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## WWF CAUCASUS PROGRAMME OFFICE CONSERVATION PROGRAMME AUDIT



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## LIST OF ACRONYMS

AM	Armenia	GPF	Global Programme Framework
AZ	Azerbaijan	IR	Iran
BMU	German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety	IRBM	Integrated River Basin Management
BMZ	German Federal Ministry for Economic Cooperation and Development	KfW	German Government-owned development bank
CauPO	WWF Caucasus Programme Office	M & E	Monitoring and Evaluation
CBC	Caucasus Biodiversity Council	NGO	Nongovernmental Organization
CBD	Convention on Biological Diversity	NI	Network Initiative
CEPF	Critical Ecosystem Partnership Fund	NMFA	Norwegian Ministry of Foreign Affairs
CHF	Swiss francs	NO	National Office
CITES	Convention on International Trade in Endangered Species	OA	Organizational Assessment
CO	Country Office	PA	Protected Area
CPAF	Caucasus Protected Areas Fund	PCA	Priority Conservation Area
CSO	Civil Society Organization	PES	Payments for Environmental Services
CRMN	Caucasus Regional Monitoring Network	PIA	Programme Implementation Agreement
CSPU	Conservation Strategy and Performance Unit	PO	Programme Office
CY	Calendar Year	PO SP	Programme Office Strategic Plan (template)
ECP	Ecoregion Conservation Plan	POM	Programme Office Management
EC	European Commission	PPMS	Project and Programme Management Standards
FLEG	Forest Law Enforcement and Governance	REC	Regional Environmental Centre
FSC	Forest Stewardship Council	RU	Russian Federation
FTN	Forest Trade Network	SMART	Specific, Measurable, Attainable, Relevant, Time-Bound
FW	Freshwater	SP	Strategic Plan
FY	Fiscal Year	TR	Turkey
GAA	Government Aid Agency	UN	United Nations
GCF	Global Conservation Fund	UNDP	United Nations Development Programme
GE	Georgia	WB	The World Bank
GIS	Geographic Information System	WWF	World Wildlife Fund or World Wide Fund for Nature

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## **i. BRIEF OVERVIEW OF FINDINGS AND RECOMMENDATIONS**

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WWF activities in the Caucasus began in the early 90s and in 2004 the WWF Caucasus Programme Office (CauPO) formed with a mandate to develop a regional programme encompassing the three countries of the Caucasus (Armenia, Azerbaijan, Georgia) and coordinating work for the sub-ecoregion (including the Caucasus parts of Russia, Turkey, and Iran). Since the early 90s, CauPO has grown to nearly 60 staff. Activities have focused primarily on developing a protected areas network, priority species conservation, and promoting effective regional collaboration of the conservation community.

With the adoption of WWF's Global Programme Framework, a recent revision of the Ecoregion Conservation plan for the Caucasus (ECP), increasing funding opportunities, and the expiration of CauPO's latest strategic plan (FY07-10), CauPO must develop a new strategic plan for the coming five years. To inform the planning process, CauPO's Steering and Advisory Groups requested a conservation audit. Relying upon information and input gathered primarily from WWF staff in the region, partner organizations and other key actors identified by the office, and stakeholders from within the WWF Network, the audit sought to assess CauPO's strategic design and approach, implementation status and effectiveness, and strategic alignment of the current project portfolio. To the extent possible, the audit also broadly considered issues regarding organizational structure, capacity, and intra- and extra-programmatic relations and funding.

Results of the audit are presented in this report, with highest priority findings and recommendations listed briefly below, although readers are strongly encouraged to refer to the full document for elaboration and justification.

### **Effectiveness of Strategic Action: FY07-10**

CauPO's FY07-10 Strategic Plan focused on four themes from the ECP—forests, freshwater, species, and enabling conditions—with much of this work focusing specifically on 17 focal Priority Conservation Areas across the region and two species: leopard and sturgeon. Also from the ECP, WWF elected to focus on 98 'Four-Year Milestones,' (referred to as 'Immediate Actions by 2010' in the ECP) and of these, CauPO has led on 77, while WWF-Russia and WWF-Turkey led on the other 22. In addition, the FY07-10 Strategic Plan lists 15 'Impacts by 2010.'

Based upon a basic assessment of effectiveness against these milestones and targeted impacts as well as feedback from external and Network stakeholders, this audit leaves us with the impression that this is one of the best functioning and highest impact large, multi-country programmes we have reviewed. It appears that CauPO has delivered on 60 to 70% of the deliverables and outcomes it targeted in its FY07-10 strategic plan with a range of major achievements, including:

- ♦ Establishment of the Caucasus Protected Areas Fund, now up and running in Georgia and Armenia.
- ♦ Strong progress on the first transboundary conservation project in the Javakheti (Georgia) - Shirak (Armenia) Transboundary Area (Javakheti and Lake Arpi National Parks).
- ♦ Establishment of more 130,000 ha of new protected areas, including 50,000 ha in South Armenia crucial for leopard conservation.
- ♦ Support to effective management of protected areas across the region.
- ♦ Development and approval by four countries of a Regional Strategy for Leopard Conservation.
- ♦ Capacity building for all active national and local conservation NGOs and journalists via the CEPF program.
- ♦ Near launching of a Caucasus Regional Monitoring Network, a multi-stakeholder initiative.

Most important, we feel, is the pivotal role CauPO has played in driving the ECP process which, to our understanding, is one of very few examples of multi-country cooperation in this region of significant civil unrest.

Many of these successes reflect CauPO's dedication to working well in line with its particular niche and comparative advantage, which are based largely upon its presence in five out of six of the Caucasus countries (excluding Iran only), widely held respect and established credibility, convening power and ability to mobilize and support others, and strong capacity. It seems that no other organization or institution currently has similar capacity nor profile, particularly when it comes to facilitating region-wide dialogue, collaboration, and translation of the ecoregion vision to intra-national and transboundary action.

## Input to the New CauPO Conservation Plan

**Process Recommendations.** CauPO's strong strategic focus and effective delivery over the past few years can in part be attributed to the strength of the FY07-10 strategic plan, which provided a fairly clear framework and set of priorities. By drawing upon the stronger elements of the plan and addressing its weaknesses, CauPO can move fairly quickly toward developing a new plan for the coming five years that is even more focused, strategic, and measurable. We highlight the following general recommendations for the 5-year planning process:

- Rather than simply pick from the objectives and actions already defined in the ECP, use it as a guide but to develop the CauPO plan, but define strategic focus and prioritize actions based upon what CauPO thinks is most important in terms of conservation targets, threats, and opportunities, as well as WWF's niche and capacity, and the best strategic approach to get the job done.
- Use a single hierarchy of objectives (e.g., target-goal-objective-strategy-activity) with clear linkage to the ECP, and alignment to the PPMS. Avoid generating multiple lists of strategies, impacts/outcomes, etc.
- Ensure that the mandates, critical roles, and necessary strategic contributions of the country offices are explicitly included in the new plan. Also ensure that the three country offices are given the freedom and resources to develop focussed national strategies contributing to the regional plan.
- Continue to engage WWF-Turkey and WWF-Russia in the planning process in line with practice to date, and continue to involve external stakeholders, as the buy-in of many will be key to CauPO's future success.
- Once the new plan is drafted, assess it *as a whole* to determine whether it is sufficiently targeted, focused, feasible, appropriate for WWF, and likely to have high impact.
- Apply strict criteria and rigor to assess alignment of ongoing and proposed projects against the new plan.

Beyond these general recommendations, we have various specific suggestions to update and build upon the FY07-10 strategic plan, and we present these in Table A according to the major elements of the Conservation Plan section of the Programme Office Strategic Plan template.

**Strategic Approach Recommendations.** Based upon our various findings and recommendations regarding potential conservation targets and goals, priority obstacles to conservation and associated objectives, and WWF's particular niche and comparative advantage, we have made an effort to consolidate a 'food for thought' 1-page synthesis of a CauPO strategic approach that outlines an overarching goal statement, what WWF seeks to conserve, its must win objectives, and its primary lines of strategic action (Figure A). Although we have based our work on extensive input from staff, partners, and Network stakeholders, we do feel that the 'straw man' we present can serve only as a starting point to CauPO's planning process. By no means are we pretending that this rapid audit allowed us to perform the full analysis or have sufficient knowledge to design CauPO's strategic approach or set its priorities.

