

Document of  
The World Bank

Report No: ICR00003374

IMPLEMENTATION COMPLETION AND RESULTS REPORT  
(TF-13973 TF-14063)

ON A

TRUST FUND GRANT

IN THE AMOUNT OF EUROS 9.00 MILLION  
(US\$ 11.21 MILLION EQUIVALENT)

TO

INTERNATIONAL UNION FOR THE CONSERVATION OF NATURE (IUCN)

AND

WORLDWIDE FUND FOR NATURE (WWF)

FOR THE

EUROPEAN NEIGHBORHOOD AND PARTNERSHIP INSTRUMENT EAST COUNTRIES  
FOREST LAW ENFORCEMENT AND GOVERNANCE II PROGRAM

June 28, 2017

Environment and Natural Resources Global Practice  
Europe and Central Asia Region

## CURRENCY EQUIVALENTS

(Exchange Rate Effective Date 06/28/2017)

Currency Unit	=	Euro
Euro 1.00	=	US\$ 1.136
US\$ 1.00	=	Euro 0.880

## FISCAL YEAR

July 1 – June 30

## ABBREVIATIONS AND ACRONYMS

ADA	Austrian Development Agency
BETF	Bank executed trust fund
CWP	Country Work Plan
EC	European Commission
ECA	Europe and Central Asia
EIRR	Economic Internal Rate of Return
ENPI	European Neighborhood and Partnership Instrument
ENPI-FLEG (I and II)	European Neighborhood and Partnership Instrument Forest Law Enforcement and Governance (Phase I and II)
EU	European Union
EUTR	European Union Timber Regulation
FLEG I, II	Forest Law Enforcement and Governance (phase I and II)
FLEGT	Forest Law Enforcement, Governance and Trade
GDP	Gross Domestic Product
FLERMONECA	Forest and Biodiversity Governance Including Environmental Monitoring
FLR	Forest Landscape Restoration
ICR	Implementation completion and results report
ICT	Information and Communication Technology
IO	Implementing Organization
IUCN	International Union for the Conservation of Nature
ISR	Implementation Status and Results (report)
IUFR	Interim Unaudited Financial Report
INC	Intergovernmental Negotiating Committee
INGO	International non-governmental organization
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
MTR	Mid-term Review
NPAC	National Program Advisory Committee
OC	Operational Committee
ORAF	Operational Risk Assessment Framework
PAD	Project Appraisal Document
PCT	Program Coordination Team (participating country level)
PMT	Program Management Team (regional or Program level)
PDO	Project Development Objective
POM	Program Operational Manual
RETF	Recipient executed trust fund

RWP	Regional Work Plan
SC	Steering Committee
SFM	Sustainable Forest Management
SESAF	Strategic Environmental and Social Assessment Framework
SPD	St. Petersburg Declaration
TA(L)	Technical Assistance (loan)
VPA	Voluntary Partnership Agreement
WWF	Worldwide Fund for Nature

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## COUNTRY

Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russian Federation and Ukraine

## Project Name

ENPI EAST COUNTRIES FLEG II PROGRAM

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<b>A. Basic Information</b>			
Country:	Europe and Central Asia	Project Name:	ENPI East Countries FLEG II Program
Project ID:	P131138	L/C/TF Number(s):	TF-13973,TF-14063
ICR Date:	06/28/2017	ICR Type:	Core ICR
Lending Instrument:	TAL	Grantee:	IUCN & WWF
Original Total Commitment:	USD 11.21M	Disbursed Amount:	USD 10.9M
Revised Amount:	USD 11.21M		
<b>Environmental Category:</b> B: Partial assessment			
<b>Implementing Agencies:</b> Worldwide Fund for Nature International (WWF) International Union for Conservation of Nature (IUCN)			
<b>Cofinanciers and Other External Partners:</b>			

<b>B. Key Dates</b>				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	06/21/2012	Effectiveness:	06/28/2013	07/01/2013
Appraisal:	08/13/2012	Restructuring(s):	8/25/2014	
Approval:	01/10/2013	Mid-term Review:	07/15/2015	
		Closing:	12/31/2016	12/31/2016

<b>C. Ratings Summary</b>	
<b>C.1 Performance Rating by ICR</b>	
Outcomes:	Moderately Satisfactory
Risk to Development Outcome:	Substantial
World Bank Performance:	Moderately Satisfactory
Grantee Performance:	Moderately Satisfactory

<b>C.2 Detailed Ratings of World Bank and Borrower Performance (by ICR)</b>			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Moderately Satisfactory	Government:	Satisfactory
Quality of Supervision:	Moderately Satisfactory	Implementing Agency/Agencies:	Moderately Satisfactory
<b>Overall World Bank Performance:</b>	Moderately Satisfactory	<b>Overall Borrower Performance:</b>	Moderately Satisfactory

<b>C.3 Quality at Entry and Implementation Performance Indicators</b>			
<b>Implementation Performance</b>	<b>Indicators</b>	<b>QAG Assessments (if any)</b>	<b>Rating</b>
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	No	Quality of Supervision (QSA):	None
DO rating before Closing/Inactive status:	Moderately Satisfactory		

<b>D. Sector and Theme Codes</b>		
	<b>Original</b>	<b>Actual</b>
<b>Major Sector/Sector</b>		
Agriculture, Fishing and Forestry		
Forestry	52	52
Public Administration		
Public administration - Agriculture, fishing and forestry	40	40
Information and Communications Technologies		
Telecommunications	8	8
<b>Major Theme/Theme/Sub Theme</b>		
Environment and Natural Resource Management		
Climate change	21	21
Mitigation	21	21
Environmental policies and institutions	21	21
Renewable Natural Resources Asset Management	21	21
Biodiversity	21	21
Finance		
Finance for Development	11	11
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Gender	16	16
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<b>E. World Bank Staff</b>		
<b>Positions</b>	<b>At ICR</b>	<b>At Approval</b>
Vice President:	Cyril Muller	Philippe H. Le Houerou
Country Director:	Mariam J. Sherman (strategy and operations)	Gerard A. Byam (operational services and quality)
Practice Manager	Valerie Hickey	Kulsum Ahmed
Project Team Leader:	Tuukka Castrén	Andrew Mitchell
ICR Team Leader:	Tuukka Castrén	
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## **F. Results Framework Analysis**

### **Project Development Objectives (from Project Appraisal Document)**

The objective of the Project is to support the seven Participating Countries to strengthen forest governance through improving implementation of relevant international processes; enhancing their forest policy, legislation and institutional arrangements; and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication.

This is the PDO from the Grant Agreement. The PDO in the PAD is worded slightly different: “The Program will support the participating countries [to] strengthen forest governance through improving implementation of relevant international processes, enhancing their forest policy, legislation and institutional arrangements, and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication”

### **Revised Project Development Objectives (as approved by original approving authority)**

The Project Development Objectives were not revised.

## **F. Results Framework Analysis**

### **(a) PDO Indicator(s)**

<b>Indicator</b>	<b>Baseline Value</b>	<b>Original Target Values (from approval documents)</b>	<b>Formally Revised Target Values</b>	<b>Actual Value Achieved at Completion or Target Years</b>
<b>Indicator 1:</b>	<b>Best practice models on sustainable forest management and improved forest governance developed and demonstrated</b>			
	0	29		34
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	Target <u>achieved</u> (117%). This indicator relates to the dimension of testing forest management models in the PDO and was added during the August 2014 restructuring, replacing indicator “Uptake of best practice models on sustainable forest management			

and improved forest governance.” The rationale was that “Development and demonstration” of best practices was considered a more realistic target compared to “Uptake of best practice models”, the previous indicator, and an outcome largely outside the control of the Program.

The total of 34 is comprised of: Armenia (1), Azerbaijan (3), Belarus (4), Georgia (3) Moldova (8), Russia (13) and Ukraine (2).

Best practice models were identified in collaboration with national counterparts and as a result, selection criteria were country-specific and models took various forms, for example:

- development and application of new methods of sustainable forest management (such as Development of communal forestry practices at Tusheti Protected Landscape in Georgia, considered by the Georgian government a showcase for management of other protected areas; a briquetting project in Armenia, a sustainable forest management plan for Ismailly Forest Management Unit in Azerbaijan; establishing a primary plantation in Telenesti, Moldova
- studies of best practices: a review of best international practices and standards of sustainable forest management for the production of biofuels in Russia;
- legislation adopted based on best practice: in Ukraine following analysis of its own hunting industry practice and study tours to Poland, Slovakia, and Hungary, principles of sustainable game management were adopted and added to a revised national hunting law
- training and guidebook: training course for local authorities and communities aimed on improvement of participation in forest governance in Ukraine; a guidebook on key aspects of forestry companies’ day-to-day activities and conflict management
- study tours to study best international practice: Belarus forestry experts learned from forest management practices in Germany and forest regeneration and tree nurseries development in Finland
- new systems: introduction of wood traceability system developed in Moldova - a powerful tool in reducing illegal logging and addressing associated forest crimes.

Note that ‘best practice activities’ did not only involve a country developing and demonstrating its own models, but also learning from others, via study tours or reviews of best practice, which can be also categorized as ‘Learning events’.

For a full description of the best practice models see Annex 10.

<b>Indicator 2:</b>	<b>Government institutions provided with capacity building to improve management of forest resources</b>			
	0	91		126
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>achieved</u> (138%). End targets were determined in collaboration with country teams and aggregated at Program level.</p> <p>This indicator relates to the dimension of enhancing forest authorities' policy, legislation and institutional arrangements in the PDO.</p> <p>Total of 126 is based on Armenia (2), Azerbaijan (3), Belarus (20), Georgia (4), Moldova (26), Russia (66), and Ukraine (5).</p> <p>Government institutions included: national level forest agencies; forest enterprises, local municipalities on natural resource management. The topics ranged from guidance in nursery development and provenance selection, to law enforcement and policy design. Guidance was provided as traditional training and study tours as well as development of training material for future use.</p>			
<b>Indicator 3:</b>	<b>Monitoring plan for implementation of the St. Petersburg Declaration designed and regularly updated in participating countries</b>			
	0	14		7
- Monitoring plan <i>designed</i>	0	7		7
- Monitoring plan <i>regularly updated</i>	0	7		0
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p><u>Not achieved</u> (50%).</p> <p>Disaggregated outcomes:  - 'Monitoring plan designed' target <u>achieved</u> (100%, all countries).  - 'Monitoring plan regularly updated - target <u>not achieved</u> (0%).</p> <p>This indicator relates to the dimension of improving implementation of relevant international processes in the PDO.</p> <p>The monitoring plans were not updated as separate documents. The country work plans and their updates were seen by national counterparts as substitutes and thus updates were seen as being already incorporated into Program planning.</p> <p>Indicator added at restructuring, replacing "Credible process toward the implementation of the St. Petersburg declaration launched."</p> <p>The St. Petersburg Declaration is an expression of commitment, signed by 44 governments from the ENA region and other participating countries. Its</p>			

	purpose is to address illegal logging and associated forest crimes. It contains 22 commitments, 11 national and 11 international in scope. The country work plan addressed key issues in the SPD. At the same time, country situations vary: for example, in less forested countries like Armenia and Azerbaijan, issues related to trade were less important than public awareness, while in Belarus production forestry and its management was important.			
<b>Indicator 4:</b>	<b>Reforms in forest policy, legislation or other regulations supported</b>			
	No	Yes		Yes
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>achieved</u> (100%).</p> <p>This indicator relates to the dimension of enhancing forest policy and legislation in the PDO.</p> <p>In every country, policy reforms were supported in various ways. Some examples of FLEG II support to reforms include:</p> <p><u>Armenia</u>: Support to review and analysis of current forestry-related legislation, Program supported studies on institutional and administrative structures made recommendations for the National Assembly;</p> <p><u>Belarus</u>: Support to development of a Strategic Forestry Development Plan (2015-2030) with the view to create highly productive and sustainable forests;</p> <p><u>Georgia</u>: support to transfer of forest management responsibility within the Tusheti Protected Landscape from the central-level to local-level</p> <p><u>Moldova</u>: support to establishment of a National Forestry Consultancy Office to provide necessary expertise and assistance for improved forest management and sustainable development of natural resources to (whom? government institutions and/or private forest owners and/or others?)</p> <p><u>Ukraine</u>: support to the Ukrainian Parliament to incorporate FLEG II recommendations for forest sector reform into the Coalition Agreement, defining the country's development path.</p>			
<b>Indicator 5:</b>	<b>Forest users trained</b>			
Total	0	3187		3764
- Forest users trained – <i>Female</i>	0	870		653
- Forest users trained - <i>Ethnic minority / indigenous people</i>	0	170		86
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	Target <u>achieved</u> (118%) for 'Total Forest users trained'			

achievement)	<p>Target <u>partially achieved</u> for female participation (75%) and ethnic minority/indigenous people trained (50%). However, for these sub-indicators, data is incomplete as gender and ethnic breakdown was not received from all countries.</p> <p>This indicator relates to the dimension of enhancing institutional arrangements in the PDO.</p> <p>As per the PAD, this indicator includes forest users and community members who received capacity building through training. Training targeted stakeholders such as local authorities, forest management unit and from forest agencies staff, law enforcement personnel, etc.</p> <p>Training covered issues such as identifying and documenting illegal forest activities (Armenia), voluntary forest certification (Belarus), traceability system (Moldova), balance of timber use (Russia), and communal forest management (Ukraine).</p> <p>Community members included people dependent on forests or living near forested areas. Training covered sustainable forest use including non-forest timber products (NFTPs). For example, in Georgia training was also provided to wood craftsmen in the Tusheti National Park area.</p> <p>The breakdown of forest users trained by country and gender was is:</p> <table border="1"> <thead> <tr> <th></th> <th>AM</th> <th>AZ</th> <th>BY</th> <th>GE</th> <th>MD</th> <th>RU</th> <th>UA</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>145</td> <td>425</td> <td>618</td> <td>30</td> <td>300</td> <td>923</td> <td>1323</td> </tr> <tr> <td>- of which female</td> <td>60</td> <td>56</td> <td>30</td> <td>2</td> <td>na</td> <td>505</td> <td>na</td> </tr> </tbody> </table>									AM	AZ	BY	GE	MD	RU	UA	Total	145	425	618	30	300	923	1323	- of which female	60	56	30	2	na	505	na
	AM	AZ	BY	GE	MD	RU	UA																									
Total	145	425	618	30	300	923	1323																									
- of which female	60	56	30	2	na	505	na																									

<b>Indicator 6:</b>	<b>Understanding and awareness of FLEG principles by forest practitioners and other stakeholders improved</b>			
	27.2%	50.0%		28.4%
Date achieved	December 2014	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>not achieved</u> and change in indicator is negligible (1.2 percentage point increase is likely to be within the margin of error).</p> <p>This indicator relates to all dimensions in the PDO</p> <p>The score is based on before (2014) and after surveys (2016) of stakeholders in all seven countries (899 and 930 respondents, respectively). In some countries, the response rates were low (for example, only 1/3 in Russia among government and private sector). In other countries, the response rates were better, but still low.</p> <p>Score is based on a baseline (data collection December 2014 – February 2015) and a follow-up survey (data collection September – October 2016). It should be noted that the baseline survey was not conducted prior to start of Program activities, which may have affected the before and after score, partially explaining the negligible change. This and the low response rate indicate that surveys may have failed to fully capture the impact of the Program.</p> <p>Forest practitioners and stakeholders considered included national and subnational governments, civil society organizations, academia, businesses, media, development partners, and rural residents.</p>			

**(b) Intermediate Outcome Indicator(s)**

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
<b>Indicator 1:</b>	<b>Decision makers' awareness of modern technology and information to improve forest law enforcement and governance is increased</b>			
	17.0%	50.0%		17.6%
Date achieved	December 2014	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>not achieved</u>, based on available data. Change in indicator is negligible and is within the margin of error.</p> <p>This indicator relates to the dimension of enhancing forest authorities' institutional arrangements in the PDO</p> <p>The score is based on a before and after survey of decision makers (defined as State officials, regional and local authorities in the seven countries). In</p>			

	<p>some countries, the response rates were low.</p> <p>Survey respondents were asked about the following types of modern technology: chain of custody systems for timber; forest certification systems; online timber sales, licenses and auctions; application of customs codes to facilitate accurate monitoring of timber and forest products trade; synthesis and sharing of this data through open international databases; satellite information and geographic information systems (GIS).</p> <p>It should be noted that the baseline survey was not conducted prior to start of Program activities, which may have affected the before and after score, partially explaining the negligible change. This and the low response rate indicate that surveys may have failed to fully capture the impact of the Program.</p>			
<b>Indicator 2:</b>	<b>Regional efforts at cooperation under the framework of the St. Petersburg declaration undertaken</b>			
	0	24		27
- Regional studies undertaken	0	4		9
- Regional events undertaken	0	20		18
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target achieved (112.5%).</p> <p>Indicator revised at restructuring. Wording revised and 2 new sub-indicators added.</p> <p>This indicator relates to the dimension of improving implementation of relevant international processes in the PDO.</p> <p>Nine regional studies : Study for implementation progress of St. Petersburg declaration through FLEG 2; Baseline survey based on FLEG Program results indicators; Follow-up survey and final survey of key decision makers on understanding and perception of FLEG principles and issues; Stocktaking of existing Information and Communications Technology; Development of common methodology for measuring the Value of Forest Functions for Local Population; Regional analysis of sustainable multipurpose use of forest in the countries of the European Union; Regional analysis and development recommendations on sustainable multipurpose use of forest resources ENPI countries; The Local Forest Governance Study; Good Forest Management Practices: examples and lessons from FLEG process in ENPI countries; and Forest Landscape Restoration (FLR) opportunities in selected regions of Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, and Ukraine.</p> <p>18 regional events, including four SC Meetings, two INC</p>			

	<p>(Intergovernmental Negotiating Committee of Forest Europe) meetings (FLEG II supported travel to INC 3 and 4), Georgia conference with FLERMONECA in 2014, youth summer camp 2015, forest crime workshop in Moldova, two regional conferences in Joensuu and Altay region (Belarus, Russia attended); additionally IUCN held a regional event in Gland, Switzerland Supported by the Program.</p> <p>At the ICR stage it is premature to assess how long lasting an impact the regional activities will have in building regional collaboration. Recognizing this, several country-level exit strategies have recognized follow-up to regional activities as key elements for post-Program work and have included these in their exit strategic developed at the end of the Program (e.g. Armenia, Azerbaijan, Georgia and Moldova). Additionally, regional activities also establishment direct links between countries: for example, experts from Ukraine worked in Georgia; experts from Russia collaborated with Armenia and Georgia on educational component; Armenia and Georgia prepared an MoU on cooperation in the forest sector.</p>			
<b>Indicator 3:</b>	<b>Forest sector knowledge exchange between participating countries and EU Member States is ongoing</b>			
	0	24		31
Date achieved	March 26, 2013	Dec 31, 2016		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>achieved</u> (117%).</p> <p>Total of 31 is based on Armenia (1), Azerbaijan (1), Belarus (5), Georgia (3), Moldova (1), Russia (13), and Ukraine (7).</p> <p>This indicator relates to the dimension of enhancing forest authorities' institutional arrangements in the PDO</p> <p>Indicator wording revised at restructuring; the original formulation was unclear and would have required providing support to EU member states ("EU Member States' forest sector knowledge is made available to participating countries and knowledge exchange...").</p> <p>Knowledge exchanges comprised mostly study tours, attendance at conferences for forest sector professionals. As examples, these included in <u>Belarus</u> two study tours of forestry professionals to Finland and one to Germany, and participation of forest managers and experts in three international conferences. <u>Armenia</u> and <u>Georgia</u> collaborated on an MOU, and <u>Azerbaijan</u> forest professionals participated in a study tour to Russia on education.</p>			

<b>Indicator 4:</b>	<b>Media coverage of FLEG issues has increased</b>		
	0	272	605
Date achieved	March 26, 2013		Dec 31, 2016
Comments (incl. % achievement)	<p>Target <u>achieved</u> (222%)</p> <p>This indicator relates to all the dimensions in the PDO</p> <p>Media coverage, promoted through a Communication and Visibility Plan, includes the number of FLEG/forestry related publications and articles, etc. by country, including FLEG II Program media outputs (e.g. Program newsletters). The Program placed a strong emphasis on reaching out to journalists. This included training for journalists to explain FLEG objectives and activities and build their capacity to understand and cover forest governance and illegal logging issues. In Azerbaijan, Moldova and Ukraine journalist competitions and trainings were held to improve the quality of forest reporting.</p> <p>Total of 605 is based on Armenia (26), Azerbaijan (26), Belarus (18), Georgia (75), Moldova (154), Russia (115), Ukraine (182), regional newsletters (9)</p> <p>Information about FLEG and its activities was promoted through a dedicated FLEG website (<a href="http://www.enpi-fleg.org">http://www.enpi-fleg.org</a> with links to country website) from which FLEG II reports and studies were downloaded more than 10,000 times, via a newsletter (to 466 email subscribers), a Facebook page (over 1,200 'likes'), 7 professionally produced storytelling videos available on YouTube (<a href="#">ENPI-FLEG YouTube channel</a>)</p>		

## G. Ratings of Project Performance in ISRs

No.	Date ISR Archived	DO	IP	Actual Disbursements (USD millions)
1	06/18/2013	Moderately Satisfactory	Moderately Satisfactory	0.26
2	12/28/2013	Moderately Satisfactory	Moderately Satisfactory	1.35
3	06/25/2014	Moderately Satisfactory	Moderately Satisfactory	1.17
4	12/23/2014	Moderately Satisfactory	Moderately Satisfactory	1.08
5	06/17/2015	Moderately Satisfactory	Moderately Satisfactory	1.93
6	12/08/2015	Satisfactory	Moderately Satisfactory	0.83
7	06/16/2016	Satisfactory	Satisfactory	1.97
8	12/29/2016	Moderately Satisfactory	Moderately Satisfactory	0.63

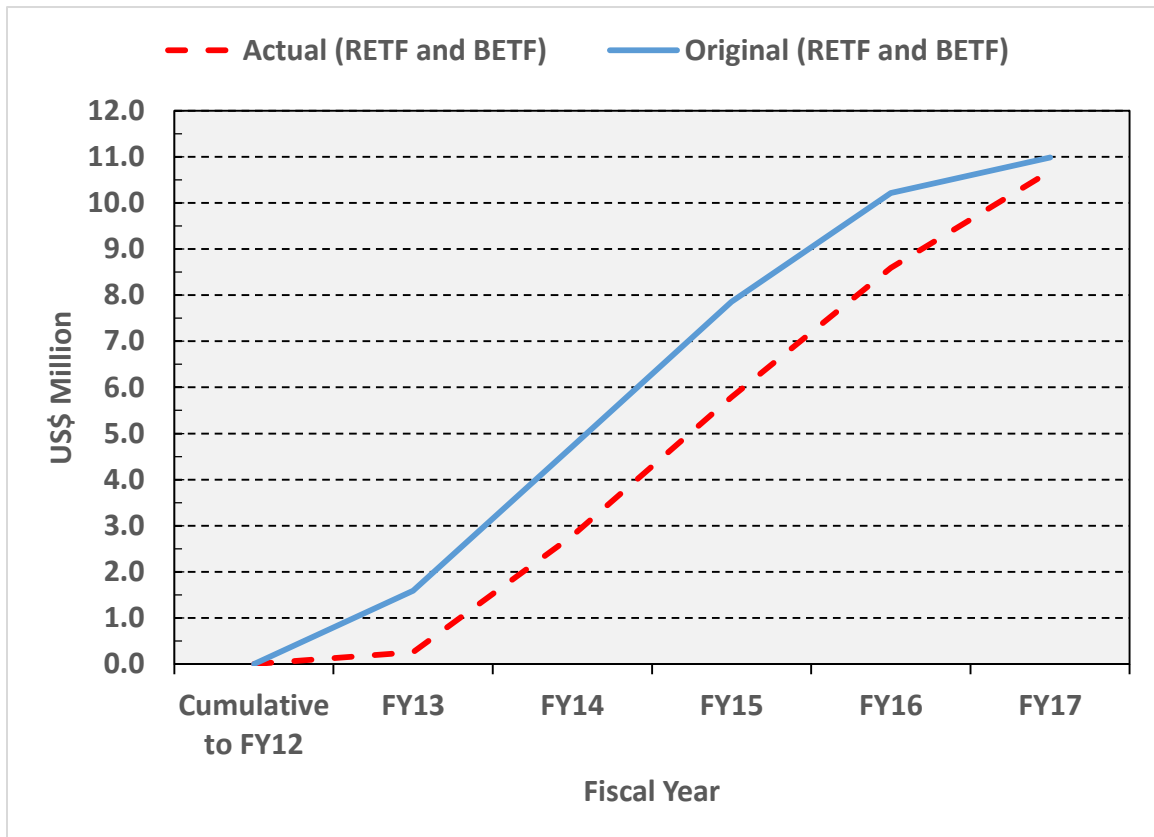
From Mytrust fund data; includes both BETF and RETF portions

### H. Restructuring (if any)

Restructuring Date(s)	Board Approved PDO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		DO	IP		
08/25/2014		MS	MS	1.47	Level-2 restructuring to address the donor's request for changes to the Results Framework (RF)

### I. Disbursement Profile (USD)\*

[\*The system generated graph contains a mismatch between the disbursement profile and actual disbursements because of the funding structure, a hybrid Trust Fund. The chart below presents the disbursement profile as of 06/28/2017, **Administrative fee (2%) is excluded**]



# 1. Project Context, Development Objectives and Design<sup>1</sup>

## 1.1 Context at Appraisal

### A. Regional and Country Context

1. The Europe and Central Asia<sup>2</sup> region accounts for about 25 percent of the world's forests, of which four-fifths are in Russia.<sup>3</sup> It stores more than 45 gigatons of carbon. Sustainably managed, forest rents could contribute about 1 percent to GDP. Current contribution rates to GDP in participating countries range from 0.0% in Azerbaijan to 0.8% in Belarus, while for ECA (IBRD/IDA countries) as a whole, the rate is 0.2%.<sup>4</sup> However, significant problems underline the need for support. They relate to: i) governance; ii) institutional enabling environment; and iii) the continuing and uncertain transition to market economies.

2. Despite large economic and political disparities between countries, common elements justified a joint regional Program. Rural areas, including the forest sector, had faced years of neglect. When implemented, reforms were often haphazard, launched with inadequate feasibility assessments or stakeholder consultation. Monitoring and evaluation were rare. While the institutional set-up within forest sectors had changed, evolving market forces were only partially regulated by new forest codes. Understaffing and underpayment of forest officials and workers were widespread and knowledge of forest economics was uncommon. Stakeholder engagement, especially with civil society, was atypical.

### B. Sectoral and Institutional Context

3. The EU-funded Forest Law Enforcement and Governance (FLEG) II Program focused on improving forest governance in the seven countries of the European Union's (EU's) European Neighborhood and Partnership Instrument (ENPI) East region: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, and the Russian Federation. The Program built on and further developed initiatives and activities implemented under the first FLEG Program (2008-2012, P111139) (referred to as FLEG I), a non-lending TA implemented by the same three partners in the same seven countries, and EU-funded. FLEG II built upon the successes of FLEG I by deepening reforms in sector policy, legal and administrative matters. FLEG I was characterized in the 2015 MTR (for FLEG II) as focusing on assessment, identification and planning, while FLEG II focused on 'actioning and implementation.'

4. Governance and law enforcement in the forest sector in ECA, because of its complexity and strong political economy dimension, was an area which international organizations, including the World Bank, had for many years shied away from. There was minimal dialogue on the issue with country partners and it was perceived as too difficult and the risk of failure too high. Nevertheless, starting with FLEG I in 2008, the World Bank, along with the EU and their partners, WWF and IUCN, took up the challenge and went back in. Through technical assistance, they sought to transform the institutional landscape.

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<sup>1</sup> Note that sections 1 through 7 exceed the recommended 15 pages, as per the ICR Guidelines, in order to provide adequate supporting material on a project with seven participating countries.

<sup>2</sup> Use of the term Europe and Central Asia (ECA) refers to one of the six regional units of the World Bank.

<sup>3</sup> Data in this section from FAO (2011): State of the World's Forests

<sup>4</sup> Data for 2015. Source: World Development Indicators. This captures only the forest rent. Including local wood processing would make the share higher

5. FLEG II was designed and implemented in the context of three key initiatives: i) the **St. Petersburg Declaration (SPD)**; ii) the European Union's **Forest Law Enforcement Governance and Trade (FLEGT)** Action Plan and, to a lesser extent, with iii) **FOREST EUROPE** (a pan-European policy process for the sustainable management of the continent's forests). The SPD was the result of the November 2005 Europe and North Asia Ministerial Conference on Forest Law Enforcement and Governance, where 44 governments committed to take action to address illegal logging and associated forest crimes. The declaration included a list of 22 indicative actions. The FLEGT Action Plan (endorsed in November 2003) covers supply and demand side measures to address illegal logging. It has led to two key pieces of legislation: i) FLEGT Regulation (2005) allowing for control of entry of timber to EU from countries with bilateral FLEGT Voluntary Partnership Agreements (VPA); and ii) EU Timber Regulation, adopted by the European Parliament (2013).

### **C. Program administration**

6. The ENPI-FLEG II Program was a Technical Assistance (TA) program financed by the European Commission and jointly implemented by three implementing organizations (IOs): the World Bank, and the international non-governmental organizations (INGOs) Worldwide Fund for Nature (WWF) and International Union for Conservation of Nature (IUCN). The World Bank was the main recipient; and the other IOs were sub-grantees. The World Bank and its partner IOs each had a network of coordinators based in its recipient country offices.<sup>5</sup>

7. Starting in 2013, the Austrian Development Agency (ADA) provided financing to complement Program activities in Armenia and Georgia through the “ENPI East Countries FLEG II Program–Complementary Measures for Georgia and Armenia” (P147833) -project.<sup>6</sup>

8. As a whole, FLEG II was financed by a hybrid trust fund, under which IUCN and WWF received recipient executed grants (IUCN: TF014063, WWF: TF013973) and World Bank activities were financed from a number of World Bank-executed trust funds (BETF) (TF014062, TF016308, TF016309, TF016311, TF016312, TF016313, TF016314 and TF016310)<sup>7</sup>. The World Bank was limited to TA activities (consultants, studies, publications, workshops, etc.), while IUCN and WWF could finance procurement of goods and trainings. The Program activities include both recipient-executed Trust Funds (RETF) and BETF.

### **Rationale for World Bank assistance**

9. The World Bank's interest in continuing in forest governance work was based on two foundations: first, the World Bank was one of the organizers for the St. Petersburg Ministerial Conference in 2005 and it was involved forest governance and law enforcement work in other regions (e.g. South-East Asia, Africa and Latin America) as well. This was an area that World Bank has invested and wanted to stay involved in, particularly as experiences from FLEG I were also positive. Secondly, continued engagement with the same partners and participating countries in a in the Program was also seen as a way to link with other World Bank operations in the region.

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<sup>5</sup> With the exception of WWF, which managed its Belarus and Moldova programs remotely

<sup>6</sup> These complementary activities were financed through separate trust funds. However, technical planning was done in close coordination with the ENPI-FLEG Program (<http://www.enpi-fleg.org/about/complementary-measures/>)

<sup>7</sup> A separate BETF was set up for each participating country as well as for regional activities and program supervision.

## 1.2 Original Project Development Objectives (PDO) and Key Indicators

10. As per the Grant Agreement (GA), the Project’s objective is “to support the seven Participating Countries to strengthen forest governance through improving implementation of relevant international processes; enhancing their forest policy, legislation and institutional arrangements; and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication.”

11. In the PAD, the PDO description was slightly different, and more extensive, with three specific PDOs.<sup>8</sup> These three PDOs can be thought of as Russian nesting dolls (*matryoshkas*): higher level principles (SPD principles) contain specific, lower level outcomes (new and revised policies) which in turn contain local objectives (policy implementation at a practical level). These specific PDOs (“PAD-PDO”) were:

- i) Make progress implementing the 2005 St. Petersburg FLEG Ministerial Declaration in participating countries and support their commitment to a time-bound action plan to ensure its implementation and follow-up activities (*regional level*)
- ii) Review or revise (or establish a time-bound action plan to review or revise) forest sector policies and legal and administrative structures; improve knowledge of and support for sustainable forest management and good forest governance (including the impact of related EU regulations) in the participating countries (*national level*)
- iii) Test and demonstrate best practices for sustainable forest management and the feasibility of improved forest governance practices at the field-level on a pilot basis in all participating countries (*sub-national level*)

12. The analysis of the achievement of the GA PDO in this ICR will be supported by references to the three PDOs in the PAD (‘regional’, national’ and ‘sub-national’ level; referred to as PAD-PDOs in this document), as they were used to guide the Program implementation itself, and thus provide a useful framework for structuring Program implementation.

## 1.3 Revised PDO (as approved by original approving authority) and Key Indicators, and reasons/justification

13. The PDO was not revised.

14. **Result framework was revised in restructuring.** The EU requested revisions to the RF indicators in order to simplify the quantitative monitoring by clarifying indicator wording; or removing several indicators considered redundant; and adding some sub-indicators. In addition, quantitative descriptions for some indicators were added.

**Table 1. Original and revised indicators**

	<b>Original PDO indicator from PAD</b>	<b>Formally revised or new PDO Indicators</b>
1.	Uptake of best practice models on sustainable forest management and improved forest governance	<b>Deleted and replaced with:</b> Best practice models on sustainable forest management and improved forest governance developed and demonstrated

<sup>8</sup> PAD PDO: “The Program will support the participating countries strengthen forest governance through improving implementation of relevant international processes, enhancing their forest policy, legislation and institutional arrangements, and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication.” It then listed the “specific-PDO” listed in paragraph 11.

