

## CEPF FINAL PROJECT COMPLETION REPORT

### I. BASIC DATA

**Organization Legal Name:** Fund for Biodiversity Conservation of Armenian Highland (FBCAH)

**Project Title (as stated in the grant agreement):** Promoting Sustainable Resource Use Among Local Communities Near Protected Areas in Southern Armenia

**Implementation Partners for this Project:**

- Shikahogh Reserve State Non-Commercial Organization (SNCO) under the Ministry of Nature Protection of the Republic of Armenia;
- Meghri Forest Enterprize of “Hayantar” SNCO under the Ministry of Agriculture of the Republic of Armenia;
- Regional Government of Syunik Marz (Region);
- Communities in Southern Armenia: Tsav, Shikhigh, Aldara, Nyuvadi and Kajaran;
- Local NGO “Khustup”.

**Project Dates (as stated in the grant agreement):** 1 July, 2007 – 31 December, 2008

**Date of Report (month/year):** 25 February 2009

### II. OPENING REMARKS

*Provide any opening remarks that may assist in the review of this report.*

The project was aimed at improvement alternative livelihood of communities adjacent to 1 existing (Shikahogh Reserve) and 2 planned (Arevik and Zangezur) protected areas (PA). The provision of alternative livelihood would bring to increased income for communities and reduced pressure on natural ecosystems and reduced unsustainable use of resources. The project activities were implemented in 5 communities of Southern Armenia: Tsav, Shikhigh, Aldara, Nyuvadi and Kajaran. This was the first time such a project was implemented in Southern Armenia. The involved communities were thankful for being involved in the project and greatly supported its implementation. They would like to see more such projects implemented in future.

It was initially planned by the project to work with 6 communities. However, at later stages of the project it became obvious that not all planned activities can be implemented due to the drastic decline of the exchange rate. Therefore, it was suggested by CEPF national and regional coordinators to get approval from CEPF to reduce the number of communities from 6 to 5. The proposal was approved and project activities were implemented in 5 communities instead of initially planned 6.

### III. ACHIEVEMENT OF PROJECT PURPOSE

**Project Purpose:** Natural resources use among targeted communities near Shikahogh reserve, Arevik and Zangezur SPNAs is improved and sustainable. Conflicts on natural resources use between communities and protected areas are mitigated. The globally threatened species are protected through involvement of local communities in sustainable natural resources management.

Planned vs. Actual Performance

Indicator	Actual at Completion
<p><b>Purpose-level: Natural resources use among targeted communities near Shikahogh reserve, Arevik and Zangezur SPNAs is improved and sustainable. Conflicts on natural resources use between communities and protected areas are mitigated. The globally threatened species are protected through involvement of local communities in sustainable natural resources management.</b></p>	<p>At the end of the project the use of natural resources by 5 targeted communities was improved.</p> <p>The Memorandums of Understanding were completed between communities and Shikahogh Reserve and Meghri Forest Enterprise (new protected area will be established on its basis), which provided the basis for reduction of conflicts on natural resources use between communities and state agencies. The conflicts were significantly reduced.</p> <p>The provision of alternative livelihood to communities reduced the pressure by communities to adjacent areas (reserve and forest enterprise) and consequently contributed to protection of globally threatened species.</p>