## Project Portfolio Alignment

Assuming that the draft strategic approach in Figure A is a credible starting point, we have various suggestions to strengthen the coherence, relevance, and overall impact of CauPO's strategic actions and project portfolio for FY11-15. Below we present an overview of the past and present portfolio as well as our recommendations for strengthening future strategic alignment.

### Past and Present: Profile of FY07-10 CauPO Funding and Spend

#### Overall Portfolio

- Total FY10 project spend fell just short of 3.9 million euro supporting 15 projects. For the entire period of the strategic plan (FY07– 10), spend was over 10 million euro for about 25 projects.
- Of CauPO's 15 projects active in FY10, one had a multi-million-dollar budget (BMU, 4.7 million euro for 18 months), several others had or have budgets around 1 million euro; and five had an FY10 spend less than 200K euros, resulting in a portfolio consisting primarily of few, large projects, which generally have the best overhead to conservation action ratio.

**Table A. Overview of planning process recommendations to develop the new 5-year strategic plan, based upon an assessment of the FY07-10 strategic plan against the WWF Program and Project Management Standards (PPMS).**

<b>SECTION OF NEW PLAN</b>	<b>TO UPDATE FROM FY07-10 PLAN</b>	<b>PLANNING PROCESS RECOMMENDATIONS</b>
<b>Scope &amp; Vision</b>	No work needed	<ul style="list-style-type: none"> <li>♦ No significant change from FY07-10 plan.</li> </ul>
<b>Focal Conservation Targets &amp; Goals</b>	Some work needed	<ul style="list-style-type: none"> <li>♦ Define a focused, feasible set of priorities among focal species populations and PCAs.</li> <li>♦ Consider including ecological process and ecosystem service targets.</li> <li>♦ Articulate SMART goals for each target.</li> </ul>
<b>Context: Obstacles, Opportunities, &amp; Actors</b>	Some work needed	<ul style="list-style-type: none"> <li>♦ Conduct a more rigorous analysis and ranking of obstacles and opportunities based upon impact on focal conservation targets.</li> <li>♦ Carry out a more systematic actors analysis.</li> <li>♦ Articulate SMART objectives for highest priority obstacles and opportunities – what factors really need to change in what way and by when?</li> </ul>
<b>WWF Niche &amp; Role</b>	Minimal work needed	<ul style="list-style-type: none"> <li>♦ Simply revisit and update, as necessary, the definition of CauPO’s niche and role in the region. Clarify pillars of CauPO’s strategic approach.</li> </ul>
<b>Must Win Objectives &amp; Big Wins</b>	Some work needed	<ul style="list-style-type: none"> <li>♦ Prioritize among SMART objectives to identify Must Win Objectives—those issues that have the potential to either severely undermine or advance conservation efforts.</li> <li>♦ Consider further prioritizing among Must Wins to identify two or three ‘Big Wins.’</li> </ul>
<b>Strategic Approach &amp; Portfolio Alignment</b>	Most work needed	<ul style="list-style-type: none"> <li>♦ Streamline the articulation of what CauPO seeks to achieve and how it will go about its work by updating the 1-page strategy overview to list focal conservation targets more explicitly, define SMART goals and objectives, and more specifically outline strategic actions.</li> </ul>
<b>Partnerships</b>	Minimal work needed	<ul style="list-style-type: none"> <li>♦ Update the FY07-10 plan section on partnerships, with attention to how partnerships might need to change in light of updated conservation targets and must win objectives.</li> <li>♦ To complement proposed strategic priorities for the coming five years:               <ul style="list-style-type: none"> <li>♦ Identify major development NGOs and other groups to cultivate partnerships.</li> <li>♦ Sort out roles and responsibilities with IUCN, REC, and the CauPO regional staff.</li> <li>♦ Continue to work on civil society capacity building.</li> </ul> </li> </ul>
<b>Measuring &amp; Evaluating Success</b>	Some work needed	<ul style="list-style-type: none"> <li>♦ Overall, strengthen M &amp; E practice. Within the new strategic plan, develop a basic M &amp; E plan that describes how CauPO will measure and assess its progress and effectiveness.</li> <li>♦ Include: basic indicators and methods for each goal and must win objective; baseline data gathering; a schedule for regular internal evaluation of activities and outcomes/impact; alignment to the WWF Monitoring and Reporting System and the PO Dashboard.</li> </ul>
<b>Sustainability &amp; Exit</b>	Minimal work needed	<ul style="list-style-type: none"> <li>♦ Conduct more systematic analysis of conditions required for sustainability and impact and ensure that these are built into the strategic plan and action plan.</li> </ul>

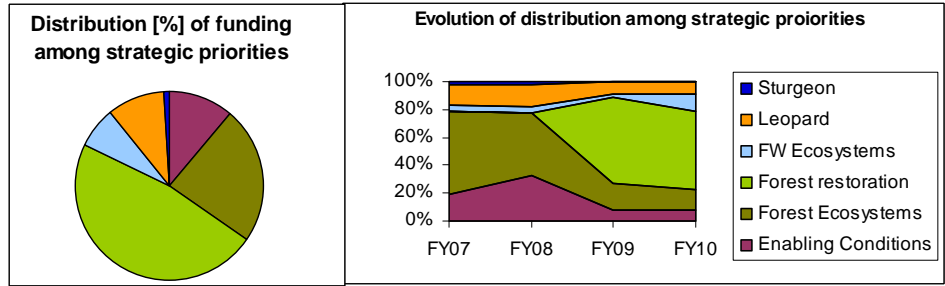
**Figure A.** A proposed ‘food for thought’ strategic approach for CauPO based upon results of the Conservation Programme Audit.

- The ideas presented herein represent first and foremost an aggregation and analysis of inputs from CauPO staff to this process, complemented by inputs from Network stakeholders, external actors, and the Review Team itself.
- This is a proposal only meant to provide a well-informed starting point to catalyze thought and discussion; the final CauPO strategic approach must come from the CauPO staff themselves.
- Basic indicators for each target, goal, and objective must be defined.
- Targets, goals, and objectives should be parsed out to the country scale, with indicators defined as well.
- Significantly more thought is needed to map out precisely *how* CauPO will deliver.

OUR VISION: A HEALTHY SOUTHERN CAUCASUS	
<p>The Caucasus is a region where healthy populations of native plants and animals flourish; habitats, landscapes, and natural processes are preserved; and where people actively participate in the equitable and sustainable management and use of the natural resources, providing the basis for vibrant and diverse economies and cultures.</p>	
WHAT WE SEEK TO CONSERVE: TARGETS AND GOALS	
<p style="text-align: center;"><b>SPECIES GOALS</b></p> <ul style="list-style-type: none"> <li>♦ <b>Caucasian leopard:</b> By 2016, prioritized populations (<i>TBD</i>) are viable and growing. By 2020, a population across Azerbaijan, Armenia, and Georgia has grown to 75(?) individuals.</li> <li>♦ <b>Leopard prey species (nested target):</b> By 2016, populations of prey species supporting priority leopard populations (<i>TBD</i>) are viable and growing.</li> <li>♦ <b>Sturgeon species of the Black and Caspian Seas:</b> By 2016, population decline is halted. By 2020, populations are recovering. (<i>to be decided</i>)</li> </ul>	<p style="text-align: center;"><b>PLACES AND PROCESSES GOAL</b></p> <p>By 2016, the ecological integrity and ecosystem services of X# hectares of priority ecosystems of the Caucasus Ecoregion (<i>mid-montane forests, floodplain forests, alpine meadows, wetlands, riverine and riparian</i>) are protected, maintained, and restored, focusing primarily on:</p> <ul style="list-style-type: none"> <li>♦ PCA #51: Javakheti (TR, AM, GE);</li> <li>♦ Complex of PCAs 15, 23, 22 (RU, AZ, GE), incl. corridors</li> <li>♦ Complex of PCAs 42, 43, 44 (IR, AZ, AM), incl. corridors</li> </ul>
CRITICAL CHANGES WE SEEK TO EFFECT: MUST WIN OBJECTIVES	WHAT WE WILL DO: STRATEGIC LINES OF ACTION <i>(note: must be made more 'SMART')</i>
<p><b>OBJ: ECONET CONSERVATION:</b> By 2016, X % of each focal Priority Conservation Area or complex is under some form of formal protection and is being managed effectively, supported by sufficient human and financial resources, infrastructure, and community and local government involvement.</p> <p><b>OBJ: FOCAL SPECIES CONSERVATION:</b> By 2016, sufficient knowledge, laws, and enforcement are ensuring targeted species populations are protected, well managed, and suffering no more than negligible losses due to illegal take.</p> <p><b>OBJ: CONSERVATION-COMPATIBLE DEVELOPMENT:</b> By 2016, conservation-compatible development planning eliminates threats to focal PCAs posed by infrastructure development, privatization, and extractive industry.</p> <p><b>OBJ: KNOWLEDGEABLE, WELL COORDINATED CONSERVATION COMMUNITY:</b> By 2016, key individuals within civil society and local and national government agencies are actively leveraging sufficient, strong knowledge, skills, and coordination mechanisms necessary to take effective conservation action.</p> <p><b>OBJ: SUPPORTIVE NATIONAL POLICY AND LEGISLATION:</b> By 2016, gaps and weaknesses in and conflicts among priority laws and policies governing natural resources management in Georgia, Azerbaijan, and Armenia are substantially eliminated.</p>	<p>PA declaration, effective management, capacity building, sustainable financing, landscape planning (including climate adaptation planning), support zones, demonstration of human welfare benefits/ecosystem services</p> <p>Demand-side management, policy and enforcement, monitoring, public awareness</p> <p>Conservation-compatible development scenarios, policy and advocacy, coalition building, FSC</p> <p>Local NGO and government partnerships, increasing access to training, CBC support, CRMN</p> <p>Policy analysis and advocacy, collaborative policy review with government agencies, public awareness</p>