2.	Government institutions provided with capacity building to improve management of forest resources	<b>No change</b>
3.	Credible process toward the implementation of the St. Petersburg declaration launched	<b>Deleted and replaced with:</b> Monitoring plan for implementation of the St. Petersburg Declaration designed and regularly updated in participating countries
3a.	<b>n/a</b>	- Monitoring plan <i>designed</i>
3b.	<b>n/a</b>	- Monitoring plan <i>regularly updated</i>
4.	Reforms in forest policy, legislation or other regulations supported	<b>No change</b>
5.	Forest users trained	<b>No change</b>
5a.	- Forest users trained – <i>Female</i>	<b>No change</b>
5b.	- Forest users trained - <i>Ethnic minority/indigenous people</i>	<b>No change</b>
6.	Understanding and implementation of FLEG principles by forest practitioners and other stakeholders improved	<b>Deleted and replaced with:</b> Understanding and awareness of FLEG principles by forest practitioners and other stakeholders improved
-	Increased awareness of decision makers of modern technology and information to improve forest law enforcement and governance	<b>Deleted and relegated to an Intermediate Result Indicator</b>

#### 1.4 Main Beneficiaries

15. The Program's *primary* beneficiaries were: state forest agencies; environment ministries or other ministries responsible for forest issues (e.g. agriculture, institutions responsible for biodiversity conservation and protected areas); forest and environmental academia and training/education institutions, local and provincial entities; state and private forest-related and wood processing industry; other forest-related industries e.g. hunting, tourism and recreation, financial sector, trading houses, construction sector (directly and through their trade associations); local forest communities in pilot areas, including indigenous communities; media; and regional, national and sub-national civil society. Through the National Program Advisory Committees (NPAC), a multi-stakeholder consultative group established in each participating country, a wide range of stakeholders were involved and had significant say in deciding priorities and activities to be implemented.

16. The Program's *secondary* beneficiaries included the majority of rural residents (27–48% of total population in most countries). These are not the same as the local forest communities in pilot areas, but rather the entire rural population of each country who could stand to benefit from policy changes, new regulations, scaling up of pilot projects and implementation of best practices which contribute to better forest management. In addition, improved environmental management and governance would benefit the population in general.

## 1.5 Original Components

17. The Program had three components – regional (US\$ 1.33 million), national and subnational (US\$ 8.25 million) and program management (US\$ 1.40 million). This total of 10.98 (not including administration fees) was distributed as follows: RETF grant to IUCN US\$3.85 mill., to WWF US\$2.50 mill. and BETF to the World Bank (US\$4.62 mill.). World Bank's higher share included also Program administration (e.g. costs for annual meetings and safeguards).

18. **Component 1: Regional Program** (US\$ 1.33 million): i) strengthening the policy dialogue between participating countries and institutions regarding the 2005 SPD; ii) monitoring the implementation of the SPD in participating countries; iii) conducting regional studies and developing publications; iv) providing regional support to the implementation of the FLEG country work plans; v) developing a communications strategy; vi) contributing to communication activities to promote regional and national activities; vii) maintaining a high-quality Internet site; viii) regional coordination of the Program through annual meetings of the ENPI FLEG Focal Points (country representatives), donors and implementing organizations.

19. **Component 2: National and Sub-National Program** (US\$ 8.25 million): *National level:* i) Supporting, continuation from Phase I, the formulation and implementation of forest policy, legal, administrative and institutional reforms; ii) promoting a good investment climate; iii) providing capacity building, training and advice on administrative/institutional reforms; iv) liaising and co-operating with forest sector experts from EU member states, vii) formulating national work plans and ensuring compliance with safeguards. *Sub-national and Local Program level:* i) providing support on forest governance techniques to enable forest staff to ensure law enforcement, ii) documenting and communicating concrete local results; iii) supporting the use of modern technology; iv) involving local communities in policy development and in sustainable forest management; v) increasing public awareness and participation.

20. **Component 3: Program Management** (US\$ 1.40 million): i) overall management of the Program; ii) ensuring compliance with World Bank and EU safeguard policies and directives; iii) quality control; iv) Program reporting and monitoring v) organizing joint meetings for focal points and other Program-level coordination events exchange of information between the participating countries and planning and coordination of national work plans.

21. Based on the defined PAD-PDOs, country work plans (CWPs) were developed by each participating country, along with a Regional Work Plan (RWP), developed by the IOs. These were updated annually ahead of the Steering Committee meetings.

## 1.6 Revised Components

22. The program components were not revised. However, the individual activities were identified and planned during implementation. Countries were given flexibility in developing their own CWPs and activities. These were approved annually by the Program Steering Committee in the annual country work plans. As a result, many specific activities (sub-projects) were not known during Program launch.

## 1.7 Other significant changes

23. No other significant changes, other than the restructuring mentioned earlier were identified.

## 2. Key Factors Affecting Implementation and Outcomes

### 2.1 Project Preparation, Design and Quality at Entry

24. **Soundness of the background analysis** (Experience from FLEG Phase I) The Program's ability to deliver results was greatly facilitated by experience and relationships built up under FLEG I, which was highly regarded and instrumental in attracting other donor support. In 2007 the World Bank had joined with the EU, IUCN and WWF to support ENPI countries to improve forest law enforcement and governance through implementation of the EU financed the FLEG I Program. Changes introduced under FLEG II included greater ability by NPACs to select activities and align them with country priorities; and more flexibility to introduce program changes (e.g. to country work plans to respond to changing needs and priorities). FLEG II also placed a stronger emphasis on implementing activities that could be easily quantified, while targeting knowledge and learning activities. The majority of managers and coordinators from the earlier phase stayed on into FLEG II, providing continuity.

25. **Assessment of Project Design. The FLEG Program's design framework was based on three levels (regional, national and subnational) under which participating countries would select and design their own activities in detail.** NPACs, working closely with the IOs, developed them during the Program inception phase (the first 6 months after launch) based on results from Phase I, and analysis of stakeholders and their main challenges. In this sense, the FLEG II Program was unusual, compared with the World Bank's normal investment lending projects where analysis and detailed project component design is completed prior to approval. The strength of the Program design was its ability to draw on the country experience and analysis of FLEG I, and also give country counterparts a significant role in designing and deciding activities. As will be seen later, this approach posed some challenges, however, for M&E design.

26. The Program logic was based on improving governance from two angles: first, at the policy-level, governance was to be improved and legality promoted by improving regulations and legislation as well as by promoting institutional changes in line with the SPD. Using the terminology of general governance discourse, this was linked to the *supply* of good governance. On the other hand, on the practice side, pilot activities in the form of sustainable forest management models, community engagement, public awareness etc. at the local level were meant to strengthen the *demand* for good governance. Incorporating these two dimensions in one Program – with a strong emphasis for communication – was planned to help to align the two and yield improved governance in the sector.

27. The individual activities and outputs were identified by NPACs and country teams to implement the dual approach described above. Some examples of the expected linkages from activities and related outputs to outcomes are: developing training material for schools would lead to better field practices and knowledge improving the demand for good governance; and training in utilization of NTFPs would lead to demand for better management to protect the resource base. On the other hand, online timber auction system would increase government revenue and supply of good governance as would training and study tours to forest agency staff.

28. FLEG II was implemented using the same partnership approach and structure from the first phase, while strengthening the coordination efforts. With minor changes, Program management structure was carried over from FLEG I. It comprised: a Steering Committee (SC), a Program Management Team (PMT), a FLEG Secretariat based in the Moscow World Bank country office, Program Country Teams (PCTs), and National Program Advisory Committees (NPACs) for each country.<sup>9</sup> The World Bank was the main recipient / manager of the funds, which it disbursed to the other IOs<sup>10</sup>. The World Bank reported directly to the EU, as per the Administration Agreement. IUCN and WWF reported directly to the World Bank as per the Grant Agreements. Governments were not borrowers and there was no formal contractual relationship with the participating countries. The SC (the Program's highest decision making body) was co-chaired by the EU and the World Bank<sup>11</sup>, and comprised of national FLEG Focal Points and senior level officials from WWF and IUCN. Members of the PMT and the seven PCTs were often participating as resource persons. The SC was responsible for approving annual country and regional work plans and annual reports; providing policy guidance and expert advice to the PMT on Program implementation, relevance, and impact; and informing Program direction and priorities.

29. **Adequacy of government's commitment:** The Participating countries were all supportive of extending the FLEG Program to its second phase. This was reflected in the final discussions for FLEG I and is demonstrated also in the Phase II PAD which has as an annex, letters of support from all seven FLEG focal points. The Governments were not much involved during the preparation for Phase II which was seen by an administrative process. Actual work planning and identification of activities was, after all, happening during the inception phase after formal approval of the project.

30. **Government buy-in was strong.** Key factors were the NPAC forum, and the ability to draw on four years of analytical work, policy engagement on FLEG issues and cooperation across countries during FLEG I. Compared to the previous phase, FLEG II NPACs had more say in selecting activities, significantly strengthening country ownership. In most countries, the NPAC model which the Program used, working with a forum composed both government and non-government was new, welcome, and highly appreciated. The NPAC members were high ranking civil servants (e.g. Director-Generals of forest departments and one Deputy Minister) who participated actively. Additionally, in many countries NPAC will remain in place even after the Program closure which demonstrates their value to participants.

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<sup>9</sup> PMT consisted of World Bank, IUCN and WWF program managers. The PCT consisted of (with some exceptions) locally present coordinators from the three organizations and its task was to lead Program implementation at country level.

<sup>10</sup> As defined in the PAD: "A World Bank-executed Trust Fund will be set up for the World Bank-implemented portion of the Program (which will be limited to technical assistance). The World Bank will enter into grant agreements with IUCN and WWF to establish Recipient Executed Trust Funds (RETF) for their respective activities. All activities will be executed by the Implementing Organizations (IOs –World Bank, IUCN and WWF)".

<sup>11</sup> Co-chair representing World Bank varied; in the first Steering Committee meetings it was a senior expert who not actively involved in managing the Program while in the last two meetings World Bank co-chair as a director and a practice manager in charge of the ENR in ECA.

31. **Assessment of Risks. Risks to program effectiveness and buy-in were addressed by giving more control to NPACs than in the first phase.** In each country, the Program was overseen by an NPAC, a national coordination body which provided guidance to the IOs on the development, planning, implementation, monitoring and evaluation of the Program activities at national and sub-national levels. NPACs were multi-stakeholder platforms composed of government and non-government institutions. Each Committee was led by a Chairperson, and had a country Focal Point, representing the government<sup>12</sup>. They identified and selected activities that met their country priorities, which formed the basis for CWP.

32. The Program's key features – joint implementation arrangements, a mechanism for country oversight and coordination (NPAC), and flexibility – were appropriate and effective. The World Bank identified and sought to build on what worked during the first phase. A key focus was to reduce fragmentation during FLEG II by having the implementing partners cooperate and coordinate more closely. Program management arrangements took into account the complex program structure (three implementing partners each with their own vision and priorities, active and engaging donor, seven countries, and 119 different activities). This can be attributed, in part, to the implementation experience drawn from the first phase. In addition, there was a clear general division of labour between the IOs: the World Bank focused much on policy, WWF on sustainable forest management issues, and IUCN on community engagement. The Program's procedural complexity, although it slowed down implementation, was at least known and predictable. Although at times frustrating, the IOs generally accepted this as a price worth paying. It was even compared favorably by stakeholders to other programs they had been involved in.

33. **Although it could be transaction heavy, with multiple implementing partners involved in numerous activities in seven countries, overall Program management and governance structure functioned as intended.** SC meetings, attended by the EC, IOs and country Focal Points were held annually to share country experiences and address Program issues. The PMT met and communicated regularly via conference calls, had routine and ad hoc contact via email and telephone.

## 2.2 Implementation

34. **FLEG II's governance and management structure helped it to meet its objectives and ensured strong country engagement.** Implementation benefited strongly from the country presence of IO coordinators and the NPAC as the formal country counterpart mechanism. The exceptions – the WWF coordinator for Belarus was in Russia and activities in Moldova were coordinated by WWF from Romania – only highlighted the benefit of having IO representatives located in country.

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<sup>12</sup> In most countries the FLEG Focal Point was also the NPAC chair.

## Factors affecting implementation

35. **Country engagement with the Program was strong.** Even though governments were not borrowers and had no formal contractual relationship to the Program, the NPAC mechanism was widely cited as a major achievement. It enabled countries to have meaningful inputs in selecting activities and in their implementation. The NPAC forum served both to strengthen buy-in for the Program through its oversight and activity planning role, and to foster dialogue between government and civil society, as well as among government agencies. It enabled program managers and coordinators to consult with counterparts and obtain government endorsement of activities and decisions. In most countries, interest and ownership reportedly increased over time. This approach was highly appreciated by country counterparts, and in some countries, is expected to live on in a modified form as part of the forest sector governance structure.

36. **Communication and coordination issues persisted throughout the Program's life.** Although the partnership worked well overall, cooperation was not always smooth. World Bank expectations for IOs' meeting procurement and quality standards (e.g. Terms of Reference) were not always met or understood, with much back and forth to address issues contributing to delays. On the other hand, the IOs said that sometimes World Bank response times were slow. The World Bank's management turnover (three TTLs over the life of the Program) sometimes effected smooth cooperation as approach to e.g. document quality changed and some "institutional memory" was lost. However, the last TTL was involved in the Program since Phase I, mitigating these adjustments.

37. **The EC's level of engagement was generally high and beneficial to achieving Program objectives, but varied during the Program period.** Sometimes the EC would become deeply involved in program details and events planning, while at times it would be more hands off. It was also not always clear to the PMT and country teams to what extent plans for events etc. had to be consulted with the EC in advance. There were few personnel changes in the EC management team during the Program which required rebuilding contacts and personal relationships on the part of the World Bank and the other IOs. At the country level, EU Delegations did not always contribute (expectations regarding their role were unclear). Although they attended meetings and events at times, this could also generate additional administrative work, e.g. requiring preparation of materials or press releases far in advance. However, when EC Delegations *were* actively involved (e.g. in Armenia) their support and contributions had strong positive impacts.

38. **The Program was restructured based on proposal by the Donor.** The donor (EU) requested revisions to selected indicators of the Results Framework to address some areas of importance to the EC: simplify the quantitative monitoring by increasing the clarity of some of the indicator wording; removing some less important indicators; and adding some sub-indicators (e.g. on regional studies and events undertaken). In addition to the revised Results Framework, the EU requested quantitative descriptions on some of the indicators (e.g. understanding and awareness of FLEG principles by key stakeholders) to report on specific activity outcomes and impacts. These changes were discussed with the partner implementing organizations (WWF and IUCN) and participating countries, and there was agreement on the new indicators. While the revised RF was able to clarify some indicators, it did not fully address its structural shortcomings and – as will be discussed on page # of this ICR – M&E in the project was not improved.

39. **Procurement procedures were at times challenging, leading to delays.** Multiple implementing organizations, each with their own internal procurement processes, at times constrained activity progress. Communication and coordination over procurement issues could be burdensome to coordinators. Although the World Bank provided procurement training for the IOs at the beginning, IO managers held that World Bank's procurement standards were too onerous for some of small-value items, creating unnecessary administrative work. On the other hand, World Bank staff felt that the IOs had difficulties to follow the guidelines they had been given. Nonetheless, the IOs noted that the World Bank's procurement officer was consistent in his advice, available and willing to help when needed.

40. **Geopolitical risks were recognized, with some participating countries in a state of conflict. However, this did not impinge on implementation or effectiveness.** Without playing down the significance of these conflicts, they did not prevent cooperation between countries at the Program level. The Russia-Ukraine crisis erupted during the Program, with a rupture between the EU and the Russian Federation posing a challenge: it led to the revision of the Russia CWP in March 2015. Consequently, some activities were taken over at regional level and implemented jointly with other countries. At a logistical level, conferences were held in countries with no travel issues. Problems were recognized in a timely manner and managed well by the SC as they arose. Conflictual relations between countries had implications for SC meeting locations, but did not negatively affect cooperation at agency levels.

41. **The Regional component** received less attention than originally planned. Although a key part of the Program was the promotion of cross-border cooperation and information sharing, it was given less attention than country activities. Most regional activities were in the form of bilateral cooperation and study tours. There were several underlying reasons for this: regional activities were more difficult to coordinate by project managers (who had less control since such activities depended on bringing together countries to identify and coordinate projects). Nonetheless, there was some notable cross-country cooperation, such as the MOU between Armenia and Georgia.

42. **Communications** was an essential part of the Project. Initially there were delays in agreeing to common guidelines and templates for publications. This was mainly due to slow recruitment of consultants. After these were developed, communication was successful and well-coordinated. Communication guidelines has an important role in EU financed trust fund because the donor has stringent guidelines on donor visibility.

43. **A Mid-Term Review** was completed in October 2015. At Program planning level, the key recommendations included a greater focus on the regional component; sharing evidence of activity progress in a timelier manner and preparing country exit strategies. For practical implementation, the MTR recommended that sharing innovations between countries; improving EC communication channels; and incorporating more law enforcement activities. With the MTR completed just 16 months before Program completion, little time was left for significant adjustments. Nevertheless, certain recommendations, e.g. to strengthen the focus on regional activities and developing exit strategies were taken on board. These were included in country and regional work plans and guidance to country teams. Some MTR recommendations, for example on procurement processes, were not implemented as these were outside the realm of Program management.

### **2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization**

44. **Design.** There is consensus in the Program team that the M&E component's shortcomings was the weakest design element. These shortcomings are principally responsible for the overall Outcome rating of 'Moderately Satisfactory' instead of 'Satisfactory,' despite FLEG's achievements in shifting the dialogue on forest sector governance, tackling issues development agencies had shied away from. Although effort and thought was put into developing indicators during project preparation, they were not fully able to reflect the Program work plans which were planned and revised annually by the Steering committee.

45. The PDO was somewhat long and convoluted with many sub-objectives. The PDO in the Grant Agreements with IUCN and WWF was not worded the same way as is the PAD (even if the contents and underlying idea were the same) and the teams used mainly the PDO in the PAD to guide their planning. These limitations in the PDO led to a situation where indicators and intermediate indicators did not fully allow for adequate measurement of the PDO. The quite output oriented results framework allowed for the flexibility that was built into the program based on the experience from FLEG I but – at the same time – was not able to capture the diversity of action across the seven participating countries.

46. This planning approach which was built to be responsive to Client needs, led to a situation where the specific indicators to some extent failed to reflect fully Program achievements. Some of the outputs indicators are also vaguely worded: for example, the institutional objectives (e.g. to “support” Program countries to “strengthen forest governance through improving implementation of relevant international processes” or “enhancing their forest policy, legislation and institutional arrangements”) were broad and difficult to quantify. The term “support” is broad enough that it could apply to various types of activities.

47. The RF indicators are somewhat limited in scope and did not fully reflect the ambitions of the Program. This may be attributed to at least three factors: i) at the time of RF design, the team had reluctance to set goals outside control of project management (i.e. outcomes and impacts); ii) the fact that NPACs had significant latitude in annually selecting activities in line with their own country priorities; and iii) the RF design had to some extent reflected a compromise between the different Program partners (IOs and EU). The background for the design is partly a function of the unconventional nature of the FLEG Program and its design.

48. What makes the objectives difficult to quantify and pin down using a standardized M&E framework and indicators was also the Program's strength: it gave countries the leeway to define their own priorities and propose appropriate activities. This helped significantly in ensuring country ownership of the Program and generating stakeholder interest in. Another important factor to understand is that the RF was agreed by the four partners (the EU and three IOs), resulting in a common platform.

49. The original Results Framework (RF) was revised and streamlined in August 2014. Following a review, indicators were revised at the EC's request, as some were considered cumbersome or unclear, but the revisions did not substantially address its core characteristics. Following revisions, 8 PDO indicators (including 2 sub-indicators) and 5 Intermediate Results indicators (including 2 sub-indicators) were used to track progress toward sustainable local, national, and regional forest governance. Seven out of eight PDO indicators related to outputs, the sole outcome indicator concerned awareness of FLEG principles. Four out of the five Intermediate Results indicators also related to outputs.

50. Nonetheless, the restructuring did not go to the heart of the issue – a number of indicators remained vague and insufficiently robust, i.e. did not meet the ‘SMART’ criteria<sup>13</sup>.

51. **Implementation.** Data collection for M&E was done by country teams based on data collected at activity level. All required data was collected except for gender and ethnic distribution of trainees in Moldova and Ukraine. Data collection was based on country activities and country definitions and no single, uniform classification was established at program-level. Therefore, as an example, for Indicator 2 (Government institutions provided with capacity building to improve management of forest resources), Moldova classified individual state forest enterprises as separate institutions making the number of institutions relatively high at 26 while in much larger Ukraine, only five institutions were targeted as they were counted at a higher administrative unit level. The same applies to Indicator 1 (Best practice models on sustainable forest management and improved forest governance developed and demonstrated) where “Best practice model” was defined by country teams without a common baseline agreed.

52. A stakeholder survey was conducted in each country in 2014 and 2016 to measure understanding and awareness of FLEG issues. They covered two project indicators: PDO Indicator 6 “‘Understanding and awareness of FLEG principles by forest practitioners and other stakeholders improved’ and IR Indicator 1 “‘Increased awareness of decision makers of modern technology and information to improve forest law enforcement and governance’”. The outcome indicators based on surveys showed virtually no change. This finding is somewhat surprising given the overall positive feedback on the program from implementation staff and NPACs. The survey scope was limited to forest practitioners’ and other stakeholders’ perceptions, one of which related more to Program brand awareness rather than actual issues. They did not fully address FLEG’s broader ambitions of transforming sector institutions, and improving forest governance. Additionally, results were obtained only towards the end of the Program which did not allow for adjusting work plans based in the survey findings

53. Because the baseline was conducted well after project launch, it cannot be considered a ‘true’ baseline, able to account for all changes. The delay was in part because the initial bids for the baseline came in many times higher than the budgeted amount. As a result, the survey contract had to be readvertised and separate tenders held for each country, bringing down the costs, but also delaying its implementation.

54. **Utilization.** Program reporting and monitoring of the results was based on the Results framework indicators, which was meant to serve the implementation of Program activities. However, the M&E component was perceived by many program stakeholders as a procedural requirement without clear added value. Perhaps for this reason, reporting was sometimes incomplete, inconsistent and delayed: country submissions did not always meet World Bank ISR deadlines. Results monitoring had shortcomings which can be partly attributed to the RF, which was not necessarily reflective of the Program content. Results information was delayed and ISRs did not have the latest numbers. In some participating countries gender and ethnic distribution of beneficiaries was not collected.

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<sup>13</sup> The acronym often standing for: specific, measurable, attainable, relevant and time bound

55. While program-level M&E findings were not used widely to design activities, some individual activities which took the form of assessments and evaluations of specific forest management or governance issues were used to inform the policy dialogue, sector guidelines and legislation. Examples include: in Russia, the development of guidelines on methods of forest fire zoning, based on rapid assessments of potential losses of social, economic and environmental values due to forest fires and costs of their prevention and suppression; in Armenia, a Public Expenditure Review for the forestry sector was recognized as an important and necessary tool for decision-making processes by the authorities; in Belarus, a comprehensive forest sector assessment led to several detailed technical guidance notes.

## 2.4 Safeguard and Fiduciary Compliance

56. **Safeguards.** The Program was in compliance with World Bank environmental and fiduciary safeguard policies. The Program was rated as Category B, with impacts projected to be “mostly be indirect and cumulative.” The following safeguards were triggered: Environmental Assessment OP/BP 4.01, Natural Habitats OP/BP 4.04, Forests OP/BP 4.36, Pest Management OP 4.09, Physical Cultural Resources OP/BP 4.11, Indigenous Peoples OP/BP 4.10, and Involuntary Resettlement OP/BP 4.12. The Strategic Environmental and Social Assessment Framework (SESAP) was used to ensure that Strategic Environmental Assessment (SEA) requirements were followed appropriately and consistently. The SESAP was determined to be the appropriate instrument for “identifying environmental and social issues and potential impacts associated with forest management policies, legislation, Programs, and plans.” The World Bank environmental and social specialists reviewed updates of country work plans, which were found to be in compliance.

57. **Fiduciary compliance.** Procurement and financial management risks were assessed by the World Bank. Annual post-review procurement supervision visits were conducted, as well as financial management regular supervision visits to IUCN and WWF headquarters. The fiduciary oversight between the field visits was conducted through the review of the semester financial reports and annual audited project financial statements. The quality and timeliness of the semester financial reports and annual audited project financial statements have improved during the project lifetime. No significant management letter issues were raised by the auditors. Final audit reports were submitted in May 2017 and are clean (unmodified).

58. Procurement procedures were at times challenging, leading to delays and longer than expected lead time. Despite these difficulties, there were no cases of misprocurement and both IUCN and WWF conducted adequate due diligence. The World Bank procurement experts provided training for WWF and IUCN. Their managers held that World Bank’s procurement standards were too onerous for some of small-value items, creating unnecessary administrative work. On the other hand, World Bank staff felt that the IOs had difficulties to follow the guidelines they had been given. Nonetheless, the IOs noted that the World Bank’s procurement officer was consistent in his advice, available and willing to help when needed.

## 2.5 Post-completion Operation/Next Phase

- **Exit strategies**

59. **The FLEG website will continue make accessible FLEG II program information, studies, best practice and other material.** Arrangements have been made to have FLEG II information (reports, analysis, videos and other material) to be made available and accessible on the ENPI FLEG II website (<http://www.enpi-fleg.org/>) for 10 years until 2026.

60. **To promote consolidation and sustainability of Program work exit strategies were developed and discussed with the NPAC in each participating country toward the end of the Program.** Every country submitted sustainability and exit strategy plans and Moldova, Russia and Azerbaijan held final completion events to report and raise awareness about FLEG II results. The following are some examples to illustrate exit strategy measures which countries have committed to or incorporated into their national programs, building on work undertaken during FLEG II:

**Table 3. Exit strategies**

<b>Armenia</b>	<ul style="list-style-type: none"> <li>• Pilot forest communities with degraded areas were identified and mapped as priority regions for potential forest or landscape restoration in Armenia</li> <li>• MOU with Georgia on cross-border cooperation</li> </ul>
<b>Azerbaijan</b>	<ul style="list-style-type: none"> <li>• Young Foresters' Movement will maintain its principal functions and network at national and regional levels</li> <li>• The NPAC, recognized as an efficient basis for collaboration between government and non-government institutions, will continue its operation</li> </ul>
<b>Belarus</b>	<ul style="list-style-type: none"> <li>• Forest management policies and programs for regulating forest management</li> <li>• Information generated by FLEG to be used by national government, local authorities and NGOs for planning forest management activities and regional development projects</li> </ul>
<b>Georgia</b>	<ul style="list-style-type: none"> <li>• Draft Forest Code is scheduled for Parliament review</li> <li>• Memorandum of Understanding for cooperation in forest sector between Armenia and Georgia (awaiting formal clearance for signing)</li> </ul>
<b>Moldova</b>	<ul style="list-style-type: none"> <li>• New World Bank-financed project Moldova: Climate Adaptation Project (P155968) building partly on FLEG policy dialogue</li> <li>• IUCN's initiative for Forest Landscape Restoration (FLR) as landscape approach towards natural resources use</li> </ul>
<b>Russia</b>	<ul style="list-style-type: none"> <li>• Delegating further implementation or support of the Program activities (which can be implemented further) and monitoring their effects to designated stakeholders with their prior training.</li> <li>• Institutionalization at local, regional and national levels of mechanisms and processes initiated in the framework of FLEG Program implementation</li> </ul>
<b>Ukraine</b>	<ul style="list-style-type: none"> <li>• Manuals published by FLEG were introduced in the curricula of educational institutions and used for post-diploma training.</li> <li>• Project "Forest Watch (Lisova Varta)", targeting combating illegal logging, has received the support of the Embassy of Finland in Ukraine.</li> </ul>

61. **Consultation mechanisms established under FLEG are expected to continue in several countries.** Armenia, Azerbaijan, Moldova, Russia, Ukraine have signalled their intention to continue using the NPAC, or a variant thereof, as a model for cooperation and consultation. The forum to convene state and non-state actors and experts to discuss forest sector issues was found to be valuable in its own right, beyond FLEG activities. For example, in Moldova, the NPAC will combine with the Technical-Scientific Council, within Moldsilva (Moldova's forest agency).

62. **There are no current plans to have a similar, direct follow-up phase (“ENPI-FLEG Program phase III”).** The MTR noted that without continued support, there is a risk that Program impacts would fade over time. At the end of the Program, a direct follow-up Program with a similar institutional set-up was not under preparation and it was recognized that future engagement in the forest governance agenda between the three IOs and EC would be done through other interventions.

63. **Policy dialogue and cooperation fostered under FLEG I and II has led to several forest sector initiatives, either under implementation or in the planning stage.** The Program was important in laying the groundwork for cooperation between the World Bank and forest sector policy makers in several countries. Both the policy dialogue fostered under FLEG and specific FLEG activities have underpinned several actual and potential forest sector projects:

- Belarus Forestry Development Project (2015); World Bank commitment: \$40.7 million
- Moldova Climate Adaptation project (certain elements informed by FLEG II); World Bank commitment: \$25.0 million and GEF grant \$2.0 million
- Georgia: ESW on household surveys on forests and poverty (PROFOR), and continuing policy dialogue and technical assistance on implementing sector reforms
- Armenia: ESW on household surveys on forests and domestic energy sector (PROFOR) and continuing policy dialogue
- Ukraine: PROFOR grant for direct follow-up activities to FLEG
- ADA: Complementary Measures for Georgia and Armenia

### **3. Assessment of Outcomes**

#### **3.1 Relevance of Objectives, Design and Implementation**

##### **Relevance of Objectives – Substantial**

64. **The basis for the objectives for the Program can be found in the St. Petersburg Declaration.** The SPD covers a range of potential interventions and initiatives which address forest management issues and all participating countries had made a political high level commitment to the Declaration and plan of action. The SPD concluded that concrete action is required to support better management and conservation of forests. In the SPD, forests are viewed not only in terms of wood fibre, but also in terms of sources of rural livelihoods, water catchment systems, energy providers, recreation hubs, biodiversity conservation sinks, and climate change mitigation systems, among others. Under FLEG, SPD principles were mapped against Program activities by country.

65. The activities and Program objectives are also aligned with various relevant Bank strategies (e.g. Environment and Forest Strategies and the Roadmap for Environment and Natural Resource Law Enforcement). The Forest Action Plan was prepared during Program implementation and lessons learnt from the Program contributed to the Plan.

66. FLEG II was well aligned with Bank sector strategies and anchored in the ECA Regional Strategy, which fosters closer cooperation with the EU. The Program was seen to increase collaboration with the EU as a Program partner, as well as EU Member States, and EU delegations in participating countries. The Program was also aligned with IUCN and WWF programs, complementing IUCN’s “One Program” approach linking its natural resource management problems, and embedded in WWF’s 5-year strategic plans.

67. **There was clear program alignment with related World Bank objectives.** The FLEG II Program aligned with World Bank's ECA Regional Strategy on closer cooperation with the EU, including EU Member States. The activities and Program objectives aligned with various relevant World Bank strategies (e.g. Environment and Forest Strategies and the Roadmap for Environment and Natural Resource Law Enforcement). The World Bank's 5-year Forest Action Plan (FY16-20), prepared during FLEG drew on lessons learned.

68. **The Program was well aligned with the participating countries' strategic priorities.** FLEG II was aligned with country priorities for each country, as laid out in their respective Country Assistance Strategies (CAS) or Country Partnership Strategies (CPS):

- Armenia (CAS FY09-FY13): Deepening of relations with the European Union and its member states, while continuing to maintain strong links with other traditional bilateral partners; improved emphasis on preparedness for natural disasters and climate change adaptation; fighting corruption; and reducing rural and environmental risks.
- Azerbaijan (CAS FY11-FY14): Strengthening governance and institutions (cross-cutting filter) to improve institutional capacity and introduce policy reforms to reduce corruption; promoting transparency and public debate.
- Belarus (CAS FY08-FY11): Delivering global goods including safe water services; advocacy for reforms on governance and measures to address corruption; improving inclusion, welfare and opportunities for people.
- Georgia (CPS FY10-FY13): Rural development for employment generation and poverty reduction; strengthened partnership with the EU in the environmental field; continued involvement in administering the FLEG Program to provide advice and assistance in forest management.
- Moldova (CPS 2009-2012): Minimizing social and environmental risks; building human capital, and promoting social welfare, which includes improved access to and quality of health, water, and sanitation services and reduced environmental degradation; improving public sector governance including increased transparency and accountability and increased capacity of the public sector to develop and implement public policies.
- Russia (CPS 2012-2016): Deepen Russia's global and regional role related to the provision of global public goods; improving transparency and governance through more accountability; IBRD financing for Programs including in the area of forestry protection.
- Ukraine (CPS FY12-FY15): Supporting progress in the EU integration agenda; improved governance for sustained socio-economic progress including deepened relations between government and citizens; more transparent and accountable use of public resources; and more productive cooperation between government and businesses.

### **Relevance of Design – Substantial**

69. Although the Program structure was complex by necessity, given the large number of actors and institutions, it was generally appropriate. Program design was adapted from Phase I, by drawing on lessons learned and making adjustments. It built on previously formed partnerships between IOs, and structures (Program governance, NPAC etc.). The design was clearly aligned with SPD commitments and principles across countries, and to some extent with the EUTR. The design was flexible enough to allow for participating countries to determine activities in line with their priorities, and even to adjust them if those priorities changed.

