

INTERNAL BANK REPORT**World Bank - Grant Reporting and Monitoring (GRM) System**

TF023781 - GEF2 MSP : SLOVAKIA CENTRAL EUROPEAN GRASSLANDS - CONSERVATION AND SUSTAINABLE USE
GEFIA - GEF-IBRD AS IMPLEMENTING AGENCY

Task Team Leader: 00000145764 - David A. Bontempo

Approving Manager: 00000012577 - Marjory-Anne Bromhead

| Summary Information | | | |
|--|--------------------------|---|-----------------------------|
| TF Status | ACTV | Orig. Grant Amount | 750,000.00 |
| Recipient Country | Slovakia | Grant Amount | 750,000.00 |
| Executed By | Bank | Outstanding Commitments | 0.00 |
| Managing Unit | 1885 - ECSSD | Cumulative Disbursements | 750,000.00 as of 06/30/2006 |
| Grant Start Date / Closing Date | 06/08/2000 to 06/30/2006 | Disbursed 06/08/2000 to 06/30/2006 | 750,000.00 |
| Program Manager | Samuel G. Wedderburn | Donor | TF602001 - MULTIPLE DONORS |

This GRM report includes the following sections: Overview, Outcome, Components, Program(GEFIA), ICM, Processing, Attached Documents, Disbursements, Internal Comments.

OVERVIEW**a) Overall Assessments and Ratings****Grant Objectives :**

The specific objective of the Project is to assist Slovakia to maintain representative samples of unique grassland ecosystems and their biodiversity in both the protected areas and productive landscape, through the promotion of restoration, conservation and sustainable use management practices.

In particular, the project is aimed at promoting the sustainable use of the meadows of the SrNP (Slovensky raj National Park), MFNP (Mala Fatra National Park), Morava River floodplain, and Olsavica valley (project areas), through:

- (a)#The preparation and implementation of scientifically sound and consensus based restoration and management plans;
- (b)#The analysis and introduction of incentives to encourage farmers to adopt biodiversity friendly and sustainable meadow management practices;
- (c)#Development of Slovak grassland database as information framework for preparation of national policy for grassland biodiversity conservation;
- (d)#Public awareness and the dissemination of information on best practices; and
- (e)#Training and capacity building for managers and landowners.

Overall progress from 06/08/2000 to 06/30/2006 with regard to :**Achieving Grant Objectives :**

Rating : Highly Satisfactory (Previously Rated Satisfactory on 12/31/2004)

Comment :

Reporting Period : 06/08/2000 to 06/30/2006**Report Type : ICM by PM****Status : Approved**

The ICM mission findings indicate that the Grant will achieve its objectives. There are some issues of sustainability with some of the restoration activities, but overall, the project's outcomes have numerous mechanisms for longer-term sustainability. All planned activities were completed successfully, leading to many important lessons for Slovakia's neighbors, and more broadly. The full ICM will be attached to a supplemental GRM, following its review by the client.

Overall progress from 06/08/2000 to 06/30/2006 with regard to :**Implementation of Grant Activities :****Rating : Highly Satisfactory** (Previously Rated Highly Satisfactory on 12/31/2004)

Comment :

Implementation progress at ICM remains Highly Satisfactory. Full details are contained in the ICM.

b) Grant follow-up and structure**Description and context of Grant :**

There are no changes to the objectives of the Grant.

Expected follow up (if any) :**Comment on follow up :**

Objectives have not changed.

End Date of Last Site Visit : 06/20/2006**Restructuring of Grant :**

There is only 6 months left in implementation, and no restructuring is foreseen.

c) Critical Issues and Pending Actions for Management Attention

There are currently no issues and actions for Management attention.

OUTCOME**a) Comments on outcome archived from 06/08/2000 to 06/30/2006****b) Grant outcome indicators**

Grant outcome indicators are listed below.

01. Implementation of management/restoration plans in 4 project areas leading to improved quality of grassland habitats

Baseline Value : No existing management plans

Date : 06/01/2000

Progress to Date : Completed

Date :

Target Value : 4 plans completed, and implemented

Date : 06/30/2006

02. Non-sustainable economic activities reduced in targeted communities by substituting better practice

Baseline Value : No community tools available for better management practice

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Date : 06/01/2000
 Progress to Date : Completed - over 500 ha restored
 Date :
 Target Value : 400 ha restored and under new management
 Date : 06/30/2006

COMPONENTS

a) Output and Implementation by Component

01. ECOLOGICAL RESEARCH

Implementation Rating : **Satisfactory**
 Status : Completed
 Planned Output : New research on optimal mgmt techniques
 Actual Output : Fully successful; experiments completed, with results in use in management planning in national parks and private farms.