**Spend by Conservation Priority and Scale**

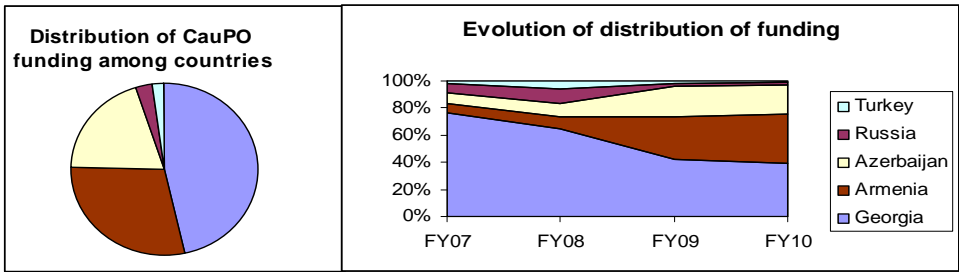
- Forests: Over 70% of CauPO’s spend over the past four fiscal years went to forest conservation (50% if the BMU project is excluded), suggesting primary emphasis being placed on this priority.
- Freshwater: Freshwater funding has increased over the years due to the Javakheti / Lake Arpi NPs development activities, although this is still marginal as compared to other priorities.
- Species: Limited investment in leopards (about 360,000 euro over the past four years). Minimal funding for sturgeon, with seemingly none secured for FY11.
- Enabling conditions: Declined significantly between FY08 and FY10 (40% and 8%, respectively).
- A minimum of 20% of project spend had region-wide impact, while the other 80% primarily had impact at the species, site, and landscape scales. We consider this to be a good balance.



Distribution of CauPO’s efforts among the four strategic themes, FY07-10. As several projects contribute to more than the one priority, figures are based on an estimation of contributions. The very large BMU project on forest restoration is presented separately.

**Spend by Office**

- CauPO has by far the largest budget, which covers both the regional work and national work in Georgia.
- Project spend in Azerbaijan and Armenia has grown considerably from about 100,000 euro each in FY07 to about 800,000 and 1.5 million euro respectively in FY10.
- Only a small amount of CauPO funding is implemented in Russia or Turkey, although each of these NOs also has Caucasus budgets, which are not reflected in these figures.



Distribution of CauPO’s efforts across the five countries for the period FY07-10. Figures for CauPO include both national activities in Georgia as well as regional coordination activities.

**Future Portfolio Alignment**

To bring CauPO’s work further into alignment with:

**...the GPF ‘80:20 rule’:** No major changes recommended, as CauPO’s work is almost fully aligned to the GPF from both a geographic and strategic standpoint. Possibly allow more flexibility to work on non-GPF priorities (i.e., the ‘20%’).

**...its niche and role in the Caucasus:** No major changes recommended, as CauPO seems to work well in line with its niche and role, with strong work in coalition building, regional visioning and planning, civil society capacity building, policy, and sustainable financing.

**...a strong approach to conserving forests, freshwater, and species:**

**Forests.** Strengthen work on policy—particularly with regard to sustainable development planning, the issues of privatization and infrastructure development, and national sustainable forestry standards and FSC certification. Increase relative investment in improving management of existing protected areas versus promoting declaration of new protected areas. Increase efforts to build public awareness and local involvement in management decision making. To support this work, effectively demonstrate human welfare benefits—including climate change resilience—of protected areas and biodiversity conservation.

**Freshwater.** All of the recommendations pertaining to forest conservation also apply here. In addition, CauPO must decide whether it will grow its freshwater conservation work. Although a minor priority to

date, freshwater work may be particularly important in Azerbaijan and also throughout the region to demonstrate and preserve linkages between biodiversity and human welfare. If CauPO retains sturgeon as one of its focal priorities, a critical element of the freshwater strategy, shared with the sturgeon strategy, must be to work toward protection and ecological health of the remaining sturgeon spawning rivers.

**Leopard.** Work remains to cultivate political and public support for leopard conservation and, most importantly, to restore prey populations to levels sufficient to support viable leopard populations. CauPO must identify its priorities within the recently developed regional leopard conservation strategy and associated national action plans. Paired with this must be a strong fundraising effort.

**Sturgeon.** CauPO must decide whether to continue work on sturgeon based upon a pragmatic feasibility assessment of its potential impact on sturgeon in the coming five years given the likelihood of conserving the last remaining spawning rivers, the powerful influences of organized crime and corruption, and the significant market demand. Since sturgeon is included in the GPF and populations span multiple countries, discussion should involve other WWF offices and WWF-International to construct a more global approach. The recent sturgeon market study conducted in Azerbaijan should be a primary input.

**...a strong approach to promoting an enabling environment for conservation:** Find new funding to continue CauPO's broad-impact, effective work on enabling conditions.

**...strategic action toward the GPF 2020 Footprint Goal:** Track contributions toward the 2020 Footprint Goal, but don't necessarily strategize specifically on footprint, unless it is a key issue for CauPO conservation targets.

**...to global initiatives:** Consider linkage to Forest-based Carbon NI.

## Organizational Issues

While this Conservation Programme Audit did not seek to carry out an in-depth organizational assessment, we identified several key issues related to conservation programme delivery. In most cases, we feel these issues should be investigated further and possible action taken. Unfortunately, because of time constraints, we focused only on potential organizational issues to be overcome, but do reiterate that we also observed many strengths in the staffing, structure, and function of the programme.

### Intra-CauPO Recommendations

- Review **terms of reference and workload of the Regional Representative and Conservation Directors** if and after the Georgia Country Office is formed, to ensure that a) regional versus Georgia responsibilities are fully separated, b) the resulting workloads are feasible within a normal work schedule, and c) adequate responsibility for strategic direction is allocated to Country Office Directors.
- Survey desires and needs for **professional development** across all staff and devise means to meet these needs in the coming five years.
- Build/maintain strong presences in all three primary Caucasus countries—Azerbaijan, Armenia, and Georgia—by establishing the Georgia country office and developing **5-year evolutionary plans for the three Offices** that indicate whether and how they will grow, what capacity they require, what scale of funding they seek, desired future legal status, etc.
- To support the development of the new 5-year plan, seek out expert support to apply the **PPMS** and thus set a benchmark for future project planning and implementation.
- Seek out ways to improve **integration and collaboration between administrative and conservation program staff** to strengthen planning and implementation and ensure formalized and steady back-and-forth flow of information.
- Devise a **fundraising strategy** to address what will likely be ongoing gaps (e.g., leopard, freshwater work, transboundary coordination, etc.). Rather than seek to increase the overall size of CauPO or any one office, aim to bring in funds to balance the project portfolio to respond to the highest conservation priorities. Also aim to further diversify GAA relationships and start to engage more on a higher policy level to drive donor agendas rather than being driven by them. Consider surveying primary donors regarding their future funding priorities and aim to produce a very clear and well supported prioritization of fundraising needs as a primary product of the strategic planning process.