70. **Program logic.** Most M&E indicators, as seen above, are outputs, and thus do not fully capture the many ways in which FLEG II may have effected change. However, the Program logic (or theory of change) as implied by the PDOs, envisions forest governance becoming stronger as a result of actions affecting both policy and practice. On the *policy* side – regulations, legislation and institutional changes in line with the SPD, and stimulated by EU regulations – should improve governance. On the *practice* side, pilot activities in the form of sustainable forest management models at the local level would be replicated and scaled.

71. The following are illustrative of the type of impacts of FLEG II that can be expected. All are likely to be manifested to some degree over the medium to long-term, with the important caveat that the policy and economic environment in the participating countries remains favourable. The interplay between activities and outcomes, not to mention the influence of other, non-program factors (e.g. economic growth, price of timber, and other forest sector programs) attribution becomes a challenge. Impacts are likely to flow through different channels. Examples of how project activities could lead to (→) impacts include:

- Educational materials → foresters better at implementing forest management
- Development of national forest codes → improved forest management via forest protection, restoration and tending
- Awareness raising and better monitoring of illegal logging → less environmentally damaging practices and increasing revenue from legal timber
- Community-level multi-stakeholder alliances → better forest governance, less illegal NTFR collection, greater appreciation, valuing of forests
- Training of journalists in forest issues, → better media coverage, more informed citizenry
- Increased appreciation of NTFP → improved livelihoods in rural areas
- More inclusive and transparent decision-making through NPACs → better and more widely accepted decisions on forest management.
- Online timber auction system, set up under FLEG → more government revenue

### **3.2 Achievement of Project Development Objectives**

#### **Rating: Substantial**

72. The Project objective of strengthened forest governance through improving implementation of relevant international processes; enhancing their forest policy, legislation and institutional arrangements; and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication was substantially achieved.

73. **The FLEG Program made significant strides in contributing to legal and sustainable forest management and utilization practices.** It strengthened rule of law and improved local livelihoods in communities in participating countries focusing on environmental sustainability, human rights and gender equity. The Program’s very existence opened space for dialogue on forests, brought new stakeholders to the table, and helped build their capacity. Minister of Ecology and Natural Resources of Azerbaijan, Huseyn Baghirov noted that “FLEG II made a real difference in many instances. It took the development of forestry education and public perception on forestry issues to a new level”<sup>14</sup> The Director General Moldsilva (Moldova’s forest agency) noted that FLEG and the FLEG team helped his country to “address the sustainable development of forest ecosystems.”<sup>15</sup> In Belarus, Forest Management Department (Ministry of Forestry) noted that FLEG II had “facilitated the development by national experts of a new vision for forestry sector development, based on the principles of sustainable forest management.”<sup>16</sup>

74. **With relatively limited funds for working in countries that are home to a quarter of the world’s forest cover, the World Bank and its partners made extensive headway in generating an institutional shift in the seven Program countries.** A sector that donors, including the World Bank, had historically shied away from, was transformed through eight years of assistance and support, all of this achieved through TA funding. FLEG was instrumental in informing the dialogue around forest governance, government policy and governance mechanisms themselves (through forest codes, legislation, etc.), which has long-term implications for forest coverage, quality and usage.

75. .

76. **FLEG Program contributed to making European forest policies and practices the standard which participating countries seek to learn from and adapt.** In 2015 Ukraine FLEG II experts and government professionals visited three EU countries (Poland, Slovakia, and Hungary) to learn from best practice models and legislation specifics in these countries. In 2015, a group of Belarus forestry experts visited Finland to study best practices for forest regeneration and tree nursery development and identify modes of cooperation, and in 2016 they visited Germany to become more familiar with forest management in the state of Saxony. An EUTR workshop held in Minsk (November 2014) on the theme: “Implementation of the European Union Timber Regulation 995/2010” helped spread awareness for ENPI countries on effective implementation of timber regulations. FLEG also supported a Regional analysis of sustainable multipurpose use of forest in EU countries.

77. The Program met or exceeded almost all its PDO indicator targets. In two sub-indicators (women foresters and ethnic minority foresters trained) the results were ambiguous as not all countries reported the breakdown. This likely reflects on shortcomings in the quality of data collection as the overall target was achieved. The Program fell short of meeting the two perception/awareness indicator targets.

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<sup>14</sup> <http://www.enpi-fleg.org/news/minister-baghirov-endorses-continuation-of-fleg-2-activities-in-azerbaijan/>

<sup>15</sup> <http://www.enpi-fleg.org/news/building-synergy-for-unlocking-forest-research-potential-in-moldova/>

<sup>16</sup> Response to 2017 ICR questionnaire

78. **The following indicators contributed to the achievement of the objectives:**

- Seven monitoring plans for implementation of the St. Petersburg Declaration designed and regularly updated in participating countries supporting implementation of relevant international processes as described in the PDO;
- Reforms in forest policy, legislation or other regulations including Strategic Forestry Development Plan (Belarus), a National Forestry Consultancy Office to provide necessary expertise and assistance for improved forest management and sustainable development of natural resources (Moldova) and review and analysis of current forestry-related legislation, institutional and administrative structure made recommendations for the National Assembly (Armenia). These policies and analyses contributed to enhancing forest authorities' policy, legislation and institutional arrangements as described in the PDO;
- 126 Government institutions provided with capacity building to improve management of forest resources. This demonstrates how forest governance was improved by institutional development enabling state agencies better respond to ever-changing demands. This contributed to enhancing forest authorities' policy, legislation and institutional arrangements;
- 3764 Forest users trained on topics such as identifying and documenting illegal forest activities (Armenia), voluntary forest certification (Belarus), traceability system (Moldova), balance of timber use (Russia), and communal forest management (Ukraine). These training activities were able to enhance institutional arrangements element in line with the PDO; and
- Development of 34 best practice models on sustainable forest management and improved forest governance contributed directly to achieving the PDO element of "developing, testing and evaluating sustainable forest management models at the local level";

79. **Strengthen forest governance through improving implementation of relevant international processes - Regional level.** Processes spanned forest policy, legislation and development of sustainable forest management models to strengthen forest governance. A total 15 regional activities were organized under a regional work plan. The designation 'Regional' referred to any activities that were not country-specific, i.e. they involved two or more countries. They included knowledge and learning activities as part SC meetings, international conferences as part of study tours to FLEG countries and EU member states, or workshops (on combatting illegal logging, EUTR, Economics of Ecosystems Services and Biodiversity, ICT). A total of 12 outputs were produced, including analytical work such as:

- A study of implementation progress of the St. Petersburg declaration through FLEG II
- Development of a common methodology for measuring the "Value of Forest Functions for Local Population" for replication throughout the participating countries
- Regional analysis of sustainable multipurpose use of forest in the countries of the European Union
- Local Forest Governance Study reviewed the forest governance structures of each participating country

80. *Communication and work with media.* Formalized communication activities, to disseminate knowledge and publicize activities were a prominent feature of the Program. Two important communications documents were produced in 2014: Guidebook on the Visibility of FLEG II Communications Products and FLEG II Communications Procedures. A communications strategy (Communications and Visibility Plan) was prepared in accordance with the EC's Communication and Visibility Guidelines, and the World Bank's Access to Information Policy, and approved toward the end of 2015. Significant attention was paid to branding and publicizing FLEG activities and success stories and strengthening of journalists' understanding of forest sector issues to improve media coverage of forest sector issues. The Program placed a strong emphasis on reaching out to journalists. This included training activities for journalists to explain FLEG objectives and activities and build their capacity to understand and cover forest governance and illegal logging issues. In Georgia, a journalists' association, *Media for Environment*, was founded with FLEG support. In Azerbaijan, Moldova and Ukraine journalist competitions and trainings were held for coverage of forest issues to stimulate quality reporting. Material was disseminated via FLEG's website. FLEG II reports and studies have been downloaded from the website over 10,000 times. In the final six months of the Program, the website had 11,630 sessions by 7,120 visitors. Finally, several countries began providing the public with greater access to information through agency websites and other methods – covering forest agency activities, illegal logging, etc. A World Bank staff involved in the Program noted that that they “had never seen a Program pay as much attention to the media” as FLEG II did.

81. **Enhancing countries' forest policy, legislation and institutional arrangements - National level.** Under the Program, a total of 104 national and sub-national activities were implemented. Through policy dialogue and information sharing between experts, IOs, and policy makers, FLEG work supported or fed into assessments, new legislation/regulations, and education systems. Forest Codes were drafted in Armenia, Belarus, and Georgia using FLEG inputs. All this contributed to raising awareness about issues, solutions and best practice models, thereby improving policy makers' understanding of forest sector issues. Sectors were 'opened up' and made more transparent and accessible to the public and civil society through NPACs, websites, dialogue, media outreach and training. In almost all countries, FLEG supported important analytical work on sector issues, which often informed legislation. In some countries, FLEG supported development of new textbooks and education systems, e.g. in Azerbaijan, professional schools updated their curricula based on the proposals developed by Ministry of Economy specialists who participated in the study tour to Russia. In Russia, “Learning aids” (certified textbooks) were issued (and went through a second printing due to high demand) to further vocational education, higher vocational forest education, and supplementary school education

82. **Developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication -Sub-national level.** The Program supported 34 best practice models, exceeding the target. Of these, 13 were in Russia, which had very active engagement in 5 regions (i.e. the sub-national level) and 8 in Moldova. The concept of “best practice model” was somewhat loosely defined – in some cases the activity involved implementation, in others learning about best practices (e.g. through study tours) from other countries and then applying the new knowledge back home. Issues covered included forest management (almost all countries), and restoration, firefighting (Belarus), wood traceability (Moldova), forest dependency study (all countries), assessment of sanitary conditions in protected areas (Georgia). There was cross-border collaboration between participating countries, e.g. a forest ecotourism initiative jointly developed in Russia and Belarus with engagement of Latvian and Estonian tourist companies - piloted in Bezhanitsy (Russia) and Lepel (Belarus) districts; and an Armenia-Georgia MOU on collaboration.

## Outcomes

83. Because the project was in the form of technical assistance aimed at capacity building, and did not involve capital investments, impacts on the sector were primarily expected to result from: i) institutional and regulatory changes, ii) management practices, iii) theoretical and applied knowledge, and iv) increased cooperation. Furthermore, given the difficulty in measuring outcomes, considered together with potentially long-term time horizons of Program impacts via legislation, changes in awareness and perceptions among stakeholders and the broader public, little evidence of change would be expected at this point in time (project end). The RF outcome indicators do not capture the long term impact and sustainability of changes resulting from new or revised legislation, school and university curricula or cross-country initiatives.

84. Nonetheless, certain Program outcomes are clear: i) access to forest sector institutions through country web portals and information dissemination has improved; ii) FLEG II helped develop a network of forestry consultants, who are in demand in the region as experts to assist countries with non-FLEG forestry activities; iii) an exchange of lessons learned between countries has been promoted at conferences, workshops, etc.; and iv) multi-stakeholder engagement through FLEG has brought new openness to the sector, benefiting not only external partners but also forest agencies themselves.

### 3.3 Efficiency

85. **Efficiency is rated Substantial:** FLEG II, a TA program with limited funds relative to the scale of its objectives opened the door to national and regional dialogue and triggering an institutional shift in its participating countries. With \$11.2 million and a complicated management structure, FLEG II succeeded in transforming many aspects of governance in an area covering 25% of the world's forests. It accomplished this without a contractual relationship with the country governments, which nevertheless were enthusiastic and active stakeholders who could define and act on their priority areas. The Program was able to 'crowd in' other resources, such as ADA funding. The Mid-Term Review noted that it was able to attract additional support because of its good reputation, describing it as a possible "gateway for different client-donor relationships in the future." With a Program Management budget of \$890,000, FLEG II coordinated 119 separate activities over a 4-year period (or 30 activities per year at an average cost of \$85,000 each).<sup>17</sup> Other option would be to calculate the average cost per output (documents 107, events 89, NPAC meetings 45), which becomes US\$42,800/output.

86. Comparisons with other TA projects have only limited value due to different nature of activities, but they do provide some reference points. The ENPI-FLEG Program compares well with other regional projects. For example compared to the other regional projects such as Climate Adaptation and Mitigation Program for Aral Sea Basin (P151363), with a knowledge management component of \$12.5 million, for two countries, FLEG was able to reach out to a large group of countries with a large audience with somewhat comparable financial resources.<sup>18</sup>

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<sup>17</sup> This calculation is based on total project cost of 11.2 million, less the management component budget of \$890,000. Some activities e.g. in Ukraine, had bundled several sub-activities.

<sup>18</sup> Implementation Completion and Results Report (TF-11513): Plan Bleu pour l'Environnement et le Developpement en Mediterranee

87. **FLEG II's achievements are all the more impressive given that a certain amount of administrative 'friction' was built into the Program through its joint, multi-implementing organization structure.** The three IOs brought their own distinct institutional objectives and management styles, and internal rules to the Program. Although this model might not have been optimal, there were underlying reasons for the joint approach: experience from FLEG I, the World Bank's policy experience and access to policymakers, WWF's sustainable forest management experience, and IUCN's community development experience all fit well under the FLEG agenda. At the same time, the approach inhibited the World Bank's ability to exert control over quality and activity management. Working relationships between the IO partners were generally good. However, their agendas did not always align, which made coordination difficult, with each pursuing their own objectives at times.

88. **The Program generated significant intangible achievements which are not reflected in outputs and deliverables, the benefits of which cannot be easily quantified.** Considerable progress was made in raising awareness of forestry governance issues, how to address them, and in promoting cross-border learning and cooperation. These intangible benefits were based on the success factors that enabled efficient delivery of tangible benefits: all the countries had a similar legacy and country counterparts all spoke Russian went a long way toward smoothing cooperation. According to Program staff, the key factors for success were cooperation and trust between partners (which helped because they could draw on pre-existing relationships), an institutionalized country-level forum for discussion, bottom-up approach to selecting and implementing activities, clarity of roles, and committed individuals/team members.

## **Economic impacts**

89. **Economic impacts were not assessed under the Program but individual inputs are likely to lead to positive results.** Measuring overall economic changes and attributing them to FLEG would have proved challenging, and possibly premature, given the time needed for institutional changes to feed into the system. Long-term and indirect economic and environmental impacts (via awareness, education, reduction in illegal logging, etc.) are expected to be positive, however. Certain individual activities will have direct impacts. For example, improved management of illegal logging in Moldova is expected to show that the 500,000 m<sup>3</sup> of ‘missing’ firewood (as per a baseline survey) has fallen. Government of Moldova has a traceability tool which it can use to measure the change. Reduction in illegal logging translates into a larger forest resource with long-term benefits.

### **3.4 Justification of Overall Outcome Rating**

#### **Rating: Moderately Satisfactory**

90. The overall outcome is rated Moderately Satisfactory based on substantial relevance of objectives and relevance of design, and substantial efficacy and efficiency. The Program had highly relevant objectives which were based on the Participating countries’, Implementing Organization’s and the Donor’s priorities. These objectives were originally identified in the SPD and the FLEG Program was able to build a highly relevant work program to support countries in implementing these objectives. The Program achieved most of its goals, as per the PDO indicators. The Program was successful in laying a foundation for long-term changes in policy and practice in participating countries, by informing new legislation, forest codes, and attitudes toward governance and illegal logging. While exact comparison and assessment of efficiency of this kind of TA project is difficult, the Program was able to deliver a large number of outputs and provide highly relevant capacity building and analytical work with relative modest per country financial resources.

91. However, some result indicators were not met and the long-term impact on forest governance from the Program cannot yet be demonstrated. Therefore, the rating stands at moderately satisfactory rather than satisfactory.

### **3.5 Overarching Themes, Other Outcomes and Impacts**

#### **(a) Poverty Impacts, Gender Aspects, and Social Development**

92. Evaluations were not conducted of project activities and thus evidence of poverty, gender and social aspects is not available. Several project activities were designed to have positive social impacts in rural areas but lack of detailed activity level result frameworks prevent conducting detailed impact assessments. IUCN community activities collected data on the relationship between forests, poverty and social development that can be used in follow-up work by various organizations and national governments. The most prominent inclusion of gender issues came from Forest Dependency studies in Armenia and Ukraine. In that case, only women were present to respond because the majority of men in some villages had migrated to other countries for work.

#### **(b) Institutional Change/Strengthening**

93. **FLEG overarching goal was to promote institutional change,** governance through improving implementation of relevant international processes; enhancing their forest policy, legislation and institutional arrangements; and developing, testing and evaluating sustainable forest management models at the local level on a pilot basis for future replication

94. **Promoting institutional changes underpins the Program.** PDO targeted reviewing or revising forest sector policies and legal and administrative structures; improving knowledge of and support for sustainable forest management and good forest governance. FLEG inputs into national legislation occurred in most participating countries. The instrument the Program used to do this was the NPAC, which enabled countries to tailor activities to align with their objectives and focus, while generating strong country interest in what FLEG II had to offer. Overall, the NPACs were considered highly effective in participating countries in institutional terms as mechanisms to inform and work with relevant agencies. Examples include:

- In Belarus, the Resolution by the Ministry of Forestry “On Maintaining State Forest Cadaster” was developed based on the FLEG study “Assessing the State system(s) for valuing forest resources.”
- In Georgia, with FLEG support, a new Forest Code was drafted, national consultations on the draft were held, and amendments to existing national legislation were made in order to harmonize with the new Code.
- In Ukraine, a hastily enacted reform measure to merge more than 300 independent enterprises into a single legal entity was withdrawn after opposition was voiced by FLEG experts and stakeholders.
- Inclusion of FLEG II-inspired proposals in Azerbaijan’s National Forest Program to 2020 points toward longer-term impact of FLEG II Program on the country’s forest sector.

95. Law enforcement comprises half the FLEG acronym, received less attention than originally planned. However, there were some relevant individual activities targeted at law enforcement. These included support to assessments of illegal practices in Moldova, Russia and Ukraine, training with judges in Georgia, the independent public monitoring of forests in Armenia, the Ecomap website; “check the track number” system in Ukraine; wood tracking system in Moldova; and a regional workshop organized with US Forest Service law enforcement specialists. While law enforcement was part of the Program, there were reasons why it did not appear as high on the agenda as originally expected: countries themselves did not prioritize it when selecting FLEG activities and the IOs did not have a background in this area, and law enforcement would have been outside their ‘comfort zones.’ Also, some countries were addressing law enforcement outside of the FLEG II program. The key counterparts for the Program were from forest agencies and thus not familiar with “hard law enforcement”. But once they had exposure to law enforcement through FLEG activities, the importance was recognized and capacity building well received.

**(c) Other Unintended Outcomes and Impacts (positive or negative)**

96. Unintended but welcome consequences of the Program included the relationships which developed between country counterparts which led to cooperation outside of the Program. The fact that the NPAC model in most FLEG countries will continue after Program end in some form underlines the benefits countries perceive from having such a forum. In Georgia, FLEG II was very timely because it coincided with the opening of the policy window (for revising legislation and developing a new national forest code). The Government thus took advantage of FLEG consultations and expertise. In Ukraine, the FLEG multi-stakeholder mechanism was able to positively influence forest policy after the 2014 revolution.

### 3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops

97. In 2016, a survey to measure progress since the first and baseline survey conducted in 2014, was conducted in all seven countries participating in. The 930 participants (compared to 899 participants in 2014) came from the following stakeholder groups: officials from national and subnational governments, businesses, civil society, academia, development partners, rural residents, and the media. The survey assessed fieldwork in all regions where FLEG II is active but did not consist of focus group meetings. The team used same three indicators used to monitor progress toward sustainable local, national, and regional forest governance:

**Indicator I:** Forest practitioners and other stakeholders have a better understanding of FLEG issues and activities

**Indicator II:** Stakeholders are more aware of FLEG principles

**Indicator III:** Decision makers are more aware of modern technology to improve forest governance.

98. In 2014 the primary objective of the baseline survey was to generate baseline values for the two Program Results Framework Indicators and main objective of the final survey was to, at the end of the program, collect a final set of indicator data to help evaluate the success of the program. The survey was also aimed at measuring any changes in awareness and perception of illegal logging and other FLEG issues across the seven ENPI countries.

99. The World Bank team used the same methodology so that comparison of two rounds of survey work could be done. The survey questionnaire was identical to the one used in 2014 without any change in the question formulation. The team considered the need to revise and simplify some of the questions, but the decision was made to keep it as it was in 2014.

100. The final survey results below indicate only a modest increase in the value of all of three indicators measured, even though the end targets for two of the indicators (I and III) were not met.

	2014 Survey	2016 Survey
Indicator I	27.22	28.41
Indicator II	68.08	74.66
Indicator III	17.01	17.61

101. For details, see Annex 5.

102. For the minutes of the final Steering Committee meeting in December 2016 with summaries of country findings by NPACs, please see Annex 6.

## 4. Assessment of Risk to Development Outcome

**Rating: Substantial**

103. The risks to development outcomes are considered substantial. The rating reflects the positive assessment that many Program inputs have been embedded in country institutions and attitudes, but also a recognition that there are substantial external factors which could undermine Program achievements. By default, capacity building and policy influence are subject to risks and even uncertainty regarding future operating environment and policy changes.

104. On the one hand, FLEG's substantial influence on **policy**, through informing new legislation (or helping to halt poorly conceived legislation in the case of Ukraine); on **practice** of forest management through best practice projects and study tours; on **capacity**, through developing new academic and school curricula; on fostering a cooperation through a community of practice in the forest sector; on **public awareness**, through wide-ranging media coverage – all signify a lasting Program effect. The combined effect of these multi-faceted, contributions has been a change in the discourse within and across participating countries. There has been broad acceptance and understanding of forest governance principles, where before the sector was not transparent and lacking in evidence. In several countries the NPAC model will continue. This conclusion is based on feedback from interviews suggesting that many of the implemented activities are likely to have a lasting influence via country systems and institutions.

105. At the same time, it cannot be denied that external factors could undo FLEG accomplishments in the future. A new economic or political conflict, an environmental catastrophe, or simply a change of sector leadership, such as departure of a forest agency head and replacement by someone not interested in championing, could lead a country to deprioritize sustainable forest management. There is also the possibility that over time and without continued external impetus to focus on governance, interest will fade. Some of the risk has been mitigated by the inclusive multistakeholder nature in which the Program was implemented. Involving various interest groups in the Program activities has created a “pool of champions” and the results are not entirely dependent on individual change agents in forest administration or other stakeholder groups.

### **Sustainability and follow-up**

106. **The gains introduced by FLEG can expected to be maintained in medium term, but there are clear risks to sustainability posed by country political, governance and economic environments.** Without external coordination and stimulation, there is risk that the forest sector could be downgraded as a priority, given relatively weak advocacy for governance reform and sustainable forest management in many countries. Where FLEG focused on legislation and institutional reforms, institutional impacts are more likely persist. However, at the local level, the translation from policy and legislation into practice was considered uncertain. In countries where forest sector agencies, high level government officials or elites were resistant to FLEG principles, the risk of gradually returning to the status quo ante was seen as significant.

107. Many forest agencies operate in changing environment with limited resources. New policy objectives and priorities may redirect attention from governance to other policy objectives. With resource constrained organizations prioritization is often a zero-sum game: new issue immediately deviate resources from old ones. If governance and law enforcement does not receive active attention from key stakeholders, some of the achievements from the Program may gradually “fade away” even if no explicit decisions are made to discontinue them.

108. **The main channels of long-term influence are expected to be inputs into policy, institutional, and education systems reforms, and via cooperation levels between and within countries.** Two sustainability indicators are particularly likely: i) implementation of FLEG country work plans following project end; and ii) the long-term influence of FLEG activities on national forest sectors. The degree of sustainability, and how countries build on FLEG II inputs, will depend on social, economic and political conditions in each country.

## **5. Assessment of World Bank and Borrower Performance**

### **5.1 World Bank Performance**

#### **(a) World Bank Performance in Ensuring Quality at Entry**

##### **Rating: Moderately Satisfactory**

109. Taking into account certain constraints – a trust fund that came with pre-selected IOs and specific EU requirements – the World Bank performance’s in Ensuring Quality at Entry was strong. Project design was based on an existing, proven model (developed under FLEG I) and utilized Program partners familiar with each other and the Program’s structure and procedures. The NPAC mechanism was extremely effective.

110. Financial management and procurement arrangements were built on the experience from FLEG I and were in compliance with World Bank requirements. The World Bank experts provided adequate and appropriate training to the grant recipients.

111. Also, risks during implementation were well known from FLEG I and longer term risks (ref. Chapter 4 above) were well known and characteristic to TA projects like ENPI-FLEG. These were mitigated by having an inclusive and transparent way of working. This allowed all key stakeholders to be engaged in the Program activities.

112. The most notable design shortcoming is related to the RF that did not align well with Program activities or adequately capture potential outcomes. The issues with the RF can be originated to the bottom-up nature of work planning where work plans were agreed only after the RF had been designed. This “unpredictability” of workplans was not fully reflected in the RF. These shortcomings were not fully addressed even at the restructuring and as a result, the M&E of the Program could not support implementation to the level expected. Another design shortcoming was a result of a recognized trade-off between being responsive to country needs and streamlined processing. Many CWPs consisted of several small activities with number of ToR and procurement documents to approve. This partly contributed to the perception of a transaction heavy administration. Had the average size of activities been larger, it would have streamlined administration. However, this would have likely meant that the work plans would have been less responsive to country needs.

#### **(b) Quality of Supervision**

##### **Rating: Moderately Satisfactory**

113. The World Bank’s comparative advantage of promoting policy dialogue in countries was brought to bear under the Program, leading to several new initiatives and programs in many participating countries (e.g. Belarus, Georgia, and Moldova). Partner and government engagement between supervision missions was significantly facilitated by having a World Bank country coordinator based in the World Bank country offices. Country coordinators also were responsible for coordinating and managing activities. The World Bank was recognized by partners for its effectiveness in organizing conferences and study tours through the Secretariat.

114. The World Bank team conducted through supervision; country-based staff and consultants supervised and supported activities in their countries, supported consultant selection and conducted quality control. Their work and the work by other IOs was supervised by the World Bank task team leader in Washington and Program secretariat in Moscow country. There were supervision mission to all seven participating countries by the Program team leader and the annual Steering Committee meetings provided an additional opportunity to review implementation of the annual regional and country work plans.

115. The World Bank facilitated the implementation of activities largely in line with objectives and in spite of the Program's complexity. The World Bank was diligent in ensuring TORs and written outputs produced by IOs met quality standards. At the same time, the World Bank was somewhat overextended in its dual role as fund administrator and Implementing Organization. There was some TTL turnover (3 TTLs over the life of the project) requiring adjustments to management style along the way. Responsiveness to queries from partners was perceived as slow at times, and caused occasional delays.

116. World Bank supervision was able to monitor Program implementation vis-à-vis agreed work plans. However, at the same time there are some shortcomings in supervision vis-à-vis the Results Framework and indicators. Some country teams did not even report sub-indicators and this was not enforced adequately.

117. There were no issues with safeguards or fiduciary matters. World Bank's procurements and financial management specialists were actively engaged with the recipients and had several supervision missions to their headquarters.

### **(c) Justification of Rating for Overall World Bank Performance**

#### **Rating: Moderately Satisfactory**

118. In the context of the Program's complexity, overall World Bank performance is considered good. It is rated 'moderately satisfactory' to reflect the very substantial institutional achievements and transformative effects of FLEG II, while accounting for a problematic M&E component which could have done a better job of tracking performance and demonstrating outcomes.

119. The Program's many moving parts and multiple stakeholders, each with their own agenda, could have both overwhelmed and undermined the Program. The fact that they did not is no small feat. At the end of the day, outputs were delivered as agreed and NPAC and national focal points have clearly expressed the satisfaction to Program results at country level. The inevitable implementation challenges were moderate in light of the broader project achievements. The shortcomings in results monitoring were partly related to the decision to give significant leeway to country counterparts to decide on their own activities, which could not easily be shoehorned retroactively into the RF. This was a sacrifice which shows up in a mixed record of indicator achievement.

## **5.2 Borrower Performance**

### **(a) Government Performance**

#### **Rating: Satisfactory**

120. The Government of the seven participating countries were not formally Program signatories (RETF grants were provided to the two INGOs). However, high level national forest authorities were actively involved in Program management at the regional level through the Steering Committee and at national level through the NPACs. As discussed in Section 2.5 Post Completion/ Next Phase, the NPACs and national FLEG focal points showed strong leadership in country programming and activity monitoring. In some countries (e.g. Belarus, Georgia and Moldova), FLEG activities and experts were involved in high-level policy design and implementation, while in some other countries engagement was more opportunistic.

121. Due to the Program structure, by default there were no fiduciary issues with counterpart Governments.

122. The performance of the grant recipients IUCN and WWF is discussed below in (b) Implementing Agency or Agencies Performance.

### **(b) Implementing Agency or Agencies Performance**

#### **Rating: Moderately Satisfactory**

123. **WWF** was a very reliable Program partner and cooperation and coordination levels with the World Bank and IUCN through the PMT were generally good, based on interviews with World Bank country coordinators and management staff. WWF successfully implemented the activities for which it was responsible and it was well-regarded. Engagement with countries was strong and the activities largely delivered intended results, positively influencing policy and practice. There was initial resistance to working in countries where it did not have an office (Belarus and Moldova), an issue resolved successfully by having remote program coordinators. There were coordination challenges between and within the four WWF implementing offices (WWF-International, WWF Danube-Carpathian Programme, WWF-Caucasus Programmer and WWF-Russia). Capacity and budget to develop all planned activities was insufficient toward the end of the program, leading to strains on management and negatively affecting the quality of activity preparation. The World Bank found that the quality of TORs and other written outputs developed by WWF varied, necessitating frequent revisions.

124. **IUCN** was a reliable Program partner in implementing activities for which it was responsible and developed strong relationships with country stakeholders. It supported governments in realizing many activities, working closely with counterparts in each country to identify and develop activities that were in line with country priorities. It followed Program guidelines in facilitating activity selection, preparing and implementing activities. IUCN was particularly effective at facilitating dialogue as a neutral, trusted partner. At the same time, IUCN did not deliver on all agreed-upon outputs, and the quality of written outputs and TORs did not always meet World Bank standards, suggesting weak internal quality control procedures. IUCN did not follow the standard reporting template for its outputs. While country work programs were designed under the guidance of NPAC, it was sometimes evident, especially toward Program close, that IUCN's institutional objectives influenced the proposed work. As a result, work planning often became a balancing act between genuine national priority areas and the NGOs' own global program priorities.

125. While overall M&E at program-level was the World Bank's responsibility, data was collected at country-level by country teams from individual activities. Therefore, some shortcomings in the M&E (e.g. inadequate data collection) can also be partly attributed to the other implementing organizations as well.

### (c) Justification of Rating for Overall Borrower Performance

#### Rating: Moderately Satisfactory

126. It needs to be noted that due to the Program structure, this essentially captures only the Implementing Agency rating.

#### 6. Lessons Learned

127. **Lesson 1: Design projects to synchronize with the policy enabling environment and align with government agendas.** Projects focused on introducing institutional changes through TA are generally most effective when they align with the country's agenda and when there is good cooperation with policy makers and advisors. They can achieve more when able to take advantage of policy windows. Under FLEG II, country engagement was stimulated by the ability of country counterparts to develop their own activities in line with their priorities. With FLEG input, new legislation and forest codes were developed, new textbooks drafted, and changes to education systems introduced. All exemplify the Program's catalytic effect and have potentially systemic, long-term impacts.

128. **Lesson 2: A leaner management structure is preferable.** With four entities (IOs and Donor) involved in management and decision-making the Program was administratively top-heavy. Challenges arose from having to communicate among all four institutions and wait for written approvals and annual SC meetings to take decisions<sup>19</sup>. It slowed implementation, although partly mitigated by face-to-face team meetings where common concerns could be addressed.

129. **Lesson 3: Government-led multi-stakeholder platforms can be highly effective mechanisms for promoting country ownership, but can also dilute overall Program coherence.** The NPACs, carried over from FLEG I, proved highly effective for engaging countries. They institutionalized decision-making, drew in expertise beyond government, while fostering dialogue between and within government and with civil society. The fact that most participating countries plan to keep them in some forum after project end underlines their value. At the same time, granting this level of control to individual countries makes alignment with overarching project goals more difficult, akin to running a Program in accordance with a parliamentary rather than presidential system.

130. **Lesson 4: Regional activities proved more difficult to organize and promote than national or subnational level activities.** They received less emphasis than envisioned. Not surprisingly, it was easier for countries to develop national or sub-national activities that fit into their priorities. Regional activities, however, depended more on outside actors (e.g. Program managers) to take the initiative and promote cross-border collaboration.

131. **Lesson 5: NGOs managing World Bank projects require training and support in World Bank procurement and financial management procedures.** In the case of FLEG, the IOs were not always prepared to handle the World Bank's administrative procurement procedures and requested that they be applied more flexibly for smaller procurement items. Although training on World Bank procurement was provided, there may be a need when working with NGOs to include more capacity building activities. It would be important that this capacity building does not only cover transaction processing, but also procurement planning (e.g. recognizing that transaction costs for numerous small contracts can be high and the importance of advance planning).

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<sup>19</sup> For smaller changes and updates in work plans, a written procedure was established to allow decision making between the annual meetings.

132. **Lesson 6: Project coherence will increase when program ambitions are in line with budgets.** While the Program made real progress in taking on a challenging sector, and remaking the institutional framework by introducing new concepts and best practices of forest governance, it did this with very limited resources. Program goals were lofty given relatively small budget allocations per country (on average \$320,000 per year, over the 5-year Program period<sup>20</sup>). The scope of country activities thus sometimes exceeded the ability of the Program to deliver, or to carefully track the effects of activities. This could be mitigated by active collaboration between World Bank staff and consultants in country offices, Program secretariat in the Moscow country office and Washington-based TTL. However, this did put strain on the staff involved and led to some delays in reviews and clearances.