02. DATABASE - GRASSLAND ECOSYSTEM

Implementation Rating : **Highly Satisfactory**
 Status : Completed
 Planned Output : Grassland dbase covering all Slovakia
 Actual Output : Fully successful; over 92% of country covered. All 'good' grasslands have been mapped at project-end; largest species/habitat database in Slovakia.

03. PLANNING

Implementation Rating : **Highly Satisfactory**
 Status : Completed
 Planned Output : Preparation of new management plans
 Actual Output : Fully successful: Completed

04. MANAGEMENT & RESTORATION MEASURES

Implementation Rating : **Satisfactory**
 Status : Completed
 Planned Output : Implementation of new mgmt plans
 Actual Output : Fully Successful: completed. There are many important lessons from the restoration activities, especially in terms of time necessary to affect behavior change, and the importance of understanding the

05. CAPACITY BUILDING

Implementation Rating : **Highly Satisfactory**
 Status : Completed
 Planned Output : Capacity built for sustainable use practices
 Actual Output : Fully Successful; project activities completed, but the NGO will continue to advise farmers on EU programs.

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06. PDF

Implementation Rating : **Satisfactory**
 Status : Completed
 Planned Output : Not Applicable
 Actual Output : Not applicable

07. MANAGEMENT/ADMINISTRATION

Implementation Rating : **Highly Satisfactory**
 Status : Completed
 Planned Output : Overall management
 Actual Output : Fully Successful

08. PUBLIC AWARENESS ACTIVITIES

Implementation Rating : **Satisfactory**
 Status : Completed
 Planned Output : Improved awareness of grassland importan
 Actual Output : Fully Successful;

09. ANALYSIS

Implementation Rating : **Satisfactory**
 Status : Completed
 Planned Output : Analyses of various aspects of grassland
 Actual Output : Fully Successful: Completed

b) Comment on planned and actual output

See ICM when posted, by end-July 2006

c) Comments on component implementation progress

1. Ecological Management. The experimental phase has been completed. Results indicate a number of important practical recommendations for managers. The grasslands have evolved over a long period of time and are well-suited to the traditional practices. When these practices cease, the degradation begins very quickly; species diversity is markedly lower within 2 years after abandonment, regardless of habitat type. Species richness is closely correlated with these traditional practices, and for successful restoration, various types of interventions can be utilized. Depending on type, mowing can be once or twice per year, but in any case, grazing is also key to the diversity. Results will be published in peer-reviewed journals in end-2006/mid-2007.

2. Grassland Database. Output: Information system on grasslands developed, and linked to preparation of a national policy for grassland biodiversity conservation. This Output was fully achieved.

a) Indicator: Grassland mapping as data source for Grassland Information System covers 90% of the country.. This primary output indicator was fully realized. At end-project, the grasslands database (hereinafter "the database" or "the DB", and also variously referred to as "the inventory") covers 92% of Slovakia, representing nearly all natural and semi-natural grasslands (so-called "good grasslands"). Statistically, out of 673 total original military-based maps, there are now 570 finished map sheets, with another 25 to be completed with Daphne's own resources after the Project Closing. For practical purpose, this represents nearly all grasslands found in the country. The database now contains nearly 900,000 individual species records covering 15,620 distinct localities (out of 16,000 nationwide). This is the largest natural science dataset in Slovakia; in fact, it is so large that special programming is required for data manipulation. There are numerous impacts from the development of this database

b) Indicator: Grassland Information System used for developing and implementing special agri-environment (AE) measure - 30,000 ha of grasslands under sustainable management. This primary output indicator was fully realized. At end-project, 100,000 ha of grasslands had been certified as eligible for agri-environment subsidies from the European Union, and of these, approximately 70,000 ha were receiving such subsidies under AE projects.

3. Planning and 4. Management and Restoration Measures.

Output: Restoration and Management Plans for grasslands of the four target grassland areas prepared and implemented. This Output was fully achieved.

a) Indicator: Four management/restoration plans for pilot areas written and approved by relevant stakeholders. This primary output indicator was fully realized. By the time of the Mid-Term Review (MTR) of the project, all four management plans - in Morava River floodplain; Mala Fatra National Park (MFNP); Olsavica valley; and the Kopanec meadows of the Slovensky raj (Slovak Paradise) National Park (SrNP)- had been developed in close cooperation with local stakeholders. As importantly, already by the MTR, all management plans were under implementation, and in fact, the Morava River plan was already nearly complete.

b) Indicator: Identified management/restoration measures for targeted grasslands implemented - 400 ha of grasslands restored. This primary output indicator was fully realized. At end-project, a total of 463 ha had been restored, which will increase to approximately 500 ha following the final field season in 2006 (after Project Closing).

