

Government of India
Ministry of Environment & Forests (CS Division)
Biodiversity Conservation & Rural Livelihood Improvement Project

**MEMORANDUM FOR THE EXPENDITURE FINANCE COMMITTEE (EFC)
FOR IMPLEMENTING THE EXTERNALLY AIDED “BIODIVERSITY
CONSERVATION & RURAL LIVELIHOOD IMPROVEMENT PROJECT”
IN TWO LANDSCAPES AND THREE FIELD LEARNING CENTRES,
BESIDES NATIONAL CAPACITY BUILDING AT THE WILDLIFE
INSTITUTE OF INDIA (WII), AS A CENTRALLY SPONSORED SCHEME**

1 Sponsoring Ministry Ministry of Environment & Forests

2 Statement of Proposal

(a) Whether Central Scheme or Centrally Sponsored? In the case of new CSS or CSS with changed parameters, funding pattern etc. whether approval of full Planning Commission has been obtained.

The externally aided Biodiversity Conservation & Rural Livelihood Improvement Project (BCRLIP) is proposed as a Centrally Sponsored Scheme involving five financiers viz. IDA (loan), GEF (grant), GOI assistance, assistance from Project States and beneficiaries. Approval of the Planning Commission have been obtained.

(b) Whether there are schemes with overlapping objectives and coverage in other Ministries and States? If so, the details of such schemes and the scope for integration.

Askot Sanctuary a part of this landscape, located in Pithoragarh district of Uttarakhand includes 111 villages, a town (Dharchula) and a cantonment within its boundaries is financed through Integrated Development of Wildlife Habitat scheme under CSS. No other externally aided schemes with the similar objectives are known to be executed in the area.

Little Rann of Kachchh is spread over an area of 4953.71 sq.km in five districts of Gujarat viz. 1) Kachchh, 2) Rajkot, 3) Banaskantha, 4) Surendranagar and 5) Patan. It includes one wildlife sanctuary financed under Integrated Development of Wildlife Habitat under CSS. No other externally aided schemes with overlapping objectives are being executed in the area. Steps will be taken to synergise the efforts under both the schemes and avoid overlapping.

(c) New Proposal/Modified/Revised Cost Estimate

This is a new proposal and is estimated to cost around `136.77 crores.

(d) Reasons and justification for proposal, indicating historical background, circumstances in which the need have arisen, whether other alternatives have been considered and what

detailed studies have been made in regard to the proposal for establishing its need, its economics and other relevant aspects.

BACKGROUND

India with its 2.4% of world's landmass supports 8.1% of world's biodiversity. It is estimated that some 70% of India's population is dependent locally on natural ecosystems for subsistence-livelihood including fuel, housing, food, water, and health-care herbs. Empirical information suggests that 8000 species of plants and hundreds of species of fauna constitute this base of human dependency. India supports 16% human and 18% cattle population of the world on world's 2.4% landmass.

This situation of high pressures has steadily developed during the 20th Century, in the latter half of which the human population has gone up 3.5 times and the livestock population has also gone up over twice. Industrial development and trade pressures have taken a heavy toll of forest and non-forest natural land and village commons during this period. Besides, extensive encroachments (subsequently regularized) also ended up diverting more and more of these lands. The combined impact has caused extensive shrinkage, degradation and fragmentation of natural forest and non-forest tracts countrywide.

Lessons inspiring the concept of BCRLI Project

Forest and Protected Area(PA) have recognized that for conservation to succeed, it is necessary to elicit the support of local people by forging their state in conservation through privileged benefits. Participatory forest management initiatives were followed by ecodevelopment support to people in the protected area context. Encouraging experience in the 1970s and 1980s from these measures led the Government of India and with World Bank support to launch two ecodevelopment projects(FREEP and IEDP) in the 1990s that covered nine PA sites in nine different states. Besides these, one tiger reserve in Madhya Pradesh, with funding support from the Government of India schemes, had effectively used ecodevelopment to support conservation. The seven project sites held a wide range of ecological,biological and socioeconomic attributes challenging the integration conservation with local development being tested through the project. Lessons learned from India Ecodevelopment Project(IEDP) experiences highlights that *Biodiversity resides both in 'old growth' and 'secondary' ecosystems in the forest as well as non-forest natural areas, only an integrated 'landscape' or 'seascape' approach can deliver and "Large landscapes are to be found only along major mountain ranges including their immediately adjacent foot hills or within the expansive stretches of 'hot' and 'cold' deserts. In so far as conservation of the over all range of biodiversity within 'old growth' and 'secondary' ecosystems within a landscape or seascape is concerned, an agglomeration of the main PAs(national part or sanctuary), 'managed forests' and relatively moderately used 'scrub-savannah' or desert segments with critical corridor links(even if degraded or diverted)needs to be visualized."*

BCRLIP is thus a logical sequel to its forerunners and seeks to make a maiden attempt to test the new strategy of conservation up-scaled to landscape level.

Clearly Biodiversity Conservation and Rural Livelihoods Improvement Project (BCRLIP) is a felt need that emerges from the past experience and lessons learned.

The Project will support Government of India's efforts to prevent degradation of biodiversity within the country. It will help mainstream biodiversity and improve rural livelihoods in development planning in areas that surround biodiversity sensitive areas, including protected areas. The project seeks to provide demonstrative lessons in support for Government's "new" conservation policy. In particular, the project will support expanding conservation efforts to the landscape level, improving rural livelihoods and promoting biodiversity friendly development in the surrounding production landscapes around protected areas. It also provides an opportunity to consolidate and build on the past experiences and

support flagship pilot projects, which expand to a broader landscape level and demonstrate the effectiveness of new multi-stakeholder partnerships in managing high biodiversity landscapes. Further, the project will test new institutional approach to participatory conservation and provide important lessons for the Government strategies and plans in this direction. Finally, this will contribute towards improving the contribution of biodiversity to local livelihoods so as to enhance the incentives for conservation and help alleviate poverty in remote rural forested areas.

The project was initially proposed for implementation at six biodiversity rich sites within the country, on a landscape level, viz. 1) Agasthiyarmalai (Kerala, Tamil Nadu), 2) Little Rann of Kachchh (Gujarat), 3) Satpura (Madhya Pradesh), 4) Askot (Uttarakhand), 5) Upper Indus (Jammu & Kashmir) and 6) Dampa (Mizoram). Subsequently, considering the sensitivity involved in tiger conservation, the World Bank proposed for withdrawing from the three tiger landscapes (Satpura, Agasthiyarmalai and Dampa). The Ministry concurred with the suggestion and accordingly vide letter No. 7/5/2004-FB-VIII dated 23.3.2009, the Department of Economic Affairs communicated the change in scope of the project to the World Bank. This revision would involve project implementation in two non-tiger landscapes, viz. Askot (Uttarakhand) and the Little Rann of Kutch (Gujarat), while supporting other Project States for dissemination of good field practices/capacity building through the Wildlife Institute of India and other National Institutes of Forestry.

