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**Report No. 18326**

**IMPLEMENTATION COMPLETION REPORT**

**UKRAINE**

**TRANSCARPATHIAN BIODIVERSITY PROTECTION PROJECT**

**GET GRANT 28638**

**June 26, 1998**

**Rural Development & Environment Unit  
Europe and Central Asia Region**

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CURRENCY EQUIVALENTS  
(as of July 1998)

Currency Unit = Hrivnya (UAH)  
US\$1 = 1.95 UAH

NOTE: On September 17, 1996, the Ukrainian Karbovanets was redenominated by a factor of 100,000 and renamed to the Ukrainian Hrivnya.

AVERAGE OFFICIAL EXCHANGE RATES  
(per US\$1)

<u>1993</u> 0.045	<u>1994</u> 0.327	<u>1995</u> 1.473	<u>1996</u> 1.829	<u>1997</u> 1.862	<u>Feb 1998</u> 1.95
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WEIGHTS AND MEASURES  
Metric System

ABBREVIATIONS AND ACRONYMS

CBR - Carpathian Biosphere Reserve  
CIS - Commonwealth of Independent States  
DPRA - Department of Protected and Recreation Areas  
EC - European Community  
GEF - Global Environment Facility  
GET - Global Environment Trust  
GIS - Geographic Information System  
IBR - International Biosphere Reserve (Slovak, Poland and Ukraine)  
IBRD - International Bank for Reconstruction and Development  
ICB - International Competitive Bidding  
IUCN - International Union for the Conservation of Nature and Natural Resources  
LCB - Local Competitive Bidding  
MEPNS - Ministry for Environmental Protection and Nuclear Safety  
PIU - Project Implementation Unit  
SOE - Statement of Expenditures  
TA - Technical Assistance

FISCAL YEAR OF UKRAINE

January 1 - December 31

Vice President: Johannes Linn, ECAVP
Country Director: Paul J. Siegelbaum, ECC11
Sector Director: Kevin M. Cleaver, ECSSD
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IMPLEMENTATION COMPLETION REPORT

UKRAINE

TRANSCARPATHIAN BIODIVERSITY PROTECTION PROJECT

GET GRANT 28638

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# IMPLEMENTATION COMPLETION REPORT

## UKRAINE

### TRANSCARPATHIAN BIODIVERSITY PROTECTION PROJECT

#### GET GRANT 28638

#### **Preface**

This is the Implementation Completion Report (ICR) for the Transcarpathian Biodiversity Protection Project in Ukraine, for which the GET Grant 28638 in the amount of SDR 400,000 (US\$0.5 million equivalent) was approved on July 28, 1993 and made effective on October 27, 1993.

The Grant was closed on March 31, 1997; the original closing date was December 31, 1995. It was fully disbursed, and the last disbursement took place on July 8, 1997.

The ICR was prepared by Phillip Brylski (ECSSD) and Caspar Warnaars (Consultant) of the ECA region and reviewed by John Hayward, Sector Leader, and Gottfried Ablasser, Portfolio Manager, ECSSD. The Recipient's contribution to the ICR and its comments on the ICR are included as Appendices B and C respectively.

Preparation of this ICR was begun during the Bank's completion mission from October 2-7, 1997. It is based on material in the project files and discussions with the staff of the Ministry of Environment Protection and Nuclear Safety staff (MEPNS) engaged in the project, the Project Implementation Unit (PIU), NGOs, and other individuals and organisations involved in the project. The borrower contributed to the preparation of the ICR by providing its Completion Report dated March, 1998.

## IMPLEMENTATION COMPLETION REPORT

### UKRAINE

#### TRANSCARPATHIAN BIODIVERSITY PROTECTION PROJECT

GET GRANT 28638

#### **Evaluation Summary**

#### **Introduction**

i. In 1991, Ukraine, Poland, and the Slovak Republic agreed to develop a Tri-national Biosphere Reserve in the Eastern Carpathians. The Transcarpathian Biodiversity Protection Project, supported by the Global Environmental Facility (GEF), would provide funds required to implement this agreement which calls for consistent management approaches for the contiguous protected areas in the three countries. It was identified in mid-1993 and was designed to extend an earlier approved Slovak Republic GEF project into the adjoining forests in Ukraine.

ii. The project was the first GEF and Bank project in Ukraine, and was one of five Bank-managed GEF projects in the region that provided assistance in conserving forest biodiversity to countries making the transition from centrally planned to market economies. The other four projects were in Poland, Belarus, Slovakia, and the Czech Republic. All five projects were designed to improve the management and protection of transboundary forest ecosystems through international collaboration. The projects in Ukraine, Slovakia, and Poland either focused on, or included as one component, a transborder region of the Carpathian Mountains.

#### **Project Objectives and Components**

iii. *Objectives:* The project objectives were to: (i) incorporate this small Ukrainian GEF project (\$500,000) as an add-on to the proposed Slovakia Biodiversity Protection project (GEF \$2.3 million); (ii) support Ukraine's efforts to protect habitat fragments, stop species loss, and improve habitat management in the Carpathian Mountains; and (iii) develop and implement the legal, institutional, and administrative interventions to achieve the long term protection of the area in Ukraine, in collaboration with parallel GEF projects in the Carpathian forests of Poland and the Slovak Republic. Three additional project objectives were for the project to be innovative, to yield results that can be replicated elsewhere, and to be sustainable.

iv. *Components:* To achieve these objectives, the project components provided: (i) technical studies of flora and fauna and options to promote their conservation, development of land use policies for buffer zones of the protected areas, and development of a plan for expanding the treatment of conservation biology in a forestry school curriculum; (ii) infrastructure (computers, GIS, several vehicles, and a radio network) to strengthen management of the Carpathians Biosphere Reserve; (iii) development of communications and language skills, GIS computer training, park planning, conservation biology, and management training; and (iv) operational expenses for project management.

## **Implementation Experience and Results**

v. *Achievement of Objectives:* The project objectives were achieved in a highly satisfactory manner. The Ukraine and Slovak GEF projects established a US \$600,000 trust fund for the establishment and operation of the Foundation for Biodiversity Conservation in the Eastern Carpathians. The fund's interest finances operational expenses of the Foundation as well as small projects identified in the strategic plan. The program of applied research and monitoring and protected area management yielded satisfactory results and is being further developed following the completion of the project. The Carpathians Biosphere Reserve (CBR) was expanded by 24,000 hectares and a plan to link the protected areas of the Ukraine Carpathians region was prepared. This work, along with inventory studies, provided specific recommendations for expanding the reserve by an additional 20,000-30,000 ha in the next five years. An inventory of the CBR's biodiversity was conducted and provided scientific justification for the further expansion of the reserve. The inventory resulted in the identification of a number of new species and detection of many species not previously known to exist in the Ukraine Carpathians. The results were published in a book that provides a baseline for biodiversity protection and management in the region for years to come. The project also financed preparation of a number of educational brochures, booklets, and popular and scientific articles, as well as improvements to the educational museum at the CBR headquarters.

vi. *Major Factors Affecting the Project:* The project was affected by four main administrative factors that contributed to slow disbursement and implementation: (i) the implementing agency, the MEPNS, was a new ministry with relatively low capacity, (ii) because the project was the first Bank operation in Ukraine, and among the first externally funded projects of its kind in the country, the Recipient was faced with learning the Bank's requirements; (iii) the PIU was relatively inexperienced in office and project management; and (iv) the PIU was faced with national regulations and bureaucracy regarding taxes, customs, and banking that hindered implementation. While each of the project activities were influenced by these factors, the GIS component was affected the most: delays in the procurement of GIS equipment, from contracting to delivery to release of the shipment by customs officials, necessitated two extensions to the closing date. However, several positive factors affecting the project were the strong ownership of the project, the high skills of many of the technical staff, and strong ownership and results orientation by various stakeholders in Ukraine.

## **Project Sustainability and Future Operations**

vii. *Sustainability:* The project results—improving the sustainability of the forest ecosystems within the Carpathians Biosphere Reserve by expanding the reserve and expanding human resources through professional development and training—are sustainable in the short to medium term. Despite low salaries, there has been good continuity of staff and consultants at the local and central (i.e., Kyiv) levels, which has contributed to maintaining the benefits of the project's investments in human resources. State budgets for the CBR remain small as a result of the on-going difficulties of the Ukraine economy whereas, in the long term, maintenance of the larger biosphere reserve will require an increase in staff resources and other baseline investments. The project investments will not be sustainable in the medium or long term without additional financing. The project strengthened capacity within the CBR staff, the MEPNS, and the PIU to continue with the project activities in different ways. The Reserve Director has also been working with regional authorities to establish an "Ecological - Economic District" that would provide special tax incentives for sustainable development of the region. This proposal is currently being considered by the Parliament.

viii. *Future Operations:* The project was the Bank's first project in Ukraine, and contributed to the development of a balanced portfolio of Bank-managed environment projects in Ukraine. None of these are related directly to the Transcarpathian Biodiversity Protection project. Work in the project region is continuing on several fronts. The CBR staff are building on the inventory, applied research, and local consultations to define the strictly protected and economic use zones of the expanded reserve, in accordance with Ukrainian regulations. The applied research activities financed by the project identified a number of management actions that are now under implementation. Among these is the use of the GIS to assist in further landscape level planning to link the protected areas of the eastern Carpathian Mountains. The Recipient is currently developing a proposal for a follow-on GEF project that would further improve forest management and biodiversity protection in the transboundary forests of the Carpathian countries.