5. Capacity Building; and 6. Public Awareness

Output 1: Sustainable use and conservation training and public awareness program implemented. This Output was fully achieved.

a) Indicator: Three protected area staff trained in conservation and sustainable use practices. This primary Output indicator was fully realized. Staff in SrNP and MFNP were provided with hardware (computers, and plotters) and software (most importantly GIS), and were trained on the applications. This allowed them to prepare detailed maps of the grasslands area in the park, based on the inventory data, which contributed to their management plans for these areas. This training is also now proving valuable in the development of the new management plans for the overall park territories.

b) Indicator: Education and public awareness materials developed - teacher's manual, information boards, brochures, book. This primary Output indicator was fully realized. The most powerful of these tools is the teacher's manual, which is discussed immediately below. Brochures of various types have been developed and disseminated in numerous fora; probably most importantly during farmer training on EU subsidy schemes. The book is nearly finished, and will be published shortly after Project Closing.

c) Indicator: 700 teachers trained to use manual in teaching process. This primary Output indicator was fully realized. The teacher's manual is an innovative, interactive teaching tool, designed to develop awareness in primary school-aged children of the importance of grassland habitats. At end-Project, nearly 1000 teachers had received in-depth training on the use of the manual, representing approximately 1/3 of all primary school natural science teachers in Slovakia. Teacher reviews uniformly appreciate the manual, as it represents a unique additional tool for use in their classrooms. As an indication of the technical rigor of the manual, it has been endorsed by the Ministry of Education for use in the pedagogy at the teacher training university.

o However, it is not possible to quantify the longer-term impacts of the manual's use on overall public behavior. It is assumed that the impact will be positive, as more children learn to appreciate these habitats.

Output 2: Results from innovative sustainable use and conservation pilot areas documented and disseminated to national decision-makers and communities within Slovakia. This Output was fully achieved. The LogFrame does not specify Indicators for this Output. However, it is strongly linked to the Policy component (below). Most importantly, the Project worked closely with the Ministry of Environment to lobby for inclusion of key grassland habitats into the Natura 2000 network, and with the Ministry of Agriculture to ensure that the policies for subsidies under AE schemes would properly include grasslands/pastures. The project also spent a tremendous effort in educating farmers about their possibilities for subsidies for maintaining grassland habitats. As described in the database indicator b), this has led to a very large participation by farmers throughout the country in these subsidy schemes; such participation is critical for the longer-term survival of grassland habitats.

PROGRAM (GEFIA)

Program Specific Ratings

1. Please rate public involvement Highly Satisfactory
2. Please rate government commitment Satisfactory
3. Please rate safeguard performance Satisfactory
4. Please rate arrangements for sustainability Satisfactory

Program Specific Questions

1. Please comment on additional resources leveraged

The State Nature Conservancy provided nearly US \$100,000 for additional surveys, following their realization on how useful the grassland database proved in their management planning. In addition, private financial resources, in the form of farmer payments for certification, provided additional funds for the implementing agency to carry out additional activities, primarily in surveys, and public awareness.

ICM - IMPLEMENTATION COMPLETION MEMORANDUM

a) Outcome of completed , grant financed activities

Outcome with regard to development / strengthening of institutions: Rated Modest

Comment :

To be entered following client review of the draft ICM - by end-August 2006

Outcome with regard to mobilization of other resources: Rated Negligible

Comment :

To be entered following client review of the draft ICM - by end-July 20 06

Outcome with regard to knowledge exchange : Rated Substantial

Comment :

To be entered following client review of the draft ICM - by end-July 20 06

Outcome with regard to client policy / program implementation : Rated Modest

Comment :

To be entered following client review of the draft ICM - by end-August 20 06

b) Overall Assessments and Lessons Learned

Main lessons learned :

The Project has delivered numerous lessons, in multiple areas, including:

- i) small interventions such as this MSP can dramatically affect the policy dialogue, particularly where state institutions need guidance on how to design and implement various agricultural support schemes (and in this case in particular, with reference to state conformity with international/regional agreements (EU));
- ii) without the correct framework of ongoing support, most importantly in terms of: a) new rural entrepreneurial activity; and b) properly-targeted government support; it is not clear that habitat restoration can be sustained;
- iii) notwithstanding the above, new management planning techniques have already allowed dramatic improvement in the areas targeted by the project: it is clear that introduction of such techniques is welcomed by PA administrations, as they have made the job much easier. In these areas, run by competent public institutions, sustainability is more likely (vs. smaller plots managed by individuals);
- iv) the importance of thorough and regular consultations, over a long period of time, to affect behavior change in rural populations;

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v) as has been noted in many other reviews in the RD literature, it is difficult to assess actual public awareness and attitudes.