- Develop individual **fundraising strategies for each of the three countries** that go beyond GAA funding, given that the country offices have fundraising opportunities beyond GAA only, and these vary by country (e.g., Armenia has the potential to approach its diaspora around the world and Azerbaijan has opportunities with business and industry).
- Consider hiring a **donor engagement expert** to work regionally to focus both on GAA funding as well as the array of other fundraising opportunities that exist in this region.

**CauPO and the WWF Network**

- Although seemingly working well, as part of the development of the new 5-year plan, CauPO, WWF Russia, and WWF Turkey should revisit the **Programme Implementation Agreement** to consider whether it is the best model to continue, and what improvements might be made moving into the coming five years. In particular, consider developing a stronger means to make and document all offices' commitments with regard to thematic and geographic priorities in the ecoregion.
- CauPO has managed to a good extent to find funding for the activities outlined in its strategic plan, however, it continues to have little flexibility to fund the less attractive but still necessary elements of its program. As external donors will continue to pick their projects, at a minimum, the **allocation of restricted and unrestricted funding from within the Network** should be reviewed to ensure that it is best supporting delivery of CauPO's next strategic plan. Beyond this, greater unrestricted funding also should be sought from within the Network.
- **Better access the significant experience within the Network**, especially when moving into areas such as integrated, large-scale planning; climate change adaptation; freshwater conservation; and livelihoods/human welfare.

# I. INTRODUCTION

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## Background

WWF project based activities in the Caucasus began following the collapse of the Soviet Union in the early 90s. The WWF Georgia Country Office was officially registered in 1992 and in 2004 became the WWF Caucasus Programme Office (CauPO) with a mandate to develop a regional programme encompassing the three countries of the Caucasus (Armenia, Azerbaijan, Georgia) and coordinating regional work for the entire sub-ecoregion (including the Caucasus parts of Russia, Turkey, and Iran). Based in Tbilisi, Georgia, CauPO also currently serves as a country office for Georgia, although establishment of a separate Georgia Country Office is under consideration. Legally, CauPO was established as an affiliated organization of WWF International.

In 2006, the WWF Armenia and WWF Azerbaijan national branches were established to strengthen the regional network and implementation effectiveness at the national level. These offices also have status as affiliated organizations of WWF International with double reporting lines: thematically to CauPO and Finance and Administration to both WWF International and CauPO.

Since the early 90s, a number of large- and small-scale projects have been implemented with total funding of around CHF 20 million with major focus on developing a protected areas network, priority species conservation, and promoting effective regional collaboration of the conservation community.

The first *WWF Caucasus Programme Office Strategic Plan (FY 2007 – 2010)* was developed in 2006 based upon an Ecoregion Conservation Plan<sup>1</sup> and the WWF Forest Strategy for the Southern Caucasus countries<sup>2</sup>, both the products of multi-stakeholder processes that were finalized in 2005/2006. The CauPO strategic plan has served as a guide for CauPO's conservation programming and a framework for directing and mobilizing its nearly 60 staff across the three country offices, as well as coordinating work with WWF Russia and WWF Turkey. CauPO also collaborates with and facilitates the body that oversees the ECP implementation, the Caucasus Biodiversity Council (CBC), which is comprised of a governmental and nongovernmental experts from each of the six Caucasus countries. Per CBC guidance, the ECP is to be updated every three years, with the first update concluding imminently.

Since the ECP was launched and the CauPO plan finalized, WWF has adopted the Global Programme Framework (GPF) to increase focus, alignment and effectiveness of the Network. Various priorities within the GPF occur within the Caucasus ecoregion (Box A). In recent years, funding also has increased rapidly, with primary sources including GAAs of Germany (BMU/BMZ/KfW) and Norway (NMFA). WWF International, WWF Germany, and WWF Switzerland provide CauPO's core funding.

To ensure strong focus, alignment, harmonization, and successful execution of CauPO's priority programmes into the future, a new strategic plan is needed for the period 2011–2016 that includes both a conservation plan and an operations plan. CauPO hopes to have the new strategic plan finalized by September, 2010.

### Box A. Caucasus GPF Priorities (with priority level per The January Project) and NI Linkages

- *GPF Priority Places:*
  - Greater Black Sea Basin
- *GPF Flagship Species:*
  - Asian big cats (Caucasus leopard) – high priority
- *GPF Footprint Species:*
  - Sturgeon
- *Footprint Areas:*
  - Commodities (wood/timber, crops, and meat)
  - Carbon (climate change)
- *Network Initiatives:*
  - CauPO's work does not have existing linkage to any of the Network Initiatives.

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<sup>1</sup> Ecoregion Conservation Plan for the Caucasus (2006) - [http://assets.panda.org/downloads/ecp\\_second\\_edition.pdf](http://assets.panda.org/downloads/ecp_second_edition.pdf)

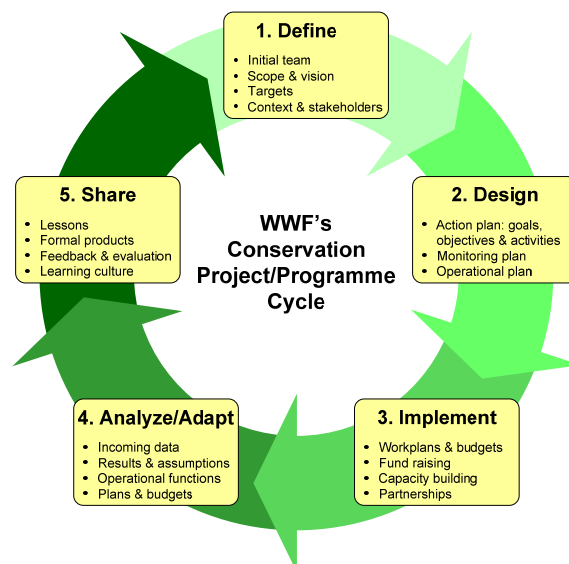
<sup>2</sup> WWF Forest Strategy for the Southern Caucasus : Armenia, Azerbaijan, Georgia and North Eastern Turkey (2005). WWF Caucasus Programme Office - [http://assets.panda.org/downloads/wwf\\_forest\\_strategy\\_for\\_the\\_southern\\_caucasus.pdf](http://assets.panda.org/downloads/wwf_forest_strategy_for_the_southern_caucasus.pdf)

## This Audit

Given the adoption of the GPF, increased funding opportunities, the update of the ECP, and the expiration of the current CauPO strategic plan, in January 2009, CauPO's Steering and Advisory Groups decided to organize a programme audit to inform the development of the new CauPO strategic plan. The scope of the audit encompassed all activities and investments of the CauPO, including activities in Georgia, Azerbaijan, and Armenia. Initiatives carried out in partnership with WWF Russia and WWF Turkey are also covered, although activities within the Caucasus entirely under the purview of those NOs were not addressed, as we were asked to assess the PO rather than the full ecoregion. Thematic, place-based, and species focused efforts—both ongoing and potential/planned future—were considered.

Relying upon information and input gathered primarily from WWF staff in the region, partner organizations and other key actors identified by the office, and stakeholders from within the WWF Network, the audit sought to assess CauPO's strategic design and approach, implementation status and strategic alignment of the current project portfolio, and monitoring effectiveness. To the extent possible, the audit also broadly considered issues regarding organizational structure, capacity, and intra- and extra-programmatic relations and funding. More specifically, the audit had four major analytical components:

- A **conservation audit** of existing conservation plans to identify gaps and priorities for consolidation, updating, and refinement to get to an FY11–FY16 CauPO conservation plan and complementary finer-scale plans (e.g., for COs, thematic programs) that are focused, well justified, and follow the WWF PPMS. Conservation Audit Findings and Recommendations in this report therefore focus on strategic planning process and plan structure and presentation.
- A **consolidation and analysis of inputs from staff and partners regarding CauPO's strategic approach** going forward into 2011 and beyond.
- A **baseline accounting and assessment of alignment** between existing activities and: 1) the GPF; 2) CauPO's stated priorities, goals, objectives, and strategies, as described in the 2007–2010 Strategic Plan; and 3) any thinking that emerged regarding key trends/issues that require future attention.
- **General recommendations regarding capacity, structure, communications, and governance** as related to ensuring effective conservation delivery. Although not based upon a thorough organizational assessment, these issues become evident in the course of an audit and are therefore noted.