### **Bank and Borrower Performance**

ix. *Bank Performance:* The Bank's performance was satisfactory throughout preparation and implementation. Most Bank missions included forestry and biodiversity specialists, and the Bank provided additional training in disbursement and procurement procedures and requirements. Several intensive professional development and training programs were organized by the Bank on technical themes and on nature-based tourism. Although task management responsibilities of the project changed within the first year of implementation, after this, the Recipient acknowledged the importance of the good continuity in the Bank team responsible for the project. The total Bank resources spent on the project, including identification, preparation, supervision, and completion, was approximately one-half of the grant amount. This ratio of Bank resources to the total grant amount is too high, even though this ratio is strongly influenced by the small size of the grant (\$500,000). Whereas modest Bank resources were used for preparation of the project, the Recipient needed substantial assistance with its implementation. The supervision budget was also increased by the 18 month extension of the closing date, which was needed to complete the GIS activities.

x. *Recipient Performance:* The Recipient's performance was satisfactory. The project activities were implemented as planned and all legal requirements were met. This justified the Bank's continuous satisfactory rating of the project's development and implementation objectives during implementation. The project had a slow start as the Recipient learned Bank procurement requirements (this being Ukraine's first Bank and GEF project). Subsequent delays resulted from obstacles related to in-country conditions. Those responsible for implementation spent considerable time discovering innovative solutions to the in-country conditions that often made progress difficult. Early in the project, the Recipient established a PIU outside of the MEPNS in response to the Bank's concern over the slow pace of implementation. This PIU performed extremely well and, building on the experience developed under the project, now assists the government and NGOs in implementing projects financed by the Government of Ukraine, the Bank, and other donors.

### **Key Lessons Learned**

xi. The lessons learned were discussed during a regional meeting involving participants of GEF biodiversity projects from Belarus, Ukraine, Czech Republic, Slovakia, and the World Bank. Based on discussions held during the completion mission and at the regional workshop, the key lessons learned from the Recipient's perspective are:

- a. Projects such as this should include a component on the role of public relations in reserve management. Although local communities approved the expansion of the Carpathians Biosphere Reserve, these approvals occurred at the local political level, and not necessarily based on good understanding of the issues by the local community. Public relations activities under the project would have improved the flow of information between local communities and the reserve management.
- b. The applied research component should have been designed to have greater direct application to the management problems of the reserve, including the social and economic conditions of the support zones.
- c. Greater attention needs to be paid to integrating the project results with policies related to forestry and taxation incentives for sustainable forest management.
- d. Although it is appropriate to target large groups for some professional development and training activities, some of these activities would have a greater impact if fewer people received more intensive, longer term training.

Two key lessons learned from the Bank's perspective are:

- a. Biodiversity and natural resources management projects in countries in transition should seek to improve the project's replicability by integrating the results into policy frameworks at local, regional, and national levels of government.
- b. As in other GEF biodiversity projects in the region, a needs assessment of the PMU early in implementation would have identified the need for training in office management and business skills. Such training could have reduced early delays in implementation and given greater time to the substantive work to be done.



# IMPLEMENTATION COMPLETION REPORT

## UKRAINE

### TRANSCARPATHIAN BIODIVERSITY PROTECTION PROJECT

GET GRANT 28638

#### Part I. Project Implementation Assessment

##### A. Introduction

1. Ukraine's forests comprise 10 million ha covering 14 percent of its land area. The Carpathian Mountains support one quarter of the plant species found in Europe, stands of virgin beech forest totaling approximately 10,000 ha, and many medicinal plants useful to humankind. This natural resource of global and European importance is under threat from unsustainable land uses and transboundary air pollution.
2. The project was the first GEF and Bank project in Ukraine, and was one of five Bank-managed GEF projects in the region that provided assistance in conserving forest biodiversity to countries making the transition from centrally planned to market economies. The other four projects were in Poland, Belarus, Slovakia, and the Czech Republic. All five projects were designed to improve the management and protection of transboundary forest ecosystems through international collaboration. The projects in Ukraine, Slovakia, and Poland either focused on, or included as one component, their transborder region of the Carpathian Mountains.

##### B. Statement/Evaluation of Objectives

3. The project objectives, as stated in the SAR, were to: (i) incorporate this small Ukrainian GEF project (\$500,000) as an add-on to the proposed Slovakia Biodiversity Protection project (GEF \$2.3 million); (ii) support Ukraine's efforts to protect habitat fragments, stop species loss, and improve habitat management in the Carpathian Mountains; and (iii) develop and implement the legal, institutional, and administrative interventions to achieve the long term protection of the area in Ukraine, in collaboration with parallel GEF projects in the Carpathian forests of Poland and the Slovak Republic. Three additional project objectives were for the project to be innovative, to yield results that can be replicated elsewhere; and to be sustainable.
4. The project investments were divided among four components:
  - i. *Biodiversity Protection*. This component included technical studies of flora and fauna and options to promote their conservation, development of land use policies for buffer zones of the protected areas, and development of a plan for expanding the treatment of conservation biology in a forestry school curriculum;
  - ii. *Management Resources*. This component provided infrastructure (computers, GIS, several vehicles, and a radio network) to strengthen management of the Carpathians Biosphere Reserve;
  - iii. *Training*. This included development of communications and language skills, GIS computer training, park planning, conservation biology, and management training; and

iv. *Project Management.* The project financed operational expenses for project management.

5. *Evaluation of objectives.* During the completion mission, the Recipient and the Bank agreed that the project objectives were appropriate. However, restated in more specific terms, the project objectives were to: (i) improve the understanding of the biodiversity of the Carpathians Biosphere Reserve to serve as a foundation for its protection and management; (ii) expand the Carpathians Biosphere Reserve (CBR) and zone the biosphere reserve in accordance with Man in the Biosphere (MaB) conventions; (iii) demonstrate principles of modern conservation biology and restoration ecology, leading to improved management of isolated stands of old-growth forest; (iv) develop and implement legal, institutional, and administrative solutions to the management needs of the biosphere reserve; and (v) promote regional (i.e., Eastern Carpathians) cooperation in scientific research, monitoring and evaluation, ecological restoration, and protected area management.

### C. Achievement of Objectives

6. The project objectives were achieved in a highly satisfactory manner, particularly in light of the size of the grant (US\$500,000). The following is a summary of these achievements:

7. *Regional (Eastern Carpathians) cooperation.* The Ukraine and Slovak GEF projects established a USD \$600,000 trust fund for the establishment and operation of the Foundation for Biodiversity Conservation in the Eastern Carpathians. The trust fund was financed by contributions from GEF and the MacArthur Foundation of \$300,000 each. The objective of the Foundation is to promote activities to protect biodiversity of the Eastern Carpathians, for example strengthening the protected area network and developing sustainable forest practices and nature-based tourism. The tri-lateral foundation prepared and adopted a strategy for biodiversity conservation in the region and agreed to work for establishment of the International Biosphere Reserve. Although the tri-lateral reserve has not yet been ratified by the three countries, the three countries are working under ministerial agreements toward this end.

8. The interest income of the trust fund is eligible for uses agreed upon by the 14-member Board. The fund will provide operational expenses (mainly travel to meetings) of the Foundation in perpetuity. In addition to Foundation operational expenses, the trust fund's interest income is being used to finance small projects identified in the strategic plan. In 1996, Ukraine received \$5,000 to prepare the technical reports needed for expansion of Stuzhitsa reserve, an important component of the proposed tri-lateral biosphere reserve.

9. Given the difficult economic conditions of Ukraine, these small grants have been effectively used. However, the trust fund may have been more effective had it been structured to be fully disbursed over a 5-10 year period following completion of the GEF projects. This would have enabled the Recipient to address the urgent conservation needs of the Carpathian transboundary region. Also, administration of the Trust Fund could have been simplified by reducing the number of Board members.

10. The objective of promoting regional cooperation in applied research and monitoring and protected area management yielded satisfactory results during implementation. This program will be further developed after completion of the project. The Foundation continues to work on implementation of the strategy. For Ukraine, the project and the Foundation acted as a catalyst for expanding international cooperation on forest conservation in the Carpathian Mountains. Since the completion of the project, Ukraine has hosted a delegation from the Council of Europe to discuss development of pilot sustainable tourism activity in the region, and has initiated a follow-on project with the assistance of Tacis grant funding.

11. *Expansion and zoning of the Carpathians Biosphere Reserve.* An important challenge of the project was to improve biodiversity protection and management in four distinct fragments of old growth forests within the Carpathians Biosphere Reserve (CBR). To achieve this, the Carpathians Biosphere Reserve was expanded by approximately 24,000 hectares (from 34,000 to 58,700 ha). Roughly one-half of the expansion occurred by transfer of land from the previous owner (mainly the Ministry of Forestry), and one-half through acquisition of 'secondary title' wherein ownership remains with the Ministry of Forestry or local collectives, and the Reserve assumes responsibility for ensuring that land uses (e.g., forest practices) are consistent with the objectives of biodiversity conservation and sustainable use. The studies carried out during the project provided recommendations on zonation of the expanded reserve, but completion of the zoning plan is still being prepared for government approval. The project also resulted in the expansion of Stuhzitsa Reserve to 14,665 ha and in the creation of Cheremoshski Regional Landscape Park (6,556 ha).

12. The project funded preparation of a corridor plan to link the protected areas of the Ukraine Carpathians region. This work, along with the inventory studies, provided specific recommendations for expanding the reserve by an additional 20,000-30,000 ha in the next five years. The project implemented those elements of the corridor plan that link the isolated old growth forest stands and were the focus of the project.