133. **Lesson 7. For TA programs such as FLEG** it may be difficult to design indicators that adequately capture the high level effects, such as institutional changes. The M&E system and indicators should be carefully designed to ensure they align with both its approach and its ambitions. TA projects which focus on capacity building and promoting policy changes and institutional transformations, may require a different approach to M&E than standard investment lending projects. Focus should be placed on developing a theory of change that links activities with indicators more closely. In addition, more detailed information on each activity – concerning who benefited and how, and whether or not the activity should be collected and filed. The complex structure – combined with a relatively large number of individual activities – also made systematic review and monitoring of work plan implementation difficult. While the World Bank team had the responsibility for the overall supervision of the Program, its quality and effectiveness, it did not have means to genuinely review all the activities, particularly those of other IOs, at detailed level. There is a trade-off between decentralized implementation and strong M&E.

## **7. Comments on Issues Raised by Grantee/Implementing Agencies/Donors**

### **(a) Grantee/Implementing agencies**

134. IUCN and WWF have reviewed the draft ICR and their comments have been incorporated in revisions. See Annex 7 for a summary of their comments.

### **(b) Cofinanciers/Donors**

135. EU representative was interviewed for the ICR, but written comments were not submitted. As per the Administrative Agreements between the EC and the World Bank, the task team will prepare a final project report to the EC second half of CY2017. This report will partly cover the same issues as the ICR.

### **(c) Other partners and stakeholders**

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<sup>20</sup> Based on total project cost of \$11.2 million divided by seven countries.

## Annex 1. Project Costs and Financing

### (a) Project Cost by Implementing Organizations (in USD Million equivalent)

Indicative Budget by IO	Planned Project cost (US\$)	Actual Project cost (US\$)	Euro
Recipient Executed			
IUCN	3,852,564	3,852,564	
WWF	2,500,000	2,500,000	
<b>Subtotal</b>	<b>6,352,564</b>	<b>6,352,564</b>	
Bank Executed	4,630,153	4,333,329	
<b>Total Financing (excl 2%admin fee)</b>	<b>10,982,717</b>	<b>10,685,893</b>	
Central Administration fees (2% of total financing)	224,137	218,079	
<b>TOTAL FINANCING</b>	<b>11,206,854</b>	<b>10,903,972.50</b>	<b>9,000,000</b>

### (b) Financing

Source of Funds	Type of Cofinancing	Appraisal Estimate (USD millions)	Actual (USD millions)	Percentage of Appraisal
Trust Funds		0.00	0.00	
Free-standing TF for ECA		11.20	10.90	.00

Fiscal Year	Contribution Paid-in USD	Contribution Paid-in Euro
Total	10,903,972.50	9,000,000.00
2017	469,980.00	450,000.00
2016	2,304,652.50	2,025,000.00
2015	2,163,105.00	2,025,000.00
2014	0.00	0
2013	5,966,235.00	4,500,000.00
Prior to FY12	0.00	0

## Annex 2. Outputs by Component

**Under FLEG II, a large number of activities (119) were implemented, resulting in at least 107 documented outputs.** The large number of activities and outputs undertaken through the Program, all of them under the rubric of the SPD, illustrates the all-encompassing approach taken for capacity building and awareness raising.

**Table FLEG II activities, output, events and NPAC meetings<sup>21</sup>**

Country/region	Activities	Documented outputs	Events	NPAC meetings
Armenia	12	10	6	5
Azerbaijan	11	12	7	7
Belarus	14	8	4	9
Georgia	16	16	5	7
Moldova	35	10	9	8
Russian Fed	12	24	27	6
Ukraine	4	15	16	3
Regional	15	12	15	-
<b>TOTAL</b>	<b>119</b>	<b>107</b>	<b>89</b>	<b>45</b>

A full list of deliverables is available at Program website <http://enpi-fleg.org/> and has been filed at WBDocs.

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<sup>21</sup> Countries had different approaches to work planning; for example, Ukraine has a small number of “programmatic” activities with several deliverables per activity, while Moldova has several small individual activities.

## LIST OF OUTPUTS and EVENTS

### - Reported by country teams

#### Regional Workplan Activities Outputs (component 1)

Outputs for regional workplan activities	PDO <sup>22</sup>
Study for implementation progress of St. Petersburg declaration through FLEG 2 designed and results presented at the Final Steering Committee Meeting in Brussels	1
Baseline survey based on FLEG Program results indicators (PDO indicators) and final survey of key decision makers on understanding and perception of FLEG principles and issues.	2
FLEG II Program communications strategy developed and applied. 9 Issues of Regional Newsletters prepared and disseminated	2
High-quality Program website <a href="http://www.enpi-fleg.org">www.enpi-fleg.org</a> in English and Russian developed and maintained. (based on current ENPI FLEG website, but with upgrades and new features).	2
Supporting increase of coverage of FLEG issues in media in ENPI-FLEG participant countries.  The FLEG II Forest Heroes series was dedicated to people who take care of the forest and save it for future generations. All Forest Heroes had something in common: they have all worked in partnership with FLEG II. The Forest Heroes series was one of the ways to talk about the work done over the 5 years since the launch of FLEG II. The videos were uploaded on the FLEG website: <a href="http://www.enpi-fleg.org/media/video/">http://www.enpi-fleg.org/media/video/</a>	2
Stock taking of existing Information and Communications Technology, (e.g. use of electronic timber tracking, online timber auctions, social networking to monitor forest activities etc.) used across the region and development of appropriate recommendations to encourage replication of successful interventions in other participating countries resulted in a study and national seminars.	2
Development of common methodology for measuring the “Value of Forest Functions for Local Population” for replication throughout the participating countries; analyzing and comparing the information generated from the national level studies in each of	2

<sup>22</sup> This column presents which PDO element the output/activity contributes to: (1) “improving implementation of relevant international processes”; (2) “enhancing forest policy, legislation and institutional arrangements”; and (3) “developing, testing and evaluating sustainable forest management models at the local level”.

Outputs for regional workplan activities	PDO <sup>22</sup>
<p>the seven participating countries and compilation of the regional summary; regional conference to present the findings:</p> <ol style="list-style-type: none"> <li>1) The regional study identified the main drivers behind unsustainable use of forest resources, illegal logging, and unauthorized extraction of wood and other forest products for local consumption. It provides answers to questions relating to the value of forest products for rural communities, the most important forest products, who is most dependent on the forest for survival, and stratifying forest dependence study by income quintiles. Detailed information on forest use and the main drivers for unsustainable forest product extraction provided evidence for policy makers to start taking measures to address these issues. The study surveyed a diverse range of rural communities in the ENPI region. Between 150 and 200 surveys were performed in each country.</li> <li>2) Forest Community Fingerprint (FCF) methodology developed, which is an innovative methodology with great potential to inform policy makers, and conservation practitioners' efforts to improve forest governance and natural resource use. The IUCN FLEG team and GeoVille Ltd. consultants responsible for developing the FCF methodology produced a research paper on the methodology. The manuscript has been submitted to an academic journal and is currently undergoing peer-review.</li> </ol>	
<p>Regional analysis of sustainable multipurpose use of forest in the countries of the European Union</p> <p>The analyses of sustainable multipurpose use of forest resources in the EU countries were prepared and published with case studies from Finland, Sweden, Germany, and Italy. It includes topics on the development of integrated use of forests in the EU, such as forest ownership and public interests, planning of forest use, setting of forestry goals at complex forest use, and stakeholder engagement.</p>	2
<p>Regional analysis and development recommendations on sustainable multipurpose use of forest resources ENPI countries</p> <p>The regional analysis consisted of a report on Multipurpose Use of Forest Resources, Challenges and Opportunities at National and Regional Levels and the State-of-Art of Multipurpose Use of Forest Resources at the Regional Level. The analysis consists of an overview of the regulatory framework for the integrated use of forests and non-timber and food resources; a summary the main obstacles for the integrated use of forests; and suggests recommendations the obstacles elimination. Moreover, it demonstrates several examples of implementation of this approach</p>	2
<p>The Local Forest Governance Study reviewed the forest governance structures of each participating country in the ENPI FLEG Program. The study comprises 5 case studies from Azerbaijan, Belarus, Georgia, Moldova and Ukraine. Even though information was taken from 6 countries, the complex socio-political circumstances and the armed conflict within parts of the region made it difficult to travel and access all areas needed for the study (particularly Russia and Ukraine).</p>	2

Outputs for regional workplan activities	PDO <sup>22</sup>
<p>Regional publication “Good Forest Management Practices: examples and lessons from FLEG process in ENPI countries”</p> <p>A complete country-by-country account of (1) what each of the CPCs, from all organizations thought was the most impressive or effective or successful activity or event that happened during FLEG 1; (2) How did each of the IUCN activities address the SPD.</p>	2
<p>Forest Landscape Restoration (FLR) opportunities in selected regions of Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, and Ukraine:</p> <p>GIS maps of each of the communities involved in the FD studies from Armenia, Azerbaijan, Belarus, Georgia, provided stakeholder input about what degraded lands needed priority management and why.</p>	1,2,3

#### Regional Workplan Activities Events (component 1)

Events under Regional Workplan Activities	PDO
<p>4 Annual Steering Committee Meetings convened:</p> <ul style="list-style-type: none"> <li>• October 1-3, 2013 in Belarus</li> <li>• July 08, 2014 in Georgia</li> <li>• September 24-25, 2015 in Moldova</li> <li>• December 12-13, 2016 in Brussels</li> </ul>	
<p>Series of technical workshops in preparation for the 2nd ENA FLEG Ministerial conference:</p> <ul style="list-style-type: none"> <li>- ENPI East and Central Asian Countries Regional Conference: Update on the Implementation of the 2005 Saint Petersburg Declaration on Forest Law Enforcement and Governance for the Europe and North Asia (ENA-FLEG), July 09, 2014, Georgia, Tbilisi</li> <li>- Suifenhe (People’s Republic of China), February 26, 2014: an international workshop on promoting legal and sustainable timber trade between China and Russia has been held to discuss the implementation and strengthening of forestry legislation. The EU funded FLEG II (ENPI East) Program was presented during the event, alongside focal points of combating illegal logging and associated trades; improving cooperation between the countries; and the organisation of special forestry training for Chinese companies.</li> <li>- Regional newsletter and website featuring FLEG Celebrating a Milestone Anniversary: <a href="http://www.enpi-fleg.org/news/fleg-celebrates-a-milestone-anniversary/">http://www.enpi-fleg.org/news/fleg-celebrates-a-milestone-anniversary/</a></li> </ul>	1

Events under Regional Workplan Activities	PDO
<p>Increasing networking and capacity building of the young generation in the ENPI East Countries FLEG II through further development of young foresters' union ( e.g. organization of international summer camp, workshops and trainings) and supporting to young forester's unit:</p> <p>First young foresters' summer camp in Azerbaijan in August 2015</p> <p>Link to video story: <a href="http://www.enpi-fleg.org/media/video/first-international-young-foresters-summer-camp/">http://www.enpi-fleg.org/media/video/first-international-young-foresters-summer-camp/</a></p>	2
<p>Parallel event arranged under the 2<sup>nd</sup> European Forest Week (Rovaniemi, Finland, December 12, 2013)</p>	2
<p>Participation in the Arkhangelsk International Forest Forum (Russia, Arkhangelsk, April 4-6, 2014) and organizing a side event. It will cover the issues of Improving Forest Governance Practices as applicable to key Forest Management Operations. Educational components (on forest fire and forest health governance) to be raised.</p>	2
<p>Participation in the International Forest Forum “Forest and Man -2014” in October 2014</p>	2
<p>Participation in the 72nd Session of the UNECE Committee on Forests and the Forest Industry (COFFI) (November 18-21, 2014, Kazan, Republic of Tatarstan)</p>	2
<p>Participations in the Environment for Europe (Batumi, June 2016)</p>	2
<p>Round-table “Implementation of the European Union Timber Regulation 995/2010: lessons learned, challenges, solutions” – November 24-26, 2015 Minsk</p> <p>The main issue of the meeting was the question “What is the progress in implementation of the European Union Timber Regulation?” The round table in Minsk was aimed at broadening discussion of the EU Timber Regulation implementation in the Member States and its implications for all countries participating in the FLEG II Program. Representatives of Russia, Belarus and Ukraine as well as competent authorities from the EU member states discussed the ways to improve EUTR efficiency while ensuring its effectiveness. Representatives of the state forest management bodies, commercial and non-profit organizations expressed their views regarding the timber regulation implementation in the European Union and FLEG II countries. Experts discussed EUTR’s successes and challenges and its importance in combating illegal logging in timber products producing countries; the participants shared information and recommendations on potential value of the European Commission, the monitoring organizations and other interested organizations to strengthen EUTR implementation for decreasing the volume of illegal logging. Participants expressed concerns regarding the lack of consistency in implementation and enforcement in the EU’s 28 Member States combined with loopholes which mean that major product groups such as chairs, toys, books, musical instruments, charcoal, wine racks, clothes pegs, and many</p>	2

Events under Regional Workplan Activities	PDO
more are not covered, thus reducing EUTR effectiveness.	
<p>Regional analysis on the effect of EUTR implementation in the ENPI FLEG II Program participating countries</p> <p>The survey to discover challenges in implementation of EUTR the ENPI FLEG II Program participating countries was carried out in Armenia, Azerbaijan, Belarus, Georgia, and Moldova. It demonstrates the need of more information to be provided to forestry businesses in order to enhance their awareness of and readiness for the EU Regulation compliance and effective implementation.</p>	2
<p>Regional training in voluntary forest certification and sustainable forestry in general</p> <p>The activity was implemented in Belarus on 12-14 October 2016. In total, 15 people, representatives of four countries (Armenia, Belarus, Georgia, and Ukraine) attended. The training was held in the city of Minsk as well as Logoisk and Begoml Forestry Units. The participants learned about various aspects of sustainable forestry practices, such as wood tracking, practical silviculture (logging, planting, etc.), wood processing and trading, in the context of voluntary certification requirements (FSC and PEFC). In addition, the participants shared their own experience with these issues.</p>	2
<p>Exchanges/workshops within ENPI East Countries on topics such as Payments for Environmental Services (PES), landscape approach, The Economics of Ecosystems Services and Biodiversity (TEEB), and on relevant experience gained through training and education on FLEG topics.</p> <p>- <i>Regional-level Assessment of the Outcomes of the Economics of Ecosystems and Biodiversity (TEEB) Scoping Studies in Armenia, Azerbaijan and Georgia (Activity 2.4. of the Georgia CWP).</i> The initial draft of the assessment was prepared and discussed, seeking agreement among the stakeholders. The produced assessment-report provides very good information and recommendations for conducting full-fledged TEEB studies in these three countries.</p>	2
<p>Workshop/Training in Chisinau Moldova on Forest Landscape Restoration organized to analyze the national and regional work required for each of the FLEG participating countries to participate in the FLR Program for the forested landscapes of Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia and Ukraine</p>	2
<p>Round table on diversification of forest resources use: sharing of best practices between ENPI countries</p> <p>A Regional Conference “Sustainable Diversified Use of Forest: Legislation and Governance, Challenges and Solutions” took place on 18-19 May 2016 in Joensuu. It was organized in cooperation with Natural Resources Institute Finland (LUKE) and European Forest Institute (EFI). Two-day program included a round table and a field trip. Scope of participants included representatives of forest management authorities from all the ENPI FLEG II countries, Russia and Finland, representatives of the state-owned and private forest sector enterprises of these countries,</p>	2

Events under Regional Workplan Activities	PDO
academia and NGOs.	
<p>Law enforcement training with international organizations in October 10-11, 2016 in Moldova</p> <p>Armenia, Azerbaijan, Georgia, Moldova and Ukraine exchanged the latest information on the law enforcement and crime prevention in the forest sector at a sub-regional workshop, organized by FLEG II in close collaboration with the U.S. Forest Service (USFS). They were also joined by the Moldovan governmental authorities from the Ministry of Environment, Agency Moldsilva, and State Ecological Inspectorate; the largest Moldovan NGO - Ecological Movement of Moldova; representatives of World Bank, WWF, IUCN and EU Delegation to Moldova. The Romanian Ministry of Environment, Waters and Forests brought the EU member state perspective to the event. The 30 participants of the workshop shared opinions and lessons learned, including case studies and approaches to address forest crimes. These included modern methodologies and technology to combat timber theft, poaching, and other environmental crimes. The objective of the event was to bring the best international practice to FLEG countries in a regional context.</p>	2

### National Activities: Outputs and Events (Component 2)

#### Armenia

Outputs in Armenia	PDO
<p>Review and analyses of current forestry-related legislation, institutional and administrative structure resulted in a report.</p> <p>A final stakeholder consultation under ADA funded “Complementary measures for Georgia and Armenia” Program was conducted in April 2017, where the report was presented to wide audience and handed over to Hayantar for further presentation and due processing of recommended amendments at the National Assembly.</p>	1,2
<p>Forestry Sector Public Expenditure and Institutional Review conducted. The main findings of the final report were presented at a roundtable event with participation from the consultant and program stakeholders.</p>	2
<p>Independent public monitoring of forests in Armenia</p> <p>A final report on the public monitoring of forests in Armenia was published on <a href="http://www.enpi-fleg.org">www.enpi-fleg.org</a> and represents a useful guide for those countries wishing to promote citizen involvement in monitoring activities. The report details the work behind the project, its results, and discusses further steps to maximize the potential benefit to forests and forest communities.</p> <p>A website <a href="http://www.afpm.am">www.afpm.am</a> was created which uncovers illegal activities in the forests of Armenia and serves as an online portal and database for</p>	2

Outputs in Armenia	PDO
<p>citizens wishing to submit their observations and alerts on potential cases of illegal activity. In 2015, it was enhanced and updated to include a better module to become more interactive and mobilize outreach.</p> <p>The results and achievements of this project were summarized in an online story “Not in our forests” published on the program and IUCN websites and featuring the success of public monitoring of forests in Armenia. The story was shared and re-tweeted on social media through the scientific portals of IUCN and the IUCN Red List on a global scale, indicating substantial international interest in monitoring activities in Armenia.</p>	
<p>The selected consultant has updated the two existing websites based on thorough consultations with the beneficiaries. Requests were to simplify the existing websites and make them more user-friendly, and conduct trainings for designated staff members responsible for website maintenance. <a href="http://forest-monitoring.am/">http://forest-monitoring.am/</a> <a href="http://hayantar.am/">http://hayantar.am/</a></p>	1
<p>The book (750 copies) and CD (500 copies) “Green Armenia” were produced (The electronic version can be seen at: <a href="http://wwf.panda.org/who_we_are/wwf_offices/armenia/news2/?286030/Green-Armenia">http://wwf.panda.org/who_we_are/wwf_offices/armenia/news2/?286030/Green-Armenia</a>).</p> <p>The presentation of the book and CD was held with participation of more than 40 participants, including the First Deputy Minister of the Ministry of Nature Protection, high-level representatives from the Ministry of Agriculture and “Hayantar” SNCO, other ministerial representatives, participants from scientific-research and educational institutions, international organizations and NGOs. Later, the book and CD have been widely disseminated to various organizations and individuals. WWF-Armenia seeks possibilities to produce more copies.</p>	1
<p>Pilot project on briquetting in Koght community finalized: one briquetting line installed in Koghb community and 15 energy-efficient stoves distributed to households in Koghb, Dovegh and Berdavan communities.</p>	3
<p>An off-road vehicle was purchased and donated to the Department of Protected Areas in “Hayantar” SNCO.</p>	2
<p>Scoping study of economic significance of ecosystems and biodiversity (TEEB) of the forestry sector of Armenia.</p> <p>Framework level assessment of the forestry sector capacities</p> <p>The TEEB scoping study report was translated into English. Both Armenian and English versions were uploaded to the ENPI-FLEG web site.</p>	2
<p>The activity was started in August 2015 with the 4 communities sampled: Dsegh (Lori), Gandzakar (Tavush), Dprabak (Gegharkunik), Davit Bek (Syunik). A total of 80 households in these forest communities were interviewed. Visits to all communities have been made, seasonal calendars of main agricultural harvest/planting products and forest products for each village were developed.</p>	2

Outputs in Armenia	PDO
<p>The National Report on FD study in Armenia was prepared in English and translated into Armenian.</p> <p>The Armenian version, where the results of both phases of research were combined and new tables &amp; graphs were designed for each province, was printed and bound as a book for dissemination. These books were disseminated among 10 research target villages (one in each Province) which were previously involved in forest dependency research during 2014-2016 period in order to communicate the results to local communities. The research findings were discussed with local authorities and village activists.</p>	
<p>Bilateral collaboration between Armenia and Georgia forest authorities and forest practitioners.</p> <p>The activity launched in November 2014 with the first roundtable session in Armenia. Representatives of the two countries were given the opportunity to network and discuss issues of common concern. According to the TORs for the assignment, the second session was held in Georgia in June.</p> <p>The completed activity has resulted in a joint decision from both countries to increase collaboration by signing a Memorandum of Understanding between the respective Agencies (Ministries) of both countries. The MOU will also be supported by an action plan detailing joint efforts and events.</p> <p>The MOU was drafted and circulated for approval by respective Ministries in Georgia and Armenia.</p>	2

Events in Armenia (workshops, training, conferences, etc)	PDO
<p>June 2016</p> <p>The main findings of the PER final report were presented at a roundtable event with participation from the consultant and program stakeholders.</p>	2
<p>October and November 2014</p> <p>The training workshops for forest practitioners on tracking wood were implemented in Syunik, Lori and Tavush regions. Training comprised of 2 day classroom lectures for 3 groups, complemented by hands on trainings on practical application and use of timber tracking system.</p>	1 and 3
<p>In 2014, trainings for forest practitioners and stakeholders on FLEG principles were organized.</p>	1 and 2

Events in Armenia (workshops, training, conferences, etc)	PDO
<p>In 2015, series of trainings were held in the Armenian capital, Yerevan, and in Vanadzor, Alaverdi, Kapan, Goris and Hrazdan on the independent public monitoring. In 2016, three more areas hosted these trainings, namely Ijevan, Dilijan, and Kapan. Volunteers learnt how to identify and document illegal forest activities and their impacts with GPS, photos and video.</p>	2
<p>On April 20, 2014 a National Workshop on High Conservation Value Forest was hosted in Yerevan (WWF)</p>	
<p>On April 30, 2014 a workshop on the TEEB (The Economics of Ecosystems and Biodiversity) scoping study for the forest sector of Armenia was organized by WWF-Armenia. A training on TEEB was provided to state sector, education specialists and civil society.</p>	2
<p>As part of alternative livelihoods activities aimed at sustainable use of forests, the FLEG II had several visits and provided awareness raising and training to local community members in Tavush region.</p>	3
<p>In 2014 the first roundtable session on cross border collaboration was hosted in Armenia.</p> <p>The participants identified problems and gaps of current interest for both countries through group discussions. A matrix of patterns for possible collaboration was drafted and discussed. It was agreed that a Memorandum of Collaboration can be put together and circulated among participants, and signed by respective Ministries of Armenia and Georgia.</p> <p>The second session was held in Georgia in June 2015.</p>	2
<p>Armenia and FLEG II celebrated Europe Days in 2014-2016:</p> <p>2016  <a href="http://www.enpi-fleg.org/news/armenia-and-fleg-2-celebrate-europe-day/">http://www.enpi-fleg.org/news/armenia-and-fleg-2-celebrate-europe-day/</a></p> <p>2015  <a href="http://www.enpi-fleg.org/news/eu-day-in-armenia/">http://www.enpi-fleg.org/news/eu-day-in-armenia/</a></p> <p>2014  <a href="http://www.enpi-fleg.org/news/europe-day-in-armenia/">http://www.enpi-fleg.org/news/europe-day-in-armenia/</a></p>	
<p>FLEG II joined Earth Hour in Armenia on March 19</p>	1



## Azerbaijan

Outputs in Azerbaijan	PDO
<p>TEEB Scoping study for forestry sector of Azerbaijan</p> <p>A preliminary analysis of the ecosystem services provided by forested areas in Azerbaijan has been done. Two analytical approaches- “Business as Usual” (BAU) and “Sustainable Ecosystem Management” (SEM) have been used. The study identifies key elements for a full TEEB study, including a roadmap of activities, and a list of important outputs.</p>	2,3
<p>The first Tourism and Recreation Management Plan and Concept for Sustainable Forest Tourism were developed.</p> <ul style="list-style-type: none"> <li>• Final Report on sustainable recreation in the territories of the State Forest Fund of Azerbaijan.</li> <li>• Concept on the development of the sustainable tourism and recreation in the territories of the State Forest Fund of Azerbaijan</li> </ul> <p>Both documents have been approved by the Program Focal Point, MENR Forestry Department and PCT.</p> <p>Training sessions and seminars have been delivered to the stakeholders in the pilot regions.</p>	2,3
<p>Final Assessment Report of the National Consultant on technical support for the development of local adaptation to climate change in rural communities completed and delivered to regional management.</p> <p>All stakeholders in the pilot regions attended a number of meetings and seminars on the impact of climate change on the local forests.</p> <p>Mutually beneficial cooperation has been established between the FLEG II Azerbaijan and Clima East Project.</p>	2, 3
<p>Sustainable Forest Management Plan for Ismailly Forest Management Unit in Azerbaijan Republic prepared and discussed in the stakeholders meeting. The GPS manual for the Ismailly Forest Management Unit has been prepared and translated into the national language and was used for training of Unit staff. The plan covers a ten-year period and is an instrument for tactical decision-making (medium-term planning).</p>	2,3
<p>Development of the manual for the young foresters “<i>Establishment of the school-based foresters</i>” (200 copies)</p> <p>Development of the updated version of tutorial on the “Basics of sustainable forest management in Azerbaijan” for the higher educational institutions and specialized courses on strengthening of qualifications.</p> <p>The “<i>Safe Forest Manual</i>” ( 300 copies) has been developed in close cooperation with the Ministry of Education (MoE), the Ministry of Emergency Situations (MES) and the Ministry of Ecology and Natural Resources (MENR).</p> <p>The “<i>Forest safeguard practices</i>” ( 300 copies) manual for the specialized agencies and institutions dealing with the forestry and forest</p>	2,3

Outputs in Azerbaijan	PDO
management as well as for local recreational facilities was developed and introduced to wide audience.	
<p>Analytical Study on the use of energy efficient and energy consuming construction materials in the forest-dependent communities in Azerbaijan and special economic stimulus proposals have been prepared, followed by the development of the pilot projects together with the State agency on the Alternative and Renewable Energy Sources.</p> <p>Trainings and seminars have been conducted in selected districts with wide participation of the local communities. The data collected includes demands and potential solutions to the energy efficiency and problems within the forest dependent communities.</p>	3
<p>The Voluntary Forest Certification Potential within Forest Sector of Azerbaijan has been analyzed. Based on the findings of the analysis leaflet has been prepared and published. Specific recommendations to expand the legal framework in the forestry sector to incorporate FSC forest management standards and HCV concept into national forestry policy and legislation have been prepared. The document cover (1) current forest policy and legislation in Azerbaijan; (2) compliance of Azerbaijan legislation and policy to FSC forest management standards and HCV concept and (3) specific recommendations on incorporation of HCV concept to the Azerbaijan legislation and policy.</p> <p>Leaflet on FSC published and disseminated.</p>	3
<p>Final Report “Analyses approaches to sustainable methods for Tugai forest rehabilitation in Azerbaijan” prepared.</p> <p>Meetings and seminars in the pilot regions were organized. Based on the discussions and proposals put forth by key stakeholders, the consultant outlined the following options for forest rehabilitation:</p> <ul style="list-style-type: none"> <li>- Restoration of hundreds of hectares of tugay forest landscapes by combining forest-forming trees with fruit and timber trees, which economically benefit local communities;</li> <li>-Forest rehabilitation measures and planting of high-yield and fast-growing trees will yield high economic value.</li> </ul>	3
<p>Study tour to Russia, Moscow Oblast took place on May 29-June 02, 2016. The study tour provided a possibility for the theoretical and practical training, exchange of experiences and best practices. Meetings and discussions were held with the leading teachers of the professional technical forest educational institutions of the Moscow Oblast.</p>	3
<p>Three major publications/tutorials have been developed for the secondary schools:</p> <ul style="list-style-type: none"> <li>- the second edition of the “School of the Young Forester” tutorial,</li> <li>- “Safe Forest” tutorial”</li> <li>- “Establishment of the school-based forestry”.</li> </ul>	1, 2

Outputs in Azerbaijan	PDO
<p>A special short video about the first regional young foresters' summer camp has been developed.</p> <p>A regular of the country and regional websites have been on place. Following the success of the young foresters' movement in the country, the story of the young forester leader from Azerbaijan has been selected by the FLEG II for the development of the short video. The final issue of the country's newsletter covering the most successful achievements of the Program is available at <a href="http://www.enpi-fleg.az/post/azerbaijan-country-newsletter-final-2016/">http://www.enpi-fleg.az/post/azerbaijan-country-newsletter-final-2016/</a></p>	
<p>Two short videos, first about the biodiversity and ecosystem functions of Azerbaijan forests and second about Sustainable Forest Management certification as well the role of consumers to save unique forests have been developed. Both videos are available at the website of ENPI-FLEGII.</p> <p>Workshop for media representatives in Ismailli district was conducted.</p> <p>FSC Friday Online campaign has been carried out.</p> <p>Story book (500 copies) for children about life of a paper which explain importance of less use/ reuse and not waste a paper has been published.</p> <p>Guide book about forest plants found in the Ismailli forest area has been published (300 copies)</p> <p>Videos:</p> <p>Two short videos, first about the biodiversity and ecosystem functions of Azerbaijan forests - <a href="https://www.youtube.com/watch?v=qUhMQB3cRH8">https://www.youtube.com/watch?v=qUhMQB3cRH8</a> and second about Sustainable Forest Management certification as well the role of consumers to save unique forests have been developed <a href="http://www.enpi-fleg.org/media/video/why-certification-of-forest-products-is-important/">http://www.enpi-fleg.org/media/video/why-certification-of-forest-products-is-important/</a></p>	1,2

Events in Azerbaijan	PDO
<p>Training sessions and seminars have been delivered in the pilot regionson sustainable recreational principles and development of eco tourism in the forest territories.</p>	2 and 3
<p>Trainings on the sustainable forest management for the introduction of tutorial and for the implementation of study-methodical manual – “Establishment of the school-based young foresters” were organized. (how many people trained, please add)</p>	3

Events in Azerbaijan	PDO
<p>Trainings and seminars have been conducted in selected districts with wide participation of the local communities as well as local executive authorities, employees of the district Forest Development and Rehabilitation Enterprises, builders and businessmen on methods of preservation of forest resources through the implementation of energy efficiency and energy saving technologies in the area of civil and social construction. The data collected included demands and potential solutions to the energy efficiency and problems within the forest dependent communities.</p>	3
<ul style="list-style-type: none"> <li>- November 16-18, 2016: The FLEG II Program made its final appearance during the 7th Azerbaijan International Environmental Exhibition Caspian Ecology (AIEECE) held on in Baku, Azerbaijan.</li> <li>- November 25, 2016 Gusari city, Azerbaijan – The FLEG II Program put together direct beneficiaries, 35 representatives of state forestry enterprises, educational and forestry experts, National Program Advisory Committee (NPAC) members, local municipalities, NGOs, academia, media, FLEG II national consultants and implementing organizations in the final stakeholders’ meeting in Gusari city.</li> <li>- November 21, 2015: FLEG II Azerbaijan took part in 6th Azerbaijan International Environmental Exhibition – Caspian: Technologies for Environment (CTE).</li> <li>- March 2014: FLEG II Program took part in the 1st Azerbaijan Environmental Forum in Baku.</li> <li>- November 23, 2013 : FLEG II participated in the 4th International CTE (Caspian Technologies for Environment) 2013 Environmental Protection Exhibition took place at the Baku Expo Centre.</li> </ul>	1 and 2
<p>July 11-14, 2016: a workshop for media representatives in Ismailly district. The main objective of the event was to show FLEG II Program activities, stress the critical role of media in conservation of forests as well to inform journalists on the main aspects of the Azerbaijan forest fund and policy, to highlight current challenges of forest management.</p>	1 and 2
<p>February 4, 2016: FLEG II Azerbaijan shared its expertise on the subject during a three-day intensive seminar. Sustainable recreation and tourism have a great potential in the regions of Azerbaijan, but there is a need to increase knowledge and resources on the ground.</p>	2 and 3
<p>July 03, 2015: FLEG II held a stakeholders meeting organized in Ismailly. The purpose of the meeting was to present the initial draft of the Sustainable Forest Management Plan (SFMP) for Ismailly Forest Management Unit to the participants from the government agencies: the Forest Department of the Ministry of Ecology and Natural Resources, Ismailly Forest Protection and Restoration Enterprise; to the local communities and authorities in order to obtain their feedback through discussion and incorporate their relevant comments and suggestions into the final report.</p>	2 and 3
<p>May 2015: FLEG II held a seminar with the environmental activists, students and teachers under the umbrella of Public Union IDEA. The meeting, which took place in the IDEA Resource Center in the Academy of Public Administration, was second in a series of meetings titled "The successful way" by IDEA.</p>	1 and 2