Findings and recommendations from these analyses are organized in this report as follows:

- Part II: FY07-10— Effectiveness of Strategic Action
- Part III: Input to the New CauPO Conservation Plan
- Part IV: Country Offices
- Part V: Organizational Issues
- Part VI: Next Steps

## II. FY07–10: EFFECTIVENESS OF STRATEGIC ACTION

### Introduction

CauPO's FY07-10 Strategic Plan focused on four themes from the ECP: forests, freshwater, species, and enabling conditions, with much of this work focusing specifically on 17 focal Priority Conservation Areas (out of the 56 in the ECP) and two species (leopard and sturgeon). Also from the ECP, WWF elected to focus on 98 'Four-Year Milestones,' (referred to as 'Immediate Actions by 2010' in the ECP) and of these, CauPO has led on 77, while WWF-Russia and WWF-Turkey led on the other 22.

Over the past few years, CauPO has tracked the implementation status of these milestones to assess its progress (Table B). In addition, the FY07-10 Strategic Plan lists 15 'Impacts by 2010.' Although CauPO has not systematically monitored progress against these (Table C), in this section, we use 2010 impacts as well as the tracking against the milestones to provide a basic assessment of CauPO's effectiveness over the past few years toward forest, freshwater, and species conservation and cultivation of enabling conditions.

Briefly, however, this audit leaves us with the impression that this is one of the best functioning, highest impact large, multi-country programmes we have reviewed. It appears that CauPO has delivered on 60 to 70% of the deliverables and outcomes it targeted in the FY07-10 strategic plan. Particular achievements, as defined by the Conservation Director and supported and augmented by our analysis, have included:

- ♦ Establishment of the Caucasus Protected Areas Fund, which is now up and running in Georgia and Armenia.
- ♦ Strong progress on the first transboundary conservation project in the Javakheti/Georgia-Shirak/Armenia Transboundary Area (Javakheti and Lake Arpi National Parks).
- ♦ Establishment of more 130,000 ha of new protected areas, including 50,000 ha in South Armenia crucial for leopard conservation.
- ♦ Support to effective management of protected areas across the region.
- ♦ Development and approval by four countries of a Regional Strategy for Leopard Conservation and articulation of action plans for three countries.
- ♦ Capacity building for all active national and local conservation NGOs and journalists via the CEPF program, which has also led to strong, constructive relationships with local organizations.
- ♦ Piloting a project on restoration of freshwater/river ecological processes (the Iori River project).
- ♦ Near launching of a Caucasus Regional Monitoring Network, a multi-stakeholder initiative.
- ♦ Cultivation of strong relationships and reputation with key government agencies in all three countries.
- ♦ Demonstration of effectiveness of delivery on conservation projects large and small, leading to a very strong reputation among seemingly all of CauPO's major donors.

Most importantly, we feel, is the pivotal role CauPO has played in coordinating and continuing to motivate the Ecoregion Conservation Plan process which, to our understanding, is one of very few examples of multi-country cooperation in this region. Despite extensive civil unrest at many borders, we found that attitudes toward the ECP process are positive, constructive, and supportive, with many organizations and agencies from all six Caucasus countries working together to advance the shared vision and priorities in the plan.

Finally, it is unfortunately unique among large conservation programmes and therefore laudable that CauPO has adhered so closely to their strategic plan and that they have done the tracking and programme management necessary to have the information readily at hand to enable an effectiveness assessment even as basic as the one presented here.

Theme	# of Actions	Fulfilled	On track	Concern	Not followed	Not fulfilled
Enabling	20	10	4	2	3	1
Forest	39	13	14	4	7	1
Freshwater	3	-	3	-	-	-
Species	15	9	1	2	2	1
<b>Total (#/%)</b>	<b>77/100%</b>	<b>32/41,5%</b>	<b>22/28,5%</b>	<b>8/10%</b>	<b>12/16%</b>	<b>3/4%</b>

Table C. Desired “Impacts by 2010” listed in the CauPO FY07-10 Strategic Plan		Key: ○ Made little or no progress ◉ Made limited progress ● Made good progress ● Achieved or nearly achieved
2010 Impact	Status—Per CauPO and this Audi	Rating
<b>Enabling Conditions</b>		
Increased capacity of conservation agencies established in Armenia, Azerbaijan, and Georgia for implementation of international conventions (CBD with focus on Programme of Work on Protected Areas, Ramsar, CITES, CMS).	CEPF covered this to some extent but there is quite a bit of work left to be done.	◉
Econet concept and plans officially adopted and implemented in Armenia, Azerbaijan, and Georgia	Not finished, but the Russian part is developed. Some progress made on PA establishment and improved management.	◉
Management is increased and increased funding of at least 15 protected areas of the Caucasus in Armenia, Azerbaijan, and Georgia	More than 15 PAs reached by the Caucasus Protected Areas Fund and other means. CPAF increase will depend on governments to step up, and greatest challenge is Azerbaijan.	●
Capacity of at least 30 national NGOs of Armenia, Azerbaijan, Georgia, Russian Caucasus, and Turkish Caucasus is increased for carrying out effective conservation programs	Many more than 30 NGOs reached via CEPF administration.	●
Key policies and legislation are harmonized in the South Caucasus	Very limited progress made, but all three countries are looking to join the EU, so they will need to work toward harmonization.	○
Regional biodiversity monitoring network is established, providing advice on impacts of investments and new required measurements	Platform has been designed and is ready to launch. Strong buy-in across the conservation community. So ‘95% there.’	●
<b>Forest Conservation and Sustainable Use</b>		
An additional half a million hectares of forests protected in the region	150,000 ha of forests have been formally protected over the past few years.	◉/●
All key FMEs and companies only process legally harvested timber	CauPO indicates that this was too ambitious although some steps were taken and they feel the situation is improved, including better law enforcement and research underway.	◉
New forest management standards, meeting FSC criteria, are adopted and implemented by all key stakeholders	CauPO indicates that there is a standard that can be used for elaboration of national policy, but it has not yet adopted.	◉
Forest restoration initiated in two priority conservation areas	This has been initiated, although we note that much of the forest restoration work under the BMU project appears to fall outside of CauPO’s focal PCAs.	●
Key forest policies and legislation favouring conservation and sustainable use in place in Southern Caucasus	This is difficult to measure. CauPO participated in a Georgia working group on forest policy but gaining sufficient government engagement has been a challenge. Armenia and Azerbaijan have also advanced some on this issue.	◉
<b>Conservation and Sustainable Development of Freshwater Ecosystems</b>		
An additional 25,000 ha of freshwater habitats protected through the establishment of two new national parks (Lake Arpi/Armenia and Javakheti/Georgia)	The Javakheti/Georgia and Lake Arpi/Armenia national parks establishment covers about 20,000 ha now and will be at 32,000 in the end, including a range of important freshwater ecosystems.	●
Iori River established as a model for transboundary water management in the Caucasus	Transboundary water management in Iori River has been accomplished, but it has not been “established as a model,” which will documenting and sharing lessons and replication.	●
<b>Conservation of Focal Species and Their Habitats</b>		
Increased population of leopard in the Ecoregion through enhancing law enforcement and other measures	Baseline established at 50 leopards in 2002, however it is unknown whether the population has increased or decreased. Some good progress made on protecting leopard habitat.	◉
Slowed down decline of sturgeon populations in the Black Sea (focusing on Georgian section) and Caspian Sea (focusing on Azerbaijan and Russian Caucasus sections)	Have made initial assessments, including a market study. Although sturgeon is a high priority, it is very difficult to work on for a number of reasons.	○/◉

## Enabling Conditions

***Our Bottom Line: Very effective delivery, broad reach, high impact. A model for the Network with regard to work on enabling conditions for conservation.***

The FY07-10 plan identifies several critical pervasive obstacles to effective conservation action, including lack of an appropriate institutional framework for biodiversity conservation and protected areas development; lack of funding and capacity among state agencies and NGOs; conflicting policies in legislation and overlapping jurisdictions; lack of practical experience in the conservation community in collaborative resource management with communities; and lack of public participation in planning and decision making.

