



(MON/02/301)



Semi- Annual Progress Report

August
2003

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LIST OF ACRONYMS AND TERMS

Acronyms

AFA.....	Administrative and Finance Assistant
CDA.....	Community Development Advisor
CPR.....	Center for Policy Research
GIS.....	geographical information system
GTZ.....	German technical Cooperation
ITA.....	International Technical Advisor
MFAg.....	Ministry of Food and Agriculture
MNE.....	Ministry of Nature and Environment
NPD.....	National Project Director
NPM.....	National Project Manager
PY.....	project year
RDCP-21.....	Rural Development and Community Participation for the 21st Century
RFP.....	request for proposals
SGM.....	sustainable grassland management
SGMP.....	Sustainable Grassland Management Project
SRF.....	Strategic Results Framework
TOR.....	terms of reference
UNDP.....	United Nations Development Programme

Mongolian Terms

<i>aimag</i>	province
<i>bag</i>	village
<i>otor</i>	seasonal migration
<i>soum</i>	county

I OVERVIEW

Project Title: Sustainable Grassland Management
Project Number: MON/02/301

Start Date: 13 December 2002
Estimated End Date: 31 December 2007
Period Covered by this Report: 13 December 2002 to 31 August 2003

Management Arrangements: National Execution
Executing Agency: Ministry of Food and Agriculture
Implementing Agency: --

Project Sites: Four Provinces
Beneficiary Country: Mongolia

Project Financing:

	<u>Original</u>	<u>Current</u>
Donor Inputs:		
UNDP:	US\$ 200,000	US\$ 200,000
Government of Netherlands:	US\$ 2,915,377	US\$ 2,915,377
TOTAL Donor Inputs:	<u>US\$ 3,115,377</u>	<u>US\$ 3,115,377</u>
Government Inputs		
In kind (up to 15% of budget):	US\$ 351,720	US\$ 351,720
In cash:	--	--
TOTAL Government Inputs:	<u>US\$ 351,720</u>	<u>US\$ 351,720</u>

Cost-Sharing Payments:

Government of Netherlands:	
Total Commitment:	US\$ 2,915,377
Payments Received (as of 31 Aug 2003):	<u>US\$ 275,000</u>
Payments Pending:	US\$ 2,640,377

Brief Description: The goal of this project is to increase the welfare of herding families through the sustainable management of Mongolian grasslands. The main mechanism to achieve the project goal is to strengthen and formalize existing customary herder community institutions, and to strengthen linkages between them and formal governance structures and the private sector.

II. NARRATIVE REPORT

Background

The goal of the Sustainable Grassland Management (SGM) project is to increase the welfare of herding families through the sustainable management of Mongolian grasslands. The main mechanism to achieve the project goal is to strengthen and formalize existing customary herder community institutions, and to strengthen linkages between them and formal governance structures and the private sector. The project plans do so in 5 *soums* of 5 *aimags* working with approximately 10 herder groups per *soum*, or a total of 50 herder groups.

The project is executed by the Ministry of Food and Agriculture (MFAg) based on a project document signed with the United Nations Development Programme (UNDP) on 13 December 2002. The main donor for this project is the Government of the Netherlands based an arrangement signed with UNDP on 28 November 2002 and valued at US\$ 2,915,377. Together with a US\$ 200,000 contribution from UNDP, total donor contributions to the project amount to US\$ 3,115,377. The project is expected to run for approximately five years until 31 December 2007.

This report summarizes project activities and achievements during the reporting period from 13 December 2002 through 31 August 2003. This section contains a narrative report for the reporting period together with a summary of lessons learned and recommendations beginning on page 9. Section III beginning on page 11 contains a summary of progress in supporting UNDP Mongolia's Strategic Results Framework, in achieving project objectives and in producing project outputs in tabular form.

Finally, the most recent budget revision is shown in Annex A on page 16 and the current year expenditure report is shown in Annex B on page 17.

Summary of Project Activities

Project activities during this reporting period focused mainly on project start-up. This included recruiting project staff, procuring project equipment, selecting project sites, providing an orientation to project participants, identifying a cooperating non-governmental organization, identifying and training Community Development Advisors and beginning to work with herder groups. A copy of the annual workplan for 2003 is provided in Annex C on page 18.

Recruitment. The project has now recruited 6 staff members in Ulaanbaatar and 8 staff members in *soums*. A staffing table is provided in Annex D on page 21. Key staff members include the following:

- National Program Manager (NPM): B. Altantsetseg
- Administrative and Financial Assistant (AFA): M. Enkhtuvshin
- Research Officer: Ts. Altanzul
- International Technical Advisor (ITA): Dr. David Dyer

Other positions will be filled when suitable office space is provided by the Ministry of Food and Agriculture. At present, the MFAg has only allocated one room to the project, although additional space has been promised.

Project Site Selection. Following recruitment of the above staff members, a major activity of the project has been to identify suitable project sites based on the criteria that had been spelled out in the project document. Those conditions are summarized below:

- *Ecological Conditions.* The primary criteria for *soum* selection are ecological. Sites will be chosen that well represent at least three of the five major ecological regions with the distinctive herding strategies they contain. Subordinate criteria to be taken into account include strength of local dryland and irrigated haymaking traditions and potential links to crop residues. Based on these criteria, first phase *soums* should be selected at least in the Gobi, Khangai/Khuvsgul and Central/Eastern steppe.
- *Economic Location and Land Use Pressure.* Within these three priority ecological zones, sites will be chosen that reflect different locations (a) in relation to good or bad market access; and (b) experiencing strong in and out-migration pressure from the western provinces towards the center of the country.
- *Other Criteria.* In order to benefit from synergies, the project will endeavor to select a *soum* where donor-supported micro-finance is available. The grassland project could also benefit from working with the *soums* where pilot project worked in building herder communities (Erdene *soum* in Tov *aimag*, Bayan-Ondor *soum* in Uvurkhangai *aimag*, and Baatsagaan *soum* in Bayankhongor *aimag*).

Preliminary selection of focal *aimags* was done in consultation with the Ministry of Food and Agriculture and other related donor projects. A summary of the *aimag* selection process and results is included in Annex E on page 25. Based on this process, the project has agreed with MFAG to begin work in Bayankhongor, Selenge, and Uvurkhangai *aimags* in 2003 and investigate the possibility of beginning work in Bayan Olgii in 2004.

Following the selection of these focal *aimags*, project staff undertook field visits to four or more *soums* in each *aimag*. A summary of findings from these field trips is provided in the following section. During these visits, project staff presented an overview of the project goals, objectives and strategies and solicited proposals from potential focal *soums*. These proposals were prepared by the *soum* government office working in collaboration with local community leaders. The project received proposals from 12 *soums* and selected 9 for continued work. The criteria for selection included interest, commitment, willingness to work, involvement of local community leaders and creativity.

Project Introduction and Cooperation Workshop. The project then conducted a workshop for these 9 *soums* in Kharkhorin during 16-19 June 2003. As a result of this workshop, all project *soums* gained a common understanding of the SGM project and the respective responsibilities of the project, local government, local community and individual herder households. The workshop involved both *soum* officials and herders.

This workshop provided an opportunity for each project *soum* to review, compare and/or revise its proposed implementation plan with proposals from other *soums*. Project staff had an opportunity to question and learn about local problems. In addition, the *soums* from each *aimag* met as a group to explore synergies in their proposed activities to address local problems. Following that workshop segment, three workgroups were formed (with one *soum* from each of the three *aimags* in each group) to identify ways that *aimags* could collaborate

with the project groups (for example, to sell animal feed produced in Selenge to herder groups in Bayankhongor and Uvurkhangai).

Community Development Advisors. Following selection and orientation of the focal *soums*, the project also identified local Community Development Advisors (CDA) for each *soum* who could assist the project in promoting the objectives and ideals of the project with the local herder communities. The project conducted an assessment workshop for prospective CDAs in Ulaanbaatar during August 2003. Following this workshop, all selected CDAs developed detailed workplans for their *soums* for the start-up phase in consultation with the NPM.