<b>Events in Azerbaijan</b>	<b>PDO</b>
August 04 2014: a stakeholders meeting was organized by WWF-Azerbaijan in Baku present to the participants a draft of the TEEB Scoping Study analysis to obtain their feedback through open discussion and to incorporate their relevant comments and suggestions into the final report.	2 and 3
March 12, 2014 : In Baku, the Minister of Culture and Tourism (MCT) of Azerbaijan held a round table, “Green World”, in the V. Korolyenko City Central Library, to discuss youth participation in forestry activities.	1 and 2

## Belarus

Outputs in Belarus	PDO
<p>Review of structure, volume and development trends of forestry services and contract-based work in forest as well as involvement of small and medium business in European countries (Poland, Lithuania, Russia, Finland, Sweden, France, Estonia, and Canada).</p> <p>Benchmarking of social and economic environment and legal framework for development of forestry services and contract-based work and involvement of private business using the example of European states (Poland, Lithuania, etc.).</p>	2
<p>Development of the analytical report on the current two systems of forest resources evaluation existing in Belarus; analyzing the international requirements to sustainable forest management and providing a draft of the new unified system of forest resources valuation in Belarus. Taking consultations and round table discussions with the Forest Management department of the Ministry of Forestry.</p> <p>(Information is found on pp. 43-45. Of the overall report was part of a regional activity, which provided overall lessons learned from national activities (Activity 23 in the Regional Work Plan).</p>	2
<p>Analytical support to the development of Belarus' Strategic Forestry Development Plan for 2015-2030. The document has been developed by the Ministry of Forestry and endorsed by the Government of Belarus. The preparation was accompanied by intensive consultations in the professional forestry and academic communities, as well as the private sector.</p>	2
<p>Analytical reports supporting the development of technical regulatory acts in various areas of forest management.</p>	2
<p>Support for introduction of new knowledge, best international practices and technologies</p> <p>The following outputs were prepared: an analysis of forest legislation regarding the issues of allocation and evaluation of felling sites and conducting logging operations; law enforcement practice in every forest management unit in Belarus; analyses of the best management practices abroad, and the conception for improving the system of allocation and evaluation of felling sites and logging operations in the forests of Belarus.</p> <p>With the agreement of the Ministry of Forestry of Belarus, work within activity 3.3.2 was refocused from development of a tracing system for timber origin identification and legality to improving the system of allocation and evaluation of felling sites and logging operations in the forests of Belarus.</p> <p>A concept for improving the legislation of Belarus in the field of allocation and evaluation of felling sites was developed.</p> <p>Detailed proposals for improving the system of allocation and evaluation of felling sites with consideration of economic, environmental and</p>	3

Outputs in Belarus	PDO
<p>social aspects of forest management and functions of forests were developed. These proposals include drafts of the following documents:</p> <ul style="list-style-type: none"> <li>• Rules of allocation and evaluation of felling sites in the forests;</li> <li>• Rules of timber harvesting in the forest;</li> <li>• Guidelines for accounting of supplied standing timber, conducting monetary evaluation of felling sites.</li> </ul>	
<p><u>June 7-13, 2015:</u> A study tour to Finland for 7 forestry experts, representing the Ministry for Forestry of the Republic of Belarus, State Production Forestry Associations of Brest, Mogilev, Grodno and other subordinate organizations. October 25-31, 2015: A study tour for forestry experts from Belarus on a topic “Practice of sustainable forest management in Finland”</p> <p><u>May 18-19, 2016:</u> Four representatives of the Forest sector of Belarus participated in a Regional Conference “Sustainable Diversified Use of Forest: Legislation and Governance, Challenges and Solutions”. It was organized by WWF Russia in cooperation with Natural Resources Institute Finland (LUKE) and European Forest Institute (EFI).</p> <p><u>October 2016:</u> Eight forestry experts from the Republic of Belarus, including the first deputy Minister of Forestry, Alexander Kulik, attended to a study tour to Germany on the topic “Opportunities for sustainable silvicultural practice development in intensively managed forests: experience of Germany”. The purpose of the study tour was getting familiar with the forest management in Germany, taking Saxony as a case study, for further integration of the positive experience into the forestry practice in the Republic of Belarus.</p>	2
<p>The database on 200 households and 4 local communities with the findings of the study “Forest Dependence of Rural Communities in the Republic of Belarus” has been developed. In the second stage of the study a database on two more communities was completed.</p>	3
<p><i>Five articles</i> about best forest management practices in Belarus concerning usage of non-timber, hunting and recreational forest resources and the issues of reforestation, thinning and commercial timber harvesting were published in the Ustoichivoye Lesopolzovaniye (Sustainable Forestry) Magazine.</p> <p>A report was issued on the integrated using of non-timber forest products in Belarus. It provides overview of the regulatory and legal framework governing the practice of the integrated use of non-timber, hunting and recreational forest resources in the Republic of Belarus. Based on the analysis of a large amount of factual material (data from the Ministry of Natural Resources and the Ministry of Forestry of the Republic of Belarus, statistical reports, scientific publications), the modern state of the integrated use of non-timber forest resources is characterized: harvesting and processing of berries, mushrooms and fruits, medicinal and technical raw materials, extraction of birch sap, Beekeeping. The state of hunting and economic activity in the republic, hunting and ecological tourism is analyzed. Recommendations are offered for the further development of the integrated use of non-timber, hunting and recreational forest resources.</p>	2

Events in Belarus	PDO
<p>To study Polish best practices and gain practical knowledge on choice of technologies and machine systems used for forestry works and forestry harvesting, organization of their operation and maintenance, training of technical and labor force, to learn teaching organization and new educational technologies a study tour was organized. (Warsaw University of Life Sciences (SGGW), Faculty of Forestry, Department of Forest Utilization). Participant of the tour A.S. Fedorenchik gave lectures for university teachers and students on Belarusian experience of training technical staff for the forest sector and development of national forestry machine building; held meetings and disputes with Polish leading researchers on scientific methods on work automation development issues and integrated utilization of tree biomass; attended forestry companies (forestry administration) and institutional forest yield unit in Rogov; discussed training programs for forestry specialists and potential mutual student exchange for practical training and scientific cooperation</p>	2
<p>June 15-18, 2015: Results of projects on multiple use of natural resources in the Russian Federation and the Republic of Belarus were observed on a seminar with the support from the Forestry Department of the Siberian Federal District and the Ministry of Natural Resources, Environment and Property Relations of the Republic of Altai. The seminar brought together forest management bodies from the Russian Federation subjects, located within the boundaries of the ASER, business in the field of harvesting and processing of non-timber forest products (NTFPs), as well as invited experts, including those from the Republic of Belarus.</p>	2
<p>June 7-13, 2015: A study tour for the Belarusian foresters was organised in Finland on forest regeneration and tree nurseries development. The group included 7 forestry experts, representing the Ministry for Forestry of the Republic of Belarus, State Production Forestry Associations of Brest, Mogilev, Grodno and other subordinate organizations.</p>	2
<p>October 25-31, 2015: a study tour for forestry experts <a href="#">“Practice of Sustainable Forest Management in Finland”</a> was held. 8 forestry experts from the Ministry for Forestry of the Republic of Belarus and its regional branches from Brest, Vitebsk, Gomel and Grodno obtained new knowledge on natural resource planning and forest management in public forests, ensuring environmental sustainability, development of intensive forest management balanced with biodiversity protection, application of GIS technology in landscape planning of forest management. The participants has got a chance to visit leading private and public organizations of the forest sector of Finland, such as Natural Resources Institute Finland, Metsähallitus, Finnish Forest Centre, North Karelia College Valtimo and Arbonaut Ltd.</p>	2
<p>On February 13, 2015 results of an international research “Feasibility Study for Introduction of Electronic Timber Tracking Technologies in Belarus” were presented at the Ministry of Forestry of the Republic of Belarus. The research was carried out by the Russian consulting company “Forest Certification” together with experts from the Grodno State Forestry Complex and the Belarus State Technological University supported by</p>	1

Events in Belarus	PDO
the European Neighborhood and Partnership Instrument (ENPI) East Countries Forest Law Enforcement and Governance (FLEG) II Program funded by European Union	
9-15 October 2016: eight forestry experts from the Republic of Belarus, including the first deputy Minister of Forestry, Alexander Kulik, and chief forestry officers of the state production forestry associations of Belarus visited Germany for a study tour. The educational workshop ‘Opportunities for sustainable silvicultural practice development in intensively managed forests: experience of Germany’ was organized within the framework of ENPI FLEG II project	2

## Georgia

Outputs in Georgia	PDO
<p>Recommendations given on the structure and content of the new Forest Code and on the ways of incorporating of the good international practice into it. Guidance and feedback provided in the process of drafting the Code.</p>	1 and 2
<p>Recommendations provided on the structure and content of several key regulations, and on the revisions to a by-law.</p>	1 and 2
<p>Draft Controlled Wood National Risk Assessment for Georgia (under the Forest Stewardship Council scheme) developed. Jointly with Georgian national working group on sustainable forest management standards (registered by FSC) the first and second drafts of the assessment standard and discussed each consecutive draft with FSC were prepared. The findings indicate that there are many positive (i.e. strengths) as well as negative (i.e. weaknesses) aspects with respect to forest management and protection in Georgia. For the weaker parts (i.e. “significant risk” areas), measures to address them (i.e. “control measures”), were prepared. The subsequent public discussion of the standard is beyond the scope of the EC-supported components of the FLEG II Program.</p>	2
<p>Report on the Analysis of Voluntary Forest Certification Potential within Forestry Sector of Georgia</p> <p>The findings indicated that there is significant potential for FSC certification in Georgia if certain pre-conditions are met (i.e. conducting forest inventory and establishing at least minimum capacity levels at the forestry enterprises).</p>	2
<p>Analysis of the dependency of local population on forest resources characterized and measured based on the case studies in Tianeti, Akhaltsikhe, Akhalkalaki and Chokhatauri municipalities completed.</p> <p>The findings indicated that there is significant potential for FSC certification in Georgia if certain pre-conditions are met (i.e. conducting forest inventory and establishing at least minimum capacity levels at the forestry enterprises). Further actions being based on lobbying for reflection of key principles of FSC and recommendations elaborated under this assessment in the national legislation. Specifically, the key findings of the report were shared and discussed with the stakeholders during the reviewing of the consecutive drafts of the new Forest Code of Georgia.</p>	3
<p>Two Reports developed on (i) Assessment of Forest Pests and Diseases in Protected Areas of Georgia, and (ii) Assessment of Forest Pests and Diseases in Native Boxwood Forests of Georgia.</p> <p>This activity studied the negative effects of invasive species and pests in Georgian forests, particularly the effect of the invasive insect, <i>Calonectria pseudonaviculata</i>, on <i>Buxus colchica</i> forests (commonly referred to as boxwood). The study consisted of two phases. The first phase</p>	3

Outputs in Georgia	PDO
<p>studied the status of forests under the jurisdiction of the APA in Mtirala National Park, Kintrishi Protected Areas and Ajameti Managed Reserve. Meanwhile, the second phase studied the status of forests in five areas under the National Forestry Agency's (NPA) jurisdiction. The study was conducted by Ukrainian specialist Iryna Matsiakh, Doctor of biological science from the Forestry Department of the Ukrainian National Forestry University in Lviv, teamed with the acclaimed Professor from the same university, Dr. Volodimir Kramarets, and involved considerable international collaboration. Soil samples for the 2014 and 2015 studies in APA and NFA managed forests were analyzed in laboratories of the Forest Protection Department of the National Forestry University of Ukraine, the Forest Research Institute in Warsaw, Poland and the University Of Applied Sciences Of Western Switzerland. Meanwhile, samples of symptomatic forest plants (<i>Buxus colchica</i> and <i>Quercus imeretina</i>) were analyzed in the DIBAF University of Tuscia in Viterbo, Italy.</p>	
<p>Report on the Regional-Level Analysis of the Outcomes of the TEEB Scoping Studies for the Forestry Sectors of Armenia, Azerbaijan and Georgia</p>	2
<p>Report on the Assessment of Representative Floodplain Forests in Georgia</p> <p>The study showed that the condition of floodplain forests is quite poor and these forests need urgent protection and restoration. Consequently, a justification was prepared for future projects which aim at the rehabilitation of degraded floodplain forests in Georgia.</p>	3
<p>Sustainable Multipurpose Forest Management Plans for the Selected Locally Managed Forests of Tusheti Protected Landscape</p>	3
<p>Feasibility Study for Alternative Livelihood of Forest-Depending Rural Population in Georgia – Challenges and Prospects.</p>	2 and 3
<p>Study report on Georgian timber which may be FSC-certified in the future</p> <p>According to its findings, there are several potential buyers of Georgian timber, which will probably be FSC-certified in the future. Furthermore, one company holding an FSC certificate based in Turkey (Chain of Custody scheme) seemed to be genuinely interested in buying timber from Georgia. The next steps include the promotion of FSC Controlled Wood schemes in Georgia, in order to realize this potential.</p>	2
<p>Outline of a training module for vocational training of forest workers developed</p>	2
<p>Recommendations provided for the development of the national Forest Education Strategy and plan of actions</p>	2
<p>Conduct Awareness Raising Activities for the Key Stakeholders about the Importance of SFM:</p>	2

Outputs in Georgia	PDO
<ol style="list-style-type: none"> <li>1. A survey of ca 100 Georgian companies and organizations with respect to their willingness to purchase FSC-certified paper was conducted. According to the report, a majority of respondent companies (64 out of 102) expressed their willingness to purchase FSC-certified paper. This has established a good basis for subsequent promotion of actual purchase of the certified paper by these companies.</li> <li>2. As a next step, WWF conducted market investigation of potential suppliers of FSC-certified paper. These potential suppliers are based in several countries in the regions neighboring to Georgia. The outputs of this study will be used to encourage Georgian companies to buy certified paper (from the identified suppliers).</li> <li>3. A drawing contest of schoolchildren under the title “My Native Forest” was conducted. The children drew a native forest as seen in their imagination. Over 1,500 schoolchildren participated and 16 winners were identified – twelve from VII-X forms and four from II-VI forms. This activity was aimed at raising awareness of the importance of forests and their protection among the children.</li> <li>4. WWF conducted a Forest Week in the period 3-10 December 2016. The following activities were implemented within the framework of Forest Week: <ul style="list-style-type: none"> <li>(i) supporting the establishment by journalists the association “Media for Environment” (to promote greater highlighting of forestry and environmental issues in mass-media),</li> <li>(ii) holding various entertainment activities for kids (with environment and forests as a subject),</li> <li>(iii) planting trees,</li> <li>(iv) organizing a press-visit of journalists to Borjomi Municipality (forest areas affected by pests and diseases and fire were visited), and</li> <li>(v) arranging photo-exhibitions related to forests.</li> </ul> </li> </ol>	
<p>Website – a portal for Georgian Forests created: <a href="http://enpi-fleg.ge/geoforestportal/index.php/en/">http://enpi-fleg.ge/geoforestportal/index.php/en/</a></p> <p>GeoPortal compiles forest related information in Georgia on an easily accessed online platform. The Forest Resource Center part of GeoPortal contains scientific publications, relevant legislation, best forest management practices, and links to forest sector public organizations, NGOs, and scientific institutions. The Forest Resource Center has been envisioned as an online hub for global-to-local and local-to-global knowledge exchange. Meanwhile, the GeoForest stores forest maps and geospatial information that can be used to create thematic maps for forests, climate change, and population dissemination (Sulkhanishvili, 2016) (GeoForest Portal, 2016). The portal features maps showing and tracking changes in forest cover, firewood requirements, presence of forest diseases and pests, or areas affected by fire. The activity included trainings on GIS and technical skills to administer and maintain the GeoPortal for IT specialists at MoENRP. Trainings with MoENRP personnel were crucial to ensure the proper functioning of the portal after its management is transferred to the Ministry at the end of the FLEG Program.</p>	2

<b>Outputs in Georgia</b>	<b>PDO</b>
Activity report including recommendations on public participation in forest management within protected areas developed	3

Events in Georgia	PDO
Support provided to the conduct of public consultations and roundtable discussions on the draft Forest Code in various provinces of Georgia	1, 2
Summer school of young foresters: 25 students from schools in Tbilisi and various provinces of Georgia trained in a Summer School of Young Foresters implying classroom and outdoor activities in various types of forests (protected for conservation, used for recreation purposes and for resource extraction, damaged with forest fire)	2
Trainings were organized for five representatives of the National Forestry Authority and selected local FMU (which exact) on implementation of the forest management plan and certification	2
In July 2014 the national forestry consultant conducted the field training to the staff of Tusheti Protected Landscape Administration on forest management. In addition to this, on November 19, 2014, the staff of the administration and the representatives from different units of Akhmeta municipality were trained on the main principles of communal forest management. The training took place in Akhmeta municipality.	2
Forest Week observed in November 2016 with conduct of several thematic events	2
Celebrating FSC Day in Georgia in 2014	2
Celebrating Europe Day in Georgia: May 2015	2
As a follow-up to the development of GeoForestPortal, the FLEG Program provided IT consultancy to deliver the WEB/GIS training to the staff of the Ministry of Environment and Natural Resources Protection of Georgia (National Forestry Agency, Agency of Protected Areas, Department of Biodiversity Protection and Forest Policy)	2
Capacity building of different non-governmental institutions on the issues related to independent forest monitoring by public organizations	3

## Moldova

Outputs in Moldova	PDO
<p>FMP field and office work accomplished, technical materials developed (FMP books, maps) and delivered to Local Protected Areas. FMP work covered 5030 ha of community land across the country.</p> <p>National Forest Consultancy Office (NFCO) established in 2015 within ICAS/Moldsilva. Assistance offered to circa 300 entities/institutions/communities/privates from 26 districts covering all regions. Both forest and pastoral resources promoted at local public administration (LPA) level (specifics of Moldova's landscape).</p> <p>A concept of an inter-communal agro-forest (silvopastoral) entities developed and economic calculations made.</p>	2
<p>Two reports produced – “Evaluation of FES in the RoM” and “Forest dependence based on surveys conducted in three villages of Moldova”.</p>	2
<p>Two reports produced “Assessing revenue loss from unsustainable forest practices in Moldova” and “Assessing ecosystem services losses due to illegal logging in Moldova”.</p>	1
<p>Vatici Forest Management Unit (FMU) from Orhei Forestry Enterprise was chosen together with Forestry Agency Moldsilva, as the pilot unit to work with on the wood flow system development and testing (software application from the standing timber to the end user).</p> <p>The wood flow system has been extended so that it can be used at all levels: Forest Management Units, Forest Management Enterprises, till Moldsilva Agency, the Ecological Inspectorate and the Ministry of Environment.</p> <p>For building capacity of Moldsilva, two trainings on the traceability system developed were delivered and 160 mobile devices were purchased and donated to Moldsilva to support system implementation.</p>	1
<p>The report “Republic of Moldova: comparative analysis of the national forest legislation with the international legal framework for ensuring an efficient management of forest resources” developed. Provisions from the FLEG report were extensively taken into consideration in working on the new Forest Code draft. FLEG was invited to several workshops to present comparative data to large audience, namely NGOs.</p>	1
<p>SFR promoted at a state forestry nursery. A mother plantation operated within SFE Telenesti. Two demonstration polygons (plantations) created. A guide (in Romanian) on short rotation forestry crops published; training workshops with local stakeholders organized.</p> <p>Data/information shared within 80 local forest units (comprised within 25 SFEs) of Agency Moldsilva as well as among a number of local public administrations and private sector representatives as well as shared within the international Academia/FLEG conference held during October 2016 in Chisinau.</p>	3

Outputs in Moldova	PDO
Moldsilva's Forest Knowledge and Communication Plan for 2014, 2015 and 2016 developed and implemented. Moldsilva's Communication Strategy 2014-2018 is developed and under implementation; Moldsilva's webpage ( <a href="http://www.moldsilva.gov.md">http://www.moldsilva.gov.md</a> ) continuously assisted.	1
During May 2014 – June 2015 training and consulting activities for 15 selected journalists from Moldova were conducted on FLEG / forestry topics as well as an award ceremony of the best journalistic materials produced by the trained journalists was organized at the end. Trained = journalists seem very active at their places of work.	1
The Ecological College from Chisinau was chosen together with the Forestry Agency Moldsilva, as the education institution to be involved in the education activity meant to improve forest education of students and teachers, upon raising understanding of forest as ecosystem, activity aimed to reduce forest illegalities. Under the activity was developed an educational toolkit (500 Moldavian and 300 English and 300 Russian copiaies were published), 2 workshops for teachers and students were implemented, and the Ecology College has received teaching materials for the educational process support.	2

Events in Moldova	PDO
15 journalists were trained in producing qualitative materials and seem very active at their places of work	1, 2
Academy of Science of Moldova in partnership with EU-funded FLEG II Program organized the International Conference on “Sustainable use, protection of animal world and forest management in the context of climate change”, held on 12-13 October 2016 in Chisinau (Moldova).	
Children, rural inhabitants, folk music fans, artisans, and nature lovers: a vast and eclectic crowd animated the 2016 edition of the <b>Beech Festival</b> , held June 1 <sup>st</sup> through 5 <sup>th</sup> in the Beech Land Nature Reserve in Ungheni District, Moldova. The event was organised under the auspices of the Ungheni District administration and the surrounding communities, with the support of Agency Moldsilva and the FLEG II	
On November 24 2016, the State Forest Agency Moldsilva held a workshop entitled “Sustainable development of forest and pastoral resources in Moldova” to present the preliminary results achieved throughout the second phase of the ENPI East Forest Law Enforcement and Governance Program (FLEG II) in Moldova.	
On 12-13 November 2015, more than 20 foresters from the pilot FE were trained to use the wood evidence software application, its utility and benefits. Initiation <b>training</b> was held in May in Vatici FMU. On 4-5 of May 2015, foresters from the pilot unit were trained for using the wood evidence software application, which was developed as a modern and easy to use application useful for a better keeping and more accurate evidences of the harvested timber and its use. The system aims at improving wood traceability from the standing timber to the end use. With this app, the checks of the legality of the transported	1

Events in Moldova	PDO
<p>wood can done in real time (on-line) by the law-enforcement bodies.</p> <p>On the 10th of February 2015, a work meeting was held at Moldsilva Forestry Agency. The meeting aimed to present a wood traceability draft software application. The application is meant for wood traceability, a monitoring system from the standing timber till the end user. After the presentation, the forest specialists agreed upon a few recommendations for the software application improvement, and the final version is to be presented by the end of next month. Looking forward, the monitoring system is to be implemented for the entire national forest sector, aiming at reducing illegal loggings and combating tax evasion in the respective sector</p>	
<p>On June 1 FLEG II and Moldovan forest authorities brought 20 children from two orphanages and other schools to Nature Reserve “Codrii” in central Moldova to celebrate International Children’s Day. The pupils spent the whole day visiting the forests and learning about forest species, interconnections in forests, their management and conservation.</p>	2
<ul style="list-style-type: none"> <li>• Europe Day in Moldova celebrated on May 2015</li> </ul> <p>FLEG II in cooperation with local stakeholders and partners who benefited from EU assistance (Agency Moldsilva, Forest Research and Management Institute, Forest Enterprise and Nursery Telenesti, Antis-Media SRL), participated in the event, where preliminary results and products where presented to the public.</p> <ul style="list-style-type: none"> <li>• Europe Day was celebrated on May 14 2016 in Europe Square in the Central Park in Chisinau, Moldova. Agency "Moldsilva", Institute of Forest Research and Management and Agency “Antis Media” took part, presenting the FLEG II Program.</li> </ul>	
<p>December 2014: “Discover Your Forests” workshops, more than 100 children of 8 to 16 years from three orphanage schools in Moldova discovered the value and virtues of forests beyond just as sources of wood.</p>	2

## Russia

Outputs in Russia	PDO
<p>Main finding and recommendations developed to forest management bodies on:</p> <ul style="list-style-type: none"> <li>- how to improve the regulatory frameworks for the prevention of forest fires;</li> <li>- work with the population to prevent forest fires;</li> <li>- restoration of damaged and dying forest stands passed by fires</li> </ul> <p>Activity materials were presented at different events for a to a wide audience of interested stakeholders (Moscow, St. Petersburg, Krasnoyarsk, Khabarovsk, Voronezh, Arkhangelsk).</p> <p>Authors of the analytical study contributed to 2nd edition of textbook on “Law Enforcement and Governance in Forest Use, Protection and Renewal” and Practical guidebook "Woods and forestry" for teachers of school-based forest rangers units.</p>	1,2,3
<p>Prepared the final report and the text of the manuscript "Enhancement of management and law enforcement in the field of reforestation", containing recommendations on enhancement to standard legal support, management and law enforcement practices in implementing reforestation activities. The report includes:</p> <ul style="list-style-type: none"> <li>- Rules of reforestation, rules of forest maintenance (care);</li> <li>- State monitoring of reforestation activities;</li> <li>- Forest nurseries economy; law enforcement in implementation works on reforestation.</li> <li>- Health, maintenance and reproduction of the forest stands.</li> </ul> <p>Materials of this report were updated and used in preparation of 2nd edition of textbook on “Law Enforcement and Governance in Forest Use, Protection and Renewal” and Practical guidebook "Woods and forestry" for teachers of school-based forest rangers units.</p>	1,2
<p>Final activity report developed containing guidelines on the methods of forest fire zoning at the level of a forest management unit (a forest district, leased parcel, etc.) and methods of zoning, based on rapid assessments of potential losses of social, economic and environmental values due to forest fires and costs of their prevention and suppression. Activity results widely presented and discussed during exit strategy series of events at federal and regional events in Moscow and the regions.</p>	1,2
<p>Main findings and recommendations of the activity “Improving the forest law enforcement and governance (i.e. the regulatory and legal framework) for forest resource management for purposes of harvesting timber and meeting subsistence needs of local communities in different categories of forests” widely disseminated.</p>	1,2,3

Outputs in Russia	PDO
Key problem areas how to improve the regulatory and legal frameworks for providing access to forest resources to harvest timber and meet the needs of local communities presented and discussed at different fora.	
<p>Proposals on how to improve governance and law enforcement in the area of forest pest management were developed and widely discussed with specialists and managers from the Russian Forest Health Centre and pilot regions and presented at a number of reputable fore.</p> <p>A report “Review of Legislation and Law Enforcement Practice of Forest Pest Management and Sanitary Safety” was widely presented and disseminated at different events.</p> <p>An update of a module “ Forest Pest Management and Sanitary Safety” is prepared for the 2nd edition of textbook on Law Enforcement and Governance in Forest Use, Protection and Renewal”.</p>	1, 2,3
The questionnaire developed on forest governance assessment at the level of the subjects of the RF is widely discussed with stakeholders. The questionnaire includes additional questions to be used as indicators of forest management performance, corresponding to the indicators, used by the FFA to evaluate the performance of Russian regions, executing the federal powers, delegated to them. Survey was postponed due the current economic situation. Final report “Guidelines on assessing the quality of forest governance in Russian regions” was finalized and posted on the program site.	1, 2
The Report earlier issued in 2014 on “Improving the system of combating illegal forest uses” was prepared and discussed. 335 respondents were surveyed in the Khabarovsk, Primorsky and Krasnoyarsk Krai as well as Arkhangelsk and Voronezh Oblasts. They represented 4 stakeholder categories: staff of executive authorities and forest administrations, forest industry employees, representatives of nongovernmental environmental organizations, and others (specialists from education and research institutions, staff of budget institutions without a status of public servants, etc.). Most respondents noted a reduction of illegal logging over the last 3 years. The obtained monitoring data allow drawing the reasoned conclusions and offering proposals on adjustment (if needed) of a system of combating illegal logging and imperfect governance.	1, 2
Main findings and recommendations of Report “To improve forest policy implementation tools: a methodology of designing forest development programs as a basis for forest management” were widely publicized with special attention to analysis of Law enforcement in Forest Infrastructure development.	1, 2
Analysis of the implications of Russia’s accession to WTO as it relates to forestry has been conducted. A survey on the implications of trade liberalization was used to assess perceptions and awareness among the participants of forest relations under FLEG II. It revealed a low level of awareness about changes in the trade regime and the absence of implication projections or mechanisms that may be used to adapt to WTO rules becoming effective. At present, there is no well-established methodology for such studies. Its development requires joint efforts by a team of	1, 2

Outputs in Russia	PDO
experts: foreign trade lawyers, economists and entrepreneurs.	
<p>Two methodologies (for a country level and for an enterprise / region level) to calculate a balance of timber use to identify volume of illegal (unknown origin) timber were developed for forest industry companies and forest management authorities; a wide discussion has been carried out, as well as a testing at forest industry companies and training of users.</p> <p>Link to online discussion in Russian:  <a href="http://www.forestforum.ru/viewtopic.php?f=9&amp;t=20166&amp;view=unread&amp;sid=bc56ba291c063749a5c05b57d0b21b51#unread">http://www.forestforum.ru/viewtopic.php?f=9&amp;t=20166&amp;view=unread&amp;sid=bc56ba291c063749a5c05b57d0b21b51#unread</a></p>	1, 2
Over 100 practices are formatted and uploaded to the website - <a href="http://www.fleg-infobase.ru">www.fleg-infobase.ru</a> , лесопользование.рф - and are being peer-reviewed by voluntary experts from PNAs and academia. English translations of the practices metadata provided.	3
Environmental applicability analysis completed and resulted in the set of concrete recommendations of the practices implementation on the ground. The legal analysis also completed for the whole set of practices at the level of Federal and regional legislation and currently is uploaded.	3
The technical platform ( <a href="http://www.fleg-infobase.ru">www.fleg-infobase.ru</a> ; лесопользование.рф) for the library of best practices and cases is filled with content at <a href="http://www.fleg-infobase.ru">www.fleg-infobase.ru</a> . The consultant responsible for this assignment transfers information to the multilingual platform (Russian, English, optionally Ukrainian).	3
<p>Textbook on “Law Enforcement and Governance in Forest Use, Protection and Renewal” is widely used in training process for the students under the specialization "Forestry Business", specifically for bachelors and masters’ degree students. Russian Institute for continuous education for foresters offers the modular short-term introductory programs for faculty of key forestry higher schools. This modular program was also tested in secondary vocational institutions. Work on dissemination and outreach of Textbook on “Law Enforcement and Governance in Forest Use, Protection and Renewal” is of great demand.</p> <p>2nd edition of textbook on “Law Enforcement and Governance in Forest Use, Protection and Renewal” prepared following recent changes in legislation (Federal Law #455 enacted starting October 1, 2016) Russian Institute for continuous education for foresters offers on a regular basis the modular short-term introductory programs for faculty of key forestry higher schools. This edition was widely presented at different seminars, conferences. Dissemination and outreach were accompanied by interviews, publications in federal and regional mass media.</p>	1,2,3
A new expanded edition of the training manual on <i>Improving Forest Law Enforcement and Governance in Forest Sector of the Russian Federation</i> ” was widely disseminated during various forestry fora in Russia and internationally.	1,2,3

Outputs in Russia	PDO
<p>The education guidance in a format of Practical guidebook "Woods and forestry" for teachers presenting methodical approaches on how to carrying out studies on forest objects is published. Dissemination started from presentation at Final educational component workshop (December 8-9), FLEG-2 SC meeting in Brussels. Dissemination completed.</p>	1,2,3
<p>The survey of the awareness of forestry businesses', exporters' and suppliers' top management of the EU Regulation 995/2010</p> <p>A total of 100 businesses were surveyed that supply the EU market with timber from 13 Russian regions. The survey has revealed that even though the majority of businesses are aware of the EU Regulations, there is a big gap among them as to the EU requirements to combat illegal harvesting and how these should be implemented. The Russian delegation participated in the regional event in Minsk "Implementation of the European Union Timber Regulation 995/2010: lessons learned, challenges, solutions" on November 24-26:</p>	1,2,3
<p>The overview of best international practices and sustainable forest management standards prepared and published</p>	1,2,3
<p>A number of draft GIS materials were developed:</p> <ul style="list-style-type: none"> <li>- A GIS layer with the borders of forest quarters' grid and forest management units of the Arkhangelsk Region;</li> <li>- A GIS layer with the borders of forest areas leased by FSC-certified logging companies in the Arkhangelsk region</li> </ul> <p>The following information for the High Conservation Value Forests' Web (HCVF's Web) portal about large intact forest landscapes has been collected:</p> <ul style="list-style-type: none"> <li>- Informational materials on inventory and protection of the intact forest landscapes in the Barents region during last 20 years;</li> <li>- Analysis of similarities and differences in different stakeholder views on values, threats and protection approaches for the intact forest landscapes in the Barents region;</li> <li>- SWOT analysis of international cooperation in the Barents region aimed at the protection of intact forest landscapes.</li> </ul> <p>Besides that, suggestions for a strategy of protection of the intact forest landscapes in the Barents region have been developed. All the earlier developed data and materials have been uploaded on HCVF's Web portal (hcvf.ru)</p>	2,3
<p>A seminar on multiple and sustainable use of natural resources was organized June 15 - 18 2015 in the Republic of Altay to present and discuss the experiences and best practices of multiple and sustainable use of forest resources, discuss existing challenges and develop proposals to address them. Recommendations addressed to the Russian Ministry of Natural Resources, the Federal Forestry Agency, regional government</p>	3

