



1. Project Data:		Date Posted : 08/07/2001	
PROJ ID: P010453		Appraisal	Actual
Project Name: Balochistan Natural Resources Management	Project Costs (US\$M)	17.8	7.0
Country: Pakistan	Loan/Credit (US\$M)	14.7	5.7
Sector(s): Board: ENV - General agriculture fishing and forestry sector (43%), Forestry (33%), Sub-national government administration (22%), Irrigation and drainage (2%)	Cofinancing (US\$M)		
L/C Number: C2584			
	Board Approval (FY)		
Partners involved :	Closing Date	06/30/2000	06/30/2000
Prepared by :	Reviewed by :	Group Manager :	Group:
Patrice A. Harou	Nalini B. Kumar	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
<p>The project was to be the first phase of an expected long -term program. The project 's overall objective was to improve protection of the environment and the management of natural resources of Balochistan . In particular, it aimed to:(1) strengthen the environmental protection/natural resources management institutions; (2) develop natural resources management policies, mostly for woodland protection, rangeland management and aquifer use; (3) increase environmental awareness among policy makers, government officials, and the public; (4) address high priority resource management problems; (5) and to undertake studies and preparation for future projects .</p>			
b. Components			
<p>The project had two broad components, institutional strengthening and natural resources rehabilitation and management :</p> <p>(1) Institutional strengthening component comprised the following : (i) establishing a new Environment Section (ES) within the Planning and Development Department (P&DD); (ii) the strengthening of Balochistan Environmental Protection Agency (BEPA); (iii) strengthening of the Balochistan Forest Department (BFD); (iv) initiating mass awareness programs to educate decision makers and the public on environmental issues; (v) studies and actions to improve natural resource policies and feasibility studies to prepare other natural resource use projects .</p> <p>(2) Natural resource rehabilitation sub-projects included: (i) operations to rehabilitate and develop damaged natural resources, including sand dune stabilization on the Mekran coast and the development of Hazarganji -Chiltan National Park; (ii) pilot-scale programs to develop site-specific methods of rehabilitating and developing damaged natural resources, such as rangeland and watershed rehabilitation, and the conservation of the Ziarat Juniper Forest .</p>			
c. Comments on Project Cost, Financing and Dates			
<p>After the mid-term review the project was restructured and SDR 2.75 million was cancelled from the credit amount primarily from the natural resource component.</p>			
3. Achievement of Relevant Objectives:			
<p>The project was ambitious and complex and was not able to fulfill its objectives . It was negatively affected by a three year drought. However there were some positive outcomes (section 4 below).</p>			

4. Significant Outcomes/Impacts:

The major accomplishments were:

- Creation of an independent Balochistan Environmental Protection Council (BEPC). Environmental awareness was improved somewhat by the new visibility of BEPC and the coverage in the press of environmental issues debated at this new forum.
- The project helped strengthen the Balochistan Environmental Protection Agency (BEPA) and is reported to have improved air quality in Quetta by relocating the brick kilns and starting a program for conversion of three-wheelers to Compressed Natural Gas.
- Lack of governance in resources management was made public .

5. Significant Shortcomings (including non-compliance with safeguard policies):

The project was poorly designed and quality at entry was unsatisfactory . The lack of cooperation between the different institutions involved in environmental matters should have been foreseen at project appraisal . Training assistance funds were not well utilized . The project was slowed down initially by major financial misappropriations well reported in the local press .

The major shortcomings for the institutional strengthening component of the project were :

- Policies were not formulated to manage and use natural resources in the Province sustainably .
- The environment awareness plan was not implemented .
- Environmental monitoring and information support services were not organized .
- ES was created within the P&DD but was unable to initiate a high priority study to develop the technical criteria for regulating access to Balochistan's aquifers and prepare legislation and rules .

The major shortcomings for the natural resources rehabilitation component of the project were :

- Only 20 % of the revised plantation targets in the sand stabilization component were met .
- Atriplex was not widely introduced in the rangeland /watershed rehabilitation activity .
- Most of the forest management plans were produced but not implemented .
- No new project activities were prepared for financing .

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Unsatisfactory	
Institutional Dev .:	Modest	Modest	
Sustainability :	Unlikely	Unlikely	
Bank Performance :	Unsatisfactory	Unsatisfactory	
Borrower Perf .:	Unsatisfactory	Unsatisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- Awareness of the importance of improved governance in natural resource management is crucial to build capacity in the relevant institutions;
- It is important to link the policy reforms and concrete investments proposed in a project . In this project, there was a great disconnect between the institutional and environmental rehabilitation activities of the project . This preempted an effective synergy between the two components of the project . For instance, EIA regulations were implemented but no enforcement activities were implemented by the project to monitor mitigations . As a result pollution continued unabated .
- Allowing flexibility in disbursement scheduling and avoiding frontloading at the beginning of the project could minimize misappropriations of funds .The pace at which activities have to be implemented has to be set according to the institution's capacity to absorb the new increase in activities and funding;
- The project experience shows that, particularly in sensitive arid /semi-arid ecosystems,community participatory land management systems are likely to be more successful .

8. Assessment Recommended? Yes No

Why? An audit in the framework of a governance study in natural resources management could be informative. The audit could also be useful in the context of a study on climate change and its impact on drylands and economic development.

9. Comments on Quality of ICR:

The author has to be commended for a clear and frank report going to the crux of the issues .