To overcome these obstacles, the office sought to attain 20 4-Year Milestones that together would help to establish key enabling conditions for conservation. Of the 20 milestones, CauPO indicates that 16 have been fulfilled or are on track, while the remaining four have seen limited or little progress. With regard to outcomes, these activities have added up to CauPO making good progress on the issue of sustainable financing via its pivotal support to establish the Caucasus Protected Areas Fund; building the capacity of nearly all local conservation NGOs across the Caucasus via its administration of the Critical Ecosystem Partnership Fund for the Caucasus; and filling gaps in knowledge and awareness with regard to the status of biodiversity and critical threats via its leadership in establishing the Regional Monitoring Network.

Beyond the specific activities and outcomes targeted in the FY07-10 plan, we also note that in the area of enabling conditions, CauPO's greatest impact has likely been its continued shepherding of the Ecoregion Conservation Plan process which, despite significant political and civil conflict across the region, has persevered. Not only has this helped to maintain a common vision and coherence of action across the conservation community, it also represents what we understand is one of very few examples of successful broad, multi-country initiatives in this region in any sector, and achievement of which the WWF Network should be proud.

Areas for continued improvement include increasing capacity of government agencies, continuing to advance the Econet concept across the region, and harmonizing policies and legislation that govern or influence natural resources management and biodiversity conservation.

## Forests

***Our Bottom Line: Effective delivery on place-based work; needs improvement on policy work in the coming five years.***

Over the past several years, CauPO sought to protect and restore forest ecosystems and halt forest degradation within its focal PCAs. To combat obstacles including rural poverty, lack of alternative energy sources, gaps in legislation, weak enforcement, poor management practices leading to unsustainable use, and capacity weaknesses in government agencies, CauPO targeted nearly 40 milestones, of which two-thirds have been fulfilled or are on track and the remaining third have seen limited progress. Together, these actions have added up to notable progress in promoting the formal protection of 150,000 ha of important forested areas (about one-third of CauPO's goal of 500,000 ha), improving the management of already protected forests across the region, and restoring previously forested lands (although we note that reforestation sites seem to fall largely outside of CauPO's focal PCAs).

Not as strong was CauPO's progress on forest policy work against stated objectives, with continued effort needed in the coming five years to achieve objectives related to FSC standards adoption and certification and strengthening national policies related to forest management. In sum, it seems that CauPO achieved 60 to 70 percent of what it set out to accomplish with regard to forest work, in terms of both implementation and impact.

## Freshwater

***Our Bottom Line: Effective delivery to date of the modest program of work on freshwater conservation, which focused on two sites only. Work remains in both sites and the scope of CauPO's freshwater work should likely expand in the future.***

Although one of the four priority programs within CauPO, freshwater has been a lesser priority as compared to work on enabling conditions and forest conservation. Nonetheless, the office did seek to attain three major milestones regarding freshwater conservation, two related to promoting the formal protection and effective transboundary management of the Lake Arpi (Armenia) and Javakheti (Georgia) complex and one to initiate an integrated river basin management model project in the Iori River basin. CauPO has made major strides against these milestones, having implemented the Iori River project and also far advanced the declaration of the Lake Arpi and Javakheti National Parks. In both cases, work does remain, however. The Iori River basin was originally conceived as a pilot project which by their nature, must be documented and replicated to be truly successful. This has not yet occurred. In the case of Javakheti/Lake Arpi, these protected areas will require several more years of effort to ensure that they are up and running and effectively managed with true transboundary cooperation.

Overall, we feel that these projects represent a strong inroad into freshwater work by CauPO and also demonstrate the advantages of focusing on only a few strategic and feasible objectives. Going forward, if CauPO selects freshwater conservation targets (wetlands, rivers, hydrological flows), it will need to define new sites to target, as well as broaden its knowledge, capacity, and 'toolkit.' Threats to freshwater systems are abundant and growing (e.g., overfishing, unsustainable water use, wetland drainage, pollution) and at the same time, freshwater conservation is a government priority and clear avenue to cultivating public and political will for conservation, particularly in Azerbaijan and to a lesser extent, Armenia.

## Species

### Leopard

***Our Bottom Line: Some progress made on protecting and improving management of core leopard habitat, but work remains on corridors and conservation of prey species.***

Impeding the conservation community's goal of attaining a population of 100 leopards in the Caucasus within the next few decades are the threats of poaching, overhunting of prey, and habitat loss and degradation. To overcome these issues, CauPO sought to support the creation of corridors and new protected areas, improve management and monitoring, and advance effective legislation. Of six 4-year milestones targeted, three have been delivered or are on track, while the other three saw little or no progress. Together, this has amounted to the protection and improved management of leopard habitat in Armenia and progress on a regional leopard conservation strategy. Some monitoring work also was carried out. Significantly more work remains to ensure the effective management of wildlife corridors used by leopards and their prey—including reducing poaching and overharvest of prey species and ultimately promoting their restoration—and assessing current leopard numbers.

### Sturgeon

***Our Bottom Line: Some progress made on targeted activities but with very limited impact on sturgeon in the region. Seemingly this presents an extremely challenging undertaking for the future.***

Sturgeon in and near Georgia and Azerbaijan suffer primarily from overfishing/poaching and loss of spawning habitats. Populations and average size have declined precipitously and now all sturgeon species in the Caspian and Black Seas are threatened. At the same time, conservation efforts are impeded by corruption, organized crime, weak enforcement, and a continuing high demand for sturgeon meat and caviar. Although CauPO sought to slow the decline of sturgeon populations, there is no indication that this has occurred, despite CauPO having delivered well on all five of the 4-Year Milestones it included in its FY07-10 plan. These activities have helped CauPO to identify spawning areas and assess populations in Georgia and assess markets in the region, but significantly more work remains to improve monitoring and enforcement, protect spawning rivers, and raise awareness to reduce demand. These are far from simple tasks given the drivers underlying sturgeon decline, however.

### III. INPUT TO THE NEW CAUPO CONSERVATION PLAN

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#### Introduction

CauPO’s strategic focus and effective delivery over the past few years can in part be attributed to the strength of the FY07-10 strategic plan. Although containing some gaps as well as repetitions, the plan provided a fairly clear framework and set of priorities to guide the actions of the office. By drawing upon the stronger elements of the plan and addressing its weaknesses, we feel that CauPO can move fairly quickly toward developing a new plan for the coming five years that is even more focused, strategic, and measurable. In this section, we provide specific findings and recommendations stemming from our assessment of the FY07-10 plan as compared to the best practices outlined in the WWF PPMS, our institutional standard for strategic plan development. We also provide recommendations regarding strategic priorities and approach for FY11-15 based upon our analysis of input from CauPO staff, partners, and Network Stakeholders.

Since all Programme Offices that report to Programme Office Management are expected to use the Programme Office Strategic Plan template (PO SP) as a general guide for new plan development, we have structured our input according to the major sections in the conservation plan section of the template (see box at right).