The full text of the Lessons Learned is contained in the ICM, which will be sent to TFO by end-August 2006.

Main recommendations to stakeholders :

To be entered following client review of the draft ICM - by end-August 2006

Main recommendations to bank management :

The main recommendation for Bank management relates to the cost to the Bank of implementing the GEF MSPs vs. the impact: there has been recent discussion that the MSPs are costly, in incremental terms, e.g. though the project amounts are small, the projects still requires substantive involvement from the TTL, and a reasonable budget for both LEN and SPN. This is accurate, but perhaps not the entire "story". This MSP has demonstrated that even with a modest investment, significant impacts can be delivered. This project is a somewhat unique case, because Slovakia's entry into the European Union provided unique leverage for the implementing agency to influence policy. But even so, the experience here indicates that MSPs can have quite dramatic results. If the right strategic opportunity presents itself, the Bank should still consider being the Executing Agency for MSPs.

Assessment of bank performance : Rated Satisfactory

Comment :

Bank performance was Satisfactory throughout preparation and implementation.

Assessment of cost effectiveness : Rated Satisfactory

Comment :

To be entered following client review of the draft ICM - by end-August 2006

Assessment of sustainability (likelihood of): Rated Likely

Comment :

Some elements of the project have very high sustainability, such as the grasslands database (which is the largest species and habitat database in Slovakia, and is crucial for longer-term monitoring of payments under the agri-environment schemes), and the implementation of new management techniques, especially in the Morava River and the Olsavice Valley, as well as in the PAs themselves. The production of the Grasslands Teachers Manual, and training of teachers, has high likelihood of sustainability, as this has given teachers a new and positive interactive tool for their classroom use. The manual itself has been certified by the state Ministry of Education for use in the teacher training curriculum at university. Results from the experiments are already being incorporated into pasture management practice, and this has the possibility for replication much more broadly.

Full details are in the ICM, to be sent to TFO by end-August 2006, following client review.

Assessment of replicability: Rated Likely

Comment :

To be entered following client review of the draft ICM - by end-July 20 06

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Status : Approved

PROCESSING**a) Manager's comments on this GRM report :**

None

b) GRM report history - Requested on 06/22/2006 , Due On 07/31/2006

| Action | Name | Status | Date |
|------------------------|-----------------------|-----------|------------|
| Created | David A. Bontempo | Draft | 07/07/2006 |
| Changed | David A. Bontempo | Draft | 07/07/2006 |
| Changed | David A. Bontempo | Draft | 07/07/2006 |
| Changed | David A. Bontempo | Draft | 07/07/2006 |
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| Changed | David A. Bontempo | Draft | 07/31/2006 |
| Changed | David A. Bontempo | Draft | 07/31/2006 |
| Changed | David A. Bontempo | Draft | 07/31/2006 |
| Submitted for Approval | David A. Bontempo | Submitted | 07/31/2006 |
| Approved by Manager | Marjory-Anne Bromhead | Approved | 07/31/2006 |

DOCUMENTS ATTACHED

None

DISBURSEMENTS**Disbursement Summary in USD**

| Date From | Date To | Planned Cumulative | Planned Period | Actual Cumulative | Actual Period |
|------------|------------|--------------------|----------------|-------------------|---------------|
| 01/01/2000 | 06/30/2000 | | | | |
| 07/01/2000 | 12/31/2000 | | | 87,500.00 | 87,500.00 |
| 01/01/2001 | 06/30/2001 | | | 176,500.00 | 89,000.00 |
| 07/01/2001 | 12/31/2001 | | | 176,500.00 | |
| 01/01/2002 | 06/30/2002 | | | 306,500.00 | 130,000.00 |
| 07/01/2002 | 12/31/2002 | | | 306,500.00 | |
| 01/01/2003 | 06/30/2003 | | | 471,500.00 | 165,000.00 |
| 07/01/2003 | 12/31/2003 | | | 471,500.00 | |
| 01/01/2004 | 06/30/2004 | | | 661,500.00 | 190,000.00 |
| 07/01/2004 | 12/31/2004 | | | 661,500.00 | |
| 01/01/2005 | 06/30/2005 | 88,500.00 | 88,500.00 | 661,500.00 | |
| 07/01/2005 | 12/31/2005 | 88,500.00 | | 661,500.00 | |
| 01/01/2006 | 06/30/2006 | | | 750,000.00 | 88,500.00 |

INTERNAL COMMENTS

Date:07/31/2006 User ID:WB145764 Name:Mr David A. Bontempo Operation performed:Submitted for Approval

The draft ICM is now with the client for review. Due to client summer holidays, and delay in Bank provision of the draft ICM, mid-August was agreed for delivery.