13. In support of the landscape planning activities, the project funded an inventory of the CBR's biodiversity. The immediate practical use of the reserve inventory was to provide the scientific justification needed for expansion of the Carpathian Biosphere Reserve. This inventory updated existing information, addressed gaps in knowledge of the region's biodiversity, and extended the understanding of the genetic diversity of several taxa. The inventory resulted in the identification of a number of new species and detection of many species not previously known to exist in the Ukraine Carpathians. The project results, excluding the reserve zonation activity which is on-going, were published in a book that provides a baseline for biodiversity protection and management in the region for years to come. The project inventory work provides the foundation for zoning the reserve according to Man in the Biosphere (MaB) criteria and plans to further expand the reserve in the coming years.

14. Several activities included in this program were complex, and posed a challenge to complete within the project schedule. The project team responded well to these challenges, and completed the activities with the assistance of professional development and training. The project was designed to use GIS as a tool to assist the CBR in planning the reserve expansion and managing its biodiversity. However, the combination of delays in getting the project underway and the lengthy period required for GIS training and procurement of equipment left little time to make use of the technology during the project. There is concern over whether sufficient staff resources are being devoted to making full use of the GIS. Despite these delays and concerns, the GIS is in use for assisting with management planning of the biosphere reserve, and there are plans underway to extend its use for protected area planning for the larger Eastern Carpathian region.

15 *Public Education and Awareness:* The project financed preparation of a number of educational brochures, booklets, and popular and scientific articles, as well as improvements to the educational museum at the CBR headquarters. This museum is a focal point for environmental education and awareness in the region, especially for middle school groups. These activities were considered by the reserve director to be useful, although their desired impact (improved understanding of, and support for, the mission of the CBR) is difficult to measure.

16. In recognition of the achievements of the Carpathians Biosphere Reserve, the Council of Europe awarded the reserve the European Diploma in September 1997.

#### **D. Major Factors Affecting the Project**

17. The project was affected by four main administrative factors that contributed to slow disbursement and implementation: (i) the implementing agency, the MEPNS, was a new ministry with relatively low capacity; (ii) because the project was the first Bank operation in Ukraine, and among the first externally funded projects of its kind in the country, the Recipient was faced with learning the Bank's requirements; (iii) the PIU was relatively inexperienced in office and project management; and (iv) the PIU was faced with national regulations and bureaucracy regarding taxes, customs, and banking that hindered implementation. While each of the project activities were influenced by these factors, the GIS component was affected the most. Delays in the procurement of GIS equipment, from contracting to delivery to release of the shipment by customs officials, necessitated two extensions to the closing date.

18. Positive factors affecting the project included the strong ownership of the project, the high skills of many of the technical staff, and results orientation by various stakeholders in Ukraine.

#### **E. Project Sustainability**

19. The central objective of the project was to improve the sustainability of forest ecosystems within the Carpathian Biosphere Reserve by expanding the reserve, with the permission of local communities, and by strengthening human resources through a professional development and training program and a 'learning by doing' project design. These project results are sustainable in the short to medium term. As in many government sectors, the salaries for reserve staff are low and payments are often 6 months or more in arrears. Despite these problems, there has been good continuity of staff and consultants at the local and central (i.e., Kyiv) levels, which has contributed to maintaining the benefits of the project's investments in human resources.

20. State budgets for the CBR remain small as a result of the on-going difficulties of the Ukraine economy, while maintenance of the larger biosphere reserve in the long term will require an increase in staff resources and other baseline investments. The project investments will not be sustainable in the mid- or long term without additional financing. The reserve receives fees for resource use (e.g. fuelwood collecting and grazing), but given the reserve's small state budget, such fees are now used for basic maintenance functions. In the absence of additional finances, specialized activities such as the GIS—which require investments above and beyond staff salaries—will not be sustainable beyond the short term.

21. The project strengthened capacity within the CBR staff, the MEPNS and, the PIU to continue with the project activities in different ways. The MEPNS has used the experience gained under the project to develop its national program for conservation and sustainable development. The MEPNS has also obtained international and national financing for projects to develop tourism in the Carpathian Mountains and to expand the protected areas of the region. Building on the project management experience learned under the project, the PIU now assists with the implementation of projects financed by the Government of Ukraine, the Bank, and other donors. The Reserve Director has also been working with regional authorities to establish an "Ecological - Economic District" that would provide special tax incentives for sustainable development of the region. This proposal is currently being considered by the Parliament.

#### **F. Bank Performance**

22. The Bank's performance was satisfactory throughout preparation and implementation. During implementation, the Recipient needed assistance mainly with procurement and several technical issues.

The project was supervised by Bank staff and consultants who provided satisfactory assistance to meet these needs. Most Bank missions included forestry and biodiversity specialists, and the Bank provided additional training in disbursement and procurement procedures and requirements. Several intensive professional development and training programs were organized by the Bank on technical themes and on nature-based tourism, which were well received by the participants, and which the Recipient and Bank agreed were useful to the project. Although task management responsibilities of the project changed within the first year of implementation, after this, the Recipient acknowledged the importance of the good continuity in the Bank team responsible for the project.

23. The total Bank resources spent on the project, including identification, preparation, supervision, and completion, was approximately one-half of the grant amount. This ratio of Bank resources to the total grant amount was too high, even though this ratio is strongly influenced by the small size of the grant (\$500,000). Whereas modest Bank resources were used for preparation of the project, the Recipient needed substantial assistance with its implementation. The supervision budget was also increased by the 18 month extension of the closing date, which was needed to complete the GIS activities.

### **G. Recipient Performance**

24. The Recipient's performance was satisfactory. The project activities were implemented as planned and all legal requirements were met. The project had a slow start as the Recipient learned Bank procurement requirements (this being Ukraine's first Bank and GEF project). Subsequent delays resulted from obstacles related to in-country conditions, and typically external to the MEPNS and the PIU. Those responsible for implementation spent considerable time finding innovative solutions to the in-country conditions that often made progress difficult. Early in the project, the Recipient established a PIU outside of the MEPNS in response to the Bank's concern over the slow pace of implementation. This PIU performed extremely well and, building on the experience developed under the project, now assists the government and NGOs in implementing projects financed by the Government of Ukraine, the Bank, and other donors.

### **H. Assessment of Outcome**

25. The outcome of the project was highly satisfactory. The project improved the ecological sustainability of the forest protected areas network in the project region by expanding the reserve and the capacity of the CBR staff and MEPNS to manage its resources. The project also established a strategic, long-term mechanism for international cooperation and a broader vision for park management. Partly as a result of the project, the reserve director is actively seeking to strengthen the role of the reserve in local economic development. No data are available on the role of the reserve in the local economy, but thus far its positive effects through attracting tourists are probably small.

26. The MEPNS has used the results and lessons learned under the project in building its national biodiversity conservation program, and to meet its obligations under the Convention on Biological Diversity. The Recipient has used the experience gained under the project to implement three GEF-funded projects: the Black Sea Environment Program, the Danube Delta biodiversity protection project and an Enabling Activity small grant for the preparation of a national biodiversity strategy/action plan. Currently, the MEPNS is preparing a GEF biodiversity conservation protection project in the coastal ecosystems of the Azov-Black Sea coasts.

27. Building on its experience with the project, the MEPNS has also obtained international and national financing for projects to develop tourism in the Carpathian Mountains and to further increase the area of forests of the region under protection or sustainable management.

### **I. Future Operations**

28. The project was the Bank's first project in Ukraine, and contributed to the development of a balanced portfolio of Bank-managed environment projects in Ukraine. None of these are related directly to the Transcarpathian Biodiversity Protection project. Work in the project region is continuing on several fronts. The CBR staff are building on the inventory, applied research, and local consultations to define the strictly protected and economic use zones of the expanded reserve, in accordance with Ukrainian regulations. The applied research activities financed by the project identified a number of management actions that are now under implementation. Among these is the use of the GIS to assist in further landscape level planning to link the protected areas of the eastern Carpathian Mountains. The Recipient is currently developing a proposal for a follow-on GEF project that would further improve forest management and biodiversity protection in the transboundary forests of the Carpathian countries.

### **J. Key Lessons Learned**

29. The lessons learned were discussed during a regional meeting involving participants of GEF biodiversity projects from Belarus, Ukraine, Slovakia, and the World Bank. Based on discussion held during the completion mission and at the regional workshop, the key lessons learned from the Recipient's perspective are to be completed

- a. Projects such as this should include a component on the role of public relations in reserve management. Although local communities approved the expansion of the Carpathians Biosphere Reserve, these approvals occurred at the local political level, and not necessarily based on good understanding of the issues by the local community. Public relations activities under the project would have improved the flow of information between local communities and the reserve management.
- b. The applied research component should have been designed to have greater direct application to the management problems of the reserve, including the social and economic conditions of the support zones.
- c. Greater attention needs to be paid to integrating the project results with policies related to forestry and taxation incentives for sustainable forest management.
- d. Although it is appropriate to target large groups for some professional development and training activities, some of these activities would have a greater impact if fewer people received more intensive, longer term training.

Two key lessons learned from the Bank's perspective are:

- a. Biodiversity and natural resources management projects in countries in transition should seek to improve the project's replicability by integrating the results into policy frameworks at local, regional, and national levels of government.
- b. As in other GEF biodiversity projects in the region, a needs assessment of the PMU early in implementation would have identified the need for training in office management and business skills. Such training could have reduced early delays in implementation and given greater time to the substantive work to be done.

