effort to clean up the Nura River is mediating this threat. No other discernible impact on the biodiversity of the URD or the Alakol/Sassykol Lake has been detected from pollution.

Threat #3: Uncontrolled Visitation/Tourism in Wetland Areas.

Tengiz-Kurgaldzhin, URD, and Alakol are popular tourist destinations for bird watching, recreation, fishing and hunting. Currently the impact such visitation has on bird population is largely unmanaged or uncontrolled. Without guides or inspectors many of these visits involve chaotic driving along the lakeshores that frighten and disturb birds, destruction of the soil and plant cover, pollution from camping and fires, and outright vandalism to nesting colonies. The Government lacks any published entrance fees for visitors, and protected areas lack special accounts for managing any tourism-related income. No boardwalks or other controlled access walks exist in these wetland areas and bird watching sites are not equipped. There is an almost total lack of basic services and suitably equipped rest houses in protected areas. These conditions reduce any kind of benefit properly managed ecotourism can have for protected area management. Most visitors receive little to no information on the importance of these wetland habitats.

2.2 Baseline: Current and Planned Activities

2.2.1 Policy and Regulatory Framework for Wetland Management in Kazakhstan

Overall GoK policy for biodiversity conservation is discussed in section 1.2. This paragraph summarizes the baseline situation with respect to wetland biodiversity policy. Kazakhstan lacks an effective, national wetland conservation policy and program. A national Implementation Program for the Protection of Wetlands was partially developed in 1993. The program established a National Coordination Council (NCC) to coordinate intra-governmental efforts to develop and implement a wetlands conservation strategy and action plan. But the required coordination and joint activities among the agencies have not taken place due to frequent organizational changes in GoK Ministries. Similar lack of an integrated approach exists in the legal framework as well. At the present time there are 39 laws in Kazakhstan that touch upon issues important to wetlands or wetland resources. However, none of these laws give wetlands any specific status. None of them mandate a sustainable utilization regime for wetlands and none adequately assign specific responsibilities for management of wetland areas.

There is a corresponding lack of direct responsibility for the conservation and sustainable use of Kazakhstan's wetlands, alike the Forestry, Fishery and Hunting Committee is responsible for forests. And there is a lack of normative legislation to enable various government departments to manage wetlands effectively. There is no national wetland cadastre or conservation program to conserve and sustainably utilize wetlands on a multi-sectoral ecosystem basis. Although GoK has shown biodiversity to be a priority through its on-going policy actions, it simply does not have sufficient budgetary resources to allocate adequate funds to all of its priorities.

However, in Kazakhstan's National Biodiversity Action Plan (NBAP), significant attention has been drawn to the importance of the nation's wetland resources. Wetlands rank as one of the three top priorities for biodiversity conservation action plan (in addition to forests and combating desertification). In Kazakhstan's National Environmental Action Plan (NEAP) the preservation of water resources and aquatic systems is listed as one of the country's top environmental priorities. Indeed, the GoK in its NEAP lists this project as a top implementation priority for environmental action. The GoK has also been working with USAID to develop a draft "Water Users Association" law for possible consideration in the near future. This kind of approach to developing effective, sustainable water management at the local level bodes well for wetland conservation and these efforts should be tested/demonstrated at the site level. Kazakhstan is participating in a UNEP-GEF Block B funded project development effort entitled: "Conservation Strategies for Wetlands and Migration Corridors required by Siberian Cranes and Other Migratory Waterbirds in Asia and Eastern Europe." The overriding objective is to support the development of a strong flyway approach to conservation to address the threats facing these wetlands, the endangered cranes, as well as other migratory waterbirds sharing the same flyways. The project will be working in the Naurzum wetlands in Kazakhstan (not one of this project's priority sites). The emphasis on trans-boundary planning and management linkages would complement this UNDP-GEF project well.

2.2.2 Protected Areas Management

Despite the government's recognition of the significance of the wetlands, higher funding priorities have meant that the GoK has struggled to maintain minimum level management of current Ramsar sites. There is no indication in the existing baseline scenario that this situation will change. Wetlands in general are under-represented in Kazakhstan's existing network of protected areas. Only three out of 15 recommended sites have been legally protected. Management investments in the network of protected areas were significant in the 1970s and 80s but dropped dramatically in the 90s and remain low to this day. Impressively though, despite the loss of financial resources, significant human and institutional resources remain in Kazakhstan. In addition, although the government's funding of protected areas has dropped, it continues to maintain its commitment to biodiversity conservation at the policy level. The precipitous drop in funding for protected area management has moved some concerned staff and citizens to establish an NGO called the "Association of Reserves and National Parks Personnel" or "KORYK" to provide capacity building support for protected areas. The participation of a wide-range of stakeholders in wetland management is a new concept in Kazakhstan.

Most of the URD is without any special biodiversity management regime. The level of protection and sustainable-use management is inadequate given the significance of the area for migratory birds and fish. A small part of the delta's nesting territory and spawning habitat was included in 1988 as part of a 20,000 ha local wildlife reserve called "Zolotyonok."

The reserve was established at the request of the local "Atyrau Hunting and Fishing Society" to better enable them to manage part of the wetland as a place where limited, seasonal hunting and fishing is allowed. The Zolotyonok has been fairly well managed on a multiple-use basis by Atyrau Oblast level FFHC in cooperation with the Atyrau Hunting and Fishing Society and could serve as promising model for what can be achieved in partnership between public and private institutions. The URD also receives some indirect protection because it occurs along the edge of the "North Caspian Special Management Zone," a special environment zone that encompasses all of Kazakhstan's northern Caspian waters. Although there is no proactive management done by the GoK in this zone, the designation heightens sensitivity to the region's environment and has helped to leverage work by oil companies to avoid impacting biodiversity resources adversely in the zone.

The Caspian Environment Program, supported by GEF, UNDP, EU-TACIS and others has established a "Caspian Regional Technical Center for the Assessment of Transboundary Biodiversity Priorities" in Atyrau, Kazakhstan. This center will provide coordination and technical support for actions taken to protect biodiversity in the Caspian Sea. The Center will gather historical records of changes in biodiversity and will initiate surveys of habitats and biodiversity in each of the Caspian's five littoral states. The Center will eventually produce a regional overview of the State of Caspian Biodiversity and will develop a Caspian Red Data Book. The presence of the center in Atyrau will provide this project with the opportunity to contribute URD-specific information to the Center's regional work on Caspian biodiversity.

The TK Zapovednik was established in 1968 and formally registered as a Ramsar Site, category "A" in 1974. Nearly 75% of the 260,000 ha zapovednik is covered by

the water of eight lakes. Because it is a zapovednik, the area has been strictly managed for conservation and research. The MoA's FFHC is responsible for the management of the TK reserve. The existing annual budget is only enough for six rangers and a small fund to partly cover scientific employee's payments. Despite the best intentions of the reserve staff, the lack of funding and a reserve infrastructure that was developed 20 years ago prevents them from conducting more than a bare minimum of management. Active management of the reserve is simply not possible under current conditions. Visitation to the reserve is largely uncontrolled and no tourism revenues are captured by the reserve and re-invested in reserve management. Basic facilities are lacking. The reserve has a designated a three-km buffer zone encompassing one small village, wetlands, pastures and small lakes, but there are no funds to work with local communities in developing sustainable livelihood programs. There is a lack of effective local management of the hunting and fishing resources around TK, yielding few tangible benefits to local communities. The European NGO "NABU" has donated time and expertise as well as some financial support in working with zapovednik staff for the past three years on joint bird surveys and with local communities on more sustainable livelihood options.

Part (17,000-hectare) of the Alakol wetland was officially protected in 1976, when the Oblast established a protected area in 1976. In 1998, the protected area was declared a National Park, and the National Lake Alakol Reserve was placed on GoK's nomination list for Ramsar status. While this was a good start, scientists agree that in order to encompass the most important natural communities of the lake, an additional 150,000 hectares should to be brought under special management. Due to funding constraints there is no operational management program for biodiversity in the AS Park. No mechanism exists whereby the Reserve can capture some revenues from productive activities within its boundaries in order to fund ongoing management of the biodiversity resources. Reserve staff developed a management plan in 1999 calling for the establishment of limited hunting areas and the provision of technical equipment for reserve staff. However, local people were not actively involved in the plan's development and there is not sufficient funding to implement it. Stakeholders are learning that it is not enough to apply a "fences and fines" approach to protection activities in order to provide effective management of the Reserve and buffer zone. Instead all stakeholders should be involved, including Akimat officials, the Water Resources Committee (WRC) and Land Resources Committee (LRC), the Ili-Balkhash Basin Fish Inspection Service, the Hunters Society and other NGOs.

2.2.3. Research, Monitoring & Enforcement:

The expert capacity to carry out effective research and monitoring in Kazakhstan exists. In recent years, however, no complete assessments have been conducted in any of the reserves and there is little infrastructure in place to support targeted research for adaptive management. Baseline information about the biodiversity of the three site areas is uneven and comprised of a few particular taxonomic groups. There has been no effective monitoring of indicator species, although this is required to measure future hunting impacts and other threats, including land use changes outside of the reserves. At the national level, there is an extensive collection of plant specimens at the National Herbarium and a limited geographic database at the Academy of Sciences. The Kazakh Amateur Birder Society conducts research on threatened sandpipers.

Multiple government organizations are responsible for the various issues of importance to the URD wetland site. The Atyrau Oblast Environmental Management Department monitors water quality at 11 points along the Ural River on a frequent basis. The program monitors physical and chemical parameters of Ural River water quality. No program exists for monitoring URD habitat quality or species numbers and composition. The local fish management agency, Kazneerch is responsible for monitoring fish resources, but no proactive program exists and little financial support is available. The Ural-Caspian Fishery Protection Department is responsible for protecting the sturgeon fishery as determined by the limit set by Kazneerch. Kazakh academic institutes conduct detailed surveys in the delta and nearby Caspian Sea area, but are able to do this work only on contract with government or interested private parties (a.k.a. the oil consortium OKIOC). Official policy is to integrate these responsibilities and actions of the different institutions, but this is a new concept in Kazakhstan and will take some practice. The GEF-supported Caspian Environment Program plans on strengthening the trans-boundary, regional monitoring of biodiversity and the environment. In addition, UNEP is developing a regional GEF proposal to conserve Siberian crane habitat in several countries, one of them being Kazakhstan. This UNDP project will work closely with the UNEP project developers to include specific, meaningful linkages between the two projects' monitoring and lessons learned initiatives.

Tengiz-Kurgaldzhin State Reserve staff operated a ongoing research and monitoring program within the reserve covering the conditions of the wetlands' major biotic and abiotic resources for more than 20 years. This monitoring program was halted in 1994 due to lack of funding. Some new research and monitoring work has been undertaken recently with the support of NABU. A new research and monitoring program was developed in 1998 but very few actions can actually be implemented without additional financial support. The Karaganda Ecological Center conducts research on threatened species of sandpipers in and Nura river basin.

Currently, no systematic research and monitoring program is under implementation in Alakol/Sassykol. In 1999 the Alakol Reserve developed a 10-year research and monitoring program for the Reserve's key animal and plant species and communities, but the absence of predictable financial support from the Government has prevented the implementation of this plan. The Central Asia Zoological Society conducts research and conservation work on and in the Alakol lakes in order to have them listed by the Ramsar Convention, but this work is infrequent and not coordinated with reserve management.

2.2.4 Public Awareness and Support

Currently in Kazakhstan the focus is on maintaining protected area operations at the lowest levels in the face of difficult economic times. No adaptive management would take place in the absence of this GEF intervention. Public awareness of the values of wetlands and the need for wetland conservation is minimal. Given the difficult situation that Kazakhstan's protected areas find themselves, little to no money will be spent on public awareness activities. Existing low-level public awareness raising activities (posters on wetland conservation in the TK area) are implemented by the FFHC. There are several NGOs in Kazakhstan involved in raising environmental

public awareness. The main purpose of the NGO “Nature Protection Society of Kazakhstan” (NPS) is to raise the level of environmental awareness in Kazakhstan. With the occasional support of international NGOs (IUCN, WWF, WI, and UNEP), the NPS has made some progress in reaching out to school children, but these activities are sporadic and not systematic. The GreenPeace Society of Kazakhstan is another NGO involved in organizing an occasional public awareness rally. Other regional NGOs are involved in awareness raising at the local level around Kazakhstan, including the EcoCenter in Karaganda, and CaspiTabigati and the Center of Biodiversity in Atyrau. In Kazakhstan, the school curriculum related to the environment (ecology, biology, wildlife) is of a general nature and is not designed to focus on local places (wetlands) or conservation issues. There is a real need to develop specific teaching materials designed to be interesting to children in the new millennium.

2.2.5 Sustainable use of Productive Landscape Around Priority Sites

Alternative livelihood Development: Under current conditions, the 20,000 people who live near the three wetland sites will continue to live a largely self-supporting, subsistence lifestyle that relies heavily upon nature’s bounty. No special programs will be implemented to enable local stakeholders to develop new and alternative livelihoods. Under normal conditions, the three protected areas will not have the necessary resources to be able to work with local communities to enable people to develop alternative livelihood options, nor will they be able to attract these resources.

The local Ural-Caspian Basin Department of Fish Resources under the Akimat of Atyrau Oblast manages wetland resources of URD. No proactive, integrated management of the delta’s wetland resources is being undertaken and there is no overall plan to sustainably manage the delta as part of the greater landscape. The MNREP’s FFHC, Committee of Water Resources and Oblast Department of Ecology and the MoA’s Committee of Land Resources do not manage wetland resources in an integrated fashion. Integrating the need for maintaining healthy levels of biological diversity with economic development initiatives is not a priority. Existing Oblast laws and policies are sufficient to guide the sustainable use of fish and wildlife resources, but they are rarely enforced due to lack of emphasis on sustainability. The commercial fishing enterprise “Atyraubalyk” operates two sturgeon hatcheries near the URD and is the primary stakeholder in the delta. The Kazakh Fish Resources Institute defines annual fish catch quotas, but with no funding for fieldwork, quotas are established with little scientific basis. In addition, the current management regime does not recognize the importance of a healthy delta wetland ecosystem.

Approximately 7,300 people inhabit six villages and hamlets in the area immediately adjacent to URD. The main kinds of economic activity undertaken by commercial cooperatives and private individuals are fishing and agriculture (cattle raising, farming, hay procurement). Fishing is conducted in the delta’s waters either by a relatively unorganized group of individual subsistence fishermen or by Atyraubalyk, the Government sanctioned sturgeon/caviar-producing monopoly. Government-run commercial production of caviar and sturgeon fish totals approximately 550 tons/year. Nearly 1,400 tons fish were caught within the borders of the wetland in 1998. Approximately 7,000 hectares of agricultural lands are utilized around the delta area and support approximately 1,200 cattle and over 100 home gardens. The economic

difficulties in Kazakhstan have created conditions where keeping home gardens and poaching fish and waterfowl are the only ways for many local villagers to survive. Oil exploration is growing in the areas of the Caspian off shore from the delta and may become a major source of economic growth, and a potential threat to the biodiversity of the region.

The area around the Tengiz-Kurgaldzhin Zapovednik includes two settlements, Abai village (pop. 5,458) and Nygman village (pop. 136). Local people are employed in agriculture, hunting and fishing activities, and education, health and public services. Nygman village is situated within the protection zone of the reserve. The people of this village survive on basic welfare payments and their own subsistence production, including fish and waterfowl taken from the reserve area. In the current situation, this is the only option for people living in this village to feed their families. These people do not have access to credit and no program to enable them to develop alternative livelihoods has been elaborated or is being implemented by any government or NGO entity. Nearly 13,000 ha of fallow dry land wheat farms surround the TK system. Local people keep approximately 300 cattle in the area and an estimated 40 tons of fish and 10,000 waterfowl are harvested annually. No studies have been done in recent years as to whether these yields represent scientifically appropriate Maximum Sustainable Yield (MSY).

The GoK is working to modernize the country's outdated irrigation infrastructure through a large program with the World Bank. This bodes well for improving the efficiency of water use in Kazakhstan. The long-term health of the Tengiz-Kurgaldzhin wetlands is dependent upon the quality and quantity of water allowed to flow into the wetland area from the two major contributing rivers. Currently, there is no integrated management program under development or implementation that seeks to balance the anthropogenic needs for water upstream with the wetland's need for water downstream. This is even more of an important need, given that the new capital city of Astana is in the process of securing sufficient water supplies for future use. The most important natural resources of the wetland area are the huge populations of fish in the lakes and equally large numbers of year-round and seasonal waterfowl. Limited fishing was allowed in the reserve's Lake Esei from 1994-97. There is no active biological resource management being conducted, apart from a periodic and inadequate adjustment of the water level in the lakes to improve habitat conditions for birds.

Alakol-Sassykol Lakes (AS) Reserve officials are responsible for management of resources within the reserve itself. But there is no overt plan to manage the wetland as part of the surrounding landscape. There is no regional structure that would manage fish and game resources for example and the Alakol Akimat exercises general control over activities in the region. Outside the protected area, natural resource management is the responsibility of the Ili-Balkhash Basin Fisheries Service, the Oblast Environmental Inspection Service, the Usharal Rayon Forestry Department, and the Alakol Hunters Society. However, this management lacks any overall proactive approach and does not seek to maximize the health of the wetland resources. Instead, it is limited to sporadic, disparate enforcement actions by different groups. There is no coordination of these actions at the Oblast or regional level, and with the economic obstacles at present, enforcement effectiveness is low. Local

stakeholders/decision-makers are not specifically responsible for wetland management in the AS area, nor do they receive the benefits from the exploitation of AS resources. There is no common program to manage wetland biological resources. The lack of inter-sectoral cooperation among the various departments, along with the general lack of financial support from the Government, prevents the improvement of wetland resource management. Though fishing and waterfowl hunting are licensed, the actual level of control over these activities is currently minimal. This fact, combined with the severe economic difficulties has resulted in high levels of illegal fish and game extraction.

Within the borders of the projected Alakol-Sassykol wetland area there are nine settlements with a combined population of 9,200. Officially, the unemployment level hovers at approximately 60%. The people who are employed work in agriculture, fishing, hunting, and education and public health. Agricultural production has dropped dramatically in this part of Kazakhstan, resulting in the closing of the local fish and sugar beet processing plants 7 years ago. People now sustain themselves by tending their own small vegetable plots and raising cattle, hunting and fishing. Fishing is the largest economic activity in this region and approximately 3,000 tons of fish are caught annually. Officials from the central government grant fishing licenses for semi-commercial enterprises. 10,000 waterfowl are shot annually and 32,000 muskrat trapped. Alakol fisherfolk do not have suitable equipment and processing units for fishing. Traditionally local authorities have preferred larger, more mechanized groups, but this reduces the possibility for significant income and employment generation. A few new small hotels have been built on the lake in recent years, but tourism infrastructure is still poor.

3. RATIONALE AND OBJECTIVES (GEF ALTERNATIVE STRATEGY)

The GoK recognizes the significance of the country's wetland biodiversity and has invested in the past to conserve priority areas. However, given the difficulties during its current social and economic transition, additional assistance is needed in order to help Kazakhstan conserve and sustainably utilize wetland biodiversity during this crucial transition period.

In Kazakhstan, dramatic social and economic free-market reforms have created new challenges for sustainable land and water resource management. A lack of experience in how to meet these challenges has led in part to the neglect and unsustainable use of Kazakhstan's globally significant wetland areas and their attendant biodiversity. The existing legal and regulatory frameworks do not sufficiently promote the sustainable conservation and utilization of wetland resources. New land ownership patterns, a lack of experience in the cooperative management of public resources by private landowners, narrowly focused water management policies, and reduced funding for protected area management has led to the practical absence of active wetland conservation management.

The GEF supported alternative is designed to provide a policy and regulatory framework to support wetland conservation and sustainable use. There are over 30 wetland sites in Kazakhstan that meet or exceed Ramsar criteria and are of recognized global significance for their importance to Euro-Asian migratory birdlife. The GEF supported alternative is designed at the ground level to integrate biodiversity conservation and sustainable development in three (3) priority protected sites and the relevant surrounding landscape. The three protected area sites lie along different migratory flyways and an expert committee chose each site in part because each enables the project to demonstrate solutions to different challenges facing management of Kazakhstan's wetland biodiversity resources.

- 1) The Ural River Delta wetland will enable the project to demonstrate locally based public-private, multiple-use wetland management with an emphasis in the productive landscape on demonstrating effective partnerships between public (government), NGOs, and the private (commercial) organizations.
- 2) The Tengiz-Kurgaldzhin site will enable the project to demonstrate a more open and effective management approach for zapovednik (strictly protected natural areas) in Kazakhstan's new social and economic landscape. Emphasis will be placed upon demonstrating more sustainable water resource management with a river basin management perspective.
- 3) Alakol-Sassykol site will enable the project to demonstrate a more open and effective management approach for zakaznik (wildlife reserves). Emphasis in the surrounding productive landscape will be on developing commercially viable, yet sustainable and biodiversity-friendly eco-tourism.

4. PROJECT COMPONENTS AND EXPECTED RESULTS

Output 1: A national integrated institutional, policy and regulatory framework for wetland biodiversity conservation and management.
(GEF: US\$520,000 ; Non-GEF: US\$440,000)

Output 1 is designed to improve the overall institutional and policy support for wetland conservation in Kazakhstan. Currently, it is inadequate and this serves as an existing barrier to wetland conservation. Activities under Output 1 will construct **an institutional, legal, and regulatory framework for integrated wetland biodiversity conservation and management** to support the conservation and sustainable-use of wetland biodiversity. At the center of this national structure will be a "National Wetlands Conservation Law." The law and policy structure will also rely on existing laws (e.g. Land Law and Water Law), whose specific aspects will be modified to make them more effective in supporting wetland conservation. These modifications would ensure that the reasonable needs of wetland ecosystems are considered when apportioning water to various users. Sustainable management incentives for local wetland users will be included in the new regulatory structure. Local communities will be granted usufruct rights over wetland resources. In addition, the regulatory framework will require government agencies to apply some sustainable development approaches in areas around priority wetlands and make commitments to maintain wetland health by ensuring an adequate supply of water to priority wetland areas.

An Inter-Ministerial Board (IMB) will be established to oversee coordination and cooperation for wetland management. The IMB will include representation from authorities and national-level stakeholder groups with responsibilities for wetland issues, such as agriculture, hunting, mining, health, water, and land management. The IMB will facilitate the integrated sectoral approach to developing and implementing wetland conservation policies. The IMB will spearhead the development of an intersectoral guide to implementing Kazakhstan's 39 laws that touch upon issues important to wetland conservation and management. This will then be distributed among the different national and local administrations and workshops held to brief officials on how to use it.

To ensure that the IMB's inter-sectoral co-ordination is effectively implemented at the regional and local level, the IMB will be represented at the local level through the local representatives of its member institutions. A permit system will be developed for activities affecting wetlands. Existing environmental impact assessment programs will be strengthened with wetland-specific concerns. The framework will elevate the status of wetlands to that of a valuable, productive resource, similar to that currently accorded to forests and drinking water supplies. The international status of Kazakhstan's wetlands will also be given a boost under this component. Activities will assist the GoK in completing its application to join the Ramsar Convention.

Wetland management capacity at the national and Oblast level will be improved. Policy experts' knowledge on how to assess values and services provided by wetlands will be strengthened, as will their knowledge on how to include tax and financial incentives in the regulatory framework for wetland conservation. In-country training will be conducted and study tours organized to a country with model wetland conservation laws appropriate to Kazakhstan's context. Guidelines will be prepared for the regional Akimats to ensure that the various users of wetland resources undertake integrated management measures. Wetland management expertise of staff in key departments of the MEP and MoA will be established. Awareness of the value and importance of wetlands will be raised among policy makers.

Activities under this Output will also improve existing **enforcement programs** at each of the three sites by cross-authorization agreements between and among relevant government agencies. To this end, the project will strengthen the Oblast level Department of Environmental protection to ensure coordination and collaboration among government agencies and other stakeholders. For example, currently protected area officials do not have authority to mitigate the impacts on wetland biodiversity from pollution flowing from other parts of the watershed because their jurisdiction ends with the area boundary. The same is true for fisheries officials in protected area waters. The strengthened linkages under the project will result in the development of cooperative, cross-authorization among the key environment and natural resource management agencies. This will include the **strengthening of existing laws and policies** necessary for biodiversity conservation for wetlands. Secondly, wetland resource management in priority sites will be improved by enabling local stakeholders to establish **user rights agreements** (URAs) among themselves and with landowners and government agencies where appropriate. This will be done through consultations

among local users, MoA's CoWR and the MEP. These URAs will complement existing government enforcement programs, laws and policies.

Finally, support will be provided, where needed, to the current process of legislative and executive review of potential accession to the Bonn and Ramsar Conventions.

Output 2: Strengthened Protected Area Operations (GEF: US\$3,320,000; Non-GEF: US\$ 3,910,000)

Activities under this output will focus on strengthening the operations of the three protected wetland sites. GEF funds will finance most of "Output 2" with GoK funds going towards increasing the number of park rangers and the expansion of the three protected wetlands– Ural River Delta, Tengiz Kurgaldzhin and Alakol/Sassykol.

Activities under this output will strengthen the management presence at each of the three areas in a manner appropriate for each site based upon expert recommendation and consultations with local communities and officials. A new, national-level protected area will be established in the URD. The buffer zone of the TK zapovednik will be expanded and the TK complex nominated for Biosphere Reserve status. The Alakol protected area will be expanded to include critical habitat for rare species now lying outside the protected area boundary. The GoK will assign additional staff to Park management. GEF financing will fund most of the costs of improving the management capacity and infrastructure of the protected wetland sites. Modest **new field structures, interpretive facilities and ranger housing** and necessary **equipment** will be provided to carry out the required tasks of park management, research and monitoring.

Training will be carried out to strengthen the overall management capacities of three protected areas. Training will be provided to protected area staff in relevant fields, including conservation biology, species management, and community-based management approaches to biodiversity conservation. In addition, training will promote a common understanding of integrated wetland management and practical knowledge in how to deal with day-to-day situations and public awareness. Training will also be provided on how to integrate biodiversity concerns into existing management of fisheries, water resource management, and the use of wildlife. **Existing rules and regulations and their enforcement will be strengthened** to enable rangers to more effectively enforce laws against habitat destruction in the protected areas. **Cooperative enforcement regimes** will be developed among the Department of Protected Areas/FFHC, DoE, CLR, CWR, fishing and hunting associations and farm cooperatives.

A **community-based management approach** will be established to conserve biodiversity in each of the three protected areas. A **memorandum of agreement** will be developed between local communities and their corresponding protected area. Stakeholder committees for each protected area will be established and **participatory management plans** developed in each of the three wetland areas. The project will support the involvement of local community leaders in consultations leading to the expansion of **park boundaries** and the **full demarcation of these boundaries** as well as the different **management zones** in the three protected areas. Species and natural

community management programs will be developed, focusing on the highest priority species and habitats for special management. A **habitat management program** will be undertaken for the priority habitats in each of the three protected areas.

The ability and proclivity of protected area staff to practice **adaptive management** will be improved. In order to manage wetlands effectively, it is necessary to have adequate knowledge of their functioning. GEF resources will finance **targeted biodiversity research** and **monitoring** to address the problem of insufficient information for proactive management of wetland protected areas. Inventories will be conducted of each priority site in order to qualify and quantify the ecological, cultural and traditional resources of each wetland site. This would then become the baseline situation against which all future monitoring efforts would compare their results. A systematic **monitoring and information management program** will be developed to support the conservation of biodiversity within each of the protected areas and the demonstration site. For example, the three protected areas will monitor habitat quality, fauna and flora numbers and locations, and level of resource use (where allowed). This work will also be an important component of the project's M&E program.

A **research committee** of experts from regional research institutions will be formed, management-oriented **research priorities defined**, and targeted research proposals considered. For example, particular areas that may deserve attention are the identification and quantification of wetland values, landscape functioning and modification and sustainability of wetland biodiversity use. These latter proposals will be co-financed by GEF and other donors. A systematic monitoring and information management (GIS) program will be established in the protected areas. The necessary **equipment** will be provided to expand the capacity (equipment, knowledge) of the Department of Protected Areas to focus on the integrated management issues central to wetland conservation. Performance evaluations will consider how management actions were influenced by ongoing research and monitoring activities.

Building upon this idea of adaptive management, activities under Output #2 will also focus on establishing an effective double-loop learning process, where an analysis is conducted, lessons are learned, and those lessons applied to re-orient management. This process will enable wetland management to progress in a measurable, effective manner. **Best practices** for wetland conservation and management will be developed through ongoing review and analysis of project experiences. **Information sharing** will be emphasized. Staff from other protected areas will be invited to project progress meetings and reports and other materials will be distributed widely. **Regional cooperation** on migratory bird wetland habitat conservation will be strengthened through data sharing and management exchanges.

Output 3: Increased stakeholder awareness and support (GEF: 1,180,000; Non-GEF: 240,000)

Under Output #3, the values of wetlands will be widely promoted in educational programs and to the general public and to targeted stakeholder groups like hunters and

fishermen. Activities under Output 3 will **impart conservation values** at the local, Oblast, and to a lesser extent, at the national level in order to develop the support for long-term wetland conservation efforts. Easy to understand field guides for birds (to enable hunters to avoid shooting rare species and for tourist information) and wetland plant groups will be produced and distributed through stakeholder organizations and other channels. Interpretation and visitor facilities will be developed in each of the protected areas. The awareness program will also stress the **important ecological services** provided to society by healthy wetlands and the economic benefits of managing wetland resources in a sustainable fashion.

A program for **environmental education** will be developed and carried out, focusing on wetland biodiversity conservation issues. This program will include the development of teaching aids and training of schoolteachers. The costs of protected area staff reaching out to local youth (not part of their regular job) will be supported through GEF financing. A **youth wetland conservation corps** will be created to involve students in wetland site conservation activities. Youth corps leaders will undergo a one-month training program before assuming their duties. Youth groups will be taken on field trips into the wetlands and by Park staff and involved in habitat management and species conservation activities.

Output 4: Stakeholders Empowered to Sustainably Utilize the Productive Landscape around Priority Sites. (GEF: US\$2,000,000, Non-GEF: US\$16,580,000)

This output focuses on the landscape immediately surrounding the wetland sites. Co-financing will finance overall sustainable development activities necessary to enable stakeholders to develop alternative livelihoods and for integrated wetland management of the demonstration sites.

The project will leverage co-financing to bolster the sustainable development baseline in the productive landscape surrounding the priority sites. The two key threats to wetland biodiversity in Kazakhstan are 1) unsustainable use of water resources and 2) unsustainable use of biological resources. The three most serious root causes of these threats are a lack of alternative livelihoods; a lack of effective local-level property regimes; and a lack of experience in integrated management. Co-financing under this output will support activities designed to remove these root causes and thereby neutralize the key threats to wetland biodiversity in the productive landscape. Due in part to the severe economic slow-down, potential threats to wetlands are much diminished in recent years, providing a strategic window of opportunity to establish a new precedent for biodiversity-friendly development in the productive landscape. GEF resources will be utilized to fund incremental activities to top-up this sustainable development baseline and contribute to the conservation of globally significant biodiversity.

The first set of activities under Output #4 will empower **stakeholders** in the productive landscape surrounding the priority sites **to develop sustainable alternative livelihood options**. This activity will be developed in close consultation with UNDP-Nepal, where an innovative Parks and People project has achieved

notable success in empowering stakeholders in buffer zone areas. These activities will be largely financed by non-GEF sources because they seek to bolster the sustainable development baseline. GEF resources will support activities designed to modify existing uses of biodiversity. Non-GEF resources for sustainable livelihood measures will be covered by Private Sector partners & NGOs located in project sites.

One of the most pervasive threats to wetland biodiversity in Kazakhstan is the over-harvesting of wetland biological resources. Peoples' lack of alternative livelihood options is one root cause of this threat, as is the lack of an effective property regime for wetland fisheries and waterfowl resources. In addition, a lack of appropriate technology prevents people from adopting a more sustainable resource use regime in the fishery sector as well. PDF Block B consultations with stakeholders revealed a ready willingness to abandon destructive activities if only appropriate alternatives were available. The project is designed to address these issues directly by enabling local people to develop alternative livelihoods, strengthening property regimes and demonstrating appropriate technologies.

