

**Ministry of State for Environmental Affairs  
Egyptian Environmental Affairs Agency**

**Capacity Building and Institutional Support To  
The Nature Conservation Sector  
NCSCB**

**Annual Progress Report  
For the Year 2007  
and  
Work Plan January- June 2008**

**Submitted to  
Project Executive Committee**



**Jan 2008**



## **Table of contents**

Executive Summary .....	3
1. Introduction .....	6
2. Project Progress .....	6
- Project outcome and update summary	
- Updating of Project Progress on outputs and key activities by indicators and targets	
- Summary of Project Progress on all sub- activities and achievements % to targets	
3. Project highlights during reporting period .....	9
• Output 1: NCS Capacity Enhanced	
- K (1) 1: Three NCS Technical Units (TUs) created for Planning; EIA and Licensing; Business and Marketing	
- K (1) 2: NCS reformed as Institution process	
• Output 2: Enhanced NCS Capacity Operational	
- K(2) 1: NCS Staff effectively evaluate, license and monitor economic activities within Protected Areas	
- K(2) 2: Formalized protected area management planning instituted and management effectiveness increased.	
- K(2) 3: PA Business planning, resource development, marketing and public relations promoted and support the NCS as the lead institution for biodiversity conservation in Egypt	
4. Support and cooperation with Donor Projects .....	14
5. Overall expenditures during reporting period .....	15
6. Main planned activities for the next 9 months .....	17
7. Challenges and Recommendations.....	18
8. Conclusion .....	19

## **Annexes**

Annex 1	Mid Term Evaluation Extract of NCSCB Project – March 2007
Annex 2	Annotated Work Plan showing progress toward targets and indicators
Annex 3	Actual Disbursement by Dec.31, 2007 according to AWP 2007 – 08
Annex 4	Planned Activities and budget for Jan – Mar 2008
Annex 5	Financial Analysis of Expenditures by Budget Lines and ATLAS
Annex 6	Protected Areas of the New Valley

## **Acronyms**

AWP	Annual Work Plan
BP	Business Plan
BioMAP	Monitoring and Assessing Biodiversity Project
CEPA	Communication, Education and Public Awareness Strategy
CHM	Clearing House Mechanism
DGCD	Directorate General of Cooperation for Development
EG DS	Italian (Egyptian) Debt for Development Swap
EEAA	Egyptian Environmental Affairs Agency
EIA	Environmental Impact Assessment
EIECP	Egyptian Italian Environmental Cooperation Programme
GEF	Global Environmental Facility
IUCN	World Conservation Union
KA	Key Activity
LIFP	Legal and Institutional Framework Project
MBU	Marketing and Business Unit
MEE	Management Effectiveness Evaluation
MSEA	Minister of State for Environmental Affairs
NCSCB	Nature Conservation Sector Capacity Building Project
NCS	Nature Conservation Sector
NC	National Consultant
PA	Protected Areas
PDF-A	Project Development Facility (First Phase)
PHC	Public Holding Company
PIF	Project Identification Form
POP	Project Operations Plan
PTU	Permanent Training Unit
QT	Quarterly Targets
RAPPAM	Rapid Appraisal of Protected Area Management
RBM	Results Based Management
RM	Ras Mohamed
RMBP	Ras Mohamed Business Plan
TNA	Training Needs Assessment
UNDP	United Nations Development Programme

**Executive Summary:**

This report to the Project Executive Committee (PEC) presents the progress of NCSCB Project during the year 2007 of Annual Work Plan 2007-Mar. 2008, which was endorsed in the last PEC of August 2007.

In the first semester of year 2007, the project was subjected to some factors that affected its whole implementation process; mainly the following:

- Revalidation of the POP as a result of 2006 progress report, to re-adjust the targets and indicators about the institutional reform of NCS to become an autonomous self-funded institution, which resulted to be excessively ambitious.
- Partial suspension of the expenditures of the project by CEO/EEAA from February, in order to redirect its resources to develop infrastructures in Nabq PA, which was resolved at the end of June 2007.
- A Mid Term Evaluation conducted in the first quarter of 2007, which appreciated the project achievements and its financial rate of disbursement, recommending concentrating the project remaining efforts in specific directions which have been considered in the AWP 2007 – Mar 2008. UNDP in Feb 2008 was satisfactory.
- The international and national consultants ( except EIA )were phased out and the NCS staff were assumed to tackle the responsibilities of the technical units.
- The project PMU became composed of the national co-manager, accountant and administrator who are in charge of executing the annual plan activities in collaboration with NCS staff.

NCSCB exerted a lot of efforts to compensate the elapsed time due to constraints met during the first semester. The main achievements could be summarized in the following:

- The project supported the preparation of the GEF initiative for a new project "strengthening the national system of protected areas ", which relies on the NCSCB documents and studies. GEF proposal has been revised and its indicative funding amounts to \$ 13m.
- Participation in developing the Environmental Status Report of Egypt about year 2006, regarding Nature Conservation Sector, which was issued in June 2007.
- Developing 4 PA management plans of Qaroun, Gilf Kepeer ( expedition frame work ) , Nabq ( draft ), RM ( draft ) . Finalizing of 4 management effectiveness evaluation reports of WR, Qaroun, St. K. and RM PAs. Produced WR business plan to be a model for application and drafted RM-BP. All manuals and guidelines of planning and assessment were produced, translated, and circulated.
- Training of 30 junior rangers from 15 PAs in the Nature Conservation Training Center of Sharm El Sheikh, The number of trained staff in the center through the project time frame became 100 rangers. All training materials were prepared, printed and published. 2 trainers were trained in Italy, University Milano Bicocca, on marine environment.
- Support NCS on evaluation of 125 EIA studies which resulted to 103 agreed and 22 rejected. EIA procedure manual including monitoring guidelines for licensed projects was coordinated with LIFP and EIA Central Department, produced and distributed. Public hearing initiative was tested with some main stakeholders and local community.

