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The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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February 26, 1999

Render. Milo Kužvart
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Ministry of the Environment
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Czech Republic

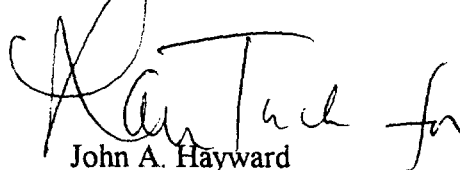
Dear Mr. Kužvart:

*GEF Biodiversity Protection Project (CZ-GE-8376):
Implementation Completion Report*

Please find attached the Implementation Completion Report (ICR) for the above Global Environment Facility (GEF) grant to the Czech Republic. The document has been extensively reviewed, although substantively remains the same as that discussed with your staff during the November mission, and we are pleased with the satisfactory project performance.

We would appreciate receiving any comments that you or your colleagues may have as soon as possible as we need to submit the ICR to the Bank's Board of Directors in the very near future.

Sincerely,



John A. Hayward
Sector Leader

Natural Resources/Agricultural Services
Environmentally and Socially Sustainable Development
Europe and Central Asia Region

Attachment

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Ing. Alexandra Orlikova
Director
Department of International Relations
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Czech Republic

Mr. Milo Kužvart

-3-

February 26, 1999

bcc: Messrs./Mmes. Grawe (ECCHU); McCollom (ECCA2); Bachmayer (EDS10);
Newcombe, Bond, Canby (ENV); de Nevers, Ablasser (ECSSD); Iorio (LEGEC);
Formoso (LOAEL)

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The World Bank

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Report No. xxxxx

IMPLEMENTATION COMPLETION REPORT

CZECH REPUBLIC

**BIODIVERSITY PROTECTION PROJECT
(GET GRANT 28617)**

February 10, 1998

Environmentally and Socially Sustainable Development Sector Unit
Europe and Central Asia Region

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CURRENCY EQUIVALENTS

(as of March 17, 1998)

Currency Unit	=	Czech Koruna/Koruny (CK)
1KC	=	US\$0.0293
US\$1	=	34.15KC

AVERAGE EXCHANGE RATES

<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
30-77	32.05	29.71	30.65	33.62	36.08

WEIGHTS AND MEASURES

Metric System

ABBREVIATIONS AND ACRONYMS

IBRD	- International Bank for Reconstruction and Development
EU	- European Union
GET	- Global Environment Trust
GEF	- Global Environment Facility
GIS	- Geographic information system
IUCN	- The World Conservation Union
KRNAP	- Krkonoše National Park
MaB	- UNESCO Man and the Biosphere Program
MOA	- Ministry of Agriculture
MOE	- Ministry of Environment
MOF	- Ministry of Finance
NGO	- Non-governmental organization
PHARE	- EU Program Assistance for Restructuring Economies
PLA	- Protected Landscape Area
PMCU	- Project Management and Coordination Unit
RAMSAR	- Convention on Wetlands of International Importance Especially Waterfowl Habitat (RAMSAR 1971)
SDS	- Sustainable Development Strategy
UNESCO	- United Nations Educational, Scientific and Cultural Organization
WWF	- World Wildlife Fund/World Wide Fund for Nature

CZECH REPUBLIC'S FISCAL YEAR

January 1--December 31

Vice President	: Johannes Linn, ECAVP
Country Director	: Roger Grawe, ECCO7
Sector Director	: Kevin Cleaver, ECSSD
Sector Leader	: John A. Hayward, ECSSD
Team Leader	: Andrew Bond, ECSRD

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IMPLEMENTATION COMPLETION REPORT

CZECH REPUBLIC

BIODIVERSITY PROTECTION PROJECT

(GET Grant 28617)

PREFACE

This is the Implementation Completion Report (ICR) for the Biodiversity Protection Project in the Czech Republic, for which GET Grant 28617 in the amount of SDR 1,500,000 (US\$ 2.0 million equivalent) was approved on October 19, 1993 and made effective on January 6, 1994.

The project was closed on June 30, 1998; compared with the original closing date of December 31, 1996. Final disbursement took place on October 4, 1998 at which time a balance of US\$103.00 was left undisbursed.

The ICR was prepared by Andrew Bond (EASES), Kerstin Canby (ENV), Bonnie Nevel (ECSRE), and Stephen Berwick (Biodiversity Specialist). It was reviewed by Mr. John A. Hayward, Sector Leader for Rural Development, ECSSD, Mr. Gottfried Ablasser, Portfolio Manager, ECSSD and Mr. Mahesh Sharma provided the team with a review by ENVGC. The Project Implementation Unit provided information essential for the preparation of the ICR and provided comments on the ICR which are included as an appendix.

Preparation of this ICR was begun during the Bank's final supervision/completion mission in April, 1998 and completion mission in November, 1998. It is based on material in the project file and discussions with relevant World Bank staff, the staff of the PMCU, staff and officials of the Ministry of Environment, administrations of the protected areas (Šumava, Pálava, Krkonoše), the Man and Biosphere (MaB) Secretariat, Biosphere Reserve managers, NGOs and consultants involved in the project,

IMPLEMENTATION COMPLETION REPORT

CZECH REPUBLIC

BIODIVERSITY PROTECTION PROJECT

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EVALUATION SUMMARY

Introduction

1. The Czech Republic Biodiversity Protection Project, supported by the Global Environment Facility (GEF), was among the first World Bank-GEF biodiversity projects and was one of the initial operations implemented by the World Bank in the Czech Republic. Designed as a project for the former Czechoslovakia, it was first identified in late 1992 with WWF-Austria and supported a transboundary nature conservation program "Ecological Bricks for the Common House of Europe." In 1993, it was divided into two related but separate projects, recognizing the establishment of the independent Czech and Slovak Republics. The project was approved on October 19, 1993 and declared effective on January 6, 1994.

Project Objectives and Components

2. The project objectives were to protect and strengthen representative ecosystem biodiversity of global significance in the Czech Republic in the transboundary areas of Pálava, Krkonoše, and Šumava. To implement these objectives, the project planned to involve the following programs:

Biodiversity Protection Program: to develop a range of activities including management techniques for a variety of representative ecosystems, environmental education and community support for protected areas and sustainable management of contiguous forest systems, *ex situ* conservation where *in-situ* efforts were inappropriate, and biodiversity research and management;

Conservation Program: to develop revenue generation mechanisms for the protected areas, interactions with local communities and land managers, sustainable development strategies and demonstration activities;

Institutional Infrastructure Improvement Program: to support project management coordination efforts between the Ministry and project areas, professional development and training, the improvement of infrastructure and operations of protected areas, and the administration of an NGO biodiversity small grants program.

Implementation Experience and Results

3. *Achievement of Objectives:* Overall, the project produced satisfactory results, particularly given the rapid change as the newly created republic developed independent institutions and capacities, while at the same time continuing the transition to a market economy. This early period was marked by on-going changes in legislative, administrative and institutional arrangements. After initial adjustments, most activities continued in accordance with the principles outlined in

the Project Technical Document. The project's closing date was postponed twice -- ultimately for 18 months -- given that some innovative sub-components required additional time to be successfully implemented. A small number of activities had to be canceled early due to a reduced budget caused by the Austrian Eco-Fund co-financing (US\$ 0.5 million) never materializing, due to changes in their program priorities and available funds.

4. Nearly all the work planned was pursued, with highly satisfactory results in the public awareness and environmental education programs and investments, Pálava wetlands restoration and viticulture demonstrations, the establishment of the endangered species nursery in Krkonoše, and in wildlife research and management (with the results in Šumava leading to national management plans). National park, Protected Landscape Area (PLA) and Biosphere Reserve (BR) administrations are now sharing their experiences -- some of the them state-of-the-art such as in the GIS program at Krkonoše National Park (KRNAP) -- with others, notably in other transition economy countries.

5. Activities designed to improve the inter-relationships with traditional forest managers and the generation of revenue-generation mechanisms did not meet expectations but represent valuable exercises with lessons learned. The initiation of local planning efforts with stakeholder participation represents an important advance in the civil society, and is best exemplified in Šumava.

6. The project leveraged financing from the Mac Arthur Foundation and a number of strategic partnerships particularly between protected area managers, local communities and NGOs. The project benefited from UNESCO assistance with Email networking and this collaboration has meant that all protected areas with telephone service now have Email and Internet access.

7. *Major Factors Affecting the Project:* The marked on-going changes in legislative, administrative and institutional arrangements impacted project implementation. Other factors that affected the project include: (i) the steep learning curve experienced by project management and implementing agencies of international donor procedures and working styles; (ii) the difficulty in overcoming historical centralized planning approaches and lack of understanding of the impacts of environmental degradation; (iii) the prevailing influence of traditional forestry practices; and (iv) relatively frequent changes of higher level officials within implementing agencies; and (v) budget reductions caused by the loss of Austrian Eco-Fund co-financing.

8. However, despite these, project participants and the project management teams displayed high levels of skills, creativity and commitment leading to the continuation of many activities even without state budget financing -- mostly as the result of intensive follow-up fund-raising activities. The high technical and intellectual capacities of project participants provided fertile ground for project activities to be picked up and taken much further than the project had originally envisioned.

Summary of Findings, Future Operations, and Key Lessons Learned

9. *Bank and Recipient Performance:* Overall, Bank and Recipient performance has been rated as satisfactory, although early PMCU misunderstanding of Bank requirements for procurement and workprogram development caused significant delay during the first 18 months. After these initial delays, however, the PMCU and the regional coordinating offices grew into exemplary management and leadership roles, and ensured the timely implementation of project activities. Initial problems with implementing agencies, such as diversions from the guidelines of the Technical Document, lack of ownership from implementing agencies and a tendency to focus on civil works and goods procurement, were in general rectified within the first 18 months and seem to have had little residual impact on project results.
10. Communication between the Bank and Recipient was considered intensive and Bank staff, both technical and operational, proved open to provide advice as needed. However, from time to time delay was observed in responses from the Bank, particularly critical when required approvals were needed.
11. *Future Operations:* The Minister of Environment has indicated that all the initiatives undertaken under this project will be embodied in an expanded program beginning in the Year 2000 with the likely increase of budget financing and the regionalization of ministry administrative structures. The three Biosphere Reserves will continue to be maintained and will have access to Czech grant funds to continue with the maintenance of software programs and internet access in the foreseeable future.
12. The National Biodiversity Strategy and Action Plan will include many outputs or experiences of the GEF Project, including the Sustainable Development Strategies. The beneficiary areas have included most, if not all, recommendations into their respective management plans and are working on proposals (fund-raising) to continue with activities that require further financial assistance.

