UNITED NATIONS DEVELOPMENT PROGRAMME

Upper Mustang Biodiversity Conservation Project

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Final Report of the Terminal Evaluation Mission

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ACRONYMS AND TERMS

Exchange rate at the time of the TPE was US$1 to NR 71 (Nepali Rupees)

ACA	Anapurna Conservation Area
ACAP	Anapurna Conservation Area Project
AHF	American Himalayan Foundation
APPA	Appreciative Participatory Planning and Action
BCP	Biodiversity Conservation Plan
CAMC	Conservation Area Management Committee
CAMOP	Conservation Area Management Operation Plan
CAMP	Conservation Area Management Plan
CAMR	Conservation Area Management Regulation
CBBMS	Community Based Biodiversity Monitoring System
CBO	Community Based Organization
CITES	Convention on International Trade on Endangered Species
CPM	Co-Project Manager
CRAC	Community Resource Action Area Committee
CRAJSC	Community Resources Action Joint Sub-Committee
CTF	Community Trust Fund
DAG	Disadvantage Group
DDC	District Development Committee
DNPWC	Department of National Parks and Wildlife Conservation
EIA	Environment Impact Assessment
FIT	Free Independent Tourist/Trekker
GEF	Global Environment Facility
GIS	Geographic Information System
GON	Government of Nepal
Ha.	Hectares
HMG	His Majesty's Government
HQ	Head Quarters
HRD	Human Resource Development
ICDP	Integrated Conservation Development Program
ICIMOD	International Center for Integrated Mountain Development
IEA	Initial Environmental Assessment
IGA	Income Generating Activities
INGO	International Non Government Organization
JSA	John Sanday Associates
KJR	Korolla Jomsom Road
KMTNC	King Mahendra Trust for Nature Conservation
LGU	Local Government Unit
LMUCO	Lo Manthang Unit Conservation Office
LRMP	Land Resource Mapping Project
M&E	Monitoring and Evaluation
MAP	Medicinal and Aromatic Plants
MG	Mothers Group
MHMSC	Micro Hydro Management Sub Committee
MOCTCA	Ministry of Culture Tourism and Civil Aviation
MTE	Mid-term Evaluation

NGO	Non-governmental Organisation
NPD	National Project Director
NPM	National Project Manager
NR	Nepali Rupee
NTB	Nepal Tourism Board
NTFP	Non Timber Forest Products
PMO	Project Management Office
PMSC	Pasture Management Sub Committee
PVC	Photo Voltaic Cells
SCG	Saving and Credit Group
SLC	Snow Leopard Conservancy
Sp.	Species (singular)
Spp.	Species (plural)
STG	Special Target Group
TAAN	Trekking Agents Association of Nepal
TET	Terminal Evaluation Team
TMI	The Mountain Institute
TMP	Tourism Management Plan
TMSC	Tourism Management Sub Committee
TOR	Terms of Reference
TPE	Terminal Project Evaluation
TPR	Tri-partite Review
UC	User's Committee
UG	Users Group
UM	Upper Mustang
UMACMP	Upper Mustang Area Conservation Management Plan
UMBCP	Upper Mustang Biodiversity Conservation Plan
UMBCP	Upper Mustang Biodiversity Conservation Project
UMCCMP	Upper Mustang Conservation Cultural Conservation Management Plan
UNDP	United Nations Development Programme
VDC	Village Development Committee
WHS	World Heritage Site
WWF	World Wildlife Fund

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EXECUTIVE SUMMARY

KEY POINTS

- *Project evaluated as **Satisfactory** – but with some reservations.*
- *Implementation on the ground was successful but the implementation approach is evaluated as **Marginally Unsatisfactory**.*
- *Project monitoring and evaluation has been evaluated as **Marginally Satisfactory**.*
- *The sustainability of the Project has been evaluated as **Satisfactory**.*
- ***Key successes** – excellent social mobilization and community involvement; agreement with government for ploughing back 60% of tourist entry fees for conservation and social development; establishment of an effective Community Trust Fund; development of a strong GIS; production of an integrated management plan; outstanding restoration of cultural heritage.*
- ***Key problem areas** – poor causal links between various Project components has led to such links not being established; low differentiation of Project from Anapurna Conservation Area Project has led to central message of the global importance of Upper Mustang's biodiversity being lost; little impact on the ground of activities designed to lead to income-generation; inappropriate strategy suggested for tourism development in management plan.*

The Terminal Project Evaluation (TPE) was conducted 14th August to 9th September 2006 (27 days) by a team of one international and two national consultants. The TPE occurred four months before termination of the extended period because of the main autumn festival period and the onset of winter snows making the Project area inaccessible. The Terminal Evaluation Team's TOR (Annex I) included ten key questions, the answers to which form the basis of this summary.

Have the planned outputs and outcomes been achieved? If not, what are the reasons for that?

- *All Project outputs have been delivered even if the implementation of some activities based on other deliverables, e.g. the management plan, remain incomplete. Some have been late, e.g. the Maoist bomb interrupted progress on the GIS; biodiversity surveys took longer than expected because of the large area of rugged terrain; knock-on effects from these delayed the Management Plan; the MTE recommended freezing operation of the CTF until operational guidelines had been prepared and the decision-making body was constituted legally, both of which were long and difficult processes.*

Has the project built the capacity of conservation area management committees so that they are capable of carrying on the biodiversity conservation (planning, management and monitoring)?

- *Seven CAMCs have been formed along with 68 sub-committees. Significant capacity-building inputs have been made and although planning remains a little weak, management and monitoring appear adequate if still in need of facilitation.*

Is the management information system created sufficient for future conservation planning and monitoring?

- *An excellent MIS has been created and is functioning as a planning tool. Its development was late but that was caused mainly by a bomb blast and was not the fault of the Project. The MIS is updated regularly – quarterly and monthly as appropriate – and has been used as the basis for the management plan and the unofficial zoning of pastures.*

Has the project created replicable income-generating schemes that contribute to biodiversity conservation?

- *No. This is the only major failure of the Project. With one or two minor exceptions such as the rudimentary production of Sea Buckthorn juice, there are no links between income-generating schemes and biodiversity conservation. This is possibly the result of a wrong approach to implementation of the Project. KMTNC implemented the Project in the same way as they have done with ACAP, prioritising social development to win trust and then capitalising on that trust to negotiate biodiversity conservation gains from the communities involved. It has worked in the rest of Anapurna but the result in Mustang is that the UMBCP has lost its identity and been subsumed into ACAP. An alternative would have been to brand the GEF Project differently, stressing the global importance of Upper Mustang's biodiversity and seeking to develop pride in it amongst the locals, then making the social development necessary, concentrating on developing income-generating activities from the biodiversity. To emphasise the point, within the Project, this is exactly what the approach was to cultural restoration and there is now a cadre of people who can earn their livings from the cultural heritage.*[1]

Is the Community Trust Fund functioning as presented in the guidelines?

- *The Community Resource Action Joint Sub-Committee (CRAJSC) is now constituted as the legal body responsible for all decision-making with regard to the Community Trust Fund (CTF). The operational guidelines for the CTF have been established and published. It appears that the CRAJSC decision-making process is now always based on the Guidelines. The CRAJSC appear to be fairly competent in their decision-making and able to set priorities and budgets semi-independently, but the process of meetings still requires facilitation by the CTF-Manager. Unfortunately, the CTF is too heavily focused on the grant-giving aspects with almost no focus given to the provision of loans, especially for income generation. If the CTF is to be financially sustainable in the long-term, the focus of the CTF needs urgent re-balancing.*

Have outputs related to rangeland management increased the rangeland productivity and sustainability?

- *Experimental hay meadows have been established in three sites, and waterholes established in three different pastures. Rotational grazing practices have been demonstrated and there has been local adoption of these by the Pasture Management Sub-Committees(PMSC) in four of the VDCs. In Surkhang VDC the Project has been able to convince the community to remove all grazing from Damodar Kund, the most important biodiversity hotspot in Upper Mustang, and the PMSC has now informally zoned it as a restricted area*[2]*. Increased productivity on the pastures appears to have been benefiting wildlife with survey results and anecdotal evidence from villagers suggesting an increase in the number of Blue Sheep. However, while increased productivity should benefit wildlife the gains remain fragile since the increased productivity may in time simply result in an increased number of livestock. The Project has still not managed to provide an answer to the question posed by the MTE that asked "*why poor local communities with few other income-generating options than keeping livestock would

[1] UNDP comments: "[The report] *rightly points out that the project was not able to provide alternate income generation schemes that could have been adopted by the local communities. But given the constraints and time frame of the project, was it possible to do so or not, needs to be answered? It seems … that given the circumstances, it was a little bit unrealistic target, which would normally have taken longer period of time*." The TET agree that the constraints and timeframe made the aim of providing alternative income-generating schemes a little unrealistic. This is particularly the case given KMTNC's approach to implementation, modelled as it was on their previous experiences in the Anapurna Conservation Area, and indeed this whole problem should have been looked at much more closely during the project design – although there is a tendency for GEF to want their projects to fit a four-to-six-year timeframe; longer projects not being looked upon so favourably. However, the key point remains that the approach taken during implementation pretty much doomed the aim from the start and another implementation model as suggested in paragraph 107, while not guaranteeing success, in the TET's view, could have at least given the project a fighting chance.

[2] The Project Manager comments: "*The PMSC initiated the process of banning livestock. Before the PMSC, all the VDCs' livestock, especially horses, used to graze the Damodar Kunda area. As soon as the project had formed the PMSC, they first banned the horse grazing from other VDCs. At present from last year onwards, the DDC legally restricted the area and the communities agreed on it. This means that it was not strictly the PMSC but the DDC who legally restricted the area*".

voluntarily refrain from maximising their livestock numbers*". The border fence has hampered traditional summer grazing practices and the seasonal fluctuation on the number of floating livestock, i.e. owned by outsiders and brought to Upper Mustang's pastures, is a hindrance, but one PMSC has started levying a tax on this passing livestock.*

How relevant have the project interventions been for the target beneficiaries?

- *Given the low baseline, with low or no education and therefore high rates of illiteracy, the Project interventions have been very positive. There has been excellent social mobilisation with some 68% of households being directly involved or affected by the Project. Twenty-nine Savings and Credit Groups have been created benefiting local people through group dynamics and increased confidence. It has developed the habit of saving (formerly not a concept understood), and been able to provide financial security through access to credit in time of need, and developed a culture of sharing benefits. Mother's Groups have increased awareness on health and sanitation, conservation of natural resources and the significance of cultural heritage. However, the Project has not brought about any significant change in the way that livelihoods are earned, and the training on income-generation has not been able to be capitalised upon because of low retention of the training and difficulty of access to markets. There is no raised awareness about the global significance of local wildlife, and there appears to be an increased culture of dependency amongst local people.*

Has the project been able to create linkages between local benefits and global environmental benefits?

- *The grant-giving projects derived from the CTF have established key links between local benefits and global environmental benefits, e.g. the majority of grants have been given to tree plantations to provide an alternative source of energy to the bushes that are uprooted from the hillsides. The money from tourism plough-back will provide another source of funds for projects linking local benefits to conservation. The actual link between these local benefits and the global benefits remains unclear, at least to the local people.*

What is the likelihood of financial sustainability of the approaches undertaken by the project? and How are the prospects that the project outcomes and benefits will continue after completion of GEF funds?

- *The prospects for the sustainability of the Project gains look good. Institutionally, KMTNC/ACAP will remain managing Upper Mustang until at least 2012 when their mandate may be renewed. The American Himalayan Foundation are committed to work in the area until about 2019. Financially, the Community Trust Fund and, perhaps more importantly, the monies ploughed back from the tourism entry fees, will enable conservation-linked development activities to continue over the long-term. Socially, the Project is now well-ingrained into the communities' structure and the high levels of social mobilisation and the beginnings of voluntary conservation actions provide strong indications that the community is fully-engaged over the long-term.*

Has the project has duly considered the recommendations of Mid Term Evaluation and Local Benefits Case Study?

- *Yes. Of the 20 recommendations made by the MTE, the Project acted positively upon 19 of them including revising and simplifying the logframe. Recommendations from the LBCS were more general, but have been considered and acted upon where possible*

OTHER KEY ISSUES

The Korolla-Jomsom Road presents a major challenge to Upper Mustang and policy decisions should be taken urgently to determine whether this is actually the best route for a future China-to-India link through Nepal. Unless a clear decision is made that it is not, then there is a high chance that it will become such a route by default. The Lo Manthang Bypass is not yet fully functional, and requires in the order of another US$ 15,000 to be spent on it to make it so.

The Border fence is not operating as envisaged and while it prevents Nepali herders from accessing Tibeatn pastures, Tibetan herders still cross through it illegally to graze pastures in Upper Mustang. At present, it does not appear to disrupt the migration of wild animals, but any extension of it may, and this prospect should be resisted through diplomatic channels.

The Tourism Management Plan produced by the Project is inadequate, taking as it does the standard Nepali model for its long-term development – that of large numbers of independent trekkers. Upper Mustang has all the characteristics necessary to join a group of elite global tourism destinations, e.g. like the Galapagos Islands, where low-volume, high-income, low-impact tourism could be developed. The tourism plan should be re-written before the end of the Project to reflect other strategic models and a choice should be made – the models are mutually exclusive.

Recommendations and Lessons Learned are listed on pages 39-41.

APPROACH AND METHODOLOGY

1. The Final Project Evaluation (FPE) was conducted over the period 14th August to 9th September 2006 (27 days) by a team of one international and two national consultants. It was carried out three months in advance of the revised termination date one of the project (31st December 2006) since September in Mustang is a period of numerous festivals/holidays, and the snow starts to fall in October making most of the region inaccessible. The approach was determined by the terms of reference (Annex I) which were closely followed, via the itinerary detailed in Annex II. Throughout the evaluation, particular attention was paid to carefully explaining the importance of listening to stakeholders' views and in reassuring staff and stakeholders that the purpose of the evaluation was not to judge performance in order to apportion credit or blame but to learn lessons for the wider GEF context. Wherever possible, information collected was cross-checked between various sources to ascertain its veracity, but in some cases time limited this.

2. The Mid-term Evaluation (MTE) undertaken in October 2002 was fairly critical of certain aspects of Project performance and made twenty good recommendations to rectify problems. Nineteen of these were subsequently implemented by the Project's management, including a revision and simplification of the logframe. Since the issues involved in the MTE were evaluated at that time, this TPE has taken the MTE as its baseline and has concentrated on evaluating subsequent actions particularly those relating to the recommendations made in the MTE. It deals with events occurring before this time only in so far as they impinge upon these later issues.

3. The overall scope of the Final Evaluation was to:

- Assess progress towards attaining the project's contribution to achieve national and global environmental objectives (national objectives are to ensure sustainable use of biodiversity resources while the global objectives remain to safeguard biodiversity of global importance and contribute to reducing global environmental impacts from loss of biodiversity at the local level);
- Assess the achievement of project outputs and outcomes (including the assessment of planned and actual expenditure against outcomes);
- Review and evaluate the extent to which project impacts have reached the intended beneficiaries;
- Assess the level of public involvement in the project;
- Assess the likelihood of continuation of project outcomes and benefits after completion of GEF funding;
- Assess efforts of UNDP in support of the executing agency and national institutions;
- Describe the main lessons that have emerged in terms of:
    - strengthening country ownership/driven-ness in conservation of mountain ecosystems;
    - strengthening stakeholder participation in the process of applying participatory integrated conservation and development approaches;
    - application of adaptive management strategies pursuant with the project for achieving its goal;
    - efforts to secure sustainability;
    - knowledge transfer; and
    - role of M&E in project implementation.

4. A brief verbal presentation of the results was made to the Project Team on 12th August prior to the Terminal Evaluation Team's (TET) departure from Lo Manthang, and a full presentation made to

UNDP, Government, and other stakeholders on 8th September. Lists of attendees are given in Appendix VIII.

PROJECT CONCEPT AND DESIGN

5. The original concept for the Project was developed by the American Himalayan Foundation who recognised that there was a need to conserve the biodiversity of Upper Mustang as well as its cultural heritage. Subsequent to GEF agreeing to fund the Project, UNDP Nepal became involved in their capacity as a GEF Implementing Agency and King Mahendra Trust for Nature Conservation who were already managing the Anapurna Conservation Area of which Upper Mustang became a part in 1992.

6. Both the Mid-term Evaluation (October 2002) and the Case Study of the UMBCP *The Nature and Role of Local Benefits in GEF Programme Areas* (September 2004) made lucid and perceptive analyses of the Project Design. The TET largely agrees with these and refers the reader directly to them rather than repeating them here. The points that the TET wishes to stress are:

- The lack of clear causal links in the Project Document between biodiversity conservation and the social development activities, particularly livestock/rangeland management activities under Objective 3, as highlighted by the MTE, has bedevilled the Project throughout and led to its only major failure – that of not being able to develop effective income-generating schemes from biodiversity conservation.
- The lack of a clear reasoning over the livestock-wildlife issue prevalent in the Project Document remains even at the end of the Project. Despite one notable exception where locals have agreed to remove livestock from a very important wildlife area, the improvements in pasture management and provision of water have undoubtedly improved the carrying-capacity of the pasturelands with expected benefits for wild ungulates, but there still remains absolutely no reason why local herders should not increase their livestock as a result (thereby negating gains for wildlife) and no mechanism in place to prevent or even to discourage this. As the MTE points out, this issue is compounded by the seasonal migrant (floating) herders from outside the Mustang community, and the Project appears not to have addressed this issue.
- Similarly the lack of causal links between the various strands of the Project – biodiversity conservation, cultural heritage conservation, and social development – is the underlying reason for much of this "integrated" Project being implemented as three separate programmes, not helped by the fact that they were also funded by donors with very different aims. The Project Document states that "*The overall goal of the project is to conserve the globally-significant biodiversity of Upper Mustang*" but not only are there no links drawn between how the cultural conservation may help to achieve this, the cultural conservation part of the Project is barely referred to in the Project Document at all, and warrants just one mention in the original logframe (Activity 7 under Output 2.1). While the overall success of the Project has not been unduly compromised by this (except for the bullet points above), had more thought been given to this at the time of design, the TET is certain that numerous small links could have been made that would have provided synergy between the various components – one example, the placing of Tibetan language teachers into schools to promote Tibetan culture and preserve the language could have included a biodiversity component had a course on the global importance and the conservation of Mustang wildlife been developed for them to teach – in Tibetan.
- The evasiveness with which the Project Document treats the subject of tourism and the lack of a clear examination of the issues at hand has underpinned the parochial view that has become established in the tourism management part of the *Upper Mustang Area Conservation Management Plan 2006-2010*, and the consequent lack of a clear link between biodiversity and tourism and direction for generating income from wildlife conservation – surely its main means of so doing. This is disappointing given that the MTE drew the Project's attention to the same point that the TET does below (see paragraph 93 *et seq*.), if more concisely when it stated "*A*

tourism management plan for 1,000 well-heeled catered-for tourists is very different from one that focuses on large numbers of independent trekkers" – which sadly is all that seems to have been considered.

- The lack of clarification between the Anapurna Conservation Area Project (ACAP) and the UMBCP was raised by the Case Study. The TET feels that this point is at the heart of the implementation approach that resulted in UMBCP being subsumed into ACAP with the consequential loss of the key GEF message – that of the global significance of the wildlife whose conservation is at the heart of the Project (see paragraph 104 *et seq*.).

7. The following key objectives were formulated for the Project:

Development Objective

Biodiversity of actual and potential value and globally important habitats and species of Upper Mustang conserved.

Immediate Objective 1

Institutional capacity for effective protected area management and biodiversity conservation specific to Upper Mustang developed.

Immediate Objective 2

Essential information and data base developed and community-based planning, management and monitoring system for protecting the biodiversity to perpetuity established.

Immediate Objective 3

Replicable income generation activities, particularly in connection to nature and heritage based tourism and pasture and livestock that contribute to biodiversity conservation, developed and tested.

PROJECT IMPLEMENTATION

8. Implementation of the Project seems to have been fairly efficient and effective, particularly since the Mid-term Evaluation, but the TET takes issue with the approach (see paragraph 106 *et seq*.) adopted by the King Mahendra Trust for Nature Conservation (KMTNC) which in some respects was inevitable and hence the design of the implementation arrangements was most likely at fault. The TET believes this approach is directly responsible for the only major failure of the Project – the lack of links between the various Project components and in particular the failure to derive any income-generating activities from biodiversity. As a result, the implementation approach is evaluated as **marginally unsatisfactory**.

PARTICIPATING AGENCIES

9. The Project has been executed following UNDP requirement for nationally-executed projects (NEX) by the Government of Nepal (GOP) through the **Ministry of Finance** (MoF) and the **Ministry of Forests and Soil Conservation** (MoFSC), and implemented by the **King Mahendra Trust for Nature Conservation** (KMTNC) which was instrumental in the establishment of the Anapurna Conservation Area (ACA) in 1986[3] and subsequently has had overall responsibility for its management. Upper Mustang was added to the ACA in 1992. It was decided that there was no need to establish a Project Steering Committee to oversee project implementation since the tri-partite review (TPR) still held overall decision-making. While this is unusual, it appears to have been a successful approach. The TPR met once a year. In addition, a Technical Advisory Committee (TAC) was established to provide advice as needed. Although the MTE was somewhat critical of the how

[3] Latterly through the Conservation Area Management Regulation 1996 and Conservation Area Management Directives 1998.

little use was being made of this committee, this was partly due to the fact that little in the way of outputs had reached fruition at that time. In the second half of the Project, all reports, survey results, etc. have been passed to the TAC for comment and improvement, and undoubtedly the Project has been strengthened accordingly. However, the TAC were not in a position to provide strategic guidance to the Project[4].

10. Financing contributions have come from UNDP-GEF (US$ 0.75 million), American Himalayan Foundation (AHF) (US$ 0.75 million), KMTNC (US$ 0.51 million), UNDP-TRAC (US$ 0.13 million), and the International Centre for Integrated Mountain Development (ICIMOD) (US$ 0.075 million) – total US$ 2.215 million.

11. Local Government Units, namely the **District Development Committee** (DDC) and the seven **Village Development Committees** (VDCs) were also key stakeholders involved in the Project at the grassroots level, the latter being intimately involved along with the key beneficiaries – the local people. The DDC, however, did not engage particularly well with the Project.