Outputs in Russia	PDO
<p>authorities, private sector companies and non-governmental organizations were developed, approved and published.</p> <p>A report on the Multipurpose Use of Forest Resources, Challenges and Opportunities at National and Regional Levels and the State-of-Art of Multipurpose Use of Forest Resources at the Regional Level was developed.</p> <p>A Regional Conference “Sustainable Diversified Use of Forest: Legislation and Governance, Challenges and Solutions” took place on 18-19 May 2016 in Joensuu. It was organized in cooperation with Natural Resources Institute Finland (LUKE) and European Forest Institute (EFI). The two-day program included a roundtable and a field trip. Participants included representatives of forest management authorities from all the ENPI FLEG II countries, Russia and Finland, representatives of the state-owned and private forest sector enterprises of these countries, academia and NGOs.</p> <p>The book “Analysis of legislation and practices in the use of non-timber forest resources in Russia by the example of the Altai- Sayan Ecoregion” was prepared and published in 500 copies. This book includes analyses of federal and regional legislation in the field of forest management in the Altai- Sayan Ecoregion; includes examples of integrated use of forest resources and analyses of obstacles for the development of multiple forest use.</p>	
<p>Roadmaps of the model development in the new recipient communities are being implemented in Loknya and many other communities. This information is prepared for posting on the web site created within Activity 1.4. Trans-border cooperation with Agrotourism association in Lepel (Belarus) is established. The methodology was disseminated to 10 PNAs at the seminars which were organized in September-October, 2016.</p>	3
<p>Done in close coordination with sub-activity 1.4.2 of CWP Russia as well as the recently published Forest Dependency Study. Forest dependency study outcomes are widely applied for optimizing interventions in the remote forest-dependent communities.</p>	3
<p>Work on preparation of the reference book "Schools of Forest Rangers in the Russian Federation" in consultations with FFA. Russian Federation. "Reviews about Activities of School of Forest Rangers Stations work are under discussion.</p>	1,2
<p>Presentation of issue described in 5.1.2. to the FFA managers and FFA Public Environmental Council is-ongoing. Direct communication with interested regions established.</p>	1,2

Events in Russia	PDO
December 8-9, 2016: FLEG II Program summed up the results of its educational activities in Russia in Pushkino, Russia, at a workshop Continuing Education in the System of Forest Management and Law Enforcement: Lessons Learned and Problems.	1-3
November 10, 2016: The roundtable "The practice of law enforcement and forest management improvement in Russia", organized by the Committee on Nature Use and Ecology of the Chamber of Commerce and Industry of Russia, the Ministry of Natural Resources and Environment, Federal Forestry Agency and FLEG II, gathered representatives of government agencies, forest business community, scientific and educational institutions, non-governmental environmental and other public organizations.	1-3
October 24, 2016: FLEG II held a roundtable “Improving Forest Law Enforcement and Governance” during the 8th International Forum “Forest and Man”	
On September 22, 2016: Khabarovsk hosted the meeting of the workgroup “For fair and efficient economy” organized by the local branch of the public movement “People’s Front for Russia” and the local branch of the Russian organization of small and medium business “Support of Russia”.	
Participants of a round table organized by FLEG II in Krasnoyarsk suggested a number of comprehensive measures to improve the Russian forestry sector.	
Komsomolsk-on-Amur: the FLEG II Program held a training seminar for teaching staff of Forest Industry Technical School.	
May 31, 2016-June 02, 2016- FLEG II analyzed main forest restoration problems at the All-Russia Scientific and Practical Conference on Relevant Issues of Forest Restoration in Saint Petersburg.	1,2
June 2016: Top managers and leading experts of biggest timber companies of Arkhangelsk region: JSC "Arkhangelsk pulp & paper mill, LLC “Pinezhyeles”, LLC Industrial commercial enterprise “TITAN”, LLC “Severnaya LOS” met with FLEG II in Arkhangelsk, Russia.	1-3
May 12 <sup>th</sup> to 14 <sup>th</sup> , 2016: a seminar entitled “ <a href="#">Forming Partnerships with Local Communities</a> ” was organized at the Polistovsky Natural Reserve (PNR), in northwest Russia, and was attended by representatives of Protected Areas who are members of the Association of Protected Areas of the North-Western Region, and representatives of local communities situated in proximity to the PNR.	3
January 2016: FLEG II and some local citizens organized a roundtable to plan the next initiatives to promote ecotourism in the Polistovsky	3

Events in Russia	PDO
Nature Reserve.	
September 2015: FLEG II experts supported the organization of a three-day hobby-tour in Tsevlo, a village of Bezhanitsky Municipal District, situated in the Polistovsky Nature Reserve.	3
FLEG-supported Master Classes in Russia teach how to benefit from non-timber forest resources	3
July 2015: FLEG-supported Master classes in Russia on traditional crafts identify a new, unforeseen and commercially attractive ecotourism product	3
November 27, 2015; Moscow. a round table in the Chamber of Commerce and Industry of the Russian Federation was organized to discuss the special role of Russia in the history of the FLEG process, achievements and challenges of the past years and the modern situation with illegal logging in the country	1-3
July 2015: a trans-boundary meeting of Russian and Belarusian ecotourism businesses was held. <i>T was aimed to</i> initiate direct citizen-to-citizen information exchanges to help establish working partnerships between villages across the Russian-Belarusian border.	3
May 18-21, 2015: FLEG II experts met with the heads of youth forestries from all over the country and agreed to cooperate during the final stage of the national youth forest contest “Podrost” in the Tver region of Russia	1-2
15 -18 June 2015: in the tourist complex "Kur-Kechu" with the support from the Forestry Department of the Siberian Federal District and the Ministry of Natural Resources, Environment and Property Relations of the Republic of Altai, a seminar brought together forest management bodies from the Russian Federation subjects, located within the boundaries of the ASER, business in the field of harvesting and processing of non-timber forest products (NTFP), as well as invited experts, including those from the Republic of Belarus.	
February 2015: FLEG II Program expert Alexey Bobrinsky took part in the meeting of the Coordinating Council for the Protection of Forests of the Krasnoyarsk Krai, Russia's second largest region. The Council consists of representatives of various government agencies of different levels, including the Ministry of Natural Resources and Environment of the Krasnoyarsk Krai, as well as NGOs	1,2
December 2014: FLEG II Program conducted two master classes this autumn in these traditional Russian arts and crafts in Pskov oblast. Three craftswomen taught fifteen residents of the arts of matting wool and making traditional northern cinnamon-honey cakes called “Kozuli”.	3

Events in Russia	PDO
With some input from the Forest Law Enforcement and Governance Program (FLEG II), the park held a series of events in August and September 2014 under the topic “Integrating protected areas into the processes of regional social-economic development.”	3
October 21, 2014: FLEG II organized a round table “On the implementation of the FLEG practices in the Russian Federation” , where participants discussed the fulfillment of the commitments taken by Russia within the Europe and North Asia Ministerial Conference on Forest Law Enforcement and Governance (ENA FLEG). In November 2015, ENA FLEG process celebrates 10 years.	1-3
April 02, 2014: the round table “Forest Management in the Context of the EU Timber Regulation” organized in Arkhangelsk as part of the International Arkhangelsk Forest Forum.	1-3
April 03, 2014 a round table "Improving governance and law enforcement in the implementation of major forest operations and forest resources in the FLEG II (ENPI East) Program" was held as a part of the Arkhangelsk International Forestry Forum.	1-3
27-28 March 2014, Pushkino (Moscow Region) a seminar "Module-based programs of forest law enforcement and governance training to be delivered through networks" was held at the Russian institute of Continuous Education in Forestry.	1-3
February 26, 2014 , Moscow, the round table "Legal protection and preservation of forests in Russia” took place at the Russian Chamber of Commerce and Industry in Moscow. The list of recommendations to improve the legislation was developed.	1-3
December 10, 2013, in Moscow, the first meeting of a working group of experts of the ENPI East FLEG II Program for the development of a methodology on illegal logging volume assessment was held. The problem of limited knowledge in this area is demonstrated by both objective and subjective challenges. It is extremely difficult to identify illegal loggers and irresponsible ‘legal’ forest companies in vast forests, and even satellite imagery does not help much as it can only identify illegal clear cuts over a certain size. Individual trees, with the most valuable timber, are frequently the target of illegal loggers.	1-2
November 27, 2013, a meeting was held between the Vice-Governor of the Voronezh region, the Head of the Department of Property and Land Relations Maxim Uvaïdov, and other high ranking forestry officials in the region and representatives and experts from the EU funded FLEG II Program.	1-3

## Ukraine

Outputs in Ukraine	PDO
<p>Analytical study and report “Developing the institution of forest ownership rights in Ukraine”</p> <p>Main conclusions: Ukraine still finds itself in the process of forming a territorial baseline for land ownership rights, which is related to the issuance of title establishing documents. Starting from 2013 an opportunity emerged to legally establish communal form of forest ownership. About 12% of forests can be legally referred to the possession of territorial communities. The author of the study has developed proposals to the legislation related to registration of material right for land and land turnover.</p> <p>Analytical study and report “Forest policy and strategy of Ukraine: assessment, problems and ways of their solution”</p> <p>Main conclusions: The report deals with the analysis of the implementation of concept papers and plans for the forest sector development available in Ukraine. The report demonstrates that the majority of these documents are not implemented. On the basis of the analysis of the forest sector development dynamics and a comparative analysis of international statistical data a number of negative trends in the Ukrainian forest sector development have been identified. The author proves that the forest sector potential is not realized in full. The author identifies and justifies a list of most urgent problems the solution of which requires forming a new forest policy and strategy for Ukraine.</p> <p>Analytical study and report titled “Regulatory framework for establishing a state forestry corporation”</p> <p>Main conclusions: Establishment of a state-owned forestry corporation provides a way out of the crisis of state management and a way to integrate the state capital into the forest sector, ensuring new opportunities for distributing funds, attracting investment, and introducing innovative technologies. The study demonstrates that it is possible to establish a state forestry corporation under the existing regulatory framework. Its advantages over other forms of a state-owned management structure are shown.</p> <p>Results were delivered at 2 linked events (round tables on 15 October and 17 December 2015) devoted to preparing forest sector reform in Ukraine, with the aim to draw stakeholders attention to assessing different models available based on the experience of the EU countries, lessons that can be drawn by Ukraine, and other important issues to be considered when preparing the reform, like distribution of functions between a to be created state forestry company and the future state forest administration.</p> <p>Analytical study and report ‘Overall assessment of forest governance in Ukraine’</p> <p>Main conclusions: Assessment of forest governance in Ukraine revealed a number operational challenges and problems. Solutions of these issues requires for the most part not political decisions but a proper normative framework and operational management. The assessment conducted allows to consider governance issues beyond the boundaries of the central executive authority and its regional departments, extending to all stakeholders in the forest sector. Decision makers may use the study in order to identify priority forest governance issues in</p>	2

Outputs in Ukraine	PDO
<p>Ukraine.</p> <p>Recommendations to improve legislation on functions of the state forest protection service</p> <p>Main conclusions: Proposed recommendations are designed to improve and strengthen the status of officials – employees of forest protection service. Proposed measures include improving effectiveness of forest protection service by means of dividing it into state, communal and private forest guards service, enhancing their authority, securing exercising of professional activity by these guards, reducing the number of supervisory bodies and removing duplication of functions of state authorities in the forest sector.</p>	
<p>Analytical report ‘Review of current state of approximation of Ukraine’s forestry legislation to EU’s legislation’</p> <p>Main conclusions: The process of approximation of the national forestry legislation to that of the EU, that took place during the past several years, did not prove to be effective. The real approximation was not achieved, and national strategic priorities in the forest sector were not formulated. The study also presents a detailed review of the current EU legislation and update on the ‘forestry acquis’ of the EU, compared to the study made under the FLEG Program in 2010. The updated ‘forestry acquis’ includes a limited number of EU directives and regulations, implementation of which in Ukraine’s forest legislation would enable the country to move forward with EU integration. A decisive factor of success in the approximation process remains political will to bear associated costs, that as experience of Eastern EU countries demonstrates, can be rather high.</p>	2
<p>Training course for local authorities and communities aimed on improvement of their participation in governance of forests has been developed. Three trainings were conducted, in total, about 100 participants attended the trainings.</p> <p>An informational guide-book for local authorities and population developed on the basis of the training seminar materials and issues raised by the participants.</p>	2,3
<p>Analytical report “International experience in Ecosystem Services”</p> <p>Main conclusions: In Ukraine, a concept of Payment for Ecosystem Services is new and not recognized to be used by government. The study of international experience regarding the concepts of identification and payment for ecosystem service in forest sector is seen as a first step on the way to change current trend in cooperation with SFRAU. The study presents the experience of different national and regional ecosystem markets as well as examples of main ecological services and functions, as well as main principles for developing a procedure on PES.</p> <p>Analytical report “Evaluation of forest ecosystem services pro-vided by forests of Ukraine and proposals on PES mechanisms”</p> <p>Main conclusions: The report provides general characteristics for the major provisioning, supporting, regulating and cultural ecosystem services (ES) and their respective indicators in Ukraine. It describes their structure, functions, economic benefits and essence of the value. It</p>	2

Outputs in Ukraine	PDO
<p>also suggests practical guidance on developing indicators for ecosystem services valuation.</p> <p>Analytical report “Dependency of the local population on forest resources”</p> <p>Main conclusions: The share of the income from forests is 13.7% in the total revenues of an average household in the studied Carpathian communities and 8.6% in the communities of the “Male Polissia” region. Major products generating the income are blueberries and mushrooms. The key factor that influences community forest dependence is the availability of resources. The accessible forest resources are used primarily for filling income gaps for local families. Forest related income is very important, specifically for large families. During the collection season, a family can earn enough to buy essential school supplies (e.g. clothes, shoes, books, stationary) by selling the collected berries and mushrooms.</p> <p>Field data gathering and initial testing of the Forest Landscape Restoration (FLR) methodology were conducted in pilot communities.</p>	
<p>Analytical study and report “Analysis of the division of forests by their functional designation”.</p> <p>Main conclusions: The new edition of the Forest Code of Ukraine (2006) introduced a new functional classification of forests. Instead of classifying forests into groups I and II a four-level classification of forests into categories was introduced: high conservation value, protective, recreational and merchantable. At the same time classification of forests into sub-categories retains features of the previous classification, which makes transition from the old classification system to the new system a complicated task. The study presents a concept of a “step by step” optimization of the number of sub-categories. In particular, the study contains practical proposals on transition from a three-level functional classification: category/sub-category/specially protected area to a two-level classification: category/sub-category of forests.</p> <p>Analytical study and report ‘To the harmonization of the legislative base of forest and land inventory: proposals on improvement of the State Forest Cadastre’</p> <p>Main conclusions: The study analyzed the aims and objectives of information exchange between the State Land Cadaster and the State Forest Inventory, determined how requirements for keeping the State Forest Inventory have changed and suggested the proposals to draft the document “The Procedure for Keeping the State Forest Inventory”. Regarding the opportunities to improve the regulatory framework and modern practices for regulating forest land relations, it is still important to solve problems related to formalization of property rights to permanent land use for forestry purposes. The land survey law strictly regulates all aspects of the work, regardless of the category of land. The study proved that the promising idea of recognizing forest inventory materials as land survey materials cannot be implemented as a regulatory scheme.</p> <p>Results were delivered at the round table on October 9, 2014</p>	2

Outputs in Ukraine	PDO
<p>Analytical study and report “Analysis of the Ukrainian forest sector potential and identification of factors hampering its innovative development”.</p> <p>Main conclusions: The analysis demonstrates that Ukraine’s wood processing segment of the forest sector has a large potential. However, over the past few years wood processed products tended to decline while the export of raw wood tended to increase. In order to reverse this tendency intervention is needed into activities of the Ukrainian wood processing segment. Measures are needed to improve investment climate, business conditions, and domestic market development, reduce export of raw material and promote export of finished products, and improve mechanisms of sale of raw wood. The author has developed 16 recommendations, which will help achieve this</p> <p>Proposals to new rules for trade in timber</p> <p>Key points: rules for trade in timber need to be improved to take into account interests and needs of all stakeholders and become more transparent. Proposals include ensuring decentralization of trade in timber, use of alternative forms of trade, an increase in liability for sellers and buyers to comply with contract obligations, and publish statistical reports on timber harvesting and trade in the media.</p> <p>Round table discussion on the proposals and other pressing timber market issues (April 2014 and February 2015)</p> <p>Analytical study and report “Ban on timber export in Ukraine: reasons, consequences, and alternative options”</p> <p>Main conclusions: Adoption of the law implementing the moratorium was a reaction of the wood processing sector to the trade policy of the State Forest Resources Agency of Ukraine, which for several years has been lobbying the export of timber in the round form, using non-transparent trade procedures. Current expectations of a positive impact of the moratorium on the development of the forest sector are exaggerated. A reasonable way out of this situation is the replacement of the moratorium with other methods aimed at timber market regulation and wood processing segments of the forest sector development. Key priorities should include: the adoption of effective measures aimed at fighting the shadow trade and corruption; revision of trade rules aimed at improving procedures and technologies; improving the regulatory framework for timber classification, measurement, marking and registration; ensuring open access to information on timber resources and their use.</p> <p>The report was prepared on the request of the Ministry of Economy. The findings were presented at meetings with government officials and at a number of events organized by the business community in September, October 2016.</p>	2,3
<p>Analytical study and report “Improving organizational and legal aspects of state control in the forest sector”</p> <p>Main conclusions: the report provides an assessment of the effectiveness of executive bodies exercising control in the forest sector and quality of the relevant legislation. The author provides 12 recommendations containing specific measures with regard to solving the problems found.</p>	2

Outputs in Ukraine	PDO
<p>The recommendations are addressed to authorities responsible for solving these issues. Recommendations can be used by decision makers for improving organizational and legal aspects of state control.</p> <p>Results presented at a round table discussion on December 17, 2014.</p> <p>Analytical study and report ‘Improving legal accountability for violations of forest law and combating illegally extracted forest resources: recommendations for amending the legislation’</p> <p>Recommendations for amending the legislation on improving legal accountability for violations of forest law and combating illegally extracted forest resources</p> <p>Main conclusions: The author has developed a number of legislative recommendations for combatting illegal logging, proposed amendments to the Criminal Code of Ukraine in terms of improving provisions concerning the destruction of forests due to fires, recommended amendments to the relevant legislation on irregularities in the use of forest land, timber logging by permanent forest users, forest reproduction, use of secondary forest materials and harvesting of minor forest products, conservation of forest infrastructure and property of permanent forest users, protection of forest fauna. Separately, the author argues for the establishment of responsibility for violations when reserving sites for wood harvesting and valuating felling areas, strengthening responsibility for compliance with fire safety in forests, making appropriate changes to the Forest Code of Ukraine regarding the responsibilities of individuals while staying in the woods.</p>	
<p>Recommendations on improving legal regulation of access to forests</p> <p>Key points: functioning legal mechanisms are proposed for ensuring unimpeded access to forests by Ukrainian citizens.</p> <p>Recommendations presented to stakeholders at a round table discussion on September 21, 2015.</p>	2
<p>Analytical study “Analyze the current legislative framework for timber tracking system in Ukraine.”</p> <p>Since the Ministerial Declaration in 2005 on forest law enforcement the two timber flow control systems are created in Ukraine in order to strengthen the fight against illegal logging and timber trade shadow market. The First one was developed through the issuance of mandatory certificate of origin on the basis of documentary evidence of the acquisition of timber prevents the export of illegal timber as round wood and sawn wood, and the second - through the piece labeling, which allows identification of locations of work place (origin) and the transmission</p>	2

Outputs in Ukraine	PDO
<p>and control of information on various characteristics of only for round wood.</p> <p>Analytical study “Assessment of potential impact of the EU legislation and forest certification on timber tracking systems in Ukraine”.</p> <p>The study is based on The EU Regulation № 995/2010 of 20.10.2010 (EUTR), which prohibits placing on the EU market illegally harvested timber and products beginning with 3rd March 2013. The conclusions suggest that introduction and implementation of Due Diligence System standard of controlled wood requires all importers of forest products in the EU (operators) to introduce a monitoring system for the legality of wood origin. But apart from this even more important is the task of forming a transparent and partnership relationship that provides the ability to access needed information. Experience of controlled wood standard within the supply chain of products is a significant groundwork for using it to improve the timber flow control system in Ukraine.</p> <p>(See Chapter 2 of the Report by the link: <a href="http://www.enpi-fleg.org/docs/analysis-of-the-legislative-framework-on-timber-flow-control-system-in-ukraine-and-development-of-improved-proposals/">http://www.enpi-fleg.org/docs/analysis-of-the-legislative-framework-on-timber-flow-control-system-in-ukraine-and-development-of-improved-proposals/</a>)</p> <p>The questionnaire about assessment of legislation framework for timber tracking system and potential influence of EUTR and role of forest certification is prepared in order to get information from national stakeholders.</p> <p>The consultant produced also the two reports based on the activities and the studies. In the final report he outlined the initial proposals suggesting to create a timber flow control system taking into account the requirements of the EU Regulation on timber and experience of FSC chain of custody. The combination of two spheres of control could be implemented based on public-private partnerships through the voluntary commitments to provide free estimates for a second or third parties for the wood tracking.</p> <p>Conducting a study and delivering an Analytical Report on international experience in development of timber tracking systems.</p> <p>The report contains analysis of foreign timber tracking systems based on the study of legislative norms and regulations, instructions on the use of systems, scientific publications, reports of international organizations and national coordinators of international agreements, correspondence, and communications with the experts.</p> <p>The report presents a general experience of use of the systems in tropical countries, which are the traditional wood exporters to ecologically sensitive timber markets. The tropical countries were studied to highlight that institutional environment plays an important role in creation and functioning of a track and trace systems, which provide a sharp contrast comparing to the European countries approach. Where the systems are the examples of modern management solutions in forestry and wood processing sectors aimed at improving the economic efficiency of companies, manufacturing operations, and ensuring transparency of business activities, etc.</p> <p>Conducting a study and delivering the Analytical Report on improving the national legislation to EU requirements of national track-and-trace system model for Ukraine for further discussions with the key stakeholders.</p>	

Outputs in Ukraine	PDO
<p>The report contains analysis of timber flow control system functioning; assessment of the effectiveness of the system elements in the forest sector of the country and proposals for its improvement and legislative background of the timber track and trace system in Ukraine. Proposals are prepared to meet the requirements of the EU about the legality of the wood origin and possibility of tracing, the country's course for deregulation and decentralization, to increase social responsibility of businesses and improve business environment.</p> <p>The annex 1 presents proposals for amendments in legislation regarding an electronic declaration of timber origin. The proposals include: a draft of the Law of Ukraine "On amendments and additions to the Law of Ukraine "On peculiarities of state regulation of business entities associated with the sale and export of timber production"; Decree of Cabinet Ministers of Ukraine "On approval of electronic declaration of timber origin"; the Procedure for electronic declaration of timber origin.</p> <p>A booklet draft on how the improved model of timber track and trace system in Ukraine could potentially work in reducing illegal logging and ensuring compliance with the EU requirements concerning its origin is included in the annex 2. The model is the first out of three proposed stages suggesting the forestry agency to develop and put into effect an informational software complex that forms a single register of certificates on the origin of timber for export – an electronic timber declaration. During the second stage an expert proposes to develop and implement software control module of the raw wood transportation in real time, when anyone on the road can check the registration of the loaded truck (considered to be similar to the system SUMAL, which has been successfully implemented in Romania). At the third stage the effect of electronic register of certificates on the origin of timber sold on the domestic market (January 2019) could be extended from using by state forestry agency for all forest users. At the final stage, it is expected that all trade and transport operations with timber both in processed and unprocessed form will be subject to electronic registration.</p> <p>Three roundtable discussions and presentation of improvement in a timber tracking system in Ukraine, and a workshop on the adaptation and use of forest certification and EUTR norms in timber tracking systems in Ukraine.</p>	
<ol style="list-style-type: none"> <li>1. A study tour to Poland, Slovakia, and Hungary with workshops on good hunting/game management practices and its legislation</li> <li>2. A workshop on international experience and development of the hunting practice in Ukraine.</li> <li>3. Conducting a study and delivering an analytical report on “Analysis of legislation and practice of hunting in some EU countries.”</li> <li>4. Conducting a study and delivering an analytical report on “Draft of the national model of the hunting industry reformation in Ukraine” for further discussions with the key stakeholders.</li> <li>5. A roundtable discussion of developed proposals for improving the model of hunting in Ukraine</li> <li>6. Analytical report “Draft of the legislative proposals for implementing the hunting reform and development model in Ukraine”</li> </ol> <p>Main conclusions: The report main part consist of proposals (comparative table) recommended for changes in national law on hunting and other possible legislation based on previously developed principles of sustainable game management model for Ukraine, and appropriate</p>	2

Outputs in Ukraine	PDO
<p>industry related EU directives and guidelines.</p> <p>Overall, the changes are intended to improve the strategic task of preserving habitat, species diversity and genetic wildlife fund, improve the economic efficiency of the hunting economy. The level of hunting grounds protection and biotechnical measures implementation, regulation of predatory animals and animals undesirable for hunting is expected to improve, general hunting culture will improve, which will contribute to respect for nature in the society.</p> <p>7. Stakeholders meeting on the presentation of changes into the national legislation on hunting</p>	
<p>1. Conducting a study and delivering the analytical report on the development of key legislation documents for the biodiversity protection in forests: adaptation of the Ukrainian law regulation to the EU requirements.</p> <p>2. A roundtable discussion and presentation of developed proposals on the final and new drafts of documents, instructions, etc. for amendments to the national legislation, and a workshop on the harmonization of special protection natural areas inventory and management in Ukraine and the EU.</p> <p>3. Analytical report “Improving the regulatory framework for forest management practices in protected areas of Natural Reserve Fund of Ukraine and relative international experience”</p> <p>4. Developed draft "Guidelines for forest ecosystems protection regimes on the territory of Nature Reservation Fund of Ukraine of different categories"</p>	
<p>Draft rules developed and tested at two pilot forest enterprises and a report summarizing the findings of the experiment. Key points: proposed draft rules are developed on the basis of 18 EU standards and can be used by all relevant stakeholders when moving to a new system of national standards and in the process of improving national standards for grading and quality assessment of round wood.</p> <p>Guidelines for measuring, grading and quality assessment of round wood were developed based on the earlier developed draft rules. These guidelines are designed for use by all actors within the timber market and can be utilized by the Ukrainian standardization authority during transformation to new timber standards.</p> <p>Analytical report “Improving the regulatory framework for forest management practices in protected areas of Natural Reserve Fund of Ukraine and relative international experience”</p> <p>Main conclusions: The best internationally recognized practices of forest management in the protected areas of national and international levels within countries neighbouring to Ukraine (Poland, Belarus, Slovakia) and those being known by optimal approaches of forest conservation by</p>	2

Outputs in Ukraine	PDO
<p>means of creating the protected areas and sustainable forest management (Canada) are identified. The comparative analysis of forestry practice in those countries with a similar one in Ukraine is conducted. Comparison of nature conservation goals of two categorization systems (Nature reserve fund of Ukraine and IUCN (IUCN)) and related forestry activities undertaken within individual objects of different categories has been conducted; having analyzed the nature conservation objectives we have drawn up a table where the comparison or combination of the same 2 types of categorization are made.</p> <p>Developed draft "Guidelines for forest ecosystems protection regimes on the territory of Nature Reservation Fund of Ukraine of different categories"</p>	
<p>Analytical study and report "Modern silviculture practices used in Europe. Recommendations for testing in Ukraine".</p> <p>Main conclusions: Ukraine will benefit from the application of European silviculture practices on a large scale. In particular, the recommendations suggest testing the method of growing pine in Polesia (a natural region of Eastern Europe, one of the largest forest areas on the continent) using intensive thinning, as well as thinning in middle-aged oak forests giving priority to the final crop tree method. Final crop trees are the most useful and valuable trees. During forest thinning, those are the trees that are left in the forest for further growth.</p>	2

Outputs in Ukraine	PDO
<p>Three press events in three Ukrainian cities (Chernihiv, Zhytomyr, Chernivtsi) were held to present an earlier publication produced under FLEG 2 “Preventing and counteracting corruption in the forest sector”</p> <p>The analytical study and report “Changes in the anti-corruption legislation: application in the forestry” was produced explaining changes to anti-corruption legislation that entered into force in April 2015. This work complements the earlier Manual on preventing and counteracting corruption in the forest sector.</p> <p>Up to 10 tutorials delivered annually within the educational course for forest practitioners ‘Legal liability for violation of the forest law’, out of which two were specifically devoted to the legislation on counteracting corruption in the forest sector and its application by forest practitioners. The number of forest practitioners that received training since the start of during FLEG 2 is about 800.</p> <p>Three annual journalist competitions on the best FLEG-related material were held under FLEG 2 (2014, 2015, 2016).</p> <p>Brochure summarizing the FLEG Program activities and impact in Ukraine ‘The FLEG Program in the forest sector of Ukraine’ prepared and published on the website.</p>	2,3
<p>Final reports on the “Evaluation of access to information and public involvement into forest management”, “Legislative and legal principles of access to information and public involvement in forest management”, and “Assessment of efficiency of official web-sites on forestry governance” were published and provided to the State Forest Resources Agency and stakeholders.</p> <p>Following the joint meeting of the Section of the Public Council of the State Forest Resources Agency of Ukraine and representatives of regional departments of the Agency responsible for public relation and maintenance websites, the proposal for establishing a working group for preparing ToR for web-portal development were taken into consideration by the SFRA and a working group was established.</p> <p>Terms of Reference for the establishing a unified web-portal of the State Forest Resources Agency (SFRA) was developed and submitted to the SFRA.</p> <p>Layout, structure and functionality of the “Ecomap” <a href="http://forestry.in.ua/">http://forestry.in.ua/</a> web-site has been improved.</p>	2,3

Events in Ukraine	PDO
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Events in Ukraine	PDO
From May to July 2016, a series of trainings was held in the Ukrainian districts of Mykolaiv (Lviv region), Monastyrska (Ternopil region), and Malyn (Zhytomyr region) on the crucial issue of communal forest management.	2,3
June 14, 2016; a round table held in Kyiv, devoted to the improvement of the legal liability for infringement of the forest legislation.	2
January 18, 2016; FLEG II experts discussed the reform of the forest sector with the top management of the Ministry of Agrarian Policy and Food and State Forestry Agency.	
December 17, 2015: a round table organized in the World Bank office in Kyiv. It gathered representatives of Verkhovna Rada, Ministry of Agrarian Policy and Food, Ministry of Ecology and Natural Resources, State Agency of Forest Resources, other key government agencies responsible for the forest sector reform and European integration, national and foreign experts, business, donors and the public. The main objective of the round table was to explain the importance of prioritizing the state and public interest in the forest reform to the government officials.	
April 17, 2014 - Staff from the central administrative office of the State Forest Resources Agency of Ukraine and forest practitioners, experts, NGO representatives and journalists gathered for a round table discussion in the World Bank Kyiv office. The subject of the discussion was legal regulation of logging in Ukraine.	2
Three trainings courses for local authorities and communities aimed at improving their participation in governance of forests were conducted with support from local authorities with more than 100 participants attending the trainings: e.g. in Malyn district, Zhytomyr province 25 participants attended the training; in Mykolaiv district, Lviv province, and Monastyrska district, Ternopil province - about 70 participants attended the trainings.	2,3
October 9, 2014: a round table convened in WB office in Kiev addressing the strategic development of the forest sector and improvement of the regulatory framework and management practices of forest and land relations.	2
February 17, 2015; participants of the round table, organized by FLEG II in World Bank Country Office in Kiev, found ways to improve the current situation on the timber market in Ukraine.	2
April 29, 2014: roundtable discussion held at the World Bank Country Office in Kyiv how to realize Ukrainian wood processing industry potential. The participants -- officials of relevant government agencies, parliament members, businesspeople, scientists and experts -- were presented two reports. President of the Association of Furniture and Wood Processing Enterprises of Ukraine MEBELDEREVPROM Serhiy	2,3

Events in Ukraine	PDO
Sahal analyzed the potential of the wood processing segment of the forest sector in Ukraine and the factors that hinder the development of its innovative development. Director of VANESSA Valery Podkorytov proposed priority measures to improve the rules of roundwood trade on the lumber market of Ukraine.	
December 17, 2014: the World Bank hosted a round table discussion on improving the procedures of state control in forestry.	2
September 21, 2015 Recommendations on improving legal regulation of access to forests presented to stakeholders at a roundtable discussion.	2
<p>Three roundtable discussions and presentation of improvement in a timber tracking system in Ukraine, and a workshop on the adaptation and use of forest certification and EUTR norms in timber tracking systems in Ukraine.</p> <p>September 28,2016: National University of Life and Environmental Sciences of Ukraine hosted a roundtable dedicated to the current situation in the forest sector of the country.</p>	2
<p>July 7, 2015 : Boyarka, Kyiv region, the Ukrainian Center for Forestry Training ("Ukrtsentrkadrylis") hosted a round table devoted to the discussion of proposals for the improvement of national legislation aimed at supporting the effective management in hunting sector of Ukraine.</p> <p>May, 2015: at the session hall of the National Forestry University of Ukraine in Lviv the "ENPI East FLEG II" Programme in cooperation with the State Forestry Agency of Ukraine organized and conducted a professional meeting devoted to the development of hunting economy in Ukraine.</p>	2
June 2014: L'viv, Ukraine. A roundtable meeting on Discussion of propositions for improving hunting in Ukraine in accordance with principles of sustainable management of nature resource was held in Ukrainian National Forestry University. The topic of the meeting was dedicated to the problems of government regulation of hunting and its law enforcement in Ukraine and for the first time was included in the FLEG II work plan.	2
A roundtable discussion and presentation of developed proposals on the final and new drafts of documents, instructions, etc. for amendments to the national legislation, and a workshop on the harmonization of special protection natural areas inventory and management in Ukraine and the EU	2
In June 2016, the Programme also organized and conducted a study tour for a top management representatives of SFRAU to Poland with the aim to help in reformation of forestry sector in Ukraine and to gain/exchange experience on sustainable forest management practices on regular forestry and protected territories. As a result of the tour the presentations are planned to be conducted at SFRAU general meeting and	2