Key Lessons Learned

13. Based on discussions held during the completion mission and regional workshops, the key lessons learned from the Recipient and the Bank's perspective are:
- *Role of PMCU* is to coordinate and support the implementing agencies who are ultimately responsible for the project activities not only during the project lifetime but also once the project is completed.
 - *Professional development* is a vital step in building human and institutional capacity. A needs assessment should occur early in the project or at project design to ensure new skills/knowledge are better integrated during implementation. Issues such as budget constraints and understaffing may limit the full application or transfer of knowledge obtained in the training process. *GIS training* needs to be provided for more than one staff per site and to committed users who can best understand the potential for management applications and are more likely to remain in the job to justify these types of expensive training investments;
 - *Involving NGOs* during implementation is complementary and a substantive contribution to the success of the project;

- The *initial timescale (3 years) was overly ambitious*, due to a combination of slower than envisaged progress in implementation and an over optimistic implementation schedule. An over optimistic implementation schedule is a design flaw and a critical lesson learned and should be taken into account in preparing subsequent operations. Slower than envisaged progress in implementation was due to the steep learning curves for new and often advanced concepts (sustainable development), technical tools (GIS) and approaches, and the PCMU's accession of capability, working style and real understanding of agreed project activities;
- Efforts to engage foresters and foresters/game managers needed more focus. The genetic research and wildlife management in areas under forestry control requires long-term educational inputs, more consistent consultation and a new rewards system recognizing benefits beyond commercial fiber production;
- *Explicit targets and indicators for measuring progress* need to be established at the outset. The absence of indicators can at best be characterized as a short coming of project design.

IMPLEMENTATION COMPLETION REPORT

CZECH REPUBLIC

BIODIVERSITY PROTECTION PROJECT

(GET Grant 28617)

Part I: Project Implementation Assessment

A. Project Context and Objectives

1. The Czech Republic Biodiversity Protection Project was designed as a project for the former Czechoslovakia and was first identified in late 1992 and early 1993, when it was then divided into two related but separate projects for the new Czech and Slovak Republics. The project was approved on October 19, 1993 and declared effective on January 6, 1994.

2. A key objective of the GEF Pilot Phase was to seek innovative and replicable solutions to global environmental challenges. The project was one of five Bank-managed GEF projects in the region to provide assistance to countries in transition by improving the management and protection of transboundary ecosystem biodiversity, with a focus on international collaboration. The other four projects were in Poland, Belarus, the Slovak Republic and Ukraine.

3. The Czech Republic contains a number of internationally recognized National Parks and protected areas. While many sites would have benefited from GEF financing, three priority zones of threatened biodiversity were highlighted for GEF Project financial support for, among others, the following reasons: (i) location in transboundary areas, providing the opportunity to explore cooperative relationships with neighboring park administrations of Bavaria, Poland, Austria, the Slovak Republic and Hungary; (ii) opportunity to conserve a large number of important wild animal and plant species, many endemic, rare, endangered or historic varieties of commercial plants; (iii) location in recently opened military or border areas that had escaped the pressures faced by ecosystems in neighboring regions during the past 50 years, and for which a window of opportunity existed to introduce long-term protective management systems; and (iv) potential for experience to be transferred to other protected areas within the Czech Republic and elsewhere.

4. The three ecosystems selected were: (a) the *Pálava floodplain* remnants, which include the internationally significant RAMSAR wetlands of the Morava and Dyje rivers abutting Austria and the Slovak Republic, and which were under increasing visitor and agricultural pressure since the removal of military border restrictions; (b) the *Krkonoše mountain ecosystems*, which are adversely affected by transboundary air pollution as well as significant overuse by recreationists; and (c) the *Šumava mountain forests* abutting the German Bavarian forests and newly opened to recreation after years of tight military restrictions, and in which, although not yet suffering from overuse, had a window of opportunity for the establishment of sustainable protected management systems. Together, the areas represent a variety of ecosystem types and habitats and are considered important centers of species evolution. All three zones were already theoretically protected by national park or reserve status, but were in need of increased support and improved management

5. **Project Objectives and Components.** The overall project goal was to protect and strengthen forest and related ecosystem biodiversity in the Czech Republic. Three objectives were identified to reach this goal:

- (a) Protect three representative ecosystems: montane meadows (Krkonoše), mountain forest (Krkonoše and Šumava), and lowland forest and wetland (Pálava);
- (b) Support three transnational biodiversity protection networks: the Krkonoše Reserves (Poland), the Šumava National Park (Austria, and Germany), and the Morava Floodplain Forests and Wetlands (Slovak Republic and Austria); and
- (c) Develop systems of financially sustainable biodiversity protection in the Czech Republic through the introduction of alternative sustainable uses, user fees, related charges for visitors, and concessions to manage the areas within their determined "carrying capacities".

6. Project activities were divided into three programmatic areas:

- (a) the **Biodiversity Protection Program**: to develop a range of activities including management techniques for a variety of representative ecosystems, environmental education and community support for protected areas and sustainable management of contiguous forest systems, *ex situ* conservation where *in-situ* efforts were inappropriate, and biodiversity research and management;
- (b) the **Conservation Program**: to develop revenue generation mechanisms for the protected areas, interactions with local communities and land managers, sustainable development strategies and demonstration activities; and
- (c) the **Institutional Infrastructure Improvement Program**: to support project management coordination efforts between the Ministry and project areas, professional development and training, the improvement of infrastructure and operations of protected areas, and the administration of an NGO biodiversity small grants program.

7. **Evaluation of Objectives.** The initially agreed objectives were subsequently proved to be quite ambitious given the subsequent fundamental changes within the country which created both opportunities but also proposed some constraints. As well, the objectives did not enumerate measurable and verifiable indicators of achievement which would have greatly assisted with devising mid-project adjustments and management responses to changing conditions (adaptive management). It should be noted that subsequent GEF biodiversity projects under the GEF Operational Phase have been required to identify and use monitorable indicators.

¹ Generally an areas carrying capacity can be qualitatively described as the level of visitation tourism without causing unacceptable degradation of the environment. Refer para. 2.52 of the Project Document.

B. Achievement of Objectives

8. Overall, the project produced satisfactory results, particularly given the rapid change as the newly created republic needed to develop institutional capacities, new legal frameworks and an independent civil society while at the same time continuing the transition to a market economy. After initial adjustments, most activities were carried out in accordance with the principles outlined in the Project Technical Document. The project's closing date was postponed twice -- ultimately for 18 months. A small number of components had to be canceled early due to a reduced budget caused by the Austrian Eco-Fund co-financing (US\$ 0.5 million) never materializing.

9. The project laid the groundwork for future activities -- a knowledge base, institutional and human capacity. As certain project activities have only recently been finished, including the Sustainable Development Strategies (SDS), this completion report cannot effectively assess the long term impact of these project activities.

10. Many sub-components (i.e., on-going research activities) following a number of activities (such as wetlands restoration) are providing positive signs of improved ecosystem health. The values of some activities are widely recognized (wetlands restoration, wild predator conservation, viticulture demonstration) and have been replicated elsewhere. Other highlights include the environmental education and public awareness programs and infrastructure improvements, endangered species nursery (ex-situ conservation sub-component), support for non-governmental, small-scale conservation efforts (NGO Small Grants Program), and all of the institutional capacity building components, which have built a base not only for future operations in the three protected area zones, but have had spill-over effects into the management of the whole Czech Republic protected areas program, especially the other three MaB Reserves. Outputs from the GEF project are also proving instrumental in efforts to expand the Pálava Protected Landscape Area (PLA).

11. Less satisfactory components such as the assessment of carrying capacity and the assessment and piloting of revenue generating mechanisms or planning for sustainable development did not meet their expectations, but provided opportunities for better understanding and communications between National Park administrations and local communities on the issues surrounding regional economic development. These elements did not fulfill original expectations due to: a) the difficulties of influencing the sometimes national-level legal and financial disincentives to long-term sustainable development; and b) the reality that such approaches were a quantum change in the methodology for the planning authorities, institutions and contractors not used to local planning efforts and public participation. Either the lack of understanding of the conservation biology principles of forest management (as identified in the Project Technical Document) or the prevailing influence of traditional forestry practices stymied the progress of some sub-components (restoration of Krkonoše forests, implementation of wildlife management recommendations). Other weaknesses, similar to the Slovak project, such as diversions from the guidelines of the Technical Document, lack of ownership from implementing agencies and a tendency to focus on civil works and goods procurement were in general rectified within the first 18 months but seem to have had little residual impact on project results.

12. Project-wide, international cooperation and coordination for trans-boundary conservation were initiated under the auspices of the Project. In this context the project supported a regional workshop in Mikulov, which has proved seminal in transferring the lessons learned and experience of the GEF projects in the Region. In the Krkonoše Biosphere, Polish and Czech administrations coordinated GIS software to jointly produce the first ever ecosystem maps which pave the way for

enhanced collaborative management of shared alpine ecosystems. Unfortunately, this collaboration did not extend to the sharing of hydromat data from the Polish station immediately adjacent to the border (unless paid for). The transboundary management of wildlife between Bavaria and Šumava is underway, with the adoption by German biologists of the methods and tools developed under this project. Many of the lessons learned under this project will be officially disseminated to other countries in transition, funded by a Czech government program for foreign assistance.

13. The awareness of the importance of biodiversity conservation has increased through public awareness programs which targeted local communities, the SDSs and specific educational and interpretive project elements. The success of the sustainable viticulture activities improved community relations with the Pálava PLA administration, initiating changes in prevailing perceptions that PLA zoning only brings restrictions to development and limits benefits to local communities.

14. The ***Biodiversity Protection Program*** component of the project funded the restoration of forest and wetland ecosystems, the development/implementation of management alternatives for montane meadows, a wildlife management program, public education and awareness activities, applied research and the *ex-situ* conservation of native non-tree plant species. A small sub-component for a capercaillie breeding program was canceled due to the reduction in overall project budget caused by the Austrian Eco-Fund withdrawal.