12. The TET evaluates the stakeholder participation as **Satisfactory**.

NATIONAL LEVEL ARRANGEMENTS

Project Direction

13. Overall direction of the project was the responsibility of the **National Project Director** (NPD), a part-time position attached to the role of Executive Officer within KMTNC, spending up to 66.7% of his time with the Project in the early stages, but with this dropping off to about 15% in the latter stages when he was mostly concerned with policy level issues. The position was held by Mr. Ganga Jung Thapa throughout the life of the Project. The NPD is responsible for achieving the Project's objectives and is accountable to the GON and UNDP for the use of Project resources. The position held the ultimate authority to expend funds from the Project budget. The NPD was assisted by a **National Project Coordinator**, attached to the role of the Director of the Anapurna Conservation Project (ACAP) – a position held by four persons, thus:

- Mr. Gehendra Bahadur Gurung – July 2001 to July 2004.
- Mr. Roshan Sherchan – August 2004 to March 2006.
- Mr. Kirtinath Poudyal – April 2006 to August 2006
- Mr. Lal Prasad Gurung – September 2006 to present.

Project Management

14. Day-to-day implementation was the responsibility of a Project Management Office (PMO) located in Lo Manthang, capital of Upper Mustang, comprising a full-time **National Project Manager** (NPM) and a range of staff. The NPM was a part-time position alongside acting as Conservation Officer, head of the Lo Manthang Unit Conservation Office (LMUCO). He spent approximately 90% of his time on the UMBCP, being responsible for the delivery of the implementation of all Project activities. The position of NPM was held by two persons, thus:

- Mr. Som Bahadur Ale – July 2001 to July 2002.
- Mr. Madhu Chetri – September 2002 to present.

[4] UNDP comment: "[It] *should be noted that the role of the TAC is not to provide the strategic guidance to the project but it is a forum to discuss the technical reports and studies and problems of any technical nature and to give guidance to the project team for solution, and that* [this] *role was correctly performed by TAC. The strategic guidance to the project has to be provided by TPR, sometimes based on the recommendations of TAC.*"

15. The Project's management and implementation closely followed the logframe throughout. In December 2002/January 2003, the logframe was revised and simplified according to recommendations made by the MTE, through a seven-day stakeholder workshop.

Effects of the Conflict

16. The effects of the Maoist insurgency have had mixed effects on the Project. On the one hand, there has been no Maoist presence in Upper Mustang (along with adjacent Manang District, the only such districts in Nepal). Indeed, only three days prior to the TET arriving in Jomsom, the Maoists had arrived for the first time, and placed their red flags on telegraph poles and bridge supports and occupied an office within the town. While the TET was present in Lo Manthang, a small group of party cadres had visited the city and put up posters advertising a communist women's congress. These posters were swiftly torn down by locals with general approval indicating the strong bonds of the Upper Mustang people and their fierce opposition to those outsiders whom they see as coming to cause trouble. In this respect, the Project has experienced no problems.

17. However, the single biggest problem experienced by the Project, and the one that necessitated its 18-month extension, was caused by the Maoists. A bomb blast in the ACAP HQ building in Pokhara in July 2002, destroyed or seriously disrupted much of ACAP's functioning for some time and coincidently destroyed the Project's GIS software, thereby requiring considerable work to repair or replace the basic computer architecture. This inevitably took time and had knock-on delays for the management planning. The MTE recommended the extension to the Project to compensate.

Project Progress and Financial Assessment

18. Lack of progress was a particular problem during the early part of the Project. Staff turnover was very high which caused disruption, and the active fieldwork season being only seven or eight months of the year also restricted expected progress. After the MTE in 2002 progress increased, not least because stability was achieved in Project staffing. The TET tried to obtain a breakdown of cumulative disbursement by outcome by GEF and TRAC by year, but misunderstanding with the Project accountant seemed to be prevalent and the TET only ever received conflicting figures which did not engender confidence. Table 1 provides details of total funds spent to 30th June 2006 and indicates that despite an extension of 18 months given to the Project, relatively large sums of money were still not disbursed. It is understood that to cover increased fixed costs such as staffing and project management over the extension, the Project took US$ 87,000 from the seed capital for the Community Trust Fund, reducing its original budget from US$ 262,00 to US$ 175,000. The TET further understands that it is the intention of the Project to deposit any unspent monies at the Project end, into the CTF to help make up this shortfall.

TABLE 1: TOTAL DISBURSEMENT OF FUNDS BY OUTPUT TO 30TH JUNE 2006 (US$) (FIGURES ROUNDED)

	Total disbursement	% of budget	Balance
Project Management	1,923,502	98%	+ 33,479
Outcome A	49,198	79%	+13,474
Outcome B	47,180	61%	+ 29,971
Outcome C	154,781	61%	+ 98,114
Total	2,174,662	93%	+ 175,038

MONITORING AND EVALUATION

Internal Project M&E

19. Project monitoring and evaluation has been evaluated as **Marginally Satisfactory**. In addition to the Mid-term Evaluation carried out in October 2002 and the Case Study *The Nature and Role of Local Benefits in GEF Programme Areas* undertaken in September 2004, M&E of Project activities have been undertaken at three levels:

i. Progress monitoring
ii. Internal activity monitoring
iii. Impact monitoring

20. Progress monitoring has been made through quarterly and annual reports made by the Project, detailing quantitative (target versus achievement) as well as qualitative assessment of progress made. These have been submitted to UNDP and forwarded by it to the MoF and MoFSC. The reports presented a clear summary of work-in-progress in terms of measuring performance against both project implementation and the corresponding set of impact indicators. The reports also provided information on the problems and issues encountered by the project over time. The information therein has served as a guide in determining the successes and shortfalls, as well as the major variations made from the approved quarterly and annual work plans. The quarterly reports have been sent to UNDP and form the basis for the preparation of the 250-word fixed-format UNDP report forwarded to GEF. UNDP has also monitored the Project through annual field visits which are reported in the form of a Back-to-the-Office Report. The major findings and observation of these are given in the Project Implementation Report (PIR) sent to GEF. Annual Progress Reports (APR) have also been submitted by the Project to UNDP, copies of which have been provided to the UNDP M&E, Knowledge Management Unit. Since the Project was community-based and focused on the active participation of local communities, the APRs, which cover calendar years, along with a compilation of the quarterly reports have also been submitted to the DDC and to the seven VDCs. The annual budget and annual work plan for the Project were similarly submitted to the local government after approval by UNDP and the two Ministries. Another annual report, the PIR covering July to June period, is also submitted to the UNDP for review by them and GEF. Since the UMBCP did not have a Steering Committee, the annual Tripartite Review (TPR) Meeting between the Ministry of Finance, UNDP, and KMTNC has played a vital strategic role for the Project.

21. Internal activity monitoring was undertaken by the Project itself to assess project implementation and accomplishments to serve as guide for the project management team. However, it was undertaken in an *ad hoc* way without a set timetable. A quarterly report containing the number of activities completed against planned targets and actual expenditure against budget allocations was submitted to the KMTNC by the Project. If the allocated budget was not spent fully during that period, the balance amount was adjusted into the budget for the next quarter. Regular visits from staff at the Pokhara office to the LMUCO where UMBCP is based, have been carried out twice a year. One such annual visit was made by the Head of the Administration/Account section to verify the equipment purchased and/or check cash balance; the other was made by the NPC or one of his (ACAP's) Programme Officers. The NPD has made a single field visit during the Project's lifetime. Annual internal audits have been completed by a certified auditor appointed by the KMTNC Board while an annual external audit has been carried out by the Auditor General of Nepal (an independent government body), and another one by an auditor appointed by UNDP Nepal.

22. There is no separate M&E unit in the Project office of Upper Mustang. Activities of the LMUCO at the community level are monitored by the NPM or a person designated by him. There is no pre-planned schedule for M&E – it has been undertaken as and when the NPM believes it necessary. Activities of Community Trust Fund (CTF) are monitored generally by the CTF-Manager and sometimes by the NPM or designated person. If the latter, a written report is submitted to the NPM; if by the NMP, a report is submitted to the NPD. These monitoring reports have not been able to present clearly the problems incurred, the key issues and concerns identified, and the lessons learned from the implementation of the project. The TET suggests that a properly planned internal M&E programme with a fixed timetable would have benefited the Project, particularly in the early stages when progress was slipping badly.

23. Impact monitoring to assess the impacts of project activities was undertaken on an "as needs" basis, focussing on particular areas of activities, e.g. the impact of numerous training courses, rotational grazing. Simple and verifiable impact indicators were identified to measure on-the-ground improvements realised due directly to project interventions to assist management in determining future

courses of action. A *Study on Plantation Growth and Impact on Soil*, covering a sample of 25 settlements, has been done once. Direct impact monitoring on biodiversity has been undertaken, or at least the baseline levels have been established against which future impacts can be measured, for such activities as provision of waterholes and introduction of rotational grazing.

Other Monitoring Activities

24. The project has undertaken specific baseline surveys for biodiversity conservation. In many cases, e.g. birds, mammals, butterflies, and plants, these have been undertaken repeatedly and in different seasons allowing rough trends to be determined. Additionally, indirect measures of biodiversity have also been taken, e.g. livestock depredation/human-wildlife conflict surveys. The results from these have been fed into a geographical information system (GIS) and used to identify biodiversity hotspots within the District. These in turn have been used to establish a zoning system with the integrated management plan produced by the Project. Narrative reports on biodiversity have been presented as part of the project's annual reports. It is intended that these surveys will be continued by ACAP from hereon, planned to be on a two-year cycle.

PROJECT RESULTS

DEVELOPMENT OBJECTIVE INDICATORS

25. Initial indicators relating to the Project's Development Objective are all, so far, positive. Although survey work is hard and cannot be replicated in a controlled way, the following population trends of five of the key species have been obtained:

- Kiang stable between 2001 and 2005/6 – herd size stable at 25 or less, counts stable at 37 to 45 and 41 to 46.
- Tibetan Gazelle increased from 2001 to 2005/6 – herd size up from 1 to 6-12, counts up from 6 to 68.
- Argali increased between 2002 and 2003 – herd size up from 4-10 to 12-24, counts up from 23 to 77.
- Blue Sheep increased between 2002 and 2003 – herd size up from 2-8 to 3-75, counts up from 83 to 395.
- Himalayan Griffon Vulture flock sizes at carrion increased between 2003/4 and 2005/6 from 54-65 to 81-97

SUMMARY EVALUATION

26. Overall, the TET evaluates the Upper Mustang Biodiversity Conservation Project to have been **satisfactory – but with some reservations**. In making this evaluation it is vital to understand the physical difficulties, hardships, and low baseline under, and from which, the Project worked. Access to Upper Mustang is extremely limited. The nearest point of reliable access to the outside world – the airport at Jomsom – is between three and five days[5] of rugged trail-riding on horse and foot, and even then low cloud in the passes between Jomsom and Pokhara can result in flights being delayed for days or even weeks at a time. Access to each of the villages are similarly hours or days away on horse and foot, while many of the sites for activities are even more remote in mountain pastures over 5,000m (16,250 ft). Altitude sickness can be a problem. Hardship is present in summer – there are no reliable means of getting hot baths; food is basic and repetitive; communications are at best unreliable with no landline telephones, and satellite phones intermittent; electricity is similarly unreliable. Winter brings a real test – most of the able local population migrate out of the area during winter when temperatures plunge to -26^{o}C and snow blocks movement in many parts of the District for five months of the year.

[5] Depending upon fitness, weather conditions, and horsemanship.

Electricity becomes even more of a problem since all micro-hydro systems cease to work as running water freezes and solar power is dependent upon clear skies. Computers often fail to work at such low temperatures. Even so, many Project staff have continued to work as best as they can in such conditions. The baseline from which the Project has worked has been seriously low. At the time of start-up there was virtually no biodiversity information of any kind available. The social system operative was largely feudal and insular, with high rates of illiteracy and high distrust of outsiders. The local language is Tibetan not Nepali adding translation problems.

27. In the light of this, and the Project results achieved, the TET would like to congratulate the second NPM, Mr. Madhu Chetri and his team on undertaking an excellent job. The team of young people is highly professional, dedicated, motivated, and highly respected by the local communities. It amazes the TET, that given the conditions under which they work, that they are always smiling! That is in no small part due to the skills of the NPM.

28. Key Project achievements include:

- agreement by Government to plough back 60% of Upper Mustang tourist entry fees to KMTNC for use on community-agreed development and conservation activities;
- creation of a self-sustaining Community Trust Fund to facilitate biodiversity conservation;
- development of an integrated management plan covering biodiversity conservation, cultural conservation, and tourism management;
- outstanding restoration of local (but globally significant) cultural heritage;
- completion of numerous biodiversity surveys providing baseline information on the status of flora and fauna in the District and repeat surveys providing information on initial trends;
- development of a geo-referenced Management Information System;
- large-scale social mobilization of the population to undertake conservation and development activities; and
- extensive capacity-building of local people, e.g. in community wildlife conservation (monitoring and conflict reduction), tourism management, pasture management, savings and credit management accounting, and micro-enterprise creation.

29. The main reservations raised by the TET are that:

- links between biodiversity conservation and the other elements of the Project have not been made sufficiently; particularly the fact that there are no income-generation activities derived from biodiversity;
- the capacity of certain local organisations, e.g. the CRAJSC and some CAMCs remains insufficient at the end of the Project for these bodies to operate fully independently;
- the CRAJSC is focussed too heavily on the grant part of the Community Trust Fund to the detriment of the loan part and if this is not re-balanced quickly, the sustainability of the CTF may be in doubt;
- there is low retention of knowledge by local people imparted from training courses, mainly arising from insufficient attention to audience characteristics such as high rates of illiteracy; and
- there has been inadequate development of income-generation schemes across the board; not enough attention paid to alternative energy sources, and there is a clear growth of a dependency culture amongst communities.

30. A summary evaluation by Project Output is given in Table 2 and a more detailed summary of the level of achievements made against the indicators of success contained in the logframe is given in Annex IV. Results are discussed below by Project Output and key sectoral or cross-cutting issues are then discussed in the ensuing section.

TABLE 2: EVALUATION OF THE EXPECTED END OF PROJECT SITUATION AS PER THE REVISED LOGFRAME[6]

Output		Evaluation*					
		HS	S	MS	MU	U	HU
Devpt. Objective	Biodiversity of actual and potential value and globally important habitats and species of Upper Mustang conserved						
Immediate Objective 1	Institutional capacity for effective protected area management and biodiversity conservation specific to Upper Mustang developed						
Output 1.1	Institutional and technical capacity of LMUCO for conservation area management strengthened						
Output 1.2	Institutional capacity of local institutions for conservation area management strengthened and operational						
Immediate Objective 2	Essential information and data base developed and community-based planning, management and monitoring system for protecting the biodiversity to perpetuity established						
Output 2.1	Management information system (MIS) for biodiversity conservation, socio-economic, and cultural aspects established and utilised for conservation area planning and monitoring						
Output 2.2	Biodiversity hot-spots and keystone species[7] identified, community based monitoring system developed and implemented						
Immediate Objective 3	Replicable income generation activities, particularly in connection to nature and heritage based tourism and pasture and livestock that contribute to biodiversity conservation, developed and tested						
Output 3.1	Sustainable management strategy for biodiversity conservation, tourism management and cultural heritage conservation in upper Mustang developed and implementation initiated						
Output 3.2	For sustainable conservation and development, Community Resource Action Committee (CRAC) and Community Trust Fund (CTF) institutionalised						
Output 3.3	Income generation opportunities at local level through sustainable tourism, non-timber forest products, rangeland and livestock based micro-enterprises increased						
Output 3.4	Sustainable rangeland management programmes developed and implemented						

Note: * HS = Highly satisfactory; S = Satisfactory; MS = Marginally satisfactory; MU= Marginally unsatisfactory; U = Unsatisfactory; HU = Highly unsatisfactory.

PROJECT OUTPUTS

Output 1.1: Institutional and technical capacity of LMUCO for conservation area management strengthened

Capacity building of LMUCO

31. UMBCP staff at the Lo Manthang Unit Conservation Office (LMUCO) are the National Project Manager, two Biodiversity Conservation Rangers (also known as Natural Resource Conservation Assistants), three Social Mobilizers, an Accountant, and two Office Assistants. As per the

[6] The Project Manager comments: "*Output 3.2 and 3.4 have been evaluated "S", output 3.1 "MS" and output 3.3 "MU". But immediate objective 3 has been evaluated as "U". We think this is not in balance*." The TET agree in part – we also felt that this was not balanced but have evaluated against the wording of each of the components. In our view, the seeming lack of balance reflects on the poorly constructed logframe – none of the outputs except 3.3 actually deal, even indirectly, with the concept of "*replicable income-generation activities*" that are the main part of Objective 3. This "imbalance" is also apparent in the full evaluation of Output 3.3 in Annex IV where a number of the indicators (which have been evaluated) do not cumulatively lead to an indication of the success (or otherwise) of the overall output itself.

[7] As identified by biodiversity survey reports (2001-2003)

recommendation from the MTE, a People-Wildlife Conflict and Social Mobilization Manager was recruited between 2003 and 2005. Several short-term consultants were hired to undertake natural and cultural assessment studies and for the training of the staff. There is also a GIS Specialist based at ACAP Headquarters in Pokhara.

32. LMUCO staff have been provided with a significant amount of programmatic and technical training[8] and coaching during the Project to enhance their technical capacity.[9]. Training has related to biodiversity conservation, social mobilization, rangeland management, gender, and people-wildlife conflict, and staff have also acquired skills from hands-on experience. The NPM believes that this training has helped staff to gain expertise in their scope of work, and the TET agree that staff are skilled, dedicated and respected by the Loba community, and are fully capable of continuing and facilitating conservation and development activities after the termination of UMBCP. LMUCO staff have been instrumental in bringing about positive changes in the traditional Loba people[10], and were able to convince them to adopt nature conservation initiatives, social mobilization and community organisation. As a result, the CBO's have great confidence in the LMUCO staff and remain dependent on them for facilitation; this includes the Community Resource Action Joint Sub-Committee (CRAJSC) which governs the Community Trust Fund (CTF)..

33. There remain two weaknesses within staff. It is important that all the staff members, including the gender and social development unit, have adequate knowledge on the intimate links between livelihood development and biodiversity conservation and are able to effectively communicate these at the community level. The TET observed that the capacity development programmes have not focused adequately on creating these links during community mobilization. Furthermore, although, gender is a cross-cutting issue, gender sensitisation training has not been provided to all the staff members. Such training has been given primarily to staff members of the Gender and Social Development Unit.

34. During the early part of the Project there was a set back caused by the high turnover of Project staff, particularly at the LMUCO. This was attributed to a number of opportunities for them to continue for higher level study. Since 2003 onwards, staff turnover has reduced markedly bring stability.

Output 1.2: Institutional capacity of local institutions for conservation area management strengthened and operational

Institutional Capacity of Local Institutions

35. The UMBCP has formed of number of community based institutions – Community Resources Action Joint Sub-committee (CRAJSC), Conservation Area Management Committees (CAMC), Pasture Management Sub-committees (PSMC), Tourism Management Sub-committee (TSMC), Mothers Group, Saving and Credits Group, Micro Hydro Management Sub Committee (MHMSC) – and carried out a lot of training[11] to develop skills and strengthen their capacity. Although many

[8] Plant Identification and Herbarium Management,(2005 /14 days); Open Data Base Connectivity Training (2004 /05/one week) ; Application of Geo Informative for Rangeland Management (2005/one week); Participatory Monitoring Evaluation Training (2005/one week); Documentation of Good Practices (2006/4days); Wetland Inventory Training Based on RAMSAR Convention (2006/one week).

[9] Training on Participatory Approaches (APPA) for LMUCO staff; Training in wildlife management (theories and field techniques); Collection and analysis of information on local community organizations; Formation and meeting of community resource action committee; Range management Training for staff and locals; Social mobilization and gender training to Staff Herbarium management and plant identification training to Staff; Training on MIS and database to Staff; Social mobilization, gender sensitization and group management training; Training on social and ecological aspect of rangeland management by applying APPA; Native hay seed production training; Training on Gender diversity and social mobilization
People wildlife conflict resolution training to staff.

[10] The main ethnic group of Upper Mustang.

[11] Saving and credit management group formation and management training; Account training to Saving and Credit groups; Auditing of Saving and Credit groups; CAMC auditing, support and training; Community-based biodiversity monitoring training; Conservation farmer selection and training; Leadership training to CAMCs; Co-ordination workshop among

training, workshops and awareness camps have been undertaken, the local people seem to loose track of these exercises, find it difficult to recall what they learned during them, and some of the training they have been given has not been applied on the ground. The reasons that capacity building training programmes have not been able to achieve their desired results are lack of education, high levels of illiteracy, and perhaps not enough attention being paid to the design of training courses given these factors.

36. A number of management plans and operational guidelines have been produced by these local institutions and/or with extensive local consultations[12], and these have been approved by UMBCP, or in the case of the CTF and Conservation Area Management Operational Plans (CAMOP), endorsed by KMTNC/ACAP.

Conservation Area Management Committee (CAMC)

37. To ensure that the local people participate actively in, and manage, the biodiversity conservation of their surroundings, the Project has established a Conservation Area Management Committee (CAMC) in all the seven VDCs of Upper Mustang. These committees have built solidarity amongst the community members and group dynamics have been enhanced. Each CAMC, comprising 14 members, has a representative from each of the nine wards of the VDCs plus five members nominated by the UMBCP. The nominated members include the VDC Secretary as the representative of the DDC, two women, one representative of the civil society and one representative of the dalit community. As women and dalits are hardly represented at the ward level, UMBCP's nomination could be the only way to ensure gender and social inclusion within the CAMC. In addition, the Project has also been able to include a representative from the Dhokpa (nomad) community (see paragraph 45) in one of the CAMCs. This has not only ensured the inclusion of a special community, who live very close to nature, in the conservation activities of the Project but also enabled the CAMC to exchange the indigenous knowledge of the Dhokpas with other CAMCs. Although frequent orientation, meetings and workshops have been held by the Project to build the capacity of each CAMC, their institutional capacity still needs to be improved significantly to establish a systematic operation[13].

38. The CAMOP developed by each CAMC is the principal operational guideline for the CAMC. They have been developed through local consultation for each VDC and serve as the base for conservation area management in each VDC by addressing the local needs, issues and approaches reflected in the Upper Mustang Area Conservation Management Plan 2006-2010. The CAMCs are active and functional in directing VDC's to allocate funds for priority projects, and the role of identifying areas of expenditure depends largely upon the influence of the individuals leading the CAMC. Since the VDC Secretary (or Chairperson) also acts as the *ex-officio* member of CAMC, they can have some influence. One of the problems for the CAMCs is that they lack any legal jurisdiction, e.g. although local people are trying their level best to reduce uprooting of bushes for winter fuel, because of the lack of alternative fuel sources the practice continues and the CAMCs are unable to control it.

