

**JFPR9125-MON
POVERTY REDUCTION THROUGH COMMUNITY-BASED
NATURAL RESOURCE MANAGEMENT**

BIA-ANNUAL PROGRESS REPORT

(Quarter III & IV, year 2010)



Prepared by the Project Implementation Consultant

(WWF Mongolia Programme Office)

January 2011

CONTENTS

1	BACKGROUND	2
2	PLANNED WORK FOR THE REPORTING PERIOD	2
2.1	WORKS CARRIED OUT DURING THE REPORTING PERIOD.....	4
2.2	COMPOSITION OF TEAM.....	4
2.3	NARRATIVE DESCRIPTION OF TASKS CARRIED OUT.....	5
	Component A. Building local institutions for integrated NRM and poverty reduction.....	5
	Component B. Developing INRM and Conservation in the Onon River Basin	8
	Component C. Local Enterprise Development for Alternative Livelihoods	14
2.4	WORKS NOT ACCOMPLISHED DURING THE REPORTING PERIOD	18
2.5	WORKS ACCOMPLISHED PARTIALLY SATISFACTORY.....	18
3	KEY RESULTS ACHIEVED DURING THE REPORTING PERIOD	19
4	LESSONS AND CHALLENGES	23

1 BACKGROUND

World Wide Fund for Nature (WWF) Mongolia Programme Office is the Implementation Consultant (IC) of the Project, and was selected and recruited through SSS method of ADB by Ministry of Nature, Environment and Tourism that serves as the Client of the “JFPR9125-MON - Poverty Reduction through Community-Based Natural Resource Management” project funded by the Japan Fund for Poverty Reduction through ADB.

In January 2010, IC has prepared the annual workplan and budget for the year 2010 and has presented the workplan at the Project Steering Committee meeting organized in Dadal on 19 January. Based on the Annual work plan and budget IC had prepared detailed work plans for third and fourth quarters of 2010 which were reviewed and approved by the Project Director on a quarterly basis. This report summarizes all activities carried out during the third and fourth quarters of 2010 against the workplan approved by the Project Director.

In order to improve policy toward sustainable management of natural resources at local level and its implementation and support local community initiatives to reduce poverty as set in the project objective the IC has worked with all seven soums located within the Onon river basin and their bags and CBO. Considering the fact that much of the data and human capacities are located in Ulaanbaatar, in many instances, especially the in-depth studies were conducted involving Ulaanbaatar based institutions and individuals such as Academy of Science, Agricultural University, Science and Technological University etc.

2 PLANNED WORK FOR THE REPORTING PERIOD

Based on the third quarter’s work plan, the IC carried out and or commenced the following tasks:

Under Component A. Building local institutions for integrated NRM and poverty reduction:

- 1.2.1 Evaluation and participatory planning with community organizations¹
- 1.3.1 Experience sharing workshop among community organizations, 70 participants
- 1.3.6 Study visits and experience sharing to model groups in each project soum
- 1.3.8 Trainers in micro-finance fund management and accounting
- 1.3.12 Trainers and facilitators in participatory planning and community mobilization (national experts)
- 1.3.17. Training fund management and accounting for community organization financial officers

¹ Highlight activities represent actions that did not require direct funding but carried out through PIU/IC staff time.

1.3.18 Training management skills, organizational development, communication skills for community organizations

Under Component B. Developing NRM and conservation in the Onon river basin:

2.2.1 Field research to draft ORB Management Plan

2.2.2 Field research to inform drafting of ORB Management Plan

2.2.3 Socio-economic studies in support of OBNP, BZ, and ORB development

2.2.4 TA for comm. organization, prep. Management plans

2.2.5 TA for community organizations - resource inventories and surveys

2.2.6 TA to draft OBNP management plan

2.2.7 TA to draft ORB management plan

2.3.2 Public consultation development ORB management plan

2.3.3 Public consultations to develop OBNP/BZ management plan

2.3.4 Public consultations to develop OBNP/BZ management plan

2.3.6 Trainer for teacher's ecological training

2.3.8 Training for teachers in ecology for ORB and OBNP

2.4.1 Curriculum development for local schools on OBNP and ORB

2.4.2 Develop displays for Dadal Information Center

2.4.3 Develop content for ecological education courses

2.4.6 Public awareness and ecological education materials on OBNP and ORB

Under Component C. Local Enterprise Development for Alternative Livelihoods:

3.2.4 Facilitator and coordinator for women's micro-enterprise groups

3.3.1 Advanced trainings for business management, market, computer skills, financial management, quality standards

3.3.2 Budget allocation for supporting participation in fairs in Ulaanbaatar

3.3.3 Budget allocation for vocational skills training of poor

3.3.4 Evaluation workshops with local entrepreneurs

3.3.6 Trainers for advanced business management, marketing, PC skills, financial management, and quality standards

3.3.7 Training in business planning and management

3.3.9 Workshops to link producers, traders, and buyers

3.3.10 In-country study visits with women's group leaders and members

- 3.3.11 Study visits (in-country) to heads of women's council
- 3.3.14 Workshops and trainers or moderator and workshop supplies and materials
- 3.4.2 Printing material on credit and financial mechanisms

Under Component D. Grant Management, Monitoring, and Audit

- 4.2.4 Field Coordinator
- 4.2.1 Administrative Officer
- 4.2.10 Community development and poverty reduction specialist
- 4.2.11 Conservation &NRM specialist
- 4.2.6 Local Coordinators
- 4.3.5 Transport services used in provision of training and conduct of consultations (Component A, B, C)