User groups comprised of local people will be established in areas around wetland sites where surveys have found people to have direct interaction with the wetland area. These user groups will interact directly with the protected area and will be the organized social unit through which the project will offer its alternative livelihood assistance³. The project will enable local stakeholders, especially women, to **undertake sustainable alternative livelihood options** by enabling them to form group savings accounts and access their own capital as well as providing them with access to micro-credit and small business development advice. Partnerships have been developed with other interested donors to support a **micro-credit program** and a **business development office** that will provide wetland users with access to capital in helping them to adopt sustainable alternative livelihoods. Additional co-funding will support the viability of these new livelihoods. Criteria will be developed to determine who is eligible for support and how project ideas should be judged.

The second set of activities to produce Output #4 will be to develop and implement a **sustainable development framework for each of the sites**. This framework will focus on how to integrate biodiversity conservation into productive sector activities in the areas surrounding the wetland sites. GoK and co-financing resources will finance an enhanced **monitoring program** to address the problem of insufficient information for sustainable management of areas surrounding demonstration wetlands. This will be done with the Ural River and Caspian Sea coastline outside of the URD protected area as well as with the Nura River upstream from the Tengiz-Kurgaldzhin Reserve. In the URD, this work will be closely coordinated with the CEP, in order provide a regional inter-governmental support to the national commitment to reduce and eliminate negative environmental impacts from oil exploration on transboundary biodiversity, including implications for the URD wetlands.

GEF resources will top-up these sustainable management efforts with incremental **biodiversity conservation and monitoring framework** for the same areas. It will determine important biodiversity conservation and environment protection criteria for

³ This approach to be developed with guidance from UNDP-Nepal's "Parks and People" project and other best practice experiences.

incorporation into the integrated landscape management other development plans and activities associated with the wetland sites.

To catalyze these sustainable livelihood initiatives, the project has leveraged substantial co-funding to support the development of “wetland-friendly” sustainable fishery resource and water resource management regimes. GEF will also provide incremental funding to facilitate adequate consideration of biodiversity issues in these sustainable fishery resource and water resource management activities. The project will enable stakeholders to develop an effective property management regime (based upon the user group structure) for fish resources in the URD area and Alakol Lake. The project will leverage a “re-orientation” in existing fishery **resource management, improving** it using GoK resources to strengthen the community cooperatives and establish proactive enforcement regimes. GEF will top this up by supporting activities that introduce less harmful, more biodiversity friendly fishing practices. It will also support research activities to scientifically determine the appropriate Maximum Sustainable Yield (MSY) of fishery resources.

Co-funded activities leveraged by the project will demonstrate sustainable water resource management. Unsustainable use of water resources is a primary threat to wetland biodiversity in Kazakhstan. UNDP co-funding will develop and implement a **sustainable, community-level irrigation development project**. A community management approach for biodiversity friendly irrigation practices will be demonstrated through this initiative. GEF funds will top-up UNDP’s project by supporting activities that will **demonstrate biodiversity-friendly irrigation methods and principles**. A community-based monitoring program will be developed as part of the project’s incremental demonstration of biodiversity friendly irrigation practices. GEF funding will enable stakeholders to develop biodiversity-friendly guidelines for sustainable development activities in the areas surrounding the special protected areas. These guidelines will complement baseline economic development activities in areas surrounding the protected areas. .

The Nura River is the primary contributor of fresh water to the Tengiz-Kurgaldzhin complex. GoK co-funding will implement a **Nura River clean-up project** and an Astana **water supply project** so that they consider and maximize the potential beneficial impact of their activities on the Tengiz-Kurgaldzhin wetlands. GoK and the WB will work with the project to incorporate wetland ecosystem health maintenance criteria in river clean-up and water supply development programs. This will include a specific commitment from GoK to provide the Tengiz wetland system with at least the minimum water needs for maintaining wetland health and committing to this provision in perpetuity. This will also involve the installation of some additional water quality monitoring stations on the Nura just upstream from the TK wetland complex. GEF co-funding will top-up this GoK-WB co-financing for the project by helping to integrate biodiversity conservation priorities into the national and regional government’s water resources management program, particularly as a demonstration effort in the Tengiz area.

Output 5: Migratory Bird Wetland Conservation Fund (MBWCF): (GEF: \$1,690,000; Non-GEF: \$4,500,000)

GEF's experience to date with long-term funding mechanisms shows that they can be a promising way to separate unpredictable government's budget commitments from basic financing for protected areas. This output has been included in the project as a way to strengthen and leverage the GoK's commitment to globally significant wetland protected area management. The proposed Migratory Bird Wetland Conservation Fund would be used to ensure the sustainability of activities in the priority sites under this project and to provide reliable funding for managing re-current costs in the three priority wetland sites. The fund would also cover the costs of replicating activities in other globally significant wetland sites in Kazakhstan. The Fund would be established in three steps based on emerging best practice: Design and Consultation, Commencement, and Capitalization and Operations.

Step 1: Design and Consultation: A two day workshop would be held to launch the Fund's design stage, co-sponsored by UNDP, GoK and an international wetlands conservation organization. The workshop would provide information regarding conservation funds, workable conservation fund structures, board composition, and funding priorities. The specific outcome of the workshop will be a schedule to produce specific recommendations on the best operational structure of the Long-term Funding Mechanism (LTFM) itself, including appointment of trustees, eligibility criteria for grantees, disbursement procedures, reporting requirements, and asset management arrangements. These recommendations would draw heavily from the GEF Evaluation of Conservation Trust Funds. For example, experience with the Mongolia Environmental Trust Fund shows that trust funds may have different funding windows, and there is a risk that GEF funds may end up being directed to non-GEF eligible activities. Therefore, this LTFM will be designed so that it specifically covers the recurrent cost of managing the three project sites. The recommendations would then be submitted to the GoK and GEF for endorsement final endorsement.

Step 2: Commencement. A timetable of events leading to the operationalization of the Trust Fund would be developed during the first six months of project implementation. In order to begin operating the Fund, all the necessary legal measures must be undertaken in order to establish the MBWCF. The Fund would be registered under Kazakh law as a not-for-profit, non-governmental organization. The by-laws would be drafted, as would the operating guidelines and procedures. The initial board would be selected, and the Director of the Fund would be recruited in an open, competitive process. A representative from an international wetlands conservation organization would be selected to serve as the Fund's international operations advisor during the first two years of operation.

Step 3: MBWCF Capitalization: The Fund would be capitalized at US\$6 million. Assuming an annual real rate of return of 6%, a \$6 million capitalization would be necessary to generate the \$360,000 required to meet the following costs: \$60,000 per year for administrative and monitoring; \$180,000 annually for recurrent costs of managing the CSNR and SNR; and the balance of \$120,000 to support activities under Output 2 (ecological research and monitoring), Output 3 (education and awareness building), and Output 4 (site-area stakeholder empowerment). GEF's contributions to the Fund would occur in tranches. The first tranche would be released following an initial GEF evaluation to confirm that best practices in fund

design and GEF eligibility criteria have been met. Subsequent to a positive evaluation, the GEF would release US\$500,000 contingent upon matching funds being secured on a 1:3, GEF:Co-financing ratio. The second tranche of US\$500,000, also contingent upon a 1:3 match, would be released by the end of the project's second year of operation. The third and final tranche of US\$500,000, also contingent upon a 1:3 ratio, would be released by the end of the project's fourth year of operation following a final GEF evaluation to ensure that the absorptive capacity for Fund operations exists and that matching requirements have been satisfied.

Refer Annex III for detailed activities to achieve above-mentioned outcomes.

End of project situation: By the time the project completes its work, the project will have assisted the Government in increasing its long-term priority to wetland biodiversity conservation. Government agencies, non-governmental entities and local communities will be maintaining and improving the integrity and viability of Kazakhstan's priority wetland ecosystems. A national wetlands policy and regulatory framework will be approved and in place, facilitating the mainstreaming of wetland biodiversity conservation issues. Policy makers will be applying new policy tools to wetland conservation and wetland criteria will be integrated into existing property regimes governing land and water ownership. The number of hectares under active wetland conservation management will have increased by 100%. The three globally significant migratory bird wetland habitat protected areas will have demonstrated management in a well-planned and effective manner. Community-based management will be the norm in each site and protected area managers will utilize effective, low-input research and monitoring activities to support their adaptive management of the three protected area sites. Staff will apply newly acquired, up-to-date principles in conservation biology and community based management. The project will have also assisted the Government in establishing a long-term funding mechanism that ensures the financial sustainability of biodiversity conservation efforts.

Learning and evaluating will be a more important part of wetland biodiversity conservation and management. Wetland stakeholders will be more aware and more supportive of the purpose and objective of wetland conservation in the priority sites. Thousands of school children will be visiting wetland sites each year, learning about the Kazakhstan's wetland biodiversity. Wetland managers will be applying a double-loop learning process to wetland management whereby lessons will be learned and best practices to wetland conservation in Kazakhstan developed and disseminated. Stronger regional connections (data sharing, management exchanges) among migratory bird habitat managers will be in evidence. Stakeholders will be enabled to conserve and sustainably utilize biodiversity in the productive landscape around the priority sites. Small-scale irrigators throughout Kazakhstan will be applying basic principles and lessons learned on biodiversity "friendly" irrigation management. People living in communities nearby the three priority wetland areas will be developing alternative livelihoods with the support of micro-credit and small business development services. As a result, pressure on wetland biodiversity resources will be declining. And finally, the MBWCF will have been established to ensure the long-term sustainability of activities in the project's priority wetland sites.

4.1 Project Beneficiaries:

- a. Ministry of Environment Protection and Ministry of Agriculture
- b. Policy specialists and protected area staff
- c. Communities in areas surrounding the three wetland sites
- d. The private sector in project sites involved in fisheries, agriculture, and tourism
- e. Global community

4.2 Stakeholder Participation in Project Design: For a summary of stakeholder participation in project design and implementation, please see Annex IV and V. The development of this project under the PDF Block B benefited from active stakeholder participation. A steering committee comprised of representatives from key stakeholder groups (national government, regional government, regional NGOs, local NGOs, and local communities around the three sites) oversaw the entire process. A one-day workshop involving nearly 20 Kazakh experts was held in the early stages of the Block B to select the top three priority wetland sites. Detailed information on current and existing activities relative to the project was gathered by government and NGO stakeholder institutions under the Block B process. NGOs from the site area participated in a consultation workshop to initiate project development. Socio-economic surveys and community consultations were conducted in each site area. A stakeholder meeting was held for government and non-government institutions to finalize roles and responsibilities for project implementation. A technical workshop was also held with wetland biodiversity experts to clarify priority actions for conservation.

Kazakhstan's GEF focal point (MNREP) has endorsed this project as one of the country's top biodiversity priorities. The MNREP has also developed a 30-year National Plan for Sustainable Development under which 19 concepts for projects have been identified and shared with GEF. One of these projects is the Development of the System of Specially Protected Natural Territories and Ecotourism. . Apart from this, the GoK has completed its GEF-supported project to develop a national biodiversity strategy and action plan. Two of the seven priority ecosystems identified under this strategy and action plan are 1) wetland ecosystems and 2) river ecosystems. Official recognition of the importance of Kazakhstan's wetlands was also given in the form of Governmental Decree #607, in July of 1993. Although Kazakhstan is not a signatory to the Bonn Convention, Kazakhstan has followed the spirit of this Convention by pursuing bilateral conservation measures with its neighbours. A memorandum on the protection of the Siberian cranes and thin-beak curlew was signed with Russia. In addition, a bilateral agreement signed in 1993 by Kazakhstan and India entitled "Conservation of Migratory Birds" enables the exchange of scientists, information on migratory bird conservation actions, and survey counts. In addition, although Kazakhstan has been working informally with the Ramsar Convention Secretariat, Kazakhstan is planning to become a signatory to the Ramsar Convention during 2004.

In 1996, Kazakhstan developed a national plan for achieving environmental security, entitled "A Program for Environmental Security in Kazakhstan." The program is the policy foundation for the NEAP and declares basic principles, priorities and the strategic objective of environmental security as the basis for sustainable development in Kazakhstan. Both the NEAP and the Kazakhstan's 2030 Strategy call for the

conservation of the nation's wetland resources. The MNREP elaborated a "Program for the Implementation of 1998-2000 Strategic Plan for Ecology and Natural Resources." The Program seeks to improve the environmental management sector in part by improving the management of the nation's wetland resources.

4.3 Eligibility under the CBD: This project is designed to support the primary objectives of the CBD: the conservation of biological diversity, the sustainable-use of its components, and the equitable sharing of the benefits arising out of the utilization of these components. By integrating conservation and sustainable use of biodiversity into relevant plans and policies, the project will fulfill the requirements of Article 6 (General Measures for Conservation and Sustainable Use). Article 7 (Identification and Monitoring) and Article 8 (In-situ Conservation) will be supported through the strengthening of Park management and the targeted species and habitat management, research and monitoring program. Article 10 (Sustainable Use of Components of Biological Diversity) will be furthered through the development and demonstration of alternative, sustainable livelihood options that avoid or minimize adverse impacts on biological diversity, providing incentives for sustainable use (Article 11: Incentive Measures). The project also supports Article 12 (Research and Training) by promoting targeted research on priority biodiversity in wetlands, providing training in technical and managerial areas, and developing linkages for exchange of information (Article 17: Exchange of Information). Education and awareness raising is also a project priority (Article 13). In addition, the design of the project adheres to the principles contained in the Joint Work Plan (1998) between the CBD and Ramsar Convention on Wetlands.

4.4 Eligibility for GEF Financing: The project is eligible for GEF assistance under Operational Program #2 Coastal, Marine, and Freshwater Ecosystems, and will generate substantial global benefits. Kazakhstan is a recipient of UNDP technical assistance and a participant in the restructured GEF as of March 1998 is eligible according to the article 9(b) of the GEF instrument.

The global significance of the wetlands under this project and their attendant biodiversity is without question. The Tengiz-Kurgaldzhin wetland complex is a registered Ramsar site. The Alakol/Sassykol and Ural River Delta wetland sites are at the top of Kazakhstan's Ramsar nomination list, meeting all the Ramsar criteria for globally significant wetlands. Indeed, the global significance of Kazakhstan's migratory bird wetland habitat is described in two letters of note from the Ramsar Convention Secretariat to the Government of Kazakhstan. These wetlands are also recognized in various other international publications from Wetlands International, IUCN, and BirdLife International. Country commitment to this project is also very strong. This project development effort has been country driven, being consistent with relevant National Policies and Strategies for the conservation and sustainable use of biological diversity. Both the National Biodiversity Strategy and Action Plan and the National Environmental Action Program (1997) specifically call for conservation and sustainable utilization of wetland ecosystems as a top priority. Indeed, the NEAP actually lists this project as an implementation priority for water and water systems conservation.

5. PROJECT IMPLEMENTATION AND STAKEHOLDER PARTICIPATION

5.1. Implementation and Execution Arrangements:

The implementation arrangements for the project have been designed to maximize and yet balance: efficiency, transparency, and participatory decision-making. In accordance with inter-ministerial mandates, Ministry of Environmental Protection (MEP) is a Coordinating Agency, Ministry of Agriculture is a Project Executing Agency and Forestry Fishery and Hunting Department is an Implementing Agency for the project implementation. As a Coordinating Agency, MEP will be responsible for coordination of the international projects in the biodiversity area. The Executing Agency should inform the Coordinating Agency on the project implementation status.

Ministry of Agriculture, as an Executing Agency is primarily responsible for the planning and overall management of the project activities, reporting, accounting, monitoring and evaluation of the project, for supervision of the implementing agency and for the management and audit of the use of UNDP/GEF resources. The executing agent is accountable to the Government coordinating authority and to UNDP for the production of outputs, for the achievement of project objectives and for the use of UNDP/GEF resources. Forestry Fishery and Hunting Committee, as a Project Implementing Agency, will provide services and carry out activities such as the procurement and delivery of project inputs and their conversion into project outputs. The implementing agency is accountable to the executing agency for the quality, timeliness and effectiveness of the services it provides and the activities it carries out, as well as for the use of funds provided to it.

A National Project Steering Committee (NPSC) will be formed to provide overall guidance and support to project implementation activities. Prior approval from the NPSC for all major project initiatives and sub-contracts will be required. The NPSC will consist of the Vice-Minister of Agriculture, representing implementing agency, Deputy Head of FFHC, Head of Protected Areas Department of FFHC, Vice-Minister of Environmental Protection, representing coordinating agency, the Vice-Minister of Economy and Budget Planning, the Vice-Minister of Education and Science, the Vice-Minister of Tourism and Sport, representatives from the 3 Site Project Implementation Committees, the UNDP Representatives, World Bank Representative, Head of Jibek-Joly Tourism Company, Vice President of the Kazakhstan Academy of Sciences. The chairman of the NPSC will be the Minister/Vice Minister of Agriculture and co-chairman – Minister/Vice-Minister of Environmental Protection. The NPSC will meet on regular basis, depending on project implementation needs. This will be discussed and agreed at the first NSC meeting to ensure overall control of the project implementation.

Chairman of FFHC will be designated as the National Project Director (NPD). He/she will be a member of the NPSC and will be responsible for the management oversight of project implementation activities. During first two years of the project

implementation a Chief Technical Advisor (CTA) will be recruited to start-up and supervise the project implementation and will report to National Project Director (NPD). In two years CTA will be substituted by a National Project Manager (PM). The CTA/PM will be a full time employee of the project and will be chosen in an open and fair competitive basis following UNDP standard hiring procedures. The CTA/PM will be responsible for operational project implementation. CTA/PM will oversee a modest national-level project Implementation Group (IG -- two experts plus support staff). The CTA/PM will serve as the link between the Project Implementation Group (PIG) and the NPSC.

Each of the three sites will have a local level Site Project Implementation Committee (SPIC). The SPIC will be comprised of representatives from key stakeholder groups at the Oblast/site level: from the Oblast Akimat, the Oblast level branches of the MEP and MoA, and two local NGO organizations, and up to two co-funding institutions. Specific SPIC membership will be determined by the NPSC. The SPIC will have real authority, through the individual authority of its members, to ensure that the project can do what it is designed to do. The SPIC will approve the Work Plan for each of the site areas. Government officials or other co-funders representatives from the private or bilateral entities on the SPIC will be responsible for ensuring that co-funding support is provided in a timely and effective manner. The NPD will also oversee the project's modestly staffed Site Expert Groups (SEG) at the three site levels. Each SEG will be comprised of one site coordinator (UNV or senior local expert) and two subject area specialists (UNVs or local experts). SEG staff will be hired by UNDP using standard UNDP hiring procedures. In order to coordinate activities and common efforts within all project implementation levels, a representatives of SPIC from three sites will participate in the meetings of NPSC on regular basis.

As a part of UNDP Country Office support to the project execution a project support group will be formed. For details please refer to Section 10: Project Management Arrangements.

5.2. Stakeholder input to project implementation:

The following is a summary description. A more detailed description of stakeholder involvement in project implementation is provided in Annex IV. The project is designed to utilize a participatory process of fine-tuning and implementing effective solutions to existing wetland conservation problems. Stakeholders will have direct input to the project's implementation at the national level through the NPSC, which will meet semi-annually to review project progress. At the site level, stakeholders will have direct input to the project's implementation through the SPICs and the community-level SPCs that will be established for each of the priority sites. The monitoring and evaluation process (including the APR and TPR) will provide opportunities for stakeholder feedback via the periodic surveys that will be conducted.

6. INCREMENTAL COSTS AND PROJECT FINANCING

Incremental Costs: The incremental cost of the project for activities that are expected to provide global environmental benefits is estimated at US\$8,710,000. Leveraged

co-financing from non-GEF resources associated with the GEF alternative project is estimated at US\$25,670,000. The total project cost US\$34,380,000.

Cost Effectiveness: This project is designed to be cost-effective and produce project outputs for the least amount of money possible. Working in three different sites, the project has been designed to achieve some economies of scale with respect to developing and implementing various management programs in the three sites. GEF's Block B investment has leveraged substantial co-financing to meet the sustainable development baseline. The project will implement several demonstrations of sustainable and biodiversity-friendly practices in the productive landscape. These initiatives cost-effectively demonstrate long-term sustainability of biodiversity conservation and wetland management in and beyond the specific areas when replicated. Initiatives established under this project will be appropriate to the abilities of key players to sustain them over the long-term. The project will also establish cost-effective partnerships among key stakeholders, spreading responsibilities for addressing conservation needs among a range of actors. For example, project activities in the URD will be closely coordinated with the work of the Caspian Environment Program's Regional Center for Biodiversity and where practicable, activities will be conducted jointly with resulting savings and increased effectiveness. The participatory approach taken by the project should be cost effective in that it will engender greater stakeholder "ownership" of conservation efforts, improving the chances of successful outcomes.

Budget

| Project Outputs: | GEF | Co-financing | Total (US\$) |
|---|------------------|---------------------|---------------------|
| 1. Policy and Regulatory Framework | 520,000 | 440,000 | 960,000 |
| <ul style="list-style-type: none"> • Development of policy/regulatory framework • Guidelines for implementation of NWL • Established and operational inter-ministerial board • Legislation on community biodiversity management & use • Integrating environmental standards into LL and LEP • Policy makers able to apply new tools and analyses • Improved GoK Environmental Policy Enforcement National ecotourism guidelines established | | | |
| 2. Strengthened Operations in 3 Protected Areas | 3,320,000 | 3,910,000 | 7,230,000 |
| <ul style="list-style-type: none"> • Expansion of areas/demarcated boundaries • Increased number of PA staff • Community-based biodiversity management plans • Improved enforcement • Training program for Park staff • Biodiversity-friendly ecotourism guidelines • Species and habitat management plans • Targeted research programs/info management • Strengthened infrastructure/improved equipment | | | |
| 3. Applied learning and Awareness | 1,180,000 | 240,000 | 1,420,000 |
| <ul style="list-style-type: none"> • Awareness and environmental education • Field guides on wetland/migratory bird species • Produce/construct displays for visitor centers • Students studying and appreciating wetland biodiversity • Monitoring and evaluation/best practices • Central Asian Conference on wetland management | | | |
| 4. Enabled Biodiversity Cons in Prod Landscape | 2,000,000 | 16,580,000 | 18,580,000 |
| <ul style="list-style-type: none"> • Micro-credit program/alternative livelihood investment • Expert input to enable biodiversity-oriented investment • Sustainable-use framework management plan • Biodiversity conservation framework for site areas • Strengthened environmental management • Training in biodiv management to environmental officials • Incorporating biodiversity into sustainable land-use plans • Monitoring program (biodiversity/pollution) • Biodiversity-friendly agricultural practices • Sustainable eco-tourism enterprise development <i>Sustainable Fisheries management</i> <ul style="list-style-type: none"> • Strengthened co-ops/User rights agreements • Re-oriented existing fishery programs • Integration of biodiversity as criteria in fishery mngmnt <i>Sustainable water resources development</i> <ul style="list-style-type: none"> • Nura River Clean-up • Community irrigation water management • Demonstrate biodiversity friendly water mngmnt | | | |
| 5. Migratory Bird Wetland Conservation Fund | 1,690,000 | 4,500,000 | 6,190,000 |
| <ul style="list-style-type: none"> • Design of Structure/Training • Promotional material & efforts • Capital investment • Operations Costs | | | |

| | | | |
|--------------------------|--------------------|---------------------|---------------------|
| • Independent evaluation | | | |
| Total: | \$8,710,000 | \$25,670,000 | \$34,380,000 |

Refer Annex VIII for details on UNDP budget, other project partners and co-financing inputs.

7 PROJECT SUSTAINABILITY

Sustainability in the face of a change in *governmental priorities*: A sudden shift in governmental priorities with a change in government is a potential risk. The potential for this kind of risk scenario is low, given the commitment of the federal and Oblast governments as indicated both through their development of wetlands and biodiversity strategies, and a significant financial commitment to co-finance activities, even in a time of economic crisis. However, to mitigate this risk will require a positive, active involvement of all relevant stakeholders, including Federal, Oblast and local government agencies, commercial and industrial enterprises and local communities in the site areas.

In addition, the project is designed to build sustainability in the face of changing priorities. Many of the activities proposed to counter specific threats, such as biodiversity overlays and innovative policy tools involve low or no recurrent costs. The alternative livelihood activities, such as the development of user group savings accounts will also be sustainable and self-financing. With the support of this GEF intervention, some of the activities, such the demonstrations of biodiversity-friendly water management and agriculture, will show that the alternative strategy is cost neutral. In general, the project will avoid creating systems requiring expensive maintenance and upkeep.

Overall, the project has been designed to minimize risk. Risk reduction in conservation and sustainable use activities has been a key consideration in the design of the project, from the management structure to the strategic approach, to the integration of best practices. Lessons learned from other projects have been brought to bear on the design of this project. Careful attention has been paid to other similar projects (e.g., UNDP-GEF Malaysian Wetlands, China Wetlands). Best practice reviews have also been consulted regarding relevant material⁴ in order to improve the effectiveness of the project's design and reduce risk.

Kazakhstan's inherent funding limitations rule-out any long-term support of an expensive wetland conservation program. This project has therefore been designed in order to maximize the long-term institutional and financial sustainability of project-inspired activities. Existing institutions will be strengthened and used to implement most of the project's activities. Institutional sustainability will be ensured through capacity building of key stakeholder groups (government departments, village institutions, and NGOs) by strengthening their conservation capacity. Only the role of

⁴ Nakashima, S. 1997. Integrated Coastal Management as Best Practice in GEF Project Development: Lessons from Biodiversity Projects in Marine, Coastal and Freshwater Ecosystems. Unpublished. UNDP-GEF, New York, New York, USA.

inter-ministerial coordination will be filled by a new Board to be established by the GoK.

Over the life of the project, partnerships among government, NGOs, the private sector, and local communities will be established to sustain integrated conservation efforts in the long-term. The project will employ a sustainable approach for the development of sustainable livelihoods by providing training through demonstration initiatives and empowering local resource users to effectively create their own capital through joint savings accounts and to confidently be able to access micro-credit support in the form of small loans. Sound and practical methods for resolving conflicts, improved planning and management of protected areas, and strong institutions and human resources for the planning and management of coastal zone development activities are also important. Legal mandates must be clear in order to successfully integrate the activities of diverse sectors. By the end of the project, the regular FFHC, MEP, and MoA budgets will absorb the sustainable development baseline costs. The project will work with government, other donors and the private sector to mobilize resources to finance sustainable alternative livelihood options. The recurrent cost of biodiversity conservation activities is presently estimated at US\$ 300,000 per year, representing an additional US\$ 200,000 to the existing US\$ 100,000 per year (approximately provided by the Government). These costs will be absorbed by the LTFM to be capitalized with at least US\$5 million during the life of the project. The LTFM would therefore provide further assurances to the sustainability of project outputs.

Please refer Annex IX (Financial Mechanism for Wetland Management) for further information on sustainability.

8. MONITORING, EVALUATION AND LESSONS LEARNED

8.1 Monitoring.

This project has a comprehensive monitoring and evaluation program included in its overall design. An information baseline on ecosystem structure and function and sustainable use will be established during the first year of the project in order to provide a basis for future monitoring and evaluation. Project progress will be monitored by measuring the populations of indicator species. Specific indicators of wetland ecosystem/biodiversity health will be developed after baseline surveys are completed during the project's first year. Progress will also be monitored by: 1) conducting ecological surveys within the site areas to determine specific health and size of key habitats and richness of habitat mosaic; 2) measuring water quality; 3) conducting attitude and awareness level surveys of key stakeholder groups, from top-level policy makers to local village level stakeholders; and 4) conduct economic surveys of local communities around wetland site areas to quantify their use of wetland resources and their current income levels. This monitoring will be ongoing, involving data collection and assessment of the project's field implementation and will involve key project staff and UNDP counterparts visiting sites on regular basis and meeting annually to review operations and field implementation and assessing whether new priorities require a shift in the project priorities. Every year the project will be audited by independent auditors.

8.2 Evaluation:

Outcomes will be evaluated by measuring indicators of ecosystem health and function as well as sustainable use. In addition, annual participatory evaluation exercises will be undertaken with key stakeholders, including local communities, NGOs, and partner organizations. UNDP will report on project performance to the GEF at the annual Project Implementation Review (PIR). The project will document the lessons learned, and make it available to stakeholders over the worldwide web.

This monitoring work will feed directly into the project's periodic evaluation exercises. The CTA/PM will be required to produce a Harmonized Annual Project Report (APR) and Project Implementation Review (PIR). The report is designed to obtain the independent views of the main stakeholders of the project on its relevance, performance and the likelihood of its success. The APR/PIR then supports an annual Tripartite Review (TPR) meeting -- the highest policy-level meeting of the parties directly involved in the implementation of a project. The participants are the Government, UNDP, project management, and other stakeholders. They consider the progress of a project based on the APR/PIR. UNDP will also report the results of this ongoing monitoring and evaluation conducted by UNDP to the GEF Secretariat during the annual PIR.

Three external evaluations are scheduled, one in year two, one in year four and a final review just near the end of the project. These independent evaluations of project performance will match project progress against predetermined success indicators. Each evaluation of the project will document lessons learned, identify challenges, and provide recommendations to improve performance. The Tripartite Review meetings will monitor follow up to recommendations from these evaluations. The logical framework for this project sets out a range of impact/implementation indicators that will be used to gauge impact. Success and failure will be determined in part by monitoring relative changes in baseline conditions established in the biological, ecological and economic arenas at the beginning of the project. Baseline conditions will be defined with respect to wetland habitat size and condition and population size of indicator species to ensure that viable populations of these species are present in perpetuity. Indicator species that are sensitive to habitat change and indicative of increased hunting pressure will be identified and monitored. If populations of indicator, rare, or endangered species are shown to be in decline, proper measures will be taken to identify the reason for the decline and alternative management strategies will be developed and incorporated into site management plans and operations to ensure the long-term health of populations.

Further monitoring of the sites will be carried out through the use of satellite imagery. This information will be compared with the existing wetland habitat map that will be refined as ground-truthing data is collected over the course of the project. Periodic comparisons over time (initially every 1.5 years) will be carried out to see what kinds of changes have occurred. If incursions are identified, a plan will be developed to deal with these land-use changes. Further, new satellite image technologies that will become available in the next three years will enable Kazakhstan wetland managers to detect changes at a much higher resolution than has been possible in the past.

The involvement of appropriate interest groups and stakeholders is a challenging task, and the right balance between establishing new co-ordinating and governing bodies

for the project and the use and inclusion of existing institutions, organizations and user groups is a delicate one to find. The project's progress on this front will be evaluated as part of its periodic monitoring and evaluation exercises, particularly w/respect to the Project Steering Committee and the Site Implementation Committees.

8.3 Lessons Learned

Double-loop learning is crucial in order to “close the loop” of the project cycle (design, implementation, evaluation, review, design) and steadily improve the quality of GEF project design. This project has been designed with specific activities to capture these lessons and share them with other, future project development and design work. The Ramsar Convention on Wetland's “Guidance on the Implementation of the Wise Use Concept” has provided useful technical advice that has improved the design of this project *vis-à-vis* the establishment of national policies and institutions and raising the level of public knowledge and awareness of wetland values. In addition, the UNDP-GEF evaluation (Nakashima 1997) yielded useful and germane lessons for this wetland project. Government multi-sectoral coordination and enforcement bodies were found to be a strategic component of wetland biodiversity projects. A lengthy and sustained process was found to be necessary to achieve biodiversity conservation using an integrated management framework. Experience in Uruguay demonstrates that development of integrated management policy and its acceptance does not occur quickly. In most cases, the projects must establish a sustainable institutional mechanism, with strong government commitment, for integrated management and conservation of biodiversity. To meet this objective, they must provide technical expertise for issue identification, biodiversity assessments, environmental surveys, public awareness building, training, legal and institutional analysis, GIS and databases, and the supervisory focus for managing all these activities. Lessons learned suggest that a two-track approach be used to build capacity at the national policy level (regulations and institutions) while at the same time integrating implementation activities at the local and community level.

8.4 Replication

Sound methods for resolving conflicts, improved management of protected areas, strong institutions for the planning and management of wetland development activities, and clear legal mandates are important in order to successfully integrate the activities of diverse sectors. This project has been designed to apply significant effort in developing lessons learned and facilitating the sharing of information and replication of successful methodologies. A regional conference on wetland conservation will be organized towards the end of the project to share lessons learned. A regional conference on wetland conservation will be organized towards the end of the project to share lessons learned. Lessons will be shared directly with the Ramsar Bureau, Wetlands International and IUCN, as well as local oblast authorities and GoK environmental officers. Lessons learned will be posted on the project and MoA websites and local workshops will include invited representatives of communities and authorities responsible for important nearby wetlands.

9. RISKS

One risk facing the project is that macro economic factors could worsen, increasing the pressure on wetland resources for short-term commercial gains rather than long-

term and partially non-commercial ones. While this is not expected to happen, the project is designed to anticipate these risks and proactively mitigate them by dealing directly with the social and economic factors behind wetland degradation and improving the livelihoods of local people. Annex VI provides additional information on project risks.