CAMCs and sub-CAMCs; Implementation of community and private biofuel plantations; Micro-enterprise creation training to local community; Monument restoration training; Native hay seed production training; People-wildlife conflict resolution training to local community; Proposal and report writing training; Specific skill development training to local communities in marketing and eco-friendly management; Report writing training and documentation of good practices; Social mobilization, gender sensitisation and group management training; Training on social and ecological aspects of rangeland management by applying APPA ; Training on gender diversity and social mobilization.

[12] Community Area Management Operation Plan, Conservation Management Guidelines, Monitoring Protocol of Key Indicator Species (draft), Community Trust Fund Guidelines

[13] During interaction with two CAMC members of Lo Manthangg, the TET asked whether a CAMC meeting was held prior to the CRAJSC meeting to finalise the CAMC's agenda and proposals to be put forth in the CRAJSC meeting. Surprisingly, they did not even know about any proposals or agenda to be presented by their CAMC in the recently concluded CRAJSC meeting.

39. The TET observed that the UMBCP, having been able to earn the trust and respect of a target group, has become widely accepted and appreciated in its programme areas – although its identity is subsumed within that of ACAP and the term UMBCP is barely recognised by local people. This trust has enabled the Project to implement all of its components smoothly within the target areas. Communities are now aware about ACAP's interest in biodiversity conservation and endangered species such as the Snow Leopard and Blue Sheep, however most of them remain unaware of, and do not understand, the global importance of these species and their conservation.

Coordination

40. Although coordination of the Project with the District Development Council (DDC) and other district level line agencies has been very limited, the Project has made remarkable efforts to establish effective coordination with the local community. Coordination between the DDC and the Project has been limited to the presentation of the programme activities and budget in the annual meeting of the DDC and submission of an Annual Progress Report to the DDC. Interactions with representatives of the district line agencies revealed that the representatives were largely unaware about the programmes and activities of the Project. Surprisingly, some of them did not even know about the existence of UMBCP[14]. This is despite the fact that the Project made major attempts to engage with the DDC further to a recommendation to that effect by the MTE, but little response was received. The TET believes that the Government's decision to plough-back 30% of the tourist entry fees direct to the DDC will only strengthen the independence of the DDC and widen the obvious gap between it and the UMBCP/ACAP.

41. To improve coordination with the VDCs, the Project included the respective VDC Secretary as one of the nominated members of each CAMC. The presence of the VDC Secretary (or the elected VDC Chairman) in this Committee has brought the attention of this government unit to the conservation efforts being undertaken at the community level. Since 2001, annual coordination meetings have taken place for all CAMCs to ensure full understanding of, and adherence to, the CAMR. CAMCs are aware about the Regulations and exercise them through facilitation by LMUCO. Within the period of Project implementation, only one infraction of the CAMR has been reported.

42. The Project has also given emphasis to coordination by organising coordination workshops including mother's group, CAMCs and VDC Secretaries. Getting people together in one place to share views on common issues is an effective tool for cooperation and coordination among all stakeholders. The importance of biodiversity, the role of women in conservation, grazing problems, rangeland management, and watershed management have been the general agendas for discussion in these workshops.

Pasture Management Sub Committee

43. Eight Pasture Management Sub Committees (PMSC) have been formed by the Project to improve the rangelands by regulating rotational grazing and to reduce loss of livestock to predators. Their capacity has been built by the Project, and they appear to be reasonably competent, but as with other committees formed by UMBCP, there is still a need for facilitation and more training to improve their skills, particularly to identify and monitor wildlife. Rotational grazing has been introduced in four of the VDCs, and an inventory of pastureland, livestock, forage species, and depredation of livestock has been completed. The Project has been able to forge a partnership with the International Centre for Integrated Mountain Development (ICIMOD) to experiment on rangeland management. A few new grass species have been experimented with as forage to improve the hay production, but the experimental plot is small and local people have not yet adopted to grow hay in their private fields, except for one test plot. Hay grown in the fields is harvested only once a year, because local religious taboo forbids using sickles to harvest grass. This is a draw back in hay production. Some pastures near settlements have been improved. Waterholes have been established in three different pastures to benefit livestock as well wildlife, particularly Blue Sheep.

[14] Participants in the interaction programme were not the heads of the line agencies. Some of them belonged to non-officer level.

44. The PMSCs have developed an action plan for each of the VDC through the use of Appreciative Participatory Planning and Action (APPA). It determines a seasonal calendar for grazing practice, a cropping pattern (agriculture), and addresses human wildlife conflict. It involves development of waterholes, improvement of trails and a fund for monitoring. Capital investment is provided by UMBCP. Funds are anticipated from ICIMOD. The herders have been assisted in decreasing the loss of livestock from the Snow Leopards in the winter by the development of predator proof corrals using boulders, wooden poles, and gabion nets. These have proved to be highly effective and demand for their replication is growing.

45. Nomads, known locally as *Dhokpas,* are a special feature of Upper Mustang. The Dhokpas, comprise nine families with 68 members and are distributed within three VDCs. They live in tents made from Yak wool and spend summer above 4,000 m, coming to slightly lower lands in the winter. Their main occupation is animal husbandry and the nine Dhokpa families possess about 1,500 goats, sheep and yaks between them. Since the Dhokpas spend all of their lives in high land, they have good indigenous knowledge regarding the high pastures, and the Project has been using them for rangeland management and pasture mapping, paying them on a daily wage basis for being involved in these activities. The Project has also installed solar-powered electric fences in the VDC with four families of Dhokpas and has put special effort into teaching the family members about its use. Of the two solar fences that have been installed, only one remains in operation, the Dhokpas having found them hard to operate. There is also a need to improve the technology to lengthen the life of the battery. Although it is effective, the low number of experimental solar fences deployed is inadequate to measure their impact in protecting livestock from predators.

Tourism Management Sub-Committee

46. A Tourism Management Sub-committee has been established in three of the VDC's - Lo Manthang, Tsarang and Chuksang – to standardise the pricing and facilities. Training in Sustainable Tourism Management was conducted in September 2004 at Tsarang where 16 of the 21 invitees participated. The two-day training followed by a one-day workshop resulted in development of a price list for various facilities. The group discussed benefit-sharing, tourism impacts and the minimisation of negative ones, and the promotion of the tourist attractions. The group also contributed to the development of the Tourism Management Plan contained within the *Upper Mustang Area Conservation Management Plan 2006-2010*. Some effort has also been given to training in cooking and baking for trekkers, but since teahouse tourism is in its initial stage, the training taken catering foreign tourists has not been put into practice. While teahouse trekking has only recently become allowed in Upper Mustang, there is a need to upgrade the current lodging and boarding facilities food and beverages. Local opinion is very much in favour of lifting restrictions and/or reducing the entry fee price to increase the number of visitors per year, and this is reflected in the Tourism management Plan. However, the TET disagrees very strongly with this strategy arguing that Upper Mustang would benefit far more from a strategy developing it as one of the elite global tourism destinations – see paragraph 93 *et seq*.

Output 2.1: Management information system (MIS) for biodiversity conservation, socio-economic, and cultural aspects established and utilised for conservation area planning and monitoring

Management Information System

47. As a result of Project activities, an excellent MIS covering Upper Mustang is in smooth operation at the ACAP Headquarters in Pokhara, containing fully geo-referenced information on biodiversity, land-use, cultural heritage, tourism, and socio-economic conditions. All the survey reports and quarterly and annual Project reports are stored in to the MIS. Mapping of all the 286 pastures of Upper Mustang has been completed and the Project incorporated the MTE's recommendation to improve the compatibility of the habitat description with the MIS. The MIS was a little late in being developed, but this was not the fault of the Project since the initial GIS architecture

was destroyed in a Maoist bomb blast at the ACAP office in July 2002, subsequently delaying all aspects of its development. However, it is has been in full operation since 2004, is updated quarterly or monthly as appropriate, and is being used for conservation area planning and monitoring. The land use and socio-economic data overlaps with the biodiversity data to facilitate the development of management options, and the time series data will help to identify changes, e.g. to biodiversity hotspots, people-wildlife interaction foci, and changes to pastureland. The MIS has been used as the basis for the development of the *Upper Mustang Area Management Plan 2006-2010*. At the time of the TPE, the system was in the process of being upgraded by changing the software from Arc View GIS to ArcGIS. KMTNC/ACAP is committed to maintain and update the MIS beyond the Project's lifetime, and the current GIS Specialist seems eminently capable of doing this, although he did indicate that getting the technical researchers/surveyors to think before they undertook their work how the data would be used and design their record/data input sheets accordingly would help him no end. The one negative point regarding the MIS is that there is still no copy deployed in the Lo Manathang office which severely handicaps its day-to-day use, necessitating as it does extensive travel form Lo Manathang to Pokhara to use it.

The TET recommends that the equipment necessary to deploy a copy of the MIS in the Lo Manthang Unit Conservation Office be undertaken as a matter of priority. Regular updates can continue to be made in Pokhara and copied through to the LMUCO on a regular basis.

Biodiversity surveys

48. Systematic research on biodiversity in Upper Mustang has been carried out only since the initiation of the UMBCP in 2001. Many new and confirmatory records of flora and fauna for the country have been reported as a result, including:

- Mammals – Tibetan Gazelle *Procapra picticaudara* and Tibetan Wild Ass *Equus Kiang* recorded for the first time in Nepal during UMBCP;
- Birds – Tibetan Sandgrouse *Syrrhaptes tibetanus*, and a subspecies of Eurasian Eagle Owl *Bubo Bubo hemachalana* recorded for the first time in Nepal during the UMBCP;
- Invertebrates – Varnished Apollo *Parnassius acco acco* a new Record for Nepal recorded during UMBCP; and three subspecies of butterfly, endemic to Mustang were confirmed as still extant – Common Red Apollo *Parnassius epaphus capdevellei,* Greenish Mountain Blue *Albulina orbitulus lobbichleri,* and Mustang Heath *Coenonympha amaryllis forsteri.*

Since September 2003, multidisciplinary biodiversity survey teams have been mobilized, as recommended by the MTE, comprising Rangers who have expertise on birds, flora, aquatic biodiversity, blue sheep, and snow leopard, and a representative from the CAMC to learn the monitoring techniques.

Studies and surveys on socio economic status

49. A socio-economic survey, conducted in 2002, established the base status of the socio-economic situation of the Project area. The survey data, in its raw form, are available in the ACAP Pokhara office and information is generated from these data as and when necessary. Although the survey has covered a wide range of socio-economic patterns of Upper Mustang, the data available have been disaggregated by sex only at household level. To meet the continuing need of the Project to collect data in the format required by the MIS and to do so in a sustainable way, instead of using expert consultants who require fees, the UMBCP has developed in-house expertise and since 2003 Project staff have conducted these surveys themselves.

Output 2.2: Biodiversity hot-spots and keystone species[15] identified, community based monitoring system developed and implemented

Biodiversity hotspots

50. A number of research surveys and monitoring surveys have been conducted on various aspects of biodiversity during the Project including mammals, birds, floral composition, non-timber forest products (NTFPs), and rangeland forage species. The Project has generated and updated the inventories and geographical distributions of mammals, birds, plants occurring in Upper Mustang and from these has identified particular key areas or hot spots for conservation where a number of globally rare and under recorded species occur together. Three alpine areas[16] have been so identified and at the most important of these, Damodar Kund, the Project has been able to convince the community of Surkhang VDC to voluntarily cease grazing the pastures to prevent competition for forage between domestic livestock and the globally endangered wildlife – Kiang (Tibetan Wild Ass), and Argali (Tibetan Bighorn Sheep).

Keystone species

51. Key species of mammals[17] and birds[18] have been monitored at different seasons and in different years from these hot spots. The herd size and total number of individuals sighted is encouraging (see paragraph 25). Research studies and circumstantial evidence suggests an increase in the number of Blue Sheep, a major prey species of the globally endangered[19] Snow Leopard. A number of villagers reported increased sightings around their villages and increased crop depredation from this species, and healthy populations of Blue Sheep have been reported from the biodiversity hotspots. Villagers have refrained from killing this species as a result of awareness programmes conducted by UMBCP and partly due to religious taboo, instead chasing them away from their crops.

52. The Project has been successful in collaborating with the Snow Leopard Conservancy (SLC) in monitoring and trying to conserve the Snow Leopard. Sightings of the cat have not increased dramatically, but pug marks and other circumstantial evidence found near the settlements and pastures after heavy snowfall is evidence of their frequent occurrence. These tracks and signs indicate their distribution throughout much of Upper Mustang. Locals concede that the frequency of mass killing of livestock by Snow Leopards in winter corrals has decreased drastically with the implementation of predator proofing of the corrals, an initiative of the Project, even though the numbers of animals killed showed a 7.1% increase between 2004 and 2005. Local herders also think that the depredation on livestock, particularly in summer, has decreased because of the increase in the number of their prey species brought about by implementation of the Project.

Community Based Biodiversity Monitoring System (CBBMS)

53. The UMBCP Biodiversity Team have monitored keystone species in the hot spots in different seasons, even at the recommendation of the MTE conducting winter surveys in areas of altitudes over 5,000 m (16,250 ft) altitude. Such types of study have rarely been carried out before in the country. During these surveys, selected CAMC members have been trained to identify and count key species so as to monitor their population trends. They were familiarised with various monitoring measures and data collecting techniques by Project staff and later they participated as the members of the biodiversity monitoring team. Since September 2003, as recommended by the MTE, Guidelines for the Community-based Biodiversity Monitoring System have been developed and followed. There have been difficulties, particularly over bird identification without optical aids, and so the focus for

[15] As identified by biodiversity survey reports (2001-2003)

[16] Damodar Kund, Chujung/Dhalung, Kekap/Ghemi Lekh

[17] Snow Leopard, Kiang, Argali, Tibetan Gazelle, Brown Bear, Grey Wolf, Lynx, Blue Sheep, Himalayan Marmot and Tibetan Woolly Hare

[18] Himalayan Griffon, Lammergeier, Golden Eagle, Tibetan Snowcock, Tibetan Partridge, Tibetan Sandgrouse, Plain-backed Snowfinch, Tibetan Snowfinch, and Demoiselle Cranes

[19] As per the IUCN 2006 Red List.

community monitoring is now limited to the keystone mammal species. There are still some limitations in identifying, counting, sexing, and identifying tracks and trails of large mammals, but community monitoring of mammals appears to be being successful.

Output 3.1: Sustainable management strategy for biodiversity conservation, tourism management and cultural heritage conservation in upper Mustang developed and implementation initiated

Upper Mustang Conservation Area Management Plan (UMACMP)

54. The *Upper Mustang Area Conservation Management Plan 2006-2010* (UMACMP) was completed is 2005, with a delay of 18 months, and eventually endorsed by KMTNC in August 2006 (at the time of the TPE). The UMACMP is the outcome of various consultative meetings with locals and other experts and is heavily based upon information held in the Management Information System. It includes the Biodiversity Conservation Plan, the Tourism Management Plan, and the Cultural Heritage Conservation Plan which were conceived originally in the Project design to be separate documents. The TET deems the Tourism Management Plan to be inadequate in urgent need of revision (see paragraph 93).

55. The 60% plough back of the tourist revenue will be instrumental in implementing some of the components envisaged in the UMACMP. Already, an inventory of the Cultural Heritage Monuments and an inventory of wetland recommended by the UMACMP are being carried out by UMBCP.

Restoration of Cultural Heritage

56. The component covering the restoration of Loba culture is one of the outstanding successes of the Project. Of the four main sites concerned, restoration work of Thupchen Ghompa, a monastery in Lo Manthang believed to have been built around 1472, is complete and was handed over to the local community during May 2005. Work on the other main monastery within Lo Manthang, Jhampa Gompa believed to have been built around 1446, has been delayed simply by the fact that more and more wall paintings have been discovered on its various levels. Restoration work on the city walls of Lo Manthang and of another important monastery nearby – Lo Ghaykar believed to have been built in the 8th Century – is nearly complete. In addition, the Project has made a number of other interventions in support of Loba culture such as placing teachers in schools to teach the Tibetan language, and support for religious schools. Interestingly, the latter is one of the few areas where the cultural and biodiversity components have interacted – GEF money having been used to introduce biodiversity conservation into the curricula taught to the young lamas in Years 5-8, an investment that should pay dividends in the long-term.

57. The restoration of the four main cultural sites has been undertaken to the highest of standards and the results are simply breathtaking. The Project has trained a team of local people (about 150 individuals) in various aspects of renovation and restoration techniques – from carpentry to cleaning of wall paintings – and each of these will be provided with certification of their skills and a grading indicating their level of competence to enable them to continue to earn a living directly from conservation and maintenance work.

58. Work on the sites within Lo Manthang was interrupted for a short time by the issue of the new road coming in from the Korolla Pass. In the first instance, trucks were being driven around the city's walls to the main gates, but a study confirmed that vibration from only a small number of trucks would undermine the integrity of the mud walls of the city and the monasteries. AHF temporarily halted funding until the issue was resolved. As a consequence, the idea of a new road by-passing the city was mooted. A number of routes and impact studies were conducted before an alignment was agreed, and UNDP funded the construction to the tune of US$ 50,000. Although still not quite passable by vehicles along its entire length (see paragraph 78 *et seq*.), construction of the 3.6 km road was sufficient to convince AHF to resume funding the restoration works.

Output 3.2: For sustainable conservation and development, Community Resource Action Committee (CRAC) and Community Trust Fund (CTF) institutionalised

CTF Mobilization

59. The Community Trust Fund (CTF) has been established by the Project with the objective of providing continuous support on a sustained basis to the planned conservation activities in Upper Mustang. One of its specific objectives is to explore entrepreneurial opportunities for the communities and assist community members to establish income-generating activities.

60. Although the CTF was established at the beginning of the Project, the MTE was seriously concerned that the procedures mentioned in the project documents had not been followed properly. As a result, operation of the CTF was frozen in 2002, as recommended by the MTE, a freeze that unfortunately lasted for three years while a body was legally constituted to govern it and guidelines prepared to control its operation. The Community Trust Fund Financial Management Guidelines were produced in 2004 and the CTF has been re-established with legal status in July 2005, governed by the Community Resource Action Joint Sub-Committee – a joint sub-committee operating under the seven CAMCs and comprising representatives from each plus six appointed members including three to provide representation for women (two members) and marginalised people (one member). Currently it is chaired by the Raja of Mustang.

61. A credit (loan) fund to provide micro-finance for income-generating and development activities and a grant fund for conservation-related development activities are the two vehicles of the CTF for disbursing funds. While the grant fund has been extensively used to support conservation activities primarily focusing on plantations, the credit fund comprising 45% of CTF monies has barely been used and has not been successful in fulfilling its purpose of being an effective instrument to empower the community through income generation. While the TET accepts that the CTF has been operating again for only just over a year, the only disbursement made in 2005/6 has been a loan of NR 13,000 (US$ 183) for a solar-powered grinding mill managed by the women's group of one VDC . Since the sustainability of the CTF is dependent upon interest earned from loans, the CRAJSC needs to concentrate on their promotion within the local communities as a matter of urgency – see paragraph 91.

Output 3.3: Income generation opportunities at local level through sustainable tourism, non-timber forest products, rangeland and livestock based micro-enterprises increased

Income generating opportunities

62. Climatic conditions, the difficult terrain, and cultural practices are key challenges to initiating the Project's enterprise development programme. It has been able to work with the local communities for only about six months each year due to winter migration of people from the area, crop harvesting, and festivals. As most of the terrain is rugged, infertile and not conducive to agriculture, animal husbandry supplemented by some agriculture and trade is the mainstay of the Upper Mustang economy. From mid-September to mid-March the majority of able-bodied adults migrate to lower lands in Nepal and India for work and to undertake small-scale trade.

63. The Micro-enterprise Creation Training undertaken by the Project has been aimed primarily at helping local people identify potential indigenous skills and resources for enterprise development. Unfortunately, this training programme has not been successful in initiating any significant income-generation activities largely due to the low retention levels of participants and a lack of available markets. Low retention of knowledge and skills imparted is in part due to the low level of education and literacy of the local people, but also in part due to insufficient exposure to the skills being trained. The Project should probably have recognised the educational limitations of the people and designed training differently with repeated training of a narrower, closely targeted range of skills. Lack of

available markets has been an even bigger problem and perhaps one that the Project designers should have identified and addressed more carefully. In most cases skill development training[20], has been used to fulfil household requirements while a few people earn a small amount by selling a few items or making them for others on a daily wage basis.

64. The Amchi[21] healing technique, based on Buddhist philosophy, gives emphasis to the use of herbal plants instead of animal parts, and its practice can make a positive contribution to the wildlife conservation. The Project has provided financial support for herbal farming as NTFP-based income-generating activity and to support the Amchi School in Lo Manthang. Due to the absence of proper herbal farming and the fact that this traditional knowledge was not recognised academically, the number of Amchis available in Upper Mustang has declined from 25 to just seven now. As a result, in 1998 the Himalaya Amchi Association was formed and this NGO approached the Ministries of Health and Education to establish a formal Amchi school. This occurred in 2004 and currently has 30 students enrolled to graduate at health assistant level.

65. The establishment of Sea Buckthorn conservation farming enterprises for the production of juice is perhaps the best example of income-generating NTFP-use promoted by the Project. Although Sea Buckthorn was widely distributed through most of Upper Mustang, local people used it just like any other bush, i.e. primarily uprooting it for winter fuel. The Project has provided financial and technical support to Sea Buckthorn conservation farms which have a high potential for income-generation through production of juice and potentially even the oil[22]. These farms are managed by the saving/credit groups with profits shared by all group members. As a result, Sea Buckthorn is grown as an NTFP in most plantations and is no longer uprooted from the hillsides for fuel.

