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## Office of Evaluation

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### **Capacity Building and Institutional Development for Participatory Natural Resources Management and Conservation in Forest Areas of Mongolia– GCP/MON/002/NET**

*Follow-up report of the Management response*

May 2013  
Final

# Food and Agriculture Organization of the United Nations

## Office of Evaluation (OED)

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**Follow-up report of the Management response to the Final Evaluation of the project “Capacity Building and Institutional Development for Participatory Natural Resources Management and Conservation in Forest Areas of Mongolia” – GCP/MON/002/NET**

Evaluation Recommendation	Action Agreed	Comments on actions taken, including reasons for actions not taken	Impact (changes) of actions taken in terms of programme, policies and/or procedures
<p><b>Recommendation 1:</b> Continue to support the strengthening and evolution of the PFM concept at all levels</p>	<ul style="list-style-type: none"> <li>Monitoring of FUGs and forest units in forested aimags. Continue PFM to other forested soums and aimags.</li> <li>Capacity building for forest units in forested soums. At least 20 new FUGs are supported</li> <li>Ensure PFM step wise approach is taken place during scaling up via PFM unit. Ensure smooth implementation of TCP project.</li> <li>Continue the programs initiated such as “Creating green jobs” and work with soum governors to enable significant economic benefit for FUGs</li> </ul> <p>Prepare proposals for sub-decrees to increase financial incentives for qualified FUGs</p>	<p>Continuity of support for forestry in Mongolia was significantly disrupted with the change in Government following elections in mid-2012. Major government restructuring was initiated by the new administration, including abolishing the Forestry Agency. As a result, a lengthy period of adjustment has ensued, during which time, the functions and responsibilities of the former Forestry Agency are being shifted to new entities and decentralized Government bodies. As a part of the former Forestry Agency, the PFM unit was also abolished.</p> <p>Despite this ongoing Government restructuring, support for PFM remains strong, including deep-running and widespread political support. Approximately 1,000 FUGs have now been established in the country, although many of them are not yet functioning effectively. Twenty-six forestry units have been established by the Government throughout the country, with a key responsibility to facilitate PFM processes and support FUGs. An annual budget of MNT 35 million each has been allocated for these forestry units. Twenty-three new forestry-related sub-decrees are currently being drafted, including one sub-decree that is to address financial incentives and benefit sharing. The draft sub-decrees are currently being reviewed in inter-ministerial process. Details of the sub-decrees are not yet known.</p> <p>The head of the former PFM unit in the now defunct Forestry Agency (who previously worked three years with the GCP/MON/002/NET project) has been retained in the renamed Ministry of Environment and Green Development and given responsibility for Community-Based Natural Resources Management.</p> <p>FAO is providing modest ongoing support for PFM under the</p>	<p>Government restructuring has had a significant temporary disruptive impact on PFM structures and processes that were existing at the time of the project evaluation. Continuing Government and political support, ongoing TCP support from FAO, and motivation of GEF project formulation has served to maintain the momentum and deepen commitment for PFM development in the country.</p>