A discussion of risks to the project is found in more detail on pages 33 and 34 under Project Sustainability, above.

9.1 PRIOR OBLIGATIONS AND PREREQUISITES

9.1.1 Prior obligations

The Republic of Kazakhstan ratified the Convention on Biodiversity in June 1994 and sent the Notification of Participation in GEF in March 1998. As a Party to the Convention, Kazakhstan has taken obligations to conduct frequent researches on the country's biodiversity status, develop and implement the programs on biodiversity conservation and sustainable management including measures to decrease the anthropogenic impact on rare, endemic and other endangered species of globally significant wildlife.

9.1.2 Prerequisites

The Project document will be co-signed by UNDP and the GoK. UNDP assistance to the project will be provided, subject to UNDP being satisfied that the prerequisites listed below have been fulfilled or are likely to be fulfilled. When anticipated fulfillment of one or more prerequisites fails to materialize, UNDP may, at its discretion, either suspend or terminate its assistance:

- (a) The GoK formally agrees to develop enabling policies and legislation to support and give legal substances to project implementation.
- (b) The GoK shall formally agree to manage the wetland area within the Chosen Priority Sites boundaries to ensure conservation and sustainable use of biodiversity.
- (c) Migratory Bird Wetland Conservation Fund (MBWCF): an independent review of funds management and allocation procedures will be undertaken, and recommendations acted upon, prior to any release of UNDP/GEF money into the proposed Migratory Bird Wetland Conservation Fund. The review will establish if the policy and legal mechanisms have been established to support and give substance to the MBWCF management before recommending that funds should be released. In addition, an agreement between the Government of the Republic of Kazakhstan and UNDP should be formalized and endorsed which concedes management of Trust Fund development and functioning to UNDP.
- (d) The GoK formally provides cost sharing of US \$ 8.5 million as in-kind contribution parallel and in full consultation with UNDP as its share of expenditure.

10 MANAGEMENT ARRANGEMENTS

10.1 Project Execution: UNDP National Execution Arrangements

The project will be nationally executed (NEX) in accordance with standard UNDP NEX procedures in Kazakhstan. In view of the difficulties experienced with NEX in the past, UNDP will provide active support as well as training of counterpart agencies responsible for the execution of the Project, which are NPD, CTA/PM and NPIU. This will be on the understanding that trained individuals will assume full responsibility for the execution of the Project in a phased manner (Refer Annex IX).

10.2 REASONS FOR ASSISTANCE FROM UNDP

The GoK recognizes the significance of the country's wetland biodiversity and has invested in the past to conserve priority areas. However, given the difficulties during its current social and economic transition, additional assistance is needed to help Kazakhstan conserve and sustainably utilize wetland biodiversity during this crucial transition period. Therefore, the republic of Kazakhstan ratified the Convention on Biodiversity in June 1994 and sent the Notification of Participation in GEF in March 1998.

The UNDP RK office will provide technical support to the implementation of project activities, as it will be responsible to ensure the interdepartmental coordination between all state and governmental structures involved in the project. Achievement of sustainable biodiversity conservation based on integrated management is a long and continued process. UNDP RK activities will facilitate the implementation of integrated management policy, development of mechanisms for the sustainable functioning of involved structures, and fulfillment of each party's obligations. The Project Support Group (PSG) will be created under the UNDP RK office to strengthen the project's possibilities at the national level. PSG is responsible for providing the structures involved in the project and the project staff with timely consultative and technical support. PSG coordinates the project activities, facilitates their sustainable financial provision, and supports the steady communication with project's donors and GEF coordinators.

The PSG is created for the project implementation period. It consists of an expert on wetland biodiversity, and administrative and financial assistant. The PSG works in close cooperation with the UNDP RK Programme Officers and Assistants, and reports to the Advisor on Sustainable Development and to the Project Steering Committee.

10.3 SPECIAL CONSIDERATIONS

The idea for this project was formulated in Kazakhstan in 1997 within the framework of preliminary activities required for Kazakhstan to join the Ramsar Convention and later also the Convention on Migratory Species. Inventories of the most significant wetlands have shown the existing weaknesses in the activities and structures responsible for wetlands conservation and management. As a result of activities, there has been a continual worsening of the situation in wetlands as well as disruption to the habitats of rare and endemic species.

The described circumstances above have formed the basis of project formulation, which is to demonstrate the viability of a new model of special protected zone creation - Internationally Significant Wetland. For the first time, two years ago, this idea became a discussion topic for national specialists and experts of Wetlands International and the Ramsar Convention Bureau. Later the FFHC and MNREP of RK reviewed and supported the concept and sent it to GEF/UNDP, who in their turn also supported this concept and appointed a special grant for required project document elaboration. Since the end of 1998, under FFHC and MNREP supervision and the guiding support of GEF/UNDP in Kazakhstan, a group of national experts started project activities.

To ensure fulfillment of agreed obligations and sustainable financial support, the stakeholders have signed a Memorandum of Understanding (MoU) as a guarantee of collaboration. There are MoUs signed between UNDP and the following involved structures: MNREP of RK, national level NGO "Jibek-Joly" and the international NGO - German environmental organization "NABU".

10.4 CO-ORDINATION ARRANGEMENTS

The implementation arrangements for the project have been designed to maximize and balance efficiency, transparency, and participatory decision-making. Responsibilities are clearly defined all parties. The implementing/executing agency in coordination with UNDP and the national Project Steering Committee will have responsibility for overall project progress, execution of the project activities and the achievement of results in a proper and timely manner. The National Project Manager through the National Project Implementation Unit's activities will be responsible for every day management and coordination with regular reporting to the NPSC and UNDP office.

The project implementation framework is designed to establish strong cross-institutional relationships to ensure the sustainability of environmental activities after project completion. Co-ordination required and the roles of the various individuals and structures are as follows:

Co-ordination among the site components: It has been noted above that one purpose of the national component and the NPIU itself is to ensure cross-fertilization among the project sites. For this purpose, effective communications will be required between the NPIU and the sites, which will be ensured by the National Experts and Site consultants. The three site components will also co-ordinate directly amongst themselves, particularly in operational matters, cross-site issues and problems and for information-sharing and mutual support. These day-to-day, informal linkages will be an essential co-ordination mechanism and will serve as the primary channel of information exchange between project staff. Telecommunications and information technology facilities to enable such exchanges will be provided for all sites.

Co-ordination with and among Government Agencies: At the national level, co-ordination with and among local agencies, oblast offices and GoK authorities will be ensured through meetings of the NPSC. Responsibility for chairing these meetings,

and for ensuring inter-sectoral co-ordination with such agencies, will be with the National Project Director. In addition to NPSC an **Interagency Working Groups (IWG)** will be formed by the Government during project implementation for evaluation of project input into implementing the State Program on Waterfowl Use, Reproduction, Conservation and Research, and coordination with other projects and programs. Headed by MEP, the IWG will comprise representatives from involved ministries, departments and social organizations. The PSC will coordinate its work with IWG regularly. The GEF Project Manager and the site consultants will also maintain contacts with other state agencies, while keeping the SIG Managers informed as to the nature of such contacts. The issues of international coordination will also be reviewed by MEP and other agencies as part of NPSC and IWG activities. The Minister of MEP is a member of the Interstate Committee on Sustainable Development (ICSD) together with other Central Asian Environment Ministers. The ICSD is a coordination body for regional cooperation, which facilitates and coordinates all regional activities including those relevant for wetlands conservation. The project will also assist Kazakhstan to benefit from the work of other organizations such as Wetlands International, Ramsar Convention, and International Crane Foundation as well as other GEF Wetlands projects in the region.

Co-ordination with other stakeholders and related activities: In addition to the formal co-ordination mechanisms outlined herein, informal co-ordination with other stakeholders and related parties (e.g. NGOs, local stakeholders and communities, other projects in the region, other conservation projects and activities) will be the joint responsibility of the CTA/Project Manager and SIG Managers, under the overall direction of the National Project Director. Project staff will at all times strive to maintain close and productive contact with all bodies and individuals who can contribute to the success of the project, and will ensure that the activities of the project are coordinated with any other related activities being undertaken, to minimize duplication of effort and wastage of resources.

Co-ordination with Sources of Co-financing: Liaison with the agencies providing co-financing, and with the projects and programmes being financed, will be undertaken primarily by the CTA/Project Manager. At the state/site level, SIG Managers will be responsible for day-to-day co-ordination with co-financing bodies, and for ensuring suitable exchange of information between the core GEF Project and co-financed activities. In the event that formal contact with co-financing bodies is required (e.g. to negotiate changes to proposed activities), the NPSC Chairman will nominate a person (usually the NPD) to undertake such negotiations on behalf of the NPSC and the Executing Agency. Where necessary any such changes or amendments will be ratified on behalf of UNDP by the Resident Representative.

10.5 PROJECT REVIEWS, REPORTING AND EVALUATION

Ongoing project monitoring will be provided in accordance with established UNDP procedures and will be provided by the UNDP Kazakhstan County Office with support from UNDP/RBEC/GEF. Overall supervision of the project will be the responsibility of the NPSC, which will meet at least once every twelve months. The National Project Director will call meetings of the NPSC.

10.5.1 Reporting

The Project Support Group will be responsible for the preparation and submission of the following reports:

(a) *Project Inception Report*

The inception report, to be prepared by the CTA/Project Manager in consultation and coordination with the Regional UNDP-GEF Coordinator, will include a detailed Workplan for the duration of the project, progress to date on project establishment and start-up activities and any proposed amendments to project activities or approaches. The report will be presented to the Chairman of the NPSC for circulation to all NPSC members, who will be given a period of one calendar month in which to respond with comments or queries. The inception report and work plan will then be endorsed by the NPSC and UNDP-GEF no later than three months after project start-up.

(b) *Harmonized Annual Project Report (APR) / Project Implementation Review (PIR)*

UNDP requires an APR for all its projects and, in the case of GEF-funded projects, the APR is combined with the former PIR as a single “harmonized APR/PIR report”. The UNDP Country Office or the UNDP/GEF Regional Coordination Unit will provide the report format. Starting as of August 1st 2002, harmonized APR/PIR reports may be submitted at any time during a 12 month period, coinciding with the normal management cycle of the project.

The APR/PIR is designed to obtain the independent views of the main stakeholders of a project on its relevance, performance and the likelihood of its success. The APR/PIR aims to: a) provide a rating and textual assessment of the progress of a project in achieving its objectives; b) present stakeholders’ insights into issues affecting the implementation of a project and their proposals for addressing these issues; and c) serve as a source of inputs to the Tripartite Review (TPR). The main project stakeholders participate in the preparation of the APR/PIR.

The APR/PIRs will be prepared every six months during the crucial first two years of the project as it initiates implementation, and then annually. The NPSC may, at its discretion, require that APR/PIRs be presented at six-monthly intervals for the entire duration of the project. The APR/PIRs will detail activities undertaken since the last APR/PIR, milestones reached, key results and achievements, problems encountered and any other issues that need to be conveyed to NPSC. SIG Managers will be required to prepare site/component APR/PIRs which will be delivered to the CTA/Project Manager no later than three weeks prior to submission of each APR; these site reports will form an integral part of the APR/PIR as presented by CTA/Project Manager.

(b) *Periodic Status Reports*

As and when called for by the NPSC or its Chairman, the CTA/Project Manager and/or SIG Managers will prepare Status Reports, focusing on specific issues or areas of activity as stipulated by the NPSC. The request for a Status Report by the NPSC will be in written form, and will clearly state the issue or activities, which need to be reported on. These reports can be used as a form of specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered. The NPSC will endeavour to minimize requests for Status Reports, and when such are necessary will allow reasonable timeframes for the PSG to prepare these reports.

(c) ***Technical Reports***

Technical Reports are detailed documents covering specific areas of analysis or scientific specialisations within the overall project, e.g. hydrology, flora, fauna, stakeholders and socio-economics, pollution, etc. As part of the Inception Report the CTA/Project Manager 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 PPERs. Technical Reports may also be prepared by Project Experts as Final Reports for their technical inputs, and should be comprehensive, specialized analyses of clearly-defined areas of research within the framework of the project and its sites.

(d) ***Project Publications***

Project Publications will form a key method of crystallizing and disseminating the results and achievements of the project. These publications will be scientific or informational texts on the activities and achievements of the project, in the form of books, journal articles or multimedia publications. 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. Presumably, an annual informational bulletin reflecting success and obstacles in all components and areas of project activities is planned to be published. Apart from mass-media publications, preparation and publication in mass edition of booklets and brochures for knowledge on Kazakhstan's wetlands dissemination is planned within the project framework. Another way of information spread is a series of different field guides for birds, fish, and plants designed primarily for the local hunters as well as for national and foreign ecotourists. Preparation of such publications requires the involvement of scientific specialists, naturalist-writers and journalists. The Project Director will determine if specific Technical Reports merit formal publication, and will also (in consultation with the SIG Managers and with the help of Experts and staff where necessary) plan and produce these Publications in a consistent and recognizable format and identity. These Publications will form the most

visible public output of the Project, and as such should be prepared and presented to the highest scientific and technical standards.

(e) *Project Terminal Report*

During the last three months of the project the Project Manager will (with the assistance of SIG Managers and other staff) prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the project, lessons learnt, objectives met and missed, structures and systems implemented, etc. and will be the definitive statement of the Project's activities over the seven-year duration. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's activities.

(f) *Other Publications and Publicity Activities*

In order to ensure international dissemination of project results, ***a high-quality publication of results*** will be prepared, based upon the Project Terminal Report and previous Project Publications. Finally, it will be useful to hold at least one *international workshop* at which policy makers in neighbouring countries can be made aware of Kazakhstan's progress in achieving sustainable wetland management.

10.5.2 Monitoring & Evaluation

Detailed discussion of Monitoring and Evaluation can be found in Section 8: Monitoring and Evaluation.

Refer Annex X for the Schedule of project reviews, reporting and evaluation.

Lessons Learned: see page 36, Section 8.3 above for detailed discussion.

Replication: see page 36, Section 8.4 above for detailed discussion.

10.6 LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the GoK and United Nations Development Program, signed by the parties on 4th October 1994. The host country's implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement.

The following types of revisions may be made to this project document with the signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories of the project document have no objections to the proposed changes:

- a) Revisions in, or addition of, any of the annexes of the project document.

- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of a project, but are caused by the rearrangement of inputs already agreed to or by cost increases due to inflation.
- c) Mandatory annual revisions, which re-phase the delivery of agreed, project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

Other kinds of amendments are subject to discussion and co-ordination between the Ministry of Agriculture/FFHC, Ministry of Environmental Protection and UNDP-GEF.

ANNEXES

- Annex I:** Map of project area
- Annex II:** Threats/Root Causes/Activities to Mitigate Threats
- Annex III:** Project activities
- Annex IV:** Stakeholders' participation
- Annex V:** Project Workplan
- Annex VI:** Logical Framework/Project Planning Matrix
- Annex VII:** Incremental Cost Analysis and Matrix
- Annex VIII:** Financial Mechanism for Wetland Management
- Annex IX:** UNDP Country Office Support
- Annex X:** Schedule for project reviews, reporting and evaluation
- Annex XI:** Equipment requirements
- Annex XII:** ToR for National experts, groups, committees and other subcontracts
- Annex XIII:** Letters of co-financing commitment and support
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ANNEX II THREATS/ROOT CAUSES/ACTIVITIES TO MITIGATE THREATS TABLE

| Root Causes of Threat | Activities to Mitigate Threat |
|--|---|
| Threat #1: Unsustainable Use of Biological Resources | |
| <p>1. Inadequate level of management and protection for existing wetland protected areas;</p> | <ul style="list-style-type: none"> ⇒ Expand and/or demarcate boundaries of priority protected areas (Output 2); ⇒ Strengthen protected area operations in the three priority areas (Output 2); ⇒ Increased number of PA staff; Conduct training to strengthen management (Output 2); ⇒ Strengthen existing regulations & develop cooperative enforcement among the PA and other resource management agencies (Output 2); ⇒ Establish community-based participatory management approach plans (Output 2); ⇒ Implement adaptive management program supported by strengthened targeted research and monitoring program to measure progress and to document best practices (Output 2); ⇒ Expand scope of protected area management to include concerns regarding water supply and surrounding land-use (Output 2); ⇒ Develop area-specific biodiversity-friendly eco-tourism guidelines (Output 2); ⇒ Develop area-specific species and habitat management plans (Output 2); ⇒ Strengthened infrastructure/improved equipment in each of the three priority areas (Output 2). |
| <p>2. “Open access” property regime; inadequate local management and control over wetland resource use (i.e. hunting, fishing, grazing & grass cutting).</p> | <ul style="list-style-type: none"> ⇒ Develop legislation to support community biodiversity management & use (Output 1); ⇒ Grant local communities usufruct rights over wetland resources (Output 1); ⇒ Enable local wetland resource users to develop “user rights agreements” recognizing these usufruct rights and strengthening local management and enforcement (Output 1 & 4); ⇒ Strengthen the incentive for good local management by allowing some of the natural resource-based revenue to be re-invested at the local level (Output 1); <p><i>Sustainable Fisheries management (Output 4)</i></p> <ul style="list-style-type: none"> ⇒ Strengthened cooperatives and user rights agreements; ⇒ Re-orient existing fishery program in Ural Delta ⇒ Integration of biodiversity as criteria in fishery management in Ural Delta |
| <p>3. Lack of community awareness of protected area value; Insufficient public awareness</p> | <ul style="list-style-type: none"> ⇒ Develop awareness raising and environmental education program (Output 3); ⇒ Develop field guides on wetland/migratory bird species (Output 3); ⇒ Produce/construct displays for visitor centers (Output 3); ⇒ Develop field programs to enable students to study |

| | |
|---|---|
| | <p>wetland biodiversity (Output 3);</p> <p>⇒ Central Asian wetland management conference (Output 3);</p> |
| 4. Inadequate alternative livelihood options for local people; | <p>⇒ Implement micro-credit program and investment in alternative livelihoods (Output 4);</p> <p>⇒ Provide expert input to enable biodiversity-oriented investment (Output 4);</p> <p>⇒ Develop sustainable-use framework management plans (Output 4);</p> <p>⇒ Biodiversity conservation framework for site areas (Output 4);</p> <p>⇒ Strengthen environmental management (Output 4);</p> <p>⇒ Train environmental officials in biodiversity management (Output 4);</p> <p>⇒ Incorporate biodiversity into sustainable land-use plans (Output 4);</p> <p>⇒ Demonstrate biodiversity-friendly agricultural practices (Output 4);</p> <p>⇒ Sustainable eco-tourism enterprise development (Output 4).</p> |
| Threat #2: Unsustainable Use of Water Resources | |
| 1. Lack of integrated approach to water resource management; | <p>⇒ Develop policy/regulatory framework (Output 1);</p> <p>⇒ Develop national wetlands law and guidelines for implementation (Output 1);</p> <p>⇒ Establish and operate inter-ministerial board (IMB) for wetland conservation and management (Output 1);</p> <p>⇒ Increase capacity of policy makers to develop multi-sectoral wetland sustainable use programs (Output 1);</p> <p>⇒ Integrate environmental standards into Land Law and Law on Environmental Protection (Output 1);</p> <p>⇒ Enable policy makers to apply new tools and analyses (Output 1);</p> |
| 2. Inadequate water quality monitoring program | <p>⇒ Improve enforcement programs through development of cross-authorization agreements among different agencies (Outputs 4 & 2);</p> |
| 3. Water resources policies that do not include wetland conservation as a key objective | <p>⇒ Develop national wetlands conservation law (Output 1);</p> <p>⇒ Enable the new inter-ministerial board (IMB) to integrate wetland conservation into water use policies (Output 1);</p> <p>⇒ Secure official commitment from GoK that sufficient water volume will be set aside in the Nura River to ensure health of the Tengiz wetland complex (Output 4);</p> <p><i>Demonstrate sustainable water resources development (Output 4);</i></p> <p>⇒ Nura River Clean-up</p> <p>⇒ Community irrigation water management</p> <p>⇒ Demonstrate biodiversity friendly water management</p> |

| | |
|---|--|
| <p>4. Inadequate law and policy framework for pollution control</p> <ul style="list-style-type: none"> ▪ No requirement for major industrial users to use closed system of water use) ▪ Fines levied on polluters do not cover the real costs of pollution (health, ecosystem damage) ▪ inability to re-invest fines into pollution control/enforcement and treatment programs | <p>⇒ strengthen law and policies w/respect to EIA procedures (Output 1);</p> <p>⇒ Conduct study on need for major industrial users to use closed system (Output 4);</p> <p>⇒ Conduct pollution clean-up/prevention cost analysis and recommend how these costs can be recovered (Baseline);</p> <p>⇒ Ensure fines are used to fund pollution control (Output 1).</p> |
| <p>5. Lack of effective enforcement of existing pollution laws;</p> | <p>⇒ Enhance enforcement and funding for enforcement through the polluter pays principle.</p> <p>⇒ Improve GoK Environmental Policy enforcement</p> |
| <p>6. Inefficient and out-dated irrigation infrastructure;</p> | <p>⇒ Begin program to modernize irrigation system (Baseline);</p> |
| <p>7. Lack of awareness among policy makers, local people and other stakeholders about the importance of wetlands and dangers of polluting water;</p> | <p>⇒ Increase key stakeholder awareness (Output 3);</p> <p>⇒ Develop and conduct a program for environmental education to impart wetland conservation values at the local, Oblast and national level (Output 3);</p> <p>⇒ Develop field guides, interpretation facilities (Output 3);</p> <p>⇒ Establish youth wetland conservation corps (Output 3);</p> |
| <p>Threat #3: Uncontrolled Visitation/Tourism</p> | |
| <p>1. Absence of program/regulations for ecotourism development in the GoK</p> | <p>⇒ Establish national ecotourism guidelines (Output 4);</p> <p>⇒ Develop ecotourism management program for three site areas (Output 4).</p> <p>⇒ Develop ecotourism guide training program in two of the priority sites (Output 4).</p> |
| <p>2. Inability of protected areas to re-invest entrance fees back into management of the protected area;</p> | <p>⇒ Publish and make freely known the official visitation rates for protected areas (Output 1);</p> <p>⇒ Change existing policy to allow PA to re-invest revenues in the infrastructure and management of the PA itself (Output 1).</p> |
| <p>3. Absence of basic services for visitors; lack of specifically designed viewing platforms and trails;</p> | <p>⇒ Strengthen low-impact infrastructure (Output 2).</p> |

ANNEX III ACTIVITIES

Output 1: National wetland biodiversity conservation policy and regulatory framework approved and in place

1. Clarify the legal issues associated with ensuring adequate water security for wetlands after consultation with water regulators and users and to prepare the necessary legislation/regulation
2. Clarify the legal issues associated with community user rights and responsibilities of wetland bioresources and to prepare the necessary legislation.
3. Hold consultations and awareness raising meetings for these pieces of legislation with government decision makers, lawyers and natural resource and protected area managers
4. Draft legislation for ensuring adequate apportioning of water to wetlands and work for passage by 06/2006
5. Prepare guidelines for the regional akhimats to ensure integrated management measures by the different users of wetland resources. Work for the approval of guidelines by 12/2007.
6. Develop cross-authorization enforcement agreements between and among relevant government agencies.
7. Revise policies to be supportive of cross-authorization and improved enforcement.
8. Develop standard regulations on wetland sites management considered and facilitate approval by the Government, Ministry of Agriculture and Ministry of Environment Protection.
9. Prepare legal regulations on the activities in the wetland sites and facilitate approval of these regulations by governmental organizations involved in project implementation.
10. Draft resolution of the GoK on organization of the international important SPA.

Output 2: Well planned, effective protected area operations

For all three areas:

1. Policy adopted for the expansion in size and or strengthening of protected area status for URD, TK, and AK
 - Prepare a petitioning to the GoK on behalf of Oblast Akim for a Government resolution to organize special protected area and/or demarcate new boundaries of the existing special protected area.
 - Prepare scientific explanation and feasibility study for organization of a new SPA or demarcation of new boundaries of the existing SPA.
 - Appoint temporary management group.
 - Prepare set of the necessary documents and facilitate consideration by the governmental commission of experts (MoA, MEP) and subsequently by the GoK, resulting in a Government resolution on the organization of the new SPA and regulations on the land-use law.
2. Establish community-based management approach in three wetland protected areas.
3. Develop and implement participatory management plans for each of the three wetland PA by 12/2004
4. Develop systematic monitoring program that include water quality, habitat quality, bird numbers and resource use in the URD, AK, TK)
5. Publish baseline info from monitoring programme by 12/2004; Publish results of monitoring programme annually thereafter.
6. Training courses held for the SPA staff in: Eco-tourism, the policy and regulatory basis of protected area work; tourism management; tax issues; small business management and law; protected area administration and other issues.
7. Infrastructure and facilities for management of the URD, TK, AK established between 06/2004 and 06/2006 (e.g. visitors' centre, offices, patrol shelters).
8. Procure equipment and train staff in the effective utilization by field personnel in managing protected areas.
9. Organise in-country training courses for FFHC and Protected areas staff wetland and biodiversity management
10. Increase inter-sectoral linkages by ensuring that each in-country training course has at least two staff members from national or Oblast level participating
11. Invite other protected area staff and environmental NGOs to annual project progress meetings
12. Prepare annual reports on the project and to distribute these and other reports/publications to other protected area offices
13. Distribute project reports and publications to all relevant offices of the FFHC.

URD

1. Establish management presence at URD in existing akhimat-level protected area; Demarcate existing boundaries of the URD
2. Complete consultations with national and akhimat officials, scientists, stakeholders, communities and natural resource users about the concept of a Ural Delta protected area.
3. Prepare legal instruments to establish an area of internationally significant wetlands in the URD by May 2004.

4. Legislation to establish URD Protected Area passed by June 2005
5. To prepare legislation to establish a national-level URD protected area and to guide its passage through to approval.
6. Determine zonation for new URD PA, including buffer zones, activity zones, core protection zone and multiple-use zones.
7. Develop a series of action plans covering species, habitats, hunting, hydrology, fisheries, and ecotourism.
8. Develop a detailed participation plan for community involvement in park management.

TK Complex

1. Strengthen management presence at TK zapovednik, including refurbishment of key infrastructure.
2. Conduct study on benefits of petitioning to have TK declared a UNESCO Biosphere Reserve and to expand area with protected status.
3. Prepare the necessary technical and legal documentation for enlargement
4. Determine zonation for TK complex, including core protection areas to be excluded from waterfowl extraction and buffer zones.
5. Expand TK's specially protected area by Jan 2005;
6. Prepare biodiversity overlays
7. Formulate specific strategies to ensure effective conservation of globally significant biodiversity.
8. Prepare integrated management plan for TK complex, incorporating local community resource (e.g. water) use requirements and strategies to mitigate threats from surrounding land use practices.
9. Support pilot activities in wetland enrichment in degraded areas.
10. Implement species/ ecosystem management and protection plans,
11. Implement small-scale hydrological solutions (e.g. inexpensive wooden weirs) in critical locations of TK.

AS

Strengthen management presence at AS protected area, including development of key infrastructure.

Consult with national and Oblast Akimat officials and stakeholders around Alakol-Sassykol lakes for the possible enlargement of the PA, and to define the new boundaries

Legal expansion of the specially protected area to include western shore of Lake Alakol and nearest island system by December 2004

Formulate specific strategies / action plans to ensure effective conservation of globally significant species and habitats.

Prepare integrated management plan (including zonation) for AS

Create biodiversity overlays using existing baseline information .

Formulate strategies for water management for AS complex and define minimum water requirements for wetland health.

Implement a public participation and feedback structure to integrate local community perceptions and priorities into the planning process.

Implementation of specific action plans and other elements of management plan, including community participation plan, alternative livelihoods and sustainable resource use strategies.

Implement species / ecosystem management and protection plans.

Output 3. Increased appreciation and awareness of wetland biodiversity in local communities.

1. Annual project progress meetings held each year to bring together the results of project activities at national and demonstration site levels.
2. Regular advice provided to staff involved with management of other wetland sites
3. Systematically identify and describe internationally significant wetlands, together with threats, opportunities and priorities for their conservation and use.
4. Organise annual progress meetings for Protected areas staff at the national and akimat levels, including training workshops on the principles and methodologies for integrated wetland management developed during the project, and site visits to the project sites
5. Organize and hold one Central Asian Conference on wetland management held in Kazakhstan in 2008 with field visits to URD, TK, AS
6. Provide advice on a regular basis to other protected area staff and environmental NGOs on the management of wetlands

Develop an awareness raising program for the local communities.

7. Produce TV and video programmes wetland conservation in conjunction with Kazakhstan TV;
8. Prepare and publish a variety of scientific, educational and promotional material about Kazakhstan wetlands; the specialist reports on different aspects in the wetlands; full color book about wetlands in Kazakhstan

9. Redesign and remodel the existing offices, museums, and visitor centers and rehabilitate central parks necessary for training courses and excursions.
10. Guidelines for institutional mechanisms for integrated management of wetland areas,
11. Environmental baseline and annual audits (state of environment reports) of the two demonstration wetlands
12. Produce general publicity material promoting ecotourism in Kazakhstan wetlands and to distribute internationally
13. Produce field bird, fish, and plant guides for targeted stakeholder groups.

Output 4: Enabled Conservation and Sustainable Use of Wetland Biodiversity in the Productive Landscape

For all three areas:

1. Develop simple policy and regulatory framework to encourage sustainable development and biodiversity conservation in the productive landscape around each priority wetland site.
2. Develop institutional mechanisms and guidelines for the integrated management and protection of buffer zone areas surrounding specially protected wetlands
3. To hold a series of consultation workshops at the akimat level to develop a workable arrangement (possibly in the form of a committee) to guide integrated land and water management of areas around wetlands.
4. Regulations adopted for management of the natural resources of the areas surrounding the specially protected areas.
5. Terms of reference for special committee drawn-up with a mandate for integrated land and water management of priority wetland sites by 07/2005
6. Provide assistance (technical and financial) to local stakeholders in developing alternative livelihoods, incorporating sustainable resource use and self-regulatory mechanisms
7. Organize and conduct eco-tourism service training course; Support an ecotourism market survey and strategy to be conducted by Fall of 2005.
8. Develop training programme for water-users in biodiversity-friendly irrigation & pond water management (UNDP and GEF).
 - Local, small-scale farmers and water-users applying simple, practical techniques that improve habitat for wetland biodiversity.
 - Actions to rehabilitate water distribution and regulation structures of irrigation ponds/lakes supplemented with instruction on how to maximize the beneficial impact on biodiversity of these structures.
 - Actions to establish Water User Associations and build their capacity are supplemented with training for WUA's on how to ensure that local water use doesn't harm wetland biodiversity.
 - Develop biodiversity guidelines to complement newly developed "Operational and Maintenance Mechanism" for hydrological structures.
 - Train all regional field staff of the State Agency for Water Resources in how to integrate biodiversity and water management necessities.
 - Monitoring program for pond management regimes designed and approved by June 2004 to monitor water and habitat quality, bird numbers & resource use (fishing, hunting).
 - Lessons learned document and video produced and distributed to top-up lessons learned process of UNDP water management project.
 - 20 other department representatives from other parts of Kazakhstan brought to site areas for lessons learned training/awareness raising.
 - Representatives of 15 NGOs from around Kazakhstan brought to site area for lessons learned/training and awareness raising.

URD:

1. Enable local stakeholders to begin pursuing alternative livelihoods by accessing micro-credit and business advice by March of 2004.
2. Establish micro-project program by December 2004 with annual reports from 2005. Possible micro-credit supported schemes would be:
 - ✓ Fishing co-operative retail outlet in Atyrau city.
 - ✓ Ecotourism guides
 - ✓ Reed use for fodder/handicrafts
 - ✓ Caviar production visitor centre
3. Develop ecotourism infrastructure and facilities (e.g. boardwalks, etc) by December 2005
4. Promote bird watching, and sustainable hunting and fishing to attract local people, foreign residents and international visitors from October 2004
5. Monitor ecotourism companies involved; number of tourism visitors, and income generated.

6. To consult with local communities and NGOs to identify possible micro-projects for sustainable livelihoods
7. To identify international and national tourism companies and encourage investment in ecotourism in the priority sites
8. Ensure that biodiversity-friendly facilities are developed for ecotourists at priority sites.
9. Development of park interpretation, e.g. trails, signs, brochures, etc.