The project supports four complementary components that are aimed at strengthening and mainstreaming conservation outcomes in demonstration landscape sites and their replication elsewhere in the country.

Component One: Demonstration of Landscape Conservation Approaches in Two Pilot Sites :US\$ 13.84 million. This component will focus on skills, capacity and knowledge to better integrate sustainable conservation and livelihood outcomes at the landscape level in two pilot landscapes (Little Rann of Kutch in Gujarat and Askote in Uttarakhand). Lessons from the two pilot sites will feed into the development of the national capacity component (Component 2). The outcome of Component 1 would be sustainable management of natural resources at the landscape level. This component will have four complementary activities.

a)Participatory Biological and Socio-Economic Mapping of the Landscape Units:

The first step towards improving understanding of biological values and resource dependencies and threats in the landscape would be: (i) biological mapping to identify areas of high biodiversity and conservation value within the landscape, including key dispersal corridors; and (ii) overlay of socio –economic information to identify resource dependencies and threats and 'hot-spots' or locations for targeted interventions under the project. This exercise will also help appropriate management options for the high biodiversity areas and provide information that could guide project investments in conservation management and livelihood. Under the sub-component, the project will support consultancies for mapping, and training and stakeholder consultations.

b)Strengthening Conservation Management Planning in High Biodiversity Areas:

This sub-component will support the revision of management plans of protected areas within the landscape to integrate ecological and sustainability considerations with land use and social needs, and boundary rationalization and biological corridor management to appropriately cover ecosystems in addition to species. Management planning will be undertaken in a consultative manner with local stakeholders and facilitate the resolution of boundary disputes. The project will support the testing of different approaches for participatory management of ecosystems and habitats within protected areas and conservation corridors and other biodiversity important areas involving local stakeholders, as appropriate. It will improve communications and visitor management, monitoring and assessment of ecological and social impacts.

c) *Mainstreaming biodiversity Consideration in Production Landscapes:* In order to facilitate the integration of biodiversity considerations in buffer zones and production areas within the landscapes, the project will support dialogue and capacity development to facilitate common agreement and framework for cooperation in biodiversity conservation, support studies and technical assistance to facilitate integration of biodiversity considerations in sector plans of development agencies (e.g. forestry, fisheries, agriculture, irrigation, infrastructure, etc). This component will also support studies on valuation of ecosystem service from specific landscape units to promote better understanding and appreciation of the contribution and relevance of biodiversity conservation and protected areas to regional development agendas.

d) *Improving Participatory Conservation and Livelihood Outcomes:* The project will build on existing participatory models of conservation and support the incorporation of rural livelihood interventions around protected areas, critical hotspots and corridors within the landscape. Building on the information generated from the biological and socio-economic mapping, this sub-component will support the preparation and implementation of participatory village –level microplans plans that prioritize potential investments for improving sustainable use of resources and improving local livelihoods improvements will be facilitated by planning teams, training, technical support for livelihood and income generation activities, and participatory community monitoring to validate investments and reciprocal commitments to conservation, and documentation and dissemination of good practices.

Component Two: Strengthening knowledge Management and National Capacity for Replication of Landscape Conservation Approaches: US \$ 5.80 million. This component will support improved knowledge and capacity development building on learning and experience from the two demonstration landscapes (Component 1) and other local conservation models (including the previously funded GEF/IDA Ecodevelopment project). This component will have two sub-components.

a) *Improving knowledge and capacity through Field Learning Centres:* This sub-component will support the development of field learning centres at Kalakad, Periyar and Gir to provide hands-on training (including to staff from the two landscapes sites in Component 1) through study tours, exchange assignments and workshops and supporting documentation and dissemination of conservation best practice. These three sites have developed good experience, best practice and capacity through previous donor and locally funded programs and hence can be great value in extending learning and expertise to participants in other biodiversity rich landscapes. The field learning centers will be supported through additional specialized training for improving teaching skills, development and preparation of teaching materials and field guides, limited teaching equipment and operating costs. Each of the three centers will specialize on specific topics based on their exiting experience and skills. The Kalakad Training Center will focus on community mobilization and microplanning, participatory monitoring, management of self help groups. The Periyar Training Center will primarily support training in community institutional development and organization, sustainable financing for protected areas and community livelihoods, private – public cooperation. The Gir Training Center has expertise in regional planning and multi-sectoral coordination based on experience in the Greater Gir Landscape.

b) *Improving National Capacity for Landscape Conservation:* This component will be implemented through the Wildlife Institute of India (WII) to facilitate the promotion of landscape conservation approached nationwide. This sub-component will support distillation of lessons from field and learning sites; curriculum development; new training courses for policy makers, senior and mid-

level forestry and wildlife staff, range forest officers and other development sector agencies to build capacity and support for landscape conservation, and development of operational manual and guidelines for landscape management. Trainees will be selected from priority high biodiversity landscapes within at least five of the ten biogeographic zones in the country, to build skills and promote uptake of landscape conservation with national funding. WII will establish close linkages with the field learning centers and two pilot landscapes to make courses that will supplement current WII training models on protected area and wildlife management. This sub-component will also support documentation of best practices regional workshops and international study tours for WII and landscape level staff.

Component Three: Scaling Up and Replication of Successful Models of Conservation in Additional Landscapes Sites: US\$ 7.79 million.

This component will include support for scaling up of successful model of landscape conservation to additional areas from Year 3 onwards, with and without project support, building on, and expanding experience from the initial two demonstration sites. Two additional sites will receive project support and it is expected that other capacitate sites will replicate landscape conservation approaches utilizing Government of India and State conservation funding. The additional landscape sites will be selected on the basis of the following criteria: biodiversity values, level of threats, conservation feasibility and level of political support and state readiness³. The design and preparation of the two additional landscape sites will be completed by the end of Year 2 of the project for which consultancy support will be provided through the project.

Component Four: Coordination for Landscape Conservation: US\$2.96 million.

The component will support the coordination of landscape conservation at the Ministry of Environment and Forests (MOEF). Activities to be financed include: establishment of Management Information Systems for Project and landscape monitoring, impact evaluation, and limited operational and technical support to enable MOEF to coordinate and administer the implementation of project activities and facilitate its replication elsewhere in India. This component will also support the preparation of the two additional landscape sites for project support (Component 3). It will also support the establishment of national communication system for the project, policy and legal studies relating to conservation, impact assessment and review and third party monitoring of the project. It will also support efforts to facilitate the convergence of existing and potential funding sources for conservation in India in support of promoting landscape conservation action in India.