- The bid process of improving tracking system of Nabq PA was completed, UNDP- CAP document was approved and the contract was signed with the winning company in Dec. 30, 2007. The implementation of the project has been started in Jan 13, 2008.
- Design, printing and publishing of 100,000 leaflets of 10 PAs with 10,000 retaining folders, as well as designing the parks website which is going to be developed by NCS staff.
- NCSCB continued close cooperation with relevant EIECP projects; WR, Elba, Siwa, New Valley, LIFP and Bio Map. Further more, the project maintain good coordination with the EU program of South Sinai and USAID project LIFE in the Red Sea. All these efforts are in the frame work of NCS capacity support.

The project expenditure for year 2007 was \$ 284,506 that constitutes 64% of AWP budget \$441549, including \$201310 from DGCD and \$240239 from EGDS. The total disbursement of the project over the past 3 years since project inception is \$ 988,391 that represents 86% of the overall project budget of \$ 1,145,410.

Despite challenges encountered, the project performance achieved 81 % of the planned targets of the AWP 2007-2008. Meanwhile, the NCS requires more human development with qualified staff, establishment of financial sustainability and enhancement of an enabling environment both institutionally and administratively.

## **1- Introduction:**

This report presents the progress for year 2007 of the Annual Work Plan/AWP "January 2007 – March 2008". It describes the major actions and financial inputs undertaken in response to the Mid-Term Evaluation (MTE) recommendations issued in March 2007 (**Annex 1**), and in compliance with the directives of H. E. the Minister of State for Environmental Affairs (MSEA) that reoriented part of the Debt Swap funds towards the improvement of tracks in Nabq Protected Area, in order to support ecotourism and protect its ecosystems. It is recalled that the decision about the realignment of the funds arrived at the end of June and the relevant PEC meeting for the approval of the AWP was held in August. Meanwhile, from February 2007 and throughout the semester the regular project financial disbursement was suspended by the CEO/EEAA, and de facto only salaries, minor operational expenses, the committed expedition to Gilf El Kebir, and the committed International Consultancies from IUCN were allowed. Although the constraints met, the project had continued its committed activities with very limited financial resources and in cooperation with other projects.

During the second semester, the project managerial and administrative activities have been mainly carried out by the national Co-Manager, accountant and administrator; while the functions of the ICM have been covered by the Italian Coordinator of the PCU, since the IUCN Team Leader had ended his assistance by March 2007, together with the national consultant of the planning unit. Whereas the national consultant on business and marketing, and the national advisor of NCS director were phased out by May 2007. It is worth to mention that the project was relying on senior staff of NCS and PA, especially those in the planning and business units, and this policy was resulted in good achievement and building experiences in NCS.

## **2- Project Progress: (Annex 2)**

The attached Progress Report prepared on the same format of the Annual Work Plan (**Annex 2**) provides details in the project's progress towards set of activities. Table (1) below summarizes the contribution of the project during the year 2007 regarding the attainment of its outcome, while table (2) provides summary of progress on the project's two outputs and related key activities.

**Table (1): NESCB Project Outcome and Update Summary**

<b>Outcome (0) and indicator (I)</b>	<b>Outcomes and comments</b>
0: Enhanced institutional and technical capacity of NCS to manage a decentralized national network of protected areas and their contained biodiversity.	The GEF project proposal PIF submitted in Sept. 2007 to strengthen Egypt's PA system financial sustainability of Egypt's PA system with associated management structures. <i>It relies on the capacity built in NCS, the proposed reform of its institutional structure and business planning initiated.</i>
I: Future status of the NCS agreed by the end of 2007	Future status of NCS as sector in EEAA is likely to continue to the end of the project. Its reform to an autonomous entity within MSEA is a main objective of GEF Project.

**Table (2) Update on NCSCB Project Progress on Outputs and Key Activities Measured by Indicators and Targets.**

<b>Outputs and key activities</b>	<b>Indicators and targets</b>	<b>Achievements and <i>comments</i></b>
<b>Output 1</b>		
NCS capacity enhanced	NCS restructured and administratively reformed by end of 2007.  Restructured NCS with TUs effectively embedded	<b>Mostly Achieved</b> NCS internal capacity increased. TUs embedded in NCS. Support provided to other projects.  <i>Existing NCS structure requires high level directives about detailed organization and staff recruitment.</i>
<b>Key activities</b>		
KA1: three NCS TUs created for planning, EIA and licensing, business and marketing	Technical units provide on demand assistance to NCS Director by mid 2007.  TUs fully institutional issued and effective	<b>Achieved.</b> Technical Units performed effectively. The 3 <sup>rd</sup> training course implemented.  <i>TUs need more NCS staff and office space.</i>
KA2: NCS reformed as institution process	NCS policy and regulatory framework in place by end 2007  Final policy platforms approved	<b>Mostly Achieved</b> Policy framework developed in 2006 and application depends on MSEA decision on NCS reform expected through the proposed GEF project ).  NCSCB, LIFP & WRPA initiated the process towards decentralization and financial sustainability.
<b>Output 2</b>		
Enhanced NCS capacity operational	NCS and TUs provide effective management and technical support to protected areas by end of 2007.  TUs effectively support PAs	<b>Achieved.</b> National consultants to TUs were phased out. TUs continued their duties to PAs.  <i>Require more qualified staff and promotion of the training center</i>
KA1: NCS Staff effectively evaluate, license	Report on EIA procedural reform and recommendations agreed by 2006, monitoring system of	<b>Achieved.</b> EIA Procedure reviewed and coordinated with EIA Central