TK:

1. Supplement irrigation/water use training for 100 farmers with instruction on how to integrate biodiversity concerns into their agricultural practices (planting methods & schedules, water use schedules etc.)
2. Establish micro-project program by December 2004 with annual reports from December 2005. Possible micro-credit supported schemes would be:
 - ✓ Fishing co-operative to add value to product.
 - ✓ Visitor accommodation with wind powered electricity
 - ✓ Ecotourism guides
 - ✓ Reed use for fodder/handicrafts
3. Development of park interpretation, e.g. trails, signs, brochures, etc.

AS

1. Train fishers in best practices for minimizing harm to biodiversity, especially migratory bird habitat needs.
2. Carry out a simulation model for optimum harvesting in AS fishery.
3. Biodiversity concerns integrated into water supply, drainage and re-cycling systems.
4. Regulations adopted for management of the biodiversity concurrently with water resources management by 2005.
5. Publish baseline results for monitoring program by annually beginning in June 2005
6. Establish micro-project program by December 2004 with annual reports from June 2005. Possible micro-credit, business center supported schemes would be:
 - ✓ Fishing co-operative to control access to fishery and improve marketing of product.
 - ✓ Visitor accommodation with wind powered electricity
 - ✓ Ecotourism guides
 - ✓ Reed use for fodder/handicrafts
- Lessons learned/ public awareness materials

Ecotourism Activities:

1. Development and implementation of eco-tourist routes within the PA (roads, sight grounds, sight towers).
2. Development of park interpretation, e.g. trails, signs, brochures, etc.

Output 5: Sustainable financing for wetland conservation

1. Commission a study on sustainable financing of wetland conservation in Kazakhstan
2. Prepare a promotional document for seeking contributions to a wetland trust fund
3. Seek contributions from international and national public and private sector agencies and NGOs
4. Establish trust fund with guidelines for its administration
5. Legally establish LTFM and capitalize it at US\$5 million
6. Carry out study on sustainable financing of wetlands conservation by December 2007
7. Seek contributions towards establishing a wetland trust fund during beginning in 2004
8. Establish Wetland Trust fund by June 2005
9. Ensure that US\$2.1 million in co-financing has been deposited in the mechanism by 2007
10. US\$500,000 of GEF funds deposited into mechanism after the initial US\$2 million raised.
11. Co-finance of the LTFM on a 1:4 basis until full capitalization.
12. Produce TV and video programmes about Kazakhstan wetlands during 2006
13. Publish documents on the Wetlands of International Significance in Kazakhstan by April 2008
14. Produce and distribute publicity material promoting Kazakhstan wetlands for eco-tourism by October/ 2009

ANNEX.IV STAKEHOLDERS' PARTICIPATION

This Annex is dedicated to the results of surveys and research on the three demonstration sites conducted during the development of project brief. The data were collected and analyzed to characterize the current economic situation on the sites, and to determine the capacities and main/specialized activities of National, Oblast and local government structures', private companies' and non-governmental organizations' and the local communities'. The most important part of these researches was to describe the local community's current economic level and its main source(s) of sustaining livelihood, human activities' impact on the wetland biodiversity and possibilities of implementing alternative activities to decrease the human pressure on the bioresources. As a result of this work, the main activities, main sources for sustaining livelihood in difficult economy transition period were characterized for each site. The results of these surveys and research served as the basis for the most of planned activities in this project

Numerous meetings with national level stakeholders – FFHC/MoA preceded these site visits and situation analyses. The result of this national level work is the main concept of project proposal and the scheme for the development of this project Block B stage.

METHODS OF DATA COLLECTION AND ANALYSIS

One of the main tasks for surveys conducted at each site was to confirm the global significance of the wetlands. This work has been conducted mostly during the stage of priority wetlands selection. Results of zoological and botanic surveys conducted earlier by the National Academy of science were used for this process. MNREP's Department on control over the animal and plant wildlife condition and use assisted in getting the latest data on the biodiversity condition in these sites, referring mostly to the waterfowl, fish and existing protection activities. Simultaneously Oblast structures of MNREP's Environment Protection Department submitted the data on condition of wetland water systems and coastal areas, main natural, anthropogenic and technological factors that influence or are capable of having a negative influence the biodiversity. With the help of administrative structures - Oblast Akimats - information on the most important economic activities on the demonstration sites was also collected.

The second stage included analysis of the data on the globally significant biodiversity and the habitat condition, thus allowing to determine the main threats and weaknesses for each site and thoroughly describe their root causes. On the basis of available international experience the main project activities were proposed to address these threats and their root causes, with due consideration (mainly) to the local communities and other users of the wetland bioresources.

During these surveys consultants of the Project group visited wetland sites several times to collect additional data and to meet the representatives of the local communities.

This helped in: (a) creating a sufficiently full characteristic of the latest situation in each demonstration site based on the existing human activities; (b) determining the

local communities' main interests and the possible ways to improve their livelihood; and (c) developing a scheme for their involvement in the project activities.

Brief characteristics of the socio-economic situation in each demonstration site, the main results of project group specialists' visits to these sites as well as conducted meetings, consultation and coordination are presented here:

1. URAL RIVER DELTA

1.1. MODERN ECONOMIC SITUATION

The demonstration site is administratively subordinated to Atyrau Oblast Akimat. Approximately 7,300 people inhabit six villages and hamlets in the area immediately adjacent to URD. The main kinds of economic activity undertaken by commercial cooperatives and private individuals are fishing and agriculture (cattle raising, farming, hay procurement). Fishing is conducted in the delta's waters either by a relatively unorganized group of individual subsistence fishermen or by Atyraubalyk, the Government sanctioned sturgeon/caviar-producing monopoly. Government-run commercial production of caviar and sturgeon fish totals approximately 550 tons/year. Nearly 1,400 tons fish were caught within the borders of the wetland in 1998. Approximately 7,000 hectares of agricultural lands are utilized around the delta area and support approximately 1,200 cattle and over 100 home gardens. The economic difficulties in Kazakhstan have created conditions where keeping home gardens and poaching fish and waterfowl are the only ways for many local villagers to survive. Oil exploration is growing in the areas of the Caspian off shore from the delta and may become a major source of economic growth in the region.

1.2. LOCAL COMMUNITY AND THEIR MAIN ACTIVITIES

Territories surrounding the delta are mostly semi-deserts and deserts and therefore historically the main human settlements were located adjacent to the fresh water sources, meaning the riverbank. The river was and still is a natural resources supply for the local communities in a way of fish stock, bird and animal hunting species, cattle pastures, reed massifs for practical use. The information presented below describes the distribution and main activities of local community among locations on the demonstration site::

| Location | Population | Main activities |
|---------------------|-------------------|--|
| 1. Kurmangazy | 1664 | Fishery, animal husbandry |
| 2. Dzhambul | 1493 | Fishery, animal husbandry, vegetable growing |
| 3. Yerkenkala | 1850 | Production plant for sturgeon, fishery, animal husbandry |
| 4. Damba | 670 | Production plant for sturgeon, fishery, animal husbandry |
| 5. Amangeldy | 1693 | Fishery, animal husbandry |
| 6. Atyrau (village) | 1720 | Fishery, animal husbandry |
| 7. Peshnoy | 75 | Fishery, animal husbandry |

Thus, fishery can be named as the main source for sustaining livelihood. The major part of the male community is involved in fishery. The private company "AtyrauBalyk" officially employs only 35 % and the rest of the people acquire the license for fishing and work independently. Fish catch is partly consumed by the local

community and the rest sold to the procurers. The local community is unable to practice any other activity due to lack of support and appropriate technology for the new activities. Increasing the productivity of animal husbandry is considered as one having no possibilities due to limited resources on one hand and insignificant market on the other hand.

The reed growing in abundance in the delta area could be successfully used as fuel, but unfortunately the local community does not have the technology for stocking it up.

1.3. MEETINGS AND CONSULTATIONS WITH STAKEHOLDERS

The main concept of the future project activities was formulated and coordinated with FFHC management based on the evaluation of URD wetland biodiversity and the threat analysis. In spring and autumn of 1999 consultants made a series of site visits for detailed development and coordination of certain project component(s). A great support was received from UNDP Atyrau office:

| Date | Location | Participants number |
|-------------|--|----------------------------|
| 21.05.99 | Damba, Peshnoy | 65 |
| 22.05.99 | Yerkenkala, Kurmangazy | 47 |
| 23.05.99 | Amangeldy, Dzhambul | 32 |
| 24.05.99 | Atyrau city, governmental structures, Akimat | 70 |
| 25.05.99 | Damba, Atyrau village | 15 |
| 20.06.99 | "AtyrauBalyk" | 15 |
| 21.06.99 | Yerkenkala | 20 |
| 22.06.99 | Damba | 10 |
| 22.06.99 | Peshnoy | 7 |

During these visits a series of meetings were conducted, first with governmental structures responsible for the Oblast environment and biodiversity protection: Oblast department on environmental protection; Oblast Forest and Bioresources Department; Oblast Committee on water resources, Oblast Land Resources Management Agency; Oblast department on fish resources protection; Basin department on fish resources management. Representatives from these structures supported the project developers in their intention to create a special protected area (SPA) in URD as the current protected status of this site doesn't ensure effective protection. Irrespective to the fact that these structures are making efforts to protect the biodiversity effectively and use the resources sustainably lack of active management in this area and more importantly the lack of financing is leading to non-effective work. If the present situation left unattended, it will worsen in the future. Fishery structures' representatives are worried about sudden and significant decrease of the fish stock and they support the necessity of implementing the program on integrated management of the resources. Non-governmental structures "CaspiyTabigaty", Fishers' and Hunters' Society, Caspian ecological center also took part in the meetings and consultations and they voiced their concern about the intensified oil and gas research and exploration in the area surrounding delta. Therefore constant eco-monitoring and water quality control is considered as a first priority for implementation in this wetland as well as development of safety measures for possible cases of technogenic pollution.

The largest number of meetings and consultations were with local communities' representatives. The major part of questioned fishermen consider fishery as the main source for their families' livelihood. However poor fishing appliances, lack of high quality boats, lack of funds for procurement of boat motors hardly allow them to meet the ends. Therefore sometimes they are forced to violate the laws in a way of catching more fish than officially allowed or fishing in the prohibited places. Lone fishers or small groups agree to unite into larger artels and work together using safe methods if they have the required support and if they are assisted to adopt the new technologies. Some of the local community opines that establishing a (cottage industry) handicraft production of utensils and household articles might be a successful alternative livelihood option.

Above described drawbacks of governmental and private structures work and activities of the local communities' create considerable obstacles and threats to biodiversity. Several meetings, consultations and interviews among different specialists, local communities' leaders allowed determining the main directions for the project activities that would ensure to:

- Establish effective conservation and sustainable management of the globally significant biodiversity . Zapovednik - a special protected area will have to be established in URD. This is the opinion of the specialists from Atyrau Oblast department on forest and bioresources, Oblast department on environment protection, Oblast Hunters and fishers' society, NGO "CapsyTabigaty", local communities. Existing protected-hunting holding "Zolotyonok" under Oblast bioresources department structure could serve a base for the new SPA establishment.
- Implement, on a permanent basis, monitoring program to monitor the environmental condition, notably for water quality control in delta channels and surrounding water area of the Caspian Sea. This is the most topical task for all managing structures, including national and international oil and gas companies - Kazakhstanmunaygas, OKIOC, and CaspiyChevroil.
- Implement the program on sustainable management of bioresources, referring mainly to the fish stocks. Ural-Caspian basin department on fish stock protection, fishery commercial companies, such as "AtyrauBalyk", small fishing artels are the main interested parties. Start up of the two sturgeon production plants to the maximum capacity is listed among first priority issues.
- Assist the local communities in implementing the alternative activities sustaining livelihood to make their lives less dependent on the main source - fish stock. This is the opinion of the major part of Kurmangazy, Dzhambul, Damba, Amangeldy and Peshnoy population. Ecotourism and foreign fishing tours are one of the alternative activities.

2. TENGIZ-KURGALDZHIN LAKES SYSTEM

2.1. MODERN ECONOMIC SITUATION

The demonstration site is administratively subordinated to Kurgaldzhin Akimat. The area around the project managed wetland, apart from administrative center Tengiz-Kurgaldzhin includes a row of settlements, Abai, Nygman, Urkende, Shalkar. Local people are employed in agriculture, hunting and fishing activities, education, health

and public services. Nygman village is situated within the protection zone of the reserve. The people of this village survive on basic welfare payments and their own subsistence production, including fish and waterfowl taken from the reserve area. In the current situation, this is the only option for people living in this village to feed their families. The people do not have access to credit and no program to enable them to develop alternative livelihoods has been elaborated or is being implemented by any government or NGO entity. Nearly 13,000 ha of fallow dryland wheat farms surround the TK system. Local people keep approximately 300 cattle in the area and an estimated 40 tons of fish and 10,000 waterfowl are harvested annually. No studies have been done in recent years as to whether these yields represent scientifically appropriate MSY.

The fish reserves in Kurgaldzhin rayon are significant in general, according to Oblast Akimat's data up to 300 tons are annually caught here. However, the main natural resource is undoubtedly waterfowl. The local communities as well as numerous hunters from other regions of Kazakhstan are involved in waterfowl hunting in autumn period. The exact quantity of hunted birds is not known, according to unofficial data it considerably exceeds 20 000 per hunting season. In dry periods of 80th the Oblast and rayon administration allowed cattle grazing, haymaking in SPA. To sustain Zapovednik activities, as an exception a limited fishing was allowed in Yessey Lake located on the protected area in 1989, 1990 and 1994-1997.

2.2. LOCAL COMMUNITY AND THEIR MAIN ACTIVITIES

In general the density of population in the territory of the planned wetland site is very low. Limited resources of fresh water used for drinking and irrigation restrain the increase of population. From the other hand the major part of this territory is occupied by SPA - Zapovednik. The distribution of the people on the territory is not equal; most of it is concentrated in two settlements:

| | Location | Population | Main activities |
|----|-----------------|-------------------|--|
| 1. | Kurgaldzhin | Around 7000 | Management, education, medicine, transport, small business, animal husbandry |
| 2. | Abay | Around 4000 | Sowing, animal husbandry, hunting |
| 3. | Nagyman | 100 | Subsidiary agriculture |
| 4. | Urkende | 100 | Hunting, fishery, animal husbandry |
| 5. | Shalsar | 50 | Sportive hunting, animal husbandry |

Main activity of the local communities' (total number is around 10 000) is animal husbandry, being traditional and major through many centuries. Around 40-50 years ago significant areas of natural steps were ploughed to sow the grains. Those years large areas were used for sowing wheat and barley, even those not suitable to dry-land areas. As a result sowing grain was always a very difficult activity for the local community. Within the last decade situation has remarkably changed: being non-profitable the grain production was decreased, governmental financing of this sphere has also decreased to minimum level. Therefore the major part of the population is forced to sustain the livelihood on their own. A remarkable perspective exists for the economic development of this territory, based on intensification of animal husbandry and vegetable growing. The fact that new growing capital of the republic Astana is

located close to the site creates favorable circumstances for livelihood improvement here.

2.3. MEETINGS AND CONSULTATIONS WITH STAKEHOLDERS

The main concept of future project activities was discussed several times with the participating FFHC management, Kurgaldzhin Zapovednik Administration and Akmola Akimat. The main focus of this discussion was the unfavorable situation with water resources supply to Zapovednik's lakes and ineffectiveness of the existing protection. After the project activities complex had been coordinated with the potential partner-donors NABU and Jibek-Joly, group of experts conducted the research of this territory:

| Date | Location | Participants number |
|----------------|--|----------------------------|
| 18.07.99 | Kurgaldzhin | 35 |
| 19.07.99 | Karajar | 15 |
| 19.07.99 | Shalsar | 10 |
| 23.07.99 | Abay | 40 |
| 24.07.99 | Kurgaldzhin, Akimat | 40 |
| 10.09-25.09.99 | SPA territory research | 15 |
| 27.09.99 | Kurgaldzhin, Zapovednik's administration, Akimat | 15 |

Meetings and consultations with governmental structures' representatives - Kurgaldzhin Akimat, rayon Department on forest and bioresources, rayon committee on water resources, rayon agency on land resources management, Kurgaldzhin Zapovednik administration - showed that their main concern was about the situation with inadequate quality and quantity of water supply to the lakes. Another problem delivered to us by Zapovednik inspectors is a lack of resources for effective protection, which increased number of uncontrolled visitation cases. Akimat's representatives supported the project group in their intention to involve the local community into activities on Zapovednik protection and management. As a general view of meeting participants the most perspective activity is ecotourism development in and around the protected area.

As a result of demonstration site visits, meetings in Kurgaldzhin Akimat with participation of local stakeholders it was decided that the project activities will be mainly directed to:

- Strengthen SPA boundaries, increase effectiveness of the protection activities, expand the protected area, improve existing infrastructure and ensure adequate hydro-regime. The existing distance across the borders of the Protected area is 2 km. This does not allow for adequate protection regime inside SPA. The neighbor hunting holding "Sholak" is an obstacle for the Zapovednik inhabitants and especially for the waterfowl. This project component was supported by Kurgaldzhin Zapovednik administration, Akmola Oblast department on forest and bioresources, SPA department of FFHC. Hunting holding "Sholak" management does not object to strengthening protection activities and sustaining all required conditions for the establishment of an adequate hydrological regime. This is also supported by the Zapovednik

administration, the rayon department of environmental protection, and the rayon committee on water resources.

- Establish productive and effective landscape management. It is expedient to transfer the land of former sovkhos (State farms) in Yegindyk and Tengiz rayons of Karaganda Oblast under Kurgaldzhin rayon management. Kurgaldzhin Akimat made this proposal. They also very actively supported the project components envisaging involvement of the local communities' into activities and ecotourism especially because preliminary work has already been done in this region by German society NABU. There is also a very good background for start up of chargeable hunting tours. Oblast hunters' and fishers' societies and private companies "Kaskyr", "Tsesna" etc support this issue.
- Increase effectiveness of protected activities in the productive landscape. With increasing population of Astana, the recreation pressure will also increase within the territory directly connected with SPA. Illegal hunting cases in and around SPA also increased. Integrated management program is necessary to be implemented on the wetland territory and all stakeholders related to protected area management support this proposal. The local communities' interests are obligatory to be considered in this program as having priority right to receive benefit from the natural resources. Table salt production is also possible in small quantities.
- Develop the micro-credit programs. In Kurgaldzhin rayon there is an active micro-credit system for enterprise development and support of low-paid communities. 39 people received 30 000 tenge each during 1998-1999. The drawn credits were allocated for improvement of agriculture, animal husbandry, and bird husbandry. This program implementation still not completely effective. The planned credits drawing to 500 low-paid people amounted to 15 million. Tenge was conducted partly only due to lack of funds. Nevertheless, rayon Akimat is sure about the further success and considers it important to gain experience in micro-crediting.

3. ALAKOL-SASYKKOL LAKES SYSTEM

3.1. MODERN ECONOMIC SITUATION

The demonstration site is administratively subordinated to Alakol Akimat of Almaty Oblast. The center is located in Usharal town. Within the borders of the projected Alakol-Sasykkol wetland area there are seven settlements with a combined population of around 10 000 people. Officially, the unemployment level hovers at approximately 60%. The people who are employed work in agriculture, fishing, hunting, and education and public health. Agricultural production has dropped dramatically in this part of Kazakhstan, resulting in the closing of the local fish and sugar beet processing plants three years ago. People now sustain themselves by tending their own small vegetable plots and raising cattle, hunting and fishing. Fishing is the largest economic activity in this region and approximately 3,000 tons of fish are caught annually. Officials from the central government grant fishing licenses for semi-commercial enterprises. 10,000 waterfowl are shot annually and 32,000 muskrat trapped. Alakol fisherfolk do not have suitable equipment and processing units for fishing. Traditionally local authorities have preferred larger, more mechanized groups, but this

reduces the possibility for significant income and employment generation. A few new small hotels have been built on the lake in recent years, but tourism infrastructure is still poor.

3.2. LOCAL COMMUNITY AND THEIR MAIN ACTIVITIES

Major part of the local community involved in activities within the planned wetland borders, are settled in Usharal town and villages on the Alakol lake south bank. The density of population on the rest of the territory is not high. .Following is detailed description of the dissemination:

| | Settlement | Population | Main activities |
|----|-------------------|-------------------|--|
| 1. | Kamyskala | 3000 | Fishery, hunting, animal husbandry |
| 2. | Besgash | 100 | Animal husbandry, hunting |
| 3. | Uyaly | 150 | Fishery, animal husbandry |
| 8. | Alakol | 300 | Fishery, animal husbandry |
| 4. | Kok-tuma | 2500 | Animal husbandry, recreation activities |
| 5. | Kara-tuma | 2000 | Grains sowing, animal husbandry, recreation activities |
| 6. | Akshiy | 2000 | Grains sowing, animal husbandry, recreation activities |

Usharal's population is involved mainly in management, education, public health and service sphere. Lately small business is also developing. Main governmental structures involved into the environmental protection act in this rayon. A great part of the local community is settled on the wetland territory most part of the year. They are involved in fishing, animal husbandry and vegetable growing. The prevailing activities for the population of other settlements are fishing and animal husbandry. Lately tourism business is developing in the settlements on Alakol south bank and a few summer camping facilities were built. The community in the demonstration site is in a difficult economic position. Deprived of any support from the government's side, the local community solves their problems either alone or by spontaneous groups.

3.3. MEETINGS AND CONSULTATIONS WITH STAKEHOLDERS

A group of project consultants took a series of trips to this region for the better and more detailed research of the economic situation.

| Date | Location | Participants number |
|-------------|--|----------------------------|
| 18.03.99 | Usharal, rayon Akimat, Zapovednik's management | 30 |
| 14.05.99 | Kamyskala, Besagash, Uyaly, Alakol settlements | 45 |
| 15.05.99 | Kok-tuma | 18 |
| 16.05.99 | Kara-tuma | 25 |
| 16.05.99 | Akshy | 20 |
| 17.05.99 | Usharal, rayon Akimat, Zapovednik's management | 25 |
| 15.07.99 | Usharal, rayon Akimat, Zapovednik's management | 15 |
| 16.07.99 | Besagash, Uyaly, Alakol | 25 |
| 17.07.99 | Usharal, rayon Akimat, Zapovednik's management | 30 |

As a result of meetings, consultations conducted with the local community a list of major problems was compiled. Solving these problems is necessary to establish wetland effective management. In general, rayon Akimat, acting governmental

structures and local NGOs supported the idea of establishing a globally significant wetland area. They consider the project activities must be directed to:

- Expansion of park boundaries and strengthening SPA operations. Alakol Zapovednik administration, Akimat and all local structures of MNREP support this component. The valuable bird and fish habitats major part located on Alakol Lake is not yet included into Zapovednik territory. Local structures consider this question solving as a priority within the project framework.
- Adequate supply of water to Alakol and Sasykkol lakes. The local Committee on water resources does not have the possibility of conducting repair works for separator system on Tentek River and as a result the required water quantity does not enter the wetland in the summer period. This component is also supported by the rayon department of environmental protection, Akimat and farmers involved in land cultivation.
- Strengthening Fishing and hunting cooperatives. Fish production plant rehabilitation in Kamyskala village. This activities implementation is very important for a lot of fishers working alone and small fishing brigades which the farmer cooperative "Tabigat" currently unites. "Jibek-Joly" company is also interested in these activities, as their interests include strengthening and development fish production industry in Alakol and Sasykkol. As per Tabigat's calculations up to 3000 new employment places will be created with implementation of this component.
- Hunting organization works to be conducted for new hunting places transfer under rayon hunting society's responsibility. The territory currently used by the rayon hunting society is planned to be withdrawn with the expansion of SPA boundaries. There are numerous other territories in the rayon that could be used for amateur hunting. Therefore this issue could be solved in cooperation with rayon Committee on forest and bioresources and rayon Akimat.
- Ecotourism and recreation activities development. Zapovednik's management and Jibek-Joly Company that is already organizing ecotouristic excursions support this component. Apart from that Jibek-Joly is participating in establishing resort zones on Alakol banks. The local communities who will be involved into eco-touristic services also support the component.
- Based on the above mentioned researches, discussions and coordination with the potential project partners on different levels a complex of project proposal comprising the project brief was developed. On the 22nd march 2000 this document was disseminated among all potential project participants for coordination after its approval by MNREP management. On 30th May 2000 a special workshop was organized by the Project Unit and Project Management Committee to discuss the results of project review. 48 people representing 23 structures took part in this meeting. The presented project was unanimously approved by workshop participants.

ANNEX V WORKPLAN¹

Work Plan on implementation of the project "Integrated conservation of priority globally significant migratory bird wetland habitat"

| Outputs and activities | Responsible party | Year 1 | | | | Year 2 | | | | Year 3 | | | | Year 4 | | | | Year 5 | | | | Year 6 | | | | Year 7 | | | |
|--|-----------------------------------|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|--------|---|---|---|
| | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | | | | |
| | | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 |
| Output "0" | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Preliminary activities on project implementation</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.1. National Project Management Committee formation | Executing agency (EA), NPSC, UNDP | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.2. National Coordinator appointment and selection of CTA/Project Manager | EA, NPSC, UNDP | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.3. Selection of Consultants for National Project Implementation Group and three Site Implementation Groups | NPSC, NPC | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.4. Three Site Implementation Groups formation | NPSC, NPC | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.5. Initiative workshop conduction with all stakeholders participation. WorkPlan approval. | NPSC, NPIG | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Output 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>New forms and structures development and implementation in political, legal and institutional spheres of the Wetland integrated conservation and management</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

¹ The Workplan will be reviewed at the Inception Workshop and revised in detail to ensure internal consistency and to take into account new information and circumstances affecting the project.

| | | | | | | | | | | | | | | | | | |
|--|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|---------|---------|---------|---------|---------|---------|--|
| 2.1. Legal issues improvement to ensure the required water supply to wetland, basing on consultations with water resources consumers | MoA MEP, Parliamentary Environment Committee, Parliament Expert on Legal Matters | | | | | | | | | | | | | | | | |
| 2.2. Consultations and workshops aiming to increase awareness of responsible persons, lawyers, SPA managers on the issues of legislation related to wetland resources use. | NPSC, CTA/NPM, NPIG, SPMC, SIG | | | | | | | | | | | | | | | | |
| 2.3. Legislation in the sphere of local bioresources consumers on the issues of rights and responsibilities. A legal proposal development | NPIG, Parliamentary Committee on Ecology | | | | | | | | | | | | | | | | |
| 2.4. Legal proposal on Wetland adequate water supply ensurance development and submission to Parliament, further follow up | NPIG, MoA, MEP, Parliamentary Environment Committee | | | | | | | | | | | | | | | | |
| Outputs and Activities | Responsible party | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | | | | | | | | | |
| | | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | | | | | | | | |
| | | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | |
| 2.5. Legal proposal "New Form of SPA - Wetland of International Significance organization" development and submission to Parliament | NPIG, FFHC dept. of SPA | | | | | | | | | | | | | | | | |

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| 2.6. Legal statute on integrated cross-sectoral management of wetlands and their resources Decision project proposal development and submission to the Parliament | MoA, MEP, NPIG, | | | | | | | | | | | | | | | | | | | | |
| 2.7. Preparation, coordination and approval of a special proposal for Akimats on wetlands integrated management | NPIG, SIG | | | | | | | | | | | | | | | | | | | | |
| Output 2 | | | | | | | | | | | | | | | | | | | | | |
| <i>Well-planned, effective Protected Area operations</i> | | | | | | | | | | | | | | | | | | | | | |
| 3.1. Policy adoption for the territory expansion and for strengthening of protected area status for URD, TK, AS | FFHC dept. of SPA, NPIG, SPMC, SIG | | | | | | | | | | | | | | | | | | | | |
| 3.1.1. Preparation of a petitioning to the GoK on behalf of Oblast Akimats to new SPA establishment in URD and boundaries expansion of existing ones (TK and AS) | URD SPMC, URD SIG, FFHC dept. of SPA, Subcontractors | | | | | | | | | | | | | | | | | | | | |
| 3.2. Conclusion of an agreement with local communities on Wetland management principles | SIG, Local NGO, NPIG | | | | | | | | | | | | | | | | | | | | |
| 3.3. Development and implementation of participatory management plans for each of three demonstration sites. | SPMC, SIG, local, NGO, NPIG, FFHC dept. of SPA | | | | | | | | | | | | | | | | | | | | |
| 3.4. Systematic monitoring program development that includes water quality, habitat quality, main wildlife groups condition and resources use in wetland | NPIG, SIG, National Academy of Science, Subcontractors | | | | | | | | | | | | | | | | | | | | |

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| 4.4. Regular workshops for wetland management staff to train on general principles and methods of wetland integrated management, visit to the demonstration sites. | NPIG, SPMC, SIG, FFHC dept. of SPA, MoA, MEP | | | | | | | | | | | | | | | | | | | | |
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| 4.5.1. Preparation of TV and video programs on wetlands conservation issues in Kazakhstan | | | | | | | | | | | | | | | | | | | | | |
| 4.5.2. Development and publication of scientific, educational and promotional materials on wetland resources in Kazakhstan. Development of reports by specialists, development of illustrated directory of Waterbirds for fishers and hunters. | NPIG, FFHC, SPA Dept of Academy of Sciences, Inst of Zoology, NGOs, Publishing houses. | | | | | | | | | | | | | | | | | | | | |
| 4.5.3. Repaire and equip existing offices, museums and visitors centers. Conduct repairing of Central Estates in reserves to organize training and excursions | SIG, reserves' directors, local NGOs, oblast Akimats | | | | | | | | | | | | | | | | | | | | |
| Output 4 | | | | | | | | | | | | | | | | | | | | | |
| <i>Required conservation and sustainable use of biodiversity in productive landscape with stakeholders participation</i> | | | | | | | | | | | | | | | | | | | | | |
| 5.1. Develop simple policy and regulatory framework to encourage sustainable development and biodiversity conservation in the productive landscape around each priority wetland site. | SPA Dept. of FFHC, NPIG, SIG, oblast level MoA | | | | | | | | | | | | | | | | | | | | |

| Outputs and Activities | Responsible party | Year 1 | | | | Year 2 | | | | Year 3 | | | | Year 4 | | | | Year 5 | | | | Year 6 | | | | Year 7 | | | |
|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|--------|---|---|---|
| | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | | | | | | |
| | | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 |
| 6.1. Workshop conduction with support of the Government, UNDP and Wetlands International for Migratory Bird Wetland Conservation Fund design. | GoK, UNDP, RK, MNREP, National and International donors | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.2. MBWCF establishment | FFHC dept. of SPA | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.3. MBWCF capitalization | NPIG, Wetlands Int'l | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

* The present WorkPlan is preliminary, it will be used as a baseline for every demonstration wetland to work out a more detailed workplan adapted to the local conditions (Site WorkPlan)

ANNEX VI LOGICAL FRAMEWORK/PROJECT PLANNING MATRIX

| PROJECT: | VERIFIABLE INDICATORS | MEANS OF VERIFICATION | RISKS AND ASSUMPTIONS |
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| <p>Goal: To protect globally significant wetland biodiversity in Kazakhstan.</p> | <ol style="list-style-type: none"> 1. Populations of indicator species in priority areas remain at current levels or increase. 2. Populations of rare and endangered fauna and flora of priority areas remain at current levels. 3. Monitoring of wetland plant communities in 2010 indicates that the ecological integrity of priority areas remains secure with no significant decrease in habitat size. 4. Positive trends in indicator species numbers – birds, fish, plants¹ | <ol style="list-style-type: none"> 1. Biannual biological surveys. 1. Biannual surveys. 2. Biannual surveys 3. Monitoring records and Terminal Evaluation. | <ol style="list-style-type: none"> 1. Continued GoK support for wetland conservation 2. Conservation of wetland habitats and migratory birds in flyway countries 3. Natural factors and man-made disasters, (e.g. climate change, disease) do not damage wetlands |
| <p>Purpose: Government agencies, non-governmental entities, and local communities are maintaining and improving the integrity and viability of Kazakhstan's priority wetland ecosystems.</p> | <ol style="list-style-type: none"> 1. National policies in 2010 reflect wetland biodiversity conservation as a priority 2. Management model extended from three project sites to at least 2 other PA by 2010. 3. More than 10 local communities involved in wetland management in Kazakhstan by the end of the project. 4. 20% increase in the area of wetland reserves actively being managed in Kazakhstan 5. GoK has ensured through its water supply development policies to provide adequate water for wetland health to the three priority sites. | <ol style="list-style-type: none"> 1. Report of FFHC;GG 2. Project records. 3. Project record; field visits 4. Project reports; GG 5. GoK policy documents | <ol style="list-style-type: none"> 1. Biodiversity conservation continues to be a government priority. 2. Pollution levels do not increase or adversely affect wetland sites 3. Water management regimes improve in a biodiversity-friendly manner. |
| <p>Output 1: National wetland biodiversity conservation policy, regulatory and institutional framework approved and in place.</p> | <ol style="list-style-type: none"> 1. Development of new “National Wetland Conservation Act” for Kazakhstan. 2. Policy declaring wetlands to be a valuable, productive resource, with economic importance for the state, is passed. 3. Prepare wetland user guidelines on how to integrate biodiversity management into | <ol style="list-style-type: none"> 1. Government gazette (GG) 2. GG 3. Survey before and after training. 4. Project reports and IMB minutes; news reports. 5. Signed agreements | <ol style="list-style-type: none"> 1. GoK priority change prevents progress from being made on wetland conservation. |