NGO Sub-Contractor. The project also prepared terms of reference, collected proposals, and selected a non-governmental organization to support the project in community mobilization and organization. Details concerning this subcontract and selection process are included in Annex F on page 31.

One NGO was selected to work in Bayankhongor and Uvurkhangai *aimags*, but since a suitable NGO could not be identified to work in Selenge *aimag*, two individuals were contracted instead. The NGO selected for Bayankhongor and Uvurkhangai is named Rural Development and Community Participation for the 21st Century (RDCP-21). It was established in 1991 following completion of the UNDP-supported Water and Sanitation for the 21st Century (WASH-21) project. The NGO was formed by project staff who had gained extensive experience in community organization and mobilization, especially related to water supply and well rehabilitation.

The main tasks of this NGO and the other contracted individuals will be to identify existing informal herder groups willing to participate in SGM project activities and provide training to these groups on the options and advantages for more formalized group activities. Together these sub-contractors already identified 39 potential herder communities in the three focal *aimags*, of which 31 expressed a strong interest to continue working with the project. A full list of potential cooperating herder groups is included in Annex H on page 38.

RDCP-21 also organized two trainings in Bayankhongor and Uvurkhangai as follows:

- 339 herders from 24 herder groups participated in a first set of training sessions on community participation covering a 21-day period in August and September 2003;
- 350 herders from 24 herder group participated in the second set of training sessions on legislation covering a 20-day period in August and September 2003

Five herder groups have expressed a strong interest in providing cost-sharing with the project for well rehabilitation work.

Key Findings

As discussed above, SGM staff visited all project *aimags* during 2003 to identify potential project *soums* and to follow up on the pilot project previously undertaken in Bayankhongor and Uvurkhangai *aimags*. Key finding from these field visits, which will help to guide future project work, are discussed below.

Bayankhongor and Uvurkhangai (19-24 May 2003). In Uvurkhangai, project staff found that the Governor and his staff understood the intent of the SGM project, and their recommendations for project *soums* were logical. Governor Batmunkh is a strong supporter of the SGM project and said that picking *soums* with a good record of working with other donors would contribute to the success of SGM. He asked that the SGM project coordinate activities with other donor projects operating in Uvurkhangai, especially GTZ. Governor Batmunkh also recommended that if Sant *soum* were selected, then the work there should be linked with the rangeland management demonstration project established in 2002 under the Gobi Initiative.

In contrast, project staff found that the *aimag* government officials in Bayankhongor seemed to recommend *soums* for reasons largely unrelated to the goals and objectives of the SGM project. They urged the project to work in *soums* where no other donors were working based on the rationale that herders in those areas needed assistance. They generally ignored the basic criteria for SGM's selection of project sites. After discussions, the *aimag* officials accepted the project's rationale for selecting *soums* other than those recommended by them.

Selenge (27-30 May 2003). Selenge *aimag* presents an opportunity for the SGM project to develop and/or enhance systems to improve pasture conditions and to develop mechanisms for the sustainable use of pasture areas in close proximity to cropping activities.

Among the key agricultural issues in Selenge, the *aimag* government has identified improving animal husbandry practices while continuing to promote crop production. The government officials visited believe that the SGM project can play an important role in resolving potential and actual conflicts among competing land uses (cropping, herding, forestry, protection of environmentally sensitive areas). The project agrees that it can help in the area of developing better and more rational land use practices where the local governments and local communities are committed to work toward that goal.

Bayan Olgii (19 July-2 August 2003). The purpose of this field visit was to observe and learn about Bayan Olgii *aimag* in preparation for possible work there in 2004. The following are summary observations from the field visits to Tsaaganuur, Bugat, Sagsay, Ulaanhus, Tolbo, Altantsogts and Bayanuur *soums*:

- Human resources appear to be strong. Many of the *soum* and *bag* officials are well-educated and experienced. Many have worked extensively in other parts of Mongolia during the past (especially during central planning period).
- Pasture areas are very limited because of the mountainous terrain. Most pastures are in river valleys or on mountain slopes. *Aimag* officials pointed out that significantly more pasture is required per animal than in other areas of Mongolia.
- Animal feed for Bayan Olgii was supplied during the central-planning period through cultivation. However little of the formerly cultivated land remains in production.
- There is a wide-spread recognition that goats in Bayan Olgii produce fiber that is inferior to fiber produced in other parts of Mongolia. The fiber produced in Bayan Olgii is coarse, closer to cashgora than cashmere, and sells at a discount to average prices in Mongolia. However, there is no evidence that any steps have been taken for breed improvement.

- There is little apparent interest among herders to work together in larger groups. Herders expressed strong preferences to work as individuals or in small (3-family) groups with kinship ties. Because the SGM project is based on the assumption that herder's already cooperate, it will be challenging to develop community organizations in Bayan Olgii.
- Ethnic distinctions among herders are strong in Bayan Olgii, unlike other project *aimags*. The majority of herder households are Kazakh, but Tuvan, Urianhai, Durvud, and Halk groups are in residence. Cultural and language barriers limit the integration of these groups. Most herders in Bayan Olgii feel a stronger commercial and cultural link to other ethnic groups in Kazakhstan, China and Russia than to other parts of Mongolia.
- Herders tend to move to traditional seasonal pastures at generally the same time each year. However, there is little regulation, coordination or community discussion of these moves. *Soum/bag* distinctions are very confused with a great deal of "co-mingling" of populations in border areas. Effectively, people claim to be residents of one *soum* while residing in another, for at least a season. Management of natural resources under these conditions will be difficult.

Lessons Learned and Recommendations

1. Community development funds must be carefully administered. Based on the field investigation of the use/result from such funds during the pilot project, the project concurs with the recommendations from the July 2002 evaluation report that (a) outside scrutiny of the use of these funds is necessary, (b) a longer period of dialogue and training should be undertaken before SGM introduces grants and loans and (c) local contributions to a joint fund need to be encouraged and should be sufficiently large to motivate responsible repayment plans to maintain the viability of the fund over time.
2. Selection of local communities and community leaders will be critical for success of the project. Widespread advertisement of SGM project activities and recruitment of additional community groups is needed (e.g., in addition to herder groups already formed by other donor projects such as Gobi Initiative or GTZ). Many of the proposals from project *soums* assumed that SGM work would take place with existing herder groups. Participating *soums* should reach additional members of the community.
3. Rangeland management training should begin soon and involve as many herders in the project *soums* as possible. Project staff encountered widespread lack of basic land management knowledge. (3rd quarter of 2003)
4. Community development training should begin soon and be intensive. (3rd quarter of 2003)
5. Resource mapping and land-use record-keeping are critical elements for successful implementation of the SGM project, and introducing these activities should begin as soon as possible. (3rd quarter of 2003)
6. Building *aimag-to-aimag* business relationships has begun (in June) and should be encouraged.

7. Community development funds must be carefully administered and SGM project activities should not compete with other donors (especially the World Bank's Sustainable Livelihood Project) operating in the same *soums*.
8. A preliminary assessment of policy issues – especially possession rights related to pasture – has begun and will be a larger share of the project's work in the 3rd and 4th quarters 2003.
9. Suitable permanent office space must be identified soon or the ability of SGM project staff to administer the project across 9 *soums* will be adversely affected.