and monitor economic activities within Protected Areas	<p>licensed activities designed.</p> <p>Procedure EIA manual and monitoring of licensed activities issued</p>	<p>department. 125 EIA studies evaluated; 103 accepted and 22 rejected.</p> <p>EIA procedure, including licenses monitoring, issued and distributed. <i>Requires regular PAMUs reports.</i></p>
KA2: Formalized protected area management planning instituted and management effectiveness increased	<p>Technical support to PAMUs for management planning and management effectiveness by end 2007.</p> <p>Management plans of 5 PAs and management effectiveness evaluation of 4 PAs produced;. Nabq PA tracking system improved.</p>	<p><b>Mostly Achieved.</b> Technical support provided for 5 MP and 4 MEE. Training of 30 PAMUs staff. <i>Conditional to effective cooperation of PAMUs and NCS commitment.</i></p> <p>First draft RM &amp; Nabq management plans; Qaroun MP and Gilf Kebeir framework developed; WRPA MP is updated by the project. MEE of WR, QU, RM &amp; St. K reported. Nabq PA tracking system project tendered and contracted.</p>
KA3: PA Business planning, resource development, marketing and public relations promoted and support the NCS as the lead institution for biodiversity conservation in Egypt	<p>Financial analysis of NCS , PA Business Plan established and marketing and branding strategy developed by end of 2007.</p> <p>Final draft of WRPA- BP produced. RMNP-BP drafted. Package of 10 PA leaflets printed and published. Parks website designed.</p>	<p><b>Achieved.</b> Business plan model and manual of PA and a framework of NCS – BP developed. Report on marketing and branding strategy. Public relations materials produced.</p> <p><i>Requires high level decision on NCS's future status.</i></p>

Table (3) summarizes the annotated work plan (**Annex 2**) in terms of the Project's record in meeting AWP sub-activity targets. Weights are given for achieved activities 100%, mostly achieved 75% and partially achieved 50%.



**Table (3) summary of project progress on sub-activity and achieved % to targets**

<b>Outputs and activities</b>	<b>Achieved (100%)</b>	<b>Mostly achieved (75%)</b>	<b>Partially achieved (50%)</b>	<b>Total targets %</b>
<b>Output 1</b>				
Key activity 1 (Establish TUs)	4	1	1	6(87%)
2 (institutional reform)	2	-	2	4(75%)
<b>Output 2</b>				
Key activity 1 (EIA and licensing)	2	2	1	5(80%)
2 (planning)	3	2	1	6(83%)
3 (Business and marketing)	6	2	2	10(85%)
<b>Total</b>	17	7	7	31(81%)

### **3- Project Highlights During Reporting Period**

#### **Output 1 NCS Capacity Enhanced**

#### **KA (1): Three NCS Technical Units(TU) created for Planning, Environmental Impact Assessment (EIA) and Licensing, Business and Marketing**

The project ensured the development of the three TUs through the provision of technical assistance of international and national consultants, who were phased out during the first semester (except EIA). However, the TUs require recruiting of more full job qualified staff to tackle their duties in support of all PAs, in particular for the EIA Unit as the only employee has got a long vacation and some one might cover the vacancy in that unit. The PMU with its limited staff has continued the technical support to the units while relays on NCS staff, as possible, who should work independently by the end of the project. The human development of the Units and the NCS in large is crucial.

During the first semester, when the funds and activities were limited as previously mentioned, the close cooperation with the LIFE (USAID) Program helped in the implementation of business planning workshops, supported by IUCN consultant contracted by NCSCB Project. The PMU worked hardly in the second semester in order to compensate the delays.

The Central Authority for Organization and Administration restructured in June 2006 the NCS as a sector within EEAA, but without any commitment to extra Governmental employment, which shall be taken care of by MSEA. To reinforce this structure of NCS, high level support and ministerial directives are needed, allowing the recruitment of sufficient staff and issuing procedures towards self financing of PAs.

## **KA (1) 2: NCS Reformed as Institution Process**

The NCSCB Project worked effectively in 2005 and 2006 to develop NCS towards an autonomous economic institution as a Nature Conservation Authority. The MSEA undertook the legal measures in the direction of its establishment by a Presidential Decree, but the process failed. However, on the occasion of the Environmental Day of June 2007, H.E. the Minister of State for Environmental Affairs declared in a press conference that this target is still in the coming plan of the Ministry. This will be probably achieved through the Global Environmental Facility (GEF) Project which is now in the pipeline: the NCS reform toward a self financed decentralized entity is imperative to ensure sustainability of the Protected Areas, as it is also a world wide trend.

It is recalled that the institutional development study prepared by the project had attracted the attention of the GEF to launch a project entitled “Strengthening the National System of Protected Areas”. To this end a concept paper was produced by the end of 2006 in cooperation with NCS and during the first semester 2007 the project's National Advisor to NCS Director presented to the GEF National Committee the proposed project for funding. In September 2007, the project participated in the review of the project proposal, which has an indicative co-financing budget of US\$13millions (4 m from GEF and 9 m from MSE) over 5 years. The project is scheduled to start on April 2009 with the objective of establishing a sustainable protected area financing system, with associated management structures, systems and capacities needed to ensure the effective use of generated revenues for priority biodiversity needs. It is worth mentioning that during the closing workshop for the project of synergies between Rio-Conventions, held in December 13, 2007 and chaired by HE Minister of State for Environment, Prof. Mostafa Tolba, the Head of GEF National Committee, emphasized the importance of the GEF proposed project to strengthen the PA network in Egypt to achieve financial sustainability relaying on its generated resources.