## Part II. Statistical Tables

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**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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sector Policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Institutional Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical Objectives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poverty Reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other Social Objectives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental Objectives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Sector Management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private Sector Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(Continued)

B. <u>Project Sustainability</u>	<u>Likely</u> (✓)	<u>Unlikely</u> (✓)	<u>Uncertain</u> (✓)	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
C. <u>Bank Performance</u>	<u>Highly Satisfactory</u> (✓)	<u>Satisfactory</u> (✓)	<u>Deficient</u> (✓)	
Identification	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Preparation Assistance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Appraisal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Supervision	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
D. <u>Recipient Performance</u>	<u>Highly satisfactory</u> (✓)	<u>Satisfactory</u> (✓)	<u>Deficient</u> (✓)	
Preparation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Implementation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Covenant Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Operation (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
E. <u>Assessment of Outcome</u>	<u>Highly satisfactory</u> (✓)	<u>Satisfactory</u> (✓)	<u>Unsatisfactory</u> (✓)	<u>Highly unsatisfactory</u> (✓)
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**Table 2: Related Bank Loans/Credits**

Loan/credit title	Purpose	Year of approval	Status
<i>Preceding operations</i>			
None.			
<i>Following operations</i>			
Black Sea Environment Program	Regional cooperation on restoration of Black Sea	1992	-
Danube Delta GEF Biodiversity Protection Project	Wetlands conservation and sustainable development	1993	S
Biodiversity Conservation in the Azov-Black Sea Ecological Corridor	Biodiversity conservation and sustainable agriculture	Under preparation	-

**Table 3: Project Timetable**

Steps in Project Cycle	Date Planned	Date Actual/ Latest Estimate
Identification (Executive Project Summary)	7/92	7/92
Preparation	10/92	10/92
Appraisal	11/92	5/93
Negotiations	6/93	6/93
Board Presentation	6/93	6/93
Signing	6/93	7/93
Effectiveness	9/93	10/93
Grant Closing	12/95	3/97

**Table 4: Grant Disbursements: Cumulative Estimated and Actual**  
(US\$ thousands)

	FY94	FY95	FY96	FY97
Appraisal estimate	50.00	250.00	500.00	-
Actual	17.85	218.70	438.70	585.0
Actual as % of estimate	35.70	87.50	87.70	-

Date of final disbursement: July 8, 1997

**Table 5: Key Indicators for Project Implementation**

*not applicable for GEF projects*

**Table 6: Key Indicators for Project Operation**

*not applicable for GEF projects*

**Table 7: Studies Included in Project**

Study	Purpose as defined at appraisal/redefined	Status*	Impact of study
1. "Carpathian Biosphere Reserve"	Monograph summary of project-funded applied research and protected areas planning.	C	Technical justification of protected area expansion and management.
2. "Ukrainian Natural Resources Potential"	Plan for integration of conservation biology activities in forestry curriculum.	C	Plan to be implemented in future.
3. "Monitoring Methods In Carpathian National Parks and Reserves" (proceedings of an international workshop)	Standardization of monitoring activities in transborder reserves.	C	Findings and approaches integrated into on-going monitoring activities in Ukraine, Poland, and Slovakia.
4. Video "Transcarpathian Biodiversity Protection Project"	Public education and awareness	C	Video shown on national television, but magnitude of impact not studied.

\*C, completed

**Table 8A: Project Costs**

Item	Appraisal estimate (US\$ Thousands)			Actual/latest estimates (US\$ Thousands)		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
<b>A. Biodiversity Protection Program</b>	<b>105.8</b>	<b>42.3</b>	<b>148.1</b>	<b>64.0</b>	<b>33.0</b>	<b>97.0</b>
1. Reserve Inventory	4.0	10.0	14.0	2.5	10.0	12.5
2. Acquisition Plan & Investigations	10.0	0.0	10.0	4.4	4.0	08.4
3. Flora and Fauna Inventory	20.0	2.1	22.1	20.6	4.0	24.6
4. Systems and Extinction Model	10.0	5.0	15.0	2.8	2.0	04.8
5. Genetic and Species Studies	35.0	10.0	45.0	9.5	12.3	21.8
6. GIS and Critical Habitat Analysis	3.0	7.0	10.0	4.0	0.7	04.7
7. Trans-Carpathians Planning	5.0	5.0	10.0	0.0	0.0	0.0
8. Development of National Policy	8.0	2.0	10.0	8.8	0.0	08.8
9. Curriculum Development	10.8	1.2	12.0	11.4	0.0	11.4
<b>B. Management Resources Program</b>	<b>57.5</b>	<b>152.5</b>	<b>210.0</b>	<b>79.0</b>	<b>203.0</b>	<b>282.0</b>
1. Computer Equipment & GIS	0.0	120.0	120.0	13.0	97.0	110.0
2. Transport and Communications	32.5	32.5	65.0	45.0	106.0	151.0
3. Assistance With Demonstration	25.0	0.0	25.0	21.0	0.0	21.0
<b>C. Training Program</b>	<b>93.0</b>	<b>2.0</b>	<b>95.0</b>	<b>23.0</b>	<b>83.0</b>	<b>106.0</b>
1. Database and Computing	8.0	2.0	10.0	1.0	7.0	8.0
2. Prof. Dev. & Language Training	85.0	0.0	85.0	22.0	76.0	98.0
<b>D. Public Education &amp; Awareness</b>	<b>30.0</b>	<b>10.0</b>	<b>40.0</b>	<b>41.0</b>	<b>24.0</b>	<b>65.0</b>
1. Completion of Visitor Center	20.0	0.0	20.0	20.0	0.0	20.0
2. Equipment	8.0	2.0	10.0	8.0	24.0	32.0
3. Publications and Strategy	2.0	8.0	10.0	13.0	0.0	13.0
<b>E. Project Management</b>	<b>32.5</b>	<b>7.5</b>	<b>40.0</b>	<b>47.0</b>	<b>14.0</b>	<b>61.0</b>
1. Asst Central GEF Unit – Kyiv	7.5	7.5	15.0	44.0	6.0	50.0
2. Uzghorod Project Mgmt. Unit	25.0	0.0	25.0	3.0	8.0	11.0
<b>Total Baseline Costs.</b>	<b>318.8</b>	<b>214.3</b>	<b>533.1</b>			
Physical Contingencies	16.6	10.0	26.6			
Price Contingencies	14.8	5.5	20.3			
<b>Total</b>	<b>350.2</b>	<b>229.8</b>	<b>580.0</b>	<b>254.0</b>	<b>357.0</b>	<b>611.0</b>

**Table 8B: Project Financing**

Item	Appraisal estimate (US\$ Thousands)			Actual/latest estimates (US\$ Thousands)		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
GEF Grant	250	250	500	228	357	585
MacArthur Foundation Grant	0	10	10	-	-	-
Government	70	0	70	26	-	26
<b>Total</b>	<b>330</b>	<b>260</b>	<b>580</b>	<b>254</b>	<b>357</b>	<b>611</b>

**Table 9: Economic Costs and Benefits***not applicable for GEF projects***Table 10: Status of Legal Covenants**

Agreement	Section	Covenant Class	Present Status	Original Fulfillment Date	Revised Fulfillment Date	Description of Covenant	Comments
GRANT	3.01(a)	5	C	Continuous		Recipient declares commitment to project objectives and shall carry out the project with due diligence and with appropriate administrative and financial practices and shall provide funds for the project.	
GRANT	3.01(b)	5	C	Continuous		Recipient shall carry out the Project in accordance with the Implementation Program set forth in Schedule 4 of this Agreement.	
GRANT	3.02	5	C	Continuous		Recipient shall maintain in Uzhgorod, under TOR satisfactory to the Trustee, the Project Technical Management Unit with qualified and experienced staff under a Project Manager whose qualifications are satisfactory to the Trustee.	
GRANT	3.03	5	CD	Continuous		Recipient shall maintain in Kyiv, in the Dept. of Protected & Recreation Areas of the Min. of Env. under TOR satisfactory to the Trustee, the Admin. Coordination Unit with qualified and experienced staff under a chief satisfactory to the Trustee.	
GRANT	3.04	5	C	Continuous		Procurement of goods, works and services for the Project to be financed out of the GET Grant shall be governed by the provisions of Schedule 3 of the Grant Agreement.	
GRANT	4.01(a)	1	C	Continuous		Recipient shall adequately maintain project records and accounts of project operations, resources and expenditures in accordance with sound accounting practices.	

Agreement	Section	Covenant Class	Present Status	Original Fulfillment Date	Revised Fulfillment Date	Description of Covenant	Comments
GRANT	4.01(b)	1	CD	Continuous		Recipient shall have the project records and accounts (including Special Account) audited by independent auditors acceptable to the Trustee and shall furnish audits to the Trustee not later than four months after the end of each year.	
GRANT	4.01(c)	1	C	Continuous		Recipient shall adequately maintain within a Statement of Expenses records and accounts for expenses incurred against withdrawals from the Grant Account. Annual audits shall include a separate opinion of such records. Recipient shall retain such records and evidence of expenses at least 1 year after Trustee receipt of applicable audit report.	

Covenant types:

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

Present Status:

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

**Table 11: Compliance with Operational Manual Statements**

Statement number and title	Describe and comment on lack of compliance
<i>no lack of compliance was observed</i>	

**Table 12: Bank Resources: Staff Inputs**

Stage of project cycle	Planned		Actual	
	Weeks	US\$	Weeks	US\$
Preparation to appraisal	na--	na--	12.5	37,100
Appraisal	na--	na--	.3	6,000
Negotiations through Board approval	na--	na--	.6	2,000
Supervision	na--	na--	61.7	209,800
Completion	8.7--	28,100--	9	29,800
Total	--	--		284,700

NB Data on "planned" weeks not available. This started only in FY 1996

**Table 13: Bank Resources: Missions**

Stage of project cycle	Month/Year	No. of Persons	Days in Field	Specialization <sup>1</sup>	Performance Rating <sup>2</sup>		Types of Problems <sup>3</sup>
					Implem. Status	Developm. objectives	
Through appraisal	5/93	4	5	E,F,F,R			
Appraisal through signing	7/93	3		E, F,R			
Supervision I	11/93	3	4	E,F,R	1	1	M
Supervision II	3/94	2	3	E,F	1	1	
Supervision III	6/94	4	5	E,R,R,F	No 590	No BTO	
Supervision IV	10/94	2	4	F,F,	No 590	No BTO	
Supervision V	12/94	1	4	R	HS	1	
Supervision VI	5/95	2	4	E,R	S	HS	
Supervision VII	9/95	2	3	E, R	No 590	Only BTO	
Supervision VIII	7/96	na	na	na	No record	No record	
Supervision IX	10/96	1	12	R	S	S	
Completion	9/97	1	6	R			
Total							

1 - Key to Specialized staff skills:

E = Economist

F = Forester

R = Resource Specialist

2 - Key to Performance Ratings:

1 = Satisfactory

S = Satisfactory

HS = Highly satisfactory

3 - Key to Types of Problems:

M = Managerial.