		<p>TCP/MON/3403 project “Capacity Building and Institutional Development for Wildlife Management within the Framework of Participatory Forest Management in Mongolia.”</p> <p>The Government has budgeted considerable sums of funding for rural “green jobs,” including for forest cleaning by FUG members and unemployed in soums.</p> <p>With project support, a cooperation project (500,000 Euros) between a Finnish forest research institute, METLA, the Forestry Agency and the National University of Mongolia has been approved to support the strengthening of basic forest research in Mongolia that would benefit PFM</p>	<p>Mongolian forest research with relevance to PFM is being strengthened through the support provided by Finland.</p>
<p><b>Recommendation 2:</b> Ensure that PFM is embedded into the National Forest Policy as a major form of forest management in Mongolia.</p>	<p>National Forest Policy paper will be discussed during national forum.</p>	<p>National forum was convened as planned.</p>	<p>National forum contributed to ongoing discussions of forestry reform.</p>
<p><b>Recommendation 3:</b> Provide adequate financial and technical resources to: The PFM unit in the FA to ensure that it can effectively plan for and oversee all aspects of national implementation of PFM, including capacity building, technical oversight, monitoring, evaluation and reporting. The Forest Units in the Aimags and Soums to ensure that they can effectively respond to the mounting demand from herder communities to implement PFM.</p>	<p>Active support from the ministry side for supporting Forestry Agency annual budget at the ministry of finance.</p> <p>Support Forestry agency to have the PFM unit to become fully functional</p>	<p>As noted above, Government restructuring included abolishing the Forestry Agency and the PFM unit. A reduced number of foresters have been retained in the Ministry of Environment and Green Development’s Division of Forest Protection and Coordination of Reforestation. The overall annual budget is MNT 5.7 billion (approximately US\$4 million), of which about one-fourth is expected to be spent in support of PFM.</p> <p>The importance of the 26 newly established forestry units is recognized and financial support for them is being increased.</p>	<p>The importance of the 26 forestry units in supporting PFM is consistently recognized and their roles and functions are likely to increase significantly in the future.</p>

<p><b>Recommendation 4:</b> Continue the process of evolving the regulatory framework to make it more enabling for PFM so that FUGs can become effective forest managers and derive significant economic benefits from forest utilization as they implement their management plans</p>	<p>Propose sub-decree to provide financial incentives for qualified FUGs</p> <p>Remove restrictions to access wood markets</p> <p>Systematically identify conflicting, confusing regulations and solve the identified issues</p>	<p>The Government is in the process of reviewing all forestry-related regulations and drafting new sub-decrees.</p>	<p>Project experience and policy documents continue to serve in informing the ongoing policy debates in the country.</p>
<p><b>Recommendation 5:</b> Seek innovative ways of retaining the existing Project field facilitators to support national scaling up of PFM in order to utilise their considerable knowledge and skills in implementing PFM. Options could include employing them in the PFM unit in the FA.</p>	<p>Conduct discussions with Forestry Agency and PFM Unit</p>	<p>Discussions on retaining project field facilitators by employing them in the PFM unit in the Forestry Agency became irrelevant with the abolishment of the Forestry Agency and PFM unit. Project field facilitators are currently retained as employees of a newly formed NGO contracted with support from TCP/MON/3403 (see update for Recommendation 9).</p>	<p>Not applicable.</p>
<p><b>Recommendation 6:</b> Prepare and implement an explicit exit strategy as soon as possible (by mid December at the latest) to ensure a smooth transition from the Project to the Government (particularly the PFM unit) at the end of January 2012. The exit strategy should include the following specific recommendation.</p>	<p>Formulation of the exit strategy based on the evaluation report</p>	<p>The project team, in collaboration with Forestry Agency staff, formulated the exit strategy as recommended. The exit strategy was recognized by the Forestry Agency and formed a key component of an MOU signed by the State Secretary, the head of the Forestry Agency and the project CTA in January 2012. Follow up on the MOU as planned has been compromised by Government restructuring and reform.</p>	<p>Elements of the exit strategy and MOU are being given consideration in ongoing Government restructuring and reform, but long-term impact is uncertain.</p>