It is worth to recall the diverse support provided during the first semester by the National Advisor to NCS on biodiversity: on reporting; on establishing Egypt's Biodiversity Cleaning House Mechanism; on drafting the Bio-safety National Legislation; on unifying the format for PA's Managers reports; on synergies of Bio-conventions and on preparing a number of policy documents and technical papers on biodiversity.

During the first semester, a training of trainers was conducted in Italy (University Milano Bicocca) for two rangers from the Red Sea protectorate, aimed to enhance their knowledge on Marine Biology, with particular focus on the activities undertaken in Samadai at the Dolphin House. After two months spent in Italy, they returned to their duties in Marsa Alam, where they have conducted, besides their usual work, specialized research which will be lead to obtain their Master degree.

The third training course for 30 junior rangers from 15 PAs was held in the first week of December (1-8, 2007) in the Nature Conservation Training Center of Sharm El Sheikh. The course focused on increasing rangers' experiences in planning issues especially management, business, effectiveness evaluation and EIA. In addition, in enhancing their knowledge about biodiversity monitoring, law enforcement, international conventions and some national case studies. The trainers were mostly selected from the qualified senior NCS and PA staff; the training materials prepared, printed and distributed; a report has been produced. The training course was successful and productive.

The initial discussions held with the Italian consultant of LIFP for PA and the ICM of WRPA to explore the procedures to be adopted for decentralization and reaching financial sustainability of Pas were further developed. Extra following steps will be continued along with the already developed business plan of WRPA. This activity is going to be implemented by collaboration of the 3 Italian supported projects and cooperation with relevant sectors of EEAA mainly; the Administrative and Financial, Legal Affairs, NCS and maybe the Environmental Fund.

## **Output 2: Enhanced NCS Capacity Operational**

### **K (2) 1: NCS Staff Effectively Evaluates License and Monitor Economic Activities Within Protected Areas:**

The EIA **procedure manual** had been revised with LIFP and coordinated with EIA Central Department. It has been discussed and presented to PA staff during the third training course in December 2007. The manual includes the **operational guidelines for monitoring** and some case studies as examples. The manual is now ready to be published and circulated.

The National Consultant assisted the PAMUs to ensure compliance of economic activities according to licenses conditions.

PAs staff are monitoring projects during construction and operation, their results are made available to different authorities: the Environmental Department of Governorate, Regional Environmental Branch and the EEAA Central Departments for EIA and Investigation. PAs regularly report to NCS about projects commitment to licenses terms.

The lessons learnt from field monitoring are: the transfer of soil from outside district for land reclamation is prohibited to avoid invasive species; adoption of restricted dimensions for floating pontoons (4-8m) to avoid negative effects of shadows on the marine life; the proper design for jetties to reach deep water with minimum environmental effect, while the floating walk-ways are only used in lagoons and semi-closed areas. The experience of EIA TU about disposal of high salinity brine from the desalinization plants has been published worldwide (Technical report – MAP no. 139)

The project continued its **support to NCS on evaluation of 125 EIA studies** (76 tourism, 25 industrial petroleum, 13 agricultural and fish farming, 11 housing), the results of evaluation were 103 agreed and 22 rejected. The EIA national consultant prepared special studies for the development of the Southern coastal road in Elba which was investigated in cooperation with the Ministry of Defense in December 2007, priorities for de-mining some selected sites in the Western Desert and explored new urban sites in El Alameen. He maintained good coordination with the National Center for Planning State Land Use (NCPSLU), Ministry of Defense and the EIA central department in EEAA.

The consultant initiated innovative process for public hearing with the main stakeholders and communities to exchange information and to achieve sustainable development. As the contract of EIA consultant was ended in Dec 31, 2007, while the only researcher in EIA unit has got a long leave, the project intends to extend his contract for 3 months. The NCS should immediately assign 2 staff in that unit to be ready to tackle EIA activities.

## **K (2) 2: Formalized Protected Areas Management Planning Instituted and Management Effectiveness Increased**

The contract of the national consultant for planning was ended in Feb 2007 without further extension. NCSCB was encouraging and supporting the planning technical unit of NCS to develop and to improve the planning activities as it has two qualified staff who works in close coordination with the Project.

**Management Plans** have been produced for Qaroun and Gilf Kebir (framework). Nabq management plan has been drafted, reviewed and is now in process of adjustment to be finished in Feb 2008. Ras Mohammed management plan was drafted preliminarily by the NCS planning team and was submitted to South Sinai PAs Sector for more development; however no efforts have been exerted in that direction although urging them. Updating of WRPA management plan to include Wadi El Hitan World Heritage Site is still in process by WR Project as its assignment.

**The Management Effectiveness Evaluation** on site level was produced for 4 PAs with technical support of IUCN consultant and the Planning Unit; Wadi El Rayan report was finished. The work continued in first half of 2007 and finalized the other 3 reports of Qaroun, ST Katherine and Ras Mohamed through intensive workshops with managers and PAs staff as well as relevant stakeholders. A general report was prepared by IUCN consultant that concluded the experience and lessons learnt of effectiveness assessment and recommendations for way forward. This process and outputs were translated into Arabic and will be circulated to PAMUs.

MEE procedures includes identification of PA key values , address threats, develop indicators for changes, examine management plan and work plans to assess effectiveness, evaluate the status of key values and finally determine actions and recommendations. MEE was carried out in collaboration with stake-holders and local community.

A workshop was held on November 19, 2007, attended by NCS director, NCS staff, PAs representatives and project PMU while reports were presented, discussed and edited to their final form in order to be considered as guides to PAs and NCS for planning and future actions.

The final report for the **expedition of Gilf Kebir** has been edited. The expedition, undertaken in Feb 2007 by the project, NCS staff, IUCN consultants and representatives of various stakeholders and local community, examined conservation issues, defined the hot spots and advised on protection measures to that new declared protected area by the Prime Ministry Decree no. 10 in January 2007. The report includes the main features of the PA, status, management approach and proposed management interventions, which will be the basis for the implementation of the activities to be undertaken by the new NCSCB component "Protected Areas of the New Valley/PANV" during 2008.