15. The restoration of the wetland ecosystems in Pálava was highly successful. The implementation of civil works and monitoring programs for the re-introduction of flooding regimes essential in maintaining floodplain ecosystems was marked by good cooperation with the local district and water authorities (interested in flood mitigation), and state forest authorities (interested in forest restoration). Financing for the majority of the construction, maintenance and future proposals are to come from the state budget, for whom investment was validated when the floods of 1997 were measurably mitigated by the reconstructed channels and wetlands. GEF financing was able, with a minor amount of money, to influence the location of the sites to areas of biodiversity importance within the planned Pálava PLA extension -- areas which had not been priority sites of the original government program. Today, the number of plant / animal species and individuals has increased, and the first breeding of the Imperial Eagle in the Czech Republic occurred in the locale, possibly due to increased food availability.

16. The mowing of meadows was done by the KRNAP administration and one interested farmer and maintained the unique species communities of these traditionally modified landscapes. While not self-financing, this activity is expected to continue due to high historic, cultural and landscape diversity values. For the *ex-situ* conservation of endangered plants, locally-sourced seeds of some 40 species of endangered native plants were studied and germinated at a park facility, and then re-introduced into their original natural environments with high survival rates.

17. The project brought to light, early in project implementation, the importance of cooperation between agencies responsible for the stewardship of the Czech Republic's forests: the MOE, national park administrations and the Ministry of Agriculture (MOA), Department of Forestry (DOF). Initial false starts in the forest restoration sub-component in KRNAP and continued unresolved tension over the management of red deer (many foresters wanting to artificially maintain high populations for personal hunting reasons, despite the deer's high browse impact on tree regeneration) indicate that DoF staff needed management incentives to further integrate modern concepts of game management, restoration ecology and participatory planning into forest management practices.

18. This component also funded significant amounts of environmental education and public awareness activities in the three protected areas -- including the construction of a research/education center in Pálava, and ecological exhibits and interpretive materials (pamphlets and videos) in all three areas. For example, the Pálava environmental education center, run by the NGO Czech Nature Protection Union, is widely successful with school programs. However, at the national level, support for environmental education programs is endangered, with the Ministries of Education and Environment each believing it to be under the jurisdiction of the other and neither taking on a meaningful budgetary responsibility.

19. Significant amounts of high-quality applied research were intended to provide the basis on which to construct plans for future conservation and sustainable use. Telemetry studies of *lynx lynx* have led to cross-border management as well as providing a predator management plan for the entire Czech Republic. Hundreds of data layers have been digitized (e.g. over 300 in KRNAP) and the use of the GIS has progressed beyond simple mapping to analysis for revisions of management plans. The sophisticated analysis stemming from the GIS program in Krkonoše is recognized as state-of-the-art, and information sharing networks have been set up between research institutions and individuals and GIS data layers are even available on the World Wide Web.

20. The implementation of the *Conservation Program* component was satisfactory. The early demonstration viticulture sub-component is considered highly successful, while the development of sustainable development strategies (SDS) in the three project areas did not meet expectations.

21. The sustainable viticulture demonstration near Pálava (refer Box 1) raised the interest of numerous cooperative farms and vineyard owners: nearly 100% have picked up the idea within the PLA, and approximately 60% within the entire region. The sub-component, also the subject of a TV documentary, was largely completed by the second supervision mission, and community support for the Pálava Landscape Protected Area was an evident positive side effect. A publication describing the sustainable viticulture experience has been distributed very widely and results were developed for experience transfer to other countries with the assistance of a \$70,000 Czech Government grant. Monitoring efforts show that previous populations of plants and insects are reappearing. The sustainable agriculture model only resulted in some limited studies of grasslands management. Sustainable agricultural practices within the PLA continue to be supported by government subsidies and, while beneficial to the biodiversity in the immediate environs, are unlikely to be replicated outside the PLA.

22. As with the Slovakia experience, research and pilot projects for identifying carrying capacity and revenue-generation mechanisms (user fees, etc.) originally stipulated as separate sub-components in the *Conservation Program*, were integrated into the development of the SDS for Šumava, Pálava and Krkonoše. This combination of program elements was welcomed, as the issues of carrying capacity and sustainable development are intimately related, and the development of revenue mechanisms is one of the key instruments available to support protected areas in the long-term. By project completion, however, the SDS for all three areas did not proceed as far as had been expected, although nearly all participants indicated that the process initiated during the development of the SDS yielded increased understanding and communications over issues within and between the national park administrations and local authorities/communities interested in promoting regional economic development. In KRNAP, for example, local councils and the KRNAP administration have recognized and agreed to work together on a few areas of mutual benefit (e.g. improvement of local tax collection). The Krkonoše SDS will influence the management and action plans for the KRNAP

and MaB, and have been used for the revision of the various zones of “allowable activities” within the Krkonoše PLA.

Box 1 - SUSTAINABLE VITICULTURE IN PALAVA

Like the nearby downstream Moravian floodplains of Slovakia, the Palava region includes remnant natural floodplain forests and Ramsar wetlands protected by the border controls of the Cold War. The area also features the Pavlov hills nature reserve. The entire complex is partially protected by a landscape reserve imbedded in regional agricultural and commercial forest operations. Agricultural and tourism development represent both opportunities and threats to a healthy regional economy and ecology. Wine production has a two-thousand year history in Palava and is an entry point for integrating sustainable regional economic activities compatible with maintaining and restoring biological diversity. Modern production has depended upon heavy application of pesticides to reduce insect and fungal infestation leading to reduced grape production.

This project component was designed to demonstrate vineyard management practices which enhance biological values in the region, including biodiversity. Two vineyards were treated and monitored. The high cost of fertilizers, fossil fuels and pesticides, the increase in populations of noxious spiders and mites due to loss of natural predators coincidentally eliminated by pesticide application, and the loss of hillside herbage from vineyard weeding resulting in high erosion, provided further incentive to develop more sustainable husbandry practices. These vineyard management impacts are linked to the regional aquatic and wetland systems by unintended sediment and pesticide delivery.

An element of integrated pest management is the encouragement of a predatory mite which controls vine damaging mites and spiders. Vine-damaging caterpillars are controlled by an otherwise harmless bacterium. The old tradition of keeping the rows between vines bare of plants has been replaced by pruning lower vine leaves, since higher leaves are resistant to fungal attack near the moist soil. The new growth of herbs between vines increases soil organic matter, nitrification, and water infiltration resulting in higher yields of higher quality grapes, and much higher biological diversity inhabiting the interstitial vegetation including rare grasses, herbaceous plants, and a six-fold increase in beetle species. More than 240 species of butterflies and moths have been collected in participating fields - many seen before the project only in the Palava Nature Reserve. Costs of production are significantly reduced and the program is now being replicated in over 90% of the farms in the region.

Farmers have noted that environmentally grounded interventions are not necessarily restrictive. A number of contacts have been established such as that with Univ. of California, Davis which has been sending useful computer programs. The results of this work are now being used in vineyards in Moldova, Turkey, Austria, and France with ECPHARE assisting in exporting the lessons learned.

23. However, while the strategies were designed to balance ecological, economic and social sustainability issues, in general they tended to focus on the ecological aspects and were not able to initiate or, in most cases, even propose actions to promote potential new revenue-generating mechanisms to benefit either the national park or local communities. In all cases, follow-up activities appear to be stymied by political, tax law or legislative barriers. In retrospect, given that much of the ecological sustainability aspects were *in general* already understood, proportionally more attention should have been spent during the process identifying and analyzing these barriers and communicating with local stakeholders. The in-country enthusiasm for the SDS approach has led to a program for disseminating lessons learned to other transition economy countries, funded by a Czech Government Multilateral Assistance Program (approximately US\$130,000).

24. The *Institutional and Infrastructure Program* sub-components all fulfilled their objective, most within the original timeframe of the project and with no implementation difficulties. Given the

budget constraints imposed by the failure of Austrian Eco-Fund co-financing to materialize and the appearance of possible Government funds, the sub-component on wastewater treatment/reduction pre-feasibility studies in Šumava was canceled.

25. Particularly successful was the Environmental NGO Small Grant Program, where 33 grants were awarded on a competitive basis to 26 NGOs. After initial difficulties, the administrative responsibility was transferred from the Prague office of the NGO European Trust for Natural and Cultural Wealth to the PMCU (based on the positive experience Slovak Republic NGO Small Grant Program). It should be noted that a minor proportion of the small grants were criticized by supervision missions with respect to their technical integrity. Lessons learned from these small grants programs in Slovakia and Czech Republic have been further developed in the Russia GEF Project now under implementation, and the GEF Central Asia Transboundary Biodiversity Protection Project. Particularly important were the insights related to governance, transparency, NGO abilities and the necessary incorporation of capacity building into grants for the NGOs.

26. While many protected area staff participated in national and international professional development programs, a needs assessment may have targeted the appropriate skills and courses needed and assisted in getting training programs underway earlier in the project. Some GIS trainees transferred to the private sector due to salary inequities. Nonetheless, this element modified views and promoted professional networking, exemplified by the sharing of inventory protocols via the internet with the University of California, San Diego. A Southern Appalachian study tour led to a regional sustainable development cooperative for 4 cities and 30 villages in Bohemia, a major departure from the existing planning approach.

27. The technology and computerization sub-component was cited by virtually all staff as the primary benefit of the GEF project, having funded the installment of communication technology, computers, software (including GIS) and internet connections at a time when regional offices had only phones and no computers (even for research). With applications rapidly picked up, these technologies represent a sea-change in the daily operations of the regional administrations; benefits rippled through the entire Czech protected area system, opening the rest of the world to previously isolated staff who cannot now imagine working without these fundamental procurements. KRNAP data is now available for free on the WorldWide Web with a "gentleman's agreement" that any new data and analysis generated will be made available in return.

28. Infrastructure investments were relatively straight-forward and well-implemented, with plans for KRNAP administration buildings altered mid-project when other donor funding appeared and the project instead supported the development of information centers in local towns.

29. Some minor reallocation occurred between components: the project reallocated \$14,000 from the unallocated category to the Krkonoše alpine meadow management component when it was found that the bids for the equipment used in meadow restoration came in at 70 percent higher than estimated at appraisal, and new activities (US\$28,000) were added to the Ecosystem Research at Šumava component to improve knowledge of peatlands in the project.