2.1 WORKS CARRIED OUT DURING THE REPORTING PERIOD

The quantities summary of self assessment

Funded Tasks	Planned	Performance				
		Highly Satisfactory	Satisfactory	Partially satisfactory	Not satisfactory	Not done
Number	41	1.3.1, 1.3.6, 1.3.12 2.2.1, 2.2.2, 2.2.7, 2.3.2, 2.3.3, 2.3.4, 2.3.6, 2.3.8, 2.4.1, 2.4.3, 2.4.6, 3.3.1, 3.3.3, 3.3.7, 3.3.10, 3.3.11, 3.3.14, 3.4.2 4.2.1, 4.2.4, 4.2.6, 4.2.11, 4.2.10, 4.3.5	1.2.1 1.3.18 2.2.3, 2.2.4, 2.2.5, 2.4.2 3.2.4, 3.3.4 3.3.6, 3.3.9	2.2.6		1.3.8, 1.3.17 3.3.2,
Percentage	100% (41)	65.85% (27)	24.39% (10)	2.44% (1)	0	7.32% (3)

2.2 COMPOSITION OF TEAM

During the reporting period the implementation consultant deployed the following core experts:

For Component A. Building local institutions for integrated NRM and poverty reduction:

- Mr. Batkhuyag B. team leader of component A
- Mr. Chinbat Ch. field coordinator
- Mr. Gankhuyag B. community development and poverty reduction specialist

For Component B. Developing INRM and Conservation in the Onon River Basin

- Ms. Onon Yo – team leader of the component
- Ms. B. Munkhchuluun – conservation and natural resources management specialist

Ms. Oyunmunkh B. – freshwater officer
Ms. Khulan M. – team leader for environmental education
Ms. Selenge G. - education officer
Ms. Bolortuya G. – education and communication officer
Mr. Sanjmyatav D. - GIS specialist

For component C. Local Enterprise Development for Alternative Livelihoods

Mr. Chimed-Ochir B – team leader for Component C
Ms. Davaatsetseg P. – field Administrator
Mr. Gankhuyag B. community development and poverty reduction specialist
Ms. Yumchmaa M. – part trainer/training coordinator for SME

It should be noted that the during the actual implementation process the experts inputs were drawn in any tasks, hence the above division is rather notional.

2.3 NARRATIVE DESCRIPTION OF TASKS CARRIED OUT

Component A. Building local institutions for integrated NRM and poverty reduction

Capacity building for community organizations

- 1.2.1 Evaluation and participatory planning with community organizations²
- 1.3.12 Trainers and facilitators in participatory planning and community mobilization (national experts)

During the reporting period, the Soum Project Coordinators and Community-based Organization (CBOs) trainers visited 102 communities (CBOs) having met totally 1140 individuals of 684 households (in duplicated numbers) having assisted in their appraisals of natural resource and annual performances as well as drafting of their management plans. Supports from local (Soum) governments and authorities to forest management CBOs are increasing progressively.

Training on Co-participation methodology of natural resource management was jointly organized with the project “Strengthening of Collaborative Forest Management” (FAO/UN) in an information center of Onon River Basin on October 19-22. It was attended totally 13 individual including leaders of three forest management CBOs, Soum Coordinators, and specialists/officers of Binder and Dadal soums of Khentii aimag and Bayan-Uul soum of Dornod aimag. The training has provided with opportunities to cooperate and learn about experiences and achievements of the project team members, who are working in terms of sustainable use of forest resources and use and possession of forest resources on long term contract basis in Onon River basin. During the training the main methodological principles and means/tools of natural resource co-management practices were presented and the basic skills of facilitator were learned by participants.

² Highlighted activities represent actions that did not require direct funding but carried out through PIU/IC staff time.

Thanks to these initiatives and training overall understandings on Community Based Organizations among local population have increased and 5 new CBOs have been established. The independent survey conducted by WWF showed that over past one year people's awareness on CBO/CMA have increased by 22.7% and 15.3% of interviewees have joined CBOs.

Currently 20 CBOs have finalized formal registration process of its CBO in line with the Environmental Protection law provisions and have entered into contract on conservation and management of its natural resources with their respective soum governors. 21 CBO have accumulated internal fund amounting 150,000-800,000 tugrik.

CBOs and its members have begun to appreciate need for preparing environmental conservation and business development plan and have started paying more attention to alternative income generation options to diversify their income dependency from animal husbandry. The above mentioned survey had shown that 33.3% of correspondent answered that there many ways of generating income and people started estimating their family incomes. At the same time 38% of correspondents were not sure about their income in 2009 and this number dropped down to 13.4% in 2010.

Within the reporting period, 13 CBOs in Bayan-Adarga and Batshireet soums have reported their work to their respective soum Citizen's Representative Khurals, in accordance with the cooperation agreements signed with the Governor. All CBO were assessed with mark "satisfactory" and their cooperation agreements were extended.

The CBOs established and run in Bayan-Adarga soum of Khentii aimag and Bayan-Uul soum of Dornod aimag have established the Soum CBOs' Association in order to get supports from local governments, solve different types of problems existing within the areas under CBO responsibilities and deliver their voices, comments, and requests to the soum CRKhs and governments in order to influence their decisions and policy issues.

Supports from local (Soum) governments and authorities to forest management CBOs are getting increased from time to time. The Governor's Office, Buffer Zone Council, and Forest Unit of Umnudelger soum of Khentii aimag jointly organized capacity building training "Forest Management" for the soum CBOs on December 20-21, 2010. Training was attended by five officers from the aimag Environment and Tourism office, eight volunteer rangers, and 37 CBO members. On training, the Khentii aimag Environment and Tourism office and Umnudelger soum Forest Unit provided methodological recommendations and presentations on related legislations. They have agreed to cooperate with the Soum Governor's Office and Forest unit in terms of capacity building of CBOs dealing with the forest management.



Experience sharing among CBOs

- 1.3.1 Experience sharing workshop among community organizations, 70 participants
- 1.3.6 Study visits and experience sharing to model groups in each project soum

Throughout July August IC has organized “Community Day” event in each and every soum to facilitate the experience sharing and cross-learning among CBOs as well as building capacity of local decision makers in appreciating potential of CBOs and in supporting them. Total of 1470 people including 455 CBO members from 42 CBOs have participated in these events. During the community day’s events a trade fair of CBOs produced products and Nomination of best CBOs of the soum was organized. These events including the “Devjee” (Podium) question and answer competition among CBOs were focused on advertising the potential of CBOs to local population. During the event 22 best CBOs were identified and invited to participate in the Community Development Festival planned to take place in Norovlin.