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| | <p>productive sectors by 12/2008.</p> <ol style="list-style-type: none"> 4. New “Inter-Ministerial Board on Wetland Conservation” established and exerting oversight over priority wetland areas. 5. Legislation passed by 12/2006 for enabling community management and use of wetland resources (usufruct rights). 6. Policy experts’ apply new policy tools to wetland conservation 7. Wetland conservation requirements integrated into existing property law governing land and water ownership and use by 12/2006. 8. Improved GoK environmental policy enforcement operations 9. Legislation prepared for ensuring adequate apportioning of water to wetlands by 12/2005. | <ol style="list-style-type: none"> 6. Policy documents 7. Assessment of newly learned skills | |
| <p>Output 2: Well planned and effective protected area management</p> | <ol style="list-style-type: none"> 1. Policy adopted for the expansion in size and or strengthening of protected area status for URD, TK, and AS. 2. PA staff levels increased by 40% between 09/2003 and 09/2005 in the three priority sites. 3. Park infrastructure strengthened to support reasonable level of operations. 4. Established community-based management approach in three priority sites, including mechanisms for community involvement in wetland management by 10/2005 5. FFEC and PA staff applying newly acquired science and methodological knowledge in their wetland and biodiversity management work. 6. Sustainable, systematic research and monitoring program developed and under implementation by end of year 1 7. Adaptive management decisions taken and | <ol style="list-style-type: none"> 1. Approved expansion policy, GG 2. Employment records; 3. Field visits; Audit/Mid-term/Final Evaluation 4. Stakeholder agreements Management plan documents 5. Training evaluation before & after. 6. Monitoring records; database; program document; 7. Interview w/managers; evaluation | <ol style="list-style-type: none"> 1. GoK support for PA expansion/ strengthening will continue. 2. More rational decisions will be made as a result of monitoring/ evaluation. 3. Funding for additional staff will be made available. |

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| | measures implemented bi-annually, based upon the monitoring and research results | | |
| Output 3: Established awareness of wetland biodiversity values among local stakeholders and process for generating lessons learned. | <ol style="list-style-type: none"> 1. Information materials on threats to the lakes – fire, grazing produced as necessary from 06/2005 2. Field guide for hunters to avoid accidental shooting of rare species published by 06/2005 3. Designs for Interpretation/visitor Centres and displays produced by 03/2005 4. Components on wetland ecology and sustainable use developed for inclusion in the curricula of local schools by 06/2006 5. Field visits to the URD,AK, TK organised regularly for local schoolchildren from 06/2006 6. Special studies of wetland ecology undertaken by secondary school and university students from 06/2006 7. Annual project progress “stocktaking and assessment” meetings held. 8. Best practice approaches to wetland conservation and sustainable use developed by end of year 5 as a product of learning process. 9. Central Asian Conference on wetland management in 2008 with field trips to share lessons learned. | <ol style="list-style-type: none"> 1. Survey of awareness levels before and after. 2. Review of actual materials generated 3. Minutes from meetings; records of training sessions; 4. Review of actual materials 5. Project records 6. Project records 7. Meeting minutes and lessons learned documentation 8. Best practice papers. 9. Conference proceedings | <ol style="list-style-type: none"> 1. Hunting organizations will maintain support for outreach and education objectives. |
| Output 4: Enabled Conservation and Sustainable Use of Wetland Biodiversity in the Productive Landscape | <ol style="list-style-type: none"> 1. Local communities pursuing sustainable livelihood options by June 2004; 2. Sustainable development and biodiversity conservation program for productive landscape around each wetland site. 3. Ecotourism demonstration in TK and AS establishes routes, modest infrastructure, trained guides and service people. 4. Fishery management programs re-oriented to | <ol style="list-style-type: none"> 1. Project records; Field visits; interviews with local people 2. Regulations promulgated; ToR for committees; Cmte meeting notes. 3. Training manual/ schedule; Survey of knowledge before/after 4. Mid-term and final | <ol style="list-style-type: none"> 1. Investors can be found to develop ecotourism visitor facilities, guest houses, guides, boats etc |

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| | <p>focus on developing a sustainable fishery.</p> <ol style="list-style-type: none"> 5. Water resource management projects re-oriented to include wetland-biodiversity concerns. 6. Trained water-users in biodiversity-friendly irrigation pond water management. 7. Effective cross-cutting lessons learned program involving stakeholders from all relevant sectors. | <p>evaluations</p> <ol style="list-style-type: none"> 5. Written, approved guidelines 6. Field visits; 7. Lessons learned documents; Participants lists; Survey of knowledge before & after; | |
| <p>Output 5: Sustainable financing for wetland conservation</p> | <ol style="list-style-type: none"> 1. Trust fund established for national conservation of wetlands 2. Legally established LTFM capitalized to US\$5 million 3. Promotional material about the wetland biodiversity of Kazakhstan | <ol style="list-style-type: none"> 1. Report and related documentation on study 2. Fund administration guidelines/Deposit records/ Letters of commitment/ Project reports 3. Published materials | <ol style="list-style-type: none"> 1. GoK support for an autonomous trust fund will be maintained. 2. Momentum to capitalize this trust fund will be maintained. |

ANNEX VII INCREMENTAL COST ANALYSIS

1. Broad Development Goals:

1.1 The Government of Kazakhstan has recognized the importance of conserving its rich biological heritage by ratifying the Convention on Biological Diversity in September 1994. Both the NBSAP (1998) and the NEAP (1997) specifically call for conservation and sustainable utilization of wetland ecosystems as a top priority. Two of the seven priority ecosystems identified under the NBSAP are 1) wetland ecosystems and 2) river ecosystems. The MEP has also developed a 30-year National Plan for Sustainable Development under which 19 concepts for projects have been identified and shared with GEF. One of these projects is the Development of the System of Specially Protected Natural Territories and ecotourism. Although Kazakhstan is not a signatory to the Bonn Convention, Kazakhstan has followed the spirit of the Convention by pursuing bilateral conservation measures with its neighbors. A memorandum on the protection of the Siberian cranes and thin-beak curlew was signed with Russia and a bilateral agreement with India entitled "Conservation of Migratory Birds" enables the exchange of scientists, information on migratory bird conservation and survey counts. Kazakhstan has been working informally with the Ramsar Convention Secretariat. Nearly all of the required preparations and formalities for joining the Convention have been completed and GoK is planning to become a signatory in 2003-2004.

2 Baseline (Business as Usual):

2.1 Despite the GoK's policy goals, there remains a considerable unmet need for migratory bird wetland habitat conservation. This section describes existing and planned activities as well as existing gaps that would normally occur in the absence of the GEF Alternative project. *Policy and Regulatory Framework.* Kazakhstan lacks an effective, national wetland conservation policy and program. Exhibiting national-level policy interest in wetland conservation, the MNREP took the first steps toward establishing Kazakhstan's first national Implementation Program for the Protection of Wetlands was in 1998. The MNREP established a National Coordination Committee (NCC) on wetland conservation in 1998 to coordinate intra-governmental efforts to develop and implement a wetlands conservation strategy and action plan. At the same time, a working group was established to facilitate Kazakhstan's ratification of the Ramsar Wetlands Convention with inter-ministerial and NGO representation. The NCC consisted of representatives from the MNREP's FFHC and MoA's Water Resources Committee, Academy of Science, and NGOs. However, it soon became apparent that the NCC was established ahead of its time, due to the myriad "moving strains" experienced by GoK as it moved all Government offices from Almaty to Astana and other towns in the northern part of Kazakhstan. For example, the FFHC has been transferred back and forth between the MNREP and MoA and currently resides in the MoA. The past two years experience has shown that wetland conservation requires a multi-sectoral effort. It is necessary to involve Oblast and regional administrations, village-level organizations, NGOs, natural resources users, and scientists, in this work. Now that GoK is more settled from its move, the timing is better for launching these more collaborative efforts.

2.2 *Protected Area Management.* In a business as usual scenario, the MoA/FFHC will provide \$546,000 in baseline financing for the next seven years for the management of TK and AS site areas. The URD site would not be managed as a protected area. Despite best intentions on the part of GoK, this funding is insufficient to implement even a reasonably scaled-back version of the sites' current management needs. Government allocations are inadequate and vary from year to year. Consequently, under baseline conditions, the sites will continue to operate at a minimal operational level. In the absence of the project, no participatory management of the sites would be undertaken. No systematic, focussed management of key species and habitats would occur and key wetland habitat would remain under stress. The present staffing of 20 full-time staff would be able to implement 40% of the existing management plans for TK and AS over the next seven years. In the absence of the project, there would be minimal systematic research and no monitoring and evaluation program for the sites over the next seven years. Baseline

funding for environmental research programs in the sites area totals approximately \$700,000 over the next seven years. Plus, international groups who are working on this issue in Alakol and Kurgaldzheno region will be co-funding partners in this initiative. Although funding is limited, Kazakhstan possesses a surfeit of dedicated, skilled field biologists. Government is trying to keep this skilled capital and has financed fieldwork and surveys this past year on waterfowl resources, muskrat ecology/population, and endangered species.

2.3 Government plans research on game species and wildlife inventories. Funding for wetland-oriented research by national Institutes for Zoology, Geography and Botany has been cut 90% in recent years and what remains is sporadic and unpredictable. While this is inadequate, the Kazakh Academy of Sciences has many qualified scientists and small-scale, local research programs at the protected area site level proceed when funding is available. But this work would not be site specific to the priority sites and it would not be used to support any specific management objectives or programs. In Alakol and Sassykol lakes system, monitoring research is still conducted despite funding difficulties, but only on some special species, like the relict gull. Research work in Ural River Delta is fulfilled in the framework of the Caspian Environmental Program. The division of biodiversity conservation and management functions between the MoA/ FFHC and MEP- has led to a near total lack of active wetland biodiversity management by FFHC.

2.4 The Caspian Environment Program, supported by GEF, UNDP, EU-TACIS and others has established a “Caspian Regional Technical Center for the Assessment of Transboundary Biodiversity Priorities” in Atyrau, Kazakhstan. The center will provide coordination and technical support for actions taken to protect biodiversity in the Caspian Sea. The Center will gather historical biodiversity records and will initiate surveys of habitats and biodiversity in each of the Sea’s five littoral states. The Center will eventually produce a regional overview of the State of Caspian Biodiversity and will develop a Caspian Red Data Book. The presence of the Center in Atyrau will enable this project to contribute URD-related information to the Center’s regional work on Caspian biodiversity and vice-versa.

2.5 Increased emphasis on communication and learning among management stakeholders and increased awareness and support among local communities. Currently, in Kazakhstan, the focus is on maintaining protected area operations at the lowest levels in the face of difficult economic times. No adaptive management would take place in the absence of this GEF intervention. Given the difficult situation that Kazakhstan’s protected areas find themselves, little to no money will be spent on public awareness activities. Existing low-level public awareness raising activities (posters on wetland conservation in the TK area) would be implemented by the FFHC. Kazakhstan has a number of active environmental awareness NGOs funded through individual donations, the media, and foundations. The sphere of their activities includes environmental training for the local people, participation in large scale actions such as: "Earth day," "Biodiversity day," and "Wetlands day." Financing of US\$50,000 would be provided for these activities, in the absence of the GEF intervention.

2.6 *Sustainable use of Productive Landscape around Priority Sites.* Under the current and planned activity scenario, the Government of Kazakhstan will be taking steps to remove some of the key threats to wetland ecosystem health identified by this project. Unsustainable use of water resources in one of those threats and pollution is identified as a dormant threat that could re-emerge as an important threat in the future as Kazakhstan’s economy recovers. A large project entitled the “Northern Environment Management and Rehabilitation Project” (US\$52 million) will: 1) clean-up residual toxic waste in the Nura River (primary contributor of freshwater to the TK wetland site) establish pollution control mechanisms; provide a sustainable water supply for Astana and Karaganda, using in part Nura River water; and rehabilitating sewer systems in the Nura river basin. However, although most of the components of this project are beneficial to the TK wetland, the project, as it stands now, will be

implemented without any specific guidance on how it can be carried out so that it maximizes the beneficial impact on the TK wetland complex and mitigates any potential negative impacts.

2.7 The Fish Resources Basin Management Agencies, the Ministry of Agriculture, and MEP are the primary agency responsible for regulating economic activities in the rural landscape around the priority sites. The FRBMA's mandate is to serve primarily as a revenue generating mechanism for Government. Consequently, emphasis is placed upon production of fish resources rather than developing and enforcing a sustainable fishery management regime. Little proactive management is undertaken to maintain a certain baseline of biodiversity or ecological health in the waters that comprise the buffer zone around the site areas. Enforcement of existing wildlife laws is insufficient to achieve the desired result and no mechanism exists for developing a coordinated management approach to eliminating threats to the sites' biological diversity that emanate from the areas around them.

2.8 Baseline fishery resource management in URD and AS would continue to be focused on protecting the sturgeon fishery in URD while increasing catch levels with minimal enforcement of regulations designed to protect the overall health of the wetland ecosystem. No commercial fishery exists in the TK area. In the AS, private enterprise is investing in commercial-level fishing, but most independent fishers are marginalized. Cooperative, community management of wetland resources will continue to be a distant possibility and the non-sturgeon fisheries will continue to be an open access resource. No property regime will be enforced among individual fisher folk to manage or control access to them. Baseline financing for fishery management programs around URD and AS will total approximately US\$1,520,680 over the next seven years.

2.9 *Provision of Sustainable Livelihoods.* Existing livelihood-related programs in the buffer zone area will continue to ignore the development of sustainable alternatives. Women's needs would continue to be inadequately addressed. In the majority of cases, people would have little to no access to credit, resulting in more pressure on the resource in order to maintain subsistence level livelihoods. The information gap would most likely grow wider; fisherfolk and other stakeholders would continue to be unaware of alternative options. As a result more people will take up unsustainable livelihoods as a "last resort," increasing unsustainable pressure on the biodiversity resource from over-fishing and over hunting.

2.10 Baseline financing for livelihood development in the productive landscape around the three sites is unpredictable and sporadic. Last years eco-tourism (scientific tourism, international hunting, international fishing, and birdwatching) was developed in Kazakhstan quite effectively. The Ministry of Culture, Tourism and Sport is responsible for eco-tourism development and spends approximately US\$150,000/year participating in tourism service fairs in European and Asian markets. There are several Faculties on tourism, including eco-tourism in Kazakhstan. International ecotourism would be limited to a few hundred hardy tourists a year coming to see birds at TK. National ecotourism would continue with visits to TK increasing, given its proximity to the new capital city, Astana. None of the site areas, however, would have any mechanism in place to capture some revenue from visitors.

2.11 The GoK "Privatization Assistance Project" (US\$15 million) will proceed to support the development of newly privatized farms and agro-enterprises in key agricultural areas of Kazakhstan to improve rural productivity and incomes in the Almaty Oblast (Alakol Sassykol) and in the Akmola Oblast (Tengiz Kurgaldzhin). GoK's program for support of small business and the extension of microcredit is just developing in Kazakhstan, including in the project site areas. This system is in the early stages of development and it is still quite difficult for the average Kazakh person to get access to credit. Currently, GoK and commercial banks do provide credit but the documentation requirements are onerous enough to discourage the vast majority of potential borrowers. GoK's and UNDP's program to support women's livelihood development initiatives in priority areas around Kazakhstan has produced very promising results will be extended to the Ural River Delta site and perhaps the other two.

2.12 *A long-term financing mechanism as envisioned by the project does not exist. The government has some sort of mechanism whereby it does allocate \$ 100,000 per year for PA management.* However, there are problems with this “mechanism,” and the project is proposing a more viable, sustainable alternative. Although the potential exists for capitalising a funding mechanism from tourism and natural resource exploitation revenues, no long term funding mechanism exists or would be developed for wetlands over the course of the next seven years.

3. GEF Alternative

3.1. This project proposes an alternative approach to address the root causes of the main threats to the sites’ wetland biodiversity, with significant funding from partners other than GEF. The Alternative will do this by enabling stakeholders to conserve the biodiversity in a sustainable manner. This project will modify the baseline/business as usual scenario with GEF incremental funding for activities that provide global environmental benefits and complemented by co-financing for those sustainable development activities necessary to provide global environmental benefits. A portion of the co-financing will go to project activities that provide global environmental benefits, notably for the strengthening of the protected area management operations, and public awareness. Co-financing will also reduce threats related to habitat destruction and the over-harvesting of biological resource emanating from outside wetland areas by enabling stakeholders to sustainably utilize biological resources. The following is a description of the proposed GEF Alternative.

3.2. *A national integrated wetland biodiversity conservation and management policy and regulatory structure:* Building upon its own earlier efforts with the NCC and the Wetlands Working Group, the GoK will establish an innovative government institutional, policy and regulatory framework for the integration of biodiversity conservation into land and water use policies at a national level. An Inter-Ministerial Board (IMB) will be established to facilitate wetland conservation work and a supportive policy and regulatory framework developed. This framework will serve as a key integrating mechanism for developing solutions to the multi-sectoral problems facing wetland conservation. The framework will strengthen the present structures for coordination and integration.

3.3. *Well planned, effective protected area operations:* GEF financing will strengthen the management of the priority sites. The project will strengthen the priority sites by helping the stakeholders to establish a community-based approach to PA management, helping stakeholders to establish proactive, participatory community management plans. Boundaries will be demarcated and with community involvement, priority habitat zones will be defined. Priority habitats will be restored and active ecosystem/species management underway. Infrastructure of the PA (or site areas) will be improved, including some modest new field structures and equipment necessary to carry out required tasks. Enforcement of existing rules and regulations will be strengthened by a new government commitment and co-financing to assign more wardens to the PA. In addition, existing law and policy gaps will be “filled” in order to enable BR managers to more effectively enforce existing rules and regulations. Modest GEF funding will support the development of eco-tourism guidelines and a framework minimizing impact on the PA’s biodiversity of the development of low-scale eco-tourism industry in key areas of the buffer zone. Co-funding will support the actual development of an eco-tourism program for these areas.

3.4. GEF funding will support the establishment of a systematic research, monitoring and information management program to support the conservation of biodiversity within the site areas. The program will establish a systematic program of targeted research and monitoring and data management. A wetland research committee will be formed of representatives from key research institutions, management-oriented research priorities defined and requests for proposals published. The GoK will re-orient existing research funds so as to focus on priorities established by the research committee and GEF will provide some complementary targeted research support. A systematic monitoring program will be established in

collaboration with institutions with relevant capacities. The GoK has agreed to continue to fund water quality monitoring work for the three major rivers contributing water to the three site areas a more proactive pollution monitoring program. This will support the adaptive management approach to integrated biodiversity conservation and wetland management.

3.5. *Increased emphasis on communication and learning among management stakeholders and increased awareness and support among local communities.* GEF funds will support the development of an adaptive management approach under this project that enables wetland stakeholders to learn while doing and develop best practices for wetland conservation and sustainable use. A learning system will use information from the targeted research studies and monitoring program to employ an adaptive management approach to decision-making and implementation of development interventions in the project area. GEF funds will also support educational and media outreach programs. A sophisticated yet technologically and culturally appropriate approach will be developed targeting stakeholders in the wetland areas as well as decision-makers in government and the private sector at local, regional and national levels. Supplemental classroom materials will be developed and teachers trained in their use.

3.6. *Sustainable use of Productive Landscape around Priority Sites.* The GEF Alternative is designed to deal effectively with the landscape context of the wetland sites by leveraging co-financing to finance overall sustainable development activities necessary for integrated wetland management of the demonstration sites. This co-financing will support activities designed to address the threats to wetland biodiversity in the productive landscape caused by a lack of alternative livelihoods, appropriate technology, and a lack of experience in integrated management. Due to Kazakhstan's economic transition and its associated economic difficulties, not every wetland faces clear and present threats from development activities, providing a transition "window of opportunity" to establish a new precedent for biodiversity-friendly development in the productive landscape. GEF resources will be utilized to fund incremental activities that top-up this sustainable development baseline and contribute directly to the conservation of globally significant biodiversity. For example, biodiversity management criteria will be integrated into community-based water management regimes, micro-credit support programs, toxic waste cleanup efforts, and a water supply development program.

3.7. The GEF Alternative will empower stakeholders in the productive landscape surrounding the priority sites to develop sustainable alternative livelihood options. These activities will be largely financed by non-GEF sources because they seek to bolster the sustainable development baseline. GEF resources will support activities designed to modify existing uses of biodiversity. One of the most pervasive threats to wetland biodiversity in Kazakhstan is the overharvesting of wetland biological resources. The GEF alternative is designed to reduce the pressure on the wetland biological diversity to a sustainable, manageable level by enabling stakeholders to develop alternatives to currently unsustainable practices. Barriers related to technology transfer, lack of stakeholder familiarity with alternative options, and lack of access to fair, micro-credit will be overcome.

3.8. *User groups* comprised of local people will be formed in areas around wetland sites where surveys have found people to have direct interaction with the wetland area. These user groups will interact directly with the protected area and will be the organized social unit through which the project will offer its alternative livelihood assistance. Leveraged UNDP and sector co-financing will support the provision of capital to stakeholder groups participating in project inspired livelihood modification programs through the development of a micro-credit program. The project will enable local stakeholders, especially women, by providing them with access to micro-credit and small business development advice. Additional co-funding will support the viability of these new livelihoods. Criteria will be developed to determine who is eligible for support and how project ideas will be judged.

3.9. The *sustainable development framework* for each of the sites will be strengthened. This framework will focus on how to integrate biodiversity conservation into productive sector activities the areas surrounding the wetland sites. GoK and co-financing resources will finance an enhanced monitoring program to address the problem of insufficient information for sustainable management of areas surrounding demonstration wetlands. This will be done with the Ural River and Caspian Sea coastline outside of the URD protected area as well as with the Nura River upstream from the Tengiz Kurgaldzhino Reserve. GEF resources will top-up these sustainable management efforts with an incremental biodiversity conservation and monitoring framework for the same areas. Detailed zoning of priority habitats in the surrounding productive landscape will enable stakeholders to incorporate biodiversity conservation into the sustainable development framework. Stakeholders will be trained in how to integrate biodiversity conservation concerns into their framework management activities in agricultural and fishery resources. Important biodiversity conservation and environment protection criteria will be developed for incorporation into the integrated landscape management other development plans and activities associated with the wetland sites. GEF funds would be used to strengthen the MERN and MoA as the responsible authorities for the implementation of the landscape framework management plan.

3.10. To catalyze these sustainable livelihood initiatives, the GEF alternative is designed to remove the some important root causes of the key threats to wetland biodiversity in Kazakhstan. Two key threats and their associated root causes will be directly addressed under the sustainable livelihood initiatives: 1) the unsustainable use of water resources and 2) unsustainable use of biological resources. Important root causes are: a) the lack of effective property mechanisms in areas surrounding wetland sites; b) the lack of effective alternative livelihood options. Each initiative will be co-financed by GEF and other partners. GEF will play an incremental role in each demonstration by funding costs related to integrating biodiversity concerns into baseline actions, capacity building to enable biodiversity conservation in the buffer zone, and in providing funding for three demonstration activities on how to modify existing biodiversity-use practices to make them more sustainable. Productive landscape management-related actions are the responsibility of the MoA and the three akhimat-level DEP. The capacity of the three akhimat level DEPs will be strengthened so as to ensure that biodiversity conservation activities are fully integrated into environmental management and control activities. Co-financing will support the sustainable baseline for each of the demonstration initiatives. The Governments of the three Akhimats will strengthen their pollution control/monitoring efforts on the one primary source river for each wetland site. Leveraged GoK co-financing will strengthen the state and two Oblast level DEP as models for the Kazakshstan. GoK co-financing will also improve access to transportation and markets and increase the level of monitoring activities undertaken on the three primary source rivers.

3.11. *Sustainable fishery management*: the GEF Alternative will enable stakeholders to develop an effective property management regime (based upon the user group structure) for fish resources in the Ural River delta area, the lakes contiguous to the Tengiz-Kurgaldzhin area and Alakol/Sassykol Lake. The Alternative is designed so that the GoK's FBM substitutes baseline activities for more sustainable fisheries management activities. Fish resource management will be improved through the strengthening of community cooperatives and the establishment of proactive enforcement regimes and the introduction of less harmful more biodiversity friendly fishing practices. The GEF alternative will enable wetland fishery stakeholders to develop a more effective property management regime for fishery resources. GoK co-financing will familiarize stakeholders with community management approaches and sustainable resource-use methodologies and enable them to modify existing unsustainable practices. GEF funding will strengthen diversity management capacity enable stakeholders to manage the fishery to mitigate any potential negative impacts on the migratory bird habitat and food sources. Intensive consultations among local fisher groups will be conducted to enable local fisherfolk to establish user rights agreements to manage the fishery resources as a common property resource. These regimes will be reinforced by a Government-funded reinvigorated official fisheries management policy and practice in which the

enforcement of existing rules and regulations will complement user rights agreements. Enforcement will be strengthened through cross-authorization among GoK agencies such as the FFHC.

3.12. *Sustainable water resource management*: Unsustainable use of water resources is a primary threat to wetland biodiversity in Kazakhstan. This project has leveraged co-funding from UNDP and the GoK to address this problem. UNDP co-financing will implement a project to demonstrate improved and sustainable use of scarce water resources in rural areas. The project will develop, test, and replicate effective, low-cost and sustainable models of participatory water management and utilisation for effective policy review. GEF funds will complement the UNDP financing by using the opportunity to demonstrate biodiversity-friendly irrigation methods and principles. GEF financing will enable stakeholders to develop biodiversity-friendly guidelines for sustainable development activities in the areas surrounding the special protected areas. These guidelines will complement baseline economic development activities in areas surrounding the protected areas. Community management approach for biodiversity friendly irrigation practices will be demonstrated as part of a UNDP's small-scale irrigation development initiative. A community-based monitoring program will be developed as part of the project's incremental demonstration of biodiversity friendly irrigation practices for program.

3.13. GoK co-funding has been leveraged to address the water-use problems along the Nura River, prime contributor to the Tengiz-Kurgaldzhin wetland complex. GoK is in the early stages of implementing a large project entitled the "Northern Environment Management and Rehabilitation Project" (US\$52 million). The project will: 1) clean-up residual toxic waste in the Nura River (primary contributor of freshwater to the TK wetland site) and establish pollution control mechanisms; and 2) provide a sustainable water supply for Astana and Karaganda, using in part Nura River water. The GoK agrees to re-orient at least \$7,000,000 in activities of this project by incorporating specific wetland-friendly guidelines in its Nura River clean-up effort. The guidelines will enable them to minimize the impact on the downstream Tengiz-Kurgaldzhin wetlands. In a slight re-orientation of clean-up work, GoK will fund the establishment of a modest monitoring program for the water entering the TK wetlands complex.

3.14 *Migratory Bird Wetland Conservation Fund (MBWCF)*: A MBWCF will be established to provide reliable funding for recurrent costs of ongoing project-inspired activities. GEF's experience to date with long-term funding mechanisms shows that they can be a promising way to separate unpredictable government's budget commitments from basic financing for protected areas. The project would establish a Migratory Bird Wetland Conservation Fund to provide reliable funding for re-current costs managing the three priority wetland sites. The Fund would be established in three steps based on emerging best practice: Design and Consultation, Commencement, and Capitalization and Operations.

3.15 Step 1: Design and Consultation: A two day workshop would be held to launch the Fund's design stage to provide information regarding conservation funds, workable conservation fund structures, board composition, and funding priorities. The specific outcome of the workshop will be a schedule to produce specific recommendations on the best operational structure of the LTFM itself, including appointment of trustees, eligibility criteria for grantees, disbursement procedures, reporting requirements, and asset management arrangements. These recommendations would draw heavily from the GEF Evaluation of Conservation Trust Funds. The recommendations would then be submitted to the GoK and GEF for endorsement final endorsement.

Step 2: Commencement. A timetable of events leading to the operationalization of the Trust Fund would be developed during the first six months of project implementation. In order to begin operating the Fund, all the necessary legal measures must be undertaken in order to establish the MBWCF. The Fund would be registered under Kazakh law as a not-for-profit, non-governmental organization. The by-laws would be drafted, as would the operating guidelines and procedures. The initial board would be selected, and the Director of the Fund would be recruited in an open, competitive process. A representative from an international wetlands conservation organization would be selected to serve as the Fund's international operations advisor during the first two years of operation.

Step 3: MBWCF Capitalization: The Fund would be capitalized at US\$6 million. Assuming an annual real rate of return of 6%, a \$6 million capitalization would be necessary to generate the \$360,000 required to meet the following costs: \$60,000 per year for administrative and monitoring; \$180,000 annually for recurrent costs of managing the CSNR and SNR; and the balance of \$120,000 to support activities under Output 2 (research and monitoring), Output 3 (awareness building), and Output 4 (stakeholder empowerment). GEF's contributions to the Fund would occur in tranches. The first tranche would be released following an initial GEF evaluation to confirm that best practices in fund design and GEF eligibility criteria have been met. Subsequent to a positive evaluation, the GEF would release US\$500,000 contingent upon matching funds being secured on a 1:3, GEF:Co-financing ratio. The second tranche of US\$500,000 would be released with the same conditions by the end of the project's second year of operation and the third would be released by the end of the project's fourth year on a 1:3 basis following a final GEF evaluation to ensure that the Fund's absorptive capacity exists and that matching requirements have been satisfied.

4. Scope of Analysis

4.1 The system boundary of this project is defined at two levels: the national policy level and the local site level. The system boundary has been delimited during the course of the Block B process through an iterative threat and root cause analysis. This analysis determined the national level of the system boundary to be concerned with the lack of an integrated policy and regulatory framework for wetland conservation. At the local site level, the system boundary is delimited by the geographic boundaries of the three wetland sites and their surrounding productive landscape as delimited by the threat and root cause analysis.

4.2 The threats/root cause analysis of the productive landscape around these wetlands has identified two types of threats: 1) non-point source threats caused by people living within ten miles of the wetlands and putting pressure on wetland resources through their daily hunting and fishing activities; and 2) point source threats that emanate from specific sources more than 15 miles away from the wetland itself (e.g., upstream from the wetland). The system boundary for each site extends beyond the wetland area itself to include those threats to the sites' biodiversity resource and their attendant root causes.

4.3 The 600 km² Ural River delta is comprised of myriad branches lined with tall reeds and interspersed with shallow bodies of still water. The existing specially managed hunting area is 50 km². The GEF alternative proposes to enlarge this specially managed area to 500 km². The system boundary for the Ural River Delta site extends beyond this 500 km wetland area itself to include those threats to the site's biodiversity resource and their attendant root causes. These can be adequately addressed within an approximately 10 mile wide band around the wetland area itself, including the approximately 7,300 people who inhabit six villages and hamlets in the area immediately adjacent to Ural River delta.

4.4 Fed by the Nura River, the Tengiz-Kurgaldzhin wetland zapovednik is 1,900 km². The landscape around the wetland area is sparsely inhabited rolling steppe land and includes two settlements that have a daily interaction with wetland resources, Abai village (pop. 5,458) and Nygman village (pop. 136). Two point-source threats are of primary concern to the long-term outlook of the TK wetland complex. 1) The

Nura River is essentially the sole contributor of surface fresh water. The main threat to the river's water quality is an industrial complex located 100 kilometers upstream. While the industrial complex is virtually closed, polluted sediments in the river bottom deposited there from past operations remain a problem. 2) Secondly, the main threat of to the river's quantity of water is the new capital of Astana and its plans to tap some of the Nura's fresh water resources for its drinking water supply. The system boundary for the TK site extends beyond this 1,900 km² wetland area itself to include those threats to the site's biodiversity resource and their attendant root causes.

4.5 The Alakol/Sassykol Lake protected area is a total of 230 km². Within the 10 mile vicinity of the Alakol-Sassykol wetland area there are nine settlements (Annex VI) with a combined population of 9,200 people who hunt and fish the wetland resources. The system boundary extends beyond the reserve to include this these threats to the site's biodiversity resource and their attendant root causes.