III. RATING ON PROGRESS IN ACHIEVING RESULTS

Summary of Contributions of the Project to SRF

Strategic Results Framework	Update on Outcomes	Annual Output	Update on Outputs	Reasons if progress below target	Update on partnership strategies	Proposed actions
<p><u>Goal 2:</u> Economic and social policies and strategies focused on the reduction of poverty</p> <p><u>Sub-Goal 2:</u> The asset base of the poor expanded and protected.</p> <p><u>Strategic Area of Support 1:</u> Access to productive resources and assets.</p> <p><u>Intended Outcome:</u> The regulatory framework reformed to provide the poor with secure use rights to productive assets (physical & financial capital).</p>		2003: Approach to rural development changed to support local and community initiatives, better linked to industry and trade.	<ul style="list-style-type: none"> Ministry of Food and Agriculture named as executing agency for project; MFAG department head designated as National Project Director. Preliminary meetings and workshops held with ministry, <i>aimag</i>, <i>soum</i> and <i>bag</i> officials to orient them on the project's objectives. 	NA	None	Continue as planned
<p><u>Goal 3:</u> Environmentally sustainable development to reduce human poverty</p> <p><u>Sub-Goal 1:</u> Sustainable environmental management and energy development to improve the livelihoods and security of the poor.</p> <p><u>Strategic Area of Support 1.</u> National policy, legal and regulatory framework for environmentally sustainable development.</p> <p><u>Intended Outcome.</u> A comprehensive approach to environmentally sustainable development integrated in national development planning and linked to poverty reduction.</p>		2003: Models for sustainable grassland management replicated in 5 provinces.	<ul style="list-style-type: none"> 3 focal <i>aimags</i>, 9 focal <i>soums</i> and 39 herder groups selected to cooperate with project. Community Development Advisors identified and recruited for each <i>soum</i>. Work begun to orient, train and strengthen herder communities. 	NA	None	Continue as planned

Summary of Progress in Achieving Objectives

Objective	Achievements	Achieved? ¹
Objective 1. To strengthen existing customary forms of co-operation among herders within and between local communities of land users	<ul style="list-style-type: none"> • Three focal <i>aimags</i> (Bayankhongor, Uvurkhangai and Selenge) and 9 focal <i>soums</i> selected. • 39 herder communities identified and selected to cooperate with the project 	No
Objective 2. To facilitate the articulation of the new herder communities to other communities and to wider governance structures, mainly the <i>bag</i> and the <i>soum</i>	<ul style="list-style-type: none"> • Field trips undertaken to all focal <i>aimags</i> and <i>soums</i>; meetings held with concerned <i>aimag</i>, <i>soum</i> and <i>bag</i> government officials • Orientation workshops held with local government officials, Community development Advisors and herders communities. 	No
Objective 3. To build the capacity of herder community associations to negotiate with third party providers for inputs and services	<ul style="list-style-type: none"> • Community Development Advisors selected for every focal <i>soum</i>. • NGO identified and selected to support community mobilization and training in Bayankhongor and Uvurkhangai (Rural Development and Community Participation for the 21st Century) 	No
Objective 4. To strengthen the ability of central government to create and manage an appropriate legal and economic environment for sustainable herder and grassland development.	<ul style="list-style-type: none"> • Main project office establishes in Ministry of Food and Agriculture. • MFAG department head designated as National Project Director. 	No

¹ Only one-half year into a five-year project, it is not possible to have achieved any of the projects objectives yet.

Summary of Progress in Producing Outputs

Outputs	Indicators	Achievements	Produced?
Output 1.1: Herder co-operation for resource management strengthened in 50 herder communities	Thirty herder communities registered by start of PY3, a further 20 by PY5.	<ul style="list-style-type: none"> 39 herder communities identified and selected to work with the project 	No
	Boundaries and key resources of customary seasonal grazing areas mapped in 30 herder communities by end of PY3, and a further 20 by PY5.	<ul style="list-style-type: none"> None 	No
	Possession certificates for pastoral resources (winter shelters, winter/spring pastures and hand wells) issued to members of 30 herder communities by end of PY3, and a further 20 by PY5.	<ul style="list-style-type: none"> None 	No
	Public information campaign and herder-to-herder training undertaken yearly from PY2.	<ul style="list-style-type: none"> One herder-to herder workshop held. 	No
	Community revolving funds, 1/3 endowed by the community, is operational and turned over at least twice in 20 herder communities by PY3.	<ul style="list-style-type: none"> None 	No
Output 1.2: Primary pasture management activities undertaken in 50 herder communities.	Land use maps completed in 30 communities by end of PY3, and 20 more by PY5.	<ul style="list-style-type: none"> None 	No
	Estimates of pasture carrying capacities, discussions on adjusting grazing pressures, and options for forage development available for 15 herder community areas by end of PY3, a total of 50 by PY5.	<ul style="list-style-type: none"> None 	No
	Experiments in ecological control of Brandt's vole completed in three locations and results publicized by PY4.	<ul style="list-style-type: none"> None 	No

Outputs	Indicators	Achievements	Produced?
	Methods and training for herders to adjust over-winter grazing pressure to available resources developed and operational in ten herder communities by end of PY3.	<ul style="list-style-type: none"> None 	No
	Ten new or upgraded wells completed by end PY3, and a total of 45 by PY5.	<ul style="list-style-type: none"> Five herder communities expressed interest in co-financing well rehabilitations work. 	No
	Herders actively monitoring grassland condition and trend in ten herder communities by end of PY3, and a total of 30 by PY5.	<ul style="list-style-type: none"> None 	No
	Risk management plans operational in 20 herder communities by end PY3, and a total of 50 by PY5. Herders trained in risk and dispute management in same communities	<ul style="list-style-type: none"> None 	No
Output 2.1: Fifty herder community associations better linked between themselves and to <i>bag</i> and <i>soum</i> government through co-management structures	Executive co-management committees operational in three <i>bags</i> and one <i>soum</i> by end of PY3, and herder group representatives and officials trained.	<ul style="list-style-type: none"> None 	No
Output 3.1: Capacity of 50 herder community associations to identify economic opportunities for their members and to negotiate service contracts with outside providers enhanced	Herder community group trained in micro-finance, livestock product marketing, and business planning in 20 communities by end of PY3.	<ul style="list-style-type: none"> None 	No
	An adult training package tailored for herders' need is developed and piloted via existing training provider.	<ul style="list-style-type: none"> None 	No
Output 4.1: Improved ability of central decision-making bodies, notably the Ministries of Food and Agriculture and of	MFAg and MNE have commissioned or undertaken policy research on at least three of the activity areas listed below by end PY2, and a total of at least six by PY5:	<ul style="list-style-type: none"> None 	No

Outputs	Indicators	Achievements	Produced?
Nature and Environment, and Parliament Standing Committees on relevant issues, to conduct or access policy research on issues of outstanding importance, including new policies and legislation.	<ul style="list-style-type: none"> • need for new approaches to community associations; • new approaches and rules for livestock insurance, including index insurance and saving products appropriate for herders; • alternatives to existing livestock head tax like differentiated grazing land fee; • research options for improved livestock product marketing. 		
Output 4.2: Government capacity is strengthened to better network and coordinate between key actors involved in extensive livestock development.	Database of all rural development project locations, activities and contact information established in PY1 and maintained monthly.	<ul style="list-style-type: none"> • None 	No
	At least two information-sharing meetings of key players in extensive livestock sector held each year to enhance donor coordination.	<ul style="list-style-type: none"> • None 	No
	Rural development information sharing e-mail list serve established in PY1.	<ul style="list-style-type: none"> • None 	No
	At least two jointly sponsored educational events or publications produced each year.	<ul style="list-style-type: none"> • None 	No
	Website operational by end of PY2 and maintained monthly.	<ul style="list-style-type: none"> • None 	No

ANNEXES

Annex A: Budget Revision “C”

See separately attached file.