**To enhance ecosystem protection and ecotourism plan** of Nabq PA by improving its track system in the framework of its management plan, which is being developed in parallel, the AWP has allocated an amount of US \$ 130,000 from the debt swap fund. The field work investigations, technical specifications and bid measures were undertaken in cooperation with the Engineering Department of EEAA. All bid documents and contract proposal were translated to English and submitted to UNDP in Oct 22, 2007 for CAP approval which was received by Dec 04, 2007. The project has signed the contract with El Hegaz Co., the bid winner, in Dec, 30, 2007; the works will start by the contractor on Jan 13, 2008.

### **K (2)3: Business Planning, Resources Development, Marketing and Public Relations promoted.**

During the first semester, the project contracted Mr. Jose Galindo, IUCN consultant for **business planning support** that contributes to the financial sustainability process for the protected areas system of Egypt. To achieve this, the consultant designed and generated capacity planning at site (PA) and system (NCS) level.

The consultancy was delivered for 2.5 months and was carried out in cooperation with the national consultant and NCS staff. The expert reviewed and commented on the proposed national consultant business plan outlined for WRPA, produced an alternative model for business planning of PAs, which includes strategic approach, objectives, audiences, outlines and methodology. A design for systematic framework of NCS business plan was formulated including objectives, stakeholders, outlines, necessary information, scope and links with PA BPs. He advised and participated in the start up process of preparation RMBP and improvement of WRBP. A manual was produced on how to prepare a business plan of PA. He assisted on the preparation and implementation of two workshops held for the preparation of RMBP and WRBP as well as on the final 2 days workshop held in June 2007, attended by 70 participants from NCS, PAs and other projects. The workshops were held with minimum financial resources from the project while the LIFE Programme (USAID) supported the final one.

The main results achieved are: increase of understanding of BP as management tool in Egypt, NCS and PA business planning team established and trained. models and references for future learning produced.

The business planning methodology and the gained experience had been presented to H.E the Minister of State for Environment who encouraged the exerted efforts, requested to put those plans into actions and to present to him the implementation programs.

NCSCB, WRPA, and NCS- BP team-work have concentrated on developing WRPA-BP as a pilot model which if approved, could be tested and applied. In December 2007, after series of meetings, discussions and communications with WRPA staff and stake holders which produced several drafts, an adequate final form was reached. The final draft has been circulated to relevant parties and experts in order to be openly discussed in a work shop before the end of January 2007 in presence of stake-holders and NGOs.

Along with that, the NCS BP team had outlined a draft BP for Ras Mohamed National Park which was submitted to South Sinai PAs Sector (SSPAS) and RM-PAMU for more development. NCS-BP team had some meetings with SSPAS and RMPA staff for more discussions. The plan is now in the process of adjustment and improvement, expected to be finalized in the final draft in March 2008.

As the business planning is a new concept for achieving financial sustainability of PAs, the project translated the manual and model of PA business plan into Arabic, which was also utilized in the third training course held in December 2007 for PA rangers. The manual was distributed to PAs to spread the knowledge and philosophy of business management

The IUCN consultant Ms. Victoria Harper for **Marketing and Outreach** and a national expert had developed a marketing strategy framework for NCS and designed branding and outreach materials. The input achieved: an agreed mission statement and corporate identity for the nation's PA system Park Egypt; attractive and standardized leaflets in Arabic and English for 10 PAs along with a retaining folder and the design of dedicated website for protected areas. 100,000 leaflets and 10,000 folders were printed and partly distributed to PAs, visitors and national and international conferences. The project is now supporting, development of the parks Web Site by NCS staff, though this work still needs professional assistance to enhance increase their experience.

As mentioned in the report of the previous semester, the published material was the result of joint efforts from NCS staff, at the headquarters as well as in the field. Two presentations were made to communicate the value of the NCS as Egypt's leading body for nature conservation, and to present the institutional reform of NCS. The importance of a strong corporate image for the purposes of marketing and seeking funding opportunities is part of business planning strategy; the input reported has established a solid basis for NCS marketing and branding campaigns with standard templates and formats from which to organize and launch communications and messages related to Parks Egypt. However, the marketing and branding strategy is a process which is unfinished and needs to be continued. In particular information leaflets have to be created for the remaining 17 parks and the website has to be completed and maintained. It is imperative that the NCS consolidates and build on this foundation.

## **4 - Support and cooperation with Donor Projects**

### **a) EIECP Projects**

The NCSCB provided technical support and cooperation with the sister projects of Siwa PA, Elba PA, and WRPA.

About **SiwaPA**, in April 2007 H.E. the Minister of International Cooperation decided, upon consultation with H.E. the Minister of State for Environmental Affairs and the Italian Embassy, to utilize the residual resources of the Siwa PA for supporting the protected areas of the **New Valley governorate** (White Desert and Gilf Kebir). The decision was taken on the grounds of all the obstacles encountered about the allocation of funds and the insistence of H.E. the Governor of Matrouh to disburse higher percentage of the budget to a Health Center inside Siwa PA and the activities already undertaken by NCSCB project in the New Valley. NCSCB project, with the support of the IUCN consultant Dr. Sinibaldi and in close collaboration with NCS staff, have prepared the Operational Plan of this new sub-component of NCSCB, which is presented to the PEC for approval. The project will have a limited span of five months, from its approval, as the Debt Swap funds shall be utilized within June 2008 *and consequently NCSCB project will be extended until June 2008*.