Physical and Financial Target during the 2010-11 and 2011-12(XI Plan)

Component	Sub-component wise Physical Target	Outlay 2010-11	Outlay 2011-12	Total Outlay for the Project Period
1) Demonstration of Landscape Conservation Approaches in selected pilot sites	a. Participatory Biological and Socio-Economic Mapping of the Landscape Units. b. Strengthening Conservation Management Planning in High Biodiversity Areas. c. Mainstreaming Biodiversity Consideration in Production Landscapes. d. Improving participatory Conservation and Livelihood outcomes	a. ` 12.00 lakh b. ` 84.50 lakh c. ` 12.50 lakh d. ` 74.50 lakh	a. ` 3.06 lakh b. ` 24.60 lakh c. -NIL- d. ` 76.79 lakh	` 62.26cr (US\$13.84 million)

2) Strengthening Knowledge Management and National Capacity for Landscape Conservation Approaches	a. Improving Knowledge and capacity through Field Learning Centre (FLC).	` 34.50 lakh	` 66.40 lakh	` 26.11cr. (US\$5.80mill)
	b.Improving National Capacity for Landscape Conservation.	`10.50 lakh	` 21.93 lakh	

3) Scaling Up and Replication of Successful Models of Conservation in Additional Landscape sites	To support the further testing and replication of landscape conservation approaches to two additional high biodiversity landscapes from the third year onwards with project financing.	- NIL-	- NIL-	` 35.06cr. (US\$7.79mill)
4) National Coordination for Landscape Conservation	To support coordination for landscapes conservation at the Ministry of Environment and Forests(MoEF).	` 60.50 lakh	` 103.41 lakh	` 13.34cr. (US\$2.96mill)
		` 289.00 lakh	`296.19 lakh	`136.77Cr.

Note: Figures indicated above is inclusive of the contingencies. However, the activities for the entire project period and the financial details are given in the enclosed Cost-Table Annexure 1,2 subsequent Table 1-8.

Project Duration

The project duration would be for a period of six years. The initial first and second year would include support for the two demonstration landscape sites and for enhancing learning and knowledge management with opportunities for field training. This would be followed in Year 3, by a broader national capacity building and institutional strengthening program, building on lessons learned and demonstrated capacity needs. From Year 3 onwards, there would be opportunities for investments in two additional landscape sites to demonstrate and test new conservation models contingent on the achievement of the agreed qualifying and readiness conditions.

PROJECT IMPLEMENTATION ARRANGEMENTS

A. Institutional Framework

The following project implementation arrangements and institutional framework have been arrived at after a series of consultations held with experts and includes the feedback received from participants at the landscape level, state level and the national level project design consultation workshops.

The suggested arrangement should be taken as being generic and indicative in view of the wide variation in size and composition of the landscapes under consideration of the BCRLI project. Landscape specific adaptation of these is suggested to be worked out and finalized by the respective state governments at the outset in Year 1 of the project implementation.

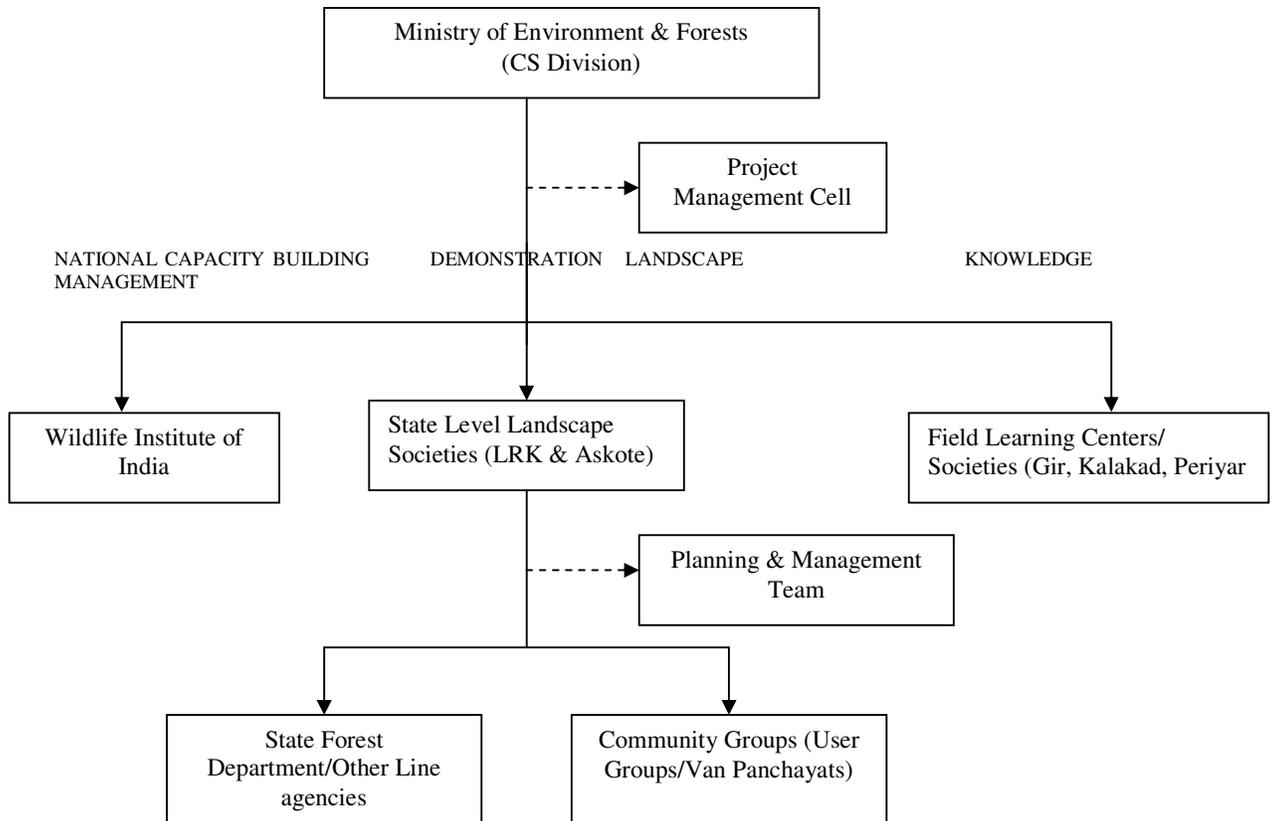
The suggested project implementation institutional arrangement has taken from lessons and learnings from following successful institutional models:

- 1) Chilika Development Authority (Orissa)

- 2) Gulf of Mannar Biosphere Reserve Project (Tamil Nadu)
- 3) Madhya Pradesh Society for Rural Livelihoods Promotion (Madhya Pradesh)

The overall Implementation Arrangement set-up for the project is developed from the perspective implementation and monitoring of the project from the national, state, landscape, and community level. The Implementation arrangement at all levels will focus on implementation of planned project activities, financial management and procurement functions and project monitoring, learning and reporting.