Annex B: Project Expenditure Report through 13 Dec 2002 – 15 Sep 2003

BL	BL Description	2003 Allocation	Disbursement Commitments-	Available Balance till 31 Dec	Percentage (%)
11.01	International Advisor	\$65,000.00	\$38,410.00	\$26,590.00	59.09
11.51	Short-term Int. Consultants	\$0.00		\$0.00	
13.01	Support Staff	\$6,500.00	\$2,810.00	\$3,690.00	43.23
13.02	Soum Project Team	\$5,000.00		\$5,000.00	0.00
14.01	International UNV	\$0.00		\$0.00	
15.01	Local travel	\$15,000.00	\$5,629.00	\$9,371.00	37.53
15.02	Field Operation	\$10,000.00		\$10,000.00	0.00
16.01	Evaluation	\$0.00		\$0.00	
17.01	Project Manager	\$6,500.00	\$3,668.00	\$2,832.00	56.43
17.03	Short-term Consultants	\$0.00		\$0.00	
21.01	Policy Research	\$0.00		\$0.00	
21.02	Well Rehabilitation	\$40,000.00		\$40,000.00	0.00
22.01	HC identification & training	\$34,825.00	\$6,185.00	\$28,640.00	17.76
32.01	Local Study Tour	\$0.00		\$0.00	
32.10	Int. Study Tour	\$0.00		\$0.00	
33.01	National seminar/workshop	\$16,500.00	\$4,133.00	\$12,367.00	25.05
45.01	Expendable equipment	\$8,800.00	\$6,645.00	\$2,155.00	75.51
45.02	Non-expendable equipment	\$75,000.00	\$40,972.00	\$34,028.00	54.63
52.01	Reporting/web	\$8,000.00		\$8,000.00	0.00
53.01	Sundries	\$3,500.00	\$1,809.00	\$1,691.00	51.69
53.02	Donor Contingency	\$26,544.00		\$26,544.00	0.00
53.70	Public Information	\$1,000.00		\$1,000.00	0.00
53.80	NEX Support	\$0.00		\$0.00	
103.00	CO Admin %	\$9,665.00	\$3,212.00	\$6,453.00	33.23
Project Total		\$331,834.00	\$113,473.00	\$218,361.00	28.06

Annex C: Project Workplan for 2003

Objectives, Outputs		Activities	2003												Responsible parties
			III	IV	V	VI	VII	VIII	IX	X	XI	XII			
Objective: Project start up	0.1.1	Recruit Project staff												UNDP, MFA	
	0.1.2	Select Project site												PIU, MFA	
	0.1.3	Subcontracting NGOs												PIU, UNDP	
	0.1.4	Prepare Quarterly Workplan													
Objective 1. Strengthen herder co-operation within and between communities of land users		<i>Herder institutions</i>													
Output 1.1 Herder co-operation for resource management strengthened in 50 herder groups	1.1.1	Identify <i>aimag soums</i>												PIU, MFA	
	1.1.2	Identify community mechanisms												PIU, MFA	
	1.1.3	Identify community groups												PIU,	
	1.1.4	Start discussion with groups												PIU, NGOs	
	1.1.5	Training in group formation												PIU	
	1.1.6	Help groups register												PIU, NGOs	
	1.1.7	Provide training in local government												PIU	
	1.1.8	ST International consultants													
		ST consultants													
		<i>Pasture tenure</i>													
	1.1.9	Help groups map resource use												PIU	
	1.1.10	Help groups obtain land certificates												PIU	
	1.1.11	Help groups develop tenure rules												PIU	
	<i>Public information</i>														
1.1.12	Information campaign												PIU		
	Reporting/web														
	<i>Revolving funds</i>														
1.1.13	Community revolving funds												PIU		
Output 1.2 Pasture management activities undertaken in 50 herder groups		<i>Land use planning, resource assessment and grassland development</i>													
	1.2.1	Help groups seasonal map resources												PIU	
	1.2.2	Help groups survey resources												PIU	
	1.2.4	Discussion on grazing management													
		<i>Hay</i>													
	1.2.7	Train herders in hay storage												PIU	
	<i>Wells</i>														
	Pastureland Improvement												PIU, UNDP		

Objectives, Outputs		Activities	2003												Responsible parties
			III	IV	V	VI	VII	VIII	IX	X	XI	XII			
Objective 2. Facilitate the articulation of new herder groups to other groups and wider governance structures, mainly the <i>bag</i> and <i>soum</i>		<i>Co-management</i>													
Output 2.1 50 herder community associations better linked between themselves and <i>bag</i> and <i>soum</i> government through co-management structures	2.1.1	Direct contracts between communities												PIU, UNDP	
	2.1.2	Support role of <i>soum</i> in land use planning												PIU	
	2.1.3	Create <i>soum</i> co-management community												PIU	
	2.1.4	Train herder and officials												PIU	
Objective 3. Build the capacity of herder groups to negotiate with third party providers for inputs and services		<i>Capacity building</i>													
Output 3.1 Capacity of 50 herder groups to identify economic opportunities for their members and to negotiate service contracts with providers enhanced	3.1.1	Train herder groups use micro-finance/saving												PIU, UNDP	
	3.1.2	Identify vocational training provider												PIU, UNDP	
	3.1.3	Develop adult training package												PIU, UNDP	
Objective 4. Strengthen the ability of central government to create and manage an appropriate land and economic environment for sustainable herder and grassland development		<i>Policy research decision makers</i>													
Output 4.1 Improved ability of central decision-making bodies	4.1.1	Help government draft rural policy												PIU, UNDP	
	4.1.2	Develop national livestock strategy												PIU, UNDP	
	4.1.3	Pilot initiatives on new technology												PIU, UNDP	
	4.1.4	Policy research												PIU, UNDP	
	4.1.5	National debate/ workshops on project finding												PIU, MFA, UNDP	
	4.1.6	Train senior officials												PIU	
	4.1.7	In country tour for decision makers												PIU, MFA, UNDP	
	4.1.8	International study tour													

Objectives, Outputs	Activities	2003												Responsible parties
		III	IV	V	VI	VII	VIII	IX	X	XI	XII			
	International UV													UNDP
Output 4.2 Government capacity is strengthened to better network & coordinate among key actors involved in extensive livestock development	<i>Networking and co-ordination</i>													
	4.2.1 Policy support dialogue													
	4.2.2 Encourage resource sharing													
	4.2.3 Encourage exchange of expertise													
Operational Costs	Project staff													
	Local Travel													
	Field operation													
	Equipment													
	Donor contingency													
	Grants													
	Sundry													
	NEX support													
	NPM contingency (2.5%)													

Annex D: Summary of Project Inputs

1. Project Personnel

1.1. Government Personnel

Post BL	Post Title	Name, Gender and Nationality	Entry on Duty (date)	Full/Part Time	Reporting Period
1.	National Project Director	I. Khanimkhan (male, Mongolian)	01 Mar03	Part time	12 mos

1.2 Project Funded Personnel (International)

Post BL	Post Title	Name, Gender and Nationality	Entry on Duty (date)	Completion of Contract	Reporting Period W/M
11-01	International Technical Advisor	David Dyer (male, American)	22 Apr 03	21 Aug 04	12 mos

1.3 Project-Funded Personnel (National)

Post BL	Post Title	Name, Gender and Nationality	Entry on Duty (date)	Completion of Contract	Reporting Period W/M
17-01	National Project Manager	B. Altantsetseg (female, Mongolian)	12 Mar 2003	11 June 04	12
13-01	Finance & Admin Assistant	M. Enkhtuvshin (male, Mongolian)	01 Apr 2003	31 June 04	12
13-01	Research Officer	Ts. Altanzul (female, Mongolian)	08 Sep 2003	07 Dec 03	12
13-01	Secretary & Translator	N. Tsolmon (female, Mongolian)	01 Sep 2003	30 Nov 03	12
13-01	Driver	Enkhtur (male, Mongolian)	04 Sep 2003	03 Dec 03	12