Before getting into the section-by-section input, however, we have the following general recommendations for the 5-year planning process:

- **To further focus and streamline CauPO’s already strong strategic approach, be even more clear about conservation priorities, what ‘bottom line’ success looks like, and how impact will be assessed.** Our overall impression is that the situation for biodiversity in the Caucasus is fairly good and, in some cases, improving, as compared to many of the high biodiversity areas where WWF works around the world. Network stakeholders and external actors, as well as the Review Team, share the opinion that CauPO has been operating effectively to deliver on a relatively strong, clear strategic approach that is explicitly tied to the work of WWF Russia and WWF Turkey in the Caucasus and represents a subset of work extracted from the Caucasus ECP. That said, we feel that in the new plan CauPO can be even more clear about its conservation priorities, what bottom line success looks like, and how it will assess its ultimate impact. Strengthening these aspects in the new strategy should be the top priorities in the planning process.
- **Use the ECP as a guide, but prioritize and identify key strategic actions based upon what WWF thinks is most important, most in line with its niche and capacity, and the best strategic approach.** While CauPO demonstrates almost a textbook case of ecoregion conservation planning and how it should work—including working in a coordinated manner with other actors to deliver on the plan under the CBC—we feel that simply selecting a subset of the ECP to form WWF’s strategic plan is not the best approach. For one, the ECP does not provide a clear prioritization among the various targets, threats, and activities it contains. In several cases, the ECP also does not define clear, measurable goals and objectives as related to the desired future status of conservation targets and threats and so it is difficult to assess whether the collective effort against the ECP is achieving bottom line success.

We’d therefore recommend that WWF use the ECP as a primary input to its strategic planning exercise, but inform decisions as to the new 5-year strategic approach using some additional analysis and criteria, including explicit, data supported answers to the following key questions:

**Outline of the conservation plan section of a Programme Office strategic plan, per guidance from Programme Office Management.**

- Programme name
- Background
- Focal conservation targets
- Obstacles to conservation: Threats and drivers
- Opportunities
- Key actors
- WWF Niche and Role
- 3 to 5-year SMART goals and objectives for each conservation priority
- Big Wins
- Strategies to deliver goals, objectives, and Big Wins
- Partners and what they will deliver
- Measuring and evaluating success
- Sustainability and exit strategy

- *What CauPO seeks to conserve* – What will WWF commit to defending? What elements of biodiversity in the Caucasus are most in need of WWF’s attention?
  - *Who CauPO is in the region and in the respective countries* – What is WWF’s unique added value? What is it most needed to do?
  - *What is most powerfully causing biodiversity decline and impeding conservation action* – What forces, factors, and actors are having the greatest impact on and influence over WWF’s conservation priorities?
  - *At what scale CauPO seeks to engage* – What is WWF’s desired balance between place-based and broad impact (e.g., national, regional, policy, private sector) work?
  - *What CauPO can get funding to do* – Which donors have interest in the region and what types of actions are priorities for funding? What kinds of priorities and actions could donors be persuaded to consider, if presented with a strong case?
- **Use a single hierarchy of objectives that has clear linkage to the ECP, alignment to the PPMS, and eliminates confusion among various lists that describe what CauPO seeks to achieve.** In the current plan, it is very difficult to link activities to outputs to outcomes to impacts (generic hierarchy) or, put differently, activities to strategies to objectives to goals (PPMS hierarchy). There are just too many lists of targets, milestones, objectives, strategic actions, outcomes, etc. and those included in the body of the plan don’t readily align to those in the workplan nor to the ECP. This makes it difficult to discern exactly what CauPO seeks to achieve and how it will do its work, and also to use the plan as a framework to guide assessment of effectiveness.
  - **Design the process to develop the 5-year strategic plan to achieve full ownership and buy-in of all staff at all levels.** We found that there is good knowledge of and sense of ownership for the current strategic plan, and each of the three offices is clear as to its particular responsibilities within the plan. Nonetheless, striving for broad ownership of a new strategic plan across all staff—conservation and operations—is vital to ensuring focus, effective teamwork, and a consistent revisiting of success against CauPO’s ‘bottom line.’
  - **Ensure that the mandates, critical roles, and necessary strategic contributions of the Country Offices are explicitly included in the new plan.** Presently, the primary roles and responsibilities of the Country Offices are not explicitly mentioned in the current strategic plan even though most delivery depends directly upon effective intra-national action and management. The new planning process should make clear each country’s responsibility to ensure clarity of purpose and objectives at the Country Office level and the ability to hold each office accountable for delivery.
  - **Any decisions regarding CauPO structure, systems, etc. should be made in light of the new 5-year plan rather than the current plan.** We are aware that some organizational changes are being made, in particular to better distinguish between work and staff at the Georgia and regional scales. Based on the belief that ‘form must follow function’—how we organize ourselves to deliver, who we need to get the job done, what kinds of systems and funding are required, etc. must all be determined based upon what WWF is trying to achieve—structural and staffing changes should be considered primarily in light of the new plan.
  - **Continue to engage WWF-Turkey and WWF-Russia in line with practice to date.** There are many models for collaborating across offices, all of which have strengths and weaknesses. For example, although CauPO has primary responsibility for the Caucasus Ecoregion, including coordinating work with WWF-Russia and WWF-Turkey, it does not have any real authority over the work of these offices, which can impede effectiveness to some degree. Nonetheless, collaboration appears to have proceeded well and the present model of working under a shared action plan and via the Programme Implementation Agreement would seem to be the best approach. We therefore recommend continuing in this vein both to develop the new plan and to proceed with its implementation. Rather than develop a separate Caucasus plan for WWF, we recommend having a section within the CauPO plan that indicates agreed priorities for collaborative action with Russia and Turkey.
  - **Continue to involve external stakeholders—including the Caucasus Biodiversity Council—in the planning process, as the buy-in of many will continue to be key to CauPO’s future success.** Consistent with CauPO’s history to date, the buy-in and effective collaboration of many external actors will continue to be important to conservation success in this region. For example, we feel that the CBC should be asked to provide a synthetic

summary of status of the conservation targets in the ECP—species, PCAs, and corridors—as well as gaps in current conservation action which WWF can then use as an input to its prioritization exercises. At the same time, no outside actor can dictate WWF’s strategy and so CauPO will need to think carefully about what input it requests and how so that it achieves a good balance between sufficient stakeholder consultation and independent thinking.

- **Once the new plan is drafted, assess it as a whole to determine whether it is sufficiently targeted, focused, feasible, appropriate for WWF, and likely to have high impact.** To develop the FY07-10 strategic plan, CauPO selected a subset of priorities and actions from the ECP. Together, it seems that these represented a nearly feasible body of work for WWF in the region, however quite a number of things were not done at all or to the desired extent. In part, we feel this is because the subset selected from the ECP was not fully assessed as an overall strategy, nor were priorities or ultimate desired impacts made explicit. This time around, CauPO should step back from the plan once it is drafted and assess it in its entirety to ensure that it is a logical, coherent approach that is appropriate and feasible for WWF. We also recommend prioritizing within the elements of the plan so that the pacing of different actions and objectives is clear. This will help CauPO to avoid spreading resources too thinly and also help with the identification of fundraising priorities. One way to do an overarching prioritization might be to develop scenarios, asking: *If we had only \$5M, what would we focus on? If we had \$10M...?*
- **Apply strict criteria and rigor to assess alignment of ongoing and proposed projects against the new plan.** Once CauPO has developed its revised strategy, it will need to take action to focus its resources on those things it has prioritized. Staff should be tough on themselves and cut things that do not make clear strategic contributions to coherent portfolios of action (i.e., no pet, unnecessary, or ‘orphan’ projects, or projects that continue due to historical precedent only). Most importantly, decisions should be based on considerations of how best to use CauPO’s most valuable and limited resource—its staff. CauPO’s executive team must ensure that it has in place an ongoing review process that ensures that any new projects are also aligned to the strategy.

## The New CauPO Conservation Plan: Section-by-Section Input

For each section of the new strategic plan, we present below conservation audit findings and recommendations based upon our assessment of the plan against the WWF PPMS and requested elements of the PO SP. In addition, although this review did not seek to gather enough information, do sufficient staff and stakeholder consultations, and perform the in-depth analyses that would be necessary to define CauPO’s strategic approach going forward—as that is the role of CauPO itself—we did do initial work to provide baseline inputs to CauPO’s strategic planning process. Resulting findings and recommendations are presented below, organized roughly in line with the new PO SP template.