66. Although the Project has been working with community-level NTFP conservation, it has not been able to explore national level partnerships for the development of NTFPs. However several studies[23] on NTFP have been conducted by the Project in collaboration with Tribhuvan University

Saving and Credit Groups

67. One of the strategies adopted by the Project for community development is the formation of Saving and Credit Groups. Altogether, 29 groups have been formed (with two more to come) comprising 792 members (632 female and 160 male) which cover 68% of the households of the community. Most of the members are saving NR 25 (US 35 cents) each month. As a result, they have developed the habit of saving (formerly not a concept understood), have realised the significance of group activities for community development, and have gained confidence to speak in front of people and to express their needs. Beside creating a capital base which is used within the group for income-generating activities as well as other pressing needs, fund mobilization through the Saving and Credit Groups has been able to provide financial security amongst the members on account of access to credit. As the members themselves decide on who is to be given priority with regards to loan applications, all the members can be considered as having equal opportunities. However, since most of them are illiterate, they are largely unaware about the financial position of their group, with many of them not even knowing how much money is credited to their individual accounts.

68. In the initial stages, Project staff made frequent visits to the Saving and Credit Groups in order to establish and regularise systems that ensure effective processes for meetings. From the second year onwards, at least one visit has been made each year to each group, and this has established a link with the community and helped the Project to mobilize women and men at the community level for awareness raising, capacity building and income-generation activities. In addition, an annual audit of all Saving and Credit Groups has been undertaken by the Project to keep the accounts updated. The

[20] Such as Carpet weaving, Kerten weaving and knitting

[21] Traditional health care taken through herbs

[22] Used for healing of burns and retailing at US$ 1,000/litre.

[23] (i)Ethno-medico Botanical survey-2003 (ii) Survey of NTFP with Focus on Potentiality of commercialization- 2003

Project appoints the auditor and also extends financial support. Since most of the group members are illiterate and unable to maintain proper accounts by themselves, the yearly audit presents the actual financial position of the saving credit groups while ensuring transparency.

69. The Project has imparted much of its training and other support to the community through these groups. Group mobilization has built rapport within communities and has been the key element engendering mutual trust enabling UMBCP to overcome participation barriers caused by the high prevalence of illiteracy and ignorance. Through the Saving and Credit Groups, UMBCP has been able to generate the power of group dynamics and channel them into the community for biodiversity conservation. In this regards, formation of these groups has been an effective process.

70. The grant amount provided to some of the Saving and Credit Groups which was intended to promote investments in income-generating schemes that contribute to biodiversity conservation has in reality not been able to meet its purpose. Although the primary source of funds for Groups is the regular savings of their members, some of the Groups formed during the initial stage of the Project had also received grants, ranging from NR 125,000 (US$ 1,760) to NR 396,000 (US$ 5,578) from the CTF for initiation of income-generation activities. However, it was reported that some of these Groups, being unable to invest the grant fund in any income-generating activities, have distributed this money equally among themselves as a loan with interest rates ranging between 12-18%. Thus, the grant fund has become a financial burden to many members who have no choice but to keep on undertaking the loan liability despite the fact that it is paid back by all the members at the end of each fiscal year. Though the interest earned from this fund is owned equally by all the members, for those who have not been able to invest their share in any income-generating activities, it has become an additional strain on their cash flow.

71. Likewise, the funds generated by the Saving and Credit Groups have not been able to fulfil the Project objective of promoting enterprise development contributing towards biodiversity conservation. The Group members do not have a clear vision of how they intend to use the accumulated saving fund in the future. Enterprise development is severely hampered due to inadequate markets since Upper Mustang is very remote, has difficult access, and a very low population density making it extremely difficult and costly to transport products from one place to another. Many Group members feel that the fund will be used mostly just to meet household expenditures. In a few instances, some members also use this fund to trade outside the District when they migrate to the lower lands during the winter. These factors potentially endanger the sustainability of the Saving and Credit Groups and certainly limit their effectiveness with regard to Project aims. The possibility of transforming them into functional cooperatives may help.

Output 3.4: Sustainable rangeland management programmes developed and implemented

Sustainable Rangeland Management

72. A total of 286 pastures were identified by the Project. The Project identified the accessibility (or inaccessibility) of pastures, the location of waterholes and natural saltlicks, areas of conflict between wildlife and domestic livestock, and areas susceptible to depredations by predators. Forage species and non-timber forest products were also identified from these rangelands.

73. The Project has undertaken a number of initiatives to improve pasture management. It was successful in persuading the Pasture Management Sub-committees of four villages[24] to practice rotational grazing. Persons not sticking to these local regulations are fined. Permanent quadrats have been established in one of the pasture to study the effects of grazing pressure. Waterholes were constructed to provide drinking water for livestock in three water deficient areas. Experimental hay meadows have been established in three sites, and winter feed stations for livestock have been introduced to provide forage for livestock and horses, and to act as an income-generation scheme.

[24] Chonup, Chosyar, Tsarang, and Surkhang

Neither the hay meadows nor feed stations have yet been adopted at the individual farmer level. Trial plots established by ICIMOD in collaboration with the Project to experiment on the growth of new forage species have not yet produced successful results, but ICIMOD is committed to continue its rangeland management programme and to replicate the improvement to corrals to make them predator-proof.

74. A number of herders from outside of Upper Mustang bring their livestock to the alpine pasture to fatten them for the autumn markets in Pokhara and further south. These herders and their livestock are largely beyond any regulations made by the local Pasture Management Sub-committees. Similarly, Tibetan herders still come in large groups illegally across the barbed wire border fence (34 kms in length) erected by the Chinese government, simply cutting holes in it despite nearby Chinese army camps, something witnessed at first hand by the TET. These floating populations of livestock pose a threat to the improvements made by the Project and the local people for available forage for winter grazing. One of the local villages has started levying tax on this livestock, and other villages are also planning to do the same, but this would prove difficult on those coming from China. The border fence has removed access to Mustang people of the traditional summer grazing pastures in Tibet putting pressure on the local herders to reduce the number of livestock grazed. It also threatens to impede the movement of large wild ungulates if extended further.

75. It is still too early to draw conclusions on the success of rangeland management and biodiversity conservation. Although a number of rangeland management awareness workshops have been held to educate the herders, the traditional use of pasture is still in practice in much of Upper Mustang. Despite the apparent successes of the rangeland management improvements and the increase in wild ungulates, particularly Blue Sheep, the TET is concerned that there is still no mechanism in place to legally back local decisions of Pasture Management Sub-committees, and there is a high possibility that once the influence exerted by the Project for conservation declines after the Project ends, that pastureland improvements will simply be exploited to increase numbers of domestic livestock, thereby re-igniting the competition for forage. The Project has still not managed to provide an answer to the question posed by the MTE that said "*why poor local communities with few other income-generating options than keeping livestock would voluntarily refrain from maximising their livestock numbers*".

KEY ISSUES

THE POLICY CONTEXT

The Road – a trans-Himalayan Link?

76. The road coming from China over the Korolla Pass is viewed by all local people as a positive event increasing the accessibility of Upper Mustang to the outside world, thereby decreasing the cost of many basic items and introducing other consumer goods that had previously been denied to them by the remoteness of their towns and villages. Those communities further south actively encourage the extension of the road so that they can benefit too. What is clear from the TPE is that none of the communities or community leaders interviewed (formally or informally) had any conception of the negative influences that such a road could bring – increased noise and pollution; negative social cultural values; increased alcoholism, crime and prostitution; defiled landscapes; and a change in the likely profile of tourism (a decrease in the number of high-end tourists at the expense of an increased number from the cheaper end of the market) – nor had they really been informed of such consequences.

77. At present, there seems to be no policy at any level governing development of the road. The DDC has spent considerable sums of money in extending it southwards to just north of Zhaite. There is widespread talk of it becoming a main trans-Himalayan link between India to China which would exacerbate the problems to the extent that the very special nature of Upper Mustang would largely

disappear. At present, the requirement of the GoN for the trucks coming from China (or the owners or receivers of goods) to pay tax if they venture past the customs post at the base of the Korolla Pass has completely stopped the flow of automotive traffic – goods being offloaded onto horses at the said customs post for onward transfer to Lo Manthang and beyond – but this at most is a short-term situation. In time, the tax issue will be accepted, or a compromise solution found, and traffic will again start to flow and with it will come renewed pressure to complete the road to Jomsom. If and when this happens, the trans-Himalayan link between India to China will be routed through Upper Mustang by default since a link of sorts will have been established, even if initially it is not much more than a track. It is certainly easier to upgrade a rough track than to build a new road from scratch, even if the latter may be along a preferred route. Given the huge negative impacts that will ensue from such a road through an area of global cultural and biodiversity importance, it would be remiss of the authorities to allow this to occur by default rather than by making difficult policy decisions on the issue.

The TET recommends that it is imperative that the GoN along with the DDC and other stakeholders develop a policy on the appropriateness and suitability of extending the road to Jomsom and thereby creating a *de facto* trans-Himalayan link through this biologically and culturally sensitive area. Alternatives should be considered and selected preferably as the primary link.

The Road – the Lo Manthang Bypass

78. Although not part of the Project *per se*, the issue of the Lo Manthang Bypass originated from AHF's concern that the original road was routed directly to the gates of Lo Manthang and then closely around the city wall. Studies showed that perceived concerns over vibration from trucks using this road would damage the city wall and monasteries were indeed real. As a result, AHF halted Project funding of the restoration works until a solution could be found. Various studies were conducted and routes examined, before John Sanday Associates (the company carrying out the restoration work in Lo Manthang) acting as facilitators, helped to devise a suitable route. UNDP funded construction of this road bypassing the city to the tune of US$50,000 – US$ 10,000 for construction supervision to Stupa Consultants based in Kathmandu, and US$ 40,000 to a Kathmandu-based NGO called Heritage and Environment Conservation Foundation Nepal who hired a local businessman to act as construction manager using local labour. Originally, the TOR were "over-engineered" by UNDP attempting to define standards that would have produced a by-pass far above the standard of the rest of the road – nothing more than a rough stony track. In the event, the TOR were reduced to construct the "best possible road" for the money available. While this undoubtedly enabled the by-pass to be constructed and the cultural restoration works to re-start in Lo Manthang, inevitably a degree of dissent and discussion has ensued between the parties involved, especially since the by-pass is currently unusable by vehicles. Apparently an undertaking has been given by the Lo Manthang VDC that vehicles may no longer turn left after the ford across the river and approach the gates of the city, but instead have to turn right and use the bypass or turn back to the Korolla Pass. The TET could find no firm evidence of this undertaking.

79. It is not pertinent for this TPE to examine the history of this road in detail since it does not actually form part of the GEF Project and is not included in the TOR of the TPE (Annex 1). However, UNDP requested an update and an evaluation of the current situation, and this is indeed pertinent to the sustainability of the cultural restoration. Currently the bypass is blocked by three factors:

- local people storing stones for construction purposes at various points along it;
- washed out sections of the surface on the steep section of the upper hill where the extensive stone gabions support it; and
- very wet sections along a section of approximately 500m of the lower part of the hill near its junction with the current road.

The first two of these are relatively easily solved. The stored stones can be removed within a few days by the villagers who stored them. The washed out section appears very bad but the appearance is

deceptive since the Construction Manager assured the TET that it can be repaired and compacted within a week to ten days using local labour and involving no cost to outside agencies. It has resulted from an overspill from the main canal carrying drinking water to Lo Manthang which runs parallel to this section of the road and above it – nominally a singular event and once real compaction of the road occurs from its use by lorries, it is unlikely to be repeated.

80. The third factor is more difficult. The 500m section under consideration suffers from chronic water seepage from the main irrigation canal on the hillside above and this has produced a series of very soft muddy sections where the water flows onto the road and then along it before finding a way down the hill the other side. That seepage on these sections is long-term is easy to see from the wetland vegetation which has colonised otherwise arid slopes. The engineering solution is also simple – installation of one or more sections of open cement drainage channels at the base of the uphill slope alongside the road with a series of small pipes under the road to divert the seepage periodically to the downhill slope. The Construction Manager estimates the cost of this to be about US$30 per metre. If the whole section were to be so drained this would amount to a cost of about US$15,000. While this would definitely be the preferred solution, it must be stressed that not all the section needs to be treated this way and smaller discrete sections could be so drained with pretty much the same effect at a lower cost.

The TET recommends that as a matter of some urgency UNDP source funds internally or externally to complete the engineering works necessary to make the Lo Manthang usable and thereby capable of negating the adverse impacts of vehicular traffic on the cultural restoration works carried out as part of the UMBCP. The maximum expenditure is estimated to be US$15,000[25].

Border Fence

81. In 2004 the Chinese authorities erected 34 km of 2.5m high security fencing just inside their territory along the border at the head of the Korolla Pass. The exact reasons for this are hard to establish but explanations encountered include national security to stem the flow of Chinese nationals from Tibet; and it is a local government initiative to protect the pasturelands from migrant Nepali herders[26]. Clearly if the latter is true, it had the desired effect since the herders in Upper Mustang complain that the fence stops them taking their animals up onto the lusher pastures of Tibet during the summer and this has had the effect of increasing pressure on their own alpine pastures. As a result, it appears that the number of grazing stock (particularly migrant stock being fattened for the autumn markets in Pokhara and beyond) has begun to decline in Upper Mustang since the pastures can no longer support previous stocking levels. The chief concern of the local herders, however, is that there is an uneven playing field – although the fence stops movement from Mustang into Tibet and there are Chinese army camps close by from which patrols are made, it does not stop Tibetan herders from bringing their animals to Mustang since they simply cut the fence and bring their animals through[27]. Such cuts in the fence and passage of people (not animals) were observed at first hand by the TET, despite being in full view of an army camp perhaps two kilometres away. There is no Nepali military or other presence of authority in the vicinity (the nearest being the customs post 11 kilometres away at the base of the Korolla Pass), and the Mustang herders say they cannot intervene themselves because

[25] UNDP comments: "*The recommendation has been made for UNDP to put further 15000 USD for making the existing bypass road functional.* [UNDP is] *not buying this suggestion fully as* [by] *now the project partners particularly KMTNC and ACAP should bear this cost, as in the beginning of the by-pass road proposal, they had promised to contribute but did not. It was only UNDP that funded for all kinds of assessment and study related to existing and by-pass road and given funds for construction though it was not the part of UNDP commitment. Overall amount UNDP spent is about 75000 $ including all assessments made over the years. It is logical now, after the by-road has been in place, they should invest for maintenance as they are going to be there in the long run*." The TET agree wholeheartedly and draw attention to the word "*externally*" used in the recommendation. In our view it is logical for UNDP to take the lead in sourcing the funds, but for one or more other bodies to provide them.

[26] Apparently other fences have been erected elsewhere along local boundaries to protect same pastures from other Tibetan herders.

[27] It remains unclear to the TET as to why the Tibetans should want to bring their animals to graze the poorer pastures of Upper Mustang, but they do.

the Tibetans come in large nomadic groups while they themselves operate individually or in groups of two or three.

While the TET acknowledges the near impossibility of establishing a Nepali army presence at the head of the Korolla Pass because of the harsh physical conditions and the political realities of resource deployment over a relatively minor issue (to the GON), **the TET recommends** that the Government of Nepal makes representations to the Chinese ambassador about full maintenance of the fence or its removal to re-establish a level playing field in Mustang.

82. Interestingly, the border fence does not appear to disrupt the migration of wildlife, although this remains a concern. The LMUCO reports that wildlife (the key species being the Tibetan Gazelle, Kiang (wild ass), and Argali (sheep)) appears to continue to appear and disappear at the appropriate season. Second hand reports from herders suggest that this is also the case. However, there remain strong rumours that the fence is to be extended and this would then begin to pose a serious threat to the movement of wildlife. The issue was raised by the NPM in a presentation made at the International Yak Congress in Chegdu, China, in September 2004 but no response was made. Representations have been made to the Chinese ambassador in Nepal for the fence not to be extended, but again these have met with no response.

While the TET acknowledges that border security is a sovereign issue, **it recommends** that the Government of Nepal continues to make representations to the Chinese ambassador about the implications for wildlife of the fence and seeks assurances that the fence will not be extended. Given the global significance and highly threatened nature of the large ungulates involved, **the TET also urges** GEF to raise the issue with the GEF Focal Point for China.

THE PLANNING CONTEXT

The Road

83. The MTE recommended that "*UNDP either use funds for the Community Trust Fund, or alternatively seeks another a source of funding, to conduct an Environmental Impact Assessment of the road alignment between Tsarang and Kagbeni*". While this has not yet happened, the Community Consultative Committee established by KMTNC to prioritise the use of the tourist entry fee plough back from the Government, identified the need for the EIA of the road as its top priority at its inaugural meeting on 9th March 2006.

84. In addition, and irrespective of the policy issues examined above (see paragraph 76 *et seq*.), it is good to be able report that another level of "insurance" is being put in place regarding the Korolla-Jomsom road – namely that a physical master plan is being produced under the auspices of UNEP, KMTNC, and the National Planning Commission of Nepal. Started in 2005, this NRs 22 million (US$310,000) project is due for completion in December 2006 when it is expected that the plan, covering a vision for 30 years time, will be adopted as national policy. The TET has been assured by KMTNC that the master plan study has taken full cognizance of the *Upper Mustang Area Conservation Management Plan 2006-2010* (UMACMP) produced by the Project.

Sustainability

85. The TET evaluates the likely sustainability of the Project as **satisfactory**. This is based upon a solid institutional foundation with several project partners continuing their presence in Upper Mustang over the coming years; continuing sources of independent finance; and significant motivation among well-mobilized local people.

Institutional Sustainability

86. Although below (paragraph 106 *et seq*.) the TET is critical of the approach taken by KMTNC in implementing the Project effectively as part of ACAP, from a sustainability point of view the fact that ACAP will continue to operate in Upper Mustang at least until 2012 is reassuring and brings great stability to continuation of the Project's attainments. Although most of the Project's discrete activities will cease, no staff will be laid off and ACAP will continue to fund their salaries as well as perpetuating activities, facilitation, and monitoring. Therefore, most of the Project's gains will not only be maintained but be strengthened through continuing close cooperation with the communities' institutional structures built by the Project. In addition, ICIMOD will continue their presence in Upper Mustang through their Regional Rangeland Programme Phase III from 2007-2009 (€ 30,000 earmarked for Upper Mustang) and its Rangeland Co-management Initiative – (US$ 8,500 to be used for replicating corral improvements in conjunction with the Snow Leopard Conservancy).

87. The sustainability of the cultural restoration programme appears to be very high. The American Himalayan Foundation (AHF) is committed to a twenty year programme in Upper Mustang and at present they are only seven years into this. Their programme includes all aspects of strengthening Loba culture including placing Tibetan-language teachers in schools, day-care centres, and health centres. The issue of maintenance of the restored gomphas (monasteries) and chortens is not a concern. AHF has a firm policy that the restoration of this Tibetan heritage is for the sake of the local people, not for tourists to come and see it. They have no interest in setting up income-generation schemes through tourist requirements – e.g. permits for filming, selling postcards. This is in direct contrast to John Sanday Associates, the restoration contractors, who are interested in examining these types of income generation scheme. Given that AHF are the donors, undoubtedly they will have a bigger and more enduring say, and they have indicated that if the means arises for the CTF or the tourist fee plough back to provide a means of funding for maintenance of the religious structure then that would be acceptable – if not AHF will continue to fund it at least until the completion of their present commitment, if not beyond.

Financial Sustainability

88. The long-term financial sustainability of this project appears unusually good and robust. Two factors combine to achieve this – the plough back from tourism and the Community Trust Fund. The former comes about from the Decision of the Cabinet of Ministers made on 13th July 2006 to return 60% of the tourist entry fees through KMTNC for projects in Upper Mustang. This is one of the major achievements of the UMBCP and KMTNC deserve significant congratulations for their powers of persuasion and the GoN is to be applauded for their largesse. The TET is somewhat sceptical of the route that the money is returned by, i.e. through a special account within KMTNC rather than through, say, the Community Trust Fund or through another account directly under the control of the CRAJSC. It is understood that the CRAJSC will have priority call on this money to top up the Community Trust Fund as necessary. Although the new account is totally transparent and open to full annual audit by the Auditor General of Nepal (independent Government body), and although KMNTC has established a Consultative Committee of Stakeholders for the Utilisation of Tourist Revenue (which held its inaugural meeting on 9th March 2006), the decision-making mechanism appears opaque. Although the Committee decides priorities, it appears that these can be over-ridden by KMTNC as they see fit. In the opinion of the TET, this gives KMTNC too large a say in how the tourist fee plough back is used and perpetuates the "mother-hen" role that KMTNC/ACAP play in the area. If KMTNC really have belief in their capacity-building programme for the local authorities of Upper Mustang, then they need to provide a completely independent account and decision-making mechanism (perhaps retaining an advisory role for themselves). It may well be that such a committee will make mistakes in spending the money – but how else do you enable people to learn? While KMTNC/ACAP is undoubtedly doing good work in Upper Mustang, its presence is all pervasive and is undoubtedly leading to an increasing culture of dependency. This appears to have been a missed opportunity to reduce KMTNC's influence and begin to let the people of Mustang stand on their own feet. And the question remains – what happens to this money in 2012 when KMTNC's remit may or may not be extended?

The TET recommends that an account separate from KMTNC is established for the funds from the tourism plough back, and that Guidelines and a legally-based (Sub-)Committee, similar to those governing the Community Trust Fund, be established immediately to administer them.

89. The Community Trust Fund (CTF) is now fully operational. The early problems identified by the MTE have been rectified and a legally-constituted Community Resources Action Joint Sub-Committee (CRAJSC) has been formed to administer it. A UMBCP-appointed manager keeps the accounts, makes draft budgets, decides which applications qualify for grants and which for loans, and helps advise the CRAJSC in its deliberations. In 2005/6, the CTF spent NR 891,284 (US$ 12,553) on grants and made a single loan of NR 13,000 (US$ 183) for a solar-powered grinding mill in Tsarang. Administration and capital (office equipment) expenses amounted to NR 380,016 (US$ 5,352) and service expenses (salary and allowances) came to NR 238,404 (US$ 3,358). With the penultimate tranche of the seed capital from GEF, the balance at the end of the 2005/6 fiscal year was NR 3,159,914 (US$ 44,505). With administration/capital and service expenses running at 42% and 26.7% of the amount provided to the communities in grants, the TET believes these overheads are relatively too high. Certainly it is hoped that capital expenditure will fall to an insignificant amount, although with the 2006/7 budget for office equipment and furniture still set at NR 62,500 (US$ 880) this looks unlikely in the immediate future. The TET wonders if this amount of capital expenditure is really necessary to equip an office to undertake basic administrative/accounting operations.