2. Subcontracts

Name of Subcontractor	Purpose of Subcontract	Start date	End Date	Amount
Rural Development – Community Participation for the 21 st Century	To identify existing herding groups in Uvurkhangai and Bayankhongor provinces willing to participate in SGM project activities and provide training to identified groups	11 Aug 03	11 Nov 03	USD 24,741
Dr. S. Tserendash	To identify existing herding groups in Selenge province willing to participate in SGM project activities and provide training to identified groups	24 July 03	04 Aug 03	USD 440
Mrs. D. Myadagsuren	To identify existing herding groups in Selenge province willing to participate in SGM project activities and provide training to identified groups	24 July 03	04 Aug 03	USD 337

3. Training

Training Activity and Location	Duration	Name (or Number) of trainees	Start Date	End Date
Project Introduction & Cooperation Workshop <i>Kharkhorin soum</i> <i>Uvurkhangai aimag</i>	4 days	23 people from 4 <i>aimags</i>	18 June 03	22 June 03
Community Development Advisor Assessment Workshop Ulaanbaatar City	3 days	23 people from 3 <i>aimags</i>	18 Aug 03	20 Aug 03
Training on Community Participation - Khujirt, Sant, Tugrug <i>soums</i> , Uvurkhangai, - Erdenetsogt, Jinst, Bogd <i>soums</i> , Bayankhongor province	21 days	339 herders from 24 herder groups from 6 <i>soums</i> of 2 <i>aimags</i>	18 Aug 03	08 Sep 03
Training on Legislative Acts - Khujirt, Sant, Tugrug <i>soums</i> , Uvurkhangai, - Erdenetsogt, Jinst, Bogd <i>soums</i> , Bayankhongor province	20 days	253 herders from 18 herder groups from 6 <i>soums</i> from 2 <i>aimags</i>	22 Aug 03	11 Sep 03

4. Documentary Outputs

Title of Document	Date of Publication	Description
N/A	N/A	N/A

5. Equipment

Date	Description	Serial No.	Cost	No.	Location
April-03	DELL Processor Dell Optiplex GX260SMT Intel Pentium IV, 3.06 Ghz, 512MB Ram 80 GB HDD 7200 cpm, 32 MB DDRSD RAM display card, 32x16x48 CD Writer, 10/100/1000mbps network card, 56K fax modem. 1.44FDD	00045-424-582-281	2,601,670	1	Project Office
April-03	DELL LCD Monitor 17" 0.264 mm dpi monitor 1280x1024	CN-05W541-46633- 31Q-OH2U	814,320	2	Project Office
April-03	DELL Processor Dell Optiplex GX260SMT Intel Pentium IV, 3.06 Ghz, 512MB Ram 80 GB HDD 7200 cpm, 32 MB DDRSD RAM display card, 48X CD-Rom, 10/100/1000mbps network card, 56K fax modem. 1.44FDD	00045-424-582-283	2,556,470	3	Project Office
April-03	DELL LCD Monitor 17" 0.264 mm dpi monitor 1280x1024	CN-05W541-46633- 31Q-OH0U	814,320	4	Project Office
April-03	DELL Processor Dell Optiplex GX260SMT Intel Pentium IV, 3.06 Ghz, 512MB Ram 80 GB HDD 7200 cpm, 32 MB DDRSD RAM display card, 48X CD-Rom, 10/100/1000mbps network card, 56K fax modem. 1.44FDD	00045-424-582-280	2,562,436	5	Project Office
April-03	DELL LCD Monitor 17" 0.264 mm dpi monitor 1280x1024	CN-05W541-46633- 31Q-0GCU	814,320	6	Project Office
April-03	APC UPS 500VA Back-Up series	BK500EI BB0230009829	129,960	7	Project Office
April-03	APC UPS 500VA Back-Up series	BK500EI	129,960	8	Project

Date	Description	Serial No.	Cost	No.	Location
		BB0230010757			Office
April-03	APC UPS 500VA Back-Up series	BK500EI BB0230010725	129,960	9	Project Office
April-03	APC UPS 500VA Back-Up series	BK500EI BB0230010752	129,960	10	Project Office
April-03	HP LaserJet 2200DN printer 18 ppm	CNKSH 44194	1,396,050	11	Project Office
April-03	HP DeskJet 1220 printer, 2400 dpi, color -9.5 ppm, black-11 ppm, A3 size	MY2BQ 23238	449,160	12	Project Office
April-03	Canon NP6330 photocopier including RDF, Duplexer A3-A6, 31 cpm 100 copy, 49%-204% Warm 35 sec, 500x2 tray, 10 bin stapler sorter, sorter kit	ED 197 48	6,199,980	13	Project Office
April-03	HP Scan Jet 5470C scanner 2400x2400 dpi, 48bit color, slide & negative adapter	CN24416038	315,530	14	Project Office
April-03	Telephone Panasonic	KX-T2375MXW 2BFB137602	124,850	15	Project Office
April-03	Telephone Panasonic	KX-T2375MXW 2BFB137600	124,850	16	Project Office
April-03	Sharp Fax machine Plain Paper 516 Kb memory	27100508	219,990	17	Project Office
April-03	Extension cord plug	202173	22,999	18	Project Office
April-03	Extension cord plug	202173	22,999	19	Project Office
April-03	HUB 8 ports	213000375-ADS8- AB	77,180	20	Project Office
April-03	Writing Table		110,900	21	Project Office
April-03	Writing Table		110,900	22	Project Office
April-03	Writing Table		110,900	23	Project Office
April-03	Rolling chair		134,900	24	Project Office
April-03	Rolling chair		134,900	25	Project Office
April-03	Rolling chair		134,900	26	Project Office
April-03	Mobile pedestal		76,900	27	Project Office
April-03	Mobile pedestal		76,900	28	Project Office
April-03	Mobile pedestal		76,900	29	Project Office
April-03	Book-shelf		145,900	30	Project Office
April-03	Book-shelf		145,900	31	Project Office
April-03	Personal computer desk		94,900	32	Project Office
April-03	Personal computer desk		94,900	33	Project Office
April-03	Personal computer desk		94,900	34	Project Office

Date	Description	Serial No.	Cost	No.	Location
April-03	Round table		148,900	35	Project Office
April-03	Visitor chair		31,900	36	Project Office
April-03	Visitor chair		31,900	37	Project Office
April-03	Filing drawer		155,900	38	Project Office
April-03	Side cabinet		117,900	39	Project Office
April-03	Side cabinet		117,900	40	Project Office
April-03	Side cabinet		117,900	41	Project Office
Aug-03	Notebook	Samsung S 830-GS 4002	2,379,099.50	42	Project Office
Aug-03	Canon Inkjet Printer	BJC2100	112,744.50	43	Project Office
Aug-03	Sharp Fax machine	UX-355	115,610.86	44	Project Office
Aug-03	Toyota Land Cruiser		25,000	45	Project Office
Aug-03	LCD projector		2329,86	46	Project Office
Aug-03	White board		164,75	47	Project Office

Annex E: Selection of Focal *Aimags* for the SGM Project

Minutes of Meeting

This memorandum summarizes the decisions made at the meeting 29 April 2003, concerning selection of project *aimags*. This meeting reviewed options for project *aimags*, as suggested by the Ministry at the meeting 14 April 2003; at the recent meeting, we considered specific choices of project *aimags* in year 2003. Attendees at the meeting were:

- | | |
|--------------------|--|
| 1. D. Nasanjargal | Minister of MFAg |
| 2. P. Damdindorj | State Secretary of MFAg |
| 3. D. Nergui | Head of Policy implementation co-ordination department |
| 4. G. Davaadorj | Head of Strategic planning and policy department |
| 5. P. Ganhuyag | Head of the livestock division |
| 6. I. Khanimkhan | Head of External relations and cooperative division |
| | NPD, Sustainable Grassland Management Project |
| 7. B. Altantsetseg | NPM, Sustainable Grassland Management Project |
| 8. David Dyer | ITA, Sustainable Grassland Management Project |
| 9. M. Enkhtuvshin | AFA, Sustainable Grassland Management Project |

As set out in the SGM project documents, primary criteria for *aimag* and *soum* selection will be ecological considerations, to include both non-equilibrium ecology areas (especially Gobi and southern Altai) and equilibrium areas. Other criteria include local dry land or irrigated haymaking tradition and potential link to use of crop residues; economic location and land use pressure, with specific consideration of market access and strong migration pressures; access to donor-supported micro-finance. These criteria were used to compile alternate groupings of *aimags* for consideration as project *aimags*.