30. *Project Management:* The PMCU showed its flexibility and commitment to the program when, within the first six months, the administrative arrangements for the NGO small grants program fell through. After initial adjustments, the PCMU grew into an excellent unit with exemplary project management. At the beginning, project implementation centered in the PMCU, while the role of the three national park administration and the MOA, DoF, were not clearly defined. This led to a lack of ownership and responsibility for any project component, except for those involving infrastructure

investments. Recognizing this, the PMCU together with these four implementing agencies, embarked on a program to clarify roles and decentralize project implementation. Ultimately successful, the PMCU was able to change its role to more of an overall coordinator supporting the agencies and focus its energies on increasing collaboration with local groups and becoming more supportive of local efforts. In addition, it took on the administration of the NGO Small Grants Program. The PMCU contributed significantly not only to the achievement of the project's objectives, but also to the long-term sustainability of all activities by working to increase local and implementing agency ownership.

31. *Global Benefits:* The project successfully confirmed all three protected areas' biological value at the genetic, species, association and ecosystem levels, and furthered their protection in numerous ways. It also had the more diffuse global benefit of introducing new paradigms of ecosystem management, which may have positive long-term impact on all the biodiversity contained in Czech state-owned (i.e. managed) areas. The maintenance of an integral part of an international waterfowl flyway (Šumava wetlands) has shown to be a significant global benefit produced by the project.

32. *Innovation:* Most aspects of the current project were innovative for the Czech Republic, but not for biodiversity conservation in general. The project introduced, among other things, (i) support to NGOs via competitive small grants; (ii) expanded demonstrations in ecologically sound and sustainable land uses; (iii) international models for grant administration and management; (iv) the need for active community involvement and participation.

33. *Demonstration Value and Replicability:* The project was judged very successful from the standpoints of demonstration value and replicability through the viticulture, wetland restoration and large predator management.

34. *Incremental Costs:* The project does not provide insight into defining eligible GEF incremental costs by today's standards. However, the Czech Republic would not have funded such activities on its own at the time.

C. Major Factors Affecting the Project

35. Being one of the only Bank operations in the Czech Republic, the Recipient was faced with learning Bank procedures, particularly those concerned with procurement, budget and workplan/Terms of Reference and development training. Despite this, the appointment of a qualified, independent and committed professional within the PMCU ensured the smooth implementation of the project after initial delay and was ultimately consistent with the original design.

36. Other factors affecting the project included:

- The loss of funding foreseen at project appraisal from the Austrian Eco-Fund, (US\$ 0.5 million) which resulted in some project components being modified or dropped;
- The excellent educational and technical backgrounds of project participants (park administrations, NGOs, etc) provided a fertile ground for many project activities to be rapidly picked up and taken much further than the project had originally envisioned;
- The historical practice of centralized planning and the suppression of information concerning environmental degradation led to difficulties during the SDS process. Locally-based, participatory planning for sustainable development was a quantum change in

methodology for planning authorities, institutions and contractors and took longer than expected to be understood and the process initiated;

- Either the lack of understanding of the conservation biology and participatory planning principles of forest management (as identified in the Project Technical Document), the prevailing influence of traditional forestry practices or a lack of proper incentives stymied the progress of some sub-components (restoration of Krkonoše forests, expansion of Pálava PLA, implementation of wildlife management recommendations,).
- Relatively frequent changes of high officials in the MOE, which distracted the staff of the PMCU who frequently had to brief new officials on the GEF program.

D. Project Sustainability

37. Accepting that the true test of sustainability is whether the momentum begun under the project will exist many years later, the following is an early indication of potential project sustainability.

38. The long-term *biological* integrity of the three national park/reserve areas selected is undeniably better protected than prior to the project, although one cannot say definitely if it is adequately protected for perpetuity. This is supported by the opinions of the local IUCN representative, protected area administrations and various academic personnel and the impacts of the various planning and collaborative approaches supported by the project. The *technical* equipment and processes acquired or introduced were all reported to be in operation, although park administrations are now faced with high software maintenance fees (US\$6,000 for KRNAP alone). This is a consistent issue identifiable in all five regional biodiversity protection projects.

39. *Institutionally*, the capacity-building elements built solid ground from which future operations can be based and identified where further collaboration between the MOA and MOE is necessary. The National Park administration remains committed to the protection of biological diversity and fragile ecosystems, and a number of similar activities were carried out in areas of high biodiversity outside the selected PLAs in parallel to the GEF activities and based in part on project outputs. The project did not create the *financial* means to continue project activities, such as a Trust Fund, nor provide concrete proposals for revenue generation and retention mechanisms which would assist with the financial sustainability of the national park system or local communities for the reasons indicated above. Nonetheless, it began the process of awareness creation and identified opportunities to pursue to address this issue. The maintenance of montane meadows and sustainable agriculture within PLAs will remain dependent on state budgets, however the Ministry has indicated that these will be given priority in the overall agency budget envelope. Despite these problems, there has been good continuity of staff and consultants at the local and central level, which has contributed to maintaining the benefits of the project's investments in human resources. As well, staff now have proven skills in additional fund-raising, as exemplified by additional funds for continuing the SDS (from FACE for KRNAP and PHARE at Pálava).

40. Initiating momentum to bolster the *social* sustainability of the program, the project exposed local communities to the value of the Czech natural heritage through public education and awareness programs, demonstration sites (viticulture) and to some degrees, the SDS process. Although the

SDS were not fully realized, they have contributed to the National Conservation Strategy adopted this year.

E. Bank Performance

41. The Bank's performance was satisfactory throughout preparation and implementation. During implementation, the Recipient needed assistance with procurement, contract preparation and several technical issues. The project was supervised by Bank staff and consultants who provided satisfactory assistance to meet those needs. Communication between the Bank and Recipient was considered intensive and Bank staff, both technical and operational, proved open to provide advice as needed. However, from time to time delay was observed in responses from the Bank, particularly critical when required approvals were needed. The Bank provided additional training in financial, disbursement and project accounting, although perhaps too late into project implementation.

42. Although task management responsibilities of the project changed four times, and at one point there was only a Bank contact person designated for a period of 3 months (1994), the Bank's core team remained essentially the same and the Recipient did not view the changes in task management as detrimental to the project.

43. Less satisfactory, was Bank performance with respect to formal management reporting. Even though the ICR mission was able to ascertain that aide-memoires were completed for most missions, these, even when mandatory, did not necessarily result in requisite Back to Office Reports and Form 590 completions.

F. Borrower Performance

44. The Recipient's performance was satisfactory. Project implementation experienced a slow start due to the institutional weaknesses associated with the emergence of the new Czech Republic administrations and the lack of experience of international donor assistance. After initial delays, however, the PMCU and the regional coordinating offices grew into effective management and leadership roles, and ensured the timely implementation of project activities.

45. Initial problems such as diversions from the guidelines of the Technical Document, lack of ownership from implementing agencies and a tendency to focus on civil works and goods procurement were in general rectified within the first 18 months but seem to have had little residual impact on project results.

G. Assessment of Outcome

46. Overall, the project produced satisfactory results, and in some areas was highly successful. Nearly all the work planned was pursued, with highly satisfactory results in the public awareness and environmental education programs and investments, Pálava wetlands restoration and viticulture demonstrations, endangered species nursery in Krkonoše, wildlife research and management (results in Šumava leading to national management plans). Weaker activities such as the inter-relationship with traditional forest managers and the generation of revenue-generation mechanisms did not meet expectations but represent valuable exercises with lessons learned.

47. The initiation of local planning efforts with stakeholder participation represents an important advance in the civil society, and is best exemplified in Šumava, where as a result of the SDS process, surveys of local communities' activities and perceptions were deemed useful, park authorities now sit on municipality planning committees and local authorities are represented on the PLA Committee.

H. Future of This Operation and Future Operations

48. The Minister of Environment has indicated that all the initiatives undertaken under this project will be embodied in an expanded program beginning in the Year 2000 with the likely increase of budget financing and the regionalization of ministry administrative structures. The three Biosphere Reserves will continue to be maintained and will have access to Czech grant funds to continue with the maintenance of software programs and internet access in the foreseeable future.

49. The National Biodiversity Strategy and Action Plan will include many outputs or experiences of the GEF Project, including the Sustainable Development Strategies. The beneficiary areas have included most, if not all, of any recommendations into their respective management plans and are working on proposals (fund-raising) to continue with activities that require further financial assistance.

I. Key Lessons Learned

50. The lessons learned during the course of project implementation were discussed during the last 18 months during workshops. Based on discussions held during the completion mission and these regional workshops, the key lessons learned from the Bank's and Recipient's perspective are:

- *Role of PMCU* is to coordinate and support the implementing agencies who are ultimately responsible for the project activities not only during the project lifetime but also once the project is completed.
- *Professional development* is a vital step in building human and institutional capacity but: (i) a needs assessment should occur early in the project in order to better design the component and ensure new skills/knowledge are better integrated into design and implementation; and (ii) issues such as budget constraint and understaffing may limit the full application or transfer of knowledge obtained in the training process. For example, training in ecology and conservation biology should have occurred earlier in the project in order to be better integrated into component implementation.
- *GIS training* for more than one staff per site and committed users who can best understand the potential for management applications and are more likely to remain in the job will justify expensive training investments;
- *Involving NGOs* during implementation is complementary and a substantive contribution to the success of the project;
- The *initial timescale (3 years)* was *overly ambitious*, due to a combination of slower than envisaged progress in implementation and an over optimistic implementation schedule. With regard to the latter, a number of causative factors were identified and include: (i) the fact that this was one of the initial GEF operations, (ii) GEF projects are inherently comprehensive and thus complex; and, (iii) institutional capacity building or attitudinal shifts take time. These early projects of the GEF Pilot Phase uniformly required longer implementation timeframes (circa 5

years) as witnessed by the value of the extensions which all the regional projects requested. Nonetheless, an over optimistic implementation schedule is a design flaw and a critical lesson learned and should be taken into account in preparing subsequent operations. Much of the value and achievement of objectives were realized in the final 18 months of the Project. Slower than envisaged progress in implementation was due to the steep learning curves for new and often advanced concepts (sustainable development), technical tools (GIS) and approaches, and the PCMU's accession of capability, working style and real understanding of agreed project activities;

- Efforts to engage foresters and foresters/game managers needed more focus. The genetic research and wildlife management in areas under forestry control requires long-term educational inputs, more consistent consultation and a new rewards system recognizing benefits beyond commercial fiber production. As well, proper sequencing of project resources would have kept the isoenzyme work in focus.
- *Explicit targets and indicators for measuring progress* against the implementation plans and project objectives help managers quantify the success, cost-effectiveness and basic usefulness of most components throughout implementation. These, as is now common practice, need to be established at the outset. However, long term success or impact of a project activity relative to its stated goal(s) cannot be fairly assessed at project completion. For example, professional development and training enables the immediate prosecution of some project tasks such as GIS use, but will not be fully realized for at least several years when the long-term influence can be better evaluated. Nonetheless, the absence of indicators can at best be characterized as a short coming of project design.