<p><b>Recommendation 7:</b> Prepare recommendations for the Government aimed at identifying the regulatory and other issues that need to be addressed in the short, medium and long term to maintain the momentum in implementing PFM that has built up during recent years as a result of the Project operations.</p>	<p>Update policy recommendations</p>	<p>Policy recommendations formulated by the project in 2011 were updated and presented to the Government as an annex to the MOU signed in January 2012.</p>	<p>Elements of the exit strategy and MOU are being given consideration in ongoing Government restructuring and reform, but long-term impact is uncertain.</p>
<p><b>Recommendation 8:</b> Collect and collate all important publications and reports prepared by the Project and ensure that they are deposited in appropriate libraries in Mongolia and also in relevant FAO offices to inform a wide range of interested individuals and groups.</p>	<p>Collect requests for project publications amongst all stakeholders, reprint and distribute</p>	<p>All project documents were compiled and assembled in a single CD and widely distributed. Hard copies were reprinted and distributed as recommended.</p>	<p>Project materials and documents continue to be referenced and used for supporting and implementing PFM in the country, enriching university forestry education programmes, and guiding policy debate. Other donor organizations continue to recognize FAO leadership on PFM in Mongolia.</p>
<p><b>Recommendation 9:</b> Explore options for retaining the Project facilitators to support national implementation of PFM, such as their employment in the PFM unit or their engagement with partner organisations.</p>	<p>Co-funding of retaining project facilitators is envisaged between a new FAO TCP and the Forestry Agency. Conduct discussions with Forestry Agency and PFM Unit</p>	<p>Agreement was reached between FAO and the former head of the Forestry Agency to co-fund the retaining of the project field facilitators for a period of two years. FAO has facilitated its commitment to this agreement through TCP/MON/3403 project “Capacity Building and Institutional Development for Wildlife Management within the Framework of Participatory Forest Management in Mongolia.” Under an LOA, FAO has engaged the former field project facilitator through the Sustainable Green Development NGO formed to support FUG development. The Forestry Agency agreement to co-fund the retention of the field facilitators is in doubt as a result of Government restructuring and change in officials.</p>	<p>Valuable experience and “institutional memory” has been retained (at least in the interim) and will hopefully be available to support future FUG development by the Government and under the GEF project currently being formulated (anticipated start-up in early 2014).</p>

<p><b>Recommendation 10:</b> Conduct an “end of Project” workshop with all stakeholders to highlight the achievement of the Project during the past five years. Soum governors of pilot FUGs should be invited to ensure that they are aware of the new role of the PFM unit in the FA in taking on the mandate previously carried by the Project.</p>	<p>Prepare agenda, prepare presentation, invite participants, book venue.</p>	<p>The recommended end-of-project workshop was conducted on 18 January 2012.</p>	<p>The workshop resulted in increased visibility and support for PFM in Mongolia, and enhanced understanding of PFM concepts and approaches, as well as greater appreciation for the potential of PFM in the country.</p>
<p><b>Recommendation 11:</b> Speed up the internal FAO process to approve the TCP proposal to maintain essential support for PFM and to continue piloting the implementation of the PFM process through the Foundation Phase and in to the Implementation Phase to maximise learning and feedback.</p>	<p>Finalize TCP draft and circulate for approval targeting funding for early February 2012</p> <p>Follow-up GEF full project formulation</p>	<p>TCP project document was formulated and approved for implementation. Project was officially launched in October 2012. The project is providing valuable support and continuity of PFM activities initiated by the GCP/MON/002/NET project.</p> <p>GEF full project formulation is ongoing (with support from FAO). Formulation work is scheduled to be completed by mid-2013, with anticipated start up of the project in early 2014.</p>	<p>TCP support has been critical in consolidating and maintaining support for PFM and instrumental in safeguarding experience and lessons learned that will provide the foundation for future GEF project implementation and PFM in the country.</p> <p>The GEF project is expected to provide continued valuable support for the up-scaling of PFM in Mongolia.</p>
<p><b>Recommendation 12:</b> Document and publicise the experiences of the Project in implementing PFM in Mongolia to ensure the lessons learned are widely shared.</p>	<p>Publish a paper on the project approach in Unasylva, Infosylva and on FAO-FO’s website, etc.</p> <p>Review draft paper prepared by J. Foppes</p>	<p>FAO has documented the experience and lessons learned from the project well, including a high visibility video, launched at the Second Asia-Pacific Forestry Week and featured on the FAO website for a considerable duration. The planned paper for publication in Unasylva is available in a draft form but has not been completed due to the late submission of the author. However various short features on the project have been published in other journals and newsletters.</p>	<p>Increased visibility of the project activities and PFM has served to solidify support for PFM and increase pride among Mongolians in their PFM accomplishments.</p> <p>Project’s photos have been and are widely used by the FAO Forestry Department to document its success stories.</p>