During September 4-5 Community Festival organized in Norovlin soum under a motto “Development through strong Community Based Organizations” to promote cross-fertilizing among the Community groups and improve cooperation between local government and CBOs.

Over 200 people representing best community groups from each and every seven soums, aimag and governors’ office have participated in this event.

Community groups “Khajuu bulag” from Khentii Dadal, “Bayan-Olziit” from Omnodelger, Khentii, “Khamtiin khuch” from Batshireet Khentii, “Dolgoon Onon” from Bayan-Uul Dornod province, “Olziit khairkhan” from Bayan-Adarga, Khentii and “Delger Onon” from Binder Khentii province have been nominations for the best CBOs in the region and were awarded with WWF funded small grants.



In parallel 200 local products produced by the CBOs were presented and 11 products were nominated as the best products of the onon river basin and were awarded with Certificates.

The following products (11) were selected as the Best Products:

1. From dairy products: “Bayan Ulziit” CBO – dried cottage cheese/Curds;
2. From vegetables: “Uran Zumber CBO - Pumpkin
3. From fruit products: “Naran Saran” CBO – wild berry jam
4. From souvenirs: “Urgun Mandal” CBO – “Taimen” crafted from wood
5. From wooden products: “Khajuu Bulag” CBO – Ger furniture
6. From sewn materials & embroiders: “Batsumber” CBO - Deel/national dress
7. From leather products: “Urgun Mandal” - Boots & tong;
8. From wool products: “Ulziit Khairkhan” - Ropes made of sheep wool;
9. From environmentally sound products: “Shinest Onon” Jam and juice made of Larch tree needle;
10. From preserved products: “Batsumber” – pickled vegetables;
11. From bakery products: “Khairkhan Uul” - Yoposhk – traditional bread

The Festival has helped the local government and the CBOs alike in appreciating the valuable potentials offered by CBOs as well as the challenges CBOs face. At the same time it also induced a healthy competition among CBOs and improving its products (For detailed information, visit http://econet.mn/onongol/?page_id=21).



The environmental conservation CBOs established and run in Onon River Basin have been inspired and motivated as they were provided with the opportunities to share their experiences and achievements. The Best CBOs were selected and they were awarded with the rights to implement small projects. This has made a step to change the attitude “to ask for cash” among the CBO members.

Six CBOs were selected as the Best CBOs in terms of their annual performances and awarded with grant fund for implementing small project to support improvement of livelihoods of communities and sustainability of CBO operations. The small grant proposals were discussed and supported by all members’ meetings of CBOs and the respective soum Buffer Zone Councils. These small grants were funded by WWF (MNT 3.3 million).

Component B. Developing INRM and Conservation in the Onon River Basin

Support to Integrated Water resources management in Onon river basin

2.3.2 Public consultation development ORB management plan

2.2.7 TA to draft ORB management plan



The baseline assessment for Onon river basin that encompass social and economic development, water management and environment commenced in April 2010 has completed its study by 1 July 2010. In September IC has reviewed the entire report internally using own specialists’ team consisting of freshwater, GIS, and species/biodiversity and has provided final comments to further improve the report.

On 19 August the team of expert conducted the assessment have presented their finding to the extended Onon river Basin Council meeting that included members of ORBC and representatives of the all seven soums. The detailed report on meeting can be found in following address:

http://econet.mn/onongol/?page_id=484

Onon River Basin Council meeting was organized in Dadal soum of Khentii aimag to discuss the findings of baseline studies conducted for the development of Onon River integrated water resource management plan and shared their feedback and comments with the study teams. On the meeting, the Onon river basin Council members have also reviewed and approved the content and structure of Onon River Basin integrated water resource management plan. It was agreed during the meeting that Onon river IWRM plan will have a separate section on trans-boundary water management

considering the fact that most of the tributary rivers of Onon come from the Russian side where alluvial gold mining is intensive.



The RBC has also decided to establish a working group of management plan development with 7-9 members. The working group is consisted of scientists, representatives of NGOs, public institutions.

In order to ensure the public participation and input in development of management plan, the team (consisted of Consultants and ORBC members) drafting the management plan collected comments and feedback of local communities and government institutions in written (using a questionnaire) and incorporated them into the draft plan. The questionnaire was filled in by totally 211 individuals, officials and officers of Environment and Tourism, Specialized Inspection, and Emergency Service offices of Khentii and Dornod aimags, Military Frontier units, and Governor's Offices of seven Soums in the Basin.

The first draft of the plan for Integrated Water Management for Onon river basin is being prepared based on the stakeholders feedback and consultation meeting held in December in Binder soum of Khentii province (Meeting report can be found at http://www.econet.mn/local_pa_data/Report%20on%20first%20PCM%20of%20ORB%20MP_2010.12.01_Binder.pdf).

Additionally, a meeting was organized for stakeholders in order to ensure improved stakeholders' (e.g. Environment and Tourism offices of Khentii and Dornod aimags, Forest Authority-Government Implementing Agency, and Binder, Umnudelger, and Batshireet soums of Khentii aimag) participation in community based forest management in ORB and share the comments on forest related issues to be reflected in Onon River Basin integrated water resource management plan. The participants of the meeting have agreed to a) develop and implement a Memorandum of Understanding to be signed by the Aimag Governors, seven Soum Governors, Forest Authority, Khentii and Dornod aimag Environment and Tourism Offices, and WWF Mongolia Programme Office in 2011 in order to strengthen inter-soums and soum forest units in Onon River Basin and ensure the adequate enforcement of forest law and regulations within the soums included in the Basin, and; b) jointly deal with the capacity building or strengthening of forest communities through the soums' and inter-soums' forest units.