As a result of the meeting, SGM intends to operate in 3 *aimags* in 2003: Selenge, Uvurkhangai, and Bayankhongor (Annex 1). In each of these *aimags*, we expect to work in up to 3 *soums*. In 2004, SGM will add a fourth *aimag*, Bayan-olgi, and people from Bayan-olgi will be involved in monitoring and learning from the project set-up in Bayankhongor *aimag* during 2003.

A list of recommended *soums* was also compiled during the meeting. The Ministry's recommendations will be discussed with *aimag* governors in the selected *aimags* and examined carefully in view of the selection criteria. A copy of the comparison tables used at the meeting is attached in Annex 2.

National Project Manager

B. Altantsetseg

Annex E.1. *Aimags targeted for SGM activities 2003*

General

Sustainable Grasslands Management (SGM) project will target and select *aimags* and *soums* in different ecological zones to test models of herder cooperation that can be improved to develop better resource management. The selected *aimags* must contain suitable sites (*soums*) where the project can test and put in place mechanisms acceptable to local communities that will result in recovery/improvement of the productivity of Mongolian grasslands.

Selected *Aimags*

In year 2003, SGM will operate in three *soums* in each of three *aimags*, for a total of nine project target *soums*. These are:

No	Province or <i>Aimags</i>	Selected <i>soums</i>
1	Selenge (SE)	1. Javkhlant 2. Bayangol 3. Mandal
2	Uvurkhangai (UV)	4. Sant 5. Tugrug 6. Hujirt
3	Bayankhongor (BH)	7. Jinst 8. Bogd 9. Erdenetsogt

Bayankhongor *aimag*. Bayankhongor *aimag* is in the central western part of Mongolia, located (*aimag* capitol) 630 km from UB. The *aimag* borders five other *aimags*, including Uvurkhangai, Umnugobi, Gobi-Altai, Zavkhan, and Arkhangai, and the People's Republic of China. The border with the PRC is 140 km. Bayankhongor has 116,000 square km of land and a population of 84,300 (2003), with about 60 percent living outside of *aimag* or *soum* centers. The main economic activities in Bayankhongor are animal husbandry, retail trade and mining (gold). Out-migration is a concern. In 2002, 2,568 people are reported to have moved to the *aimag* center and 2,747 people moved to Ulaanbaatar or other *aimags*. Four other donors are active in Bayankhongor: USAID (Gobi Regional Economic Growth Initiative), World Bank (Sustainable Livelihoods project), ADB and GTZ. Bayankhongor *aimag* hosted a rangeland pilot project in 2002 under UNDP, and a second project (in Bogd *soum*) sponsored by the Gobi Regional Economic Growth Initiative (USAID).

Uvurkhangai *aimag*. Uvurkhangai *aimag* is in the central part of Mongolia, located (*aimag* capitol) about 370 km from UB. The *aimag* borders six other *aimags*, including Tuv, Bulgan, Arkhangai, Dundgovi, Umnugobi, and Bayankhongor. Uvurkhangai has 62, 870 square km of land, 94 percent of which is classified as rangeland, and a population of 109,316 (2002). Two other donors are active in Uvurkhangai: USAID (Gobi Regional Economic Growth Initiative) and World Bank (Sustainable Livelihoods project). Uvurkhangai *aimag* hosted a rangeland pilot project in 2002 under UNDP, and a second project (in Tugreg *soum*) sponsored by the Gobi Regional Economic Growth Initiative (USAID).

Selenge aimag. Selenge *aimag* is located in northern Mongolia, in close proximity to UB. The *aimag* borders the Russian Federation, shares a border with three other *aimags*, including Tuv, Khentii, and Bulgan, and surrounds Darkhan-Uul.

Rationale for Selecting these *Aimags*

The three *aimags* selected as worksites for 2003 represent a variety of ecological zones and provide other advantages as sites for initial work. The three *aimags* provide a proper working environment for first-year work. Other considerations for selecting these *aimags* are:

- *Aimag-to-aimag* planning and cross-border cooperation. To impel inter-*aimag* cooperation, two adjacent *aimags* are selected (UV and BH).
- Project administration and monitoring. Selecting *aimags* in the far west or far east will place an administrative burden on the project that could jeopardize first year accomplishments. By focusing on the central area in the first year, SGM activities can develop a sound base for expansion in 2004 and later. By including representatives from *aimags* adjacent to targeted *aimags* in project reviews and workshops during 2003, SGM should be able to readily include at least two additional *aimags* in 2004.
- Uvurkhongai and Bayankhongor *aimags* hosted pilot projects in 2002.

Guidance for *Soum* Selection

Primary criteria for *soum* selection are ecological considerations, to include both non-equilibrium ecology areas (especially Gobi and southern Altai) and equilibrium areas. Other criteria include local dryland or irrigated haymaking tradition and potential link to use of crop residues; economic location and land use pressure, with specific consideration of market access and strong migration pressures; access to donor-supported micro-finance. Herder strategies will differ according to ecological zones, access to markets, roads/railway, closeness to international frontiers, cultural tradition, and previous training.

Comparison tables used for *aimag* selection

Criteria used for selection are summarized in the following tables, which were used to evaluate alternative combinations of focal *aimags*.

Table 1. Option A

<i>Aimag</i> :	Donor projects	Ecological description	Agricultural activities	Ecological equilibrium status	Market access	Migration pressures	Access to donor-supported micro-finance	Cost per trip per person (MNT) *	Distance (km from UB)
Selenge	ADB, TACIS, JCS	River system	Cropland and herding; hay-making tradition (irrigated);	Relative equilibrium	Close to UB; international border (Russia)	Limited	Yes (Xacbank)	37,400	320
Sukhbaatar	ADB, TACIS, UNDP	Steppe, Gobi	Primarily herding, limited farming	non-equilibrium	Close to UB; One border point (China)	Yes	Yes (ADB, Xacbank)	49,700	590
Bayan Olgii	ADB, IDRC, WWF	High mountain	Primarily herding	non-equilibrium	Remote from UB	Yes	Yes (Xacbank)	131,760	1670
Dundgovi	USAID, WB, JICA, World Vision	Gobi	Primarily herding	non-equilibrium	Close to UB	Yes	Yes (Xacbank)	31,000	300

Table 1. Option B

<i>Aimag:</i>	Donor projects	Ecological description	Agricultural activities	Ecological equilibrium status	Market access	Migration pressures	Access to donor-supported micro-finance	Cost per trip per person (MNT) *	Distance (km from UB)
Selenge	ADB, TACIS, JCS	River system	Cropland and herding; hay-making tradition (irrigated);	Relative equilibrium	Close to UB; international border (Russia)	Limited	Yes (Xacbank)	37,400	320
Uvurkhangai	USAID, WB, World Vision	Gobi and khangai <i>soums</i>	Primarily herding, limited farming	non-equilibrium	Close to UB;	Yes	Yes (ADB, Xacbank)	42,200	430
Dornod	TACIS, UNDP	Steppe area	Primarily herding	non-equilibrium	Access to UB, access to Russia	Yes	Xacbank	69,000	670
Hovd	ADB, WWF	High mountain	Primarily herding, some cropping	non-equilibrium	Remote from UB	Yes	Xacbank	119,520	1400

* Transportation Rates for Local Participants' in-country travel, UNDP National Execution Manual, Annex 5R

Notes: Uvurkhangai *aimag* hosted pilot project in 2002 (Bayanonder *soum*)