90. The TET sat in as observers on the CRAJSC meeting held on 28th August 2006 where budgets were being set for the 2006/7 fiscal year. The capacity of the seven members present (the minimum number for a quorum) appeared high to adequate, although they remained fairly reliant on the CTF-Manager for direction and procedure. Nonetheless, they seemed fairly capable of setting priorities and agreeing budgets for grant-aided projects, and altered the budgets initially suggested by the CTF-Manager to suit the priorities of their own communities. The TET is in no doubt that the high quality of the CTF-Manager is central to the smooth functioning of the CRAJSC and the Community Trust Fund in general. Should he leave (and not be replaced by a similarly capable individual), then it is unlikely that smooth operation of the Fund would continue – but then how many committees right across the world are dependent upon good executive officers for their smooth functioning?

91. Of more concern to the TET is the CRAJSC's concentration on the grant side of the CTF. This is not surprising ("free money") but is dangerous to the long-term sustainability of the CTF, since the fund will earn money only from the interest (currently 10%) generated from loans it makes. While 2005/6 was the first year of the CTF's proper operation, and hence only one small loan was made, the CRAJSC did not appear to examine the overall picture of the need to "market" loans more effectively, or to adjust the level of the grants budget to bring it more into line with that for loans. The CRAJSC was quite happy to examine proposals for grants which could take up the full 30% allocation (NR 1.99 million (US$ 28,115)) of the balance minus operational expenses that the Guidelines allows for, while at the same time recognising that of the 45% allocation (NR2.99 million (US$ 42,173)) available for loans it could only realistically expect to mobilize a maximum of NR 900,000 (US$ 12,676). As a consequence, NR 2 million (US$ 28,169) were placed in a fixed deposit account in a commercial bank for a year earning fixed interest at 5.25%[28] while inflation is running currently at 8% per annum. The balance of this focus needs to change quickly or the CTF will not be sustainable over the long-term – unless it is topped up regularly from the tourist fund plough back.

The TET recommends that the CTF-Manager works hard and quickly to re-focus the Community Resource Action Joint Sub-Committee to balance its grant allocations and loan income more closely by either being more conservative with the amount of grants that it allocates, or preferably by more actively mobilizing its loan operations.

[28] the best rate the CTF-Manager could obtain.

Social Sustainability

92. The prospects for social sustainability of the Project's achievements also appear very good. The social mobilization undertaken by the UMBCP is undoubtedly one of its major successes. Prior to the establishment of the Project, most of the VDC, DDC and officials of the line ministries rarely ventured north of Jomsom. The Project has mobilized the local population and organised seven Conservation Area Management Committees (covering roughly the same area as the corresponding VDC) along with 68 Sub-committees covering pasture management, tourism management, micro-hydro management, gompha management, savings and credit groups, and mothers groups. These cover all seven VDC areas of Upper Mustang and the membership of the 29 savings and credit groups covers 68% of all the households of Upper Mustang, an extremely high rate of penetration for the Project into the community. The capacity of these various bodies varies, but motivation within all of those interviewed by the TET was high. These bodies now seem to be well-integrated into the society and their decisions generally respected. One notable example is that of the Surkhang Pasture Management Sub-committee which was informed about the importance of Damodar Kund – the most important biodiversity hotspot in Upper Mustang. As a result of representations by the Project, this Sub-committee voluntarily agreed to remove all livestock grazing from this area and it is now unofficially[29] zoned as a restricted area whose sole use is for wildlife. Such voluntarily foregoing of income by poor villagers in remote areas bodes well for long-term Project aims.

Tourism Planning

93. The Upper Mustang Area Conservation Management Plan lays out an over-arching vision for the District for the years 2006-2010 and the actions necessary to achieve this. This includes biodiversity, culture, and tourism. The tourism plan seems to lack imagination and to be unnecessarily downbeat. There seems to be too much emphasis on generating tourism revenues at any price and a lack of confidence in the Mustang product – the argument articulated in the UMACMP is that the restriction on the number of visitors needs to be lifted and the price of entry needs to be reduced in order to attract more visitors. There is no evidence to support either of these assertions – Box 1 on page 33 shows that only 9% of the visitors thought that visitor numbers to Upper Mustang were too low and even though two-thirds of visitors thought that trekking in Upper Mustang was expensive, they still came. The vision for tourism appears to be parochial and based heavily on the experiences (and relative economic success) of the rest of the Anapurna Conservation Area to the south. Replication of this model seems to be the only one considered. The TET believes very strongly that this is wrong. Increasing the number of tourists to an area may bring increased revenue, but also brings many negative aspects, not least just general pressure on the environment and culture of the recipient area (see the calculations for fuelwood use in Box 2 on page 35 of the UMACMP suggesting annual fuel demand from trekkers and support at 25,000kg/year). A wider view would show that there are a number of tourist destinations within the world that are unabashedly elite – they have something very special to offer and require tourists to pay a very high monetary price to experience it. Such sites include the Galapagos Islands (Ecuador), Mauritius, the coral reefs of Sipadan Island (Malaysia), the terracotta army (Shaanxi Province, China), parts of the Amazon and Meso-american rainforest (Brazil, Belize, Costa Rica and Peru). Upper Mustang has the capability of joining this elite club – it certainly has outstanding attractions (monasteries, landscapes, wildlife) necessary to draw tourists if marketed a little more boldly and widely by the Nepal Tourism Board, and the restrictions on the number of tourists (and the experience as a tourist of having few foreigners present) increases the exclusivity of the destination; in effect the restriction in visiting the area (whether fixed by quota or by price) is itself an attraction.

94. One of the weaknesses of the Project has been its failure to link biodiversity conservation with income-generating schemes. The project design viewed tourism as one of the means of achieving this end and yet there is almost no discernible attempt within the tourism plan to do this. Only Activity T2.2 on page 55 talks about biodiversity attributes (along the trails) and only the third bullet point addresses the promotion of products such as wildlife viewing and bird migration. The whole tourist

[29] Pending legalisation under the Conservation Area Management Regulation 1996.

approach, as indicated above, seems to be predicated upon only the concept of trekking. The idea of running specialised tours to enable visitors to see particular wildlife attractions (or cultural ones for that matter) and to develop new ones is totally lacking. Imagine developing a system of providing regular goat or other carcasses at a point in the mountains to which Snow Leopards could become attracted and somewhat habituated and setting up a viewing point from a distant vantage point for tourists to see them from. Imagine what well-heeled tourists would be prepared to pay to pretty much guarantee a sighting of a cat that few people on the planet have ever seen. Fanciful? The system is used effectively in such places as Romania for Brown Bears and on the island of Komodo (Indonesia) for Komodo Dragons (the world's largest lizard). Whale-watching is big business. Crane migration attracts many specialist wildlife tourists to Beidahaie, China, each year; similarly the bird migration bottlenecks at Falsterbo, Sweden; Bosphorus, Turkey; Gibraltar; and Hawk Mountain in the Appalachians of the USA draws thousands of people each year to see the raptors, storks, pelicans, and cranes. Nepal is already well-known as an excellent country in which to go bird-watching – why not attract these visitors to Upper Mustang to experience the migration of Demoiselle Cranes through the mountain passes and train guides to take these (and ornithologists at other times of the year) to see the specialised birds of the high, arid, trans-Himalayan plateau?

95. Does the whole focus have to be on trekking? The Korolla-Jomsom road will be pretty much be a reality soon. Well-heeled tourists who are prepared to spend money, are usually middle-aged onwards. For many, trekking is not really an option. The road could be seen as an opportunity. Access by helicopter should be viewed as an option. In these cases, should the entry fee to Upper Mustang be based solely on a day rate? A flat rate entry fee irrespective of the number of days spent in the District might be a better way to go, particularly if local people are encouraged to sell services and products directly to visitors, allowing them to make a living from tourism directly rather then depending on Central Government. The MTE makes the point that "*this approach, however, is contingent on a significant reduction in the permit fees, a change in trekking rules to allow trekkers to purchase local food and lodging, and a gradual increase in the number of trekkers passing through the area*". The TET vehemently disagrees with these statements since they continue to perpetuate the single model of trekking. Maintaining high entry fees, enabling local people to provide high quality (or at least comfortable – reliable hot water, a choice of food, clean bedrooms) accommodation at much higher costs than at present, and maintaining a cap on the number of visitors permitted entry (perhaps a monthly quota rather than a yearly one) would all enable the local communities to generate significant income from tourism – linked to conservation of biodiversity, culture and landscape. It is important to ensure that if an "elite tourist" model is followed that it is not simply passed over to national or international companies to implement. It is quite possible that local people/communities could develop the necessary infrastructure if provided with guidance and funds (loans from the CTF?). Loba-owned tourist (trekking?) agencies in Kathmandu could provide the necessary marketing and organisational vehicles to arrange tourists' visits. The Internet provides a realm of opportunities.

The TET recommends that before the end of the Project, the tourism plan is reviewed and revised by persons with a greater understanding of the global tourist market who are able to explore and exploit likely opportunities arising in Upper Mustang within the next 5-10 years, with the aim of developing significant and profitable links between tourism and biodiversity conservation to provide income-generation for local people[30].

[30] UNDP comments: "[UNDP] *agree to the idea of revisiting the existing tourism plan but to do so within the lifetime of the project, i.e. by the end of December 2006, it seems unrealistic. Looking upon the criticality of TET's observation about the plan, only a good international expertise could do a better job as the existing plan has been formulated by a top-notch national consultant from the field with wider consultation. May be the recommendation "to review the plan before it is implemented" should be okay*." The TET recognise that the suggested timescale maybe unrealistic in completing the revision. However, we believe that it is important to make a start before the project ends so that the funds from the project are made available and the TOR for the international consultant(s) drawn up. Otherwise, we fear exactly what the last sentence of UNDP's comment suggests – a review before implementation – which in our view is nowhere near enough. Implementation of the current plan, even with a review, is wholly inadequate since it suggests that the actual basis of the plan as written is fundamentally alright and it requires only minor tinkering. It does not! In our view, the fundamental basis of the plan is wrong and needs complete revision to present a radically different approach so as not to undersell (or completely miss out on) what could become one of the jewels of global tourism – and the benefits to wildlife conservation and local livelihood development which that could bring.

The Conflict

96. One issue that may threaten the entire gain arising from the Project is the possibility of the Communist Party of Nepal (the Maoists) – now a legal political force – coming to power. The very aspect that has insulated the people of Upper Mustang from the insurgency – their vehement opposition to outside "troublemakers" – may become the very cause of future problems in that the Maoists may see the region as undeserving of any sympathetic or special treatment, or worse that active persecution may ensue. In particular, this may be focussed upon the decision to plough back tourist revenue, an agreement that may be reneged upon since they may see such funds as a lucrative and legitimate source of revenue for themselves. A corollary of this is that in the event of the Maoists coming to power, levels of tourism may fall significantly because of the perceived instability in the country and levels of tourist fees reaching Upper Mustang may fall anyway.

97. Furthermore, the sustainability of the cultural programme may also be threatened in the event of the Maoists assuming power. Given the antipathy communists generally show to religion and religious-based culture, and the specific hostility demonstrated by the Chinese to Tibetan culture, and with whom the Maoists share at least a passing ideology, the TET is not optimistic that the cultural restoration or the long-term maintenance of the cultural treasures in Upper Mustang would continue. While the level of hostility is unlikely to match the level of the Taleban's destruction of the Buddhas of Bamiyan in Afghanistan in 2001, it is likely that monasteries may be closed (as in Tibet) leading to renewed decay and the possible looting of religious artefacts, particularly the scrolls. However, it is said by some sources that the Maoists are not heavily ideologically based, being more concerned with improving the lot of the poor and removing the "system and symbols of repression". Certainly the work of KMTNC in the ACA is viewed favourably – even if its patronage is not![31]

THE MANAGEMENT CONTEXT

Country Driven-ness and Coordination

98. There appears to have been good country buy-in to the Project both at Government level where the Cabinet of Ministers agreed to plough tourist revenue back into the District, and at the local level where all seven VDCs have been intimately involved in all aspects of the Project. The Raja of Mustang has also been very supportive. KMTNC, through their long-term commitment to ACAP have integrated the Project into their wider operations – perhaps too deeply (see paragraph 106).

99. The only negative area appears to be the DDC. The TET did not have an opportunity to meet with this Committee, which may bias the view, but nonetheless the DDC seemed notable by their absence in almost all of the Project's activities. Their single-minded pursuit of developing the road without appearing to understand the full consequences of its completion also appear to place it at odds with some of the Project's aims, although to be fair, the National Government's Five-year Plan prioritises road access as being the main means of reducing poverty. The MTE made the point that "*KMTNC/ACAP should try and strengthen its links with the DDC*" and "*rather than competing for funds and control both parties should try and work together in the field of conservation and development as much as possible*". The Project Manager of UMBCP (and head of ACAP's LMUCO) reports that he has tried to improve the cooperation with the DDC but with little success and the DDC are not really sharing their plans with the Project. The TET also feels that the long-term division between the VDC-based Project-established Committees and Sub-committees/KMTNC and the DDC

[31] UNDP comments: "[UNDP] *see*[s] *another point becoming more important. Given that anti-monarchy democratic movement prevails in the country after the success of the people revolution in April 2006, and the political regime as well as the system of governance in Nepal being transitional at the moment, it is likely that Raja and Mukhia system of Upper Mustang will be greatly affected. The Raja will loose relevance and traditional leaders who are most influential people now will be no more in the position of exercising their power parallel to the legally recognised authorities. This will influence the local decision-making and open room for outside interference which will greatly impact the social cohesion and traditional system therein*." The TET agrees fully and missed the implication of this.

is likely to be exacerbated or at least prolonged by the decision by the Cabinet of Ministers to return 60% of tourist entry fees to KMTNC/CTF and 30% to the DDC rather than to return 90% to a central fund which all parties have call upon provided agreement with all parties is reached – thereby providing a practical need for coordination and collaboration.

Project Management

Project Manager

100. In the early stages, the Project appears to have been dogged by a high turnover of staff which inevitably was detrimental to the smooth-running of the Project. The MTE referred to this as "*arguably constitut*[ing*] the most serious threat to the UMBCP*". It is pleasing to be able to report that with the change of Project Manager in 2002, that this haemorrhage of people from the Project ceased. This may be causative or coincidental – the TET is unable to comment – but at the time of the TPE, the project team appeared happy, efficient and dedicated to the Projects aims, despite the extremely harsh physical conditions in which they work.

101. The MTE also commented on the surprising philosophy contained in the Project Document of institutionalising skills into the Project by having staff spend part of their time working on ACAP activities and part on UMBCP activities. Not surprisingly, most staff felt they were being asked to do two lots of work. With the change of Project Manager, this policy seems to have been changed, not least because he personally declined to comply with these arrangements. As indicated in paragraph 14, he allocated 10% of his time to deal nominally with ACAP requirements and devoted 90% of his time to the Project – and apparently encouraged his staff to do the same. As a result, most of the Project's activities have since been produced on time.

Adaptive Management

102. The Project has had to adapt to a number of key challenges during its lifetime unforeseen by the Project designers. These have included:

- a bomb blast in the ACAP HQ in Pokhara that destroyed the GIS base;
- development of the beginnings of the Korolla-Jomsom road;
- the construction of the border fence on the Chinese side;
- freezing the CTF and producing guidelines for its cooperation; and
- discovery of numerous new wall paintings in the gomphas.

Despite these, all aspects of the Project's management and donors have worked together closely and well to develop solutions, overcome the challenges, and keep the Project on track, despite inevitable delays requiring an 18-month extension to it.[32]

Back-ups

103. The TET was pleased to find that while there was no formal back-up procedure for the Project's computers, the Project's GIS system was backed up regularly each week by the GIS Specialist in the ACAP HQ in Pokhara with the back-up copy being stored in his house. It appeared that no data of any

[32] UNDP comment: "*... a little elaboration is needed how the project responded to these issues which emerged during implementation of the project. Once the issue was perceived to have been of serious nature, with great possible impact on the project, the project management discussed this with grave concern in TPRs and bilaterally with partners and the local communities of Upper Mustang including the Raja. Only then it was agreed that an alternate alignment was needed to protect the walled city and other monuments and UNDP then came forward. The sad part is about the co-ordination with the DDC, which has been rightly highlighted in the report. During the road construction work initiated by DDC, no body from the local communities and from KMTNC brought this issue timely. Also the issue of fencing was discussed in the TPR and the KMTNC raised these issues to the Chinese government through the GoN, as a result, the remaining work of fencing was stopped.*"

significance was stored on the computers at the Project's office in Lo Manthang, e.g. the accounts department there dealt only with paper and the main computerised accounts were held in Pokhara. Although it was good to be able to record that the GIS was backed up regularly, the value of the data (in terms of the number of man-hours taken to collect it and the irreplaceable nature of the time-series data) means that a more rigorous system of back-up should be initiated.

The TET recommends that a more rigorous system of computer back-up, at least for the GIS, be instigated with two back-up copies being stored in separate locations and backed up alternately. It would be preferable if one of these was stored within a fire-proof safe within the office. Similarly, back-up lists of computer passwords should be stored securely.

THE TECHNICAL CONTEXT

GEF Identity and the Missing Links

104. The one area that the TET has most concern is over the lack of a link between the various key aspects of the Project, i.e. biodiversity conservation, social development, cultural conservation, and tourism. The MTE provided a detailed discussion on the philosophy of the linkages (or rather the lack of them) in the Project Document and the GEF Case Study undertaken in 2004 bemoaned the fact the UMBCP was actually a social development project rather than a biodiversity conservation one. The TET does not agree with the Case Study that the UMBCP lies towards the development extreme on the conservation-development continuum. The Project has undertaken a wide range of biodiversity conservation activities that will have long-term benefits such as a Management Plan which includes zoning and restrictions on grazing in areas of high biodiversity importance (hotspots); activities to reduce human-wildlife conflict; pasture management to reduce competition between livestock and wildlife; and community-based wildlife monitoring to provide data on which to base future management decisions.

105. Many of the key issues raised by the MTE under the section on "*Comments on the Project Design*" remain valid – the fact that the Project Document failed to present clear-cut 'project logic' that outlined how the wide array of development, natural resource management, and cultural conservation activities would lead causally to the conservation of biodiversity has bedevilled the Project throughout and is probably the main cause of the missing links between Project components. As the MTE points out, "*Most Integrated Conservation and Development Programs build their case on developing strategic linkages between development and conservation activities in such a way that conservation becomes a source of income and development in its own right*". This has not happened with UMBCP. The development of income-generating activities in their basic sense remains weak at the end of the Project – those involving biodiversity conservation as the source of income are absent.

106. The Project design grafted the UMBCP onto the existing community development and conservation activities executed by the KMTNC as part of ACAP. This has been both a strength and a weakness. Its strength comes from the fact that the ACAP/KMTNC model of focussing on sustainable community development to meet the demands of local communities, thereby winning trust which can then be used as "capital" to bargain for biodiversity concessions or to make future trades where local communities undertake conservation activities in return for development assistance, requires much time – certainly more than a six-year GEF project – and the fact that ACAP/KMTNC have been working in Upper Mustang since 1992 and will continue to be present in the area until 2012 certainly fits this requirement. The relative failure of the approach, however, can be seen in that having been operative in the area for at least nine years before the UMBCP commenced, ACAP/KMTNC should have been expected to have made much greater gains in creating the links between development and biodiversity conservation than are evident to the TET, even allowing for the rigorous conditions that the Project has had to work within. Another problem from this approach is that a culture of dependency is fast arising – the TET was approached on several occasions with requests for money to provide some item of economic development.

107. The main weakness of the approach is that the identity of the UMBCP has been subsumed into ACAP. There was extremely low awareness of the name "*Upper Mustang Biodiversity Conservation Project*" amongst the local community members, and even those who did recognise it indicated that they considered it just to be ACAP. There was no recognition of GEF. The lack of identity of UMBCP itself and the fact that it was a GEF project is much more than a point about flag-waving for GEF. GEF projects are special in that the international community is funding the incremental costs associated with the extra efforts needed to manage and conserve globally-important biodiversity. The TET found no evidence that the beneficiaries showed any understanding of this global dimension of the wildlife around them, nor that KMTNC or UMBCP staff had ever raised it with them. In the view of the TET, this represents a major missed opportunity. Organisations such as RARE[33] work from the opposite point of view from KMTNC/ACAP by stressing the global importance of species or habitats in an area and instilling pride in the local communities (villagers, schools, businesses) that they have these species present through focussed Pride campaigns[34] and then building social development around this necessary to support the long-term conservation. Imagine what could have been done had the UMBCP adopted Snow Leopard as the symbol of local pride and then focussed development and, say, tourism plans around that. To emphasise the point, within the Project the cultural conservation programme emphasised the global importance of the cultural heritage developing a sense of local pride in the Loba people and then developing economic benefits for them through their employment on the restoration works. These strong links for income-generation through training local people in restoration and maintenance work and potentially as tourist guides has resulted in a cadre of skilled workers who are now able to generate income directly for their families from future cultural conservation work while contributing to the conservation of wider global cultural values.

108. The Project strategy with regard to linking biodiversity conservation and income generation was focussed on livestock management and tourism development, as defined under Objective 3. The TET considers the links developed as part of the tourist management plan within the *Upper Mustang Area Conservation Management Plan 2006-2010* as being inadequate – see paragraph 93 *et seq*.

Lack of Project Integration

109. The MTE made the observation under its Lessons Learned that "*Many conservation projects are now of an 'integrated' nature, aiming to achieve a goal by taking on a wide range of different components executed by a variety of institutions. While such specialized partnerships are a good thing, there is a risk that each institution simply does its own thing. Without regular consultations, a shared vision and clear linkages, the holistic nature of such projects is threatened. This leads to a situation in which individual components may be successful while the overall project objective is not achieved*." The TET largely agrees with this observation. At the end of the Project, the cultural restoration works are progressing extremely successfully but pretty much in isolation from all other aspects[35]. Their contribution to income-generation for local people appears to be limited to the cadre of skilled workers that they have trained and who will continue to earn a living from further restoration and maintenance work. There appears to be little interest from those responsible for the cultural component to be involved in say the vision for tourism, but this would reflect the philosophy of the donor (AHF) as articulated by their Field Director who indicated that AHF concentrated on the conservation of the cultural heritage for the use by the local people, not as a tourist attraction.