Support to the Onon-Balj National Park in preparing management plans for National park and buffer zone

2.2.6 TA to draft OBNP management plan

2.3.3/2.3.4 Public consultations to develop OBNP/BZ management plan

The forest and pasture surveys necessary for developing management plan for Onon Balj National Park and its buffer zone has been conducted during the reporting period. As the result, the reports, indicating the state of the forest, the forest pest insects, the flora, the pasture forage condition, list and distribution of rare and useful plants as well as recommendations and suggestions for

management plan, has been developed for entire area of OBNP and its buffer zone within the territory of 5 soums.

Based on the assessment the team has prepared series of recommendations on forest management in OBNP as well as pastureland health monitoring that need to be considered into the management plans. The assessment has also evaluated biological resource for 6 species of plants that are widely harvested in the area.

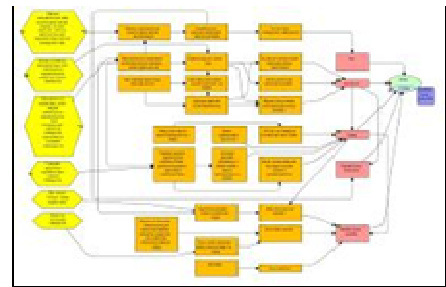


Since the performance related to the Geographical Information System (GIS) files was unsatisfactory, the Parties made a joint appraisal on the performance. As a result, it was decided to deduct the expenses related to improved GIS file from the budget approved in the contract.



A consultative meeting on structure and methodologies of Onon Balj NP and its Buffer Zone management plan was organized on August 20, 2010. The meeting was attended by representatives of Onon Balj NP administration, Khan Khentii SPA administration, Buffer Zone Councils of Ummudelger, Batshireet, Dadal, Norovlin, Binder, Bayan-Adarga of Khentii aimag Bayan-Uul soum of Dornod aimag, the project implementing unit and Onon River Basin Council members (for detailed information, visit

http://econet.mn/onongol/?page_id=484). On the meeting, the Onon Balj NP administration and BZ Councils made presentations on baseline data and findings collected and compiled by themselves and their prioritized issues and concerns. The consultative meeting resulted in agreement by all parties on overall principles and methodologies of development of Onon Balj NP and its Buffer Zone management plan. Following the meeting the local teams established in each soums and at OBNP have started preparation of their respective management plans using the baseline study as a kick-off point.



First public discussion on draft management plans for OBNP and its Buffer Zone (seven Soums) was organized in seven

Soums on October 06-18, 2010. (for a detailed report, please refer

to http://www.econet.mn/local_pa_data/Report%20on%20PCM%20for%20develop%20OBNP%20and%20BZ_2010.10.pdf).

The discussion was attended totally 241 individuals represented by local community organizations, local residents, the Soum Governor's Offices, Citizen's Representative Khurals, and business/economic entities in the Buffer Zone. During the discussion, the Buffer Zone Councils of seven Soums and OBNP administration presented their first draft of management plans for comments. The participants have shared comments and proposals thus learning from each the importance of considering the specific



territorial features of OBNP as well as importance of aligning the management plans with the local development policies and decisions. This exercise provided to all an opportunity to get the comments and make the management plan more realistic and suitable to local conditions.

The revised draft management plans for OBNP and its Buffer Zone (seven Soums) then were presented to local communities for comments through the Bagh Khurals and the comments from the bag khurals were provided were also reflected in the drafts. In parallel the Buffer Zone Councils have also presented the draft management plans to government institutions at local level for their comments.

The second discussion was organized in Binder soum of Khentii aimag in November 30, 2010 in order to integrate the draft/ revised management plans for OBNP and its Buffer Zone (seven soums) and finalize the drafts with stakeholders' comments (detailed report can be found at http://www.econet.mn/local_pa_data/Report%20on%20second%20PCM%20of%20OBNP%20and%20BZ%20MPs_2010.11.30_Binder.pdf).

The discussion was attended by 91 individuals represented the stakeholders. A working group developed a proposal on integration of OBNP management plan activities into the Buffer Zone management plans. The Buffer Zone Council had also introduced the Buffer Zone Management Plans for discussion among the stakeholders and came to mutual understanding. The Buffer zone management plans for 7 soums, belonging to OBNP and Khan Khentii SPA are consistent to their natural peculiarities; however, there are some typical problems relevant to all buffer zones. Therefore, according to the scope of the problem and actions to be implemented to overcome them some activities has been integrated in terms of timing.



During December 24-29, 2010 draft management plans of seven Soums in Buffer Zone were discussed and approved by respective soum Citizen's Representative Khurals. At present, the draft OBNP management plan is being finalized.

Support to the CBOs in preparing natural resources management plan

2.2.4 TA for community organizations, preparation of Management plans

2.2.5 TA for community organizations - resource inventories and surveys

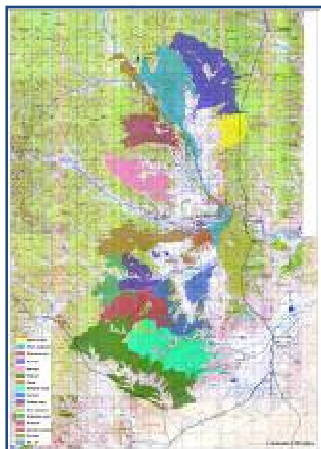
In order to empower community forest management groups, the Forest Authority, a project "Strengthening of Collaborative or Joint Forest Management" (FAO) and WWF Mongolia Country Office signed a Memorandum of Understanding (MoU) to jointly organize capacity building training for forest communities and exchange information as stated in the MoU.



Within the reporting period, the Soum Coordinators and local

Trainers jointly supported 14 CBOs preparing its management plans and helped 35 CBOs in revising their draft management plans. Currently, IC is assisting CBOs to draw the boundaries of CMAs and its compatibility with the existing inventory data of forest resource in Onon River Basin (2005).

In accordance with the existing law on Forest the Government is supposed to assist the communities in forest management plan, necessary for development of community forest management. During the period, the Government assisted 26 in preparing forest reserves demarcation. This exercise has enabled local communities to prepare forest management plan and use NTFP and timber products and have significantly strengthened local communities' attitude and interest. IC in collaboration with the local government submitted to the government to conduct forest reserves demarcation for another 20 community groups.