Table 1. Option C

<i>Aimags:</i>	Donor projects	Ecological description	Agricultural activities	Ecological equilibrium status	Market access	Migration pressures	Access to donor-supported micro-finance	Cost per tripper person (MNT) *	Distance (km from UB)
Selenge	ADB, TACIS, JCS	River system	Cropland and herding; haymaking tradition (irrigated);	Relative equilibrium	Close to UB; international border (Russia)	Limited	Yes (Xacbank)	37,400	320
Uvurkhangai	USAID, WB, World Vision	Gobi and khangai <i>soums</i>	Primarily herding, limited farming	non-equilibrium	Close to UB;	Yes	Yes (ADB, Xacbank)	42,200	430
Bayankhongor	USAID, WB, ADB, GTZ	Gobi and khangai <i>soums</i>	Primarily herding	non-equilibrium	Remote from UB	Yes	Yes (Xacbank)	62,800	630

* Transportation Rates for Local Participants' in-country travel, UNDP National Execution Manual, Annex 5R

Notes:

Uvurkhangai (Bayanonder *soum*) and Bayankhongor (Baatsaagan *soum*) aimags hosted pilot projects in 2002

Annex F: Terms of Reference and Selection of NGO Contractor

Terms of Reference

Objective: To identify and provide training to selected rural communities in Bayankhongor, and Uvurkhangai *aimags*.

The NGO, as a contractor to the UNDP's "Sustainable Grasslands Management" project, shall perform and complete the Services described hereafter with due diligence and efficiency and in accordance with the Contract. The contractor shall honor the contract to be executed, where failure to deliver the service will be penalized in accordance with the terms described under the UNDP's penalty scheme.

Background

Sustainable Grasslands Management Project (SGMP) works to rebalance pasture resources and the animal grazing pressures on those resources. The project goal is to increase the welfare of herding families through the sustainable management of Mongolian grasslands. A project strategy is to mobilize herders' activities by strengthening local community associations to achieve collaborative management of natural grasslands.

SGMP staff members have identified project *aimags* and *soums* and have held local discussions with herders and *soum* officials about present resource use (including grazing activities). The project *aimags* are Bayankhongor, Selenge, and Uvurkhangai *aimags*. See annex 1 for a list of *soums*. Proposals for work in one, two, or all three *aimags* may be submitted.

Scope of work/Tasks

SGMP is asking for proposals from qualified NGOs to assist the project in the following activities during the period August to November 2003:

Task 1. Assist the SGMP to identify existing community groups willing to participate in SGM project activities. Deliverables:

1. Community group identification. The NGO will identify existing community groups in six selected *soums* in Bayankhongor, and Uvurkhangai *aimags* (see annex 1). This listing of community groups will include at least seven (7) community groups consisting of approximately 10 to 15 households for each *soum*. These community groups are geographically or task-based communities which already cooperate in informal ways for (a) natural resource (rangeland or water) management, or (b) in economic activities such as animal breeding, product marketing, or in other economic tasks, or (c) in social activities. The NGO will provide specific, detailed descriptions of the activities in which the communities cooperate in informal ways will be provided for each community. In addition, the identification will include detailed information about the households, including names and general locations within the *soum/bag* for winter and summer pastures. This identification will be in a written report to be submitted to SGMP by 31 August. Proposals for work in one, two, or all three *aimags* may be submitted.

2. Rationale and justification for including local herding communities. In addition to the detailed information about the herding community described in [1], a preliminary report must be provided to SGMP by 18 August that indicates why a specific herding community is a potential collaborator for the project, and is willing to participate in project activities. At a minimum, the herding community must express a willingness to collaborate with SGMP, a strong willingness to participate in training and technical assistance activities, and both the willingness and ability to contribute to a community revolving fund. (Please note that, under the SGMP project, any revolving fund established must have a community counterpart contribution of 30 percent of the fund's capital.)

Task 2. Provide training to identified groups concerning the advantages and options for a greater degree of formalized group activities, including informal organization, registration as an NGO, and formation of a cooperative. Deliverables:

1. Prepare a training curriculum for herding communities/herder groups that explains alternative forms of organizations, including remaining as informal groups, registration as an NGO, and formation of a cooperative.
2. In close cooperation with SGMP, arrange training sessions, using the training curriculum as necessary to include the majority of households in each of the herding communities identified under Task 1.
3. All proposals should include a training schedule, together with a description of each proposal workshop or training schedule. This training will begin during the week of 18 August 2003.
4. Provide a written report to SGMP for each training session/workshop conducted, according to guidelines provided by SGMP. (See annex 2.) Provide written updates to SGMP on a bi-weekly basis, including activities undertaken in the two-week period, results of those activities, and problems encountered.
5. Compile a copy of all training materials and submit a Final Report to the SGMP at the end of the contract. The Final Report will consist of a descriptive report outlining the activities undertaken and the results of these activities and financial report that should include all expenses incurred together with all documentation related to and as proof for these expenses.

Task 3: Train selected herder groups in operating risk management plans, including grazing and water point management, identification of seasonal grazing areas, reciprocal use of resources in an emergency (such as drought of *dzud*), and dispute resolution. These plans will be the basis for later work with *soum* authorities to obtain possessions certificates under the Land Law for winter shelters, winter and spring pastures, and wells. Deliverables:

1. Schedule and conduct training sessions or workshops that include the majority of households in each of the herding communities identified under Task 1 in the following subject areas:
 - a. Basic rangeland management

- b. Rangeland carrying capacity. This training will include instruction about rangeland use record keeping.
 - c. Basic animal breeding principles
 - d. Basic marketing principles. This training should include basic economics and provide an understanding of the legal framework, such as the new Land Law, that will affect the business status of herders.
 - e. Methods to improve winter preparation of rangeland and animals, haymaking (where and if possible) and storage of supplemental animal feed, and proper use of supplemental animal feed.
 - f. Benefits of veterinary services.
2. Provide status reports to SGMP. Provide written updates to SGMP on a bi-weekly basis, including activities undertaken in the two-week period, results of those activities, and problems encountered.

Task 4. Identify suitable water point/well rehabilitation projects. Compile a list of inoperable or inefficient water points in selected *soums* that could be repaired or replaced, under SGMP guidelines, to improve the sustainable use of pasture by selected herder groups. Deliverables:

1. A report containing a list of wells and water points within the project *soum*, with detail about the operational status of each well/water point will be submitted to SGMP by 31 August. Details include the rate of water flow, depth of the well, general condition of the equipment, and legal status (such as a possession contract) of the well/water point. SGMP will provide a check-list of detailed information to be gathered.
2. From within the total *soum* list, a report containing a list of wells or water points routinely used by the herder communities identified in Task 1 will be submitted to SGMP by 31 August.
3. Four wells will be rehabilitated in these two *aimags* so background information, community cost sharing 30% will be developed and set up within four herder community groups.

Task 5. Community Development Advisors (CDA) capacity building. Promote right understanding and develop basic skills of CDAs in each target *soums* on participatory community group identification and training. This could be done through on-job-training, e.g. intensive involvement of CDAs in the work-team, provision of timely comments and feedback, etc

Annex F.1: Aimags targeted for SGM activities 2003

General: Sustainable Grasslands Management (SGM) project will target and select *aimags* and *soums* in different ecological zones to test models of herder cooperation that can be improved to develop better resource management. The selected *aimags* must contain suitable sites (*soums*) where the project can test and put in place mechanisms acceptable to local communities that will result in recovery/improvement of the productivity of Mongolian grasslands.

Selected *aimags*: In year 2003, SGM will operate in three *soums* in each of three *aimags*, for a total of nine project *soums*. These are:

1. Uvurkhangai - Sant, Tugrug, Hujirt *soums*
2. Bayankhongor - Jinst, Bogd, and Erdenetsogt *soums*

Annex F.2: Training Report format

1. Name: _____
2. Organization: _____
3. Project Number and Title: _____
4. Field(s) of Study: _____
5. Training Details: _____

Name of Institution and place Training Received	Period (Dates)	Name(s) of Supervisor(s)	Description of
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6. Relevance of Training to the Project Objectives:
(State clearly and avoid generalized statements)
7. RECOMMENDATIONS
(Comments and suggestions on the content and suitability of the course)
8. Views on the project design and its objectives and whether any changes are required

Note: The National Project Director may wish to obtain a separate detailed report from the fellow covering the technical aspects of the training.