Implementation Arrangement Framework at the Project and Community Level



Implementation arrangement at the National Level

Ministry of Environment and Forests

The Ministry of Environment and Forests (CS Division) will be the entity at the national level for overseeing project implementation, monitoring and providing policy guidance to the project implementation entities at the state level and ensuring the replication of participatory landscape concepts to other sites in the country during and after the project period. In the absence of a specific institutional arrangement at the federal level for coordination of landscape level conservation approaches, MoEF is the best placed entity to undertake such responsibility. MoEF(CS) will have no implementation responsibilities.

The Project Director appointed at the MoEF level will be supported by a Project Management Team Consisting of existing and contract staff (the latter secured through individual consultancy contract arrangements) to support intensive

learning, supervision and monitoring, communication, financial management and procurement. Specialized technical support, including communication and monitoring expertise would be provided through this contract. The manpower consultant contract will be finalized and approved before project negotiations. Implementation of landscape activities will be decentralized. An Assistant Project Director deployed under the Project Director, MoEF on a fulltime basis will oversee and supervise the implementation of the project, provide technical and monitoring oversight and coordinate directly with the respective entities at landscape level (society) to ensure smooth and effective implementation of the project.

A high powered National Project Steering Committee headed by the Secretary(E&F) shall be established under the Ministry to support project implementation through requisite and timely administrative and financial decision making, review project's progress and tender advice to the Project Management Cell(PMC) as necessary and to promote convergence and hence synergy within different divisions of the Ministry in relation to the BCRLIP implementation. As desired, the National Project Steering Committee have been reorganized with the inclusion of **National Biodiversity Authority(NBA)** in the Steering Committee.

Implementation arrangements at the state Level

State Societies or Foundations

At the state level of the two states have established a Landscape Society (registered under the Societies Act) for implementation and monitoring of project activities. This Society or Foundation will facilitate the implementation of the project at the landscape level; help resolve financial and procurement bottlenecks; ensure timely release of funds, accounting, auditing and reporting. The Landscape Societies would act as the receiver, depository and disbursing of funds. It would provide assistance to field level agencies, help facilitate channeling of project funds to project communities, establish M &E structures and facilitate the smooth implementation of activities at the ground level. The Landscape societies will have an Executive Body and Governing Body. A very important role of state level implementation agency will be also to facilitate the coordination of planning activities across the different sector agencies that operate in the landscape. The Chief Executive Officer (CEO) of the landscape society will play an important role to facilitate the implementation of the project. An Empowered Committee will be established at each landscape to take administrative and financial decisions in support of smooth project implementation, review implementation progress and facilitate coordination between the various line agencies that operate within the project sites. State Biodiversity Board(SBB) will be represented in the Governing Body of the Society.

Implementation Arrangements at the Landscape Level

The CEO of the Society, as relevant, at the landscape level will be the key executive for the coordination and implementation of the project. The respective CEO will be assisted by a planning and management team consisting of contract ecologist, sociologist and other specialists to help facilitate protected area management, participatory conservation, training and monitoring. The planning and management team would draw professional and specialized training support from competent non-governmental organizations and institutions. The implementation of participatory conservation activities and mainstreaming of conservation objectives in regional planning and production areas will be facilitates and coordinated through the existing district coordinating committees. While the planning and implementation of activities within the protected areas and participatory conservation activities in the immediate impact zone surrounding it would be undertaken by the PA Directors or respective Conservator of Forests, the mainstreaming of biodiversity conservation in the non-PA

Areas(e.g. Forest Production Areas, agencies, with technical support from the planning and management team and financial support that is channeled through the landscape society.

Implementation arrangements at the Community Level

As the community level of the project will operate, depending on the local situation, through village Panchayat Samity(VPS), User Groups and local community institutions, Biodiversity Management Committee(BMC) as relevant, and for certain project specific inputs there would be community groups such as SHGs, CIG and their federations such as cooperatives and producer companies. In the case of LRK landscape, communities will be organized into sub-district or taluka level user societies who would be the field level implementing entities. Households at each village will be organized into user groups; such groups will be collectively responsible for formulation of community-level micro-plans, prioritizations of investments, ensuring community reciprocal commitments and participatory monitoring of biodiversity and socio-economic impacts. Specific eligibility criteria would help prioritize community level investments and ensure their direct linkage with conservation objectives and reciprocal commitments to conservation.

Planning at the village level will be facilitated through the planning and management teams (consisting of a contract ecologist, sociologist and social mobilizers) that would be available at the disposal of the CEO of the Society. Local and national NGOs with appropriate expertise would be contracted to assist with micro-planning, livelihood and micro-expertise development, as well as independent monitoring of social and economic impacts of the project interventions. As part of project preparation a training needs assessment based on experiences from the previous IEDP project was undertaken and training and capacity building activities defined in Component 2 of the project through the three field learning centers. The planning and management team would be provided hands-on-training in participatory methodologies in the field training centers. Society organogram at Annexure 3.

Table below summarizes the proposed state landscapes and below level project governance structure and implementation arrangements.

State	Landscape	Registration	Society	Governing Body Chairperson	Executive Committee Chairperson	Chief Executive Officer	Community level arrangement
Gujarat	Little Rann of Kutch	Society Act	LRK BCRLI P Society	Minister of Forests	Principal Chief Conservator of Forests (wildlife)	DCF, LRK	User Groups
Uttarakhand	Askote	Society Act	Askote BCRLI P Society	Minister of Forests	Conservator Wildlife Circle Almora	DCF	Van Panchayat

Fund flow and Management arrangement

The project shall follow the FDA (Forest Development Agency) model of funds flow whereby the project Funds from the National Manager shall be transferred directly to the State level Society's accounts under intimation to the respective state governments.

The Society in turn shall transfer requisite funds onwards either to the grass roots agency accounts or through the accounts of the relevant Government department (PA manager or a DFO) in accordance with the pre approved annual plan for the year and receipt of U/C (Utilisation Certificate) for the expenses of an earlier disbursement if any.

The Accounts of the Society as well as those of the grass roots agency or the relevant government department shall be audited by CAG empanelled Chartered Accountant on an annual basis and the same shall be submitted to the MoEF along with the Annual Report.