<p><i>The production level in the six targeted communities improved and income increased by 50% by June 2009.</i></p>	<p>The production level in five targeted communities was improved, particularly through the following alternative livelihood opportunities:</p> <ol style="list-style-type: none"> <li>1. Aldara community: the income was increased through use of a tractor and bee-hives, it will increase significantly during coming years as the apple orchard starts to bring harvest;</li> <li>2. Nyuvadi community: the income was increased through use of a tractor and bee-hives, it will increase significantly during coming years as the pomegranate orchard starts to bring harvest;</li> <li>3. Shikahogh community: the income was increased significantly through use of two tractors for agricultural purposes and bee-hives;</li> <li>4. Tsav community: the income was improved through use of a tractor, bee-hives and rabbit farm;</li> <li>5. Kajaran community: the income was improved through establishment of a goat and sheep farm and provision of bee-hives.</li> </ol> <p>The business and marketing plans were developed for the communities and being implemented.</p>
<p><i>Conflicts on natural resources use between communities and protected areas are mitigated by 75% by June 2009.</i></p>	<p>The conflicts between communities and Shikahogh reserve and Meghri Forest Enterprize (FE) were significantly mitigated as there are Memorandums of Understanding (MoU) between communities and mentioned state structures. The MoU envisages that the reserve and FE support the sustainable recourse use by communities as well as make some control over it.</p>
<p><i>Unsustainable recourses use practices (poaching, logging, harvesting of plants) reduced by 75% by 2009.</i></p>	<p>The project targeted communities have alternative livelihood opportunities and their need for unsustainable use of resources was significantly reduced, which resulted in reduction of their pressure on natural ecosystems.</p>

***Describe the success of the project in terms of achieving its intended impact objective and performance indicators.***

The main objective of the project was to improve the sustainability of natural resource use in targeted communities and reduce the conflict on natural resources use between communities and protected areas.

The project succeeded in implementation of the planned activities and the following indicators were achieved:

1. The production level in five targeted communities was increased along with the income for communities through provision of different alternative livelihood opportunities (details see next section, Output 3). For the communities with established orchards there are chances to have even more significant increase of productivity and income as they have growing harvest from the orchards. The provided bee-hives will also have growing productivity as over time their number can be increased thanks to natural regeneration with consequent increase of income.
2. The conflict between communities and protected area was significantly reduced due to improvement of cooperation between communities and state structures (reserve and forest enterprise). The Memorandum of Understanding provides good foundation for collaboration and mutual support. As there is a trend of improving cooperation improved over years, it can open new possibilities for both communities and reserve to think about implementation of joint activities (for example, in ecotourism field).
3. The project reduced unsustainable resources use practices by targeted communities as at present they have alternative livelihood opportunities, which significantly reduced their need for use of natural resources from adjacent territories.

***Were there any unexpected impacts (positive or negative)?***

One of the positive impacts of the project was the dissemination of project related information among non-project communities, which expressed their willingness to be involved in such projects. In addition, the technical support provided to targeted communities sometimes serve to other non-project communities as there is good cooperation between neighboring communities in the region.

Unexpected negative impact was connected with drastic decline of the foreign currency exchange rate, which resulted in reduction of the initially planned project activities (5 communities instead of 6).

#### IV. PROJECT OUTPUTS

*Project Outputs: Enter the project outputs from the Logical Framework for the project*

#### Planned vs. Actual Performance

Indicator	Actual at Completion
<p><b>Output 1: Engage communities in detailed implementation planning, including developing agreements for managing the enterprises and memorandums of understanding with protected area management.</b></p>	<p><b>Communities were engaged in detailed implementation planning and development of Memorandums of Understanding with protected areas.</b></p>
<p><i>Agreements on establishment of community based organizations are prepared and signed with the six targeted communities by August 2007.</i></p>	<p>Community Associations (consisting of 4-5 persons each) were established in all 5 communities and the agreements were prepared and signed.</p>
<p><i>Memorandums of understanding between the six targeted communities and Protected Areas are prepared and signed by December 2007.</i></p>	<p>Memorandums of Understanding were prepared and signed between all 5 communities and protected area/forest enterprise. They are between FBCAH, Shikahogh Reserve and Shikahogh and Tsav communities and FBCAH, Meghri Forest Enterprise and Aldara, Nyuvadi and Kajaran communities.</p>
<p><b>Output 2: Provide technical assistance for enterprise start up in the six targeted communities.</b></p>	<p><b>Technical assistance for provided to 5 targeted communities to start up activities.</b></p>
<p><i>Staff of the six community based organizations are selected and trained by December 2007.</i></p>	<p>The Community Associations (communities) were trained in all 5 communities. The number of trainees was as follows: Shikahogh - 6, Nyuvadi - 4, Aldara - 4, Tsav – 5 and Kajaran – 6. The training was carried out by invited consultants with participation of Shikahogh reserve administration, community leadership and FBCAH.</p>
<p><i>The business plans for the six targeted community based organizations are developed and approved by the communities by March 2008.</i></p>	<p>The business plans for 5 involved communities were developed by hired consultants and later on approved by communities' leadership (councils) including Community Associations.</p>
<p><b>Output 3: Disburse subgrants to community based organizations within the six targeted communities in support of enterprise objectives.</b></p>	<p><b>Subgrants were disbursed to 5 targeted communities in the Southern Armenia: Aldara, Nyuvadi, Shikahogh, Tsav and Kajaran.</b></p>