BREAKDOWN OF COSTS

Activities	Total(USD)
I. Task management	
II. Public awareness	
III. Media coverage	
IV. Host services	
Other (please specify)	

Grand Total _____

Meeting Agenda: Review of proposals submitted by NGOs according to announcement in daily newspapers of Selecting of qualified NGOs.

Date: 16 July 2003, Wednesday

Participants: B. Batkhisig, UNDP Programme Analyst/Specialist
I. Khanimkhan, NPD
B. Altantsetseg, NPM
David R. Dyer, ITA

UNDP received 6 technical and price proposals from different NGO's. However, there are no proposals, which meet requirements mentioned in Terms of References (TOR) and no relevant ideas related with the grassland management.

After reviewing and discussing the proposals, the evaluation team concluded that none of the NGO's responded to the TOR in sufficient detail to allow us to understand the work proposed. Only MNEC submitted a proposal in sufficient detail to give an understanding of the tasks proposed, but this NGO lacks technical expertise, and we did not understand the proposed budget.

After discussion, the evaluation team concluded that all proposals would be rejected and a second solicitation of proposals would be advertised. Further, the activities would be reduced (from four tasks to two).

Evaluation of proposals received in response to SGMP's Second RFP

In response to the second request-for-proposals, the evaluation team selected the NGO *RDGP-21*. The second proposal from *RDGP-21* responded to our July 11 rejection letter with an extensive revision of the proposal. In the July letter we stated: "Your submission lacks detailed reference to activities, training, the content of training, or the deliverables you would provide if selected to undertake the work for SGMP, and therefore we cannot assess the plan of work you propose." The August proposal –

1. Provided us with detailed training curriculum, keyed to tasks, and complete with meeting agenda in sufficient detail to supply UNDP with training information in the required formats;
2. Gave us a detailed list of training manuals and handouts to be used.
3. Listed "expected outcomes"

Annex G: Minutes of Third Quarter Workplan Meeting

Agenda: The third quarter work-plan
Semi-annual report
Date: 8 August 2003, Friday, 14.30-16:00

Participants: Gordon Johnson, Senior Advisor, UNDP
B. Batkhishig, PO, UNDP
P. Ongonsar, PA
I. Khanimkhan, NPD
B. Altantsetseg, NPM
David Dyer, ITA
M. Enkhtuvshin, AFA

On August 8, 2003, the above participants met to discuss the Sustainable Grassland Management (SGM) project's proposed 3rd quarter (July-September) workplan and semi-annual (January – June 2003) report.

Mr. Gordon Johnson opened meeting by asking for the SGM project team to present a summary of the third quarter workplan, with emphasis on the outputs and results expected during the quarter.

The National Project Manager B. Altantsetseg first made an oral presentation reviewing SGM's progress in project set-up, contracting, and staffing. She described the work field reviews of potential *soums* in May-June to identify where the SGM project might work. She mentioned the advertisement and re-advertisement to solicit proposals from NGOs for work under objective 1.1. The re-advertisement took place because all NGO submissions under the first advertisement were unsatisfactory. The group specifically discussed the proposal submitted by the Center for Policy Research (CPR). Altantsetseg and David commented about reasons why the CPR proposal was not acceptable, saying that it was largely a boilerplate proposal without adequate attention to the stated needs of the project and largely unresponsive to the request for proposals.

Altantsetseg also discussed progress under objective 1.2 (pasture management activities) and described the training activities that would take place beginning in August. The following points were raised on the meeting, such as:

- Well rehabilitation and possession
- Allowance of revolving funds
- Cooperate with local administration

On well rehabilitation, Altantsetseg noted that the project would require a 30% cash contribution from the beneficiary communities, which Mr. Johnson Strongly supported. Mr. Johnson went on to say that, based on the extensive experiences of the UNDP-supported WASH-21 project, the human side of well operations and management was much more important than the technical/physical side. Thus, community organization, commitment and ownership was paramount in the success of well rehabilitation work.

ITA D. Dyer suggested about establish of small working group, which would consist of representatives from donor projects. I. Khanimkhan, NPD said that Ministry of Food and

Agriculture planned in the next week discuss this issue. Mr. Khanimkhan also noted that national policy on food and agriculture was recently approved by parliament and was currently being translated into English. This policy document would be shared with the project and UNDP when the translation was completed.

There was also discussion about publishing the herder's pasture record book, a largely blank book with forms to help herders track things like pasture movements, animal statistics, etc. UNDP also suggested that It could contain some instructions and methods of herding for young herders.

Training plan

B. Batkhisig, Programme Officer, emphasized on the need to submit all training plans together with the quarterly work-plans. The training plan format could be found in annex 6a of NEX manual.

Procurement plan

B. Batjargal, Logistics officer, promised to provide some informational and methodological support to purchase some items described in the procurement plan. In this section of the meeting problems connected with computers for *soums* were discussed, notably about local skills in using of PCs and the lack of secure power –supplies in *soums*.

In particular, Mr. Johnson expressed his reservations about the usefulness of computers for *soum* Community Development Advisors, especially when it was suggested that these computers could be used for GIS applications and mapping. Mr. Johnson asked that the procurement of 9 computers for the CDAs be deferred until (a) the CDAs were recruited and working successfully and (b) there was a clearly identified problem and need that could be solved through computing power.

Minutes prepared by M. Enkhtuvshin, AFA

Annex H: Summary Table of Herder Groups

No	Aimags	Soums	Herder group	Population		Livestock
				Total	Labor aged	
1.	Selenge	Javkhlant	Tsagaan Ovoo	48	25	2109
2.			Bayanbuural	44	23	1883
3.			Buural Zurkh	33	54	1154
4.			Batkholboo	44	22	2533
5.			Gurvaljin Kholboo	54	25	1854
6.		Bayangol	Tsakhhar, Manart	52	25	1551
7.			Tumurt	62	31	1469
8.			Kharaa-1	48	25	2109
9.			Gonir	71	34	2465
10.		Mandal	Tsagaan Chuluut	37	18	580
11.			Shivert-IV	42	20	1669
12.			Ulaanbiluu	34	15	1556
13.			Bayansudal	41	16	730
14.			Khurelbaatar	35	13	1665
15.			Daritin Ekh	55	28	1408
16.	Uvurkhangai	Khujirt	Olon Burd	61	33	3220
17.			Bayanzulegt	62	35	2143
18.			Sarlagiin	44	30	747
19.			Ikh Burd	59	35	1739
20.		Sant	Zaraa	49	29	2390
21.			Nomt	32	17	1782
22.			Tsagaankhairkhan	24	13	1200
23.			Kholboo	34	18	2505
24.		Tugrug	Bumba	46	32	1509
25.			Khuren Toirom	43	22	2819
26.			Saijrakh	30	16	1995
27.			Khaya	32	13	3100
28.			Buman Sureg	22	11	1159
29.			Bayantukhum	44	23	1353
30.		Ikh Morin	56	23	1604	
31.	Bayankhongor	Bogd	Orog nuur	48	22	1120
32.			Khamtiin Khuch	80	36	1608
33.			Bugiin gezeg	56	23	918
34.		Jinst	Bodi	43	24	356
35.			Shar khadnii	25	17	1006
36.			Orgil	22	12	n/a
37.		Erdenetsogt	Zurkh Khairkhan	32	17	346
38.			Shinekhoroot	26	11	710
39.			Nuramt	39	23	490
Total		9 soums	39 herder groups	1,709	909	60,554