During the Preparatory Phase of the Project (PPP), the following studies/works were completed:

- i) Inception Report by PEACE Consultant.
- ii) Interim Report by PEACE Consultant.
- iii) Final Report with Indicative Plan of seven landscape by PEACE Consultant.
- iv) Inception report on Social and Environmental Assessment by ATREE Consultant.
- v) Revised Draft Final Social & Environmental Assessment (SEA) Report by ATREE Consultant.
- vi) Consultation with the stakeholders and the state government in all two landscapes were held and the preparatory works done as per the Annual Plan of Operations (APO).
- vii) Foundation/Societies established in all the landscapes.

(e) If it is location specific, basis for selection of location.

The Project is location specific and the two designated sites have been selected on the basis of (i) Biodiversity values (e.g. biological representativeness, biological uniqueness, biodiversity richness, ecosystem value and functions etc.), (ii) socio-economic values(e.g. economic value, socio-cultural value, scientific value etc.) and (iii) conservation feasibility(e.g. protection status, level of threats, size and ecological vulnerability, management capacity and commitment to conservation and new models of participatory natural resource management of state governments and local communities etc.)

(f) Has the proposal been included in the Five Year Plan and what are the provisions in the Five Year Plan and in the Current Annual Plan? Is any modification proposed?

The provisions in the Five Year Plan and in the current annual plan are as below:

	(` in Lakhs)
2010-11	289.00
2011-12	296.19
2012-13	3348.42*
2013-14	3632.41 *
2014-15	3180.85*
2015-16	2925.01*
	TOTAL 13671.88

*to be included in the 12th.Plan for which in-principle approval of Planning Commission has been obtained.

(g) What is the estimated yield from the Project and what are the economic implications?

The project shall focus on two sites (on a landscape scale) of global and national biodiversity importance in India. These 'landscapes' ranging in area from around 4463 to 6979 sq km consist of one or more protected areas, surrounded by land uses (called 'production areas') which are as varied as non-Protected Area(PA) forests, revenue lands, private holdings and human habitations. Each of these forms a viable ecological, socio-economic and administrative unit.

The main effort has been to identify the management needs and objectives of each of the sub-components of the landscape keeping in mind the primary objective of conserving biodiversity while improving rural livelihoods. At present two sites have been identified and a preliminary assessment carried out for implementation of this work. Based on the experiences from these two pilot projects, an additional two sites will be decided based on various priority exercises carried out with the identification of critical and vulnerable Protected Area and its surrounding landscapes.

The two sites viz. 1) Askot and 2) Little Rann of Kachchh have been selected on the basis of the following criteria:

- Biodiversity values (e.g., biological representativeness, biological uniqueness, biodiversity richness, ecosystem value and functions, etc.),
- socio-economic values (e.g., economic value, socio-cultural value, scientific value, etc.) and
- conservation feasibility (e.g., protection status, level of threats, size and ecological vulnerability, management capacity and commitment to conservation, and new models of participatory natural resource management of state governments and local communities, etc.).

Table below provides the basic area details of two landscapes:

Project sites at a glance

S N o	Land- scape	State	Area (sq km)	Administrat ive Units (no.)			Villages in the LS		Human presence in the LS	
				P A	F D	Di st	Total Villag es	Target Villag es	Total HH	Target HH
1	Askot	Uttarakhand	4463	1	1	1	129	85	14010	5757
2	Little Rann of Kachch h	Gujarat	6979	1	8	5	108	75	52634	32790
	TOTAL		11542	2	9	6	237	160	66644	38547

S. No.	LS Site	State	Area in sq km			
			PAs	Forest lands	Village/Revenue land includes Community /Private lands	Total
1.	Little Rann of Kutch	Gujarat	4953	532	1493	6979
2.	Askot	Uttarakhand	600	95	3863	4463

PA=Protected Area, FD=Forest Division, LS=Landscapes,

RF=Reserve Forests, PF=Protected Forests, HH=Households

The key outcome indicators anticipated from the project are the following:

- 4 lakh ha. of land in conservation lands more effectively managed
- At least 50,000 ha of targeted production lands across two demonstration landscapes are managed from conservation outcomes and sustainable livelihoods.
- An institutional and methodological framework for integration of conservation and sustainable livelihood goals fully developed and applied through demonstration in two landscape sites.
- At least 2 new sites/landscapes adopting conservation best practices that shall emanate from this project;

Project Results	
<p>1. Participatory approaches and methods of planning and management for biodiversity conservation at the LS level are developed and demonstrated .</p>	<p>1.1 Management Plans / Working Plans for all PA/Forests in 2 LS have been prepared or revised, or reviewed by yr 2 to ensure that they incorporate participatory principles and processes for defined biodiversity and livelihoods objectives.</p> <p>1.2 Guidelines for incorporating participatory approaches to biodiversity and livelihoods planning of PAs/Forests have been compiled drawing on the experiences of 2 LS by yr 4.</p> <p>1.3 Simple and practical monitoring systems to track PA/Forest dependent biodiversity and livelihoods indicators have been established and documented in each of 2 LS by yr 3</p> <p>1.4 Biologically Significant Areas in the 2 LS have been well researched and effective monitoring of biodiversity indicators initiated in at least 75% of them by eop.</p> <p>1.5 Important indicator species in the 2 landscapes show stable or increasing population trends by eop</p>
<p>2. Community-based planning and management processes for sustainable livelihoods in project landscapes are demonstrated and disseminated.</p>	<p>2.1 Microplans (MP) have been prepared in all project villages in 2 LS</p> <p>2.2 Livelihoods of target populations in 2 LS are monitored and show improving trends by eop.</p> <p>2.3 Vulnerability of target population is monitored and shows declining trends of vulnerability by eop.</p> <p>2.4 50% of target population confirms having actively participated in the planning process in each LS</p> <p>2.5 Representative and inclusive CBI are strengthened in all project villages in the 2 LS.</p> <p>2.6 Annual plans under the MPs in 2 LS have been implemented and monitored in yrs 3 to 6</p> <p>2.7 Domesticated biodiversity is regularly monitored and in target villages of the 2 LS shows a stable or improving trend</p>
<p>3. Biodiversity Conservation is Mainstreamed within Larger Development Processes in the Project Landscapes</p>	<p>3.1 Line agencies are investing at least 30% of the funds required to implement microplans and livelihoods programmes in 2 LS by yr 3</p> <p>3.2 Inter-sectoral District Plans for the 2 LS show increasing trends in budgetary allocation to biodiversity conservation and livelihood support schemes.</p> <p>3.2 Annual multi-stakeholder coordination meetings are taking place in each of 2 LS by yr 3.</p> <p>3.3 Annual training on biodiversity and livelihoods issues has been provided to key functionaries in all relevant line departments</p>

4. Project Learnings are Replicated and Promoted across the Country	<p>4.1 A review of policy and regulatory frameworks identifies gaps & areas of conflict with reference to the 2 LS in yr 1.</p> <p>4.2 Action research is being conducted in each of the 2 LS to identify and pilot test solutions to identified gaps and conflicts by yr 3.</p> <p>4.3 Proposals for improvements in policy and regulatory frameworks have been submitted to 2 state governments and MoEF by year 4.</p> <p>4.4 Sites as field Learning Centres (FLC) promoted and facilitated by yr 1</p> <p>4.5 National level conferences and workshops have reviewed and commented on the proposals and made recommendations for improvement to GoI through the MoEF by yr 5</p> <p>4.6 Policy and legal frameworks are updated to address gaps and conflicts between biodiversity and livelihood objectives by eop.</p>
	and the administration in project districts of the 2 LS.