Thanks to the local government support in Batshireet and Bayan-Adarga soums CBO have started preparing firewood for public institutions in their soums thus getting some benefits from its CMAs.

Even though the development and implementation of management plans are just in its initial stage, 13 CBOs in Umnudelger, Dadal, and Batshireet soums have initiated first steps to sustainable use and conservation of their forest resources by building fences around springs preventing livestock pollution, preparation of supplies of forest and wild fire extinguishing gaskets.

In parallel, IC has supported with its own resources a nationwide assessment on forest ungulate resources that include Onon River Basin. The assessment is expected to provide CBOs with locations and distributions of forest ungulate such as red deer, roe deer, wild boar etc.

Promoting ecological education

2.3.6./2.3.8 Training for teachers in ecology for ORB and OBNP

2.4.1/2.4.3 Curriculum development for local schools on OBNP and ORB, Develop content for ecological education courses



An educational book “Forest” and its curriculum were produced for teachers and educators. This educational programme was designed in accordance with the training standards and contents of national programme focusing on local sustainable development and as well as specific features of lessons, The book also contains case studies how to integrate the topic into Mongolian Language, Geography, Civilization, and Biology at the 8th grade of secondary schools.

The activities designed for implementation of “Forest” programme are primarily focused on systematic knowledge and understanding on nature, capacity building on finding proper solutions on problems through the sustainable development concept based multiple approaches, and creating or strengthening actual owner’s attitudes to the environment and its balance preservation among trainees. The programme also helps the teachers and educators to learn about informative and

methodological recommendations on how to use the concept of Education for Sustainable Development (ESD) in their lessons.

Training on “Education for Sustainable Development” was conducted in seven schools within Onon River Basin in close cooperation with the Khentii and Dornod aimag Education and Culture Departments. The training’s main focus was to support educators in improving their teaching method and explore their own capability to solve local environmental problems especially forest issues, to learn for sustainable development process, to integrate education for sustainable development concepts into existing curriculum through new methodologies. Specific focus was given to Mongolian language, geography, civilization, and biology subjects.



Participants acquired basic knowledge of the sustainable development concepts. The training has doublefold importance considering the ongoing process of transition to the new educational system in Mongolia. Teachers’ handbook under “Forest” issue was distributed to assist on how to reflect ESD into the teaching process and how to integrate forest issues into the existing curricula. School managers and headmasters consider that moreover the book was supportive to the current training process, it was fairly important for local educators and their professional developments.

Basin level Information sharing

2.4.2 Develop displays for Dadal Information Center

2.4.6 Public awareness and ecological education materials on OBNP and ORB

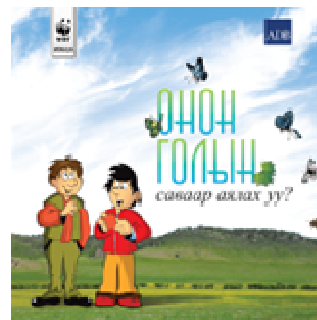
Several public awareness on environment and ecological education events involving over 120 visitors and individuals including members of “Gurvan Khaikhan” and “Shovgor” communities, training participants/trainees, school children of Dadal soum, and women were conducted at Dadal Information and education center. Series of documentaries including “Tragedy of Mongolia is the Environmental Destruction”, video recordings from women’s business trip to Ulaanbaatar, Binder soum Women’s Forum, and “Partnership & Development-2010 were also shown at the information center.

The website www.econet.mn/onongol that was designed for the public to share about Onon River Basin, its importance and values, and activities organized has been updated with news (15) within the reporting period. Bulletin boards in seven soums, where the project is implemented, are updated with news and information on monthly basis.

Eco-clubs within Onon River Basin have become much active thanks to continued follow up and advise from educational officer and soum coordinators. The members of eco-club at the secondary school of Umnudelger soum of Khentii aimag organized a campaign “*If the*



surroundings is clean, the mind is clever” among the school children; Members of eco-club “Nature and Children” at the secondary school of Bayan-uul soum of Dornod aimag in cooperation with the soum Governor’s Office organized a campaign “Let’s make Ulz River free of glass bottles” and one week campaign of lessons of “Human-Nature-Health”. Members of eco-club “Kharaatsai” in Dadal soum organized an event “Festival of 100 Flowers”.



To help children and youths to expand the knowledge about Onon River Basin a book “Let’s explore ORB” was developed and published. In this book issue and information about some endangered and unique species and plants; their values and importance in ecosystem were included.

Component C. Local Enterprise Development for Alternative Livelihoods

Evaluation of local enterprises, products and market opportunities:

3.2.3. Research and development of new products, packaging, processing, etc.

Following the initial assessment on local entrepreneurs and products, conducted in August 2009 IC commenced consultancy work to develop a conceptual framework for key sectors namely; a) development of animal husbandry and crop farming, and; b) current situation of forestry development, future development trends.

The work on forestry sector involved considerable amount of stakeholders including 14 members of administration of 7 soums, 19 rangers, 20 forest conservation community groups, 4 companies, 9 cooperatives and community groups and 16 entrepreneurs as respondents for the survey. As a result of the survey, 15 key directions for timber and forestry were identified. The survey also identified 6 potential business ideas for Onon River Basin.