The NCSCB technical and administrative assistance provided to **Elba PA** during the first semester was already reported, in particular concerning the completion of the technical reports of the two IUCN consultants contracted for the surveys on coastal resources (Dr. Tony Rouphael) and large mammals (Dr. Omar Attum).

The cooperation with **WRPA project**, focused initially on the development of Wadi El Hitan area, was concentrated later on the preparation of business plan for the WRPA, which is considered a pilot model to explore financial sustainability and decentralization exercise.

NCSCB worked in mutual collaboration with **LIFP** to formulate its AWP 2007/08 activities for PAs' component, concentrating on updating legislations and institute financial sustainability and decentralization, as well as providing PAs with some equipment. LIFP participated in the training course for rangers, shared in discussion for EIA procedure manual and advised on law enforcement issues. Furthermore LIFP reinforced NCSCB request to include a new article in the proposed amendments of law 4 of Environment regarding local community partnership in PAs' management.

Continuous coordination exists with **Bio-Map** Project to support NCS on biodiversity strategies, management effectiveness assessment, public awareness materials, and training of rangers.

### **b) Other projects**

NCSCB cooperates with other projects which are related to increasing the capacity of NCS and PAs, mainly SSRDP in South Sinai and LIFE in the Red Sea.

The National Co- Manager of NCSCB is representing EEAA in the Steering Committee of **South Sinai Regional Development Programme** (SSRDP) financed by EC through Europe Aid by € 64 million to the South Sinai Governorate, with the purpose of sustainable development protection of the fragile environment and social development.

Under the SSRDP framework the “Environment and Sustainable Development” project which concentrates on development of South Sinai Protected Areas especially for the provision of the necessary equipment. Close coordination with that programme managed to contract valuable essential equipment of cost Euro 5.1 million including well equipped big boat 21m and 4 patrol boats 9m, moorings, monitoring and diving facilities, marine tracking system and 11 vehicles. This equipment was delivered in the 2nd half of 2007, while boats are being built and are going to be received in September 2008.

The other projects are mostly related to environmental protection, e.g. solid waste management, sewage system enhancement, visitor management of St. Katherine Monastery area and water supply to St. Katherine & Firan village.

The NCS coordinated with **LIFE** programme (USAID) in the Red Sea to support Elba PA and GEPA in several fields, as monitoring, training courses, solid waste campaigns, local women handcraft productions and provision of materials for construction.

Since LIFE programme has been attracted by NCSCB efforts on business planning, agreed to support financially the two-days final Business Planning workshop in June 2007, attended by 70 participants. Nowadays the programme is developing a business plan for Wadi El Gimal PA in the Red Sea according the model produced by NCSCB project.

## **5 - Overall expenditures during reporting period**

The budget allocated for the NCSCB project on the AWP January 2007- March 2008 was US \$441,549, subdivided as follows:

- DGCD - US\$ 201,310
- EGDS - US\$ 240,239

Table (4) presents the actual disbursements for the AWP 2007- March 2008 according to UNDP- ATLAS report of Dec 31, 2007, which takes into consideration reallocation of payments from both GGDS and DGCD funds which are indicated in table (5).

The overall expenditures of the year 2007 are US\$ 283,223 that represents 64% of allocated AWP budget of US\$ 441,549, with a disbursement rate of 98.6% from DGCD and 35% from EGDS (keeping in mind that Nabq tracks contract costs 50% of this fund, and has started in January 13, 2008).

It must be mentioned that the expenditures doesn't include the cost of the services of technical assistance provided by IUCN during the first semester 2007, for an amount of Euro 58,797, equivalent to US\$ 79,790. Further financial controls are needed at UNDP, IUCN and project level in order to ascertain why the project budget can't cover the expenditure to be met. In addition, an extra cost of US\$ 2,394 was met in the 5<sup>th</sup> semester as reported in table (6).

**Table (4) Reported Fund disbursements against AWP 2007-Mar 08 of Dec 31, 2007 after revised expenditures:**

<b>AWP 2007/08</b>	<b>Allocated</b>	<b>Expenditures</b>	<b>Revised Expenditures</b>	<b>Actual Balance</b>	<b>Disbursement rate</b>
DGCD	201,310	172,590	195,384	5,962	97%
EGDS	240,239	111,916	89,158	15,1081	37%
<b>Total</b>	<b>441,549</b>	<b>284,508</b>	<b>*284,506</b>	<b>157,043</b>	<b>64%</b>

**\* Expenditures of year 2007:**

- 1) Reallocation of payments from EGDS to DGCD and vice versa has been considered according to AWP2007/08 budget line (table 5)
- 2) The expenditures have been submitted to UNDP in January 6, 2007 (**annex 3**)
- 3) IUCN Consultants costs of the 6<sup>th</sup> semester of US\$ 79,790 are not included (**table 6**)

**Table ( 5 ) Revised Allocated Payments**

<b>Atlas Code</b>	<b>Payment Requests</b>	<b>Budget According to AWP 07/08</b>		<b>UNDP Payments</b>		<b>To be Reallocated</b>	
		<b>EGDS</b>	<b>DGCD</b>	<b>EGDS</b>	<b>DGCD</b>	<b>EGDS</b>	<b>DGCD</b>
72200	Office and Field Equipment	3000			139	139	0
72500	Office supplies		4000	2169		0	2,169
72400	Communications		5000	1289		0	1,289
72700	Hospitality / Catering		1500	52		0	52
71600	Travel	5000			1897	1,897	0



74200	Translation, printing and publication of publicity material		17000	8129		0	8,129
74500	Office Miscellaneous (maintenance, Training and Deliverables)	6000	35500	13155		0	13,155
<b>Total</b>		<b>14,000</b>	<b>63,000</b>	<b>24,794</b>	<b>2,036</b>	<b>2,036</b>	<b>24,794</b>