(h) In case of ongoing scheme/project, present status and benefits already accrued to the beneficiaries may also be furnished.

The Project is expected to be launched from the beginning of 2011 and the project tenure is six years.

(i) Have other concerned Ministries and Planning Commission has consulted and if so, with what results?

All relevant Ministries and Planning Commission would be consulted for the appraisal and their comments would be incorporated in the final EFC Memo.

(j) Whether any evaluation had been done? If so, broad findings of such evaluation studies may be given.

No.

(k) Has the proposal or its variant been gone into by any Committee, Departmental or Parliamentary, if so, with what result and what decisions have been taken?

No.

(l) What are the development “outcomes” and “outputs” of the scheme/project? The development outcomes and outputs should be specified in measurable and monitorable terms along with baseline data against which the impact of the scheme will be assessed.

The developmental outcomes / outputs, interalia, include: successful adoption of

landscape level biodiversity conservation approaches in two sites, development of institutional and methodological framework for achieving the same, evolving guidelines for landscape conservation approaches, while effectively managing vast areas of high biodiversity areas within two landscapes.

3. Programme Schedule

(a) Has the project/scheme been worked out and scrutinized in all its details?

Yes.

(b) What is the schedule for construction indicating the position separately relating to plant and machinery and civil works, raw materials, manpower etc. together with year-wise phasing?

Not applicable.

(c) Whether Physical and financial targets match with each other?

The DPR has been prepared which comprised the financial and physical targets along with timeline.

(d) What is the target date for completion and when will the expected benefits commence?

The project is expected to be launched by January/February, 2011 and is going to run for six years. It would benefit biodiversity conservation and the rural livelihood.

(e) If the project involves dislocation of human settlements the resettlement costs should be included fully in the project cost. The resettlement Plan should also be indicated in the project implementation schedule. The resettlement cost may be worked out on the following basis:

- (i) The cost of land required to resettlement would be as indicated be the District/State Authorities,**
- (ii) The compensation to be paid to the displaced persons, this compensation cost is dependent on the rates indicated by District/State Authorities. Thus the total compensation cost may be worked out on the basis of these rates. (I (5) P .F .II/96 dated 6-8-97).**

The BCRLI project does not involve any dislocation of human settlements.

4. Expenditure Involved

(a) What is the total expenditure (non-recurring and recurring):

Indicate the position year wise and also whether only budget provision has been made and if not how it is proposed to be arranged. Has any expenditure been incurred already?

The project is expected to be launched in the beginning of 2011 and a provision of `13671.88 lakhs is being proposed during the XI and XIIth Five Year Plan. The total expenditure during the preparatory phase of the project amounts to ` 291.81 lakhs, and the expenditure during the XIth Plan period stands at ` 174.81 lakhs (upto March, 2010).

(b) Details of the scheme of financing clearly bringing out the financial obligations undertaken by the PSU/Ministry with or without the proposal under consideration. In other words details of commitment on account of ongoing projects to be funded from internal resources of the PSU may be given in the EFC Note along with the requirement and avail, ability of funds for the project under consideration. In case of Schemes/programmes, Five Year Plan Outlay for the Ministry/Department and commitments on on-going schemes/programmes along with the requirement and availability of funds for the scheme/Programme may be furnished. (1(7) P F. II/92 dated 23-06-92).

This proposal involves five financiers (IDA loan, GEF grant, contributions from GOI, States and beneficiaries). The total cost of the project amounts to ` 136.77 crores (US\$30.39 million). Details of the financial plan and break-up percentages of the five financiers are as below:

FINANCING PLAN

SOURCE	TOTAL US\$(mill)	` in crores	Percentage(%)
GEF	8.14	36.61	26.70
IDA	15.35	69.13	50.30
GOI/STATES	6.06	27.28	19.9
Beneficiaries	0.96	4.33	3.2
Total:	30.52	136.77	100%

Co-financing does not involve any additional budget from the Ministry or the States but staff time and other facilitations contributed by the Government, Project States while implementing the project. Contribution from the beneficiaries shall be in terms of labour time etc.

(c) What is the foreign exchange component (separately for non-recurring and recurring expenditure)? What are the items of expenditure involving foreign exchange and expenditure on foreign

experts? Has clearance of E.A.D. been obtained, and has availability of credit facilities been explored and if so, with what result?

The expenditure does not involve any foreign exchange.

(d) Phasing of expenditure (non-recurring and recurring)

(i) on constant prices

(ii) on completion cost [I (5) PF-II/96 dt. 06-08-97]

The year-wise phasing of expenditure is provided from Table 1-8.

(e) Reference date and basis of cost estimates of various components

The cost estimates of the various components have been worked out in consultation with the World Bank, State Governments and the Ministry of Environment & Forests.

5. Reliability of cost estimates and other parameters.

(a) Has pre-project investigations being arrived out in detail(s) of area where changes in project parameters could be anticipated.

The project would be funding to registered foundation / society in the project landscapes, based on their demands received through Annual Plan of Operations. The same would be scrutinized to check the justification and reliability of cost estimates.

(b) To what extent cost estimates are firmed up.

The cost estimates are firmed up on the basis of the tasks vis-à-vis actual need and requirement of the designated landscapes, the Field Learning Centers and the National Capacity Centre.

6. Operational Capabilities

(a) Operational capability of PSU/Department Implementing Agency/Ministry to undertake the tasks required for the implementation of the proposal under consideration. For this purpose track record of the PSU in respect of the project already implemented/under implementation may be highlighted and also steps proposed for ensuring timely execution of the project under consideration.

The Joint Secretary(CS), Ministry of Environment & Forests would be overseeing and coordinating the implementation of the project.

(b) In case of RCE proposals variance analysis of cost increase due to price escalation, variation in exchange rates/custom and other statutory duties and levies. Change in scope, under estimation addition/alteration etc. is to be given (I (5) PF-II/96 dt. 06-08-97).

The present proposal is a new one and does not involve any such cost.

(c) In case of containing Social Sector Schemes of:

(i) Estimate of committed liabilities at the end of previous plan;

The project is new and yet to be launched.

(ii) Whether this has been transferred to States/non-plan head.