PART II. STATISTICAL TABLES

TABLE 1: SUMMARY OF ASSESSMENTS

A. <u>Achievement of Objectives</u>	<u>Substantial</u>	<u>Partial</u>	<u>Negligible</u>	<u>Not applicable</u>
Macro Policies				(✓)
Sector Policies			(✓)	
Financial Objectives				(✓)
Institutional Development	(✓)			
Physical Objectives	(✓)			
Poverty Reduction				(✓)
Gender Issues				(✓)
Other Social Objectives		(✓)		
Environmental Objectives	(✓)			
Public Sector Management		(✓)		
Private Sector Development			(✓)	
Other (specify)				
B. <u>Project Sustainability</u>	<u>Likely</u>	<u>Unlikely</u>	<u>Uncertain</u>	
	(✓)			
C. <u>Bank Performance</u>	<u>Highly Satisfactory</u>	<u>Satisfactory</u>	<u>Deficient</u>	
Identification		(✓)		
Preparation Assistance		(✓)		
Appraisal		(✓)		
Supervision		(✓)		
D. <u>Borrower Performance</u>	<u>Highly Satisfactory</u>	<u>Satisfactory</u>	<u>Deficient</u>	
Preparation		(✓)		
Implementation	(✓)			
Covenant Compliance		(✓)		
Operation (if applicable)				
E. <u>Assessment of Outcome</u>	<u>Highly Satisfactory</u>	<u>Satisfactory</u>	<u>Unsatisfactory</u>	<u>Highly unsatisfactory</u>
	(✓)			

TABLE 2: RELATED BANK LOANS/CREDITS

Loan/credit title	Purpose	Year of approval	Status
<i>Preceding operations</i>	Environmental Strategy for Czechoslovakia	NA	Completed
	Preparation of Environmental Management Loan	NA	Not negotiated
<i>Following operations</i>	None		

TABLE 3: PROJECT TIMETABLE

Steps in Project Cycle	Date Planned	Date Actual/ Latest Estimate
Identification (Draft Project Document)	4/92	4/92
Preparation (Pre-appraisal, Final Executive Project Summary)	5/93	5/93
Appraisal	7/93	7/93
Negotiations	9/93	10/93
Board Presentation	10/93	10/93
Signing	10/93	10/93
Effectiveness	12/93	01/94
Project Completion	12/96	6/98
Grant Closing	6/97	11/98

TABLE 4: LOAN/CREDIT DISBURSEMENTS: CUMULATIVE ESTIMATED AND ACTUAL
(US\$ thousands)

	FY94	FY95	FY96	FY97	FY98
Appraisal estimate	400	1,100	2,000		
Actual	200	367	1,188	1,855	2,029
Actual as % of estimate	50	33.4	59.4		
Date of final disbursement	Oct 4, 1998				

TABLE 5: KEY INDICATORS FOR PROJECT IMPLEMENTATION

No implementation indicators were identified in the project document

TABLE 6: KEY INDICATORS FOR PROJECT OPERATION

No operational indicators were identified in the project documents

TABLE 7: STUDIES INCLUDED IN PROJECT

Study	Purpose as defined at appraisal/redefined	Status	Impact of study
Mycological Monitoring in Wetland Forests at Pálava, CR	Study of mycological resources	C	Input to mgt plans
Communities of Insect Order Lepidoptera in Lowland Forest Stands of the PLA and BR Pálava after Water Management	Study of impact of water management on insects	C	"
Soil-zoological Research of the Forest and Meadow Lowland Ecosystems and Proposal of the System for Monitoring Water Management Impacts on the Soil Fauna in PLA Pálava	Proposal for monitoring water management impacts	C	"
Bioindication Importance of Selected Plant Species for Management in Pálava PLA	Development of indicators	C	"
Impact of Water Mgt Measures on State and Biodiversity of Plan, Animal and Microbial of Meadow Ecosystems	Analysis of mgt impacts	C	"
Evaluation of Historical Development, Present Situation and Carrying Mgt of Floodplain Habitats within Dyje River Alluvium in Pálava Region	Assessment of floodplain habitats	C	"
Condition and Evolutionary Trends of Floodplain Forests in Pálava with Respect to Biodiversity and Stability	Assessment of floodplain forests	C	"
Monitoring of Batrachofauna and its Qualitative and Quantitative Parameters in the Interested Areas: The Rserve and PLA Pálava in Relation to Water-economic Adaptations	Analysis of water mgt impact	C	"
Present Composition and Ecology of Important Aquatic and Wetland Micro and Macrophytes in PLA and BR Pálava	Establishment of Baselines	C	"

Actual and Potential Population State of Local Large Mammal and Bird Species in Šumava Region	Assessment of baseline	C	"
Damage to Mountain Ecosystems in Krkonoše Mntns	Assessment of baseline	C	"
Centers of Biological Diversity in Šumava BR	Identification of Priority Areas	C	"
Biodiveristy of Streams in Šumava NP and BR	Assessment of baseline	C	"
Survey of Selected Peatlands in Šumava BR with Special Regard to Human Impact	Establishment of carrying capacity	C	"
Ex-situ Conservation of Non-tree Plan Species Šumava	Report	C	"
Grasslands of the Krkonoše Mnts: Plant Communities and their Dynamics	Understanding of ecosystems dynamics	C	"
SDS of Šumava, Krkonoše, Pálava (3)	Identification and action plan for sustainable development	C	Integration into individual mgt plans and BSAP
Environmentally Sustainable Viticulture in Pálava	Report	C	Information dissemination
Categorization of Woodlands in Šumava NP and BR	Report	C	"
Vegetation Dynamics and Mgt of Secondary Grasslands in Upvoer Part of Šumava NP	Understanding of ecosystem dynamics	C	Integration into mgt plans
The Farming Model in Šumava Mountains	Report on experience	C	Information dissemination

TABLE 8A: PROJECT COSTS

Item	Appraisal estimate (US\$ 000)			Actual/latest estimates (US\$ 000)		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
1. Biodiversity Protection Program	806.0	78.1	884.1	699.2	70.8	770.0
2. Conservation Program	228.0	32.0	260.0	671.5	98.5	770.0
3. Institution and Infrastructure	539.8	395.2	935.0	500.7	349.3	850.0
4. Contingencies	155.2	15.7	170.9	110.0	10.0	120.0
Total including contingencies	1,729.0	521.0	2,250.0	1981.5	528.5	2510

N.B.: Total does not include the Austrian Ecofund activities

TABLE 8B: PROJECT FINANCING

Item	Appraisal estimate (US\$ 000)			Actual/latest estimates (US\$ 000)		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
1. GET Grant	1,000	1,000	2,000	1.921	0.529	2.450
2. Austrian Ecofund	250	250	500	0	0	0
3. USDA Forest Service	0,000	50	50	0	0	0
4. Government	200	0,000	200	60	0	60
Total	1,450	1,300	2,750	1.981	0.529	2.510

TABLE 9: ECONOMIC COSTS AND BENEFITS

Not applicable for GEF projects

TABLE 10: STATUS OF LEGAL COVENANTS

Agreement	Section	Covenant Type	Present Status	Original Fulfillment Date	Revised Fulfillment Date	Description of Covenant	Comments
Grant	3.01(a)	5	C	Continuous		Recipient declares its commitment to the objectives of the project as set forth in Schedule 2 to this Agreement, and, to this end, shall: (i) carry out the Project through Ministry of Environment due diligence and efficiency and in conformity with appropriate administrative and financial practices and with due regard to ecological and environmental factors; (ii) maintain in real terms the current level of funding from its own resources for biodiversity protection activities in the Project Area; and (iii) shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.	CD
Grant	3.01(b)	5	C	Continuous		Without limitation upon the provisions of paragraph (a) of this Section and except as the Recipient and the Trustee shall otherwise agree, the Recipient shall carry out the Project in accordance with the Implementation Program set forth in Schedule 4 of this Agreement.	CD
Grant	3.02	5	C	Continuous		The Recipient shall establish a PMCU within the Ministry of Environment, under TOR satisfactory to the Trustee with qualified and experienced staff in adequate numbers, under the supervision of a Project coordinator, whose qualifications and experience are satisfactory to the Trustee.	C
Grant	3.03	5	C	11/30/93	3/20/94	The Recipient shall establish a Project Scientific Committee under TOR satisfactory to the Trustee, comprised of three internationally selected specialists (geneticist, ecologist and land-use specialist) and three specialists from the territory of the Recipient in the same disciplines, whose qualifications and experience are satisfactory to the Trustee, to meet and review on a semi-annual basis the scientific progress of Project implementation.	CP
Grant	3.04	5	C	11/30/93	3/1/94	The Recipient shall establish the Regional Coordinating Offices under TOR satisfactory to the Trustee.	C
Grant	3.05	5	C	Continuous		Except as the Trustee shall otherwise agree, procurement of goods, works and consultants' services required for the Project and to be financed out of the proceeds of the GET Grant shall be governed by the provisions of Schedule 3 to this Agreement.	CD
Grant	4.01(a)	1		Continuous		The Recipient shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of the Project of the departments or agencies of the Recipient responsible for carrying out the Project or any part thereof.	C

Grant	4.01(b)(i)	1	C	Continuous	The Recipient shall have the records and accounts referred to in paragraph (a) of this Section including those for the Special Account for each fiscal year audited, in accordance with appropriate auditing principals consistently applied, by independent auditors acceptable to the Trustee;	C
Grant	4.01(b)(ii)	1	C	Continuous	furnish to the Trustee as soon as available, but in any case not later than four months after the end of each such year, the report of such audit by said auditors, of such scope and in such detail as the Trustee shall have reasonably requested; and	CD
Grant	4.01(b)(iii)	1	C	Continuous	furnish to the Trustee such other information concerning said records and accounts and the audit thereof as the Trustee shall from time to time reasonably request.	C
Grant	4.01(c)(i)	1	C	Continuous	For all expenditures with respect to which withdrawals from the GET Grant Account were made on the basis of statements of expenditure, the Recipient shall maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;	C
Grant	4.01(c)(ii)	1	C	Continuous	retain, until at least one year after the Trustee has received the audit report for the fiscal year in which the last withdrawal from the GET grant Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;	C
Grant	4.01(c)(iii)	1	C	Continuous	enable the Trustee's representatives to examine such records; and	C
Grant	4.01(c)(iv)	1	C	Continuous	ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this section and that the report of such audit contains a separate opinion by said auditors as to whether the statements of expenditure submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.	C