<p><i>Subgrants to community based organizations within the six targeted communities in support of enterprise objectives are disbursed by March 2008.</i></p>	<p>The following subgrants were disbursed to targeted communities:</p> <ol style="list-style-type: none"> <li>1. Aldara – a tractor (for common community use), 10 bee-hives, 1500 apple seedlings for establishment of an orchard (2000 sq.m.);</li> <li>2. Nyuvadi – a tractor (for common community use), 10 bee-hives, 2000 pomegranate seedlings for establishment of an orchard (3000 sq.m.);</li> <li>3. Shikahogh – two tractors with instalments (for common community use), construction of an agro-machinery station and provision of 10 bee-hives;</li> <li>4. Tsav – a tractor (for common community use), 10 bee-hives and establishment of a rabbit farm (renovation of the old constructed farm, provision of 80 rabbit nets, 1 rabbit feed processing machine, 350 rabbits and 600 packages of hay and 1 ton of combined feed);</li> <li>5. Kajaran – development of a goat and sheep farms with fundamental reconstruction and renovation of the old farm building, provision of 30 goats and 160 sheep with forage for animals (2000 packages of hay and 3 tons of combined feed), provision of 10 bee-hives and a tractor instalment (the community had a tractor).</li> </ol>
<p><b>Output 4: Provide access to market in Yerevan, Kapan and other towns.</b></p>	<p><b>The access to markets was provided in Yerevan, Kapan and other towns.</b></p>
<p><i>Survey on market demands for the products produced by the 6 targeted community based organizations is done by December 2007.</i></p>	<p>The survey on market demands for the products produced (to be produced) in 5 targeted communities was done during the development of the marketing plan. For example, the production of rabbit farm happened to have high demand on the local market as this type of activity was absent. The big demand on lamb was</p>

	identified during the market survey. In Meghri town there are recently established agricultural food processing facilities, which were much interested in receiving sustainable amounts of apple and pomegranate harvest from established orchards.
<i>Access to markets in Yerevan, Kapan and other towns is provided to the community based organizations by December 2008.</i>	The access to market in Kapan was provided and there is even more market demand than established production units can ensure. The market in Yerevan is also accessible, but will become functional for targeted communities in case the volume of production grows.
<i>Preliminary agreements with agricultural production producers (companies) to buy local products/raw materials are in place by December 2008</i>	Preliminary agreement with Meghri food processing enterprise is in place to receive apple and pomegranate from targeted communities. There are agreements with shops/markets/supermarkets in Kajaran, Kapan, Tsav and Shikahogh to buy meat products.
<i>Preliminary agreements with whole-salers and retailers in Yerevan, Kapan and other towns are in place by December 2008</i>	There is agreement with a big market in Kapan to buy meat products produced in project communities. There are preliminary agreements with some whole-salers in Yerevan, which however requires increase of volumes and productivity to be able to provide respective amount of products.
<i>Information on products is available in different towns of Syunik Marz by December 2008</i>	Each community submits quarterly reports on their activities to Regional Authorities (Syunik Marz Administration) with respective information on available products from their community. Then the Regional Authority disseminate this information in the region through different means (mass media, local TV, etc.).
<i>Information on eco-tourism opportunity is available to tourist agencies in Yerevan by December 2008</i>	N/A

***Describe the success of the project in terms of delivering the intended outputs.***

The project was successful in delivering all intended outputs in 5 communities. Community Associations were established, Memorandums of Understanding were signed between communities and state structures (Shikahogh Reserve and Meghri Forest

Enterprise), training was conducted with communities to start up activities, respective sub-grants were disbursed to communities and market access was provided.