Not applicable.

7. Add Statements showing

(i) the number of posts required and the pay scales together with basis adopted for staffing both in current year and future years (A separate proposal for creation of post may be sent to JS (pers) Dept. of Expenditure at least two weeks before the circulation of EFC note).

Major National level project activities include inter-alia the provision of administrative and financial services, technical services, implementation, coordination and review. Apart from the post of Joint Secretary and Additional Director, all other positions stated in the table below are temporary since such services would be outsourced:

STAFF POSITION

POSITION	EXISTING	ADDITIONAL PROPOSED	PAY-SCALE
Joint Secretary	1	-	37400-67000
Additional Director	1	-	37400-67000
Financial Specialist	-	1	35000(fixed) on contract
Communication Specialist	-	1	35000(fixed) on contract
Monitoring & Evaluation Specialist	-	1	35000(fixed) on contract
Project Assistant	2	-	20000(fixed) on contract
Accountant	-	1	15000(fixed) on contract
Data Entry Operator	2	-	15000(fixed) on contract
PA/Steno	-	1	15000(fixed) on contract
Dispatch Rider/Helper	-	2	12000(fixed) on contract

At the state level also, the staffs on the above line will be engaged on contractual basis coterminous with the project period.

(ii) expenditure on buildings and other works and its basis and phasing; and

Renovation of the present premises have been included as part of expenditure on building.

(iii) expenditure on stores and equipment.

NA

8. Viability

Information is to be given if benefits accruable from the projects/schemes are quantifiable and can be translated in monetary term [1 (5) PF-II /96 dt 06-08-97]

(a) *Financial IRR*

(i) at constant prices

(ii) on completion cost basis

(b) *Economy IRR,*

(i) at constant prices

(ii) on completion cost basis

Overall Project Benefits

1. Develop, demonstrate and disseminate participatory approaches and methods to planning and management for BD conservation at the LS.

Benefits:

i. The project will trigger a paradigm shift in conservation planning and management by graduating from looking at PAs as conservation foci to landscapes that incorporate multiple PAs and possibly several other land use regimes. The principal conservation strategy of the country has been the declaration of protected areas. In keeping with contemporary knowledge and thinking in the field of conservation, this strategy is sought to be ratcheted up to a landscape level conservation paradigm that integrates human livelihood and development concerns with those of conservation. Attempts at landscape level conservation have been made by both stat agencies (via the provision of elephant reserves) as well as NGOs (WWF India has prioritized and is working in several landscapes with Tiger, Elephant and Rhino as species of focus). However, such efforts remain rudimentary in the absence of an overarching framework that integrates biodiversity, livelihoods, institutions and legal mechanisms. By engendering such a framework and field testing the landscape approach, the proposed project will place the current conservation regime on a new trajectory. This will result in extension of the conservation umbrella to a whole range of biodiversity.

2. Demonstrate and disseminate community-based planning and management process for sustainable livelihoods in the landscapes.

Benefits

- i. The project will strengthen the livelihoods-conservation linkage by generating incentives for conservation as result of devolving control over natural resources and strengthening community husbandry of such resources. Apart from obvious conservation benefits, this will also benefit a range of marginalized and livelihood insecure communities and is likely to result in improved livelihood security for such people.
- ii. The project will directly cause a strengthening of the asset pentagon of marginalized communities-that is, their holdings of physical, financial, social, natural, and human capital-by either investing in such asset creation directly or by catalyzing investments from non project sources such as government line departments.
- iii. At select sites, the project will also invest in institutionalizing biodiversity conservation in the functioning of Panchayati Raj bodies, thereby lending sustainability and creating a large grass roots constituency for conservation. At such sites project investments have been proposed for capacity building of PRIs to strengthen their governance capacities, particularly with regard to natural resource management.
- iv. The project will also foster and capacitate other user group based institutions that will form the building blocks of a decentralised planning process. In addition, these user groups are envisioned as vehicles of sustainability.

3. Opportunities and mechanisms for greater convergence between schemes and agencies for sustainable biodiversity and livelihoods objectives are explored and promoted.

Benefits

- i. In the selected landscapes, biodiversity conservation will be mainstreamed in the decision making processes and priorities of government agencies and will cease to be a sector-specific concern only of the forest department.
- ii. This will cause a reduction in investments necessary to offset harmful or potentially harmful conservation impacts of activities of line agencies. The project design proposes assistance to various line agencies from the BCRLI Society for framing their annual plans in a conservation friendly manner. Limited investments in line agencies are also proposed for this purpose. Rather than grants to line agencies, these transfers are viewed as investments that will leverage additional resources.
- iii. This will also trigger indirect investments by line agencies that enhance conservation outcomes. This project investment in the landscape will leverage additional funds that will be directed towards project objectives. Landscape indicative plans have proposed varying percentages of non project funds that will be leveraged via project investments.

4. Policy and legal frameworks that will clarify and harmonise livelihoods and conservation objectives are developed and promoted.

Benefits:

Benefits of this component take the scope of the project beyond the two landscapes where project investments will be directed.

- (i) The national government will have a menu of law and policy options that will opportunity make the law and policy climate in the country more conducive to sustainable conservation, particularly toe enhanced participation by local communities in conservation decision making and practice.

(ii) This climate will also reduce the disconnect between competing claims of conservation and livelihood security (particularly of vulnerable groups), thus reducing the need for mitigatory investments for conflict resolution.

Apart from the financial costs of the project, the project activities may also result in the following non quantifiable costs. Conditions under which such costs are likely to be incurred are also described:

1. As a result of improve capacity and resources, regulatory agencies (particularly the forest department) at specific sites may further curtail access to livelihood resources of dependent communities. Though the project design has recommended institutional mechanisms and covenants through which restrictions are introduced and enforced in a participatory manner, the possibility of this event adds to the external costs associated with this project.
2. Though the project design recommends devolution of power and increase participation of stakeholders (particularly local communities) in conservation decision making, a combination of systemic factors, lack of capacity (including attitudinal issues) and the existing law and policy climate may militate against such devolution. Continuation of the "business as usual" scenario entails costs associated with the lack of ownership and reduced sustainability of conservation investments, apart from increased livelihood insecurity for local people.
3. Unless accompanied by appropriate capacity enhancement and institutional strengthening (as provided for in the project design) the project investments may strengthen unequal relationships between resource users at the grass roots thus enhancing vulnerability of marginalized groups.
4. By improving law enforcement, the project may abet and strengthen prevailing tenural insecurity in some project sites. Apart from the obvious implications that such a scenario has for livelihoods, this may also lead to lack of trust and participation on part of affected communities in the project.

A juxtaposition of the potential benefits of the project against its likely non-quantifiable costs suggests that the project, by virtue of breaking new ground in conservation and placing the conservation paradigm of the country on a new trajectory, is a worthy investment.