Draft Master plan for developing Agricultural sector Onon river basin for 2016 identified 40 objectives and 144 actions/potential interventions focusing around Capacity development, attraction of investment, increasing economic returns, ensuring ecological sustainability, development of animal husbandry, development of crop farming, improving marketing and promoting processing industries. The draft master plan can be reviewed at <http://econet.mn/onongol/>



Capacity building for the local entrepreneurs

3.2.4 Facilitator and coordinator for women's micro-enterprise groups

3.3.1 Advanced trainings for business management, market, computer skills, financial management, quality standards

3.3.7 Trainers for advanced business management, marketing, PC skills, financial management, and quality standards

3.3.4 Evaluation workshops with local entrepreneurs

Evaluation of the potential products was conducted during 2-8 July 2010 involving key stakeholder involved in production and marketing of local products such as CBO members, local producers, soums SME development specialists and Khentii aimag SME specialist. The evaluation has also focused identification of other projects, programmes where collaboration and co-financing is possible. It revealed that 6 products such as milk vodka, marinated wild garlic, wild berry and rhubarb stem jams, cottage cheese and dried cottage cheese can be immediately supplied to the market with proper packaging. In parallel, potential products that can be produced by CBOs were identified. The evaluation report also listed sets of actions needed for branding and linking up the local products to major supply chains in the country such as Minii delguur (My shop), Max food chain, Nomin and Sky chain.



During 13-31 August IC has conducted in all soums training on value adding and marketing chain in order to promote mostly for processing of natural resources like vegetable farming, wool and milk processing with high quality of standard. Using the training the trainers have facilitated establishment of 21 value chains for promptong for production and marketing of products. The training has also resulted in trust building among the participants and creating willingness for cooperation. The participants have appreciated the need for

standardization of their products and as a first step producers have agreed to invest jointly on vacuum packaging machine. The detailed report on the training is available at website http://econet.mn/onongol/?page_id=21.

Although training programme was designed for the methods to how estimate business costs, much consideration was focused on establishment of product value network based on all the products to be potentially produced by CBO members and communities in each site. It has encouraged trainees or participants to collaborate in their businesses by using all resources available to them and creating more confidence in each other for basis of development of production that meets the current requirements.

Start up training for CBO members

3.3.6. Trainers for business planning and management

3.3.14. Workshops and trainers or moderator and workshop supplies and materials

Two trainings for vegetable farming and fruit gardening have been conducted based on demands from the participants of the initial training conducted during the second quarter of 2010.



The training helped the beneficiaries of the first training to deepen their knowledge and review the mistakes and correct

them. A total of 169 peoples out of which 114 are woman have participated in the training. The full report can be reviewed at http://econet.mn/onongol/?page_id=21.

During the reporting period IC has also organized training for CBOs in Batshireet and Omnodelger soums that have productive forest lots. The training was conducted by the Forestry research and education institute of Technical University during 24-28th of July and has focused forest sanitation and thing and know-how on super insulated wooden house. The participants have learned on forest sanitations techniques and development of communal forest management plans. At the same time they were also exposed to new environmentally friendly technologies on producing wooden houses.

Training on modern construction technology of wooden houses for forest management CBOs

3.3.1 Budget allocation for vocational skills training of poor



Based on the training needs assessment for unemployed individuals carpentry training was organized in cooperation with the Forestry and Public Awareness Institute under the University of Science and Technology and the Public Welfare Service Center. This vocational training on construction carpentry was attended by 21 individuals and competency certificate, which is a prerequisite for obtaining professional carpenters' degree, were issued to each trainee. This type of training (construction carpentry) is one of the demandable trainings for local communities according to the applications sent by individuals. Training cost was shared by the Khentii aimag Food and Light Industrial office. The training showed a good potential and demand for organizing joint vocational training trainings in other fields e.g. bakery, cooking, vegetable growing, gardening, and forestation for CBO

members.

Consultation of Tourism development in Onon river basin

3.3.9. Workshops to link producers, traders, and buyers

Consultative meeting under a motto “Homeland of Great Khaan – Khan Khentii” was organized on 13 September 2010 at Tourist camp at the Khar Zurkhonii Khokh nuur. The main objective of this consultative meeting was to promote sustainable tourism in the area and create a forum for investors, professionals to exchange their opinions how tourism should be developed in the area. This work carried out with the support from the ADB has become the first step branding and selling unique product “Chinggis khaan’s home land” to the market.



Based on the consultations it was agreed to update Tourism development programme of Khentii province and include the new tourism products identified during the consultative meeting. The detailed report of the Consultative meeting is attached as Annex 5.

Support to Onon river woman

3.3.10. In-country study visits with women's group's leaders and members

3.3.11. Study visits (in-country) to heads of women's council



A study tour for 30 representatives of entrepreneur woman and representatives of Woman's council was organized in July. During the study tour, the participants have visited dozens of places such as light industry research center, handcraft design center, SME equipment shop, knitting research institute, Innovation center of the Technical University and Agropark. In addition the representatives of Milk factory, farmer woman's association, agricultural extension center and patenting authority have briefed the participants on their work and also exchanged ideas how they can work together. The major result of this study tour was establishment of direct contacts and generation of new ideas for networking.

Following the study tour, Onon river basin woman's meeting was organized in Binder soum for two days (31st July – 01st August, 2010) with participation of over 100 delegates. The aim of the meeting was to share the experiences between different woman's groups and establishment of networking among business woman. The full report of training can be downloaded from http://econet.mn/onongol/?page_id=21.



Human resources management

4.2.4 Field Coordinator

4.2.1 Administrative Officer

4.2.10 Community development and poverty reduction specialist

4.2.11 Conservation &NRM specialist

4.2.6 Local Coordinators

4.3.5 Transport services used in provision of training and conduct of consultations (Component A, B, C)



During the reporting period the field team has worked in full staff to implement on the ground activities of the project as per approved by MNET quarterly work plans. However, in November 2010 the project Administrative officer has submitted reassignment request as she was forced to move back to Ulaanbaatar due to family situation. IC has announced the post in national newsletters and has received 12 applicants

by 1 December 2010. The interview of candidates based on initial scoring of candidates held in January did not yield any results because only one candidate showed up and other 4 shortlisted candidates refused to be stationed in field office in Dadal.

During the reporting period IC has signed MOU with the Forestry Agency and FAO funded “Capacity Building and Institutional Development for Participatory Natural Resources Management and Conservation in Forest Areas of Mongolia” project to ensure integrity of the support at local level.

During the reporting period the Representatives of the Asian Development Bank, International Monetary Fund and German Embassy have visited the project site and exchanged views on project achievements and lessons.