Already there are tangible results, for example, in Shikahogh community it is decided to use the income generated by use of tractors during one year of the project for renovation and re-opening of the old kinder-garden. Another example is that tractors provided to targeted communities are used not only for income generation for those specific communities, but also provided to neighboring non-project communities to support their income generation.

***Were any outputs unrealized? If so, how has this affected the overall impact of the project?***

Activities were implemented in 5 communities instead of initially planned 6 due to unexpected decline of exchange rate. This change was agreed and approved with CEPF.

In Tsav community it was initially planned to develop a goat and sheep farm, but after the commencement of the project it became obvious that it would be more useful for community to have a rabbit farm. The plan was changed according to community request and a rabbit farm was developed. This change did not affect the impact of the project as rabbit farm brings more income in shorter period than initially planned goat/sheep farm would do.

<b>V. SAFEGUARD POLICY ASSESSMENTS</b>
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***Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.***

The project was implemented in line with the community development programs of the Government of Armenia in compliance with provisions of international agreements and acting national legislation. The project was in line also with the Strategy on Developing Specially Protected Areas and National Action Plan (adopted by the Government of Armenia in 2002) in terms of implementing intersectoral management projects to support protected areas and involvement of NGOs and private owners' participation in protected areas management related issues.

<b>VI. LESSONS LEARNED FROM THE PROJECT</b>
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*Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.*

*Project Design Process: (aspects of the project design that contributed to its success/failure)*

In the project design stage it is important to have close contact with the project area/communities/authorities involved, so that to be able to plan realistic activities. Initial contacts with the envisaged project participants provides a good foundation of farther successful implementation of the project as they are already familiar with the planned activities, they make their suggestions and inform about requests, they contribute in design of activities and later on support their implementation.

It is important also to have more or less flexible financial planning so that later on at implementation stage to be able to adapt to unexpected impacts connected with changes in currency exchange rate.

*Project Execution: (aspects of the project execution that contributed to its success/failure)*

It is crucial to continue regular communication with involved participants, which is the safeguard for successful implementation of such kinds of projects.

It is important to have some flexibility also in terms of making slight changes in some project activities (for example, development of rabbit farm instead of goat/sheep farm), the need for which becomes obvious already at implementation stage of the project.

During project implementation it sometimes happens that unexpected (non-planned) small activities/actions with respective expenses appear. For this it is necessary to have more possibilities in the planned budget to implement such unexpected activities.

<b>VII. ADDITIONAL FUNDING</b>
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*Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.*

Donor	Type of Funding*	Amount	Notes
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***\*Additional funding should be reported using the following categories:***

- A Project co-financing (Other donors contribute to the direct costs of this CEPF project)***
- B Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)***
- C Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)***
- D Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)***

***Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.***

In parallel with the CEPF project implementation the FBCAH started another project on ecotourism development linked with community development and implemented as sub-grant provided by WWF Armenia. It is a sub-component of a big project “Biodiversity Protection and Community Development: Implementing Ecoregional Conservation Plan Targets in South Armenia” funded by the Norwegian Government (MFA) through WWF Norway. The component implemented by FBCAH deals with other communities in Vayots Dzor and Syunik regions of Armenia (Gnishik, Shatin, Garni and Tatev communities) and through different activities (bee-keeping, waste management, ecotourism management in the areas of natural monuments, etc.) will contribute to income generation for communities and development of ecotourism in adjacent areas.

## **VIII. ADDITIONAL COMMENTS AND RECOMMENDATIONS**

This was the first experience of such type of project implemented in the Southern Armenia. It was obvious that there are many unsolved issues in communities and in their relations with protected area. The project tried to deal with some of these issues through provision of income generation opportunities to communities and improvement of their relations and communication with protected areas. The targeted communities supported the planning and implementation of the project and expressed their willingness to have more such projects implemented. In addition, other non-project communities would like to see similar projects implemented in their respective communities.

## VIII. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, [www.cepf.net](http://www.cepf.net), and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

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