**Table (6) IUCN budget according to UNDP-IUCN contract (in US\$)**

<b>IUCN expenditures</b>				
<b>Original contract</b>		<b>Expenditure</b>		<b>Balance</b>
<b>2005</b>	202,219	<b>2005</b>	116,668	85,51
<b>2006</b>	117,585	<b>2006</b>	157,841	-40,256
<b>2007 - Mar.2008</b>	62,945	<b>2007</b>	110,634	-47,689
<b>Budget contract status</b>	<b>382,749</b>		<b>385,143</b>	<b>-2,394</b>
<b>Commitments of 6th Semester</b>			<b>79,790</b>	<b>-79,790</b>
<b>Total shortage of IUCN cost</b>				<b>82,184</b>

Table (7) summarizes the actual expenditures from project inception to date and the respective fund balances of the project until December 31, 2007 according to UNDP-Atlas latest report. The total disbursement from the project's inception to December 2007 represents 86% of the total Project budget of US\$1,145,434.00. Total project expenditure to date from DGCD funds is 99.5% while expenditure from EGDS is 70%.

**Table (7) Summary of Expenditures and Fund Balance (US\$) (2005 – 2007)**

<b>Fund</b>	<b>Award</b>	<b>2005 Expenditures</b>	<b>2006 Expenditures</b>	<b>2007 Expenditures Until 31/12/2007</b>	<b>Actual Balance 1/1/08</b>	<b>Total disbursement rate %</b>
DGCD	634,593	216,342	216,942	195,384	5,962	99%
EGDS	510,841	107,537	163,065	89,158	151,081	70%
<b>Total</b>	<b>1,145,434</b>	<b>323,879</b>	<b>380,007</b>	<b>284,506</b>	<b>157,043</b>	<b>86 %</b>

## **6- Main Planned Activities for January – February - March 2008 ( Annex 4)**

The planned activities are rationalized according to the available budget in both DGCD and EGDS at the 1<sup>st</sup> January 2008, after adjustment of revised payment (table 8). Taking into consideration that these three months represent the closing period of the project, some flexibility will be needed between budget lines. The future activities will focus on the following:

- Implementation of the contract for improving the tracking system of Nabq PA to enhance ecotourism activities, as a main component of its Management Plan under preparation. As the Engineering Department of EEAA and Nabq PA have advised to expand the track's width from 5m to 6m, the cost of the contract will be increased by 20%, but will remain within the allocated budget. The PEC shall approve.
- Provide assistance to NCS technical units to finalize Nabq Management Plan and RM business plan, and enhance parks website.
- Assist application initiative of WRPA business plan as a model for financial sustainability in cooperation with LIFP and WR projects.
- Extend the contract of EIA consultant to continue support to the NCS on the EIA evaluations of projects in and around the Pas, and ensure the transfer of experience to new NCS staff assigned to EIA-TU.
- Continue support to NCS on strategic issues as well as collaboration with other relevant projects.
- Documentation of essential products and manuals of the project in hard and digital forms, as references to NCS further actions and development, and handing over of the assets to NCS.

**Table ( 8 ) : Summary of Allocates Budgets for Months Jan, Feb, Mar 2008.**

Actual budget 1/1/2008		3 months Work plan			
		Jan.08	Feb.08	Mar.08	Contingency
DGCD	5,962	1,424	2,366	2,052	120
EGDS	151,081	36,122	37,911	76,989	58
Total	157,043	37,546	40,278	79,042	178

## **7- Challenges and Recommendations:**

- As the **project budget revision** could not take place in accordance with the approved work plan 2007 – 2008, this resulted in wrong budget line recorded expenditure.
- The problem related to the **IUCN payment** must be solved.
- The implementation of Nabq PA tracking system project **will be terminated in May 2008**, therefore after the foreseen completion of the project, but within the new final date of June 2008.
- **For the implementation of the New Valley component**, the current national co-manager and the Accountant will provide support to the PMU co-managers; therefore they will look after all the pending issues related to the proper NCSCB project, which include documentation of Project outputs, preparation of the final report and handover measures to NCS including all assets and documents, finalization of Nabq PA management plan and Ras Mohamed business plan, support NCS on evaluation of EIA studies, license monitoring and re-establishment of EIA-TU. **The relevant documentation of the New Valley is attached as Annex (6).**

## **8- Conclusion:**

- **The partial suspension of project financial disbursement** during the first semester 2007 seriously affected the implementation of main activities. The lack of Italian funds during the last months of 2007 has also affected the implementation of the activities, though through internal Program's transfers and utilization of debt swap funds the problems have been diminished. Despite the constraints, the project performance achieved 81 % of the planned targets of AWP 2007- March 2008.
- **Project outcome** is largely conditional on support of senior decision makers within MSEA and Government commitment to NCS human development and financial needs. The project prepared policies, documents and plans which are solid bases to initiate the proposed GEF Project to achieve autonomous institution and financial sustainability for PA network.
- **Existing NCS structure** requires high level directives to establish detailed organization and staff recruitment for all hierarchy levels. The TUs built by the project in NCS are working with minimum staff, which is also the case for other sections of NCS and PAs.
- **If financial resources will be available in the very near future**, it is recommended a second phase of 18 months, which focuses on practices and applications of PAs management and business plans, production of Nature Conservation Sector business plan and enforcement of effectiveness action plans and EIA guidelines. This phase could be considered as a foundation for the coming GEF project expected by the next half of 2009.