Events in Ukraine	PDO
other regional meetings.	
<p>March 20, 2015; the presentation of the “Preventing and Combatting Corruption in the Forest Sector in Ukraine: a Practical Guide” in Chernivtsi took place and was one of the most successful in the series. It was attended by all 6 local TV channels and 15 journalists from print and electronic media.</p> <p>The Guide was first presented to media in November 2014</p>	2,3
<p>June 12, 2014: a round table discussion held on the issue of combating corruption in the forest sector in Ukraine at the World Bank office in Kyiv</p>	
<p>Educational course for forest practitioners ‘Legal liability for violation of the forest law’ (continues from FLEG 1) provided training for 215 forest practitioners were trained during the period July 1 – December 25, 2016; 124 forest practitioners were trained during the period September 1 – December 31, 2015; 94 forest practitioners were trained during the period January 1 – June 30, 2015; 117 foresters trained during the period January – June 2014.</p>	
<p>Three annual competitions for media were conducted:</p> <ul style="list-style-type: none"> <li>• February-May 2016: The fifth annual journalist competition “Every Year is Forest Year 2016” resulted in 129 articles/radio or TV items submitted for the jury’s consideration. The competition has contributed to increased interest from journalists in the forest sector issues, better public awareness, increased transparency of the forest sector, and visibility of the FLEG program.</li> <li>• 2015: the 4th competition for journalists from all types of media was conducted. Out of 90 submissions, 27 received awards from the jury and were selected for publication on Telekritika’s website. The first place was won by a Radio Liberty reporter, whose investigation exposed illegal privatization of forested lands on a total of 890 hectares in Bucha, near the Ukrainian capital Kyiv. The story goes back to 2002, when the Bucha local council deliberately changed the status of forested lands to “public and residential area”, which led to a number of unlawful dealings.</li> <li>• 2014: the third competition for journalists from all types of media, "Law enforcement and governance in the forest sector of Ukraine", took place in the World Bank office in Kyiv. The jury received more than 90 applications, including articles, TV and radio stories, and online columns, all specifically created and published within the announced competition. The first place was won by Olena Sereda, business journalist for the newspaper "Business", with the article "Lavka brevnostei" (“The wooden curiosity shop”).</li> </ul>	
<p>Trainings on GIS use in forest management, nature protection and civil society development:</p>	

Events in Ukraine	PDO
<p>- 1 training for the national senior forestry managers (decision makers), on GIS technology use available for forestry with the emphasize on why it is good to use it in daily management practices</p> <p>GIS experts upgraded training plan for forestry professionals, developed guidelines for Open Source GIS Use in Forestry Practice, and developed new video lessons on how practically to apply the open source software. 37 top managers from all the country representatives of SFRAU got updated information on the latest GIS technology available for forest management, nature protection and civil society development at a training seminar in September.</p> <p>- 2 trainings in September and October (in Kyiv and L'viv) for forest and protected area specialists and for environmental NGO members, on GIS technology use available for forestry with the emphasize on how to use this tool for 52 engineers from SFRAU State Forestry Enterprises from all nationwide regions. All information is available for free use from <a href="http://sfmu.org.ua/ua/forum/spysok-tem">http://sfmu.org.ua/ua/forum/spysok-tem</a></p>	

### List of NPAC Meetings

Country	NPAC Meeting dates
Armenia	1st NPAC Meeting June 21, 2013 2nd NPAC Meeting: January 15, 2014; 3rd NPAC Meeting May 08, 2014 4th NPAC Meeting September 18, 2015 5th NPAC Meeting January 13, 2016 6th NPAC Meeting planned but not conducted
Azerbaijan	1st NPAC Meeting April 01, 2013 2nd NPAC Meeting May 03, 2013 3rd NPAC Meeting November 02, 2013 4th NPAC Meeting May 21, 2014 5th NPAC Meeting September 18, 2015 6th NPAC Meeting January 08, 2016 7th NPAC Meeting October 24, 2016
Belarus	1st NPAC Meeting December 26, 2013 2nd NPAC Meeting January 28, 2014 3rd NPAC Meeting June 26, 2014 4th NPAC Meeting July 16, 2014 5th NPAC Meeting October 08, 2014 6th NPAC Meeting October 28, 2014 7th NPAC Meeting November 13, 2014 8 <sup>th</sup> NPAC Meeting August 08, 2015 8th NPAC Meeting September 3, 2015
Moldova	1st NPAC Meeting June 20, 2013 2nd NPAC Meeting May 13, 2014 3rd NPAC Meeting October 18, 2014 4th NPAC Meeting November 18, 2014 5th NPAC Meeting April 24, 2015 6th NPAC Meeting December 21, 2015

Country	NPAC Meeting dates
	7th NPAC meeting June 27, 2016 8th NPAC Meeting October 12, 2016
Georgia	1st NPAC Meeting October 16, 2013 2nd NPAC Meeting May 14, 2014 3rd NPAC Meeting November 24, 2015 4th NPAC Meeting June 24, 2015 5th NPAC Meeting December 3, 2015 6th NPAC Meeting May 31, 2016 7th NPAC Meeting November 28, 2016
Russia	1st NPAC Meeting June 20, 2013 2nd NPAC Meeting May 15, 2014 3 <sup>rd</sup> NPAC Meeting March 12, 2015 4th NPAC Meeting January 15, 2016 Virtual 5th NPAC Meeting July 01, 2016 6th NPAC Meeting February 08, 2017 Virtual
Ukraine	Stakeholder consultation: April 18, 2013 1st NPAC Meeting May 14, 2014 2nd NPAC Meeting - December 24, 2015 Virtual Final NPAC Meeting December 21, 2016

### **Annex 3. Economic and Financial Analysis**

*(including assumptions in the analysis)*

i. The ENPI-FLEG Program was a TA-operation and thus regular investment operation financial and technical analysis is not applicable. In the PAD, the economic analysis was based on assessing the potential long-term impact of the Program based on certain assumptions on the impact of improved governance on the contribution of forest sector to GDP. This yielded an economic rate of return. It was recognized that this was a rough and speculative measure, but the rate of return varied – depending on assumptions – between 91% and 329%.

ii. At the ICR stage it is premature to assess the validity of the estimates and even if it was done, attribution to Program outputs would be hard to demonstrate.

iii. As for financial costs, this was presented under Efficiency in the main text. FLEG II, a TA program with limited funds relative to the scale of its objectives opened the door to national and regional dialogue and triggering an institutional shift in its participating countries. With \$11.2 million and a complicated management structure, FLEG II succeeded in transforming many aspects of governance in an area covering 25% of the world's forests. It accomplished this without a contractual relationship with the country governments, which nevertheless were enthusiastic and active stakeholders who could define and act on their priority areas. The Program was able to 'crowd in' other resources, such as ADA funding. The Mid-Term Review noted that it was able to attract additional support because of its good reputation, describing it as a possible "gateway for different client-donor relationships in the future." With a Program Management budget of \$890,000, FLEG II coordinated 119 separate activities over a 4-year period (or 30 activities per year at an average cost of \$85,000 each).<sup>23</sup> Other option would be to calculate the average cost per output (documents 107, events 89, NPAC meetings 45), which becomes US\$42,800/output.

iv. Comparisons with other TA projects have only limited value due to different nature of activities, but they do provide some reference points. The ENPI-FLEG Program compares well with other regional projects. For example, Regional – Governance and Knowledge Generation (P118145), under knowledge generation component (\$1.3 million; total project budget US\$ 2.27mill.) the project delivered over 40 reports. That compared to the other regional projects such as Climate Adaptation and Mitigation Program for Aral Sea Basin (P151363), with a knowledge management component of \$12.5 million, for two countries<sup>24</sup>

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<sup>23</sup> This calculation is based on total project cost of 11.2 million, less the management component budget of \$890,000. Some activities e.g. in Ukraine, had bundled several sub-activities.

<sup>24</sup> Implementation Completion and Results Report (TF-11513): Plan Bleu pour l'Environnement et le Developpement en Mediterranee

## Annex 4. Grant Preparation and Implementation Support/Supervision Processes

### (a) Task Team members

Names	Title	Unit	Responsibility/ Specialty
<b>Lending/Grant Preparation</b>			
Andrew Michael Mitchell		GEN03	Team Leader (ADM Responsible)
Alexander Balakov		GGO03	Procurement Specialist (ADM Responsible)
Galina S. Kuznetsova		GGO21	Financial Management Specialist
Arcadii Capcelea		GEN03	Safeguards Specialist
Chukwudi H. Okafor		GSU07	Safeguards Specialist
<b>Supervision/ICR</b>			
Tuukka Castrén	Senior Forestry Specialist	GEN03	Team Leader (ADM Responsible)
Alexander Balakov	Senior Procurement Specialist	GGO03	Procurement Specialist (ADM Responsible)
Galina S. Kuznetsova	Senior Fin. Management Specialist	GGO21	Financial Management Specialist
Arcadii Capcelea	Senior Environmental Specialist	GEN03	Safeguards Specialist
Anil V. Das	Consultant	GSU03	Safeguards Specialist
Gayane Minasyan	Lead Environment Specialist	GEN03	Team member
Grace O. Aguilar	Program Assistant	GEN03	Team member
Nina Rinnerberger	Natural Resources Management Specialist	GEN03	Team member
Vladislava I. Nemova	Environmental Specialist	GEN03	Team member

### (b) Staff Time and Cost

Stage of Project Cycle	Staff Time and Cost (Bank Budget Only)	
	No. of staff weeks	USD Thousands (including travel and consultant costs)
<b>Lending</b>		
<b>Total:</b>	7	0.04
<b>Supervision/ICR</b>		
<b>Total:</b>	256	4.12

**Comments:**

- a) FLEG II was a continuation of FLEG I and much of the planning for the second phase was done as a part of the implementation the first phase and thus it was not budgeted separately; and
- b) ‘Staff time and cost for supervision/ICR’ includes all staff time and cost for the project, also technical work done under the BETF financed parts of the Program. Supervision of the RETFs and ICR preparation constitutes only a relatively small part of the total. These costs cannot be presented separately.

## Annex 5. Beneficiary Survey Results

### - report by the Survey team

#### 2016 Survey Results - Summary

i. A survey to measure progress since the 2014 baseline survey was conducted In 2016 in all seven countries participating in the European Neighborhood and Partnership Instrument (ENPI) East Region Forest Law Enforcement and Governance II (FLEG II) Program (2012–16).

ii. The 930 participants (compared to 899 participants in 2014) came from the following stakeholder groups: officials from national and subnational governments, businesses, civil society, academia, development partners, rural residents, and the media. The 2016 survey assessed fieldwork in all regions where FLEG II is active but did not consist of focus group meetings unlike the 2014 survey.

iii. The team used same three indicators used to monitor progress toward sustainable local, national, and regional forest governance:

Indicator I Forest practitioners and other stakeholders have a better understanding of FLEG issues and activities

Indicator II Stakeholders are more aware of FLEG principles

Indicator III Decision makers are more aware of modern technology to improve forest governance.

iv. The final survey results below indicate an increase in the value of all of three indicators even though the end targets for two of the indicators were not met.

	2014 Survey	2016 Survey	End Target in Results Framework
Indicator I	27.22	28.41	50.00
Indicator II	68.08	74.66	
Indicator III	17.01	17.61	25.00

v. In 2014 the primary objective of the baseline survey was to generate baseline values for the two Program Results Framework Indicators:

- PDO level Indicator: “Understanding and awareness of FLEG principles by forest practitioners and other stakeholders improved” and;
- Intermediate Results Indicator: “Decision makers’ awareness of modern technology and information to improve forest law enforcement and governance is increased”.

vi. The main objective of the final survey was to, at the end of the program, collect a final set of indicator data to help evaluate the success of the program. The survey was also aimed at measuring any changes in awareness and perception of illegal logging and other FLEG issues across the seven ENPI countries.

vii. The surveys were conducted separately in each country by the following companies:

- Armenia: AM Partners
- Azerbaijan: ACT
- Belarus: NePCON
- Moldova: Magenta
- Georgia: NePCON
- Russia: NePCON
- Ukraine: NePCON

viii. The World Bank team used the same methodology so that comparison of two rounds of survey work could be done.

**Table A1. Evaluation Grid**

1a. Stakeholder knowledge of core illegal logging and forest governance issues	
1b. Stakeholder awareness of the FLEG Declaration and FLEG activities	
Indicator 1.	Forest practitioners and other stakeholders have a better understanding of FLEG issues and activities.
2. Stakeholder perceptions of FLEG principles	
Indicator 2.	Stakeholders are more aware of FLEG principles
3. Decision maker awareness of modern technology and information to improve forest law enforcement and governance	
Indicator 3.	Decision makers are more aware of modern technology and information to improve forest law enforcement and governance

ix. The survey questionnaire was identical to the one used in 2014 without any change in the question formulation. The team considered the need to revise and simplify some of the questions, but the decision was made to keep it as it was in 2014.

**Indicator I: Summary of Findings**

x. Indicator I measures an understanding of FLEG issues and activities by forest practitioners and other stakeholders. In particular, the following issues were suggested for the identification of Indicator I:

- Awareness of illegal forest activities in the ENPI region;
- Awareness of types of illegal logging;
- Environmental and economic damage resulting from illegal logging;
- Fostering a positive business climate;
- Sustainable forestry management and reducing social conflicts;
- Awareness of the St. Petersburg Declaration and FLEG activities.

xi. The Indicator I total for the seven FLEG II Program countries was 28.41. It had increased for the period 2014 - 2016 from the initial baseline total of 27.22.

xii. An overview of findings can be summarized as follows:

- An awareness of illegal forest activities was high in all ENPI countries. However, despite the “whole picture” appearing optimistic, there was still a lack of awareness or a “low” awareness of illegal logging among several stakeholders: media, rural populations in Moldova; businesses, government, rural populations, academia, and development partners in Belarus; rural populations, academia, media, NGO, and governments in Azerbaijan. An awareness of illegal forest activities decreased in 2016 compared with 2014. The decline in the indicator may reflect the reduction in illegal logging over the period 2014 – 2016. An awareness of the objectives of the St. Petersburg Declaration was even lower than an awareness of illegal forest activities. An awareness of FLEG activities exceeded 50% in all ENPI countries except Georgia. The fact that it has increased over 2014 -2016 may demonstrate a significant achievement of the FLEG II Program.
- Two groups of countries were identified based on an analysis of illegal logging: (1) Russia and Ukraine prevailing with illegal commercial timber harvesting linked to international markets, (2) Armenia, Azerbaijan, Belarus, Georgia and Moldova where both illegal logging by the rural population and illegal commercial harvesting to supply domestic markets are distributed with some prevailing of illegal logging by the rural population (around 60%) and the minimum share of international markets.
- The high significance of economic and environmental damage resulting from illegal logging for all stakeholders in all ENPI countries indicated a need for increased attention on the issues of illegal logging. Respondents realized the importance of forests not only as a resource base but the total economic value of biodiversity conservation and ecosystems services.
- These results call for an increased focus on the issues of good forest governance. Reducing social tension and conflicts is priority for Azerbaijan, Georgia, and Moldova where respondents expressed the highest concern. These same countries stressed that ensuring sustainable forestry management and the conservation of biodiversity are high priorities. Fostering a positive business climate for responsible private sector business is very important in Azerbaijan and Georgia.
- The media was the main source of information in all ENPI countries except Moldova and Azerbaijan. Therefore, direct use of media sources will be very important for raising awareness of illegal forest activities. TV was the most significant source of news in Russia on the national level; in Armenia, Azerbaijan, Belarus, Georgia and Ukraine at the sub-national level. Newspapers were significant in Belarus, in Russia on the national level, and in Moldova on both the national and sub-national level. The Internet was the most significant in Armenia, Azerbaijan, Georgia, Russia and Ukraine on the national level and in Belarus, Russia and Ukraine at the sub-national level. Personal observation and conversations were the main sources of information in Azerbaijan. Official reports were the main source of information in Moldova.

## Indicator II: Summary of Findings

xiii. Indicator II measured how aware stakeholders were of forest law, enforcement, and governance issues and activities. The questionnaire emphasized five FLEG principles:

1. Legal framework for forest management,
2. Effective forest agency,
3. Cross-sectoral coordination,
4. Stakeholder participation in decision-making and implementation,
5. Free-flow of information.

xiv. The Indicator II total 2016 for the seven FLEG II Program countries was 74.66, an increase from the baseline total 68.08 in 2014.

xv. An overview of findings for Indicator II could be summarized as follows:

- According to the 2014 baseline survey a robust legal framework was assessed as extremely important for achieving FLEG objectives in all seven countries. The most important attributes of a good legal framework for forest management were identified: clarity of land tenure, access rights, use rights, and effective means to resolve disputes related to each. Land tenure, ownership and use rights were distinguished as the most important for a good legal framework, especially in Armenia, Georgia, Russia, and Ukraine. Mechanisms to participate in forest planning and to influence forest policy were distinguished as extremely important in Georgia, Moldova, and Ukraine.
- On the contrary, the 2016 survey revealed the low importance of a legal framework for forest management. The importance of a legal framework including all attributes as land tenure, access rights, and use rights decreased over the period of evaluation dramatically. A two-fold decrease in the average score on the importance of laws governing the use of forest resources occurred in Russia. A lower importance placed on laws is not associated with the FLEG II Program. Possible factors such as geopolitics, economic and social factors may have influenced the views of stakeholders.
- The 2014 baseline survey demonstrated that the legal structures could not be considered robust. Codification, especially of land tenure, mechanisms to participate in forest planning, to influence forest policy, and to share forest revenues had a low score in Ukraine, Georgia, Belarus, and Armenia. Russia received the lowest score relating to codification of the current legal structure. The picture has changed fundamentally over the period of evaluation. The 2016 survey revealed that the assessment of current legal structures has increased over the period. A two-time index growth is observed in all seven countries by all attributes. This could indicate positive changes in awareness and perception of a legal framework for forest management and is a significant achievement related to the FLEG II Program.
- An analysis of the results obtained by the 2014 survey outlined the urgency in providing additional information about cross-sectoral coordination, land and forest policy, and foreign trade in forest products. Although close coordination of government agencies and other stakeholders was crucial, governments as key stakeholders for strong coordination were not fully informed and engaged in all seven countries.
- According to the 2014 survey, access to information and information flow regarding forest allocation processes was assessed as less to medium transparent with the least transparent in Ukraine and less transparent in Armenia and Russia. Although a legal framework was evaluated as important for public access to information, the data revealed a lack of understanding of the implications of a legal framework to public access to information

about forestry especially in Georgia. The legal framework partly supported public access in Azerbaijan and Belarus and did not support public access in Russia, Ukraine, Moldova and Armenia. Inventory data, management plans, laws, and budgets for forests were not easily accessible to the public in Russia, Ukraine, Armenia and Belarus.

- The 2016 survey demonstrated the positive trends of the FLEG II Program for the period 2014-2016 that could be summarized as follows:
- Legal framework for forest management has been extended
  - Understanding and awareness of legal structure codification, its main principles by forest practitioners and other stakeholders have broadened
  - Codification of current legal structure has improved
- Cross-sectoral coordination has become stronger:
  - The mechanisms within the government to address cross-sectoral forest-related policy have been developed. The assessment of the mechanisms within the government to address cross-sectoral forest-related policy has increased in all countries except Azerbaijan and Ukraine.
  - The number of respondents who did not know about cross-sectoral issues were reduced in Moldova, Georgia, and Russia.
  - The number of respondents who did not know that land use policies should be consistent with forest policy were reduced in Armenia, Azerbaijan, Belarus, and Georgia
  - The number of government respondents who did not know about the cross-sectoral issues were reduced in Moldova, and Ukraine.
  - The number of government respondents who did not know that training of customs officers is a priority activity to combat illegal logging were reduced in Armenia, Azerbaijan, Georgia, Moldova, and Ukraine.
- Stakeholder participation has increased:
  - The government's support of civil society, indigenous people, and forest-dependent communities in forest-related planning has extended. The average score of the government's support of civil society, indigenous people, and forest-dependent communities in forest-related planning has increased in five countries: Azerbaijan, Belarus, Georgia, Moldova and Ukraine.
  - Gender sensitive participation in forestry decision-making processes was formed. The average score of gender sensitive participation in forestry decision-making processes has increased in four countries: Azerbaijan, Georgia, Moldova and Ukraine.
  - The capacity of forestry authorities to carry out consultations and to use the feedback in forest-related decision-making has increased. Stakeholders underscore that forestry authorities developed the capacity to carry out consultations and used the feedback in forest-related decision-making.
- The transparency and flow of information has increased:
  - The transparency of tracking the revenues and expenditures in the forest sector has increased. The system of tracking the revenues and expenditures in the forest sector is assessed as more transparent, credible and comprehensive in five countries: Armenia, Azerbaijan, Georgia, Moldova, and Ukraine in 2016.
  - The transparency of the lease- and sale-based forest allocation processes has increased. The lease- and sale-based forest allocation processes are assessed as

more transparent in four countries, Armenia, Azerbaijan, Georgia, and Ukraine in 2016 compared with 2014.

- The legal framework support for public access to information about forestry has expanded
- The accessibility of inventory data, management plans, laws, and budgets for forests has increased in 2014-2016. The accessibility of inventory data, management plans, laws, and budgets for forests to the public in a user-friendly format is achieved in all countries in 2016.

### **Indicator III: Summary of Findings**

xvi. Indicator III measured how aware decision makers were of modern technology and information to improve forest law, enforcement, and governance. With the help of the indicators, seven types of modern systems were proposed to help define policy objectives and develop targeted interventions.

xvii. The Indicator III total for the seven participating FLEG II Program countries is 17.61. It has increased from the baseline total of 17.0 in 2014 to 17.61 in 2016.

xviii. An overview of findings under Indicator III could be summarized as follows:

- An awareness of modern technology and information systems is characterized by considerable disparity. Belarus has the highest score (25), Russia and Ukraine have the high score (around 18), Armenia, Azerbaijan and Georgia have the low score (less than 15).
- The indicator growth is observed in all countries except Russia for the period 2014 - 2016. The most notable growth rate occurred in Azerbaijan (29%) and Georgia (25%): from 11.5 to 14.8 in Azerbaijan and from 11.6 to 14.5 in Georgia. It should be stressed that Russia is the only country where there was a decline in the indicator from 20 to 18.
- The surveys revealed a considerable range of awareness of modern technology, with certification and GIS at one end of the spectrum and information systems related to foreign trade, customs services and custody systems at the other end.
- The top four technologies are: certification, GIS, online sales, crowdsourcing.
- The bottom three technologies are: import / export data, application of customs codes, custody systems. Gathering, synthesis and sharing of import / export data is the least known information system in all seven ENPI countries. Application of customs codes has low awareness in six ENPI countries except Georgia. Chain of custody systems for timber has low awareness in Armenia and Moldova.

## **Annex 6. Stakeholder Workshop Report and Results**

### **STEERING COMMITTEE (SC) MINUTES**

<b>Meeting #</b>	04
<b>Date</b>	December 12-13, 2016
<b>Location</b>	Brussels, Belgium
<b>Participants</b>	see Annex 1
<b>Agenda</b>	see Annex 2
<b>Summary</b>	<p>The 4th Steering Committee (SC) meeting of the European Neighborhood Partnership Instrument (ENPI) East Countries Forest Law Enforcement and Governance (FLEG) II Program was held on December 12, 2016 in Brussels, Belgium. The main topics for the final SC Meeting were to provide a comprehensive view of progress and achievements since October 2015 and performance against the Program result areas, and to discuss how to ensure sustainability of Program achievements.</p>

The Meeting was followed by an informal meeting on Knowledge and Learning on December 13.

1. The meeting was opened with welcoming words from Mr. Vassilis Maragos, Head of Unit, European Commission and Ms. Valerie Hickey, Practice Manager, World Bank. Mr. Maragos re-iterated the European Union's engagement to cooperate on environmental matters and highlighted the orientation on coherence and results within the Eastern Partnership, following the identification of four priority areas for cooperation at the 2015 EaP Riga Summit. These are spelled out in the Joint Staff Working Document "EaP – Focusing on key priorities and deliverables". Following the EaP Ministerial on Environment and Climate Change, an action plan will be developed in 2017 to implement the Declaration adopted by Ministers in October 2016. Ms. Hickey underlined the importance of sustainable forest management for ending poverty and ensuring resilience, especially in communities that are highly dependent upon forests. The meeting was co-chaired by Ms. Valerie Hickey, World Bank and Ms. Angela Bularga, Program Manager, EC.
2. The agenda of the meeting was presented and approved ([Annexed to the original minutes]).
3. The Minutes from the 3<sup>rd</sup> SC Meeting held in Chisinau, Moldova on September 24, 2015 were approved.

4. The meeting was given a **summary of progress, activities, and exit strategies** in each country and regionally under the three of Program Development Objectives (PDOs)<sup>25</sup> since October 2015. The key points presented were:
- 4.1. **Armenia** (*Ms. Luba Balyan*): One of the key results was supporting revision of the 2005 Forest Code (PDO 1). The Public Expenditure Review of the forestry sector was recognized by stakeholders as an important tool for decision making processes (PDO 2). A pilot activity was undertaken in Tavush region to provide energy-efficient stoves to households to reduce their fuelwood consumption and replace it with non-wood resources in heating (PDO 3). Capacity for public monitoring of forests were developed and use of satellite images promoted to target such monitoring. Forest landscape restoration activities are seen as a key element of an exit strategy for Armenia.
  - 4.2. **Azerbaijan** (*Ms. Gulana Hajiyeva*): The FLEG II Program supported professional forestry schools in updating their curricula (PDO 1). Recommendations to integrate Forest Stewardship Council (FSC) standards and High Conservation Value forest (HCV) concept into forest policy and legislation of Azerbaijan were developed (PDO 2). FLEG II was instrumental in helping to prepare sustainable forest management plans for selected districts/forest units to pilot good practices (PDO 3). The Young Foresters Movement, established within FLEG II, is an important element for ensuring sector's sustainability. As part of the FLEG II exit strategy, the Azerbaijan National Program Advisory Committee (NPAC) was recognized as an efficient platform for the collaboration by all key stakeholders and it will continue operating. Climate adaptation in the forestry sector and promoting energy efficiency along forest-related value chains will also be important. Landscape restoration activities remain important for the country.
  - 4.3. **Belarus** (*Mr. Aleksander Kulik, Ms. Marina Belous*). Key achievements of the FLEG II Program include support to legislative processes to enforce the new Forest Code and developing a roadmap for forestry sector reforms (PDO 1). Three study tours to EU countries (Finland and Germany) helped to increase the capacity of forest management staff in advanced silvicultural and reforestation practices (PDO 2). Analytical work carried by FLEG II demonstrated that the state system of timber tracking in Belarus provides an effective tracking of timber origin. FLEG II interaction with local communities triggered development of new economic opportunities for rural population based on the use of non-timber forest resources (PDO 3). The latter is important for developing the small and medium enterprises sector in Belarus.

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<sup>25</sup> Three specific Program Development Objectives (PDOs) are:

- i) To make progress implementing the 2005 St. Petersburg FLEG Ministerial Declaration in the participating countries and supporting their commitment to a time-bound action plan to ensure implementation and follow-up activities at the regional level;
- ii) To review and or revise (through a time-bound action plan) forest sector policies and legal and administrative structures and improve knowledge of and support for sustainable forest management and good forest governance (including the impact of related EU regulations) in the participating countries at the national level; and,
- iii) To test and demonstrate best practices for sustainable forest management and the feasibility of improved forest governance practices at the field-level on a pilot basis in all participating countries at the sub-national level

- 4.4. **Georgia** (*Ms. Darejan Kapanadze*). FLEG II Program has contributed to improving forest legislation, including support to developing the new forest code draft and key supporting legislation (PDO 1). Based on an earlier TEEB scoping study, the Program provided regional and local-level assessment of the economics of ecosystems and biodiversity. Voluntary forest certification potential was assessed and markets for certified wood from Georgia identified to promote a good investment climate for private sector operators (PDO 2). The sanitary situation of Georgian forests was assessed and recommendations for improvements provided (PDO 3). The FLEG NPAC has been recognized as successful and the same approach will be followed under the National Forest Program.
- 4.5. **Republic of Moldova** (*Mr. Aurel Lozan*). The FLEG II Program helped to design sector reforms in the Republic of Moldova. It has also supported developing accurate monitoring systems for wood and forest product flows (PDO 1). Forest and cadaster officers of 20 localities involved in forest management were trained under FLEG II. Teachers and students from Ecology College in Chisinau improved their knowledge on SFM and good forest governance. This included the impact of the relevant EU regulations. 15 selected journalists were trained and several publications produced on FLEG-related topics (PDO 2). FLEG II promoted wood production for renewable energy at local level by strengthening a forest nursery and creating demonstration plantations. (PDO 3). Moldova NPAC will be combined with the Technical-Scientific council within Agency Moldsilva as part of the exit strategy.
- 4.6. **Russian Federation** (*Mr. Andrey Zaytsev*). Textbooks on modern forest management practices have been prepared for vocational education, higher vocational forest education, as well as for supplementary school education. FLEG supported preparation and dissemination of recommendations to improve law enforcement and regulatory framework of timber harvest while meeting the needs of local communities (PDO 1). An assessment tool for forest management's compliance with international practices was developed for use at regional level. Wood product suppliers to the EU market were surveyed in 13 regions. The survey revealed that even if the majority of businesses are aware of the EU Regulations at general level, there is less awareness of details of EU requirements to combat illegal logging and how these are implemented (PDO 2). A new strategy to combat forest fires suggested a more selective wildfire management approach (PDO 3). The exit strategy includes i) delegating future implementation and support of the Program activities to other stakeholders; ii) dissemination of Program products; iii) support to implementation of Program findings and recommendations at local, regional and national levels, and iv) identification of alternative funding sources and integrating FLEG activities into other ongoing programs and processes.

- 4.7. **Ukraine** (*Mr. Yuri N. Marchuk*). FLEG II has become a recognized platform for policy and technical discussions in the forest sector. As a result, i) awareness and transparency by the Government – and the society in general – of the forest sector problems has increased; ii) amendments to legal acts and bills, aimed at improving forest governance were initiated; iii) analytical material and recommendations prepared by FLEG became the basis for reforming the forest sector and preparing “forest” sections of the Coalition Agreement in the Parliament and work plans of the Cabinet of Ministers (PDO 1). Training components resulted in i) three manuals on legal liability for violation of the forest law; ii) more than 650 participants attending law enforcement training; iii) training materials developed for GIS use in forestry. A number of activities were targeted on media awareness raising. These included e.g. three annual media competitions with over 70 professional and non-professional participants in each (PDO 2). FLEG II was instrumental in developing proposals for legislative changes to improve the protection of forest biodiversity in line with EU standards. These recommendations became the basis for the development of new legislation by Ministry of Ecology of Ukraine (PDO 3). As part of the program exit strategy, FLEG experts have become members in various parliamentary and official councils and working groups.
- 4.8. **Regional Activities** (*Mr. Tuukka Castrén, Dr. Richard Aishton*). The FLEG II Program has successfully created a platform for knowledge exchange and facilitated study tours to EU Member countries and bilateral dialogue. Regional activities have also provided opportunities for young generation in seven countries to better understand forests and build communities’ awareness. To foster dialogue and share best practices and results of FLEG II, a side event was organized as part of the high-level forestry Forum in Batumi, Georgia. The Program organized a regional workshop to exchange the latest information on forest law enforcement and crime prevention in collaboration with the U.S. Forest Service. Regional “Fingerprinting” studies on forest ecosystem stability and governance of local forests were conducted. A regional workshop was held in Moldova in March 2016 with six FLEG focal points on forest landscape restoration (FLR) and the regional FLR activity.
5. A series of "forest heroes" movies, produced by FLEG II, were demonstrated. The meeting participants acknowledged the efforts to ensure Program's visibility and requested that communication material be available after its completion. The World Bank communicated that arrangements were made for the FLEG II website to remain operational (though without being updated) for another 10 years after project's closure.
6. The SC members acknowledged the work done in country and at regional level and recognized their value for creating a critical mass of people and institutions necessary to ensure sustainability of the forestry sector. Formal approval of the annual progress reports will be done via written procedure after the annual Progress reports have been finalized and distributed to the Steering Committee. This is expected to happen by February 15, 2017.
7. The presentation of an independent evaluation and the follow up plenary discussion on the role of the ENA FLEG Process in the implementation of the St. Petersburg declaration resulted in following conclusions:
- The structures that FLEG has created – such as the National Program Advisory Committees (NPACs) - helped the institutional reform process, and provided independent and valuable data at the right moment to the right people;

- FLEG II has contributed to making forest management and governance more transparent and created a framework that enables reforms, including by showing the links between sustainable forests management and economic resilience within a context that commonly under-rates forestry's role in the economy and job creation;
  - FLEG II has built educational and professional capacity in the forestry sector and involved younger generation and the broader society in forest management;
  - FLEG II has fostered collaboration between local communities and the forestry sector, and has facilitated community participation in the sector for sustainable forest management;
  - FLEG II has demonstrated the potential of the forestry sector to contribute to economic diversification;
  - FLEG II boosted intersectoral collaboration and partnership of national governments with international organizations such as the EU and the World Bank. FLEG Program was also instrumental in fostering cooperation between neighboring countries on forest management.
8. The Program team took note of feedback provided on the evaluation report, in particular the need to enrich it with contextual information that would facilitate the interpretation of progress.
  9. The partner countries expressed gratitude to the World Bank, IUCN, and WWF for effective Program implementation and thanked the European Union for providing funding.
  10. The participants stressed that the work started by FLEG II should continue, both at the national level through efforts by national governments, and on the international level through other existing platforms, such as FAO and climate change initiatives. The need to strengthen the links with water resources management, energy efficiency (and energy pricing), as well as with climate action was emphasized within the wider concept of greener growth. Furthermore, the role of private sector and public and corporate investment was pointed out.
  11. The Program will run until February 28, 2017, to finalize all reporting and procedures and to ensure the dissemination of FLEG II results and achievements.