## AIDE MEMOIRE

## UKRAINE

## GEF Biodiversity Protection Project (TF028638)

Completion Mission of October 2-7, 1997

1. A World Bank mission consisting of Messrs. P. Brylski (ECSRE) and S. Berwick (consultant) visited Ukraine from October 2-7, 1997 to carry out the Completion Mission for the GEF Biodiversity Protection Project (the Project). The mission held discussions in Kyiv to discuss Project achievements and the operational plan. The mission extends its appreciation and gratitude to the Ministry of Environmental Protection and Nuclear Safety (MEP) and Project Implementation Unit (PIU, InterEcocentre) for the hospitality and assistance extended to it during this and all previous missions during the Project implementation. The mission was supported by the Bank's Resident Mission in Kyiv.
2. The project closed on March 31, 1997. The objectives of the Mission were to (i) discuss Ukraine's contributions to the Implementation Completion Report (ICR), to be prepared by the PIU and (ii) collect data for the preparation of the Bank's ICR.
3. This Aide Memoir records the views of the Recipient and the Bank on Project implementation and assesses its sustainability. The Mission's findings regarding the views of the Bank are subject to confirmation by World Bank management.

**Project Implementation**

4. **Project Closing and Disbursements.** The Project closed on March 31, 1997 after one extension, 17 months after the planned closing date. All funds in the Special Account have been disbursed. According to the PIU, the Authorized Allocation has been fully recovered. The final Project audit for 1997 expenditures have been completed and reviewed by the Bank.
5. **Formulating and Attaining Project Objectives.** The goal of the Project was to conserve and protect the biological diversity of the Eastern Carpathian Mountains region by employing modern principles of conservation biology, linking biodiversity to economic well-being and desires of protected area neighbors, and using an integrated regional approach. The specific Project objectives, as discussed with the Recipient during the Completion Mission were to: (i) prepare an intensive inventory of the biodiversity of the Carpathians Biosphere Reserve to serve as a foundation for its protection and management; (ii) expand the Carpathians Biosphere Reserve (CBR) and zone the biosphere reserve in accordance with Man in the Biosphere (MaB) conventions; (iii) demonstrate principles of modern conservation biology and restoration ecology; (iv) manage forest fragments as a single unit; (v) develop and implement legal, institutional, and administrative solutions to management needs of the biosphere reserve; and (vi) promote regional (i.e., Eastern Carpathians) cooperation in scientific research, monitoring and evaluation, ecological restoration, and protected area management.

6. According to the GEF program objectives, projects should also: (i) be innovative, where possible; (ii) yield activities with demonstration value that can be replicated elsewhere; and (iii) be sustainable.

7. In the view of the Mission, the design of the Project was generally appropriate for achieving the objectives. However, some participants voiced concern that several activities were too complex to be completed within the Project schedule. This was exacerbated by the Project's slow start as the PIU learned Bank procurement and contracting requirements (this being Ukraine's first Bank and GEF project). A Project component that was not practical to implement as designed was the Geographic Information System (GIS) activities. The Project was designed to use GIS as a tool to assist the CBR in planning the reserve expansion and managing its biodiversity. Achieving this required that the training and procurement of equipment be completed early in Project implementation, which was not feasible.

8. **Achievement of Objectives.** The Project objectives were successfully achieved. In the view of the Mission, the Project performance was excellent in relation to the budget (USD\$500,000). The Project achievements are detailed in Annex 1.

9. **Project Sustainability.** The prospects for sustainability of Project benefits and activities are good for the majority of activities. The Project improved the sustainability of the CBR from a technical conservation perspective, mainly through expansion of the CBR and building capacity of its staff. More support for the Project's sustainability is seen in the follow-on activities which will seek to replicate the Project results in other areas. The MEP is designing two transboundary biodiversity conservation projects in the Carpathians Mountains which build on the lessons learned of the Project. In the view of the Mission, the sustainability of the GIS activities is an area of concern. The GIS activities are ready for implementation, but the CBR Director apparently has not committed the use of staff resources to these activities. Indeed, there is concern whether the GIS equipment purchased under the Project is being used. The Mission requested the GOU to include in its contribution to the ICR a plan for the use of the GIS equipment.

10. Given the difficult conditions of the Ukraine economy and the dependence of national parks and other protected areas on state budgets, the financial stability of protected areas operations remains a difficult issue. The MEP indicated to the Mission that state support to the CBR is sufficient to implement the activities initiated under the Project.

11. **Contribution of the Recipient to the ICR.** The Mission discussed the Government of Ukraine's (GOU) contribution to the ICR with the MEP. The GOU's report provides valuable observations and analyses of Project implementation. The report will be added as an annex to the Bank's ICR, as well as GOU's comments on the Bank ICR.

12. **Key Lessons Learned.** The ICR will contain a full account of the lessons learned under from the Project and its results. Two important lessons learned are: (i) the administrative structure for Project implementation should be as simple as possible, ensuring an efficient hierarchy of decision-making; (ii) the applied research activities would benefit from better integration with the administrative needs of the biosphere reserve.



## Summary of Main Project Objectives and Achievements

- 1. Prepare an intensive inventory of the biodiversity of the Carpathians Biosphere Reserve to serve as a foundation for its protection and management.** The Project funded an intensive inventory of the CBR's biodiversity. This inventory updated what was known at the beginning of the Project but also addressed gaps in existing knowledge and provided new data on genetic diversity. The immediate practical use of the reserve inventory was to provide the scientific justification needed for expansion of the Carpathian Biosphere Reserve, and, later, to assist in zoning the reserve according to MaB criteria. The Project results, excluding the reserve zonation activity which is on-going, were recently published in a book that provides a baseline for biodiversity in the region for years to come. The Project inventory work also provides justification for further expansion of the reserve by an additional 20,000-30,000 ha in the coming five years. The inventory activities were successfully completed as planned, although there could have been better integration of the inventory results with the reserve expansion component.
- 2. Expand the Carpathians Biosphere Reserve and zone the reserve in accordance with MaB conventions.** This Project component was successful, resulting as planned in expansion of the Carpathians Biosphere Reserve by 24,000 hectares (from approximately 34,000 to 58,700 ha). Roughly one-half of the expansion occurred by acquisition of land from the previous owner (mainly the Ministry of Forestry), and one-half through acquisition of 'secondary title' wherein ownership remains with the Ministry of Forestry or local collectives, and the Reserve assumes responsibility for ensuring that land uses (e.g., forest practices) are consistent with the objectives of biodiversity conservation and sustainable use. In addition, the Project funded landscape-level planning of ecological corridors to link the protected areas of the Ukraine Carpathians region. This work, along with the inventory studies, provided specific recommendations for expanding the reserve by an additional 20,000-30,000 ha in the next five years.
- 3. Demonstrate principles of modern conservation biology and restoration ecology.** This Project objective was met first through implementation of a professional development and training (PD&T) program in modern conservation biology, Geographic Information Systems (GIS), and 'biobusiness' (income generation for protected areas, especially through nature-based tourism). The practical implementation of the lessons from the PD&T program was evident in the expansion of the CBR protected area and in the inventory outputs (see paras. 1 and 2, this Annex). In addition to these, the Project funded a small demonstration activity in restoration ecology of mountain meadows. The demonstration activity in sustainable use of meadow pastures compensated local sheep-grazing groups for reducing the grazing pressure on reserve meadows by funding the costs of moving sheep to a less sensitive meadow. The sheep relocation effort demonstrated the commitment of the Project to developing sustainable development alternatives for buffer zone residents and integrating their land use activities with regional nature conservation. This relatively small Project activity was successful in demonstrating the role of the reserve as a partner with local resource users.
- 4. Manage forest fragments as a single unit.** An important challenge of the Project was to improve the protection and management of the biodiversity in four disjunct fragments of old growth forests within the Carpathians Biosphere Reserve (CBR). Two viable approaches to managing these

as a single unit are to expand the reserve by connecting these fragments and to improve forest practices on non-Reserve lands in the region. The first approach was funded under the Project and fully achieved. The second approach, which was not funded under the Project, will require a long-term dialogue between the MEP, which manages the CBR, and the Ministry of Forestry, which manages the state forest lands in the region.

**5. Develop and implement legal, institutional, and administrative solutions to management needs of the Reserve.** This Project objective was satisfactorily met through the following two activities:

- i) Encourage public support through outreach and education. The Project resulted in a large number of educational brochures, booklets, newspaper articles, and scientific articles, as well as improvements to the educational museum at the CBR headquarters. This museum is a focal point for environmental education in the region, especially for middle school groups. These activities were considered by the reserve director to be useful, although their desired impact (improved understanding of, and support for, the mission of the CBR) is difficult to measure.
- ii) Review the need for legal and institutional reform in Ukraine for biodiversity conservation. The Project funded preparation of a review paper on the legal basis for biodiversity conservation in Ukraine. This paper was published in an environmental magazine and was submitted as a position paper within the Parliament to initiate dialogue on needed reforms and practices.