[33] See www.rareconservation.org

[34] See www.rareconservation.org/programs_pride_inside.htm

[35] UNDP comments: "[The report] *rightly appreciated the work of cultural conservation in the area which is being administered by AHF through a separate arrangement outside the project (despite AHF being the partner to the project through parallel co-financing). But why goodies of cultural conservation are not linked to biodiversity conservation work, I agree that to some extent, it is rooted to the concept design of the project. But also to some extent it is attributed to the culture of project implementation through parallel financing in Nepal. … learning from culture conservation component, which is being separately managed by AHF, did hardly come to discussion with the project management team to facilitate cross learning.*"

110. The lack of links between biodiversity and social development have been expounded upon above, and although a major weakness of the Project, they are not viewed by the TET as a fatal flaw. While the MTE's comments about individual components being successful while the overall project objective is not achieved may be true in many cases, the lack of project integration in the current case does not actually appear to have harmed the realisation of the Project's Development Objective, i.e. *Biodiversity of actual and potential value and globally important habitats and species of Upper Mustang conserved.* The UMACMP has at least attempted to bring together the disparate elements in to a coherent vision for biodiversity, culture and tourism and to provide a series of clear steps as to how to, if not achieve a holistic end, at least to move towards it. It provides a firm basis on which future revisions can continue to build.

Impact on Beneficiaries

111. The impact of the Project activities on the beneficiaries at large can be considered to be positive and appreciable, especially when the ground realities prevailing before the GEF intervention are considered (see paragraph 26). Remoteness, inaccessibility on account of extremely difficult terrain and harsh climatic conditions have deprived the Upper Mustang region of most of the State-sponsored development programmes. The region has just one high school and the nearest hospital is more than three to four days walk for majority of the people. The population is sparse and the people mostly illiterate. Since it was a restricted area for many years, tourism activities commenced only after 1992. Thus, a primitive lifestyle devoid of basic sanitation (e.g. toilets) and proper hygiene (e.g. licking one's plate clean instead of washing it) prevailed prior to Project commencement.

112. Community organisation developed by the Project has changed things. Development of Mother's Groups has introduced basic sanitation and hygiene practices through raised awareness of issues, and has been responsible for the evolvement of positive group dynamism. Savings and Credit Groups (mainly formed of women) have now developed a saving habit and have access to credit for the first time when needed. They are also able to present a united front on vital issues that affect their livelihood, and have cultivated the culture of sharing the benefits equally among group members to assist the disadvantaged.

113. The Project has also brought benefits through the Community Trust Fund. Grants have been given for a number of activities, the most popular and widespread being money for more plantations which, as well as having a long-term biodiversity function, benefit the local people through providing them with timber (reducing construction costs) and fuel wood (providing an alternative to the back-breaking toil of digging up bushes on the hillsides and carrying them home (seemingly predominantly women's work)). The Project has enabled the installation of water-powered grinding mills in various places which has helped to reduce the drudgery of producing flour (again largely women's work), and the first CTF loan has enabled installation of a solar-powered grinding mill, which grinds ten times faster than a traditional water mill and that saves the long walk to and from the river with heavy loads.

114. The Project has worked hard to raise awareness over biodiversity and sustainability issues and has succeeded in changing people's attitudes through massive social mobilization and implementation of targeted programmes. It has made immense strides in this respect and the importance of conservation of biodiversity and cultural heritage is now ingrained in the mind set of the local communities. However, there remains still much to be done to make the people understand the significance of the biodiversity and cultural heritage for their welfare.

115. Unfortunately, despite these many positive impacts, the TET could find no significant changes that have been brought about in income-generation activities. Skill development training and enterprise development programmes have not made any significant impact due to only nominal use of credit and low retention of training inputs. People are hesitant to take up income-generating enterprises as a permanent occupation on account of the limited local market and the difficult links to the markets of the outside world. As with so many integrated development projects, the local people have too many and too high expectations of the Project which also faces an increasing culture of

dependency – something observed directly by the TET and which, according to the NPM, appears to be growing with increasing numbers of projects/donors operating within the District. However, despite these drawbacks, the overall impact of the Project on the beneficiaries is commendable and at present outweighs its shortcomings. It has been able to establish a strong foundation for the initiation of carefully-crafted and targeted development intervention in the future.

Alternative energy

116. The Project has struggled with the development of sources of alternative energy. Energy demand is greatest during the winter when local people require large amounts of it just to keep warm in temperature that drop to -26^{o}C. As a result, they spend large amounts of time in the summer digging up the stunted thorny bushes that grow on the hillsides, thereby degrading the environment and increasing levels of soil erosion, or collecting animal dung which then deprives the pastures of badly-needed nutrients. Alternative sources of energy are therefore desperately required, but the standard high-tech solutions are failing in the harsh environment. Micro-hydro schemes have been installed in a number of places by ACAP, but in winter the water freezes rendering them redundant. Solar power is popular, but again on cloudy days in winter it fails, and more generally the low temperatures reduce the effectiveness of outputs from the associated storage batteries. More importantly, the amount of power available is sufficient for lighting but generally insufficient to provide adequate heat. Low-tech solutions seem to fare no better. The idea of biogas has been mooted but the low winter temperatures reduce bacterial activity to zero and without further advances in the technology, this again will not prove to be a practical solution. The only option remains fuelwood and the Project has pursued the ACAP drive to establish plantations, mainly through provision of grant money from the CTF. Training in planting and harvesting has been undertaken along with walling to exclude animals. While this still fails to address the short-term needs of the local people, who continue to dig up bushes out of necessity, the long-term requirements are being met, and those plantations established by ACAP some 15 years ago are now producing their first returns. Local people are of the opinion that kerosene at a concession price and bottled gas brought from China would help, but it is unlikely that the economics of this are sustainable, either for the local people themselves or for an external project.

RECOMMENDATIONS

- The equipment necessary to deploy a copy of the MIS in the Lo Manthang Unit Conservation Office be undertaken as a matter of priority. Regular updates can continue to be made in Pokhara and copied through to the LMUCO on a regular basis.
- It is imperative that the GoN along with the DDC and other stakeholders develop a policy on the appropriateness and suitability of extending the road to Jomsom and thereby creating a de facto trans-Himalayan link through this biologically and culturally sensitive area. Alternatives should be considered and selected preferably as the primary link.
- As a matter of some urgency UNDP source funds internally or externally to complete the engineering works necessary to make the Lo Manthang usable and thereby capable of negating the adverse impacts of vehicular traffic on the cultural restoration works carried out as part of the UMBCP. The maximum expenditure is estimated to be US$15,000.
- While the TET acknowledges the near impossibility of establishing a Nepali army presence at the head of the Korolla Pass because of the harsh physical conditions and the political realities of resource deployment over a relatively minor issue (to the GON), the TET recommends that the Government of Nepal makes representations to the Chinese ambassador about full maintenance of the fence or its removal to re-establish a level playing field in Mustang.
- While the TET acknowledges that border security is a sovereign issue, it recommends that the Government of Nepal continues to make representations to the Chinese ambassador about the implications for wildlife of the fence and seeks assurances that the fence will not be extended.

Given the global significance and highly threatened nature of the large ungulates involved, the TET also urges GEF to raise the issue with the GEF Focal Point for China.

- An account separate from KMTNC is established for the funds from the tourism plough back, and that Guidelines and a legally-based (Sub-)Committee, similar to those governing the Community Trust Fund, be established immediately to administer them.
- The CTF-Manager needs to work hard and quickly to re-focus the Community Resource Action Joint Sub-Committee to balance its grant allocations and loan income more closely by either being more conservative with the amount of grants that it allocates, or preferably by more actively mobilizing its loan operations.

- Before the end of the Project, the tourism plan is reviewed and revised by persons with a greater understanding of the global tourist market who are able to explore and exploit likely opportunities arising in Upper Mustang within the next 5-10 years, with the aim of developing significant and profitable links between tourism and biodiversity conservation to provide income-generation for local people.
- A more rigorous system of computer back-up, at least for the GIS, be instigated with two back-up copies being stored in separate locations and backed up alternately. It would be preferable if one of these was stored within a fire-proof safe within the office. Similarly, back-up lists of computer passwords should be stored securely.

LESSONS LEARNED

- In designing projects that will operate in extremely difficult physical environments, there is a great need to allow adequate time for their implementation.
- Serious consideration needs to be given to such issues as basic communication systems and the needs of project staff when designing projects to operate in remote mountainous terrain.
- The central message of the global importance of wildlife for which GEF biodiversity conservation projects are established, needs to be ensured during their implementation.
- When designing projects, it is important to ensure that proper causal links are established between conservation and other project components such as social development.
- Careful social organisation, and involvement of local people in planning and decision-making appears to result in extremely good social mobilization and motivation for implementing project activities.
- Three-dimensional participatory models of all or parts of project areas have proved particularly valuable in enabling local communities with high levels of illiteracy and low levels of education to visualise their home areas for project planning and decision-making in ways that ordinary two-dimensional contoured maps cannot achieve.
- When designing micro-enterprise training for local communities, it is important to ensure that there is adequate access to markets, or that such markets can be established, otherwise little use can be made of the training.
- Unless appropriate income-generating training and market linkages for enterprise development is made, it is not possible to invest credit capital in the community.
- Where educational levels of the recipient population are low and illiteracy rates are high, training is better designed to cover a narrow range of knowledge and skills with regular follow up at short intervals to cement the knowledge gained, rather than numerous one-off training on a wide variety of subjects.

- Social development activities that require a contribution from the local community are more likely to result in success than those where contributions are not required or have not been elicited. The latter can bring conflict to communities. The higher the level of local investment (time, labour, money) required, the more value that is attached to the development/improvement, and therefore the more likely local people will be to ensure its success/use or take ownership.
- The improvement of pastureland to benefit wildlife conservation will always remain fragile and open to increases in domestic livestock unless either a) some form of policed quota system is operated in conjunction with such management, or b) other economic incentives can be developed that themselves encourage conservation actions.
- Measures to reduce human-wildlife conflicts have proved to be extremely effective in promoting a conservation ethos amongst local livestock farmers.
- Using national consultants to develop tourism plans where the market is primarily international, would appear to be counter-productive since while they may know the destination area and the attractions intimately, they may not have exposure to international tourist requirements or global tourist management norms. Similarly, use of an international consultant alone would leave gaps in national nuances. Tourist plans would appear to be best developed by teams including both.

ANNEX I : FINAL PROJECT EVALUATION TERMS OF REFERENCE

1. Project Summary

Project Title:	Upper Mustang Biodiversity Conservation Project
Abbreviation:	UMBCP
Project Number:	NEP/99/G35 and NEP/99/021
Executing Agency:	King Mahendra Trust for Nature Conservation (KMTNC)
Project Sites:	Upper Mustang restricted area of Annapurna Conservation Area
Beneficiary Country:	Nepal
Project Duration:	July 2000 – December 2006
Budget:	UNDP, TRAC (1 and 2) US$ 205,000
	GEF US$ 750,000
	American Himalayan Foundation (AHF) US$ 1,375,000
	Government of Nepal (through KMTNC) US$ 320,500
	ICIMOD US$ 83,000
	TOTAL US$2,733,500

2. Introduction

A. Background on the Upper Mustang area

Upper Mustang is located in the northern part of Mustang district in Western Nepal bordering the Tibet Autonomous Region of China in the northeast. Much of Upper Mustang is a high altitude steppe lying between 2900 – 6800 m. It is in the rain shadow of the Himalayan ranges with sparse rain and severe winters. Availability of water dictates the conditions for agriculture and settlements. Consequently, the area of 2567 sq km is one of the most sparsely populated regions in Nepal having a total population of about 5400. Settlements are dispersed along or adjacent to rivers and streams. About one per cent of the total land area is cultivated and about half of the total area comprises rangeland. The economy in the area is dependent on animal husbandry and some farming supplemented by trade. Seasonal migration has emerged as a survival strategy.

The people are Lo (Tibetan) origin, and the Tibetan Buddhism is the religion of the inhabitants. The area is culturally very rich and there are many monasteries and historical religious monuments. Upper Mustang also hosts rich trans-Himalayan biodiversity. There are endemic plant species, and many plants have medicinal values forming the basis for traditional Tibetan medicine. The rangelands provide habitats for many species of wildlife, a number of which are endangered. The area also provides an important corridor for migrating birds.

The ten-year conflict impacting most of Nepal has not affected the Upper Mustang area, mainly because of the difficult access of the area. It is an eight day walk away from the nearest motorable road (in Pokhara) and a three-four day walk from the nearest commercial airport (in Jomsom).

B. Background on UMBCP

With financial support from the Global Environment Facility (GEF) and the United Nations Development Programme (UNDP), American Himalayan Foundation (AHF) and International Centre for Integrated Mountain Development (ICIMOD), King Mahendra Trust for Nature Conservation (KMTNC), on behalf of the Government of Nepal, has been executing this project designed to conserve biodiversity in the restricted region of Upper Mustang since July 2000. In the original project document, the project was designed for 5 years (ending June 2005), but was extended till December 2006 following the recommendations of a mid-term evaluation.

All activities in Upper Mustang before the commencement of the UMBCP were almost exclusively directed towards developmental goals. The project was designed to improve the conservation and management activities in Upper Mustang, in order to preserve an extraordinary example of the high altitude biodiversity of the Himalayas. It was expected that the project would lead the way to continued ecological, socioeconomic, cultural, spiritual and aesthetic benefits to the local population, Nepal as a nation, and the global community.

While the biodiversity of the protected area of Upper Mustang has local and global values, the management of the area has suffered from severe constraints, including weak capacities, paucity of data, and poor facilities. Particularly, the first two constraints have prevented the design of conservation strategies and a management plan as well as a tourism management plan, which once integrated would address the requirements for nature conservation and economic development in the local communities. The deterioration of historical religious monuments and with it the weakening of the authority of religious leaders have been slowly dissolving the historically strong link between Buddhist philosophy and values, cultural belief systems and a respect for nature.

The need to harmoniously integrate sustainable development and biodiversity conservation has been recognized by the Government of Nepal as well as the KMTNC, which has practiced this approach since 1986 in other parts of the Annapurna Conservation Area (and from 1992 onwards in Upper Mustang). This need is particularly pronounced given that the economy of the local communities is almost entirely based on the use of natural resources (which now includes the area's scenery, and attracts an increasing number of visitors from abroad). While the Government of Nepal and the KMTNC support biodiversity conservation and integrated rural development in the protected area, their resources were too scant to address the concerns of the global community and conserve those species and ecosystems of global significance. Thus, this led to the project formulation and the joint support from GEF, UNDP, AHF and ICIMOD.

The development objective of the project has been to conserve biodiversity of actual and potential value and to preserve globally important habitats and species of Upper Mustang. This was expected to be achieved through the participatory design of conservation strategy, land use and management plans demarcating priority areas for biodiversity conservation, land use types and management zones within Upper Mustang to meet integrated conservation and management goals.

In order to meet the development objective of the project, **three immediate objectives** were identified:

- building institutional capacity for effective protected area management and biodiversity conservation (specific to Upper Mustang);
- developing, through participatory action research and data collection, a baseline of essential information on biodiversity, and establishing community-based planning, management and monitoring systems for protecting the biodiversity; and
- developing and testing, particularly in connection to nature- and heritage-based tourism and pasture and livestock management, replicable income-generating schemes that contribute to biodiversity conservation.

A related fourth objective focused on cultural heritage conservation: To conserve, restore, and protect ancient religious monuments of the Upper Mustang; strengthen indigenous institutions for the preservation of local cultural and religious heritage, thus forming an important entry point to mobilize the local communities of Upper Mustang for biodiversity conservation. Inputs for the achievement to this objective have managed by parallel agreement with American Himalayan Foundation and KMTNC. Achievements regarding this objective are not within the scope of this evaluation.

The project objectives and activities were designed to respond to the following threats:

- changing patterns of animal husbandry by local pastoralist and nomads leading to increased conflict between livestock and wildlife;

- greater grazing pressure on rangelands and a decline in valuable endemic species
- restriction in grazing areas due to closure of the China (Tibet Autonomous Region) border
- over-exploitation of shrub lands and remaining forested areas for fuel wood
- over-exploitation of native medicinal plant resources, several which are endangered and threatened;
- inadequately planned activities, particularly commercial ventures that are expected to result from anticipated changes in tourism policy

The **Mid Term Review** carried out in September - October 2002 concluded that the project design is generally sound, but the establishment of direct causal linkages between rangeland activities and the conservation of biodiversity are needed as well as the direction of future tourism development in the area. They also recommended to freeze the Community Trust Fund (CTF) until an approved set of guidelines had been developed, and to extend the project period for an additional one and a half years. When the project period was extended till December 2006, a new revised log frame for the project was formulated (see Annex). In addition, the guidelines for the CTF were prepared and the fund started to provide grants again in 2005.

In August 2004, **a case study** "The nature and role of local benefits in GEF programme areas" was conducted to explore and better understand the interrelationship between local livelihood benefits of GEF-supported interventions and the attainment of global environment benefits. The study analysed achievements and weaknesses related to project design and implementation, financial, social and institutional, human, physical, and natural capital. The main conclusion of the study team was that UMBCP has become more of a development project rather than a project seeking to attain global environmental benefits.

3. Purpose of Evaluation

The overall purpose of the evaluation is to examine the concept, design, implementation modality, efficiency, effectiveness, relevance, impact and sustainability of the project. The review will assess the extent to which the project has achieved its objectives.

4. Scope of Evaluation

- Assess progress towards attaining the project's contribution to achieve national and global environmental objectives (national objectives are to ensure sustainable use of biodiversity resources while the global objectives remain to safeguard biodiversity of global importance and contribute to reduce global environmental impacts from loss of biodiversity at the local level;
- Assess the achievement of project outputs and outcomes (including the assessment of planned and actual expenditure against outcomes);
- Review and evaluate the extent to which project impacts have reached the intended beneficiaries;
- Assess the level of public involvement in the project;
- Assess the likelihood of continuation of project outcomes and benefits after completion of GEF funding;
- Assess efforts of UNDP in support of the executing agency and national institutions;
- Describe the main lessons that have emerged in terms of:
  - strengthening country ownership/driven-ness in conservation of dryland ecosystems;
  - strengthening stakeholder participation in the process of applying participatory integrated conservation and development approaches; application of adaptive management strategies in pursuant with new kind of learning gathered during programme implementation to orient the programme for achieving its goal; efforts to secure sustainability;
  - knowledge transfer; and
  - role of M&E in project implementation.

In describing all lessons learned, an explicit distinction needs to be made between those lessons applicable only to this project, and lessons that may be of value more broadly, including to other, similar projects in the UNDP/GEF pipeline and portfolio.

5. Evaluation criteria
The key criteria for the evaluation should include:

- Efficiency: the amount of outputs created in relation to the resources invested;
- Effectiveness: the extent to which the planned outputs and outcomes are being achieved;
- Relevance: to what extent the project is addressing problems of high priority, mainly as viewed by the stakeholders;
- Sustainability: national ownership and guidance by the Government;
- Management arrangements: the extent to which management arrangements support the above;

6. Methodology for the Evaluation

The evaluation team will decide on the concrete evaluation methodology to be used. However the following elements are listed here for guidance:

- Obtain initial briefings from UNDP CO and UNDP/GEF regional office on the objectives and scope of the evaluation, go through the UNDP and GEF requirements for final evaluations (the GEF M&E policy and guidelines for terminal evaluations, UNDP M&E policy), and clarify any issues as required. Familiarization of Modify TOR based on mutual agreement if needed;
- Desk review of relevant documents (project document, Annual Project Reports (APRs and PIRs), mid-term evaluation report, local benefit study report, other relevant documents);
- Interviews with and participation of partners and stakeholders;
- Consultation meetings;
- Field visit to Upper Mustang;
- Draft the report and make a presentation of findings and recommendations to the UNDP CO and relevant stakeholders;
- Finalize the report with comments and inputs from various stakeholders till the end of September;

7. Key questions

- Have the planned outputs and outcomes beeen achieved? If not, what are the reasons for that?
- Has the project built the capacity of conservation area management committees so that they are capable of carrying on the biodiversity conservation (planning, management and monitoring)?
- Is the management information system created sufficient for future conservation planning and monitoring?
- Has the project created replicable income generating schemes that contribute to biodiversity conservation?
- Is the Community Trust Fund functioning as presented in the guidelines?
- Have outputs related to rangeland management increased the rangeland productivity and sustainability?
- How relevant have the project interventions been for the target beneficiaries?
- Has the project been able to create linkages between local benefits and global environmental benefits?
- How are the prospects that the project outcomes and benefits will continue after completion of GEF funds?

- Has the project has duly considered the recommendations of Mid Term Review and Local Benefits Case Study?
- What is the likelihood of financial sustainability of the approaches undertaken by the project?

8. Evaluation Products

The evaluation team is expected to produce a Final Evaluation Report (no more than 40 pages, excluding Executive Summary and Annexes) which should also include ratings on the following two aspects: (1) Sustainability and (2) Outcome/Achievement of objectives. As an option evaluators can also provide ratings for three of the criteria included in the final evaluation: (3) Implementation approach; (4) Stakeholder participation / public involvement; and (5) Monitoring & Evaluation. The ratings will be: Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU).

The report should be structured as follows:

Acronyms and Terms

Executive Summary (no more than 4 pages): The Executive Summary should briefly explain how the evaluation was conducted (including the methods of verification) and provide the summary of contents of the report and its findings.

Project Concept and Design: This section should begin with the context of the problem that the project was design to address. It should describe how effectively the project concept and design dealt with the situation, with a focus on the consistency and logic of the project strategy and the log frame. Different planning and assessment documents, (i.e. project document, mid-term evaluation, local benefit study) and work plans should be reviewed.

Project Implementation: If the project was well-designed, the next question to ask is was the project well-implemented? How efficient was the implementation? Have inputs been successfully converted into outputs? Did we do things right?

Project Results: This section should be an assessment of how successful the project has been in terms of achieving its immediate and development objectives. Were activities and outputs successfully converted into outcomes and results? If not, why not?

Project Impact and sustainability: This section should assess the overall and long-term effect of the intervention, and sustainability of the results after the termination of the project. How are the prospects that the planned broader impacts will be achieved? Will benefits and activities continue after the end of the project?

Main Findings: The main points or conclusions of the evaluation.

Lessons Learned: This is a list of lessons that may be useful to other projects. It can, if applicable, also include some recommendations for UNDP considering new programming in biodiversity conservation field and for KMTNC relating to the future actions and options in Upper Mustang area.

List of Annexes (Terms of Reference, Itinerary, Persons Interviewed)

9. The use of the evaluation

The findings and lessons learnt will benefit the current UNDP/GEF programs and projects, and will provide guidance when creating new biodiversity conservation projects.