## **Annex 1**

### **Mid Term Evaluation Extract of NCSCB Project – March 2007**

## Mid Term Evaluation Extract of NCSCB Project – March 2007

### PROJECT RESULTS

The Project is contributing tangibly to the enhancement of NCS capacity by achieving success in both personal (individual learning) training and by improving organisational structure and capabilities of NCS and its Technical Units. Below are the kinds of contributions achieved:

Table 6: Project Results

OUTPUTS, KEY ACTIVITIES	INDICATOR	Contribution
Output 1. NCS Capacity Enhanced	NCS Restructured by 2006	Partially achieved: NCS internal Capacity Enhanced. Status officially raised within EEAA Structure.
KA1.1: 3 Technical Units created for Planning, EIA, marketing	TUs provide effective assistance to NCS and Protectorates	Achieved. TU operational and actively discharging their duties according to newly developed ToRs.
KA 1.2: NCS Institutional Reform Process	NCS Policy and Regulatory Framework in place by end of 2006	Initiated and fostered. Policy Framework developed but its application deferred pending MSEA decision
Output 2. Enhanced NCS operational capacity	NCS and TUs provide management & support to PAs by end of 2006	Achieved and Operational
KA 2.1: NCS staff evaluate, license and monitor economic activities within PAs	Report on EIA reform implemented by 2006 and manual by 1st Q 2007	Partially achieved: Report finalised; manual under development.
KA 2.2: PA management Planning instituted and National PA System Plan revised and applied	TA support to all PAMUs for planning, standard plan format, national system published by 2006	Achieved and being implemented. 70 PAMUs personnel trained in Management Planning.
KA 2.3: PA Business Planning, marketing and PR promoting NCS	NCS financial analysis, business plan format 2006, marketing strategy 2006, funding plan 2007	Achieved: formats available, strategy developed.

Capacity Building is not only about personal enhancement and organized structure; it depends also on possibilities to mobilize resources and enabling environment resulting from NCSCB proposed reforms being implemented and applied.

In any case, though commitment and understanding may be largely missing in the Institution as such due to bureaucracy, a number of concerned individuals in Line Ministries and Public

Institutions appear to show encouraging signs of understanding which may have been well if sufficiently nurtured and pro-actively engaged.

For the impacts of the Project-induced activities and results beyond its immediate beneficiaries, very positive impact is felt at Protectorate Level on the state of protected natural resources, on local communities sharing improved profits and revenues from resources and tourism activities and securing sustainability of the same, and on private investors raising business opportunities from renewable sources.

Eventually, sustainability of Project results, though not specifically planned in the Project Design may however occur due to the very nature of Project actions, directly targeted at institutions set-up and operational procedures.

## **LESSONS LEARNED**

Success would only be achieved if all stakeholders were brought to understand from the very beginning that the final output might be in the end beneficial to everybody, thus achieving optimal levels of commitment of the implementing Institution as a whole.

In this light, design of an Institutional Strengthening Project on a timeframe of three years only, with Technical Assistance barely sufficient for two years puts strong pressure on available resources and risks excessive exposure to bureaucratic difficulties.

In any case, the Project approach remains a valid way forward that should not be abandoned but rather pursued with renewed energy: Egypt still needs a great deal of Institution building. The strategy followed in the past to concentrate on individual Protected Areas has proved to be a dead approach as shown by the limited progress achieved by the 24 M€ EU South Sinai / Gulf of Aqaba Programme.

## **RECOMMENDATIONS**

As the Project is entering its conclusive year of activity and the long-term Technical Assistance is also being phased out, it needs to concentrate its remaining efforts in consolidating achievements in terms of ensuring Technical Units full operational capacity, focus on transfer of knowledge from consultants to internal NCS staff and counterparts, and completion of procedural and technical manuals to be used by HQ and Field Staff.

Such a busy workload, though lighter than what was foreseen under AWP 2005 and 2006 would still represent a substantial effort which will not permit the discharging of what has been termed in 2005/2006 Annual Reports "Soft Assistance" of a general nature to the NCS Director, as the PMU, possibly reduced to the national Co-manager only would have to concentrate on Project remaining priority actions.

As a guide, the following are important achievable actions foreseen within 2006 AWP that will contribute to consolidate Project results:

Under KA 1.2 (Institutional Reform)

- Activity 1.2.7: Focus on training still needed especially regarding EIA, licensing, and Business Plan making.

Under KA 2.1 (NCS Staff evaluate, license and monitor economic activities in PAs)

- Activity 2.1.3: Complete process and procedures for systematization of operational evaluation of EIA at HQ level, instead of concentrating on single evaluations.
- Activities 2.1.6 and 2.1.7 (to be aggregated): Complete design of a Monitoring System for EIA licensed activities and include it into an operational manual for PAMU staff.

Under KA 2.2 (Protected Area Management Planning)

- Activities 2.2.7 and 2.2.9 (to be aggregated): Complete design at HQ of a M&E Reporting system and include it into a comprehensive manual for PAMUs staff containing standardized PA procedures, reporting formats and requirements, general administrative norms, etc.

With regard to the Implementing Agency, in particular to the EEAA management, in order to ensure a higher level of Project results sustainability, the evaluation team is confident that the EEAA will endeavor to:

- Speeding up the process of planning documentation, strategies, operational guidelines, organizational charts, Terms of References, and other administrative requirements from the Project as part of NCSCB agreed discharging of approved activities;
- Strengthening staff levels of the NCS Structure.
- Enforcing a rotation mechanism for Rangers of the Protected Areas in order for them to exchange experiences and contribute to the improvement of the management weak PAs.

## **Annex 2**

### **Progress report on AWP format**



### **Annex 3**

**Actual Disbursement by Dec. 31, 2007 according to AWP 2007-08**

## **Annex 4**

### **Planned Activities and budget for Jan- Mar 2008**

## **Annex 5**

### **Financial Analysis of Expenditures by Budget Lines and ATLAS**

## **Annex 6**

### **Protected Areas of the New Valley**