**6. Promote regional (i.e., Eastern Carpathian Mountains) cooperation in scientific research, monitoring and evaluation, ecological restoration, and protected area management**  
The objective of promoting regional cooperation activities yielded satisfactory results during implementation, although indications are the program will be more fully developed during the operational phase. Ukraine, Slovakia, and Poland are the three members of the Foundation for Biodiversity Conservation in the Eastern Carpathians, and administer a USD\$600,000 Trust Fund established by the MacArthur Foundation and GEF. Under the Project, the tri-lateral foundation prepared and adopted a strategy for biodiversity conservation in the region, agreed on the establishment of the International Biosphere Reserve (IBR; still to be submitted to the three governments for ratification), and has implemented a small grants program that draws on the interest income of the trust fund. For the Ukraine Project, this cooperative program resulted in establishment of a protected area around the Stuzica Reserve (the main Ukraine element of the IBR). Recently, Ukraine hosted a delegation from the Council of Europe to discuss development of pilot sustainable tourism activity in the region.

**Ministry for Environmental Protection and Nuclear Safety of Ukraine**

**Completion Report  
Transcarpathian Biodiversity Protection Project**

**Kyiv  
1998**

## **A. Project context**

### **A.1. The Global Environmental Facility (GEF):**

#### **A.1.1. Purpose**

The Eastern Carpathians share transboundary ecosystems. The programs developed for their integrated management are of international importance. The global significance of the areas initially selected is confirmed and supported by their designations by UNESCO and the WWF (International), being identified among the "existing ecological bricks" of Europe.

In its efforts to preserve global biodiversity, the GEF has encountered more of the transboundary issues being addressed in this project. It has also encountered the need to balance in-situ and ex-situ preservation with innovative techniques. In particular, the project has faced the conflicting demands of a resident population which can be either a force for further eroding biodiversity or a potent ally in its preservation. In these ways, the progress of this project has germaned to ongoing activities of the GEF and has utility as a case study in trying to incorporate community participation.

#### **A.1.2. Objectives were :**

(a) Incorporate this small Ukrainian GEF project (\$500,000) as an add-on to the proposed Slovak Biodiversity Protection Project (GEF \$2.3 million).

The innovation being supported under the Ukrainian project was threefold:

- this is the first GEF project in the Ukraine;
- the first trilateral transboundary project supported under the GEF;
- the first three-country Trust Fund to be organized for biodiversity protection. The MacArthur Foundation of Chicago, Illinois has contributed \$300,000 to initiate this Carpathian Biodiversity Protection Trust Fund.

(b) Support the Ukrainian portion of the overall trilateral effort (Ukraine, Poland and Slovakia) to protect habitat fragments, stop species loss and upgrade habitat management.

(c) Develop and implement the legal, institutional and administrative settings to achieve in the long term protection of the area in Ukraine as well as the abutting zone in Poland and the Slovak Republic.

The project started with an ecological perspective and included both in-situ and ex-situ components to conserve biodiversity. This entailed a program approach involving scientific study of the flora and fauna of the selected key endangered forests, including threats to their viability from human pressures, and developing options to ensure the conservation of species considered at risk.

**A.2. Ukraine's Forests.** The area of lands of the Forest Fund of Ukraine (including forested and non-forested areas reserved for forestry and forest management) is ca. 10,000,000 ha. Of this total area, 8,600,000 ha are covered by forest vegetation; the rest of the territory consists of lands of agricultural use, as well as bogs, wetlands, sands, and areas planned to be forested in future.

The percentage of forest area in Ukraine is 14.3% of the total area of the country (compare to 28% in 1850 and 45% by the end of the first millennium A.D.). Forest plantations and artificial forests constitute 40% of the total forested area. The total amount of timber resources is estimated at 1,300,000,000 (1.3 billion) cubic meters. Average timber amount is ca. 153 cubic m per 1 ha, and average annual increase is ca. 4.2 cubic m.

Almost all forests of Ukraine are situated in zones of negative impact of industrial pollution. Much harm was caused to forests by the Chornobyl catastrophe. More than 3,500,000 ha of forests are affected by radioactive contamination.

The Carpathians contain one quarter of the flora of Europe and many endemic and medicinal plants useful to mankind. The largest remaining European stands of virgin beech forest (ca. 20,000 ha) is standing in the Carpathians. This is a remarkable natural resource for the rest of Europe, which has lost such undisturbed areas.

## **B. Project goal, objectives and description**

**B.1.** The goal of the project was to control, understand and manage the forest fragmentation process in the Carpathian Biosphere Reserve (CBR) to ensure the long-term presence of viable populations of flora and fauna that are sensitive to habitat loss.

**B.2.** The project objective was to demonstrate the principles of modern conservation biology and restoration ecology in Ukraine in addition to adopting and implementing successful **park planning, management and biodiversity protection** of the Carpathians Biosphere Reserve (CBR). The project focused on the **linkages of habitat fragments, species loss, and habitat management**.

The project was to develop and implement **legal, institutional and administrative** interventions to link the **isolated reserved components** of the CBR in order to maximize the opportunities for biodiversity conservation. This was to be achieved by a range of interventions including **planning, implementation of wildlife corridors and the development of extension and public awareness**.

This GEF-Biodiversity project was linked with a similar GEF project in the Slovak Republic along the common border in the Carpathian mountain system. The design of the project reflected the need to add to this Slovak project as the maintenance of the ecosystem shared by all three countries and required input from Ukrainian conservationists.

### **B.3. Project description:**

(a) a **Biodiversity Protection Program** that has initiated a range of activities including: inventory (biological and geographical), a systems extinction model, genetic studies, GIS critical habitat analysis and a Transcarpathian Planning Group.

The program has included the development of a national policy on incentives and easements for select land uses which buffer the protected areas. To ensure the longer term maintenance of some of these innovative approaches, a plan and curriculum has been developed for the inclusion of the study of conservation biology in the tertiary forestry curricula, as forestry is the base qualification for most of the mountain natural resource managers;

(b) a **Management Resources Program** to enable coordinated management of the discontinuous reserved areas of the Carpathians Biosphere Reserve and the implementation of the above protection program. These investments included: (i) computer equipment and GIS facilities, (ii) provision of transport and communications for enforcement, protection and management, and (iii) limited assistance with demonstration activities;

(c) a **Training Program** that included development of communications skills (extension, public education, interpretation and media relations), language training, data base and computer training, park planning and management training; and,

(d) a **Management Program** that included assistance to support a joint Ukraine GEF unit (both for the Danube Delta GEF and this project) within the Department of Protected and Recreation Areas and the establishment of a small Project Unit at the administrative center in Uzhgorod.

## **C. Evaluation of Project Objectives**

**C.1.** The objectives of the project were clearly defined and they took into account the social, economic, institutional and financial aspects of the real needs for the preservation of biodiversity in the region of the Carpathians. They have been designed in a way to supplement and improve as well the existing in Ukraine approaches to establishing and maintaining protected areas, gaining the support of the public and environmental NGO's for biodiversity protection, developing cooperation with Poland and the Slovak Republic in achieving certain objectives of the Project, particularly in establishing and maintaining the International biosphere reserve.

**C.2.** During the implementation of the project new objectives were defined:

- in the frame of the project extend the area of the CBR and create a new Regional Landscape Park "Cheremoshski";
- lay the foundation for investigations in the area of the CBR in such a way as to embrace all levels of biodiversity, including community, species, population and genetic diversity, and present results suitable to be processed by a GIS. This assignment was extremely important from the standpoint of a holistic approach to the protection and management of biodiversity.

## **D. Achievement of Objectives**

### **a. Project Objectives:**

**a.1.** On the whole all the objectives of the project have been achieved. The new ones on the extension of protected areas have been achieved as well.

However, in the course of the implementation process certain actions had to be changed in order to achieve the goals of the project. These changes were influenced by:

- \* lack of relevant legislation (e.g. considering the use of natural resources in ecological corridors);
- \* re-estimation of priorities, consequently of the funds allocated to certain components of the project (considerable extension of the subcomponent "Transport and Communications" taking into account its importance for strengthening the management of the fragmented area of the CBR);
- \* changes in governmental regulations of financial affairs, forcing the transition of the overall coordination of the project implementation from the Kiev and Uzhgorod PCU's to the Center for the Implementation of International Ecological Programs (Intereccentre);
- \* no allocation of funding by the Project for producing the documentation concerning the extension of the protected area of the CBR and obtaining approvals from the land-users (the costs were covered by the Government of Ukraine; this funding was additional Ukraine's contribution to the Project and has not been included to the total project cost).

The changes made to certain actions were due to the specific economic and legal conditions in Ukraine, capacity of the CBR and extent to which biodiversity is protected in the Carpathian region. However, these changes had a positive impact as far as they provided an integrated approach and the realization of the program and its subcomponents were planned in a way to achieve the most important results by minimizing the costs.

**a.2.** The Biodiversity Protection Program (BPP) was the key one in the project and its successful fulfillment was vital for achieving a number of Project objectives. For that reason the following was planned:

- \*to involve many as possible participants, which already had experience working in the area of the CBR, in order to amalgamate the results of their previous investigations with newly obtained data;
- \* establish the scientific backgrounds for the extension of the CBR and work out practical recommendations for preserving particular plant and animal species and biodiversity in general;
- \* for purposes of optimizing the extension of the CBR and developing a network of protected areas in the region connected by ecological corridors it seemed necessary to investigate several projects of such a network;
- \*organize the system of hiring scientists, in a way to increase so the personal responsibility and implementation efficiency, allowing to keep costs lower than they had been planned.