10. Evaluation Team

The team will consist of one international consultant and two national consultants who will participate for the entire duration of the evaluation. The international consultant will be designated as team leader and will carry overall responsibility for organizing and achieving the evaluation and delivery of a final report.

- **Team Leader / Conservation Consultant (international)**: Academic and/or professional background (minimum MSc degree) in natural resource/protected area management or related fields with experience in terrestrial biodiversity conservation and an understanding of the landscape ecology approach is required. S/he should have a minimum of 10 years relevant working experience. S/he must be highly familiar with Integrated Conservation and Development Programme (ICDP) and/ or community-based natural resource management projects in developing countries - particularly in Asia – either through managing or evaluating large scale donor-funded projects. Substantive knowledge of participatory monitoring & evaluation processes is essential. Country experience in Nepal is a distinct advantage. Experience in the evaluation of technical assistance projects, if possible with UNDP or other United Nations development agencies and major donors is mandatory. A demonstrated understanding of GEF principles and expected impacts in terms of global benefits is essential. Excellent English writing and communication skills (including word-processing) will be required. Demonstrated ability to assess complex situations in order to succinctly and clearly distil critical issues and draw forward looking conclusions is a must. Experience in leading multi-disciplinary, multi-national teams to deliver quality products in high stress, short deadline situations will be required.

- **Conservation Consultant (national):** S/he must hold a minimum of MSc degree in natural resource management and related fields with a minimum of 5 years of relevant experience. Previous work designing, managing or evaluating GEF biodiversity conservation projects is an asset. Knowledge of national and international conservation institutions/projects is needed. Demonstrated understanding interlinkages between conservation and development and decision-making processes related to that at the national, provincial and local level is essential. Previous experience in conservation and livelihood issues of high altitude mountainous terrain is a distinct advantage. Proficient English writing and communication skills (including word-processing). Ability to act as translator for international counterpart and to translate written documents from/to Nepalese is essential.
- **Social and Gender Consultant (national):** a minimum of Masters degree in sociology, gender or related area with a minimum 5 years of progressive work experience, combining social issues and gender is required. Preferably s/he should be familiar with the national policy issues, priorities, and institutional mechanism and programme/project implementation. Particularly knowledge and experience on participatory development and community organisations will be valuable. Previous working experiences in the formulation of projects, producing project documents and evaluating community development and/or conservation programmes will be an asset. S/he should have excellent presentation and report writing skills in English. S/he should be creative and have good interpersonal skills. Overall features of excellent presentation abilities, clear articulation of ideas and effective communication skills are required.

In addition, the Government of Nepal will nominate a representative to the evaluation mission.

11. Duration

The consultant team will be recruited for a period of 3 man month (mid-August to mid-September 2006). During the contract period each team member is expected to provide the following working time input:

- Team Leader / International Conservation Consultant, 1 man month

- National Conservation Consultant, 1 man month
- Social and Gender Expert, 1 man month

12. Implementation Arrangements

UNDP CO in Nepal takes care of logistics arrangements, field visits and meeting programme. In addition, KMTNC staff will accompany the mission to gather basic data, set up meetings, identify key individuals, assist with planning and logistics, and generally ensure that the evaluation is carried out smoothly.

ANNEX II : ITINERARY OF ACTIVITIES OF THE FINAL PROJECT EVALUATION MISSION

Date		Activities
Mon	14th Aug	pm: Evaluation team leader (PE) arrives in Kathmandu.
Tues	15th Aug	am: Initial team meeting and briefing by UNDP. pm: Meeting with KMTNC and document review.
Wed	16th Aug	am: Meeting with ICIMOD. Meeting with UNDP M&E Officer. pm: Document review.
Thurs	17th Aug	am: Meeting with Director, Nepal Tourism Board. Meeting with Secretary of Ministry of Tourism, Culture and Civil Aviation Authority. pm: Obtaining permits for PE to visit Upper Mustang Restricted Area. Meeting with Country Representative of World Wide Fund for Nature.
Fri	18th Aug	am: Flight to Pokhara. Presentation by ACAP. pm: Document review and work with UMBCP GIS Specialist.
Sat	19th Aug	am: Flight to Jomsom cancelled by bad weather. Document review. pm: Team briefing and document review.
Sun	20th Aug	am: Flight to Jomsom delayed by bad weather, but ultimately successful. Meetings with local ACAP and army. Meeting with local government line agencies. pm: Trek to Kagbeni.
Mon	21st Aug	am: Trek to Chuksang. pm: Observation of solar powered fruit/vegetable drier. Meeting with Chuksang Savings and Credit Group. Trek to Tsaile.
Tues	22nd Aug	am: Trek to Samar. Observation of regenerating forest. pm: Trek to Zhaite and observation of plantation at Ghykar.
Wed	23rd Aug	am: Trek to Dhakmar. Observation of plantation and sea buckthorn area.. pm: Meeting with Savings and Credit Group. Trek to Tsarang via Ghar Gompa to see restoration work. Evening meeting with Field Director of American Himalayan Foundation (PE).
Thurs	24th Aug	am: Meeting with Tsarang Savings and Credit group. Meeting with Tsarang Conservation Area Management Committee. Observation of solar powered flour mill. pm: Trek to Marang, meeting with the mother group and observation of kiosk and Lo Manthang.
Fri	25th Aug	am: Meeting with Project Manager. Team meeting. pm: Meeting with Project Manager (PE). Meeting with Directors of John Sanday Associates (PE). Visit to hay meadow in Marchung, and greenhouse of ACAP (RS) and to herbal farm of Amchi (RS and NT). Meeting with Social Mobilisers and CTF-Manager (NT).
Sat	26th Aug	am: Trek to Chhosher. Meeting with Saving Credits Group (NT) Pm Meeting with Chosyar PMSC (PE + RS)
Sun	27th Aug	am: Visit to Niphu cave (PE and RS). Separate treks to Thinkar. Observe Kimling Sea Buckthorn Conservation Site. Meeting with Thinkar Savings and Credit Group (NT) and Thinkar Conservation Area Management Committee (PE and RS). pm: Trek to Lo Manthang.
Mon	28th Aug	am: Visit to observe road and meet Construction Manager (PE). Pm: Observation of CRAJSC meeting. Visit to Jhampa, Thupchen and Chhoede gompas to view restoration work (PE and RS).
Tues	29th Aug	am: Day off visit to Panga Pass (PE). Observe permanent quadrat to see the effects of grazing on alpine pasture (RS). Meeting with CAMC member for Lo Manthang VDC (NT) and meeting with Project Tourism Assistant and Conservation Education

		Assistant (NT). pm: Team planning. Meeting with CTF Manager (PE). Brief presentation to project staff at evening dinner (PE).
Wed	30th Aug	All day: Trek to Syangmochen
Thurs	31st Aug	All day: Trek to Muktinath
Fri	1st Sept	am: Trek to Jomsom. pm: Trek to Jomsom and visit to ACAP's Eco-Museum (PE).
Sat	2nd Sept	am: Travel to Kathmandu via Pokhara. pm: Report writing (PE). Time off for national consultants.
Sun	3rd Sept	All day: Report writing. Meeting with National Project Manager (PE).
Mon	4th Sept	All day: Report writing. Evening meeting with Field Director of American Himalayan Foundation (PE).
Tues	5th Sept	All day: Report Writing
Wed	6th Sept	All day: Report Writing
Thurs	7th Sept	All day: Report Writing Meeting with DRR
Fri	8th Sept	Report writing, meeting with NPD, TPE briefing
Sat	9th Sept	All day: Report writing
Sun	10th Sept	Departure

ANNEX III : PERSONS INTERVIEWED

UMBCP Project Staff

Mr. Ganga Jung Thapa	National Project Director
Mr. Kirti Nath Poudel	National Project Coordinator,
Mr. Madhu Chetri	National Project Manager
Mr. Bal Krishna Ban	CTF Manager
Mr. Hira K.C,	Ranger
Mr. Basudev Neupane	Ranger
Ms. Harimaya Gurung,	Social Mobiliser
Ms. Pema Gurung	Social Mobiliser
Mr. Navaraj Chapagain	GIS Officer, Pokhara
Mr. Ramji Acharya	Overseer/Community Development Worker
Mr. Mani Prasad Gurung	Conservation Education Assistant, ACAP
Mr. Shailendra Kumar Yadav	Tourism Assistant,

Donors

Mr. Ghulam Isaczai	Deputy Resident Representative, UNDP
Mr.Bruce Moore	Field Director, AHF
Mr. Arup Rajouria	Membership Secretary, KMTNC
Mr.Siddhartha Bajracharya,	Programme Manager, KMTNC
Mr.Bidur Pokhrel	Account Officer, KMTNC
Mr.Santa Raj Jnawali	Director, Monitoring & Evaluation, KMTNC
Mr.Binod Basnet	Programme Officer, KMTNC
Dr. Yan Chauli	Research Officer, ICIMOD
Mr.Chhimi Rinjin Gurung	Field Director, Snow Leopard Conservancy

Government Officers

Mr. Madhav Ghimire	Secretary, Ministry of Culture, Tourism and Civil Aviation
Mr.Subash Niraula	Director, Nepal Tourism Board
Mr.Hikmat Singh Ayer	Manager, Nepal tourism Board
Mr. Manish Pandey,	Officer In-Charge, Jomsom Unit Conservation Office
Mr. Pramod Poudel	District Soil Conservation Office
Mr. Khem narayan Chapagain	Agriculture Extension Officer
Mr. Som Bahadur Gurung	District Veterinary Office

Local Government Officers

Mr. Kedar Singh Thapa,	Program Officer, DDC Mustang
Mr. Ghyurmi Aangi Bista,	VDC Secretary, Lo Manthang

Others

Dr. Chandra Prasad Gurung	WWF Country Representative, WWF
Sir John Sanday	Director, John Sanday Associates
Mr. James Goodman	Director, John Sanday Associates
Mr. Luigi Snfiem	Chief Supervisor, Restoration Team, JSA
Ms. Sederica Bagalini	Supervisor, Restoration Team, JSA
Mr. Davide Scinandra	Supervisor, Restoration Team, JSA
Mr. Indra Dhara Bista	Chairman, Tourist Management Sub-Committee, Lo Manthang and Construction Manager for Lo Manthang Bypass

Community Resource Action Joint Sub-Committee

Ms. Maya Bista	Vice Chair Person, CRAJSC
Mr.Pema Rinjin Bista	Treasurer, CRAJSC
Mr.Suvarna Kumar Bista	Secretary, CRAJSC
Mr.Makar Bahadur Bista	Member, CRAJSC
Mr.Ghyurmi Angyal Bista	Member, CRAJSC
Mr.Pema Nyutak Bista	Member, CRAJSC
Mr.Sankha Lal Gurung	Member, CRAJSC
Mr.Mingyur Prasad Gurung	Member, CRAJSC

Local Village Groups – Lo Manthang/Chhonup VDC

Dr. Ghyachu Bista	Amchi
Mr. Tashi Gurung	CAMC member, Lo Manthang
Mr. Chhimi Rinjin Gurung	CAMC member, Lo Manthang
Mr. Indra Dhara Bista	TMSC, Lo Manthang
Mr. Ghatuk Gurung	Conservation Farmer, Thingar

Local Village Groups –Conservation Area Management Committee, Tsarang VDC

Ms. Maya Bista	Chairperson
Mr. Kunga Tenjing Gurung	Secretary
Mr. Sanbo Gurung	Member
Ms. Tandi Sango (for Sonam) Gurung	Member
Mr. Larsang Namgyal Gurung"	Member
Mr. Dhindu gurung	Member
Ms. Dhoka Gurung	Invited Guest

Local Village Groups – Conservation Area Management Committee, Thinkar, Chhonup VDC

1. Mr.Pema Ynutak Gurung	Chair person, CAMC
2. Mr.Karma Sinduk	Member, CAMC
3. Mr.Chhyotar	Member, CAMC
4. Mr.Chhang Sinduk	Member, CAMC
5. Mr.Pema Bandi	Member, CAMC
6. Mr.Pema Nhyochen	Member, CAMC
7. Mr.Tasi Dhinduk	Member, CAMC
8. Mr.Kalsang Dhoka	Member Secretary, CAMC
9. Ms Ukin Dhoka	Member, CAMC
10. Ms.Namghi	Member, CAMC

Local Village Groups – Pasture Management Sub-committee, Chhoser VDC,

Mr Nima Dhindu Gurung	Chairperson , PMC
Mr Tasi Kshiring	Member
Ms. Tasi Dhoka Gurung	Secretary
Ms.Nima Angma Gurung	Member
Mr Hira Bahadur KC	Member

Local Village Groups – Jhyamno Chhemba Women Saving and Credit Group Chhuksang VDC

Ms.Laxmi Gurung	Chairperson
Ms.Lhaten Gurung	Vice- Chair person
Ms.Mendo Gurung	Treasurer
Ms.Lhakchhom Gurung	Member
Ms.Chhine Gurung	Member
Ms.Chhema Gurung	Member
Ms.Karchyu Gurung	Member

Ms.Kshiring Gurung	Member
Ms.Laxmi Gurung	Member
Ms.Nursa Gurung	Member
Ms.Phuramngo Gurung	Member
Ms.Panching Gurung	Member
Ms.Shite Gurung	Member
Ms.Shoku Gurung	Member
Ms.Knite Gurung	Member
Ms.Chhe Sango Gurung	Member
Ms.Pematoka Gurung	Member
Ms.Pasang Gurung	Member
Ms.Hisima Gurung"	Member
Ms.Kunga Angyo Gurung	Member
Ms.Kunga Gurung"	Member
Ms.Mingma Dhoma Gurung	Member
Ms.Para Gurung	Member

Local Village Groups – Dhakmar Village, Chhokyachhemo Women Saving/Credit Group Ghami VDC

Ms.Jhyang Lekte Gurung	Member
Ms.Karchyung Gurung	Member
MrYoungo Gurung	Member
Ms..Jhyambo Lambo Gurung	Secretary

Local Village Groups – Lali Gurans Women Saving/Credit Group, Tsarang VDC

Ms.Maya Bista	Chairperson
Ms. Kunga Tenjing Gurung	Secretary
Ms.Dhechen Bista	Member
Ms.Tasi Aango Gurung	Member
Ms.Kursang Gurung	Member
Ms.Lhakpa Dhoka Gurung	Member
Ms.Lhakpa Chhonjung Gurung	Member
Ms.Ri Chheten Gurung "	Member
Ms.Dhoka Gurung	Member
Ms.Chheten Gurung	Member

Local Village Groups – Janachetana Saving/Credit Group Chhoser VDC

Mr.Lakhpa Gurung	Chairperson
Mr. Aandi Kshiring Gurung	Secretary
Mr. Dhabadri Gurung	Joint Secretary
Mr. Tasi Gurung	Member
Mr.Dhinduk Gurung	Member
Ms. Lajung Gurung	Member
Ms. Pamo Gurung	Member
Ms. Lhamo Gurung	Member
Mr. Pemba Gurung	Member
Mr. Migmar Gurung	Member
Mr. Pema Angyal	Member
Mr. Yangin Gurung	Member
Mr.Urken Gurung	Member
Mr.Aangyal Gurung	Member
Mr.Lhakchung Gurung	Member
Mr.Lhakchung Gurung	Member
Mr. Yanding Gurung	Member
Ms. Tasi Lhamo Gurung	Member

Mr. Nima Dhinduk Gurung	Member
Ms. pasang Lamhu Gurung	Member
Mr. Yanjung Gurung	Member
Ms. Dhoma Kshiring Gurung	Member
Ms. Lhanu Dhoka Gurung	Member
Ms. Pemba Lhamu Gurung	Member
Mr. Ghibhu Gurung	Member
Mr. Damji Gurung	Member
Ms. Nibha Aangmo Gurung	Member
Ms. Lhakpa Dhoma Gurung	Member
Ms. Kunjang Chhotin	Member
Ms. Pasang dhoma Gurung	Member

Local Village Groups – Seto Saving/Credit Group Thinger, Chhonup VDC

Mr. Dhinduk Gyaljen Gurung	Chairperson
Mr. Sitar Gurung	Treasurer
Mr. Pasang Gurung	Joint Secretary
Mr. Karma Gurung	Joint Secretary
Ms. Dhoma Gurung	Member
Ms. Lhakpadom Gurung	Member
Ms. Karmatoke Gurung	Member
Ms Karsang Gurung	Member
Ms. Kinsang Gurung	Member
Ms. Sonamten Gurung	Member
Ms. Kshitin Gurung	Member
Ms. Mhutin Gurung	Member
Mr. Kshiring Yanjom Gurung	Member
Ms.Pema Yanden Gurung	Member
Ms.Chhimi Aangmo Gurung	Member
Ms. Dhechen Gurung	Member
Ms.Sonam Gurung	Member
Ms. Chhimilhamo Gurung	Member
Ms. Dhoto Gurung	Member
Ms. Lhamo Dhoka Bista	Member
Ms. Nihm Aangmo Gurung	Member
Ms. Yanjon Gurung	Member
Ms. Nilma Sangmo Gurung	Member
Ms. Pema Gurung	Member
Ms. Pukka Gurung	Member
Ms Dhikidhoka Gurung	Member
Ms. Namgi Gurung	Member
Ms. Dhoka Gurung	Member
Ms. Syangyo Gurung	Member
Mr. Karma Dhechen Gurung	Member
Mr.Dhayajen Gurung	Member
Ms. Rinjin Khato Gurung	Member
Ms. Aansung Gurung	Member
Ms.Chhiming Gurung	Member
Dhom Sano Gurung	Member

ANNEX IV : SUMMARY EVALUATION OF PROJECT ACHIEVEMENTS BY OUTPUTS

During the Project, the logframe was revised and simplified following recommendations made by the MTE through a seven-day workshop held in December 2002/January 2003. This evaluation matrix uses the revised logframe.

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
Immediate Objective 1: Institutional capacity for effective protected area management and biodiversity conservation specific to Upper Mustang developed	By the end of project • Lo Manthang Unit Conservation Office (LMUCO), Conservation Area Management Committees (CAMCs) and other Community Based Organisations (CBOs) possess both organisational and management procedures as well as human resource capacity to continue and further develop protected area management and biodiversity conservation activities	LMUCO staff have been trained extensively and have the procedures and capacity to fulfil their job requirements. All seven CAMCs have Conservation Area Management Operational Plans (CAMOPs) in place and are being acted upon. Capacity of CAMCs has been built by training. Sixty-eight sub-committees (savings and credit groups, pasture management sub-committees, mothers' groups; tourism management sub-committees; gompha management sub-committees, and micro-hydro management sub-committees) have been organised and have operational plans included in the CAMOPs.	LMOCU has organisational as well as human resource capacity for effective management and conservation. LMUCO staff efficient and effective in mobilizing CBO'sin executing jobs CAMCs have been formally set up and are well established in the community but the capacity of the human resource varies significantly between villages and they remain highly dependent on UMBCP/ACAP facilitation. This is not least because there remains a high degree of illiteracy. Capacity still requires significant development. needs to be significantly developed. The social mobilization of the local community undertaken by the Project is impressive. However, CBOs need to be institutionalised. Members do not have adequate management capacity but have become more aware about conservation issues. CAMOPS included in Upper mustang Area Conservation Managemenht Plan (UMACMP) – see Objective 2 below.						

¶ from Section D of the Project Document

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• Indigenous institutions are active partners in conservation as evidenced by collaborative planning and implementation of plans	High local participation in planning and implementation – see above.	High social mobilization is evident with active local particiapation. The Raja of Mustang chairs the CRAJSC and is involved in many activities. Project's support is well received by religious institutions while people from different communities participate actively in the Project activities. Support to the Amchi school for NTFP-based enterprise and advocacy for use of herbal treatment Local institutions mobilized effectively and inclusively.						
Output 1.1: Institutional and technical capacity of LMUCO for conservation area management strengthened	By the end of 2006 **Output Indicators** • Timely planning[36] of LMUCO and at least 90% of the planned activities implemented successfully	All planned activities required by the Project Document have been implemented by the time of the TPE, with the exception of a District-level coordination workshop timetabled for last part of September to review project achievements and close the Project.	Activities implemented effectively and efficiently as outlined in the project design.						
	• LMUCO staff capable of implementing Conservation Area Management Plan (CAMP)[37] for Upper Mustang	LMUCO staff appear well-trained and motivated, and apparently capable of implementing the Conservation Area Management Plan for Upper Mustang.	LMUCO staff capable and skilful in biodiversity monitoring, social mobilization and community leadership.						

[36] As per KMTNC planning system

[37] CAMP as prepared by UMBCP in 2004

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	Process indicators • LMUCO staff implement CBOs strengthening training	LMUCO staff have been instrumental in providing extensive training to CBOs and at the time of the TPE appeared to continue to play a key facilitatory role (e.g. for the CRAJSC).	CRAJSC and CBO would probably be defunct if not facilitated by the LMUCO staff CBO's have great respect and confidence in UMBCP staff and remain dependent on them for facilitation. UMBCP staff also trained CBO's in biodiversity monitoring techniques.						
	• Studies and surveys on flora, fauna, people-wildlife conflict and socio-economic status conducted by LMUCO staff	All such studies conducted.	Repeated survey of key species carried out efficiently and effectively giving good results, particularly in hotspots. One winter survey also conducted as recommended by MTE.						
Output 1.2: Institutional capacity of local institutions for conservation area management strengthened and operational	**Output indicators** By the end of 2004 • 7 CAMCs coordinate with other stakeholders (DDC, VDC and district line agencies) for resource mobilization	At start of Project, CAMCs were in existence and receiving some funds. By April 2003, representatives of all seven CAMCs and VDCs were invited to attend DDC meetings annually where resources were allocated. Each CAMC plays a leading role identifying the areas and activities for its expenditure.	Coordination with VDCs good. CAMCs are active and functional in directing VDC's to allocate funds for priority projects. The role of the CAMC for identifying areas of expenditure largely depends upon the influence of the individuals leading the CAMC – the VDC retains final authority. Since the VDC Secretary (or Chairperson) also acts as the *ex-officio* member of CAMC, they can have some influence. Coordination with DDC poor – little response from DDC to Project initiatives. Line agencies appear to be out of the loop – officers rarely straying from Jomsom.						
	• Exercise and follow Conservation Area Management Regulations (CAMR)	Annual coordination meetings have taken place since 2001 for all CAMCs to ensure full understanding of and adherence to the CAMR.	CAMC are aware about CMAR and exercise the CAMR with the facilitation by LMUCO. Within the period of Project implementation, only one infraction has been reported.						