Covenant types:

Present Status:

1. = Accounts/audits
2. = Financial performance/revenue generation from beneficiaries
3. = Flow and utilization of project funds
4. = Counterpart funding
5. = Management aspects of the project or executing agency
6. = Environmental covenants
7. = Involuntary resettlement

8. = Indigenous people
9. = Monitoring, review, and reporting
10. = Project implementation not covered by categories 1-9
11. = Sectoral or cross-sectoral budgetary or other resource allocation
12. = Sectoral or cross-sectoral policy/ regulatory/institutional action
13. = Other

- C = covenant complied with
CD = complied with after delay
CP = complied with partially
NC = not complied with

TABLE 11: COMPLIANCE WITH OPERATIONAL MANUAL STATEMENTS*No lack of compliance was observed***TABLE 12: BANK RESOURCES: STAFF INPUTS**

Stage of project cycle	Planned		Actual	
	Weeks	US\$ ('000)	Weeks	US\$ ('000)
Preparation through Appraisal	Na	na	7.0	20.0
Negotiations through Grant Signing	Na	na	8.5	24.5
Supervision FY 94-95	Na	na	17.3	57.7
Supervision FY 96	20.4	53.3	16.5	39.7
Supervision FY 97	11.3	37.2	8.5	26.5
Supervision FY 98	10.1	39.9	8.4	18.4
Completion FY 98-99	13.0	42.1	8.6	22.7
Total	54.8	263.0	74.8	209.5

N.B.: Bank Resources planning only started in 1996.

TABLE 13: BANK RESOURCES: MISSIONS

Stage of project cycle	Month/ Year	No. of Persons	Days in Field	Specialization ¹	Performance Rating ²		Types of Problems ³
					Implem. statusobjectives	Develo	
Through appraisal							
Pre-appraisal	3/27-4/2 1993	3	6	E, B, B			
Appraisal through Grant signing							
Post-appraisal	8/2-4 1993	3	3	E, B, B			
Post-negotiation	11/6-9, 11/15 1993	3	4	E, B, B	1		yes bto, 590 (Seq. 1)
Supervision							
Supervision 1	3/26-30 1994	2	4	E, B	S No 590	S	yes bto
Supervision 2	6/14-18 1994	4	4	B, B, B, B	US No 590	S No BTO	F,M
Supervision 2 follow-up	6/21-22 1994	1	2	E	S No 590	S No BTO	
Supervision 3	10/15-21 1994	3	6	B, B, B	S No 590		yes BTO
Supervision 4 (midterm review)	12/4-13 1995	4		E/B, B, B, B	S	S No BTO	590 (Seq.3)
Supervision 5	9/14-18 1996	3		E/B, B, B	S	S	yes bto, 590 (Seq.4)
Supervision 6	2/3-8 1997	3		E/B, B, B	S	S	yes bto, 590 (Seq.5)
Supervision 7 (Mikulov workshop)	9/30-10/1 1997	1		E/B	S No 590	S No BTO	
Supervision 8	2/3-7 1998	1	5	B	HS No 590	HS No BTO	
Supervision 9 (Bratislava)	4/20-24 1998	1	2	E/B	S	S	
Completion	11/29-12/4 1998	3	5	B,B,E/B	S	S	
Total							

1 - Key to Specialized staff skills:
E, economist; B, biodiversity specialist

2 - Key to Performance Ratings:
HS, highly satisfactory; S, satisfactory.

3 - Key to Types of Problems:
F, financial; M, management; T, technical

APPENDIX A: ICR MISSION'S AIDE MEMOIRE

1. A World Bank mission consisting of Messrs. Andrew Bond, Environmental Specialist (EASEN), Stephen Berwick (Consultant) and Mme. Kerstin Canby, Environment Specialist (ENV), visited the Czech Republic from November 28-December 4, 1998 to carry out the Implementation Completion Mission for the GEF Biodiversity Protection Project. The mission also supervised the GEF financed Enabling Activities for the Preparation of the National Biodiversity Conservation Strategy and Action Plan, and the National Report for the Congress of Parties Meeting held earlier in the year. The mission held discussions in Mikulov, Palava District, at the Krkonose National Park, and in Prague to discuss project achievements and the operational plan with all the implementing agencies, many of the involved scientific institutions and staff involved with the project, the Czech MaB Secretariat and with NGOs working with local communities affected by the project.
2. The mission expresses its' appreciation to the Project Management Coordinating Unit (PMCU) in Prague, the administrations of the Sumava and Krkonose National Parks, Palava Protected Landscape Area and the Minister and staff of the Ministry of Environment for their considerable cooperation and courtesies extended to it and all previous missions during the projects' implementation.
3. The GEF Biodiversity Protection Project closed on June 30, 1998. The GEF Enabling Activities are yet to disburse, but will do so shortly and several key steps are already under implementation.
4. The objectives of the mission were: (i) to discuss with the government the contributions to the Implementation Completion Report (ICR) prepared by them; (ii) to complete the Implementation Completion Report (ICR) for the Czech Biodiversity Conservation Project; and (iii) to supervise the GEF Enabling Activities Grant.
5. This Aide-Mémoire was discussed with the Acting Deputy Minister of Environment, Mr. Petr Roth before departure from the Czech Republic, records the views of the Recipient and the Bank on the implementation of the GEF Protection Project and assesses its' sustainability during the operational phase. The Missions' findings regarding the views of the Bank are subject to confirmation by World Bank management.

GEF Biodiversity Project Implementation

6. **Project Closing and Disbursements.** The last disbursement took place on October 30, 1998 at which time a balance of US\$103.58 was left undisbursed. The final project audit for 1998 expenditures will be carried out by Lubbock Fine Audit (an independent auditor) and will be made available to the Bank by December 31, 1998.
7. **Formulating and Attaining Objectives.** The project objectives were to protect and strengthen representative ecosystem biodiversity of global significance in the Czech Republic in the transboundary areas of Pálava, Krkonoše, and Šumava. To implement these objectives, the project planned to involve the following programs:

a *Biodiversity Protection Program:* to develop a range of activities including management techniques for a variety of representative ecosystems, environmental education and community

support for protected areas and sustainable management of contiguous forest systems, *ex situ* conservation where *in-situ* efforts were inappropriate, and biodiversity research and management;

a **Conservation Program**: to develop revenue generation mechanisms for the protected areas, interactions with local communities and land managers, sustainable development strategies and demonstration activities;

an **Institutional Infrastructure Improvement Program**: to support project management coordination efforts between the Ministry and project areas, professional development and training, the improvement of infrastructure and operations of protected areas, and the administration of an NGO biodiversity small grants program.

8. The initially agreed objectives were quite broad, although the activities supported by the project were quite specific. They did not enumerate objective, measurable and verifiable indicators of achievement, causing difficulty in assessing the success of some project elements and in many respects should more appropriately be considered goals.

9. **Achievement of Objectives.** Overall, the project produced highly satisfactory results and in some regions novel solutions to common regional issues in all three of the project areas. However, in the Krkonose National Park, expectations were not fully met due to the ongoing transition from Ministry of Agriculture/Forestry Department management.

10. Nearly all the work planned was pursued with satisfactory results in the restoration and management of meadows and wetlands in the Palava floodplain, capacity-building for nature conservation data management, international cooperation and the results of applied research. Innovative components such as the assessment of carrying capacity or planning for sustainable development did not meet expectations, largely due to inflated expectations of the time required to achieve measureable impacts. However, these activities produced the essential initial data and conditions for local acceptance of new alternative economic directions fostering sustainable development. They represent valuable exercises with lessons learned and achievements. Although more time is needed to assess final results, the project has already achieved a number of significant milestones. Institutional capacity has also been an important outcome, as it builds the foundation for future activities beyond the life of the project.

11. **Project Sustainability.** The long-term *biological* integrity of the three national park/reserve areas selected is undeniably better protected than prior to the project, although one cannot say definitely if it is adequately protected for perpetuity. The *technical* equipment and processes acquired or introduced were all reported to be in operation, although park administrations are now faced with high software maintenance fees (US\$6,000 for KRNAP alone). This is a consistent issue identifiable in all five regional biodiversity protection projects. The matter was discussed with the Acting Minister and agreement was reached that given the priority of this work, the Ministry budget would necessarily have to be adjusted to meet these anticipated needs.

12. **Institutionally**, the capacity-building elements of the project were successful and hopefully built a solid ground from which future operations can be based. Investment in information systems and human capital is considered an important aspect of institutional capacity-building -- and the training programs and study tours financed under the project contributed to the refinement of some sub-components during implementation. The National Park administration remains committed to the protection of biological diversity and fragile ecosystems, and a number of similar activities were

carried out in areas of high biodiversity outside the selected PLAs in parallel to the GEF activities and based in part on project outputs. The project did not create the *financial* means to continue project activities, such as a Trust Fund, although it did initiate the first steps for the provision of concrete proposals for revenue generation and retention mechanisms which would assist with the financial sustainability of the national park system or local communities. The SDS did lead to additional funds from FACE for KRNAP and PHARE at Palava.

13. The project was successful in initiating momentum to bolster the *social* sustainability of the program. The project exposed local communities to the value of the Czech natural heritage through public education and awareness programs, demonstration sites (viticulture) and to some degrees, the SDS process. Although the SDS were not fully realized, they have contributed to the National Conservation Strategy adopted this year.

14. The three Biosphere Reserves will continue to be maintained, will have access to Czech grant funds to continue internet access in the foreseeable future. The Minister of Environment has indicated that all the initiatives undertaken under this project will be embodied in an expanded program beginning in the Year 2000 with the likely increase of budget financing and the regionalization of ministry administrative structures.

15. **Contribution of the Recipient to the ICR.** A detailed report was supplied by the PMCU to the mission as the contribution to the ICR. This material was used extensively by the mission and was very useful.