2.4 WORKS NOT ACCOMPLISHED DURING THE REPORTING PERIOD

1.3.8 Trainers in micro-finance fund management and accounting

1.3.17. Training fund management and accounting for community organization financial officers

The work has not commenced because agreement with financial institutions on establishment of revolving fund is still under process. However, IC has hired an external expert to develop a guideline for operationalizing the Loan guarantee fund based on recommendations from the project Steering Committee meeting held in July 2010. The draft guideline was developed in December and will be finalized in January 2011 based on recommendation from the Steering Committee meeting.

3.3.2. Budget allocation for supporting participation in fairs in Ulaanbaatar

This activity has been not conducted due lack of exhibition hall and place for display of products. The competition for participants from Ulaanbaatar and other regions are too high and rooms are limited.

2.5 WORKS ACCOMPLISHED PARTIALLY SATISFACTORY

2.2.6 TA to draft OBNP management plan

The forest and pasture surveys necessary for developing management plan for Onon Balj National Park and its buffer zone has been conducted through a third party contractor selected through a web-announcement. The overall report quality has fully met the tasks set in TORs. However, the contractor was not able to transfer data to the Geographical Information System (GIS) up to the required quality. Therefore, the Parties have made a joint appraisal on the performance and it was decided to deduct the expenses related to improved GIS file from the budget approved in the contract.

3 KEY RESULTS ACHIEVED DURING THE REPORTING PERIOD

Capacity building for community organizations

During the reporting period, the Soum Project Coordinators and Community-based Organization (CBOs) trainers visited 102 communities (CBOs) having met totally 1140 individuals of 684 households (in duplicated numbers) having assisted in their appraisals of natural resource and annual performances as well as drafting of their management plans. Supports from local (Soum) governments and authorities to forest management CBOs are increasing progressively.

Thanks to these initiatives and training overall understandings on Community Based Organizations among local population have increased and 5 new CBOs have been established. The independent survey conducted by WWF showed that over past one year people's awareness on CBO/CMA have increased by 22.7 % and 15.3% of interviewees have joined CBOs.

Currently 20 CBOs have finalized formal registration process of its CBO in line with the Environmental Protection law provisions and have entered into contract on conservation and management of its natural resources with their respective soum governors. 21 CBO have accumulated internal fund amounting 150,000-800,000 tugrik.

Experience sharing among CBOs

Throughout July August IC has organized "Community Day" event in each and every soum to facilitate the experience sharing and cross-learning among CBOs as well as building capacity of local decision makers in appreciating potential of CBOs and in supporting them. Total of 1470 people including 455 CBO members from 42 CBOs have participated in these events.

During September 4-5 Community Festival organized in Norovlin soum under a motto "Development through strong Community Based Organizations" to promote cross-fertilizing among the Community groups and improve cooperation between local government and CBOs. Over 200 people representing best community groups from each and every seven soums, aimag and governors' office have participated in this event.

Six CBOs were selected as the Best CBOs in terms of their annual performances and awarded with grant fund for implementing small project to support improvement of livelihoods of communities and sustainability of CBO operations. The small grant proposals were discussed and supported by all members' meetings of CBOs and the respective soum Buffer Zone Councils. These small grants were funded by WWF (MNT 3.3 million).

Support to Integrated Water resources management in Onon river basin

Series of consultation meeting was organized in collaboration with the Onon River Basin Council to prepare Onon River integrated water resource management plan. It was agreed during the first meeting that Onon river IWRM plan will have a separate section on trans-boundary water

management considering the fact that most of the tributary rivers of Onon come from the Russian side where alluvial gold mining is intensive.

The first draft of the plan for Integrated Water Management for Onon river basin is being prepared based on the stakeholders' feedback and consultation meeting held in December in Binder soum of Khentii province.

Support to the Onon-Balj National Park in preparing management plans for National park and buffer zone

The forest and pasture surveys necessary for developing management plan for Onon Balj National Park and its buffer zone has been conducted during the reporting period. As the result, the reports, indicating the state of the forest, the forest pest insects, the flora, the pasture forage condition, list and distribution of rare and useful plants as well as recommendations and suggestions for management plan, has been developed for entire area of OBNP and its buffer zone within the territory of 5 soums.

Series of consultations were conducted to prepare OBNP and its Buffer zone management plans providing to all an opportunity to get the comments and make the management plan more realistic and suitable to local conditions.

During December 24-29, 2010 draft management plans of seven Soums in Buffer Zone were discussed and approved by respective soum Citizen's Representative Khurals. At present, the draft OBNP management plan is being finalized.

Support to the CBOs in preparing natural resources management plan

During the reporting period, the Soum Coordinators and local Trainers jointly supported 14 CBOs preparing its management plans and helped 35 CBOs in revising their draft management plans. Currently, IC is assisting CBOs to draw the boundaries of CMAs and its compatibility with the existing inventory data of forest resource in Onon River Basin (2005).

In accordance with the existing law on Forest the Government is supposed to assist the communities in forest management plan, necessary for development of community forest management. During the period, the Government assisted 26 in preparing forest reserves demarcation. This exercise has enabled local communities to prepare forest management plan and use NTFP and timber products and have significantly strengthened local communities' attitude and interest. IC in collaboration with the local government submitted to the government to conduct forest reserves demarcation for another 20 community groups.

Thanks to the local government support in Batshireet and Bayan-Adarga soums CBO have started preparing firewood for public institutions in their soums thus getting some benefits from its CMAs.

Promoting ecological education

An educational book "Forest" and its curriculum were produced for teachers and educators. This educational programme was designed in accordance with the training standards and contents of national programme focusing on local sustainable development and as well as specific features of

lessons, The book also contains case studies how to integrate the topic into Mongolian Language, Geography, Civilization, and Biology at the 8th grade of secondary schools.

Training on “Education for Sustainable Development” was conducted in seven schools within Onon River Basin in close cooperation with the Khentii and Dornod aimag Education and Culture Departments. The training’s main focus was to support educators in improving their teaching method and explore their own capability to solve local environmental problems especially forest issues, to learn for sustainable development process, to integrate education for sustainable development concepts into existing curriculum through new methodologies. Specific focus was given to Mongolian language, geography, civilization, and biology subjects.