## Annex 7. Summary of Grantee's ICR and/or Comments on Draft ICR<sup>26</sup>

- IUCN

**IUCN's response to ENPI-FLEG II ICR  
26 June 2017**

Based on our review of the report, we have the following comments articulated around four points: procurement, the Results Framework analysis, the regional component and management structure.

Overall, we believe that the ENPI-FLEG II project was a success in terms of achieving outcomes, in the good relationships that were built with partners in each country, and with good delivery of project activities by all IOs. However, the results framework seems to downgrade this performance due to being rated strictly against the Results Framework which was fixed in the PAD and could not be changed. We feel this does not recognise the excellent progress and outcomes of the work of all partners in the project.

### **Procurement:**

With respect to broader procurement issues whilst reference is made to varying quality of ToRs and procurement procedures it should be noted and considered considering the IOs internal quality controls. IUCN is a GEF accredited agency, with extensive internal controls, and is a recognized international or intergovernmental organization in several countries, including in Switzerland. During the project, IUCN followed the procedures as outlined and had no procurement audit issues. Given the importance of procurement and the need to follow trust fund guidelines it is felt that more training could have been provided and discussed at higher levels within the hierarchy of IOs to ensure any significant problems are addressed. This would have also allowed more consistency of approach by all project staff in implementing the relevant procurement processes.

The ICR indicates that IUCN did not complete all deliverables but seems to refer to a single activity from Armenia, which had to be cancelled due to a problem with the supplier in the final quarter of 2016. It could not be rescheduled because there was not enough time to procure and complete the activity prior to the program ending in December 2016. Also, it should be noted that the reference to final documents (5) not being formatted to standard was rectified during project closure.

### **Results Framework Analysis:**

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<sup>26</sup> The comments were received on an earlier draft of the ICR and editorial suggestions were addressed.

IUCN agrees that the M&E design was weak. The system was constructed in a way that made measurement difficult, with no flexibility to change the framework. Whilst FLEG had some excellent outcomes the qualitative nature of many outcomes could not be captured by the quantitative nature of the M&E indicators. For example capacity building and training were monitored by only counting presence rather than verifying uptake or increased capacity to address complicated forest governance issues. The performance of all IOs was based on this framework, which could have been modified early on in the project life cycle to ensure it was a useful and practical framework to adapt and revise inputs accordingly - it would be very useful to be able to modify the Results Framework at the beginning of the project implementation.

**The Regional component:**

Regionally IUCN supported a significant amount of work that included including the Forest Dependency studies, the governance studies, the comprehensive SPD research, and FLR analysis. The latter was as an outcome of a meeting where all IOs presented key elements of their work to SC members at the SC meeting in Moldova, with SC members expressing interest in FLEG supporting some form of analysis to advance FLR in each country. This helped ensure that the FLR work was nationally driven with support requested from IUCN and partners from the Global Partnership for Forest Landscape Restoration.

**A leaner management structure is preferable:**

IUCN suggests that a more structured and consistent management is preferable. Many decisions did not need to wait for the SC meeting as there were approved procedures for decision making in place to ensure that we did not have to wait for SC meetings. This would have allowed the project to be more responsive to the demands of national stakeholders.

- **WWF**

**WWF’s review of the World Bank’s *Implementation completion and results* report on a grant for the ENPI East Countries Forest Law Enforcement and Governance II Program**

Present material is a summary of the review of the World Bank *Implementation completion and results* report (TF-13973 TF-14063) on a grant in the amount of EUROS 9.00 million (US\$ 11.21 million equivalent) for the European Neighborhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program (hereinafter “ICR”).

The ICR-draft was received on 5<sup>th</sup> of June 2017, for IUCN and WWF input. WWF reviewed it (involving the project coordinator Antoanela Costea) and sent its input on June 14, 2017. Below it’s a summary of the key comments and additional justification, as applicable.

<b>Point</b>	<b>WWF Comment<sup>27</sup></b>	<b>Justification</b>
8	The text mentions twice “investments”, yet there were no investments allowed.	The categories of eligible expenditures, as stated in the WWF Grant Agreement, were: “Goods, consultants’ services, Training and Operating Costs under the Project”. As well point 64, says “...did not involve capital investments”.

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<sup>27</sup> The editorial markings are proposed edits by WWF presented *ad verbum*.

28 44 67 70	The wording “private sector” is to be changed with “sustainable forest management”.	WWF activities in FLEG, agreed with the participating countries, were focused on SFM especially (such as forest credible certification scheme, wood traceability, EUTR, education on SFM). WWF forest program is targeting awareness raising, development and implementation of SFM principles, along with environmental standards for sustainable management (“what they knew best” as well said at point 44).
33 71	<del>“On the other hand, World Bank staff felt that the IOs did not always follow the guidelines they had been given.” and “Bank staff, on the other hand, reported that IOs often failed to follow the instructions they had been given, or to internalize the procurement training the World Bank had provided.”</del>	Both are ambiguous remarks, as World Bank’s yearly audits reports (on project financial management and procurement) showed compliance with the WB guidelines, at least in WWF case. Consequently, there are no grounds in support of such statements and should be deleted. Otherwise, in case the sentences are to remain, they need to be supported with more information (examples, staff name/title mentioned, failed how etc.).
60	“Two important communications documents were produced in 2014: <i>Guidebook on the Visibility of FLEG II Communications Products and FLEG II Communications Procedures.</i> ” and “A communications strategy ... and approved toward the end of 2015”, might be added.	Just a proposal of additional text, for more accurate information.
68	“Furthermore, interviewed stakeholders reported that ...”	There is the question of, when were the interviews conducted? The statement seems out of the context.
70	“The three IOs brought their own distinct institutional objectives and management styles, and <b>internal</b> procurement rules to the Program” “However, their agendas did not always align, which made coordination difficult, <del>with each pursuing their own objectives at times.</del> ”	Project procurement rules were the ones in the WB guidelines, there were no internal rules allowed. The last part sounds tendentious. The objectives followed were the ones of the projects, while the activities were agreed with the countries.
78	“Law enforcement, which comprises half the FLEG acronym, received <i>less attention than it should have</i> , although there were some related individual activities (e.g.	It should be given more explanation why is believed that law enforcement received ‘less attention than it should have’. There were different activities, not just individual, related to this objective, like: <a href="#">training with judges in</a>

	assessments of illegal practices in Moldova, Russia and Ukraine).”	Georgia, the independent public monitoring of forests in Armenia, the <a href="#">Ecomap website</a> and the “check the track number” system in Ukraine, wood tracking system in Moldova.
93	<p>“There was initial resistance to working in countries where it did not have an office (Belarus and Moldova), an issue addressed by having remote program coordinators, <del>although it still meant that these countries received less support than the rest. Capacity and budget to develop all planned activities was insufficient toward the end of the program, leading to strains on management and negatively affecting the quality of activity preparation. There were some coordination issues between the four WWF implementing offices (WWF International, WWF Danube-Carpathian Programme, WWF Caucasus Programmer and WWF Russia).</del>”</p> <p>“The World Bank found that the quality of TORs and other written outputs developed by WWF was variable, necessitating frequent revisions. <del>This suggested weak internal quality control procedures.</del>”</p>	<p>On the “less support...”, we can’t agree with this statement, as although we worked remotely indeed, the CPCs were actively engaged in activities implementation and institutional cooperation.</p> <p>On the next sentence, was not a matter of insufficient capacity or lack of budget at the end of the project, but an overload of project coordinator, which however did not affect WWF offices coordination.</p> <p>Beside these, we don’t know how the “moderately satisfactory” rating was given to the IOs.</p> <p>Indeed, sometimes the TORs were facing problems in terms of translations (being developed initially in Russian, and translated in English for the WWF project coordinator and WB approval) or what the TTL believed is in or should be in the TORs (as well, the 3 TTLs had different approaches over the TORs review). Since, there was no guidance on the quality control of the TORs, the statement is rather speculative and should be deleted.</p>
97	“Challenges arose from having to communicate among all four institutions and <del>wait for annual SC meetings to take decisions.</del> ”	Need to be rephrased as it does not take into account that there was also the SC written approval procedure (see SC TOR).

## **Annex 8. Comments of Cofinanciers and Other Partners/Stakeholders**

**n/a**

## **Annex 9. List of Supporting Documents**

- A more detailed list of deliverables is available at the Program website <http://enpi-fleg.org/> and has been filed at WBDocs.

## **Annex 10: Best Practice Models**

The FLEG program developed in total 34 sample activities which the country team defined as “best practice” models, i.e. model that have generated a transformational if in the country’s forest sector and which likely will be replicated by other practitioners. The number of models ranged from one in Armenia to 13 in Russia. In total the number of models exceeded the target value of 29 models. The distribution of models is as follows: Armenia 1; Azerbaijan 3; Belarus 4; Georgia 3; Moldova 8; Russia 13; and Ukraine 2.

### **Armenia**

#### **1. Pilot project on briquetting in Koghb community finalized in Armenia**

A pilot briquetting project was conducted, with a briquetting line installed in Koghb community (Tavush Province) and 15 energy-efficient stoves distributed to households in Koghb, Dovegh and Berdavan communities. The aim was to increase the energy-efficiency of fuelwood and reduce its consumption. Residual wood and agricultural raw material was used as the raw product. Energy efficient household stoves replaced the traditional low-efficiency stoves.

<http://www.enpi-fleg.org/news-and-events/public-consultations/environmental-and-social-safeguards-for-pilot-project-in-armenia/>

### **Azerbaijan**

#### **2. The use of the set of tools and practices for the effective restoration of the Tugay forestland**

The development of methodology of Tugay forests landscape restoration at the arid territories, places of the original past location of Tugay forests. Identification and involvement of multiple stakeholders (forestry enterprises, regional executive authorities, municipalities and local communities) was an important stage in this process. Rehabilitation techniques and tools took into consideration the social and economic interests of the local communities and foresaw their gradual involvement to the process. Model was launched in 2015 in Yevlakh and Samukh districts and will be stepwise integrated in the other areas.

#### **3. The use of sustainable recreation and tourism management plan in the territories of the state forest fund**

A management plan was prepared in the selected pilot villages of Masalli and Gusar districts. In light of the current governmental efforts to diversify the local economy and promote the development of sustainable tourism and recreation, this kind of an initiative is expected to become an important tool for the minimization of a negative impact of unsustainable recreational use on forest ecosystems that do not have formal protected area status. According to the national FLEG Focal Point, this experience will be used in other districts as well. Its principles will be included in the state program on the sustainable forest management and forest expansion 2016-2020.

#### **4. Establish demonstration model for sustainable forest management practices based on Forest Stewardship Council (FSC) requirements**

Ismaily Forest Management Unit (IFMU) was selected as a pilot area as per the Ministry of Ecology and Natural Resources's recommendation. The local management regime in the IFMU allows to it implement similar activities in other FMUs of the country. The Sustainable Forest Management Plan prepared for used the FSC Principles and Criteria, which describe the essential elements/rules of environmentally appropriate, socially beneficial and economically viable forest management.

### **Belarus**

#### **5. Best available practices on NTFP management in Russia (workshop in Altay)**

A seminar on June 15-18, 2015, sponsored by the Forestry Department of the Siberian Federal District and the Ministry of Natural Resources, Environment and Property Relations of the Republic of Altai, examined the results of multiple use of natural resources projects in the Russian Federation and the Republic of Belarus. The seminar brought together forest management entities from the Russian Federation located within the boundaries of the ASER, businesses in the field of harvesting and processing of non-timber forest products (NTFPs) as well as invited experts, including those from the Republic of Belarus. The goal of the seminar was to present the experience and best practices of multiple use of forest resources, to discuss existing problems in this area and to develop proposals for their solution. As a result of the seminar, the recommendations addressed to Russian Ministry of Natural Resources, Forestry Agency, regional government authorities, private sector companies and non-governmental organizations were developed and adopted.

Experts from Belarus learned NTFP management approaches introduced in Russia, elements of which could be applied in Belarus.

#### **6. Best available practices for forest regeneration and tree nurseries development in Finland (study tour to a tree nursery)**

A study tour for the Belarusian foresters was organized in Finland on June 7-13, 2015. The group included seven forestry experts, representing the Ministry for Forestry of the Republic of Belarus, State Production Forestry Associations of Brest, Mogilev, Grodno and other subordinate organizations. Experts of the nursery in Suonenjoki, Finland prepared an intensive program for the Belarusian delegation. The program contained a wide range of activities from reviewing Finnish forestry to an in-depth study of various features of producing seedlings with closed root system. This included irrigation, fertilization, protection from diseases and pests, weed control, grading, packing and storage. Lectures and demonstrations of production processes as well as the technology for tree seed plantations sparked the greatest interest in the Belarusian group. In addition, participants got a lot of new information concerning the practice of reforestation by using planting material.

Belarusian experts started to implement the new knowledge in accordance with the conditions of the Belarusian environment. There are plans for future cooperation with Finnish colleagues.

## **7. Best practices of forest management in Germany (study tour)**

On October 9-15, 2016, eight forestry experts from the Republic of Belarus, including the First Deputy Minister of Forestry, Mr. Alexander Kulik, and chief forestry officers of the state production forestry associations of Belarus visited Germany for a study tour. The purpose of the tour was to become familiar with forest management in Germany, taking Saxony as a case study, for further integration of the positive experience into the forestry practice in the Republic of Belarus.

Reforms were under way to transform the composition of the forest fund in Germany by replacing spruce with deciduous species. Mr. Kulik noting that ‘there are some common issues, such as forest diseases, certification and many others. And I want to note here that half of the forests are private, but any citizen has the right to visit them.’

Interaction with local communities is one of the most complicated forest management issues. In Germany, the forest is the people's heritage, and the local communities are monitoring what is happening in forest areas. According to foresters, local population is informed about each forest management event at least three times: before beginning, in the process and upon completion of work. The public is mainly informed through articles in local newspapers or through special tours to the forest.

Firefighting was given special attention in the tour's program. The participants visited the administration of Nordsachsen district where the head of the Department of Forestry of the district administration noted that forest fires were under video surveillance 8-10 hours a day during a fire season. There were no professional firefighters, as teams were formed of volunteers who had taken special training.

Over five days the participants were able to see the full range of forestry activities, from logging and reforestation to the construction of infrastructure and protection of forests from fires and pests. At the end of the trip a memorandum on further cooperation between the Ministry of Forestry of the Republic of Belarus and Forest Experts Programme was signed.

## **8. Assessment of the effectiveness of timber legality verification systems**

In 2014- 2015 a study titled “Feasibility Study for Introduction of Electronic Timber Tracking Technologies in Belarus” was finished and the results were presented at the Ministry of Forestry of the Republic of Belarus. The research was carried out by the Russian consulting company together with experts from the Grodno State Forestry Complex and the Belarus State Technological University. The research was organized to assess the need for additional measures to increase transparency and effectiveness of a timber tracking system in Belarus and whether it was necessary to introduce an electronic system to have each harvested log marked by a special barcode. This research was important in the context of enforcement of the European Union Timber Regulation 995/2010 that laid down obligations on operators supplying timber or timber products to European markets and introduced requirement for due diligence systems to evaluate and minimize illegality risks. According to the results of the research the effectiveness of the existing timber tracking system in Belarus was high, especially in regards to combating illegal logging. Additional measures to barcode individual logs were not necessary and would not be economical. The existing system of timber tracking of the Ministry of Forestry of Belarus was effective enough to be used to prove timber legality.

Based on the study, proposals for further improvement of the Belarus forest legislation and electronic timber origin tracking system within the Unified Automatic Informational System of the Ministry of Forestry of Belarus were developed.

## Georgia

### **9. Assessment of Sanitary Situation in Protected Areas' Forests in Georgia and Preparation of Recommendations**

FLEG Program studied sanitary conditions of two rare tree species found in Georgia: the evergreen Tertiary period relic plant *Buxus colchica* (boxwood, IUCN Red List species) found in Mtirala National Park and Kintrishi Protected Areas and of ancient and relict Imeretian Oak (*Quercus imeretina*, IUCN Red List species) found in Ajameti managed reserve.

The field and laboratory studies conducted in boxwood forests stands in Mtirala National Park and Kintrishi Protected Areas revealed strong development of soil phytopathogens of phytophthora (*Phytophthora plurivora*) and *Pythium chamaeiphon* causing root rot. Later, the damage of boxwoods by *Cydalima perspectalis* caterpillars was also identified.

A FLEG study concluded that the old growth boxwood trees in Kintrishi Protected Areas and Mtirala National Park were almost completely dead and their restoration was only possible with active and long-term human intervention and well thought out forest management. FLEG experts suggested using preparation "Dimilin" for the treatment against *Cydalima perspectalis* caterpillars in green areas, which has no effect on other organisms, except insects.

There is a conflict between the two species of the Red List of IUCN, Imeretian oak and great Capricorn beetle (*Cerambyx cerdo*) in the territory of Ajameti managed reserve. FLEG study concluded that decline of Imeretian oak forests had been ongoing for a long period. The deterioration of vegetation is influenced by various factors. The conservation activities should include the following three directions: protection and conservation of the best-preserved areas of old-growth Imeretian oak stands; restoration of forests stands with a predominance of Imeretian oak in trees composition; environmental education, tourism and recreation.

FLEG provided the Georgian government with information on the magnitude and reasons for *Buxus* dieback and Imeretian oak decline. Furthermore, the laboratory work, carried out in Italy at the DIBAF University of Tuscia, Viterbo, and in Poland at the Forest Research institute, Warsaw, helped identify specific fungi that affected forests, information which was also not fully known before this research.

The recommendations have already been included in the Mtirala National Park and Ajameti managed reserve management plans developed with the support of EU twinning project and approved by the Prime Minister of Georgia. The Georgian government's work on incorporating FLEG data, findings and recommendations in Kintrishi Protected Areas management plan is ongoing.

As the *Buxus* dieback it is not only local Georgian problem but is spreading along the Caucasus Ecological region, the study has an international importance. The results were presented at several international scientific conferences, including "Challenges of the XXI century and their settlement in the forestry sector and the environment" in Kiev, Ukraine, in 2015, "SCIENCE - innovative development of forestry" in Gomel, Belarus, in 2015, and "Integrated plant protection and plant quarantine. Prospects for the development in the XXI century" in Kiev, Ukraine, in 2015.

Based on results provided by the experts, the NFA and the Forest Policy Service of the MENRP concluded that it was necessary to carry out the same type of study in forests managed by the NFA. The FLEG II Program focal point sent an official letter with this request, which led to the implementation of a follow-up activity through July 2015-January 2016.

**Links:**

**Moving on the International Chessboard to Save Boxwood**

<http://www.enpi-fleg.org/news/moving-on-the-international-chessboard-to-save-boxwood/>

New Moves to Combat Forest Pests and Diseases in Georgia

<http://www.enpi-fleg.org/news/new-moves-to-combat-forest-pests-and-diseases-in-georgia/>

**10. Support forest management at local level**

Tusheti Protected Landscape is a unique case of local governance. This is the first time that Georgian Government transferred control of a protected area from the national to local level. Since 2003 the area has been officially managed by Akhmeta municipality but its management responsibilities remained unclear.

FLEG initially examined current management practices of the Tusheti Protected Landscape in order to clarify where the implementation gap existed and how FLEG involvement would be most beneficial. Based on this research, FLEG's National Forestry Consultant took on the responsibility of providing consultations to the Landscape management authority on different aspects of communal forestry and developing a strategic document which would help to move towards communal forestry in the area. FLEG helped to build the capacity of the management staff: in July 2014 the FLEG forestry consultant conducted the field training on forest management. In November 2014, the staff of the administration and representatives of Akhmeta municipality were trained on the main principles of communal forest management.

FLEG's goals were aligned with the agendas of other development partners, specifically the Czech Development Agency which prepared a management plan for the Tusheti Protected Landscape and is also implementing forest related projects in the region. Furthermore, FLEG familiarized the wider public, both in Georgia as well as internationally, with the development in Tusheti. The Georgian government now considers the Tusheti Protected Landscape a showcase for the management of other protected areas in the country. The Georgian national government hopes the effectiveness of the Tusheti Protected Landscape can be further replicated in other regions where there is interest in establishing protected areas.

In July 2015, *eco.mont – Journal on Protected Mountains Areas Research and Management*, a publication which produces peer-reviewed articles on research within protected mountain areas, published an article that profiled the Tusheti case and put a spotlight on FLEG's work, which ensured that FLEG's activity and its results were accessible to the international community.

Finally, with the legal transfer of authority now in place, rangers working in the forest and managers are local Tushetian people. The administration can enhance forestry personnel, undertake forest inventory, elaborate a forest management plan and establish a transparent and sustainable system of harvesting and supply of forest products to meet local needs.

**Related links:**

### **FLEG Publishes Tusheti Local Governance Article in Protected Areas Journal**

<http://www.enpi-fleg.org/news/fleg-publishes-tusheti-local-governance-article-in-protected-areas-journal/>

### **Home at Last: Tusheti Protected Landscape Officially Under Local Control**

<http://www.enpi-fleg.org/news/home-at-last-tusheti-protected-landscape-officially-under-local-control/>

### **Preparing the final mile in historic handover of Georgian forest protection to local control**

<http://www.enpi-fleg.org/news/preparing-the-final-mile-in-historic-handover-of-georgian-forest-protection-to-local-control/>

#### **11. Use of new technologies**

A FLEG IT consultant gave a WEB GIS training to the staff of the Ministry of Environment and Natural Resources Protection of Georgia (National Forestry Agency, Agency of Protected Areas, Department of Biodiversity Protection and Forest Policy), handed over the GeoForestPortal to the ministry and developed a WEB GIS manual for smooth operation of the portal. This work was important in the sector since it promotes usage of new technologies in forest management, in which FLEG played an essential role.

#### **Moldova**

#### **12. Wood traceability system**

The wood traceability system developed in Moldova is a powerful tool in reducing illegal logging and addressing associated forest crimes. Developed and tested under FLEG II in 2014-2016, it soon became a support for forest governance law enforcement at the national level. Forest authorities' commitment, along with the Government engagement, will ensure the wood traceability system sustainability.

#### **13. Promoting energy forestry**

In 2014, FLEG started cooperation with the State Forestry Enterprise (SFE) Telenesti, a subdivision of Agency Moldsilva that operates the largest state forestry nursery in the country. Two primary plantations ("mother plantations") of poplar were established based on forest reproductive material provided by the neighboring Romania. A total of 4000 one-year seedlings of fast-growing hybrids/clones of poplar (cultivar type I-45/51, Sacrau 79, Toropogritzki, I-69/55) were planted in the nursery. In 2016, based on primary (mother) plantations two plantations were established - one covering 0,72 ha on state land administered by the SFE Glodeni in Falesti district and the other one covering 0,48 ha on private land administered by "Revic-Grup" LTD in Ungeni district. SFE Telenesti organized several workshops by inviting state forest owners, local public authorities and private agents, during which it presented preliminary results, shared thoughts and collected opinions. A guidebook and other informative materials were developed, and the website will be launched soon.

#### **14. Forest management planning work**

The forest management planning work (FMP) was part of the forest management process and the products offered as a result of the FMP activities (FMP book and FMP map) are key guidelines for forest practitioners. FLEG continued to work in communal forests in cooperation with the Forest Research and Management Institute (ICAS), a subdivision of Agency Moldsilva. For the period of 2013-2016, the area covered with FMP reached 5030 ha (original target 5000 ha). The work involved highly skilled ICAS personnel. Municipal forests accounts for about 100,000 ha, of which approximately 7500 ha were included in the FM planning work under FLEG I and II. FLEG and ICAS cooperated with 26 local communities from 22 districts, which was an enormous contribution to the management of forest resources at the local level.

#### **15. Nursery enhancement**

Based on FLEG I findings that is a high consumption of fuelwood with volumes that exceeded authorized quotas, FLEG II enhanced capacities of a state forest nursery. It also supported cooperation between state forest entities with other interested counterparts, including the private sector. Short rotation forestry is one of the ways to increase biomass production in relatively short time. Moldova's aspirations to reduce its energy dependency will be based on alternative energy sources, including biomass production to meet the needs of local population in energy wood and other wood used in households. FLEG cooperated with the State Forestry Enterprise Telenesti in the central region of the country and provided technical assistance to their nursery (approximately 90 ha of nursery production area). It established a primary (mother) plantation, created a reproduction area using fast growing poplar material, extended this through two demonstrational plantations (one at state forestry area, another one a private land), provided necessary dissemination and training and ensured awareness.

#### **16. Silvopastoral systems**

Moldova's landscape is mainly agricultural land (74%) with scattered forest bodies (circa 13%) that have a significant impact on agriculture and other sectors of national economy. Two resources, the forests and the pastures, are the most sensitive across the landscape among local population. Silvopastoral approach is the beginning of a 'know-how' incentive in the country with a lot of yet uncovered potential. FLEG II cooperated with local stakeholders (namely Forest Research and Management Institute [ICAS]) and tackled the two resources, i.e. forests and pastures, as unseparated and extremely important to local sustainability. A concept of an agroforestry/silvopasture communal entity was developed by ICAS under guidance from FLEG, including an economic evaluation of the benefits that local communities could raise from the rational use of these two resources. Besides direct gain such as biomass and fodder, this integral approach of using forests and pasture jointly could deliver more potential for other types of services (e.g. prevention of land degradation, water retention, increased agricultural production, income revenues etc.).

#### **17. National Consultancy Forestry Office**

The National Consultancy Forestry Office (NCFO) was established in 2015 within the Forest Research and Management Institute of Agency Moldsilva, under guidance and technical assistance from the FLEG. Its main purpose is to provide necessary support and various consultancy services (legal, economic, environmental) to any category of forest owners, or other owners willing to create/establish and manage forests sustainably. NCFO has now about 6 staff and an office with technical equipment. It is able now to cooperate with local stakeholders regardless of their geographical range or complexity of issues they might have. Its assistance ranges from assisting with institutional or legal issues, performing economic evaluation to providing services on forest management planning (FMP), forest health and pathology.

## **18. Assistance/Guidance**

Agency Moldsilva (with its 25 subordinated SFE) that manages approximately 85% of country's forest resources is committed to not only improving its own capacity, but also to enhancing capacities of other owners (remaining 15% of forests), mainly communities and private sector owning forest vegetation. Also, transferring technologies and 'know-hows' from Moldsilva to other forest properties and vice-versa is another task that FLEG wanted to address. Since FLEG I Moldsilva has undertaken modernization of its own staff training capacities and in FLEG II it continued to provide guidance and assistance to a variety of land owners. During 2014-2016, Moldsilva provided assistance and guidance to approximately 300 institutions, companies and individuals from 26 districts throughout the country. A number of workshops have been organized, with participation from governmental institutions (Ministry of Environment, Moldsilva), state forestry entities (forestry, forest-hunting, protected area managers), local public administrations (district and village/community level), NGOs and mass media as well as other projects/donors operating in the country (IFAD, UNDP).

## **19. Forest Dependency**

In order to understand the scale of real dependency of local/rural population on forest/nature resources FLEG undertook a forest dependency study in three selected communities in Moldova. Each village/community selected for the study was treated as being representative of each of the three main eco-regions in the country: Central forested Moldova (Cioresti community), Northern forest-steppe region (Alexandru cel Bun village) and Southern steppe-forest region (Borceag village). Results showed that three main sources of income prevail in the rural areas - agriculture, remittances and forest products. Nuts (mainly walnuts) could make up to 50% of all forest-type product income for local families, and fuelwood still remained among the most demanded products. Also, analysis by social quintiles showed that the forest dependency was rather high among poor families. Results of forest dependency analysis were shared back with local communities. Such type of analysis can be useful in projecting new incentives at a local level and help communities reorient towards new approaches, such as alternatives or integrated landscape management.

## **Russia**

### **20. Multistakeholder alliances to improve forest governance**

Creating local multistakeholder alliances to improve forest governance and prevent illegal NTFR collection in the vicinity of PNAs (National Parks and National Nature Reserves). Piloted in Bezhanitsy.

### **21. Engaging local population in the development of ecotourism infrastructure**

Dissuading local citizens from illegal logging by engaging them in the development of ecotourism infrastructure. Piloted in Zevlo and Gogolevo villages, Pskov region.

### **22. Use of forest mushrooms and herbs in creating souvenirs**

Use of forest mushrooms and herbs for dying wool as a possibility of creating souvenirs with the high added value by local citizens of forest-dependent communities. Piloted in Zevlo village in cooperation with the Estonian specialists.

### **23. Transboundary cooperation to promote existing ecotourism products**

Networking forest-dependent communities for enhancing transboundary cooperation in Russia and Belarus with engagement of travel agencies from Latvia and Estonia to promote existing ecotourism products. Piloted in Bezhanitsy (RU) and Lepel (BY) districts.

#### **24. Promoting ecotourism associated with ancient Slavic fests**

Generating extra tourist demand by promoting forest ecotourism events associated with ancient Slavic fests and memorial dates. This activity is jointly developed in Russia and Belarus with engagement of travel agencies from Latvia and Estonia to promote existing ecotourism products. Piloted in Bezhanitsy (RU) and Lepel (BY) districts.

#### **25. Enhanced public control**

Enhanced public control and informing authorities on the violations of proper forest governance and the use of resources through the developed alliances mentioned in Practice 1, especially in the PNAs. Piloted in Bezhanitsky and Loknyansky raions.

#### **26. Developing roadmaps of sustainable forest use**

Developing roadmaps of implementing the sustainable forest use model. Piloted in 4 municipalities of NW Russia, Buriatia Republic, Khabarovskiy and Primorskiy Krays.

#### **27. Conversion of industrial badlands in Northern Taiga into tourist attractions**

Conversion of former industrial badlands in Northern Taiga into tourist attractions as an alternative job opportunity for illegal loggers. Piloted in Komi Republic, Yugyd Va National park.

#### **28. Forming public-private alliances for the Forest Landscape Restoration**

Forming public-private alliances for the Forest Landscape Restoration and increasing forest functionality in the forest-dependent communities. Piloted in Pskov region and Northern Primorye, Terney municipality.

#### **29. Trainings on the use of forest resources to offset the seasonality of ecotourism**

Offsetting the seasonality of ecotourism in the forest-dependent communities in the vicinity of protected nature areas by organizing trainings on the use of forest resources and master-classes for urban citizens. Piloted in Pskov Region and Khabarovskiy municipal district.

#### **30. Providing IT-based distant access and e-learning on sustainable and legal use of non-timber resources**

Providing IT-based distant access and e-learning on the best practices and opportunities for sustainable and legal use of non-timber resources by rural citizens. Piloted nationally.

#### **31. Integrating old and dysfunctional facilities (railroads, schools, etc.) into the existing ecotourism infrastructure**

Integrating old and dysfunctional infrastructure facilities (railroads, schools, etc.) into the existing ecotourism infrastructure to increase the attractiveness and efficiency of eco-education programs of the Protected Nature Areas. Piloted in Polistovskiy National Nature Reserve.

#### **32. Public dialogue initiatives**

Networking Protected Nature Areas for solving the problems of the illegal use of forest resources by the neighboring forest-dependent communities through the legal and public dialogue initiatives. Piloted in NW Russia in the framework of the NW-Russia's PNAs association.

## Ukraine

### **33. New national model for hunting**

In 2014 FLEG II experts analyzed hunting industry practice and legislation in Ukraine. Based on numerous discussions in working groups and roundtables, a number of legislation gaps and bad practice models were identified. These analyses led to an agreement to develop a new national model for hunting, based on the best international and national experience. In 2015, FLEG II experts and government professionals visited three EU countries (Poland, Slovakia and Hungary) to search for their best practice models and legislation specifics. Based on the observed practices and the information that was revealed during the visits, the experts came up with their proposal of a new hunting model for Ukraine. It also included recommendations received from national stakeholders.

Principles for a sustainable game management model were developed, including the appropriate industry related EU directives and guidelines, were adopted into a proposal of changes to the national law on hunting. Discussions of proposed changes were conducted with stakeholders through email communication as well as at round tables. The discussions involved nearly 100 specialists across the industry. The final draft of a new practice model was uploaded to the web sites, bringing it to the attention of the Forestry Agency, MPs, other government bodies and relevant stakeholders.

### **34. Support to improvement of governance in forests managed by local authorities**

A training course for local authorities and communities aimed at improving their participation in the governance of forests was developed. Three trainings were conducted, and about 100 participants, in total, attended the trainings. An informational guidebook for local authorities and population was developed on the basis of seminar training materials and issues raised by the participants. The guidebook contains information on key aspects of the day-to-day activities of forestry companies and on the most common conflict situations that they face. Possible solutions to these situations are proposed as well.

The focus was on the rights of local authorities and communities in the forest management and the mechanisms to ensure them. The appendices contain extracts from the legislation in the field of forestry and other useful practical information for the local authorities as well as the local communities. The purpose of the guidebook is to promote better collaboration and openness of all stakeholders, contributing to greater sustainability of the communal forest management. The trainings and the guidebook were highly appreciated by the local authorities and communities. A request from local authority representatives of neighboring regions was obtained for conducting such trainings and distributing the guidebook. The expected result of this activity is achievement of a better level of understanding of the forest management system by local authorities and population. In consequence, governance in forests managed by local authorities will improve by ensuring their rights in decision-making processes, and in the management in general.

#### **Related link:**

<http://www.fleg.org.ua/docs/1672>

# MAP