16. **Key Lessons Learned.** Based on discussions held during the completion mission and regional workshops, the key lessons learned from the Bank's and Recipient's perspective are:

- Role of PMCU is to coordinate and support the implementing agencies who are ultimately responsible for the project activities not only during the project lifetime but also once the project is completed.
- *Professional development* is a vital step in building human and institutional capacity but: (i) a needs assessment should occur early in the project in order to better design the component and ensure new skills/knowledge are better integrated into design and implementation; and (ii) issues such as budget constraint and understaffing may limit the full application or transfer of knowledge obtained in the training process. For example, training in ecology and conservation biology should have occurred earlier in the project in order to be better integrated into component implementation.
- *GIS training* for more than one staff per site and committed users who can best understand the potential for management applications and are more likely to remain in the job will justify expensive training investments;
- *Involving NGOs* during implementation is complementary and a substantive contribution to the success of the project;
- The *initial timescale (3 years)* was *overly ambitious*, due to a combination of slower than envisaged progress in implementation and an over optimistic implementation schedule. With regard to the latter, a number of causative factors were identified and include: (i) the fact that this was one of the initial GEF operations, (ii) GEF projects are inherently comprehensive and thus complex; and, (iii) institutional capacity building or attitudinal shifts take time. These early projects of the GEF Pilot Phase uniformly required longer implementation timeframes (circa 5

years) as witnessed by the value of the extensions which all the regional projects requested. Nonetheless, an over optimistic implementation schedule is a design flaw and a critical lesson learned and should be taken into account in preparing subsequent operations. Much of the value and achievement of objectives were realized in the final 18 months of the Project. Slower than envisaged progress in implementation was due to the steep learning curves for new and often advanced concepts (sustainable development), technical tools (GIS) and approaches, and the PCMU's accession of capability, working style and real understanding of agreed project activities;

- Efforts to engage foresters and foresters/game managers needed more focus. The genetic research and wildlife management in areas under forestry control requires long-term educational inputs, more consistent consultation and a new rewards system recognizing benefits beyond commercial fiber production. As well, proper sequencing of project resources would have kept the isoenzyme work in focus.
- *Explicit targets and indicators for measuring progress* against the implementation plans and project objectives help managers quantify the success, cost-effectiveness and basic usefulness of most components throughout implementation. These, as is now common practice, need to be established at the outset. However, long term success or impact of a project activity relative to its stated goal(s) cannot be fairly assessed at project completion. For example, professional development and training enables the immediate prosecution of some project tasks such as GIS use, but will not be fully realized for at least several years when the long-term influence can be better evaluated. Nonetheless, the absence of indicators can at best be characterized as a short coming of project design. The fundamental changes that occurred in the country during the implementation of the project created both opportunities and constraints. In this context, the projects objectives can be seen as somewhat ambitious;

Enabling Activities

17. In general, the Enabling Activities have proceeded slowly with initial delays in establishing the Special Account and administrative arrangements within the Czech Ministry of Environment. The comfort letter indicating the Recipients bank was prepared on October 16, 1998. Nonetheless, several key steps are under implementation.

18. A report was prepared by the PMCU on the missions arrival which indicates the next steps for the timely implementation of the Enabling Activities. These steps, endorsed by the mission include:

- (a) Finalisation of the National Report which will be submitted to the National Biodiversity Board on December 10, 1998. The preparation costs were obtained from the State budget and the Enabling Activities Grant will cover distribution on the World Wide Web, translation costs and other publicity costs.
- (b) Preparation of guidelines for the preparation of the National Biodiversity Strategy and Action Plan.
- (c) A workshop to be held January 1999 and a roundtable meeting of 20 cross-sectoral representatives and decision makers to be held immediately prior to the workshop.
- (d) A public awareness campaign for the Strategy.

- (e) Minor equipment purchases to support data collection and the workshops (network server, laptop PC etc.)

19. The Acting Deputy Minister assured the mission that the steps indicated above would now proceed efficiently.

BIODIVERSITY PROTECTION PROJECT
(GEF GRANT TF-02-8617-CZ)
PREFACE

This is the Czech governments Completion Report for the Biodiversity Protection Project in the Czech Republic, for which the GEF Grant TF-02-8617-CZ in the amount of SDR 1.5 million (USD 2.0 mil. Equivalent) was approved on December 23, 1993. The Project was completed in June 1998, the original closing date of December 1996, was extended to June 1998. The grant was mostly fully disbursed (over 99%). The last disbursement took place on October 30, 1998, the Special Account was fully recovered in November 1998.

A. PROJECT CONTEXT AND OBJECTIVES

The Czech Biodiversity Protection Project supported by the Global Environment Facility (GEF) was a project of the Pilot Phase of the GEF. This GEF project was the first one implemented by the World Bank in the Czech Republic.

An area of 10,869 sq. km in the Czech Republic (13.8%) is protected and includes national parks, national nature reserves, protected landscape areas, biosphere reserves and many small natural areas.

Major environmental threats range from acid precipitation and agricultural mechanization to tourism and recreation. Some 470,000 ha of Czech Republic forests, particularly in northwest, are among the worst affected by air-pollution in Europe (IUCN, 1990).

From the internationally important National Parks and Protected Landscape Areas in the Czech Republic, three priority zones of threatened biodiversity were selected for GEF Biodiversity Support.

The areas selected for the project, represent a variety of ecosystems types and habitats ranging from high alpine bogs and meadows, pristine mountain streams, primeval forests, grasslands and woodlands, to lowland floodplain forests, marches, and lakes, including centuries-old fish ponds. These areas have been, and are now, and important centers of evolution of plant and animal species. In recent times have also been centers for scientific research.

These areas are also a part of international network of biosphere reserves where proven, and experimental approaches to biodiversity conservation are being conducted.

Being aware of the importance of biodiversity conservation, the Czech Government approved the Convention on Biological Diversity on June 2, 1993 and the Czech Republic became the Party to the Convention on December 3, 1993.

In 1996 the Czech Republic has begun to implement the Pan-European Biological and Landscape Diversity Strategy. Recently, the National Biodiversity Strategy and Action Plan has been started.

In 1998 the National Nature Conservation and Landscape Protection Program in the Czech Republic, which will form a key input for the National Biodiversity Strategy, was approved by the Government (June 16, 1998).

The preparation of the GEF Biodiversity Protection project started in a cooperation with the Environmental Committee of the former Czech and Slovak Federative Republic in 1991. Respective republic's ministries of environment and agriculture were involved into this process. After splitting of the former republic in 1993, the completion of the pre-implementation period was delayed. Final phases of preparation of the Biodiversity Protection Project for the Czech Republic were subject of the Ministries of the Environment and Agriculture of CZ.

The GEF Biodiversity Protection Project in CZ was implemented from 1994 to half of 1998 in collaboration under the Ministry of Environment of Czech Republic and its entities and with a partial cooperation with Ministry of Agriculture. During the implementation many respective programs with the international impact were incorporated at several levels and forms to prevent a duplicity in the implementation of important tasks.

Project Objectives

- The objective of this project was thus to protect and strengthen forest and related ecosystem biodiversity in the Czech Republic
- The project had three innovations to protect the endangered ecosystems in the selected zones:
 - transboundary integrated conservation approaches should be established over formerly strictly protected cross-border areas. Each of three proposed ecosystem zones in the Czech project are in transboundary areas. Development of a coordinated protection strategy involving five impacted countries, the Czech Republic, Poland, Germany, Slovakia and Austria. The project should initiate efforts in political and scientific new challenges
 - funds provided under the project shall contribute to the first GEF effort to commission an international NGO to administer and evaluate an in-country NGO biodiversity competitive grants program
 - the project should initiate a major effort to ensure the longer term financial sustainability of these protected ecosystems through the planning and development of recurrent funding mechanisms, such as, entrance and user fee systems and through encouraging additional contributions to the proposed NGO Biodiversity Competitive Grants

In addition, the project was a challenge for the implementation of activities being important for global environmental benefits, innovation, demonstration value, applicability and replicability, sustainability, benefit and cost sharing, monitoring and evaluating mechanisms and creating a human knowledge network based on the experience and knowledge exchange acquired and developed during the project implementation.

During the implementation several modification of project components were approved to reflect on recent needs and on the effective implementation of required objectives. The extension of the project assisted to completing of main project objectives in accordance with a global, regional and local benefit requirements.

The project included three programs containing respective project activities:

1. Biodiversity Protection Program
2. Conservation Program
3. Institutional Infrastructure Improvement Program

B. EVALUATION OF PROJECT DESIGN AND PROJECT OBJECTIVES ACHIEVEMENTS

Challenges of the Project

From the very beginning of its conception, this Project was facing a series of serious challenges. The Czech Republic had just recently separated from former Czechoslovakia and was in the midst of often difficult transition to market economy following the end of the Soviet domination in 1989. The root causes of environmental problems facing the country as a legacy of the communist regime were becoming painfully visible.

These were mainly:

- 1) Past government attitudes of indifference to the environment, nature and citizens' wellbeing (sole emphasis on production and fulfillment of planned quotas, environment considered to be a low priority deemed „unproductive,,, a tendency to hide the problem or deny its existence)
- 2) Unsustainable development (numerous industrial mega-projects, irrationally planned heavy industries generating acid rain, irresponsible land-use with deforestation, erosion and loss of habitat)
- 3) Ineffective legal framework and inadequate implementation of regulatory instruments (poorly defined environmental loss, weak against state-owned industry and agriculture)
- 4) Poor management practices (inadequate treatment of water and air pollutants)
- 5) Insufficient public involvement (fear of reprisal for voicing criticism, no stakeholder groups in existence weak media coverage in the critical areas)
- 6) Current economic transition (environment remained a relatively low societal priority due to lack of resources for remedial and/or conservation actions)

In this climate, the project was challenged to build the network of participating agencies and individuals almost from scratch. Yet, in a very short time, it established an effective network with a good information exchange mechanism and product delivery.

The transboundary cooperation which is an important task fully related to the objectives of the CBD implementation. This can serve as a part of the Clearing-house mechanism - i.e. exchange of information and experience. This fits again with the benefits/costs sharing .

Special regard should be given to the cooperation and information exchange between the Czech Republic and Slovak Republic. This was made at several levels (both formal and informal) and through different approaches. This cooperation assisted in better coordination and overall implementation, in NGOs higher involvement. It initiated the model of a regional cooperation focused on joint needs of Central and Eastern European Countries originally involved in five GEF pilot projects.