5. Costs and the Incremental Cost Matrix

1.1 The baseline associated with this project is estimated at US\$ 118,313,300. The GEF Alternative is \$152,693,300. The total Project Cost is 35,990,000 of which US\$8,710,000 is considered incremental. These incremental funds have leveraged \$25,670,000 in co-financing for the sustainable development baseline. Costs have been estimated for seven years, the duration of the planned project Alternative.

Incremental Cost Matrix

| Cost/Benefit | Baseline (B) | Alternative (A) | Increment (A-B) |
|--------------------------|---|--|---|
| Domestic benefits | <ol style="list-style-type: none"> 1. Key government agencies not collaborating on wetland management. Conservation objectives not integrated into development planning. 2. Some limited wetland management programs underway. 3. Communities nearby wetlands receive direct-use benefits. 4. Lack of village-level common property management regimes in the wetland areas cause over-exploitation of wetland resources. | <ol style="list-style-type: none"> 1. GoK's ability to ensure the sustainable use of wetland resources will be strengthened. Collaboration institutionalized. 2. Management of wetland biodiversity will be strengthened to ensure sustainable use. 3. Government policies will be strengthened to provide local communities with more resource stewardship responsibilities. 4. Local stakeholders will be more proactive in sustainably managing their economic livelihoods. | <ol style="list-style-type: none"> 1. The ecological sustainability of development programs will be enhanced and existing unsustainable practice reduced/eliminated. 2. Long-term sustainable use of wetland biodiversity will be secured for future generations while protecting ecological functions. 3. Reduced dependence on external support for the sustainable use of wetland resources. 4. Wetland resources utilized on a more sustainable basis. Biodiversity criteria integrated into resource-use. |
| Global Benefits | <ol style="list-style-type: none"> 1. Current conservation is inadequate to conserve the wetland biodiversity. 2. Enabling policies for community-based conservation are lacking, reducing the effectiveness of management. 3. Insufficient institutional, human, and financial capacity at the site level to manage biodiversity. 4. Existing livelihood options are destructive to wetland sites' biodiversity. 5. Local communities lack awareness of broader conservation values | <ol style="list-style-type: none"> 1. Long-term sustainable conservation programs for wetland biodiversity will be established. 2. Government policies will better facilitate the effective conservation of wetland biodiversity by local communities and stakeholders. 3. Law and policies are strengthened. Legal protection is extended to key species. Capacity of community institutions is strengthened to the point where it is self-sustaining. 4. Communities develop sustainable alternative livelihoods and reduce pressure on wild resources. 5. More targeted awareness raising programs implemented in and around site areas. | <ol style="list-style-type: none"> 1. Global use, non-use, existence and options values for biodiversity in the wetland will be secured. 2. A strong, participatory management mechanism is established to improve conservation and sustainable use of wetland biodiversity. 3. Enabled communities become active partners in conserving globally significant biodiversity. 4. Existing livelihoods are modified. Pressure on biodiversity reduced as people receive tangible benefits from non-destructive livelihood options. 5. Increased awareness of biodiversity values translates into greater active support for conservation. |

| Costs | Baseline (B) | GEF Alternative (A) | Increment (A-B) |
|--|---|--|---|
| Output 1: Institutional, Policy and Regulatory Framework | Lack of institutional, policy and regulatory framework for wetland biodiversity management. Lack of understanding in how to develop new policy tools for wetland conservation and sustainable-use. \$875,000 | <i>Established institutional, policy and regulatory framework and guidelines for local implementation – updated Forest Law, Water Law, and Land Law. Legal framework supports relevant international conventions. Government re-orient part of existing policy baseline to support these activities with GEF funding providing needed technical assistance and capacity building.</i> 1,550,000 | GEF: \$275,000 MoA: \$400,000 |
| | Policy makers incapable of assessing values and services provided by wetlands. Lack of capacity to assess values and services provided by wetlands and to conduct economic valuations of wetlands or to determine social costs of wetland loss. | <i>Policy makers able to effectively assessing values and services provided by wetland biodiversity and to apply new policy tools to wetland conservation.</i> 220,000 | GEF: 220,000 |
| | | <i>GoK ecotourism program and GEF-supported biodiversity-friendly ecotourism guidelines/framework</i> 65,000 | GEF: 25,000 Jibek Joly: 40,000 |
| | Sub-total: \$875,000 | <i>Sub-total: \$1,835,000</i> | Sub-total: 960,000 GEF: 520,000 Non-GEF: 440,000 |

| Costs | Baseline (B) | GEF Alternative (A) | Increment (A-B) |
|--|--|--|---|
| Output Strengthened Protected Areas | 2: | | |
| Ural River Delta | | | |
| | <p><i>PA Operations:</i> Current protected area is given the local status of a hunting area or “Zolotyonok” and there is no budget to raise the status of this area to a national one and expand its size. The area is managed in peripheral way by the GoK’s Northern Caspian Management programme. \$214,000</p> | <p><i>Improved PA Operations :</i> Final legal establishment of URD as a national protected area. Demarcate boundaries and zone habitats. Conservation-oriented management extended over new wetland areas and associated loss in wild product harvest values. Foregone value of resource extraction in areas to be protected under project: \$839,000</p> | <p>GEF: \$125,000 GoK: \$400,000 MoA: \$100,000</p> |
| | <p>Inadequate level of staffing. Part-time salaries of seven PA staff for seven years. \$49,000</p> | <p>Increased number of PA staff to optimum level of 28 staff. \$784,000</p> | <p>FFHC: \$735,000</p> |
| | <p>No management plan to implement.</p> | <p>Design and development and implementation of participatory, community-based park management plans. \$110,000</p> | <p>GEF: \$110,000</p> |
| | <p>Infrequent, insufficient enforcement patrols. Inadequately controlled use of wetland resources in areas earmarked for conservation. \$250,000</p> | <p>Increased enforcement of PA regulations through cooperative agreements with communities and fisheries service. \$470,000</p> | <p>GEF: \$50,000 FFHC: \$170,000</p> |
| | <p>No training program for URD staff exists.</p> | <p>Implementation of training program for park staff. Study tours on park enforcement/management. \$150,000</p> | <p>GEF: \$150,000</p> |
| | <p>No ecotourism management planning</p> | <p>Development of a biodiversity-friendly ecotourism management guidelines for the protected area. \$30,000</p> | <p>GEF: \$30,000</p> |

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| | No systematic species and habitat management planning being done. | Development of species and habitat management plan for priority species and habitats. \$110,000 | GEF: \$110,000 |
| | Government plans research on game species and wildlife inventories. Funding for wetland-oriented research by national Institutes for Zoology, Geography and Botany has been cut 90% in recent years and what remains is sporadic and unpredictable. Small-scale, local research programs at the protected area site level proceed when funding is available. \$120,000 | Targeted research program supports adaptive management. Government targets existing program to support proactive wetland management, focussing on and habitat recovery needs for endemic and endangered species. \$410,000 | GEF: \$200,000 OKIOC (Agip): \$50,000 FFHC: \$40,000 |
| | No funds currently budgeted for park infrastructure improvements | Park infrastructure improved. Reasonable level of infrastructure, equipment and upkeep to support management of parks. Wind power for park station. \$230,000 | GEF: \$230,000 |
| Tengiz-Kurgaldzhino | | | |
| | <i>PA Operations:</i> Site is eligible, but lacks official designation as World Heritage Site. No funding for demarcating boundaries. | <i>Improved PA Operations :</i> Secure nomination of TK as World Heritage Site. Expand boundary of buffer zone \$310,000 | GEF: \$160,000 MoA: \$100,000 NABU: \$50,000 |
| | Inadequate level of staffing. Part-time salaries of 43 PA staff for seven years 200,500 | Increased number of PA staff to the optimum level of 55 staff. \$725,500 | FFHC: \$525,000 |
| | Partial implementation of non-participatory management plan. 97,800 | Design and development and implementation of community-based park management plans. \$297,800 | GEF: \$110,000 NABU: \$90,000 |
| | Infrequent, insufficient enforcement patrols. Ongoing, inadequately controlled use of wetland resources in areas earmarked for conservation \$250,000 | Increased enforcement of PA regulations through cooperative agreements with communities and fisheries service \$475,000 | GEF: \$55,000 FFHC: \$170,000 |
| | Lack of training program for Park staff. | Implementation of training program for park staff. Study tours on park enforcement/management. \$250,000 | GEF: \$210,000 NABU: \$40,000 |

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| | No ecotourism management planning | Development of an ecotourism management plan for the protected area. \$30,000 | GEF: \$30,000 |
| | No systematic species and habitat management planning being done. | Development of species and habitat management plan for priority species and habitats. \$110,000 | GEF: \$110,000 |
| | Government plans research on game species and wildlife inventories. Funding for wetland biodiversity research by national Institutes for Zoology, Geography and Botany has been cut 90% in recent years and what remains is sporadic and un-predictable. Small-scale, local research programs at the protected area site level proceed when funding is available. \$120,000 | Targeted research program. Government targets existing program to support proactive wetland management, focussing on threatened species and habitat recovery program for endemic and endangered species. \$430,000 | GEF: \$220,000 NABU: \$50,000 FFHC: \$40,000 |
| | Minimal funds currently budgeted for park infrastructure improvements \$10,000 | Park infrastructure improved. Reasonable level of infrastructure, equipment and upkeep to support management of parks. \$310,000 | GEF: \$300,000 |
| Alakol-Sassykol | | | |
| | <i>PA Operations:</i> Current protected area is too small to incorporate all significant habitat and nesting areas and no funding exists for expansion. | <i>Improved PA Operations :</i> Legal expansion of AS to four times its current size. Demarcate new boundaries and zone habitats. Conservation-oriented management extended over new wetland areas and associated loss in wild product harvest values. Foregone value of resource extraction in areas to be protected under project: \$865,000 | GEF: \$125,000 GoK: \$700,000 FFHC: \$40,000 |
| | Inadequate level of staffing. Part-time salaries of 20 PA staff for 7 years: 96,000 | Increased number of PA staff to 35 full-time staff. \$496,000 | FFHC: \$400,000 |
| | Partial implementation of non-participatory management plan by staff with no real implementation budget. | Design, development and implementation of participatory, community-based park management plans. \$110,000 | GEF: \$110,000 |

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|---|---|--|---|
| | Infrequent, insufficient enforcement patrols. Inadequately controlled use of wetland resources in areas earmarked for conservation. \$250,000 | Increased enforcement of PA regulations through cooperative agreements with communities and fisheries service. \$475,000 | GEF: \$55,000 FFHC: \$170,000 |
| | No training program for Park staff exists. | Implementation of training program for park staff. Study tours on park enforcement/management. \$185,000 | GEF: \$185,000 |
| | No ecotourism management planning | Development of an ecotourism management plan for the protected area. \$30,000 | GEF: \$30,000 |
| | No systematic species and habitat management planning being done. | Development of species and habitat management plan for priority species and habitats. \$110,000 | GEF: \$110,000 |
| | Government plans research on game species and wildlife inventories. Funding for wetland-oriented research by national Institutes for Zoology, Geography and Botany has been cut 90% in recent years and what remains is sporadic and un-predictable. Small-scale, local research programs at the protected area site level proceed when funding is available. \$100,000 | Targeted research program. Government targets existing program to support proactive wetland management, focussing on threatened species and habitat recovery program for endemic and endangered species. \$345,000 | GEF: \$205,000 FFHC: \$40,000 |
| | No funds currently budgeted for park infrastructure improvements | Park infrastructure improved. Reasonable level of infrastructure, equipment and upkeep to support management of parks. \$300,000 | GEF: \$300,000 |
| | Sub-total: \$1,757,300 | Sub- total: \$8,987,300 | Sub-total: \$7,230,000 GEF: \$3,320,000 Non-GEF: \$3,910,000 |
| Output 3. Learning and Awareness | Awareness raising through printing and dissemination of posters, regulations, and other materials. FFHC/NGOs: 350,000 | Development of an awareness and environmental education program targeting different kinds of media, from radio to video to TV. Development of Field guides on wetland/migratory bird species w/help of KHU. Produce/construct displays for visitor centers. School students studying, seeing, and appreciating wetland biodiversity. \$1,340,000 | GEF: 750,000 GoK: 170,000 OKIOC: 60,000 KHU: 10,000 |

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| | No active sharing of lessons learned/best practices w/respect to wetland conservation in Central Asia. | - Monitoring and evaluation/best practices Central Asian Conference on wetland management \$430,000 | GEF: \$430,000 |
| | Sub-total: 350,000 | Sub- total: \$1,770,000 | Sub- total: \$1,420,000 GEF: \$1,180,000 Non-GEF: 240,000 |

| Costs | Baseline (B) | GEF Alternative (A) | Increment (A-B) |
|---|---|--|---|
| Output 4: Enabling sustainable use in productive landscape | | | |
| | <i>Unsustainable use in the productive landscape/ Inadequate support for alternative livelihoods</i> | <i>Enabling sustainable-use in the productive landscape./Catalytic support for alternative livelihoods in productive landscapes</i> | |
| Ural River Delta | | | |
| | Local stakeholders who interact daily with wetland resources have minimal capacity to work cooperatively and no access to micro-credit or business support. | A micro-credit and business support programs established to support small enterprises. GEF funds UNV biodiversity-oriented investment position to help to guide the micro-credit program. \$255,000 | OKIOC (Agip): \$100,000 GEF: \$155,000 |
| | No sustainable-use framework management plan. | Develop “sustainable-use” framework management plan – zoning, policy, institutions with GEF-supported biodiversity conservation framework for site areas \$130,000 | GoK: \$50,000 GEF: \$80,000 |
| | MEP enforcement of pollution laws in Ural River. The MEP oversees developers’ compliance with environmental/water quality laws without due consideration for impacts on biodiversity. \$400,000 | <i>Strengthened Environmental Management.</i> The MEP oversees compliance with environmental /water quality laws with full consideration for impacts on biodiversity. Technical assistance to MEP and government agencies in integrated biodiversity conservation. \$655,000 | GEF: \$105,000 MEP-Atyrau \$150,000 |
| | No biodiversity management in productive landscape. | <i>Biodiversity management plans in the productive landscape</i> | GEF: \$80,000 |

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|----------------------------|--|---|---------------------------------------|
| | | Co-funding to develop and demonstrate implementation of biodiversity management plans in the productive landscape: \$200,000 | GoK: \$120,000 |
| | AOEMD will continue to monitor water quality of Ural River at 11 places along Ural River but without concern for wetland habitat quality. \$975,000 | <i>Strengthened monitoring programme:</i> AOEMD re-orientes existing monitoring program to include water quality parameters for wetland habitat health, quantification of existing habitat quality, bird numbers and species composition. GEF assists in this process by paying for expert input to facilitate this re-orientation and conducts inventories to establish in-situ indicator species \$1,500,000 | AOEPM/GoK \$325,000 GEF: \$200,000 |
| | Atyraubalyk operates a commercial fish (sturgeon) production business in the Ural Delta. It manages fishery for production and protects proprietary sturgeon fishery. Atyraubalyk has re-oriented its existing program so that it manages its sturgeon fishery in part for wetland ecosystem health AND has strengthened proactive enforcement/ management, and has undertaken a survey and assessment of fishery resources in URD delta area. \$3,045,000 | <i>Strengthened Fisheries Management</i> GEF funds the demonstration of less harmful, more sustainable fishing techniques in URD area \$3,220,000 | GEF: \$175,000 |
| | No work with fishing cooperatives is budgeted in the GoK program. | Stakeholders develop an effective property management regime for the non-sturgeon fishery in the URD. Develop user rights agreements among fish cooperatives in URD; establish community management training program for staff and coop leaders; GEF enables activities to include biodiversity conservation concerns. \$55,000 | GEF: \$55,000 |
| Tengiz-Kurgaldzhino | | | |
| | Local stakeholders who interact daily with wetland resources have minimal capacity to work cooperatively and no access to micro- | A micro-credit and business support programs established to support small enterprises at reasonable rates. GEF provides biodiversity- | GEF: \$55,000 NABU: \$225,000 |

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| | credit or business support. | friendly input to micro-credit work. \$280,000 | |
| | No sustainable use framework. | Develop “sustainable-use” management plan – zoning, policy, institutions with GEF-supported biodiversity conservation framework for site areas \$245,000 | GoK: \$100,000 GEF: \$85,000 NABU: \$60,000 |
| | MEP enforcement of pollution laws in Nura River. The MEP oversees developers’ compliance with environmental/water quality laws without due consideration for impacts on biodiversity. \$300,000 | <i>Strengthened Environmental Management:</i> The MEP oversees compliance with environmental /water quality laws with full consideration for impacts on biodiversity. Technical assistance to MNREP and government agencies in integrated biodiversity conservation. \$555,000 | GEF: \$105,000 MEP \$150,000 |
| | No biodiversity management in productive landscape. | <i>Biodiversity management plans in the productive landscape</i> Co-funding to develop and demonstrate implementation of biodiversity management plans in the productive landscape: \$205,000 | GEF: \$90,000 GoK: \$115,000 |
| | <i>Insufficient monitoring</i> MEP tests water bi-monthly and has inadequate facilities. \$250,000 | <i>Strengthened monitoring programme including independent entities.</i> MNREP and Local WetlandWatch groups monitor water quality each month using adequate facilities: \$655,000 | MEP: \$300,000 GEF: \$105,000 |
| | No sustainable agriculture assistance efforts are planned or currently underway. | <i>Biodiversity-friendly agricultural practices.</i> Stakeholders will be able to develop effective sustainable farming regime for utilizing agricultural land in a demonstration area near TK. \$215,000 | GoK: \$75,000 NABU: \$90,000 GEF: \$50,000 |
| | Currently, there are no plans nor is there any funding to develop an appropriate, sustainable ecotourism program inside the protected area and the recreation zone outside the TK protected area. | <i>Sustainable Eco-tourism Development:</i> The “Jibek Joly Company” will fund the development of an appropriate, sustainable ecotourism program inside the special protected area and the surrounding areas. \$1,000,000 | Jibek Joly Co. \$1,000,000 |

| | | | | |
|-----------------------------|---|--|---------------------|-----------------------|
| | The GoK will clean up of mercury contamination in the Nura River in the absence of guidelines to minimize the impact on the downstream Tengiz-Kurgaldzhin wetlands during the clean-up operations and without putting into place a modest monitoring program for water quality control. \$62,000,000 | <i>Sustainable Water Resources Management:</i> The GoK agrees to incorporate specific wetland-friendly guidelines in its Nura River clean-up project. The guidelines will enable them to minimize the impact on the downstream Tengiz-Kurgaldzhin wetlands. In addition, a modest water quality monitoring program for the water entering the TK wetland complex will be established. \$72,000,000 | GoK | \$10,000,000 |
| | Rehabilitation of irrigation and drainage infrastructure proceeds without any specific wetland impact amelioration and/or conservation mechanisms put in place. WB-GoK \$47,000,000 | <i>Community Irrigation water management:</i> Leveraged resources from GoK irrigation rehabilitation program in Syr Daria area and support UNDP/GEF demonstration program and ensure that wetland conservation is included as a priority in Kazakhstan's irrigation modernization program. \$49,505,000 | GoK: | \$2,505,000 |
| | No community-based water management programs under operation or planned. | <i>Community Irrigation water management:</i> UNDP assists stakeholders in demonstrating an effective, community-based water management program in the Syr Daryia area. GEF tops-up by helping the UNDP effort to demonstrate an effective, wetland biodiversity-friendly water management/irrigation program to stakeholders from the project's three site areas. \$260,000 | GEF: | \$260,000 |
| Alakol-Sassykol Lake | | | | |
| | Local stakeholders who interact daily with wetland resources have minimal capacity to work cooperatively and no access to micro-credit or affordable business development credit. | A micro-credit program established to support ecotourism-related enterprises at reasonable rates. GEF provides biodiversity-friendly input to the program. \$500,000 | GEF: Jibek Joly: | \$50,000 \$450,000 |
| | | Develop "sustainable-use" framework management plan – zoning, policy, institutions with GEF-supported biodiversity conservation framework for site areas \$100,000 | Jibek Joly: GEF: | \$50,000 \$50,000 |
| | | <i>Biodiversity management plans in the productive landscape</i> | GEF: | \$80,000 |

| | | | |
|--|---|--|---|
| | | Co-funding to develop and demonstrate implementation of biodiversity management plans in the productive landscape: \$195,000 | GoK: \$115,000 |
| | | <i>Biodiversity-friendly agricultural practices</i> Stakeholders will be able to develop effective sustainable farming regime for utilizing agricultural land around the AS site. \$25,000 | GEF: \$25,000 |
| | The Ili Balkash FBM and Oblast fishery inspection focus their resources on enforcement and hatchery programs. IBF has modified its fisheries management program to include emphasis on sustainable fishery use in AS complex, strengthened proactive enforcement, and undertaken a survey and assessment of fishery resources in AS site. \$1,361,000 | <i>Sustainable Fisheries Management:</i> GEF helps IBF integrate biodiversity concerns and demonstrates less harmful, more sustainable fishing techniques in the three sites: \$1,496,000 | GEF: \$135,000 |
| | No work with fishing cooperatives is budgeted in the GoK program; No private support of sustainable alternative livelihood development in the fishery sector. Sub-total: \$115,331,000 | UNDP supports the development of user rights agreements among fish coops in AS; establish community management training program for staff and coop leaders; Jibek Joly Company supports development of sustainable, local-level fishery in productive areas of Lake Alakol; GEF enables activities to include biodiversity conservation concerns. 660,000 Sub-total: \$133,911,000 | Jibek Joly: \$600,000 GEF: \$60,000 Sub-total: \$18,580,000 <i>GEF: 2 000,000</i> <i>Non-GEF: 16,580,000</i> |

| Costs | Baseline (B) | GEF Alternative (A) | Increment (A-B) |
|---|--|---|--|
| Output 5: Migratory Bird Wetland Conservation Fund | Lack of adequate and long-term funding for wetland biodiversity conservation and management. | <i>Adequate and sustainable long-term financing for the conservation and management of wetland biodiversity ensured. Consultation/Design/Commencement of trust fund. \$75,000; Consultations/training/promotional material \$115,000. \$190,000</i> | <i>GEF: \$190,000</i> |
| | 0 | Capitalization of Trust Fund \$6,000,000 | GEF: \$1,500,000 GoK leveraged: \$4,500,000 |
| | Sub-total: 0 | Sub-total: \$6,190,000 | Sub-total: 6,190,000 <i>GEF: 1,690,000</i> <i>Non-GEF: 4,500,000</i> |
| Total: | Baseline Total: \$118,313,300 | GEF Alternative Total: \$152,693,300 | Project Cost: \$34,380,000 Co-financing: 25,670,000 <i>GEF: 8,710,000</i> |
| GRAND TOTAL: | \$118,313,300 | \$152,693,300 | \$34,380,000 |

ANNEX VIII FINANCIAL MECHANISM FOR WETLAND MANAGEMENT

1. Medium-term Funding Shortfalls

1.1 Kazakhstan is a country undergoing structural transition from a centrally planned to market-based economy. The resulting economic dislocation has caused significant revenue shortfalls that have in turn forced the Government to cut budgetary appropriations to conservation programs. By all indications, funding shortfalls will continue to hamper conservation efforts for the next 10 years at least, adversely impacting efforts to protect migratory bird wetland habitats. Recognizing this reality, the project will establish a Migratory Bird Wetland Conservation Fund to augment baseline funding and defray the recurrent costs of conservation in the three priority wetland sites. The fund would also cover the costs of replicating demonstrations by sharing information with conservation actors at wetland sites elsewhere in Kazakhstan.

Review of proposed program and the funding deficits to be incurred:

| Main Interventions | Annual Baseline | Annual Funding Needs | Annual Deficit |
|--|------------------------|-----------------------------|-----------------------|
| Wetland biodiversity management and monitoring | \$251,000 | \$456,000 | \$205,000 |
| Education, awareness, & information sharing | \$50,000 | \$110,000 | \$60,000 |
| Total: | \$301,000 | \$566,000 | \$265,000 |

2. Designs and Establishment of the Trust Fund Mechanism:

2.1 The MBWCF will consist of an endowment, the principal of which will be invested in income bearing deposits and the proceeds of which would be made available to finance the recurrent costs of monitoring and managing wetland biodiversity in the three sites, as well as ongoing conservation awareness and education programs. All funding for these activities will be subject to the satisfaction of “incrementality” criteria that assure continuance of annual baseline funding. A portion of the income, capped at 25% of proceeds in any given year, will be utilised to finance the administrative costs of the Fund. The MBWCF will not operate as a small grants facility, but would rather provide predictable funding for conservation management functions, required under the management plans for the three sites.

2.2 Institutional Structure: The MBWCF will be administered by an independent Governing Board responsible for ensuring the efficient operation of the Fund, according to rules and procedures provided in the Bylaws and Operations Manual, approving and upholding Trust Fund Grant Agreements signed with donor agencies, fundraising efforts, approving and monitoring use of grants, recruiting staff and ensuring that staff decisions are independent and transparent, and maintaining a high profile for the Fund and publicizing its activities. The Board may convene independent advisory committees to inform the activities of the Fund, and provide oversight of field activities. A Funds Operations Unit comprised of three staff members will be created in Kazakhstan to administer the fund’s day-to-day operations, monitor field-activities, report to donors, and co-ordinate affairs among

the major parties involved, including MoA and MEP, each of the three wetland areas, NGOs, IUCN, WCI, and UNDP. An independent and internationally recognized firm will be recruited to manage assets, on a commission basis. The asset manager will advise on investment strategies, and invest the assets within pre-agreed risk/disbursement parameters.

2.3 The project will operationalize the fund in two steps based on emerging best practice: 1) consultation, design and establishment; and 2) capitalisation, capacity building and operations.

2.4 Consultation, Design and Establishment: The legal and operational mechanisms needed to create and administer the Fund will be designed during the first twenty-four months of project implementation, following intensive consultations between UNDP and key government and private sector stakeholders, and donor organisations that might potentially capitalise the Fund. These consultations will sensitise stakeholders to UNDP and GEF's experience with trust funds (information regarding conservation funds, workable conservation fund structures, board composition, and funding priorities) and define workable approaches to applying recognised best practices in Kazakhstan. Capitalisation of the Trust Fund will be precedent upon application of the following best practices:

The Fund will be created as an independent financial mechanism with majority non government representation on the Governing Board, and members are selected in independent and transparent manner;

Pairing of the Fund with an International NGO, donor or Foundation able to provide mentoring support;

Guarantees that the proceeds of the Fund will be utilised to finance the incremental costs of wetland conservation;

Mechanisms to ensure that capital is held and invested in a jurisdiction that assures the safety of assets, including from invasion and attachment;

Mechanisms guarding against frustration of the Objectives of the Fund;

Selection of an independent, internationally reputable and experienced Asset Manager to manage assets, following a transparent competitive tendering process.

2.5 The Project will contract out responsibilities for designing the Fund, to a technically proficient consulting firm with extensive prior experience developing Trust Funds or similar instruments. In particular, the consulting firm will be commissioned to prepare the Bylaws, and the Operations manual. The Bylaws will, amongst other things, describe the objective and activities of the Fund; procedures guaranteeing the incrementality of activities financed by the Fund; composition of the Governing Board, criteria for Board membership and procedures circumscribing the rotation of Board Members, selection of the Governing Board, Powers and Duties of the Governing Board; rules of appointment, Capitalization arrangements, Rules of Procedure, and procedures governing dissolution of the Fund. The Operations Manual will provide 1] guidelines for identifying and submitting proposals for funding; 2] eligibility criteria for funding; 3] project selection criteria; 4] financial reporting and auditing arrangements; 5] disbursement arrangements and procedures; 6] procurement guidelines; and 7] M&E arrangements. The final design recommendation will then be submitted for endorsement by the Project Steering Committee.

2.6 The establishment phase will involve the following steps 1] registration of the Fund under Kazakh law as a not-for-profit, non-governmental organization; 2] selection of the Governing Board; 3] Board approval of the Operations manual; 4] selection of the asset manager; and 5] confirmation of co-financing. The following are key activity milestones for the design and establishment of the MBWCF:

| Months | 6 | 9-14 | 15-16 | 17-19 | 20-24 |
|---|---|------|-------|-------|-------|
| Fund Establishment Work plan | | | | | |
| Assessment of legal, finance management options. | | | | | |
| Consultations with key stakeholders to discuss the options and recommend appropriate way forward. | | | | | |
| Recommendations drafted. Reviewed by Trust Fund working group. | | | | | |
| Independent Evaluation of Arrangements. | | | | | |
| MBWCF long term funding mechanism formally established | | | | | |

(Project Work Plan provides that MBWCF fund will be created at the beginning of 3rd year of Project realization. So time assigned for preparation for and creation of MBWCF is 18 months. Work on WBWCF creation will start 6 months after project start.)

3. Background On How Recommendations Have Impacted Design Strategy For The Fund:

| Considerations | Impact on Design |
|---|---|
| The importance of the biodiversity resource on a global scale affects the fund's ability to attract funding. | Prospects for raising national funds and attracting international financing are excellent due to the significance of the resource and Kazakhstan's position as an oil producer. Global interest in the support of migratory bird habitat conservation is very high. Several northern European countries (Holland and Finland) are keenly interested in collaborating with Kazakhstan in the conservation of habitat for rare species that nest in Europe, but migrate through Kazakhstan. Supporting wetland habitat conservation is an excellent way for oil producers to "contribute to environmental management in Kazakhstan. One of the sites (Ural River Delta) is located just on the edge of one of the largest oil finds in the Caspian Sea. |
| Absence of major, urgent threats requiring mobilization of large amounts of resources in a short time period (i.e., the conservation action | The designation of the wetlands as protected areas, combined with their relative isolation, has minimized the human "imprint" on them. The project will address the critical outstanding threats to wetland biodiversity in these three sites—that of imminent pollution, imminent agriculture encroachment and poaching. These threat are of a permanent nature and abatement requires sustained |

| Considerations | Impact on Design |
|---|---|
| <p>required is long term and addressable with the flows a trust fund could produce).</p> | <p>funding. A sizeable, one-time investment is required to strengthen the infrastructure and capacity for managing and conserving wetlands at the level required to protect global biodiversity values. This is provided for under the project (the bulk of project financing is dedicated to servicing this need). But much smaller quantities of funds are required to ensure sustained action and cover the remaining deficits, particularly in relation to maintaining core research and planning activities; and periodically providing quick-delivery funds for emergency protection actions.</p> |
| <p>A legal framework that permits establishing a trust fund, foundation or similar organization.</p> <p>Tax laws allowing such a fund to be tax exempt, and providing incentives for donations from private contributors.</p> | <p>The Kazakh Civil Code and the Law on Non-commercial Organisations allow for the creation of non-profit, non-governmental foundations for a wide range of purposes, including environmental management. Existing Kazakh legislation establishes procedures for the establishment and registration of non-governmental, non-profit organizations and Foundations. Kazakhstan's tax laws allow for the exemption of foundations created for charitable purposes. In addition, private contributions to such foundations are tax-deductible. In other words finances directed to the conservation activities and environmental management or donors endowments to the fund will be tax exempt, meanwhile internal fund facilitating activities such as salary payments, transportation and etc. should meet the tax code requirements in terms of tax liabilities.</p> |
| <p>A basic fabric of legal and financial practices and supporting institutions (including banking, auditing and contracting) in which people have confidence.</p> | <p>A number of international Banks have branch offices in Kazakhstan, including ABN Amro Bank and City Bank, and provide a broad range of financial services. Several accounting firms have branch offices in Almaty and Astana, including PriceWaterhouseCoopers, Deloitte and Touch, Arthur Anderson and others. These companies are able to provide a range of services, including accounting and management consulting services. The formalization of an agreement between the MBWCF's trustee and an acceptable asset manager will be a pre-condition for the release of seed capital by the Global Environment Facility into the endowment.</p> |
| <p>Availability of one or more mentors – a donor agency with good program support, a partnership with an international NGO, “twinning” with another, more experienced trust fund -- who can provide both moral and technical support to the fund.</p> | <p>UNDP will provide support to the fund in a mentor capacity, and will be represented on the board of trustees in an ex officio capacity. Wetlands Conservation International will provide technical support to the fund as required, including for the development of operations manuals and building administrative capacities. An international NGO will be represented on the Board of Trustees.</p> |

4. Capitalizing the Fund:

4.1 The initial capitalization target of the MBWCF is US\$ 6,000,000 million. This capital is expected to generate annual income of US\$330,000, assuming a rate of return from fixed and variable investments of 5.5% per annum. Assuming administrative costs estimated at 23% of gross income (see table 2 below), to cover operational requirements associated with management of the Fund, the Fund would net income for field activities of approximately US\$254,000. This will cover the estimates for the funding deficits, allowing for baseline operations to continue unfettered and provide a small margin for emergency operations in a given year. With these funding deficits covered by income from the Fund, campaigns for additional wetland conservation, requiring allocations larger than that normally available through the Trust Fund mechanism could be raised from other funding sources through project-specific investments.

| MBWCF Funding | Amount |
|----------------------|---------------|
| Co-funding | \$4,500,000 |
| GEF Funding | \$1,500,000 |
| Total Assets | \$6,000,000 |

Table 1: Annual Operational Costs of Trust Fund Office:

| Position/Purpose | Total annual operational costs |
|-----------------------------------|--------------------------------|
| Fund Executive Director | 18,000 |
| Financial Controller & Admin Dir. | 13,000 |
| Secretary | 9,000 |
| Office Space | 13,000 |
| Travel | 6,000 |
| Utilities and sundries | 8,000 |
| Equipment | 9,000 |
| | 76,000 |

4.2 A fund-raising strategy will be prepared by an experienced private firm, acting under the guidance of the Fund's Operations Unit and working closely with the Government of Kazakhstan and IUCN, Wetlands International, NABU and OKIOC (Overseas Kazakh International Oil Consortium). The consulting firm will develop a differentiated strategy for raising funds from 1] the petroleum sector¹; and 2] bilateral donor agencies. The firm will also undertake a feasibility study evaluating options for earmarking taxes and special fees on industry for the Fund's capital account. Fund raising activities will commence following preparation of the Bylaws and Operational Plan, and will be coordinated by the Project.