All these mentioned objectives were realised. The number of the participants involved in the Program totaled 143, representing staff of research institutes, universities, the CBR and some other organisations. Relevant reports, project proposals, publications and the monograph "The Biodiversity of the Carpathian Biosphere Reserve" have been prepared. A curriculum on "Management of natural resource use" has been developed together with a corresponding syllabi and included to university and forestry school curricula.

**a.2.1.** The Biodiversity Protection Program (BPP) focused first and foremost on the inventory of plant and animal wildlife, considering community, species, population and genetic levels of diversity, and took a look as

well on landscape diversity. This project greatly extended the knowledge about the biodiversity of all the massifs of the CBR, including the Stuzhitsa Massif.

The accomplished inventory became to foundation for plans aiming for the **extension and management of the CBR and the protection of biodiversity**. Additional investigations were carried out on the development of the zonation of the CBR and the preservation of biodiversity in the region of the Carpathians, on **connections between the massifs and the design of ecological corridors**, on the local distribution of certain plant and animal species (brown bear, lynx, otter, wild cat, golden eagle, peregrine, capercaillie etc.), the condition of their populations and possible loss of species. These investigations have given the vision for the future development of the CBR, the development of nature conservation in the Carpathian region, and the **management of biodiversity conservation**. Partially the results of the BBP have been realized, however the main work is still ahead and will be carried on for many years.

**a.3.** The main achievements of the BPP and the support coming from the Ministry for Environmental Protection & Nuclear Safety of Ukraine (MEPNSU), local authorities and the Administration of the President of Ukraine, were:

- \* the preparation and conclusion of the Decree of the President of Ukraine about the extension of the area of the CBR by 24,315 ha (now the area of the CBR totals 58,700 ha);
- \* extension of the Stuzhitsa Massif, a constituent of the transboundary biosphere reserve, from 2,592 ha up to 14,665 ha;
- \* the creation of the Regional Landscape Park "Cheremoshski", totaling 6,556 ha.

**a.4.** The expansion of protected areas and the creation of new protected sites greatly facilitated **increased connectivity of isolated massifs** of the CBR and the development of a network of protected areas in the Carpathian region. The management of the remaining isolated massifs has significantly improved on one hand due to the conducted scientific investigations and the recommendations they have produced, and on the other to the significant upgrading of communication abilities by the acquisition of vehicles and the installation of a radio-telephone system covering the total area of the CBR together with the Stuzhitsa Massif.

**a.5.** This, however, has not eliminated the necessity for creating **ecological corridors** in certain places. The BPP has worked out relevant project proposals for establishing a network of protected areas in the Carpathians interconnected by ecological corridors. The MEPNSU in the meantime is working on a decision document for the Government of Ukraine, setting the framework for the nature protection regime within ecological corridors.

**a.6.** **Demonstration activities undertaken to show the advantages of sustainable use of natural resources and benefits of environmental restoration** were also successfully achieved. In the frame of the project training activities involved the staff personnel of the CBR, ministries, scientific institutions, the Interecocoentre, and foresters. The subjects includes those mentioned above and as well covered the application of GIS, conservation biology, land use planning, biobusiness issues, modern approaches to establishing protected areas etc.

On one side the results of the training impacted the extension and creation of new protected areas, and on the other the training of specialists had a facilitating effect in other parts of Ukraine, in particular for the GEF Project "Biodiversity of the Danube Delta", and the obtained knowledge and skills were used to a certain extent as well for preparing governmental decisions concerning biodiversity conservation.

**a.7.** The second constituent of this objective, and also for **resolving some conflicting requirements** of the local people, a sheep farm was moved at the cost of the project to another place, satisfying the farmers and providing thus better conditions to the CBR for nature protection. The locals were compensated by the construction of new sheep-cote and road leading to the pasture. All together this had a very positive effect and assisted in obtaining the approvals from the local people for extending the area of the CBR.

It should be noted that understanding was established with the local people by staff personnel of the MEPNSU, the CBR, scientific institutions, and by the regional and district authorities.

Together they did much to raise public awareness to nature conservation issues and carried out a number of seminars and meeting with the public. The project has laid a good foundation for the cooperation with the local people and winning them as friends.

**a.8. Objectives concerning the legal, institutional and administrative impacts on the linkage of isolated massifs of the CBR and maximizing the possibilities for biodiversity conservation were accomplished in several directions.**

First and foremost the extension of the CBR and the creation of regional landscape parks have been confirmed juridically, according to the Ukrainian law. Decisions have been made at various levels of authority to enhance these areas and support their proper performance. Under the Public Awareness Program (PAP) many leaflets, newspaper articles, booklets, envelopes, magazines, videos, and scientific papers were produced, the exhibition of the visitors center at the Headquarters of the CBR was completed, and a new curriculum on conservation biology for students has been established. Together these activities were important for winning the support of the local people and forming a favorable attitude to biodiversity conservation.

The Project had a tight connection with the Slovak GEF project. Several meetings took place, so the sides could be acquainted with each other, and together with Polish and Slovak colleagues a strategy has been worked out for the preservation of biodiversity in the trilateral biosphere reserve "The Eastern Carpathians". The Ukrainian side has established the Regional Landscape Park "Stuzhitsa" and participated in establishing the trilateral fund "Conservation of Biodiversity in the Eastern Carpathians".

## **b. GEF Objectives**

**b.1.** The global significance of this project is evidenced by the uniqueness of the area of the CBR and by the fact of the reserve being awarded the European Diploma by the Council of Europe in 1997.

**b.1.1.** Sustainability of the results of the project are determined by the adoption of administrative decisions of various level of authority, the changes in the world outlook and training of the personnel of the CBR, ministries and scientific institutions, fruitful awareness work with the local people, NGO's and representatives of the local authorities. In particular the project had a certain influence upon the speeding-up of the ratification by Ukraine of such international agreements as the UN Convention on Biodiversity (ratified in November of 1994) and the Ramsar and Bern conventions (both in October, 1996). For the sake of the long-term protection of nature the government of Ukraine and Poland signed an Agreement of Cooperation on the 24.01.1994, a similar ministerial agreement has been signed by Ukraine and the Slovak Republic on the 30.09.1994.

The preparation of an inter-governmental Agreement between Ukraine, Poland and Slovakia on establishing the transboundary biosphere reserve "The Eastern Carpathians" is on approach to its final stage. The Carpathian Biosphere Reserve was subordinated to the Ministry for Environmental Protection & Nuclear Safety of Ukraine by a decision made by the Ukrainian Parliament in 1994.

New legal documents concerning nature resource use have been worked out and the previous ones have been amended. Amendments have been done as well to the Crime Code of Ukraine etc.

This incomplete list of documents that have been influenced by the Project shows the increasing capacity in Ukraine for biodiversity conservation at the state level.

**b.1.2.** Sustainability of the Project on the site is provided to a certain extent by the programs for training and development, and also by teaching how to run biobusinesses in protected areas.

**b.2.** Innovative features of the project were:

- this was the first project of the GEF and the IBRD in Ukraine;
- the first trilateral transboundary project;
- the first international project in Ukraine for protection biodiversity, which stressed these issues among various sectors of society;
- the first trilateral trust foundation was established.

**b.3.** The demonstrative value of this Project is important to Ukraine for several reasons.

The Project :

- has shown the successfulness and efficiency of work with the IBRD;
- has demonstrated modern and advanced approaches and technologies for the protection biodiversity;



- has allowed to upgrade the professional skills of scientists, CBR staff and persons responsible for decision-making;
- technically strengthened the CBR;
- greatly intensified the cooperation with Poland and Slovakia in the frame of biodiversity protection;
- the Project was of unique character, however it created the necessary conditions for the implementation of the GEF project "Biodiversity of the Danube Delta", which faced much more complex tasks.

### **c. Project Performance**

**c.1.** The performance of the project met a lot of difficulties. The following ones should be noted:

- the starting time of the project coincided with the transition of Ukraine to a market economy. The shortage of goods in the shops hampered the procurement. The inflation rate reached up to 1000% per year, so the implementation and spending of funds had to be planned in a way to minimize the possible losses;
- topographic maps had to be adjusted to the needs of the CBR;
- there were uncertainties regarding tax privileges for the IBRD grants;
- laws and regulations concerning cost spending and reporting in Ukraine changed quite frequently (even within a year);
- in some cases there was poor responsibility and several times contracts were violated by enterprises.

It should be noted that these difficulties were surmounted due to the fruitful, coordinated and efficient work of the World Bank, the MEPNSU and the implementation organization Interecocentre.

**c.1.1.** The staff of the World Bank should be highly praised for their work on defining and preparing the project, concluding the agreement between the IBRD and Ukraine, and for the supervision of the project performance.

#### **c.2. Participatory management**

The project was accomplished due to the efforts of hundreds of people and organizations, including ministries, NGO's, scientific institutions, universities and commercial enterprises. However the key factor was the involvement of the local population, where protected sites were established. These were established where a compromise was reached with the communities.

**c.3.** The following lessons were learned in result of the implementation of the project:

- modern knowledge and advanced technologies for the protection and management of biodiversity;
- experience of work according to the rules of the GEF and IBRD;
- the upgrading of professional skills of the CBR staff and other key persons;
- a system for the selection and involvement of researchers, increasing the efficiency of their work and raising responsibilities, and lowering the costs of research;
- creation and development of the implementation organization - Interecocentre, which has gained the necessary experience and knowledge for the implementation of other GEF projects;
- the small amount of the initial payment on the Special Account (UDS 50,000.0), which slowed down the implementation process;
- unstable tax legislation and uncertainty concerning the tax privileges for the GEF and IBRD projects;
- difficulties in introducing GIS to reserves and the absence of appropriate topographical maps.