Project Objectives Achievements and Outputs Utilization

The project objectives were clearly defined in terms of resources whose conservation they targeted. Despite it sometime some lack of up-dated objective needs was observed in project design. How stated above, this shortage did not influenced the objective achievements and the implementators had a possibility to analyse specific up-dated objectives and include them into project components to ensure the main objectives implementation.

Overall, the project produced satisfactory results, in many cases excellent ones. The project-wide elements of the project were successful. All involved subjects felt that the project supported many activities which were the key for the capacity-building towards to biodiversity protection and sustainable use.

Regional and international cooperation were established and developed in many fields. Although the assessment of this impact will take more time than available and cannot be observed detaily in short-terms, involved subjects consider the outputs as the challenge for a future development.

C. MAJOR FACTORS AFFECTING THE PROJECT

The phase of the transformation process from planned to market economy had been occurred as the initial factor influencing the project implementation. The on-going changes in legislative, administrative and institutional arrangements were connected with the splitting the former Czech and Slovak Federative Republic. Some of them had influenced the project implementation.

The insufficient arrangements in the administration of NGOs Small Grants Program which had to be originally administered by the Prague Office of the European Trust for Ecological Bricks delayed at the beginning of project implementation. However thanks a flexible Bank's arrangements and giving the responsibility directly to PMCU, the Small Grants Program could be than implemented very satisfactory.

Cooperation with involved entities of MOA was from time to time insufficient however this weakness was during the project implementation reduced as much as eliminated. The weakness was caused by the current status between sectors. Fortunately the project helped to change this status and finally a good lesson learnt can be recorded.

Project implementation in PLAs Pálava „Restoration of wetlands,, - could be negatively influenced by no progress in the extension of PLA and BR Pálava. This extension was required to restore the wetlands behind the boundary of PLA and BR. The legal act supposed both MOE and MOA decision and this was not realized yet. Despite it the project activity implementation was successful and recently also the legal arrangements of this extension are prepared to be approved.

Relatively frequent changes of high officials in MOE - Minister, Deputy Minister/Section of Nature and Landscape Protection and Director of Department of Nature Conservation could be factors affecting the project implementation. In fact, the overall implementation was not influenced however made the PMCU work more complicated especially in parts of continuous explaining the Project

history, progress etc. Fortunately this factor did not influence project completion thanks a support of respective officials of MOE, a great cooperation with beneficiary areas, assistance of originally involved MOE's representants, cooperation with MaB experts and the effort of the PMCU to implement the project in accordance with its rules, goals and challenges.

D. PROJECT SUSTAINABILITY

Overall, the project achieved biological, technical, institutional, social and to some extent financial sustainability. The sustainability is also recorded in a broader scale of followed-up activities.

A good framework for the sustainability was established, also a direct Recipient's support to ensure the sustainability is needed to be formally identified. Major points influencing the project sustainability were drafted by beneficiary areas and are still a subject for the solution.

E. BANK PERFORMANCE

The Bank's performance in preparation and appraisal was satisfactory. The Bank's mission were staffed with professionals having appropriate technical expertise to address both the country and GEF's priorities in protecting biological diversity. The project was designed in an innovative and pioneering way which was very appreciable during implementation when project could reflect to CBD efforts.

Bank performance during implementation was satisfactory. Communication between the Bank and the Recipient was quite intensive - besides main supervision missions (1994-1997), several small missions and consultations were done. The Bank's experts were willing to assist in the project implementation very well and were opened to provide an assistance whenever was needed. This mutual communication was very important in the overall implementation because at the beginning the Recipient had to meet a lot of tasks arising from the Bank's guidelines and methodologies more or less different from the current Czech guidelines. Although some initial delays and misunderstanding in the project implementation were occurred (a lack of the initial training of Recipient's involved staff which was appeared in Bank's required procedures, changes in Bank's tasks managers etc.), during the project implementation very good professional and expert understanding was observed and joint progressive cooperation was established.

Thanks this good cooperation and assistance with Bank's involved staff the involved staff/experts of Recipient could include up-dated needs in accordance with project objectives as well as to reflect to importancy of biodiversity protection effort and sustainable use of its component with a regard to local, regional and international tasks.

F. RECIPIENT PERFORMANCE

beginning:

- low experience at the beginning with such kind of projects
- splitting of the former Czech and Slovak Republik - initial delay

during implementation:

- urgent need of training of PMCU (procurements etc.)
- cooperation between MOE and MOA (misunderstanding of the mission - finally: solved)
- excellent teams in the beneficiary areas, valuable assistance in coordination of local tasks and local involvement
- MaB activities involvement
- seeking for connecting links beneficial for the project implementation
- good Recipient's conformation to Bank's guidelines
- establishing a good expert's teams
- utilization of local expert's sources /international consultance was utilized when appropriate
- language barrier - decreased by language courses realization

Local coordinators cooperated very well with PMCU despite (again) some initial lack of concrete knowledge of Bank's guidelines - but after good understanding no crucial problems were occurred. Their inputs, remarks etc. were very valuable for the project implementation.

Participation of NGOs, research institution, universities and other involved entities assisted to a successful project implementation as well as to better understanding of biodiversity protection effort in wider framework. This also helped for understanding of Bank's procedures in overall context.

The performance of project consultants and contractors was also satisfactory. Consultant's team learned to work together with PLAs and NPs managers and project helped to better understanding of different approaches.

G. ASSESMENT OF OUTCOME

Overall, the project produced satisfactory results in all areas. Nearly all the activities planned were pursued. Some project components recorded highly satisfactory results (biological protection of viticulture, sustainable development strategies, international cooperation, NGOs projects, research and monitoring activities, ecological enhancement, building of capacity for nature conservation data management). Although some outputs still need time to be evaluated and utilized, the project already achieved a lot of significant as much as crucial milestones which can be utilized as good „stone bricks,, in present and future biodiversity protection effort in overall context - sustainable use and revenue mechanisms proposal and application (Krkonoše, Šumava, Pálava), management of floodplain forest in Pálava, contribution to forest restoration using izoenzyme analysis, experience transfer to CEE countries, biological protection of viticulture, enhancement of public awareness, initiation of transboundary cooperation).

Summary of major accomplishments:

- sustainable development strategies, carrying capacity and revenue mechanisms drafting and preliminary practical testing
- NGOs involvement networking
- respective experts and managers networking

- information exchange establishing and developing using a modern technique (Internet, etc.)
- applying of modern approaches - remote sensing controll, GEI etc.
- enhancement of public awareness, local authorities involvement
- fund-raising possibilities identification
- experience and information transfer establishing
- working on a special contracts
- professional development and training improvement

H. FUTURE OPERATION

The Recipient has not prepared a formal operational plan covering the Project outputs utilization, however the National Biodiversity Strategy and Action Plan preparation will include GEF Biodiversity Protection Project outputs - mainly Sustainable Development Strategies.

The beneficiary areas included respective results into their Management Plans. They are working on proposals/fund-raising activities assisting not only in activities sustainability but contributing the biodiversity protection effort with local, regional and international impact.

The Recipient is involved in the Program of Czech Multilateral Assistance for countries with economy in transition and through its financial contribution assisted in experience transfer to CEE countries utilizing the GEF Biodiversity Protection Project's results and lessons learnt.

I. KEY LESSONS LEARNT

The Project was intended to assist or to initiate in CZ those activities focused on the conservation of important ecosystems and plant and species in-situ and ex-situ protection, to contribute to the regional and international efforts to protect biodiversity through innovative elements.

Significant success was achieved and many lessons learnt in all components of the project.

The institutional stability forms one of the crucial condition for the Project success. Identification of main implementators in project design is necessary for effective realization and utilization of outputs. More detailed Terms of Reference and Work Plans for project components have been occurred as the key conditions for the project successful implementation. This lesson learnt is also concerning the PMCU Terms of Reference definition.

The professional development and training activities needs should be more detaily analysed still before the process of implementation will start.

The complexion and synergic approaches are necessary to be applied to limit not only overlapping but to utilize already implemented grass-roots activities and gather them into the joint „umbrella,, .

Cross-sector approach also forms one of the key condition for Project effective implementation.

The NGOs involvement at all levels has been occurred as very valuable input in biodiversity protection and sustainable use effort.

ANNEX 1: SUMMARY OF NGO SMALL GRANTS PROJECTS

The first round of SPP was announced in June 1994, introductory information and instructions for application were sent to more than 400 potential solvers, 80 applications were received until deadline. Experts board chosen altogether 20 projects. With responsible solvers were contracts about solving and financial support concluded. Total amount of financial support for project implementation was 67,650 USD.

The second round of SPP was announced in autumn 1995, introductory information and instructions for applications were sent again to more than 400 potential solvers, 68 applications were received until deadline. Experts board picked up 10 projects. Total amount of financial support for projects was 25,830 USD.

In October 1996 the workshop „NGOs, their role in Environmental protection and in GEF Program,, held by PMCU CZ and SR .

This workshop has established a flexible cooperation among the involved NGOs and can be considered as the contribution for next biodiversity protection effort focused on the NGOs involvement.

NGOs project evaluation:

Projects were mostly implemented by members of implementing organisations, skilled and technically difficult works were ordered. According to the agreements of the activities in protected areas consulted with local authorities, some of the projects solvers consulted with specialists. Local residents were involved into some of the projects implementation.

Within whole number of supported projects 20 projects were localised to a concrete locality, or to not very large region, other projects results spread larger region with commonly used conclusions.

Projects were as to their characteristic features possible to divide into five main groups:

- conservation projects, with different rate and intensity of commonly used pieces of knowledge
- research projects
- introduction and reintroduction projects with different kinds of connected activities
- projects aimed at financing of partial activities in the fame of long term program of the organisation
- projects - workshops and conferences

General evaluation of NGOs program - complexity of this part, benefits/risk analyses:

The most important contributions of implemented projects are care of selected parts of landscape, mostly small specially protected areas, introduction and reintroduction of some species of animals and plants, operation of rescue breeding and seeding programs realisation for keeping up biological diversity, pedagogical influence on inhabitants and investigation with their opinions and attitude and experiences change of professionals on workshops and conferences.

Performance of the projects aims quite depends on responsible solvers and his collective, on their abilities and approach to solution, this is practically the only risk factor.