4.3 UNDP-GEF contributions to the Fund would occur in two tranches, under the Terms of a Trust Fund Grant Agreement negotiated between UNDP and the Fund,

¹ Kazakhstan has recently enjoyed significant oil discoveries in the north Caspian Sea – just offshore of the Ural River Delta. Preliminary discussions with OKIOC officials indicate that the energy producing community in Kazakhstan is very much a potential donor to the MBWCF.

elaborating the Terms and Conditions for the injection and utilization of capital funds. The first tranche of US\$ 1,000,000 would be released following:

Receipt of the Deed of Foundation for the Migratory Bird Wetland Fund, duly notarised and registered at the Kazakhstan Ministry of Justice, and accompanying evidence that the capital and proceeds of the fund will be exempt from capital gains and income taxes;

Establishment of the MBWCF's Governing Board, with majority non government representation, and with due provisions made for the selection of the Board in an independent and transparent manner;

Receipt of the contract between the MBWCF and an independent, internationally reputable and experienced Asset Manager, with accompanying evidence that the Asset manager has been selected through a transparent competitive tendering process;

Development of an asset management strategy by the asset manager, agreed by the Board of the MBWCF;

Completion and subsequent endorsement of the Operational Manual for the Migratory Bird Wetland Conservation Fund;

Signature of the Trust Fund Grant Agreement between UNDP and the Fund;

Parallel funding amounting to US\$ 3,000,000 has been secured to capitalize the endowment evidenced by receipt of a written and irrevocable commitment in writing from a funding source stating that the release of their funds is subject only to UNDP disbursement of funds or alternatively, evidence that the corresponding amount has been deposited in the capital account (as attested by a letter from the Asset Manager to the Chairman of the Board of the Governing Board of the Fund);

Confirmation by an independent evaluator, with experience setting up and operating Environmental Funds at an international level that best practices in fund design have been internalized in design and operations, and implementation of recommendations for improving design and administrative procedures.

4.4 UNDP will release the second tranche of GEF funding, amounting to US\$ 500,000 upon satisfaction of the following conditions:

Parallel funding amounting to US\$ 1,500,000 m has been committed (evidenced as for the first tranche);

Full disclosure and independent authentication of grant making criteria and procedures.

5 Operations Support

5.1 Once the fund reaches its full capitalization target, sufficient interest income will be generated to support the operations of the fund (Table 2). The shortfall in funds needed to support the operations of the fund until that time will be covered by the project budget. Funding would be provided to the Fund under a sub contract to be negotiated with UNDP. The Terms of Reference for Staff in the Operations Unit is attached.

Table 2: Income Available for Operating the Fund:

| Year | Tranche | Capital | Interest income (5.5%) on capital | Operational Costs | Income (23%) available to cover operational costs | Admin/ Monitoring Deficit |
|--|-----------|-----------|-----------------------------------|-------------------|---|---------------------------|
| 2 | | | | 32,000 | 0 | 32,000 |
| 3 | Tranche 1 | 4,000,000 | 0 | 76,000 | 0 | 76,000 |
| 4 | Tranche 2 | 2,000,000 | 220,000 | 76,000 | 50,600 | 25,400 |
| | | 6,000,000 | 330,000 | 76,000 | 76,000 | 0 |
| Shortfall in Operations Support funding before Full Fund is able to support: | | | | | | \$133,400 |

Terms of Reference for the Trust Fund Design Consultancy

Qualifications

The consulting firm must have expertise in the design and implementation of environmental funds. All consultants dedicated to design work by the firm will have a strong knowledge of and extensive experience in trust fund design and organization, excellent communications and interpersonal skills, and an ability to work effectively in cross-cultural situations with a wide range of people with diverse backgrounds.

Duties, Schedule of activities and deliverables:

1. Prepare the Bylaws of the Fund

The consultant will lead the revision of the Bylaws to specifically state the Fund's objectives and activities in the priority wetlands and cover a set of issues. This process can be undertaken prior to establishment of the new Board, but should only be finalized upon final approval by the Board.

Deliverables: Bylaws

2. Establish a governing Board for the Fund.

The firm will identify and develop the necessary steps to be taken toward establishing the board and implement them: those steps may involve meetings with relevant parties and detailed exposes on the GEF project. The consultant will work with relevant parties to identify the new members of the Board. The consultant will provide the technical background needed in the establishment of a homogenous and effective Board. The consultant will identify the training needs of the new Board. (3 to 9 months)

Deliverables: Written recommendations for the new board of the Fund and training schedule.

3. Register the Fund in Kazakhstan

The consultant will identify an attorney in Astana with the assistance of the UNDP office for the purpose of registering the new Fund in Kazakhstan. The consultant will work with the Kazakh attorney toward the completion of the registration process, handling the U.S.-based activities. This work should be undertaken upon completion of the finalization of the new set of Bylaws in the U.S.(6 months).

Deliverables: Registration documents

4. Structure the Operations Unit in Almaty or Astana.

The consultant will follow the guidelines for Implementation of the Operations Unit, as stated in Annex F, above. (6 months)

Deliverables: Management plan

5. Create the Operations' Manual

The consultant will gather existing operations' manuals from other environmental funds and will create a draft based on those manuals, while adapting the new document to the specific

situation and goals of the Fund. The Board will review and give feed back to the consultant who will finalize the manual. (6 months).

Deliverables: Manual

6. Select the Asset Manager

The consultant will work with the Board to review its asset management strategy and define investment guidelines to reflect the goals of the Fund. The consultant will put together a list of candidates, with the input of the Board and lead the bidding process, as described above. He will help negotiate the terms of the asset management contract. (3 months)

Deliverables: List of assets managers, asset management contract.

Terms of Reference for Staff in the Trust Fund Operations Unit

Executive Director

The Executive Director is a permanent employee of the the Fund. His/her specific duties are to:

Prepare the agenda for meetings of the Governing Board, providing to the chairman all relevant background information and other assistance as needed for project review.

Provide follow-up to decisions of the Board of Directors to approve, reject or condition decisions on the receipt of additional information or further development.

Report to donor organizations regarding financial management and progress in implementation of activities, as specified in relevant donor agreements.

- Review and screen all project profiles for adherence to basic donor requirements.
- Measure the performance and assess the impact of project activities, so this knowledge can be used to improve the projects and programs the Fund supports.
- Help state objectives, performance and impact indicators for projects, and identify sources of information on these measures (including baseline data).
- Develop and execute a system of regular reporting, and a feedback mechanism for using derived information for decision making.

Create a logical framework that will identify the broad goal toward which a project or program contributes, the specific objective that the project or program seeks to achieve, the outputs that are needed to achieve this purpose, and the inputs that the project or program provides to produce these outputs.

Recommend suspension, cancellation, or other action on previously approved projects that are in non-compliance of their contracts.

Provide an annual report on the status of projects to the Board of Directors, making recommendations for procedural adjustments and other changes to improve their effectiveness and efficiency.

Financial Controller

The Financial Controller is a permanent employee of the Foundation. His/her specific duties are to:

- Acknowledge receipt of all project profiles, advising on review status and final decision at the instruction of the Executive Director.
- Review interim and final financial reports, informing the Executive Director of status of expenditures and budget changes requested by the executing units.
- Prepare annual financial report on expenditures for presentation to the Board of Directors.

ANNEX IX UNDP COUNTRY OFFICE SUPPORT

KAZ/98/G43/A/1G-99– INTEGRATED CONSERVATION OF GLOBALLY SIGNIFICANT MIGRATORY BIRD WETLAND HABITAT. A DEMONSTRATION IN THREE SITES

- Reference is made to consultations between the MEP, the executive agency designated by the GoK and officials of UNDP with respect to provision of support services by the UNDP Country office for the nationally executed project # KAZ/98/G43/A/1G-99 "Integrated Conservation of Priority Globally Significant Migratory Bird Wetland Habitat".
- In accordance with the Project Document, the UNDP country office shall provide support services for the project as described below.

Execution services to be provided by UNDP CO

| Support services to be provided | Schedule for the provision of the support services |
|---|--|
| Financial Management and Accountability | |
| Making direct payments and ensuring flow of funds for project activities | Throughout project life 7 years |
| Training of staff of implementing agency of financial disbursement and reporting and administrative procedures | 3 rd year |
| Financial monitoring and record keeping | Throughout project life 7 years |
| Financial reporting | Throughout project life 7 years |
| Budget revisions | Throughout project life 7 years |
| Cost/Sharing | Throughout project life 7 years |
| Donor reports | Throughout project life 7 years |
| TRAINING/WORKSHOP | |
| Making appropriate arrangements for the logistical and technical support of the training and workshop activities | Throughout project life 7 years |
| Awareness | |
| Disseminating relevant information to host and other countries in the region through UNDP COs | Throughout project life 7 years |
| Sharing of project best practices with other UNDP offices with project interest on Biodiversity portfolio | From the 2 nd to the 7 th year |
| Sharing of training materials from training workshops for other similar workshops organised by the UNDP CO | Throughout project life 7 years |
| Disseminating information through website created under the project | Throughout project life 7 years |
| Create links between this project and other GEF projects, and linking up national and international scientific communities that are addressing similar issues | Throughout project life 7 years |

| | |
|--|---|
| Working with media and journalists to publicise project activities | Throughout project life 7 years |
| Advisory service | Throughout project life 7 years |
| EQUIPMENT | |
| Prepare specifications | 1 st and 2 nd years |
| Identify suppliers of goods and services | From the 1 nd to the 5 th year |
| Approve specifications | 2 nd year |
| Assist in evaluating contract | From the 1 st to the 3 rd year |
| Assist in awarding contract (when necessary) | Throughout project life 7 years |
| Undertake Customs clearance | When necessary |
| Authorise payment | Throughout project life 7 years |
| Equipment Inventory | Throughout project life 7 years |
| Equipment Transfer | From the 5 th to the 7 th year |
| OFFICE PREMISES | |
| Assist with procurement of services (furniture in setting-up office, telephone etc.) | 1 st year |
| Authorise budget for rent | From the 1 st to the 5 th year |
| Authorise payment | Throughout project life 7 years |
| Trouble shooting | Throughout project life 7 years |

Implementation Services to be provide by UNDP CO

Item/budget line

Recruitment of consultants (International and National consultants)

- Assist in conducting search for suitable candidates (advertisement, website, rosters)
- Assist in preparing ToRs
- Involve in Interviewing candidates
- Assist in Issuing contract (when necessary)
- Authorize salary/consultancy fee/missions
- Supervise consultant's work, review and approve outputs

Sub-contract

- Assist in identifying suitable subcontractors (advertisement, website, posters)
- Assist in prepare ToRs
- Assist in evaluating bids
- Assist in issuing contract (when necessary)
- Supervise sub-contractors work
- Ensure inputs as per contract ToR's
- Ensure payments are made accordingly
- Ensure milestones are met
- Critical review of sub-contractors performance

Project Co-ordination

- Monthly meetings with project implementing agency to ensure smooth project implementation
- Participate in Steering Committee meeting to ensure smooth project implementation
- Participate in Technical Committee meeting to ensure smooth project implementation
- Keeping clear communications and taking necessary interventions to ensure coordination between different co-financiers in implementing and completing project activities

Technical Reporting

- Ensuring progress report are prepared and submitted timely
- Ensuring Annual Programme Report (APR) are prepared and submitted to UNDP CO
- Finalising and submitting APR to UNDP GEF
- Finalising and submitting annual Project Implementation Reviews (PIR)

Monitoring and Evaluation

- Undertake project monitoring (site visits)
- Participating in TPR meetings
- Mid Term Evaluation
- Ensuring the development of clear guidelines for assessing project progress and impact, for improving monitoring, and for identifying lessons learned and including them in the following years' work plans
- Develop and Review annual Work Plan
- Contribute to preparation of TPR report
- Preparation and finalization of TOR for Evaluation (mid-term and mandatory evaluation)
- Making appropriate arrangements for the logistical and technical support of the evaluation term and mission
- Reviewing the evaluation report(s)
- Audit exercise
- Budget revision, rev of prodoc.

ANNEX X SCHEDULE FOR PROJECT REVIEWS, REPORTING AND EVALUATION

Proposed Project Starting Date: May 2003

REPORTING ACTIVITY DESCRIPTION

| | | |
|-----|--|---------------|
| 1. | Inception Report | May 2003 |
| 2. | 1 st Project Steering Committee (PSC) meeting | December 2003 |
| 2. | 1 st Harmonized APR) | March 2004 |
| 3. | 2 nd Project Steering Committee (PSC) meeting | December 2004 |
| 4. | 2 nd Annual APR | April 2005 |
| 5. | 3 rd Annual PSC meeting | December 2005 |
| 6. | 3 rd Annual APR | April 2006 |
| 7. | 4 th Annual PSC meeting | December 2006 |
| 8. | Mid Term Evaluation | January 2007 |
| 9. | 4 th Annual APR | April 2008 |
| 10. | 5 th Annual PSC meeting | December 2008 |
| 11. | 5 th Annual APR | April 2009 |
| 12. | 6 th Annual PSC meeting | December 2009 |
| 13. | 6 th Annual APR | April 2010 |
| 14. | 7 th Annual PSC meeting | December 2010 |
| 15. | 7 th Annual | April 2011 |
| 15. | Terminal Report | December 2011 |
| 16. | Terminal Evaluation and Project Review | April 2012 |

In addition to the above, progress reports will be prepared on a quarterly basis, as per UNDP requirements; Project Steering Committee meetings would take place on a bi-annual basis.

This plan is subject to amendment as per requirement during the Project implementation period.

ANNEX XI EQUIPMENT REQUIREMENTS

| № | Description | Specifications, notes | Unit price | Qty | Total |
|----------|-----------------------------------|------------------------------|-------------------|------------|----------------|
| 1. | Boundaries construction | Inspection building | 5000 | 15 | 75000 |
| 2. | Boundary markers | | 180 | 625 | 112500 |
| 3. | Scientific equipment | | 20000 | 3 | 60000 |
| 4. | Water laboratories | | 5000 | 3 | 15000 |
| 5. | Computers | Pentium III | 2000 | 6 | 12000 |
| 6. | Communication - fax | Panasonic 799 | 500 | 6 | 3000 |
| 7. | Communication - e-mail, modem | | 300 | 5 | 1500 |
| 8. | Radio Transmitter/telephone | "Altai" | 1000 | 45 | 45000 |
| 9. | Motor boats | "Progress" | 1000 | 9 | 9000 |
| 10. | Boat motors | "Vikhr" | 1000 | 18 | 18000 |
| 11. | Snow-tractor | "Yamaha" | 5000 | 2 | 10000 |
| 12. | Air compressors | | 2000 | 15 | 30000 |
| 13. | Wheeled tractor | "Belarus" | 8000 | 3 | 24000 |
| 14. | Motorcycle | "Ural", "Dnepr" | 1200 | 15 | 18000 |
| 15. | Lorry | "GAZ-53" | 2500 | 3 | 7500 |
| 16. | Autobus | | 4000 | 3 | 12000 |
| 17. | Landrover | "Niva" | 4000 | 10 | 40000 |
| 18. | Spare parts for Landrover (tires) | Kit | 1000 | 10 | 10000 |
| 19. | Inspectors' uniforms | Military: summer + winter | 100 | 75 | 7500 |
| 20. | Electric stations for boundaries | 2B-1 | 100 | 30 | 3000 |
| 21. | Wind generators | | 7500 | 23 | 172500 |
| | | | | | |
| | | | Total | | 685,500 |

ANNEX XII TOR FOR INTERNATIONAL AND NATIONAL EXPERTS, GROUPS, COMMITTEES AND OTHER SUBCONTRACTS

The total number of project personnel is planned approx. 24 persons as per following list (National Project Director is not considered a Project staff member as he is appointed from governmental institution and is not paid out of the project budget):

| № | Position name | Abbreviation | Qty required |
|-------------------------------------|--|---------------------|---------------------|
| <i>Individuals</i> | | | |
| 1. | National Project Director (excluded from project staff, paid by GoK) | PD | 1 |
| 2. | Project Manager | PM | 1 |
| 3. | Chief Technical Adviser | CTA | 1 |
| 4. | Assistant to Manager | AM | 1 |
| 5. | Project Chief Accountant | PCA | 1 |
| 6. | Assistant in admin. & finances | AAF | 1 |
| 7. | Office secretary | OS | 1 |
| 8. | Expert on biodiversity | EBD | 1 |
| 9. | Expert on economic development | EED | 1 |
| 10. | Site Implementation Group Manager | SIGM | 3 |
| 11. | Technical Assistant to SIG Manager | SIGMTA | 3 |
| 12. | Site Assistant on admin. & financial issues | SAAFI | 3 |
| 13. | Site expert on biodiversity | SEBD | 3 |
| 14. | Site expert on economic development | SEED | 3 |
| 15. | Site expert on sustainable agriculture | SESA | 1 |
| 16. | Site expert on water resources management | SEWM | 1 |
| | | TOTAL: | 24 |
| <i>Groups and committees</i> | | | |
| 1. | Project Steering Committee | PSC | |
| 2. | National Project Implementation Unit | NPIU | |
| 3. | Site Implementation Group | SIG | |
| 4. | Site Project Implementation Committee | SPIC | |
| 5. | Wetland Resources Management Committee | WRMC | |
| 6. | Scientific Council | SC | |
| 7. | Interdepartmental Steering Council on Wetland Strategy Observance | WSO | |

Terms of Reference for Project Staff and National Experts

General management on project implementation is carried out by the Forestry, Fishery and Hunting Committee of MoA of RK - the Institutional Structure Designated by a special order of the Minister. The Project Manager is selected and appointed out of this committee staff being paid out of the Committee salary budget.

1. National Project Director (NPD)

Background

The National Project Director (NPD) is the focal point for responsibility and accountability in the national executing agency for this UNDP-funded technical co-operation project. The NPD has overall and ultimate responsibility to ensure all project indicators (from the log frame) are achieved to the highest quality and in a timely manner. The NPD should be a staff member of the executing agency. While the NPD has many duties and responsibilities, his/her primary function is to ensure the provision of the Government contribution and thus the achievement of the project objectives. The NPD will be appointed by a Special order of Minister of Natural resources and Environmental protection in co-ordination with PSC.

Standard Basic Duties and Responsibilities

1. Acting as the focal point and responsible part for the project in the Government executing agency;
2. Ensuring that all Government inputs committed to the project are available to the project;
3. Selection and recruitment or appointment of the Project Manager;
4. Ensuring that the Project Manager is empowered to carry out the management of the project;
5. Supervision of the work of the CTA/Project Manager;
6. Acting as the authorizing officer for all project expenditures according to the procedures in the NEX operational guidelines;
7. Representing the project at meetings of the parties to the project agreement;
8. Providing assistance in the co-ordination of project activities that involve other agencies of Government.

In addition to these standard basic duties the NPD will:

1. Take part in staff selection process for one NPIU and three SIGs in the demonstration site.
2. Supervise and co-ordinate project activities implementation according to the Project document;
3. In co-operation with the UNDP Country Office, ensure that all MoUs are prepared and negotiated with project partners;
4. Be actively involved with staff in developing good, effective Work plans under every project components through which the project can most effectively work. Co-ordinate these plans implementation.
5. Supervise preparation and revision of the project budgets and financial plans;
6. Organise and co-ordinate project activities according to the work plan in order to achieve the planned project outputs;
7. Take the lead role in the establishment of a Long-term funding mechanism within the project frames and its complete capitalisation;
8. Provide regular liaison with the UNDP Country Office, GoK and project partners;
9. To timely review and co-ordinate the financial reports submitted by NPIU and SIGs, the Annual Project Report (APR) and any other required progress reports;
10. Report to PSC on frequent basis.
11. Identify and resolve implementation problems with the assistance when it necessary;

12. Report to the UNDP on a regular basis;
13. Represent the project on PSC meetings.

Selection criteria:

1. University degree in relevant area with at least 5 years of experience in Environmental management;
2. Must be a staff member of FFHC of MoA of RK.
3. Proved ability to build and lead multi-disciplinary teams of technical staff;
4. Experience in project supervision and management;
5. Ability to lead and motivate people;
6. Experience in the development of opportunities to sustainable use wild fauna and flora would be a distinct advantage;
7. Experience in management of cross-sectoral programmes/projects.

2. Chief Technical Adviser (CTA)

Background: This project is large and complex and will face numerous challenges during its implementation. Furthermore this is the first such project in Kazakhstan and thus previous experience, particularly in terms of operational management, of how to successfully implement it is lacking. For this reason it has been deemed necessary to bring in additional international experience in this regard for the initial stages of project implementation

Within this context the overall tasks of the CTA will be:

- To assist in the initial establishment and functional operation of project implementation structures
- To provide technical inputs to key project policy and plans during the initial year of project implementation
- To provide “on-job” training and capacity building of project implementation structures and personnel, specifically, the NPIU and the PM

More specifically duties will include:

1. Assist in establishing an effectively functioning NPIU with properly recruited quality staff, clear-cut staff responsibilities efficient operational procedures and effective communications.
2. Provide similar assistance in the establishment of SIG offices
3. Assisting PM in finalization of all ToRs for consultants and sub-contracts and in undertaking their efficient recruitment.
4. Assist the PM with the preparation of all Work Plans (annual and quarterly), reports, budget revisions, etc.
5. Provide the PM with advice, guidance and support with both technical issues and UNDP administration issues.
6. Assist the PM in the management of SIG’s
7. Provide specific technical advice to SIG’s and site implementation bodies.
8. Provide technical advice and assistance in the recruitment, management, and evaluation of international and national consultants and subcontractors

Duration: 1 year (with possibility of longer part-time inputs)

Duty Station and Travel: The project NPIU will be located in Astana (preliminary) and the CTA's primary duty station will be there. However, it will be necessary for the CTA to travel frequently and for extensive periods to all the project field sites.

Qualifications and Experience

The CTA must have an educational background in natural resources use, wildlife management, or similar relevant subject area. More importantly s/he must have an extensive background of working on conservation or wetlands management issues. The CTA must have significant relevant technical skills relevant to the project. Furthermore the CTA must have significant experience and a good track record of managing large scale natural resource / conservation projects preferably in the field of wetlands management. The ability to effectively manage staff and transfer skills will be essential. Knowledge of UNDP procedures and modalities would be a strong advantage, as would knowledge of Russian or Kazakh. Fluent English will be essential.

3. Project Manager (PM)

Background

The Project Manager (PM) is responsible for the day-to-day guidance and operational management of the biodiversity conservation-related, project-supported activities. He/she will plan, initiate, manage, monitor and analyze the project activities. The PM will report to the PD.

Standard Basic Duties and Responsibilities of PM will be to:

1. Operational management of the project according to the project document and the procedures in the official NEX Operational Guidelines;
2. Selection, recruitment and supervision of project administrative support staff;
3. Provision and administration of all project inputs not covered by implementing agency letters of agreement in accordance with the relevant procedures;
4. Updating and regular reviewing of the project work plan;
5. Acting as the certifying officer for all project expenditures according to NEX operational guidelines;
6. Organizing and managing project activities according to the work plan in order to produce the outputs;
7. Timely preparation and submission of the Annual Project Report (APR) and any other required progress reports and ensuring that reports prepared by project personnel or participants are prepared as required;
8. Reporting to the NPD / Project Management Committee on a regular (quarterly) basis.

More specifically duties/responsibilities will include

1. Consult with key partner institutions on a frequent basis and co-ordinate the activities with these partner institutions and their on-going programs;
2. Provide overall technical assistance to the development and delivery of project activities related to biodiversity conservation planning;

3. Select, recruit and supervise individuals, groups of project co-executors and administrative support staff;
4. Work closely with partner institutions, the PD, and other NPIU colleagues to prepare and revise project work plans, budget and financial plans;
5. Organize and implement project activities according to the work plans;
6. Prepare and submit regular financial reports, quarterly progress reports (QPRs) and other technical reports on project implementation;
7. Authorize biodiversity-related project expenditures in the demonstration site.
8. Provide other technical assistance, as appropriate.
9. Supervise and train project staff in the collection, analysis and application of biological data;
10. Co-ordinate Experts' and Site experts' work in identifying the baseline biological indicators as part of system monitoring;
11. Coordinate activities on biodiversity integrated study in the demonstration sites;
12. Be a member of Wetland Scientific Council and participate in materials preparing for publication;
13. Provide technical inputs to education/awareness material development.
14. Manage and participate in training programs development, educational courses and short-term consultancies;
15. Take direct part in Project report preparation;
16. In co-operation with submit current and final reports to the PMC meetings;
17. Facilitate good working relationships between project staff, communities and local administration;
18. Identify and resolve implementation problems, with the assistance of the PM or Government counterpart, if necessary;

Selection Criteria

1. Post-graduate degree in biological sciences with at least 5 years of relevant work experience;
2. Proved ability to build and lead multi-disciplinary teams of technical staff;
3. Supervisory and project management experience;
4. Strong scientific background in wetland biodiversity;
5. Ability to lead and motivate like-minded people and concentrate their efforts on certain problems;
6. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;
7. Experience in the development of opportunities to sustainable use wild fauna and flora would be a distinct advantage;
8. Excellent communication skills in Russian and English.

4. Assistant to Manager (AM)

Background

Assistant to Manager (AM) performs a variety of information collecting, monitoring, technical and administrative services in support of project activities under the supervision of Project Manager. He/she must write and speak very good Russian and English. At least three years of relevant work experience is required, of which at least one year with international organization. The AM shall work under the supervision of PM.

Duties and responsibilities of AM will be to:

1. Assist the project officers in maintaining close contacts with the Government, Executing Agencies, donors and other counterparts through direct contacts, collection and summarizing of information, proposals, incoming and outgoing documents, drafting letters, organizing meetings;
2. Provide operational support to project activities implementation as well as to project management;
3. Collect data and other information on project development and subject-matter activities; maintain, log, file and update records in prescribed format for subsequent use;
4. Contribute to the preparation of status and progress reports by collecting information, preparing tables and drafting selected sections of it. Prepare background material to be used in discussions and briefing sessions;
5. Arrange for the recording and processing of government requests for assistance; assist in identification and formulation of development co-operation projects and in preparation of draft project documents;
6. Assist in monitoring project/project activities by reviewing a variety of records, including correspondence, reports, activities, project inputs, budgets and financial expenditures in accordance with UNDP requirements. Prepare and file correspondence and materials relevant to the above;
7. Assist in preparation of Terms of Reference for national and site experts;
8. Assist in the organization of and logistical preparation for workshops, workshops, visiting missions, field trips, etc;
9. Prepare unofficial translations and may act as interpreter if necessary;
10. Perform other relevant duties.

Selection Criteria

1. University degree in a relevant area
2. 2-4 years of relevant work experience of which at least one year with international organization;
3. Experience in managing finances for international projects;
4. Strong and fluent computer skills (MS Office).
5. Ability to handle documentation, correspondence, prepare reports;
6. Excellent communication skills in Russian, and English.

5. Project Chief Accountant (PCA)**Background**

The Project Chief Accountant (PCA) will be responsible for correct account maintenance according to the Work plan. He/she co-ordinates his/her project activities with PM, will report to PD and through him to PMC. PCA will work closely with UNDP Account department and other project donors' financial structures.

Duties and Responsibilities of PCA will be to:

1. Ensure timely preparation and submission of quarterly financial reports as per rules and procedures established by UNDP;
2. Maintain cash and bankbooks, and update ledger accounts;
3. Maintain funds for the project and report to UNDP Financial Officer on a regular and timely basis;
4. Prepare monthly reconciliation;

5. Ensure timely preparation and submission of quarterly and annual project progress reports;
6. Maintain and update property ledgers;
7. Suggest and implement internal control procedures in all demonstration sites with the assistance of the PM and ES;
8. Receive and review monthly reports from all sites, and prepare consolidated report for the PM;
9. Interact closely with NPIU staff and project activities, and provide advice on project planning, implementation and monitoring.

Selection Criteria

1. University degree in finance and accounts,
2. No less than 5 years experience in handling financial and accounting matters;
3. Experience in managing finances for international projects;
4. Strong computer skills (MS Office), especially for spreadsheets and work plans.
5. Ability to prepare reports especially on spread sheets;
6. Excellent communication skills (particularly in writing) in Russian, and English (is preferable);
7. A recommendation from the previous place of work is an asset.

5. Assistant in Admin. & Finances (AAF)

Background

The Economist (ES) will be responsible for providing support to PM on financial issues of project activities implementation, he/she will report to PM. ES will be in constant contact with PCA, will co-ordinate his activities on expenses with PCA. Under PM's direct supervision ES will provide connection between PM and PCA.

Duties and Responsibilities of ES will be to:

1. Ensure timely preparation and submission of data to PCA for quarterly financial reports as per rules and procedures established by UNDP;
2. Assist in the recruitment and processing of new project staff out of co-executive personnel;
3. Work with site AAFIs to ensure timely monthly reports from all sites;
4. Assist project staff in preparation and timely submission of administrative and financial management forms;
5. Provide logistic support to AAFIs in procurement of equipment, and preparation of service contracts;
6. Organize and conduct tenders for transport means and equipment acquisition;
7. Interact closely with NPIUs staff, and provide advice on financial issues.

Selection Criteria

1. University degree in finances and accounts.
2. Three-year experience in handling financial and accounting matters, marketing;
3. Experience in financial issue handling and marketing for international projects in environment;
4. Strong computer skills (MS Office), especially for spreadsheets and work plans.
5. Ability to prepare reports especially on spread sheets;
6. Excellent communication skills (particularly in writing) in Russian, and English

7. Office Secretary (OS)

Background

The Office Secretary (OS) is responsible for provision of secretarial services for the NPIU staff. The OS will report to the AM.

Duties and Responsibilities of OS will be to:

1. Provide clerical support to NPIU staff, including typing, faxing documents, courier mailing, general mailing, filing, and miscellaneous related activities;
2. Act as receptionist, handling visitors, answering phone calls;
3. Prepare and arrange required documents including travel authorizations for project staff's trips;
4. Ensure proper filing of all office correspondence and important project documents;
5. Ensure adequate supply of stationary, its distribution and inventory of stocks.
6. Execute duties on international specialists' meeting, registration, accommodation and sending off;
7. Support office stable functioning: office rent, communication and etc.

Selection Criteria

1. Graduate with minimum of 3 years work experience;
2. Fluency in computer skills, especially in Word and Excel;
3. Ability to manage day to day office work;
4. Fluency in Russian and English.

8. Expert on Biodiversity (EBD)

Background

The Expert on Biodiversity (EBD) is responsible for development and implementation of biodiversity effective conservation and sustainable use programs considering peculiarities of each demonstration site. The EBD takes active part in new SPA organization in URD. EBD will report to the PM, works in close cooperation with economic development expert and will co-ordinate work with relevant Site experts in each demonstration territory.