### **d. Monitoring and Evaluation**

The World Bank carried out on a regular basis the monitoring and evaluation of the project performance. This was highly efficiently done by the bank. The MEPNSU also permanently controlled and supervised the process of the implementation of the project.

### **E. The next steps**

"Transcarpathian Biodiversity Protection Project" was the first in Ukraine GEF and IBRD project. The accomplishment of this project gave exceptional useful experience. It provided the chance to have access to the rich experience of biodiversity protection all over the world, strengthen the CBR, but the main accomplishment of the project is the change in the minds of the CBR staff, scientists, ministry staff concerning biodiversity protection. The potential knowledge and skills gained during the project implementation now should be realized in many directions. Among these the following should be mentioned:

- continuation of the cooperation with Poland and Slovakia concerning biodiversity protection in the transboundary International Biosphere Reserve, supporting the trilateral fund etc.;
- start the search for transboundary cooperation with other neighboring countries and to create shared reserves, cooperate for the biodiversity protection;
- revise the approach of the MEPNSU to the organization of biodiversity conservation in the Carpathians;
- continue to extend the network of protected areas in the Carpathian region using the gained knowledge; support these activities by involving governmental and international funds, private businesses.

The following measures should be undertaken by the Carpathian Biosphere Reserve:

- regulatory documents concerning the protection regime in the newly joined areas should be worked out and approved by the appropriate authorities;
- start the work on a management plan for the CBR;
- undertake measures to increase the role of the public in decision-making concerning the protection of biodiversity;
- develop biobusinesses in the region (ecotourism, hunting etc.);
- develop a plan for the efficient use of the GIS.

The coordination of the implementation of the Project has been undertaken quite well. There has been tight cooperation with all branches of authority, starting from the Administration of the President of Ukraine and ending up with the local authorities. For instance, the extension of the protected area of the CBR could be realized only by the support coming from the highest level. Thanks to the supervising role of the MEPNSU and its regional departments in Uzhgorod and Chernivtsi it became possible to create favorable conditions for the project implementation, needing tedious work with the local people. The local authorities greatly helped in accomplishing the demonstration activities and were cooperative in extending protected areas and creating new ones. A good job was done by the PCU's in Uzhgorod and Kiev, showing their professionalism and ability to find the right solution under difficult circumstances concerning inadequate tax regulations relevant to such kind of project. On the whole the efficient coordination of the project implementation has built the foundation for the cooperation with the IBRD in the future.

## Administrative Summary

The coordination of the implementation of the Project has been undertaken quite well. There has been tight cooperation with all branches of authority, starting from the Administration of the President of Ukraine and ending up with the local authorities. For instance, the extension of the protected area of the CBR could be realized only by the support coming from the highest level. Thanks to the supervising role of the MEPNSU and its regional departments in Uzhgorod and Chernivtsi it became possible to create favorable conditions for the project implementation, needing tedious work with the local people. The local authorities greatly helped in accomplishing the demonstration activities and were cooperative in extending protected areas and creating new ones. A good job was done by the PCU's in Uzhgorod and Kyiv, showing their professionalism and ability to find the right solution under difficult circumstances concerning inadequate tax regulations relevant to such kind of project. On the whole the efficient coordination of the project implementation has built the foundation for the cooperation with the IBRD in the future.

## Main Publications of the Transcarpathian Biodiversity Protection Project

1. Colour booklet “Carpathian Biosphere Reserve”, 2000 copies
2. Magazine “Green Carpathian”, N 1-2, 1995, 1000 copies
3. Series of the envelopes with a symbol of Carpathian Biosphere Reserve, 10,000 copies
4. Proceedings of the International Conference “Monitoring Methods in Carpathian National Parks and Reserves”
5. Scientific Monograph “Carpathian Biosphere Reserve”, 300 copies
6. Magazine “World in Your Palms” - Pearl of Ukraine - Carpathians, N2(4), 1997, 2000 copies
7. Monograph V. Rudenko, A. Shvydenko “Ecological Bases of Nature Utilization”, 500 copies
8. An Evaluative Reference-Book V. Rudenko “Ukrainian Natural Resources Potential, 1000 copies
9. More than 200 newspaper articles and scientific publications have been published in mass-media magazines.

The video film was made about implementation and results of the “Transcarpathian Biodiversity Protection Project “ (English and Ukrainian). This film was made on the base of CBR’s videostudio

FROM : Interecoentre@protsenko.kiev

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Jul. 21 1998 06:32PM PT

Appendix C

МІНІСТЕРСТВО  
ОХОРОНИ НАВКОЛИШНЬОГО  
ПРИРОДНОГО СЕРЕДОВИЩА  
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№ 05-07-25  
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To: Phillip Brylski  
Rural Development and Environment Sector  
Europe and Central Asia

Number of pages: 2 (incl. this page)  
Fax Number: (202)-614-05-86  
Subject: TF- 28353, Comment letter on the Bank's and Ukraine's ICR.

Dear Dr. Brylski,

The Ministry for Environmental Protection and Nuclear Safety of Ukraine has pleasure to inform you that the draft of the Bank's Implementation Completion Report has been drawn up at the high level. We consider it necessary to note that the Ministry doesn't have any essential remarks to this document. It describes with the sufficient fullness the achievements and shortcomings of the fulfillment of the Bank's first project in Ukraine.

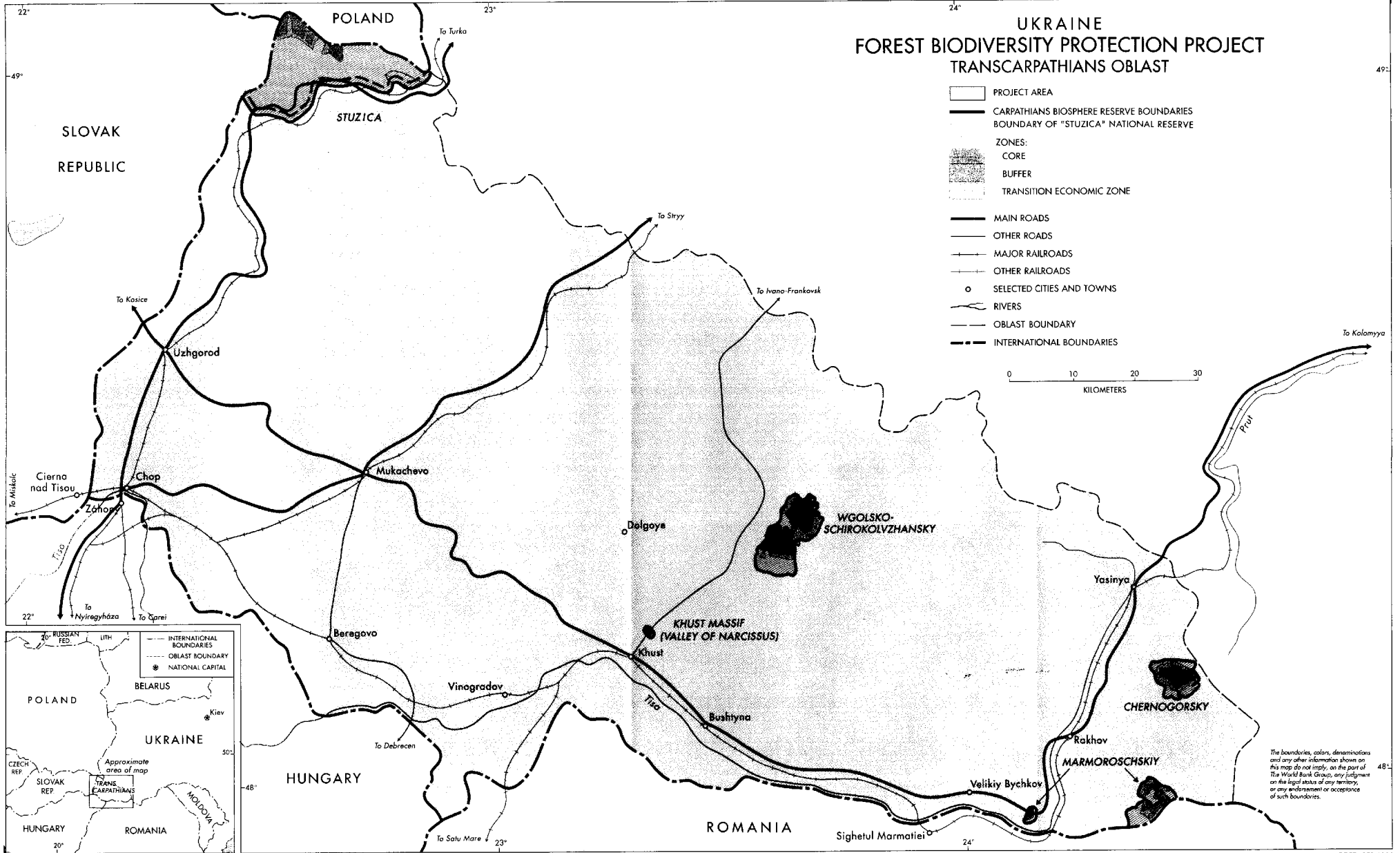
The Ministry very highly appreciates all the Bank's efforts undertaken and considers that in the Table 1: Summary of Assessments, the mark "Satisfactory" in the items "Appraisal" and "Supervision" /C. Bank Performance/ should be changed to the "Highly satisfactory".

The Ukraine's ICR comply with all the needed requirements.

Sincerely yours,

Ya. Movchan,  
Deputy Minister

Litvin 228-24-26



The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.