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• Financial management (books of account maintained, auditing, fund management/disbursement, reporting, taxation) of CAMC and their sub-committees is accurate and transparent	Prior to the project, ACAP made irregular audits of such accounts. Since 2001 these audits have been undertaken annually. No serious problems have been encountered to date.	Financial transaction is transparent and updated annually by independent auditors appointed by KMTNC.						
	By the end of 2006 • 7 CAMCs and their 68 sub-committees (including CRAC) plan, implement and monitor their programme independently	All seven CAMCs and their sub-committees[38] are effectively planning and implementing their activities themselves. The Project continues to provide help, only in the area of purchasing and technical assistance. However, independent monitoring (e.g. one VDC by another) remains weak and Project staff continue to undertake the bulk of this task.	There appeared to be little or no discussion, planning or coordination between the CAMCs and the CRAJSC prior to the CRAJSC meeting observed by the tET on 28/8/06 with consequent missed opportunity to address CAMC issues during that meeting.						
	Process indicators • Trainings, workshops and awareness campaigns organised and follow-up conducted regularly for CAMCs and their sub-committees regarding resource mobilization, CAMR implementation, financial and administrative management	Numerous training courses, workshops, and awareness campaigns have been conducted for CAMCs and their sub-committees.	Two coordination workshops held in 2003 with 44 participants. Four coordination workshops held in 2004 with 84 participants Retention of training knowledge is low. There is still a requirement for more training and exposure						

[38] Pasture Management,; Tourism Management; Micro-hydro Management; Gompha Management; Savings and Credit Groups; Mothers Groups.

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
Immediate Objective 2: Essential information and data base developed and community-based planning, management and monitoring system for protecting the biodiversity to perpetuity established	By the end of project • A solid information base on the resources of Upper Mustang, on the impacts of human nature interaction and on the impacts of biodiversity conservation measures is available and constantly kept updated	UMBCP has produced an extensive GIS system incorporating data from all aspects of biodiversity conservation, socio-economics, geophysical and climatological data, as well as details of management and interaction, e.g. pasture management, human-wildlife conflicts. Database updated monthly or quarterly according to the type of information.	Data collected is impressive. Hotpsots, conflict area and priority areas have been identified. Securing data and storage of data in a fire-safe is required, especially given the bomb blast incident (below).	■					
	• Community-based natural resource management plans are operational with respect to rangeland, forest and other natural resource use and reflect biodiversity conservation objectives	CAMOPs are being implemented by local committees and cover pasture management, use of NTFPs such as medicinal plants and sea buckthorn, livestock improvement, and use of plantations and alternative energy; and reflect the needs for sustainable development and ultimately conservation of wildlife.	CAMOPs have been deliberately included into the UMACMP to ensure their smooth implementation (and endorsement from KMTNC). UMBCP was instrumental in bringing about sustainable rangeland management initiatives and the wise-use of natural resources		■				
Output 2.1: Management information system (MIS) for biodiversity conservation, socio-economic, and cultural aspects established and utilised for conservation area planning and monitoring	**Output indicators** • By the end of 2003,MIS operational at LMUCO/UMBCP and ACAP headquarters (HQ); and updated regularly	Late. MIS operational at ACAP HQ (Pokhara) in early 2004. At the time of the TPE, it was not present and functioning at LMUCO. Updates appeared to be regular by the GIS Specialist.	Bomb blast by Maoists in ACAP HQ in 2002 destroyed the GIS system which delayed MIS works. The GIS Specialist requested more help from the thematic specialists while processing or updating the data for better use of the information			■			
	• Since 2004, MIS is utilised for conservation area planning and monitoring	Since its inauguration (second quarter of 2004) at ACAP HQ, it has been used as expected and the integrated management plan is based upon it.	The MIS is impressive and effective for interpretation and planning purposes and has been central to the unofficial zoning system and the integrated management plan.	■					
	Process indicators • By the end of 2002, MIS architecture created	Basic architecture created as planned, but subsequently destroyed by Maoist bomb blast. Replaced in due course.				■			

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• By the end of 2003, geo-referenced information on biodiversity, land use, cultural heritages, tourism and socio-economy is available	Delayed – see above. Geo-referenced information available since early 2004.	Strong data bases created and available for use.						
Output 2.2: Biodiversity hot-spots and keystone species[39] identified, community based monitoring system developed and implemented	**Output indicator** • By the end of 2005 community-based monitoring system operational in selected CAMCs based on hot-spot zonation (as per CAMP)	Concept of community-based monitoring system introduced during September 2003 in four CAMCs. Selected members of each CAMCs were trained in monitoring 17 species of birds and wild mammals using GPS during routine grazing activities and journeys to and from pastures in selected areas.	Members of the CAMC have been trained in wildlife monitoring but find bird identification difficult. Project has prioritised the recording of mammals as a result.						
	Process indicators By the end of 2004 • Status survey reports of keystone species prepared and biodiversity hot-spot zonation completed as required for CAMP	Late. Status survey reports completed in September 2005 but used effectively for the preparation of biodiversity hot-spot zonation for the UMCAMP.	Project design underestimated the size of the area to be surveyed and the difficulty of the physical conditions. In addition, UM is accessible for survey work for a maximum of seven months of each year. Winter surveys of some areas were attempted as per the MTE recommendation, but core areas proved impossible to reach.						
	• Community-based monitoring system guidelines for keystone species and habitats developed	Guidelines developed in June 2003for community-based monitoring system as per the 17 species above.	Community Based Biodiversity Monitoring System (CBBMS) developed and selected members trained. Only keystone mammals selected for monitoring – see above.						

[39] As identified by biodiversity survey reports (2001-2003)

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
Immediate Objective 3: Replicable income generation activities, particularly in connection to nature and heritage based tourism and pasture and livestock that contribute to biodiversity conservation, developed and tested	By the end of project • At least 50% (up to 80%) income from the upper Mustang tourism entry fees deposited into the Community Trust Fund and proceeds used for continued conservation and natural resource management activities	Decision of Cabinet of Ministers made on 13th July 2006 to plough back 60% of Mustang tourism entry fees to KMTNC for use in Upper Mustang through consultative body (and Community Trust Fund as appropriate) and 30% to the District Development Committee.	Revenue to plough back is instrumental in maintaining the confidence of local communities towards conservation initiatives. Inventories of cultural monuments and wetlands are already underway from this fund.	■					
	• Environmentally-sound livelihoods strategies integrated with tourism and natural resource management plans for the benefit of local populace	Integration between livelihood development and natural resource management and particularly biodiversity conservation remains weak. Tourism remains in its infancy and the tourism part of the UMACMP has yet to be implemented.	Livelihood support programme, directly contributing to biodiversity conservation is lacking. There are very weak links between income-generating schemes and biodiversity conservation. The Tourism Management part of the UMACMP is in urgent need of revision if a major opportunity to market Upper Mustang as a premier global tourist destination is not to be missed.					■	
Output 3.1: Sustainable management strategy for biodiversity conservation, tourism management and cultural heritage conservation in upper Mustang developed and implementation	**Output indicators** By the end of 2004 • Conservation Area Management Plan (CAMP)[41] for upper Mustang prepared	Delayed. Preparation completed in December 2005.	Delay due to two factors – i) the delay incurred with the GIS from the maoist bomb at ACAP HQ; and ii) the under-estimate of the time required to complete the surveys over a large area of extremely rugged terrain. Project extended by 18 months largely to accommodate this delay. KMTNC delayed endorsement until August 2006.			■			
	• Four cultural sites of global significance repaired, restored and renovated as per Upper Mustang Cultural Conservation Management Plan (UMCCMP)	No. Restoration is still underway on three of the four sites – Jhampa, Lo Manthang Wall, and Lo Ghaykar – of global significance. Restoration work of Thupchen is complete and was handed over to the local community during May 2005.	Delay incurred by repeated discovery of more and more paintings on various levels of monasteries.	■					

[40] Areas of intervention for TMP and BCP component will be worked out after their finalization

[41] BCP, TMP and UMCCMP will be the sub-plans of CAMP

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
initiated[40]	**Process indicators** • By the end of 2002,Upper Mustang Cultural Conservation Management Plan (UMCCMP) prepared[42]	No. Number of cultural sites much larger than project initially anticipated. AHF decided to concentrate work on restoration activities at key sites, largely handing work for Cultural Conservation Management Plan to KMTNC. Plan finally prepared by December 2005.					■		
	• By the end of 2003, Tourism Management Plan (TMP) for upper Mustang addressing the needs of local people and biodiversity conservation prepared in consultation with local and national level stakeholders	Prepared in full consultation with stakeholders March 2004. Endorsement by KMTNC delayed until endorsement of full integrated management plan in August 2006 – rather than endorsement of each component separately.	The Tourism Management Plan (part of the UMACMP) is in urgent need of revision if a major opportunity to market Upper Mustang as a premier global tourist destination is not to be missed.					■	
	• By the end of 2003, stakeholders (national and international) consultation carried out for CAMP preparation	Not in form envisaged. Workshop undertaken in April 2003 to examine vision for Upper Mustang in 10 years time.				■			
	• By the end of 2004, Biodiversity Conservation Plan (BCP) for upper Mustang developed in consultation with local and national level stakeholders	Delayed. Again, extended time needed for survey work and delay arsing from sabotage of GIS led to BCP being completed in March 2005– see above.	Biodiversity Conservation Plan is incorporated in the UMACMP. Inventories of wetlands is underway as envisaged in UMACMP		■				
	• By the end of 2004, Conservation Area Management Operational Plan (CAMOP) prepared for all (7) CAMCs	Delayed as immediately above.	CAMOP is operational and functioning at the time of the TPE.			■			

[42] This component to be carried out by Upper Mustang Cultural Conservation Project supported by AHF and implemented by LMUCO

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
Output 3.2: For sustainable conservation and development, Community Resource Action Committee (CRAC) and Community Trust Fund (CTF) institutionalised	**Output indicators** By the end of 2004 • CRAC formed and legalized under CAMR	CRAJSC formed and legalized in June 2003.	CRAC was renamed as the Community Resource Action Joint Sub-committee (CRAJSC) when it was constituted as a legal body – a joint sub committee of all seven CAMCs.						
	• CTF guidelines prepared and CTF established and operational	CTF established in July 2001 and operated for one year without guidelines. Concerns articulated by the MTE resulted in the freezing of CTF operations until new guidelines were prepared in December 2004. The CTF resumed operation under these guidelines in July 2005.	MTE was concerned that the agreed procedures in the project document were not being followed and disbursements from the fund failed to link up with the goal of bio diversity conservation CRAJSC now it has proper legal status and operating guidelines						
	Process indicators By the end of 2004 • CAMCs and other organisations implementing Community Trust Fund and UNDP supported programmes in regular consultation with local people	Yes – but see immediately above.							
Output 3.3: Income generation opportunities at local level through sustainable tourism, non-timber forest products, rangeland	**Output indicators** By the end of 2004 • CRAC operationalises CTF and implementation of conservation related income generation schemes initiated	As above.	As above. CTF credit fund has extremely low mobilization. Only one loan of NR 13,000 (US$ 183) has been disbursed in 2005/06						

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
and livestock based micro-enterprises increased	By the end of 2006 • CRAC independently operationalises CTF, based on CTF operational guidelines, to implement conservation related income generation schemes (NTFPs, tourism, rangeland and livestock based micro-enterprises)	Meeting in late August 2006 observed by TET appeared to show that CRAJSC was able to make decisions and set budgets semi-independently, requiring a large degree of facilitation by the CTF Manager and some project staff.	Some CRAJSC members admitted that they are still not capable of handling this task independently. They may need technical support and facilitation for another 4-5 years						
	Process indicators By the end of 2002 • 20 saving and credit groups developed and strengthened	By December 2002, 20 saving and credit groups operational.							
	By the end of 2004 • CTF mobilized in 7 pilot communities	CTF operational in all seven VDCs by July 2001 but MTE expressed concerns and froze its operation. CTF re-activated in 2004.	VDC Secretaries are appointed by GoN. The Secretary of Lo Manthang VDC is the only Loba amongst the seven VDCs, so he was nominated in CRAJSC as the DDC representative. Five meetings have been conducted in Lo Manthang. CAMCs have to be more systematic and active for operation of the CTF						
	• Monitoring and technical back-stopping for CTF mobilization provided to CRAC	Project staff have provided technical back-stopping to the CTF throughout the period of CTF operation.	Technical back-stopping to the CTF will still be needed for several years to come.						
	• UM tourism entry fees plough-back initiated with HMG/N	Yes. Discussions over plough-back of tourism fees initiated with GON in July 2001	Decision for plough-back was made by Cabinet of Ministers on 13 July 2006						
	By the end of 2006 • At least 50% (up to 80%) of the UM tourism entry fees placed in CTF and at least 25% utilised for income generation activities	Yes. GON agreed to plough-back 60% of UM tourism entry fees to the CTF in December 2005 at least 25% of which to be used for income generation activities as per the CTF Guidelines.	Even if fund is ploughed back to the CTF, investment in income-generation schemes is likely to remain poor because of low take-up of loans.						

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• Additional 11 saving and credit groups developed and strengthened	By September 2006, 31 saving and credit groups operational and functioning independently (20 in Dec. 2002 plus 11 more – 4 in Aug 2004, 4 in June 2005, 1 in July 2006 and 2 Sept 2006.	29 savings and credit groups were active at the time of the TPE. There is impressive participation by female representatives, but back stopping from UMBCP/ACAP remains a requirement.						
Output 3.4: Sustainable rangeland management programmes developed and implemented	**Output Indicators** By the end of 2002 • Two rangeland improvement demonstration programmes (e.g. water hole, hay meadow center and rotational grazing) implemented	By June 2002 a Hay Meadow Centre had been established at Tsarang, and a Rotational Grazing demonstration at Chhosher. In September 2002 a Water Pond had been established in Marang.	Four VDCs have adopted rotational grazing. Floating population of livestock during autumn on way to market poses a hindrance to rotational grazing since these herds consume large amounts of forage. Locals have voluntarily ceased grazing in one of the biodiversity hot spot at the request of UMBCP, and this is now zoned as a restricted area.						
	By the end of 2004 • Additional three rangeland improvement demonstration programmes implemented	Growth performance of forage species was tested during June 2003 in natural grassland at Shetty Panga to evaluate germination potential of manually sown species of forage, i.e., Cock's-foot, Tall Fescue and Italian Ryegrass. In May 2003, the Khangbatu Trial Plot was implemented at the Hay Meadow Center. In November 2003 rotational grazing was demonstrated in Chhuksang VDC.	Experiment was successful and encouraging. Locals are planning to adopt new species for forage in hay meadows.							
	By the end of 2006 • Additional two rangeland improvement demonstration programmes implemented	In June 2006 the Dhalung Pasture water hole, and the Hay Meadow demonstration plot at Chhosher. In July 2006 the Lhetak Pasture water hole was completed.	Water holes used by both livestock and wildlife as intended.						

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• Cases of people-wildlife conflict reduced by 25% as compared to 2003[43]	No. Figures show a 7.1% increase between 2004 and 2005 with 1,442 livestock killed by predators cf. 1,346 in 2004. Goats (+17.5%) and sheep (+5.8%) show increases, while cattle, horses, dzopa, yak and donkeys all show reductions.	Loss of livestock still continues. Data on number of events may be more instructive. Figures are prone to occasional raids by snow leopards which kill indiscriminately once inside a corral. Expectations are that numbers of livestock killed will reduce as project initiatives are replicated more widely through Upper Mustang. Casualties in winter corrals reduced due to application of predator proofing.			■			
	Process indicators By the end 2002 • one Improved corral constructed	In Sept. 2002 improved corral constructed at Chhosher VDC.	Predator-proof corrals have proved very effective and are much in demand.		■				
	By the end of 2004 • At least three additional improved corrals constructed	By July 2004, five additional improved corrals had been constructed in Lo Manthang VDC	Successful. Local people are now requesting more predator-proof winter corrals.		■				
	• Rangeland status categorization of whole upper Mustang completed	Delayed, completed in June 2006.	Pastureland data has been incorporated into the MIS with its status, conflict area and depredation area of livestock and crop field identified.			■			
	• Suitable management intervention for increasing rangeland productivity implemented as identified by research and surveys (2001-2003)	Eight Pasture Management Sub-committees formed for strict rotational grazing practices and monitoring of the pastures.	As a result, four VDCs have agreed to practise rotational grazing		■				
Output 4 Effective management of project ensured	• Funds received on time and over 90% of these utilised	No. See Table 1.					■		
	• Over 90% of project activities completed on time	Annual reports show that over 90% of activities included in the work plan were completed on time.	These figures do not make allowance for the size of activity and so are a poor indicator.		■				

[43] The baseline survey of people-wildlife conflict was scheduled to be conducted in 2003 but actually took place in 2004. Only one such follow-up survey had been conducted at the time of the TPE. The 2006 figures will not be complete until the end of the Project.

Output description	Success Criteria¶	Status at Project Completion	Comments	Evaluation					
				HS	S	MS	MU	U	HU
	• Participation of local institutions ensured at each stage of project management (planning, implementation, monitoring and evaluation)	Local stakeholders appear to have been included and consulted at every stage of project.	Social mobilization is excellent – see above.						
	• Maintain population of indicator species[44] in Upper Mustang	Tibetan Gazelle increased from 2001 to 2005/6 – herd size up from 1 to 6-12, counts up from 6 to 68. Kiang stable between 2001 and 2005/6 – herd size stable at 25 or less, counts stable at 37 to 45 and 41 to 46. Blue Sheep increased between 2002 and 2003 – herd size up from 2-8 to 3-75, counts up from 83 to 395. Argali increased between 2002 and 2003 – herd size up from 4-10 to 12-24, counts up from 23 to 77. Himalayan Griffon Vulture flock sizes at carrion increased between 2003/4 and 2005/6 from 54-65 to 81-97	Survey sizes too small to be statistically significant but repeat survey results back up circumstantial evidence and locals' anecdotes that wildlife numbers are increasing (or at least are stable) after the implementation of the Project						
	• Technical reports timely submitted to UNDP and shared with partners	UNDP happy with submission of reports							
	• Financial reports submitted timely to UNDP	UNDP happy with submission of reports							
	• Potential of UMBCP Technical Committee significantly utilised	Apparently all technical reports and survey findings submitted to the Technical Advisory Committee for improvement.	TET could not make an independent assessment.						

[44] Indicator species as identified for community-based monitoring system

ANNEX V : LIST OF PARTICIPANTS AT DEBRIEFING MEETINGS

Unofficial de-briefing for LMUCO staff held on 28th August 2006

Mr. Madhu Chetri	Officer in Charge/National Project Manager
Mr. Mani Parsad Gurung	Conservation Education Assistant
Mr. Kaji Ram Adhikari	Biodiversity Conservation Ranger
Mr. Sul Bahadur Gurung	Alternative Energy Assistant
Mr. Suraj Thapa	Accountant
Mr. Basu Dev Nuepane	Rangeland Management Ranger
Ms. Harimaya Gurung	Social Mobilizer
Mr. Heera Bahadur KC	Biodiversity Conservation Ranger
Mr. Ramji Acharya	Social Mobilizer
Mr. Ram Bahadur Gurung	Community Health Assistant
Mr. Shailendra Kr Yadav	Social Mobilizer
Mrs. Lalita Gurung	ANM
Mr. Aitaman B.K	Office Assistant
Ms. Pema Lhwom Gurung,	Social Mobilizer
Mr. Ichha Bahadur Gurung,	Alternative Energy Helper
Mr. Lal Parsad Gurung	Helper
Mr. Kamal Bahadur Gurung	Office Helper
Mr. Nhituk Gurung	Community Helper
Mr. Teuri Gurung	Agriculture Helper
Mr. Tashi Dhinduk Gurung	Conservation Education Helper
Mrs. Yang Dhoka Gurung	Office Cleaner
Mr. Tashi Angyal Gurung	Horse keeper
Mr. Chhimi Rinjin Gurung	Field Director, Snow Leopard Conservancy
Mr. Indra Dhara Bista	Chairman, TMSC, Lo Manthang
Mr. Luigi Snfiem Painter,	Chief Supervisor, Restoration Team, JSA
Ms. Sederica Bagalini Painter,	Supervisor, Restoration Team, JSA
Mr. Davide Scinandra Painter,	Supervisor, Restoration Team, JSA
Dr. Phillip Edwards,	Team Leader, Terminal Evaluation Team
Mr. Rajendra Suwal,	Member, Terminal Evaluation Team
Ms. Neeta Thapa ,	Member, Terminal Evaluation Team

Persons attending de-briefing for UNDP held on 7th September 2006

Mr. Gulam M Isaczai,	Deputy Resident Representative, UNDP
Mr. Vijaya Singh,	Bio Diversity Advisor, UNDP
Ms. Heather Bryant	M&E and Knowledge Management, UNDP
Dr. Phillip Edwards,	Team Leader of Terminal Evaluation Team
Mr. Rajendra Suwal,	Member of Terminal Evaluation Team
Ms. Neeta Thapa ,	Member of Terminal Evaluation Team

Official de-briefing held on 8th September 2006

Mr. Ganga Jung Thapa,	NPD UMBCP, Director KMTNC
Dr. Siddhartha Bjracharya	Programme Manager, KMTNC
Mr, Madhu Chetri	NPM, UMBCP
Mr.Shyam Bajimaya,	Ecologist, Dept. National Parks and Wildlife Conservation
Mr.Jagadish Chandra Baral,	Ministry of Forestry and Soil Conservation
Mr.Vijaya Singh	Biodiversity Advisor, UNDP
Ms Rupa Basnet	Programme Officer, KMTNC
Dr. Yan Zhaoli	Rangeland Specialist, ICIMOD

Mr.Binod Basnet	Programme Officer, KMTNC
Mr.Naresh Subedi	Officer in Charge, KMTNC , Bardia
Mr.Namindra Dahal	Programme Officer, KMTNC
Mr. Bruce Moore	Field Director AHF
Dr. Ram Prakash Yadav	Asian Development Bank
Prof. Karan Shah	Chief, Natural History Museum
Dr. Phillip Edwards	Team Leader of Terminal Evaluation Team
Mr. Rajendra Suwal	Member of Terminal Evaluation Team
Ms. Neeta Thapa	Member of Terminal Evaluation Team