Duties and Responsibilities of EBD will be to:

1. Implement the policy adopted for the expansion in size and or strengthening of protected area status for URD, TK, and AS.
 - Prepare a petitioning to the GoK on behalf of Oblast Akim for a GoK resolution to organize special protected area and/or demarcate new boundaries of the existing special protected area.
 - Prepare scientific background and feasibility study for organization of a new SPA or demarcation of new boundaries of the existing SPA.
 - Appoint temporary management group.
 - Prepare set of the necessary documents and facilitate consideration by the governmental commission of experts (MEP) and subsequently by the GoK, resulting in a GoK's resolution on the organization of the new SPA and regulations on the land-use law.
2. Establish community-based management approach to wetlands and their resources in three protected areas;

3. Develop, coordinate and implement participatory management plans for each of the three wetland PA;
4. In close cooperation with economic development expert develop simple policy and regulatory framework to encourage sustainable development and biodiversity conservation in the productive landscape around each priority wetland site;
5. In close cooperation with economic development expert develop institutional mechanisms and guidelines for the integrated management and protection of buffer zone areas surrounding specially protected wetlands;
6. In close cooperation with economic development expert to hold a series of consultation workshops at the Akhimat level to develop a workable arrangement (possibly in the form of a committee) to guide integrated land and water management of areas around wetlands.
7. In close cooperation with economic development expert implement regulations adopted for management of the natural resources of the areas surrounding the specially protected areas.
8. Develop the terms of reference for special wetland management committee (appointment, responsibilities, with a mandate for integrated land and water management)
9. Develop training programme for water-users in biodiversity-friendly irrigation & pond water management (in cooperation with UNDP and GEF specialists).

Selection Criteria

1. University degree in biodiversity with at least 5 years of work experience in special protected area;
2. Experience in bioresources management and conservation;
3. Strong background in wetlands of Kazakhstan and their resources;
4. Working experience for international environmental protection projects;
5. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;

9. Expert on Economic development (EED)

Background

The Expert on Economic Development (EED) is responsible for development and implementation of local community livelihood improvement programs basing on alternative biodiversity-friendly activities. EED develops and implements ecotourism development programme for three demonstration sites. In cooperation with subcontractors EED develops and implements microcredit programme considering peculiarities of each demonstration site. EED will report to the CTA/PM, cooperate with biodiversity expert and will co-ordinate work with relevant Site experts in each demonstration territory. EED will be responsible for thrust to mainstream conservation concerns into related sectoral planning (eg agriculture).

Duties and Responsibilities of EED will be to:

1. Study and analyze peculiarities of economic activities in each of three demonstration sites paying special attention to the ways requiring water and biological resources use;
2. Analyze the level of local communities' awareness on wetlands, their national and international significance, and existing problems of their conservation.

3. Study local NGOs activities, their role in biodiversity conservation and management in the SPA surrounding landscape; study existing plans and programs directed to biodiversity conservation and management.
4. Prepare conclusion on possibility to replace the activity exhausting biodiversity with the alternative activities favorable to biodiversity;
5. In co-operation with international expert and UNDP specialists develop a programme for local communities livelihood improvement basing on alternative activities implementation, User Group formation in each site, establishment of the Offices supporting small enterprise;
6. Develop an integrated program on local community's awareness increasing in the area of wetland significance. The program will consist of three sections: transnational - with periodic, TV, radio and Internet involvement; regional - for the education of Akimats management and all structures related to wetlands and their resources management, lecture series in educational institutions, youth units creation; and local - ecological education programs implementation in the schools, SPA excursion departments enforcement, kids and youth units creation to provide assistance in wetlands conservation and management.
7. In co-operation with relevant site consultants hold Workshops in each demonstration site to study economic situation and select those priority mini-project & business proposals which can improve the livelihood and deserve methodical and financial support.
8. Design and establish a special micro-credit scheme for small project funding.
9. On the basis of priority mini-projects and business proposals develop program to implement the alternative activities including ecotourism development to be funded by the micro-credit program out of project funds and involving other donors.
10. On the basis of demonstration sites and in cooperation with the site consultants organize annual educative workshops for the specialists working for the other wetlands in Kazakhstan.
11. Study the existing ecotourism organization practice in cooperation with the organizational structures - Jibek-Joly and NABU.
12. In cooperation with the site consultants develop and implement ecotourism development programme for each demonstration site including new routes establishment, necessary infrastructure creation and service formation;
13. With assistance of EBD, and mass media specialists develop TV programs and broadcasts cycle on Kazakhstan wetlands global significance.
14. Involving Kazakhstan's writers-naturalists and journalists prepare for publication the brochure series on the most important Kazakhstan's wetlands and their flora and fauna description.
15. Coordinate this program with SPA administration, local Akimats, Jibek-Joly management, NABU and FFHC of MoA of RK.
16. Take active part in this Program implementation process for every demonstration site.
17. In cooperation with the regional education department create target programs on schoolchildren ecological education based on issues of wetlands and their biodiversity conservation.
18. With collaboration of the local NGOs and school management in the demonstrative wetland territories, create public units like "Wetlands Friends Corp", "Waterfowl-fanciers Society", and "Water reservoirs protection Society".

With the school management assistance train the managers for such units out of schoolteachers on biology and geography.

19. With the participation of specialists from scientific-research institutions and photo-amateurs prepare and publish in mass edition the guides on birds, fish and plants inhabiting Kazakhstan's wetlands.
20. In cooperation with EBD and CEE, and site consultants annually analyze the results of each implemented program and compare them with the results of ecomonitoring and other research on biodiversity state in each demonstration site. Prepare the conclusion on taken measures effectiveness to decrease the negative influence on biodiversity.
21. Prepare an annual report on carried activities, which is to be transferred to CTA/PM for approval.

Selection Criteria

1. University degree in agriculture with at least 10 years of work experience in organization and maintenance of farmer holdings;
2. Experience in wetland resources use for small enterprise development;
3. Working experience for international environmental protection projects;
4. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;
5. Knowledge of Russian, English and Kazakh is preferable.

10. Site Implementation Group Manager for each of three demonstration sites (SIGM)

Background

The Site Implementation Group Manager (SIGM) is responsible for the day-to-day guidance and operational management of the biodiversity conservation-related, project-supported activities per each demonstration site. He/she will plan, initiate, coordinate, manage and monitor project activities. The SIGM will work under PM supervision and will report to the PSC according approved action plan.

Duties and Responsibilities of SIGM will be to:

1. Consult with key partner institutions on a frequent basis and co-ordinate all actions with these partner institutions and their on-going programs;
2. Provide overall technical assistance to the development and delivery of biodiversity related project activities and conservation planning;
3. Select, recruit and supervise subcontractors;
4. Work closely with partner institutions, the PM, and other NPIU colleagues to prepare and revise project work plans, budget and financial plans;
5. Together with PD and CTA/PM take part in PSC formation and approval process;
6. Basing on the project document and the action plan in cooperation with the Site experts develop the site action plan, coordinate it with PD, CTA/PM, SPIC and transfer the same to PSC for approval.
7. Coordinate timely implementation of the project activities and be responsible for their quality equally with Site experts. Coordinate the activities of co-executive groups.
8. Organize and implement project activities according to the work plans;
9. Prepare and submit regular financial reports, quarterly progress reports (QPRs) and other technical reports on project implementation;

10. Authorize biodiversity-related project expenditures in the field
11. Provide technical assistance to the Site experts, as appropriate.
12. Supervise and train staff in the collection, analysis and application of biological data;
13. Participate in baseline biological indicators selection for monitoring program development;
14. Co-ordinate biodiversity research studies in the demonstration area;
15. Provide technical inputs to education/awareness material development, project report production and other work conducted by SIG colleagues.
16. Develop and co-ordinate training programs and short-term consultancies;
17. Facilitate good working relationships between project staff, communities and local administration;
18. Identify and resolve implementation problems, with the assistance of the PD or CTA/PM, if necessary;

Selection Criteria

1. Post graduate degree in biodiversity with at least 5 years of relevant work experience;
2. Proved ability to build and lead multi-disciplinary teams of technical staff;
3. Supervisory and project management experience;
4. Ability to lead and motivate people;
5. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;
6. Experience in the development of sustainable use opportunities from wild fauna and flora would be a distinct advantage;
7. Knowledge of English is an asset.

11. Site Implementation Group Manager Assistant (SIGMA)

Background

Site Implementation Group Manager Assistant (SIGMA) performs a variety of information collecting, monitoring, technical and administrative services in support of project activities under the supervision of SIGM. He/she must write and speak very good Russian and English. The relevant work experience should be three years, of which at least one year with an international organization. The SIGMA shall work under the supervision of SIGM.

Duties and responsibilities of SIGMA will be to:

1. Assist the SIGM in maintaining close contacts with the SPIC and SIG through direct contacts, collection and summarizing of information, proposals, incoming and outgoing documents, drafting letters, organizing meetings;
2. Provide operational support to project in project activities as well as in project management;
3. Collect data and other information on project development and subject-matter activities; maintain, log, file and update records in prescribed format for subsequent use;
4. Contribute to the preparation of status and progress reports by collecting information, preparing tables and drafting selected sections of it.
5. Prepare background material for use in discussions and briefing sessions;

6. Assist in identification and formulation of development co-operation projects and projects and in preparation of draft project documents;
7. Assist in monitoring project/project activities by reviewing a variety of records, including correspondence, reports, activities, project inputs, budgets and financial expenditures in accordance with UNDP requirements. Prepare and file correspondence and materials relevant to the above;
8. Assist in the organization of and logistical preparation for workshops, workshops, visiting missions, field trips, etc.;
9. Prepare unofficial translations and may act as interpreter if necessary;
10. Perform other relevant duties.

Selection Criteria

1. University/Qualification degree in a relevant area
2. 2-4 years of relevant work experience of which at least one year with international organization;
3. Experience in managing finances for international projects;
4. Strong and fluent computer skills (MS Office).
5. Ability to handle documentation, correspondence, prepare reports;
6. Excellent communication skills in Russian, and English.

13. Site Assistant on admin. & Financial issues (SAAFI)

Background

The Assistant on Admin. & Financial Issues (AAFI) will be responsible for providing support to CTA/PM on financial issues of project activities implementation, he/she will report to PM. AAFI will be in constant contact with PCA, will co-ordinate his activities on expenses with PCA. Under PM's direct supervision AAFI will provide connection between CTA/PM and PCA.

Duties and Responsibilities of AAFI will be to:

1. Ensure timely preparation and submission of data to PCA for quarterly financial reports as per rules and procedures established by UNDP;
2. Assist in the recruitment and processing of new project staff out of co-executive personnel;
3. Work with ES and PCA to ensure timely monthly reports from all sites;
4. Assist SIG staff in preparation and timely submission of administrative and financial management forms;
5. Procure equipment, and prepare service contracts;
6. Organize and conduct tenders for transport means and equipment acquisition;
7. Interact closely with SIG staff, and provide advice on financial issues.

Selection Criteria

1. University degree in finances and accounts.
2. Three-year experience in handling financial and accounting matters, marketing;
3. Experience in financial issue handling and marketing for international projects in environment;
4. Strong computer skills (MS Office), especially for spreadsheets and work plans.
5. Ability to prepare reports especially on spread sheets;
6. Excellent communication skills (particularly in writing) in Russian, and English

13. Site Expert on Biodiversity (SEBD)

Background

The Site Expert on Biodiversity (SEBD) is responsible for development and implementation of biodiversity effective conservation and sustainable use programs in demonstration site, including core area and surrounding productive landscape. The SEBD works in close contact with EBD, SPA administration, main regional structures and other state and private structures relating to bioresources. SEBD will report to the SIGM.

Duties and Responsibilities of SEBD will be to:

1. Develop new approaches to biodiversity conservation and management policy and strategy on the demonstration site;
2. Conduct analysis of biodiversity modern state, determine main threats and causes and develop a plan of priority measures to their elimination;
3. Determine the demonstration site hotspots. In cooperation with EBD develop a detailed program on ways and methods of ecological situation stabilization in these spots;
4. In cooperation with CEE take part in development and realization of program on biodiversity integrated research in the demonstration site; at the project initial stage determine its baseline condition and resource species stocks;
5. Determine the most "suffering" species, communities; develop a measure complex on their rehabilitation and restoration.
6. Together with SPA's scientific department and EBD develop a program on effective conservation and management for model species populations and model territories. Transfer this program to Scientific Council and further to regional Akimat for coordination. Thereafter, transfer program to MEP for approval.
7. When program is approved by MEP, together with FFHC implement a program in the demonstration site.
8. In cooperation with resource users and CEE develop a program on resource species conservation and use. Coordinate this program with EBD, Academy of Science and transfer it to FFHC, MoA and MEP for approval. Develop and conduct a cycle of training workshop on the issues of biodiversity conservation and management on the demonstration site for managing staff of all structures involved into the project and supervising biodiversity conservation and exploitation;
9. With co-executives' participation annually prepare and publish an informational bulletin on biodiversity state in the demonstration site and achieved progress in its conservation and management. On the Group's work results in cooperation with SIGM analyze the received lessons, prepare and conduct a workshop for the Akimat's, state, commercial structures' and NGOs management' representatives.
10. Take part in preparing draft Statute on Resources Management Committee.
11. In cooperation with SEED and main structures involved in the project, develop a program on biodiversity integrated management.
12. Develop and implement the modern technologies and methods of land, water and biological resources use.
13. In cooperation with EBD annually conduct analysis of biodiversity and habitat follow up results, prepare a report and direct it to SIGM for review.

Selection Criteria

1. University degree in biology with at least 5 years of work experience in scientific or nature-conserving structures in Kazakhstan;
2. Strong background in Kazakhstan's wetland biodiversity;
3. Knowledge of English is preferable
4. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;

14. Site Expert on Economic Development (SEED)

Background

The Site expert on Economic Development (SEED) is responsible for coordinated development of activities on local communities' sustainable livelihood and activities on biodiversity effective conservation and management. SEED will report to the SIGM, will closely co-ordinate work with EED and all Site experts.

Duties and Responsibilities of SEED will be to:

1. Thoroughly analyze the entire range of economic activities practiced within a demonstration site. Determine those having negative influence on biodiversity and thus subject to substitution.
2. In cooperation with SEED and local Akimat develop an implementation program on activities causing no harm to biodiversity and providing for local communities' livelihood. For this purpose conduct a series of consultations with the local communities and NGOs to determine the most perspective micro-projects and business offers requiring micro-credits.
3. Analyze local communities' modern knowledge on wetland global significance and the necessity to support its conservation.
4. Study the local NGOs, state and commercial structures' role in communities' knowledge level increase; analyze existing programs and plans, traditions and customs.
5. Conduct a special workshop to introduce the present project objectives and outputs and to emphasize the importance of local communities' participation in it, for the Akimats' representative, main structures' management, NGOs and local leaders.
6. To increase micro-credit program implementation effectiveness, organize User Groups directly dealing with biodiversity - irrigators, farmers, and fishers. With their participation develop a micro-credit program for implemented alternative activities. Facilitates User groups to open group saving accounts enabling them to consume finances in a more effective and targeted way. With local Akimat and NGOs support organize a specialized office for business development on the demonstration site.
7. In cooperation with SEBD develop and implement a demonstration wetland sustainable development plan to enforce conservation activities and to create additional conditions for biodiversity management, basing on the alternative activities development.
8. In cooperation with AtyrauBalyk and Jibek-Joly develop and implement an improvement program for fishery management, fishers' cooperative enforcement, and favorable fishing methods implementation. URD, AS
9. In cooperation with UNDP Advisors and SEED develop and implement a program on water resources sustainable development, biodiversity-friendly irrigation

methods demonstration (AS), and methods on water purification and control over water quality (TK).

10. In cooperation with and local educational institutions develop an integrated program to increase awareness on wetlands' significance and value, involving mass media, radio and TV. Develop a cycle of special lessons with support of local Akimats, structure management related to wetlands and their resources.
11. Develop special programs for schoolchildren and students based on local wetland biodiversity significance and existing problems of their conservation, with support of local educational institutions.
12. Transfer the elaborated programs to FFHC, MEP for coordination and to MES RK for approval. Upon programs' approval with the help of local educational institutions and Akimats' representatives implement these programs into the educational process.
13. Analyze existing experience on ecotourism establishment on the demonstration site, researches additional possibilities on its sustainable development on the commercial base.
14. In cooperation with SPA administration, "Jibek-Joly" Co., and Agency on tourism and sport develop new ecotourism routes, including demonstration wetlands and scheme of necessary infrastructure creation.
15. Develop a perspective plan of local community involvement into activities on ecotourism development: guides, interpreters, hotel service, security.
16. Develop and implement a plan on other national and foreign companies' involvement into ecotourism activities.
17. In cooperation with SPA scientific department, local NGOs and publishing companies develop, publish and disseminate the advertising products on the issues of ecotourism in the demonstration site.
18. In cooperation with local journalists, radio and TV correspondents develop a cycle of programs about demonstration wetland, its significance, and existing problems of its conservation and local communities' possibilities to participate in this work.
19. In cooperation with local school management create kids' and youth units on the demonstration territory: "Wetlands Friends Corp", "Waterfowl-fanciers Society", "Water reservoirs protection Society", and "Corps assisting Zapovedniks".
20. In the summer period in cooperation with local school management establish ecological summer camp for the schoolchildren where training and practical introductory excursions to the wetland, SPA territory will take place.
21. In cooperation with Akimats' representatives and SPA administration stimulate the work of Museum of local lore or Museum of SPA Nature, mainly focusing on excursion department work. For this purpose involve local NGO's members as well as kids and youth units members.
22. Prepare an annual report on implemented activities results, which is to be reviewed by SIG and approved by SPIC and further transferred to SEED.

Selection Criteria

1. University degree in economics or humanities with at least 5 years of work experience in Ministry of Agriculture structures;
2. Experience in small enterprise development;
3. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;

15. Site Expert on Sustainable Agriculture (SESA)

Background

The Site Expert on Sustainable Agriculture (SESA) is responsible for coordinated development of activities with local communities regarding development and adaptation of sustainable agricultural activities near the different project sites. SESA will report to the SIGM, will closely co-ordinate work with SEED and all Site experts.

Duties and Responsibilities of SESA will be to:

1. Thoroughly analyze the entire range of agricultural activities practiced within the demonstration sites. Determine those having negative influence on biodiversity and thus subject to adaptation.
2. In cooperation with SEED and local Akimat develop an implementation program on activities causing no harm to biodiversity and providing for local communities' sustainable agricultural livelihood. For this purpose conduct a series of consultations with the local communities and NGOs to determine the most perspective micro-projects and business offers requiring micro-credits.
3. Analyze local communities' modern knowledge on wetland global significance and the necessity to support its conservation.
4. Assist with the increase of micro-credit program effectiveness and organization of User Groups directly dealing with biodiversity - irrigators, farmers, and fishers. Assist with development of a micro-credit program for implemented alternative activities. Facilitates User groups to open group saving accounts enabling them to consume finances in a more effective and targeted way. With local Akimat and NGOs support organize a specialized office for business development on the demonstration site.
5. In cooperation with SEBD and SEED develop and implement a demonstration wetland sustainable development plan to enforce conservation activities and to create additional conditions for biodiversity management, basing on the alternative activities development.
6. In cooperation with UNDP Advisors, SEED and SEWM, develop and implement a program on water resources sustainable development, biodiversity-friendly irrigation methods demonstration (AS), and methods on water purification and control over water quality (TK).
7. Increase local farmers awareness of global significance of the wetlands and their resources and disseminate knowledge on threats to wetlands, especially on the threat of wetland resource over-use, among the farmers
8. Develop and introduce ecologically clean methods and technologies in cultivation and cattle breeding.
9. Assist in establishing "Wetlands' Friends", "Water Birds' Friends", etc. groups among children and teenagers in farmer communities.
10. Participate in development of methods and technologies of sustainable use of pastures and meadows on wetlands sites.
11. Participate in alternative farmers' livelihood program development
12. Participate in integrated wetlands management program development considering farmers interests
13. Participate in the implementation of other components as appropriate

Selection Criteria

1. University degree in economics or humanities with at least 5 years of work experience in Ministry of Agriculture structures;
1. Experience in small enterprise development and sustainable agricultural systems;
2. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;

16. Site Expert on Water Resources Management (SEWM)

Background

The Site expert on Water Resources Management (SEWM) is responsible for coordinated development of activities on local communities' sustainable livelihood and activities on biodiversity effective conservation and management. SEWM will report to the SIGM, will closely co-ordinate work with SEED and all Site experts.

Duties and Responsibilities of SEWM will be to:

1. Thoroughly analyze the entire range of economic activities practiced within a demonstration site. Determine those having negative influence on biodiversity and thus subject to substitution.
2. In cooperation with SEED and local Akimat assist in development of an implementation program on activities causing no harm to biodiversity and providing for local communities' livelihood. For this purpose assist in conducting a series of consultations with the local communities and NGOs to determine the most perspective micro-projects and business offers requiring micro-credits.
3. Analyze local communities' modern knowledge on wetland global significance and the necessity to support its conservation.
4. Assist in conducting a special workshop to introduce the present project objectives and outputs and to emphasize the importance of local communities' participation in it, for the Akimats' representative, main structures' management, NGOs and local leaders.
5. To help increase micro-credit program implementation effectiveness, assist in organizing User Groups directly dealing with biodiversity - irrigators, farmers, and fishers. With their participation develop a micro-credit program for implemented alternative activities. With local Akimat and NGOs support organize a specialized office for business development on the demonstration site.
6. In cooperation with SEBD develop and implement a demonstration wetland sustainable development plan to enforce conservation activities and to create additional conditions for biodiversity management, basing on the alternative activities development.
7. In cooperation with AtyrauBalyk and Jibek-Joly develop and implement an improvement program for fishery management, fishers' cooperative enforcement, favorable fishing methods implementation, water resources management. URD, AS
8. In cooperation with UNDP Advisors and SEED develop and implement a program on water resources sustainable development, biodiversity-friendly irrigation methods demonstration (AS), and methods on water purification and control over water quality (TK).
9. In cooperation with and local educational institutions assist in development of an integrated program to increase awareness on wetlands' significance and value, involving mass media, radio and TV. Assist in development of a cycle of special

lessons with support of local Akimats, structure management related to wetlands and their resources.

10. Assist in developing special programs for schoolchildren and students based on local wetland biodiversity significance and existing problems of their conservation, with support of local educational institutions.
11. Analyze existing experience on ecotourism establishment on the demonstration site, researches additional possibilities on its sustainable development on the commercial base.
12. In cooperation with SPA administration, "Jibek-Joly" Co., and Agency on tourism and sport develop new ecotourism routes, including demonstration wetlands and scheme of necessary infrastructure creation.
13. Assist in developing a perspective plan of local community involvement into activities on ecotourism development: guides, interpreters, hotel service, security.
14. In cooperation with local school management create kids' and youth units on the demonstration territory: "Wetlands Friends Corp", "Waterfowl-fanciers Society", "Water reservoirs protection Society", and "Corps assisting Zapovedniks".
15. In the summer period in cooperation with local school management assist in establishing an ecological summer camp for the schoolchildren where training and practical introductory excursions to the wetland, SPA territory will take place.
16. Develop a program on effective water consumption by water users, introduction of water save methods and technologies.

Selection Criteria

3. University degree in economics or humanities with at least 5 years of work experience in Ministry of Agriculture or similar structures;
4. Experience in water resources management;
5. Ability to work in the demonstration sites for extended periods of time, sometimes under difficult environmental conditions;

17 UNV Specialists

ToR's For UNV Specialists will be drafted by the CTA, PM, and relevant Site level personnel at the end of the first year of project implementation.

III b. Terms of Reference for subcontractors

OTHER CONTRACTS (Terms of Reference to be finalised at the outset of project operations for every subcontractor)

Subcontract specialists will be involved in addition to the project staff to develop and implement target programs on project separate components. Presumably subcontract agreements will be concluded with individual specialists, creative groups and organizations, national and international. Subcontractors selection will be tender based. Well in advance, all potential participants will receive through fax, Internet and e-mail the information characterizing the set task, requirements to executors and

their terms of references. Such an approach will ensure the required transparency and will create competitive atmosphere.

Incoming applications to participate in tender will be reviewed by a commission consisting of PMC, NPIG and UNDP RK representatives. Tender results will be delivered to all applicants. Agreements in accordance with existing legislation will be concluded with all selected subcontractors. Workplan and terms of reference will be attached to every agreement. If agreement is concluded for a long-term period (a quarter or more), then a certain procedure will be envisaged to evaluate the quality of conducted work and its time frames.

Subcontracts work are supposed for the following components:

1. Policy, legal and institutional structure improvement
2. Monitoring and evaluation of the projects results
3. Strengthened Park Operations
4. Species and habitats management
5. Scientific indicator based system monitoring
6. Education and Public awareness

III c. Terms of Reference for Project Groups and Committees

1. Project Steering Committee

The Project Steering Committee (PSC) will represent the managing and supervising body responsible for the management and supervision over the Project. The PSC will comprise of representatives from Ministry of Agriculture; other partner organizations within Government; National Project Director, Chairmen of Site Project Implementation Committees, Local High Officials, UNDP Country Office in Kazakhstan Resident Representative, or Deputy RR, or a nominated representative thereof; UNDP-GEF Regional Coordinator, representative of the World Bank, of Jibek-Joly Tourism Company, of KazOkhotRybolovSoyuz and other potential donors. Representatives from other agencies, the private sector, industry, NGOs, etc., may join the PSC or act as observers upon nomination by any PSC member and invitation by the Chair. Project Manager and Chief Technical Adviser report to PSC.

The main objective of PSC is to review and comment on the activities of NPIU and three SIGs as well as review and comment on Work Plans compiled per each component. PSC will review and approve the order of contract and subcontract jobs execution, the annual reports of NPIU and SIGs; comment and approve the annual and perspective Work Plans. Basing on the annual results the PSC reviews and

approves the carried activity, prepares and approves the summarizing letter to GEF on the progress achieved within the passed year. During its annual meeting PSC will review the activities implemented within the passed year and the Work plans per components for the next year. The constant communication between PSC and NPIU & SIGs will be realized through CTA/PM who is a member of PSC.

2. National Project Implementation Unit

National Project Implementation Unit (NPIU) is a major body responsible for the project activities component implementation. NPIU is a project staff member, formed on the competition basis. NPIU is headed by the National Manager supervising three national experts, assistant to Manager and administrative support group (assistant on financial issues, Project Chief accountant and office secretary). NPIU reports to PM and through him to PSC. Three SIG work under NPIU's supervision. The working process is determined by the Work Plan. The PSC's Chairman decides the location of NPIU and further the office equipped with all necessary communication means is established at NPIU location.

NPIU main duties and responsibilities:

- Supervise and coordinate the project activities implementation as it is described in the annual Work Plan prepared by the CTA/Project Manager and approved by PSC
- Resolve all administrative and financial issues to provide for project activities smooth implementation
- Develop, coordinate, facilitate the approval and subsequent implementation of draft legal, administrative and scientific-technical documents required for successful implementation of certain tasks and project components in general, according to the Work Plan
- Provide assistance to the CTA/Project Manager in preparation and publication of all reports and Work Plans required for the project
- Coordinate, support and implement all project activities per national components, including activity on new legal proposals and law drafts development, education, workshop conduction and programs on public awareness preparation. Provide constant support to project site experts and visit the demonstration sites when necessary to take direct part in project activities
- Select, recruit on contract basis and support all site experts required by the project for short and long-term
- Select, recruit on contract basis and support all subcontractors required by the project
- Act as a link between the PSC and SIGs.

3. Site Implementation Groups

The Site Implementation Groups (SIGs) being the project personnel as well are formed for every demonstration site. The location of these SIGs will be appointed by the PSC Chairman in the regional administrative center, the closest one to each demonstration wetland. Preliminary SIG locations are: Atyrau city for URD, Kurgaldzhin village (Astana city) for TK and Usharal town for AS. The SIG will consist of SPIC and a group of experts. The experts work under direct supervision of SIGM who in his turn subordinates to CTA/PM and coordinates his site activities with

the SPIC. In accordance with the Work Plan the SIG prepares monthly reports on carried work to the PD and quarterly reports to SPIC. The reporting terms for experts as well as for the SIGM are determined in the relevant Terms of Reference.

The CTA/PM executes the general management of SIGs activities as well NPIU activities.

SIGs will be responsible for the organization and guarantee of the activities to be implemented in every demonstration site. SIGs will coordinate and support all site experts and subcontractors recruited by the project in each relevant demonstration site.

SIG main duties and responsibilities:

- Provide CTA/PM with support in implementation and control over project activities planned for each demonstration site.
- Provide the SPIC Chairman with administrative and technical support in his/her duties executing
- Provide support to PD and CTA/PM in planning and programming the annual Work Plan
- Act as working body of the relevant regional department of FFHC

4. Site Project Implementation Committee

The Site project Implementation Committee (SPIC) is created to supervise and coordinate the project activities in each demonstration site. Representatives of FFHC regional department (Implementing agency) and regional Akimat (Akim, Deputy Akim) are forming SPIC. The other members of SPIC are also: representatives of all state, commercial and social structures involved into the activities implementation in the demonstration site. The Head of regional FFHC department or Akimat's representative will head the SPIC, as coordinated.

SPIC will be responsible for the general supervision of the project activity in the relevant demonstration site. SPIC will meet no less than once a year or more frequently if required. The committee will be responsible for review and approval of every Annual Work Plan for the site component, which will be prepared beforehand and transferred, to SIG or its Manager through the SPIC Chairman. The committee will also be responsible for ensuring that the project receives the support and cooperation required from GoK and local authorities to enable project activities successful implementation as determined in the Work Plan.

5. Wetland Resources Management Committee

The Wetland Resources Management Committee (WRMC) is created for the purpose to implement the policy of resources effective management and sustainable use, to implement alternative activities, resource-saving and resources-reproducing methods, principles and technologies.

WRMC is created on SIGM representation and in coordination with SPIC and regional Akimat. WRMC will consist of representatives of: local FFHC department, regional Agency on land resources management, site inspections on bioresources use control; EBD and EED.

The main task of WRMC is to coordinate the activities of all structures involved into the wetland resources protection and exploitation, first of all the structures exploiting water and bioresources.

WRMC main duties and responsibilities:

- Coordinate the annual plans of the main involved structures to resource consumption. Quotes determination.
- Coordination of the schedules, seasons and volumes of the water resources consumption
- In cooperation with directive organizations (Akimat) determine the most optimal terms of fishery and waterfowl hunting
- Uniting separate fishers' groups or individuals into fishers' artels with an aim to provide them with the most effective technical and material support and to secure the most effective law-observing regime
- Develop the guiding principles favorable to sustainable long-terms use of wetland resources on basis on new technologies and approaches implementation
- Develop wetland resources management policy based first of all on the local communities' interests
- Explain the newly passed or renewed legal documents to water users concerning their rights and responsibilities while wetland resources consuming

6. Scientific Council

The Scientific Council (SC) determines the general strategy of biodiversity scientific researches in the sites included into the project. Under its supervision the base-line evaluation of the environment's and inhabiting it components' state is conducted, the main priorities in scientific and practical activities are determined. SC is created on MNREP RK order and consists of FFHC SPA department representative (the Chairman), academic institutions' representatives, SPA scientific departments, regional FFHC departments, private and non-governmental organizations. SC acts according to regulations set by the PMC and reports to PMC.

SC main duties and responsibilities:

- Coordinate the scientific research in the biodiversity and environment area during the project implementation and after its completion
- Assist NPIU and SIGs and subcontractors in developing scientific research programs, first of all ecomonitoring and environmental state programs
- In cooperation with NPIU and SIG analyze the received scientific data, develop on their basis a model of sustainable ecosystem
- Help with developing a program on resource species stocks evaluation, first of all the fish and waterfowl stocks
- Coordinate the scientific-practical work on the fish and waterfowl stock numbers increase
- Review the reports prepared on the results of scientific programs execution in the biodiversity and environmental state area
- Review the scientific works meant for publication

7. Interagency Working Groups (IWG) under the State Program on Waterfowl Use, Reproduction, Conservation and Research

Interagency Working Groups (IWG) will be formed for implementation of the State Program on Waterfowl Use, Reproduction, Conservation and Research (SPWURCR). The Government on spring of 2001 approved the SPWURCR. The IWG will consist of the representatives from involved ministries, departments and social organizations and will be headed by MEP. The IWG will facilitate the implementation of comprehensive management and sustainable use policy for wetland resources, implementation of alternative resource-saving methods and activities on the state level. It will comprise the representatives of Water Resource Committee; Land Resource Management Agency, Ministry of Agriculture, Ministry of Education and Science, KazOkhotRybolovSoyuz Management. Basing on the Site WRMC' activities and their gained experience, IWG will facilitate the development of the background for wetland resources adequate use. This will include the required amendments to the legislation and creation of conditions for their constant update so as to ensure the profitability of wetland resources conservation and management.