Basin level Information sharing

Several public awareness on environment and ecological education events involving over 120 visitors and individuals including members of “Gurvan Khairkhan” and “Shovgor” communities, training participants/trainees, school children of Dadal soum, and women were conducted at Dadal Information and education center

The website www.econet.mn/onongol that was designed for the public to share about Onon River Basin, its importance and values, and activities organized has been updated with news (15) within the reporting period. Bulletin boards in seven soums, where the project is implemented, are updated with news and information on monthly basis.

Eco-clubs within Onon River Basin have become much active thanks to continued follow up and advise from educational officer and soum coordinators. To help children and youths to expand the knowledge about Onon River Basin a book “Let’s explore ORB” was developed and published.

Evaluation of local enterprises, products and market opportunities

Following the initial assessment on local entrepreneurs and products, conducted in August 2009 IC commenced consultancy work to develop a conceptual framework for key sectors namely; a) development of animal husbandry and crop farming, and; b) current situation of forestry development, future development trends.

The work on forestry sector involved considerable amount of stakeholders including 14 members of administration of 7 soums, 19 rangers, 20 forest conservation community groups, 4 companies, 9 cooperatives and community groups and 16 entrepreneurs as respondents for the survey. As a result of the survey, 15 key directions for timber and forestry were identified. The survey also identified 6 potential business ideas for Onon River Basin.

Draft Master plan for developing Agricultural sector Onon river basin for 2016 identified 40 objectives and 144 actions/potential interventions focusing around Capacity development, attraction of investment, increasing economic returns, ensuring ecological sustainability, development of animal husbandry, development of crop farming, improving marketing and promoting processing industries.

Capacity building for the local entrepreneurs

Evaluation of the potential products was conducted during 2-8 July 2010 involving key stakeholder involved in production and marketing of local products such as CBO members, local producers, soums SME development specialists and Khentii aimag SME specialist. The evaluation has also focused identification of other projects, programmes where collaboration and co-financing is possible. It revealed that 6 products such as milk vodka, marinated wild garlic, wild berry and rhubarb stem jams, cottage cheese and dried cottage cheese can be immediately supplied to the market with proper packaging. The evaluation report also listed sets of actions needed for branding and linking up the local products to major supply chains in the country such as Minii delguur (My shop), Max food chain, Nomin and Sky chain.

Start up training for CBO members

Two trainings for vegetable farming and fruit gardening have been conducted based on demands from the participants of the initial training conducted during the second quarter of 2010. The training helped the beneficiaries of the first training to deepen their knowledge and review the mistakes and correct them. A total of 169 peoples out of which 114 are woman have participated in the training.

Training on modern construction technology of wooden houses for forest management CBOs

Based on the training needs assessment for unemployed individuals, carpentry training was organized in cooperation with the Forestry and Public Awareness Institute under the University of Science and Technology and the Public Welfare Service Center. This vocational training on construction carpentry was attended by 21 individuals and competency certificate, which is a prerequisite for obtaining professional carpenters' degree, were issued to each trainee. Training cost was shared by the Khentii aimag Food and Light Industrial office.

Consultation of Tourism development in Onon river basin

Consultative meeting under a motto "Homeland of Great Khaan – Khan Khentii" was organized on 13 September 2010 at Tourist camp at the Khar Zurkhonii Khokh nuur. The main objective of this consultative meeting was to promote sustainable tourism in the area and create a forum for investors, professionals to exchange their opinions how tourism should be developed in the area. This work carried out with the support from the ADB has become the first step branding and selling unique product "Chinggis khaan's home land" to the market.

Based on the consultations it was agreed to update Tourism development programme of Khentii province and include the new tourism products identified during the consultative meeting.

Support to Onon river woman

A study tour for 30 representatives of entrepreneur woman and representatives of Woman's council was organized in July. During the study tour, the participants have visited dozens of places such as light industry research center, handcraft design center, SME equipment shop, knitting research institute, Innovation center of the Technical University and Agropark. In addition the representatives of Milk factory, farmer woman's association, agricultural extension center and patenting authority have briefed the participants on their work and also exchanged ideas how they can work together.

Following the study tour, Onon river basin woman's meeting was organized in Binder soum for two days (31st July – 01st August, 2010) with participation of over 100 delegates. The aim of the meeting was to share the experiences between different woman's groups and establishment of networking among business woman.

4 LESSONS AND CHALLENGES

Constraints and concerns:

- During the events and activities organized, local communities including herders much focused on preparation work for wintering. Thus, participation in the events and activities was lower than expected.
- CBO members have a lot of initiatives and motivations, but they are still lacking in financial sources.
- In the Soums, small and medium enterprises are poorly developed, employment opportunities are basically lacking and most of households have few heads of livestock. This reality negatively impacts on livelihoods of local communities.

During the reporting period IC has faced several cases when the subcontractor has failed to produce the report on time causing delays in the follow up actions.

Different boundaries of CBO managed areas and delineation of forest sections is causing delays in CBO forest management plan preparation. Recommendations were given to all soum coordinators to consider and advise local government and CBOs in demarcation of community managed areas.

During the reporting period, especially during the second half all herders were focused on preparation of hay stock for the winter hence their participation in the training and other events were low.

CBOs have range of ideas how they move forward but still has no financial capacity to materialize these ideas.

The competition among CBOs has shown positive impacts both the CBOs and local government hence it recommended to commence similar competition and CBO festival in every year. "Every one saves and every CBO produce" can be next year's motto.

Natural disasters:

The Anthrax and foot and mouth disease outbreak in some of the Eastern provinces have impacted planned trainings.

Flooding of tributary rivers of Onon disrupted transportation. Norovlin soum participants to the training was blocked by Jargalant river flooding and the car was damaged while trying to cross the river causing 3 days delay of Norovlin soum participants to the training.