The absence of such an investment will entail the progressive unsustainability of prevailing conservation efforts and continued degradation of biodiversity.

9. Whether Nodal Officer (Chief Executive for the project) has been appointed. If yes, give details about his status, past experience in implementing such projects, number of years left for superannuation, etc. (M- 1201615/97-PAMD dt. 29-12-97)

The Nodal Officer of the Scheme is the Joint Secretary of the Ministry of Environment & Forests is having more than two decades of field experience. His continuance in the Ministry is upto 2013.

For RCE proposals

10. Date of approval of original cost or firmed up cost

Not applicable.

11. Original or firmed up approved cost together with FE component

(i) Fixed cost

Not applicable.

(ii) Completion cost [I (5) PF –II/96 dt. 06-08-97] (For projects approved before August 1997, there may not be any approved completion cost.)

Not applicable.

12. Present cost (completion cost) together with FE component [I (5) PF-II/96 dt. 06-08-97]

Not applicable.

13. Earlier project completion schedule.

Not applicable.

14. Revised project completion schedule.

Not applicable.

15. Brief reasons for time overrun in clear terms

Not applicable.

16. Variance analysis* of increase in completion cost under: [1(15)PF – II/96 dated 06-08-1997]

(a) Escalation

(b) Exchange rate variation

(c) Change in scope

(d) Statutory levies

(e) Addition/Deletion

(f) Under estimation

(g) Other (Specify)

(* Variance analysis should be worked out with reference to latest instructions contained in OM.No. 1(6)/PF.11/91dt. August 24-1992).

Not applicable.

17. Quantification of increase in cost on account of time overrun.

Not applicable.

18. Present status of physical progress of the project.

Not applicable.

19. Expenditure incurred and commitments made so far

Not applicable

20. Effect of revision in capital cost estimates on cost of production and profitability with reference to earlier approved capital cost of the project.

Not applicable.

21. Whether at the stage when funds to the extent of 50% of the approved cost were released the mandatory review of the cost estimates was done by the project authorities and the administrative ministry ? If so –[1 (6)/PF-II/87 dated 16- 11-1987 and 1 (6)/PF-I/91 dated 24-08-92]

- (a) **The date when, as a result of mandatory review, project authorities and the administrative Ministry became aware that the cost of the project is likely to be exceeded by more than 5% of the originally approved costs due to reasons other than price escalation, exchange rate variations, statutory levies etc. and the date when RCE was drawn up and brought before EFC [I (6)/PF-11/87 dated 16-11-1987 and 1 (6) /PF-11/91 dated 24-08-92]**

Not applicable.

- (b) **A statement showing commitments made by the project authorities/Administrative Ministries in the EFC/PIB Memorandum regarding reliability of cost estimates, pre-project investigations, land acquisition completion schedule etc. and during the PIB meeting with regard to the project at the time of seeking proper approval and the status regarding their fulfillment. [1 (I)/PF-11/85dated 14-10-98]**

Not applicable.

- (c) **Have the reasons for the time and cost over run been gone into thoroughly and responsibility fixed; if so, details in this regard be indicated [1 (I)/PF-IU85 dated 17-09-91]**

Not applicable.

22. Whether the issue of cost and time over run was brought before EC/QPR ? [M-12016/5/97-PAMD dt. 29-12-97]. If so, details of decision taken in EC/QPR & further follow up action.

Not applicable.

23. For RCE proposals requiring CCEA approval, report/recommendations of the Standing Committee and Action Taken Report may be appended.

Not applicable

24. *Whether on EFC Memo Financial Adviser's concurrent comments have been obtained? If so details thereof [66(14)- PF .IU98 dated 11-8-1998]

India with 2.4% of world's landmass supports 8.1% of the world biodiversity with around 70% of population dependent locally on natural ecosystem with around 70% of population dependent locally on natural ecosystems for subsistence livelihood. To conserve biodiversity, several areas in the country have been declared as Protected Areas(PA). However, there is a need to conserve biodiversity holistically covering the landscapes including PAs and the area falling outside PAs, through integrating livelihood options with conservation needs. The instant project aims to explore the possibility of integrating rural livelihood option and conservation needs at the landscape level with active participation of local population. The project should decide a clear strategy for documenting and replicating two lessons learnt from the implementation of the project and for evolving policy for conservation with rural livelihood options.

The proposal should also incorporate the following:

- i) The details of the commitments by GOI and the State should be clearly indicated in para 4(b).
- ii) Clear provision should be made for liability towards any cost escalation/time overrun.
- iii) Convergence with project/scheme of this Ministry as well as other Central Ministries and State Governments.
- iv) Online monitoring of the project should be undertaken with digital mapping of the project area boundaries.
- v) A mechanism of reporting; review, monitoring and control; institutional/administrative structure for the purpose; system for third party inspections; and commitment to, and monitoring of reforms/outcome.
- vi) A suitable MOA should be signed with State Government and the implementing agency through which the fund is routed, inter-alia, incorporating the expected outcomes from the project, proposed components and the time line.

Sd/- Gauri Kumar
Addl. Secretary (GK)
25.11.2010

25. *Supplementary Information

NIL

26. *Points on which decisions/sanctions are required

Approval of EFC is solicited for:

A. Investment decision for an expenditure amounting to US\$ 30.39 million in the "Biodiversity Conservation & Rural Livelihood Improvement Project" by way external aid comprising of International Development Agency (IDA) credit(US\$15.23million), Global Environment Facility (GEF) grant(US\$8.14million), contributions from Government of India / State Governments(US\$6.06million) and assistance from beneficiaries(US\$0.96million).

B. Implementation of the BCRLIP in two identified Biodiversity rich landscape areas viz. ASKOT Musk Deer Sanctuary landscape, Uttarakhand and the Little Rann of Kutch, Gujarat. In addition, the Periyar Tiger Reserve (Kerala), Kalakad Mundanthurai Tiger Reserve (Tamil Nadu) and Gir Lion Sanctuary (Gujarat) are included under the Project as Field Learning Centres to provide hands on training through cross visits, exchange assignments, work experience and training sessions and distillation of conservation best practice. The Wildlife Institute of India, Dehradun would be supported under the project to build national capacity building program and to facilitate the promotion of landscape conservation approaches nationwide.

C. The project proposal pertains to the period from 2010 to 2016 and hence the two year period of operation 2010-11 and 2011-12 would be covered under the XIth Plan and the remaining four years of the project proposal extends beyond the XIth Plan.

D. The budgetary provision for the entire project period (2010-2016) including the external aid, amounts to `136.77crores(US\$30.39million) as projected in the plan outlay. Please see Annexures 1,2 and Table 1-8.