### Scope and Vision

**PO SP Template Guidance:** *Background (Basic overview of evolution of conservation programming, current scope and vision. Include a map showing the geographic scope of work.)*

#### Scope

- **Conservation Audit Findings:** The scope is clearly articulated to be the CauPO Conservation Action Area, which includes Georgia, Azerbaijan, and Armenia, plus work carried out in collaboration with WWF Russia and WWF Turkey. CauPO further narrows the scope by focusing on forests, freshwater, and species. By supporting the Caucasus Biodiversity Council, CauPO also provides ecoregion-wide coordination for its work plus the work of partners against the ECP. Working on priorities within this broader scope seems realistic and achievable given available resources, threats, and CauPO’s capacity.
- **Conservation Audit Recommendations:** The only issue with regard to scope definition seems to be whether or not the work of WWF Turkey and WWF Russia should continue to appear within the CauPO plan to indicate areas of internal WWF collaboration. We recommend that CauPO continue to define its scope of work as primarily limited to the geographic area represented by Georgia, Azerbaijan, and Armenia, along with

transboundary conservation priorities shared with Russia and Turkey, with roles and responsibilities clearly defined. As an input to the new CauPO plan, discussions will be needed with WWF Turkey and WWF Russia to confirm their priorities within the Caucasus in the coming five years.

- **Strategy Content Recommendations:** Continue as is.

#### Vision

- **Conservation Audit Findings:** The vision statement, which comes from the ECP, meets the criteria of being inspiring, general, and brief. There is also a clear sense of purpose conveyed in the plan, particularly on page 5, which lists expected outcomes.
- **Conservation Audit Recommendations:** Our only recommendation is that CauPO should review the vision statement and ensure that adopting the broader vision statement of the ECP provides sufficient focus for WWF (we feel that it does).
- **Strategy Content Recommendations:** To provide coherence with the ECP, retain the current vision statement in the new plan.

#### SCOPE AND VISION (from the ECP and FY07-10 CauPO plan)

##### Scope

- CauPO Conservation Action Area: Georgia, Azerbaijan, and Armenia, plus work carried out in collaboration with WWF Russia and WWF Turkey.

##### Vision

- Caucasus is a region, where healthy populations of native plants and animals flourish; habitats, landscapes and natural processes are preserved, and where people actively participate in the equitable and sustainable management and use of the natural resources, providing the basis for vibrant and diverse economies and cultures.

## Focal Conservation Targets and Goals

**PO SP Template Guidance:** *A focused and prioritized list of those elements of biodiversity that WWF will contribute to maintaining (species, ecosystems/habitats, ecological processes, ecosystem services). Goals: SMART statements of the desired future condition of each focal conservation target.*

#### Focal Conservation Targets and Goals

- **Conservation Audit Findings:** There is no dedicated section in the CauPO plan that explicitly lists conservation targets and associated goals. That said, CauPO has defined a subset of conservation targets from the ECP: two out of six biomes (forest and freshwater) and more specifically, 12 out of 56 Priority Conservation Areas (PCAs) and two out of the 26 focal species (leopard and sturgeon). These two species are the only two GPF species in the region and their status and the context affecting their conservation is described in some detail in the current plan. It is unclear whether ecological process targets have been defined, although many are discussed generally within sections of the plan on forest and freshwater ecosystems.

For the most part, it seems that SMART goals have not been defined for the PCAs and species, although generally worded “strategic priorities” that resemble goals are defined in the M & E plan. Many of these appear to be taken from the long and medium term targets from the ECP, although those are also not “SMART” in that they do not make clear specific targeted population sizes or indicators of PCA health. Because no ecological process targets are defined, there are no goals articulated for these either.

- **Conservation Audit Recommendations:** In the new plan CauPO should specifically indicate which species populations it will focus on and where they are located; which key ecosystems; and which ecological processes (i.e., hydrological regime of a certain freshwater system; resilience to climate change). Regarding ecosystems, in particular, we feel that CauPO should go beyond the basic breakdown of forest, freshwater, and montane to specify ecosystem types it feels should be its highest priorities for focus. For example, staff in both Armenia and Georgia indicated that alpine meadows should become a priority. In Georgia, it seems that floodplain forest is under particularly intense threat.

CauPO also should provide some indication of relative importance among its focal conservation targets—including prioritization among populations of targeted species and among focal PCAs—to help guide investment of funds and effort. A short justification also should be provided explaining why CauPO is choosing to focus on the targeted populations, landscapes, and processes over others. As CauPO has already been working on certain species, ecosystem types, and ecological processes for some time, and given the significant amount of information covered in the ECP, defining the set of focal conservation targets should involve more

of a consolidation and refinement of past analyses and present thinking than it should require much new data or work.

SMART goals should be defined for each of the focal conservation targets that provide time-bound statements of desired future condition (e.g., How much floodplain forest and where and by when? How many leopards in which places and by when?). Much of this thinking does already exist, but it is dispersed across a range of documents and so needs to be consolidated within the CauPO plan.

Finally, CauPO should ensure that target and goal articulation can be readily translated to the national scale to focus each country's work. This can be done using a simple matrix that indicates which country is responsible for which species populations, PCAs, etc.

- **Strategy Content Recommendations:**

**PRIORITY SPECIES**

- **Overarching.** Overall, we heard that WWF's strategic focus on leopard and sturgeon is appropriate and no additional species targets, other than leopard prey species, were suggested.
- **Caucasian leopard.** It seems that WWF is currently focusing place-based activities across all remaining leopard populations and habitats in the ecoregion, implying that it is targeting all of them. This decision should be taken more explicitly, however, to pinpoint how exactly WWF intends to contribute to the near term goal of increasing the leopard population in the ecoregion by 50% and the long-term goal of a population of 100 leopards within the Caucasus. These decisions should be based upon the recent leopard census and WWF's sense of where it can most effectively—and is most needed to—engage.
- **Leopard prey species.** Leopard prey species (Bezoar goat, tur, mouflon, wild boar, chamois, roe deer) should be included more explicitly in CauPO's plan as conservation targets nested under the leopard and specific goals (which populations will be of what status by what year?) should be articulated. Not only are these species critical to leopard survival and recovery, several are threatened in their own right. Simply because they are not GPF priorities does not negate including them in the CauPO plan. As nested targets, however, work on these species should occur only within high priority leopard habitat.
- **Sturgeon:** WWF needs to decide whether to continue sturgeon work and if so, which populations of sturgeon it will work on. It seems that there may be better potential in Azerbaijan versus Georgia, for example. There is also potential outside of CauPO's area of

**CONSERVATION TARGETS**

**GPF Species**

- Caucasian Leopard – Prioritize populations across the Caucasus.
- Leopard prey species – Prioritize populations that support focal leopard populations
- Sturgeon – Assess carefully whether this should continue as a priority and which populations

**Priority Ecosystems**

The following were mentioned to us by CauPO staff, but the office will need to prioritize those it feels are most in need of its attention.

- Floodplain forests
- Mid-montane forests
- Alpine meadows
- Wetlands

**Ecological Processes**

Consider including ecological processes. A few examples include:

- Climate change resilience
- Forest connectivity
- Movement of large mammals between PAs
- Movement of migratory fish
- Altitudinal migrations

**Ecosystem Services**

Consider choosing from:

- Provisioning services (e.g., capture fisheries, freshwater, non-timber forest products)
- Regulating services (e.g., erosion control, pollination)
- Cultural services (e.g., aesthetic, recreation/ ecotourism)

**Possible CauPO Focal Landscapes**

Select these or others, but do select only a few as highest investments, using priority species, ecosystems, ecological processes, and ecosystem services as the #1 criterion.

- PCA #51: Javakheti (TR, AM, GE);
- The broader complex that includes PCAs 16, 23, and 22 (RU, AZ, GE)
- The complex that includes PCAs 42, 43, and 44 (IR, AZ, AM)

interest off of Iran and Russia, and WWF Russia is very active on this issue. In its decision, CauPO should consider the feasibility of making a meaningful contribution. If WWF retains sturgeon as a priority in one or both countries, associated spawning rivers must become place-based freshwater targets within the plan, just as key leopard habitats are a priority consideration for selecting focal PCAs. If CauPO will not really work on sturgeon, then it should be deleted as a target or only a very conservative goal should be set that would allow room to take advantage of opportunities or context changes that arise. Note that if we retain something that is severely imperiled as a target and then don't really work on it, it will be a guaranteed failure, so the retention of sturgeon in CauPO's plan must be considered carefully and pragmatically.

## **PRIORITY LANDSCAPES**

- In addition to the 12 PCAs selected as WWF priorities from the ECP, the programme worked on an additional five. At the same time, a few of the 12 PCAs prioritized did not in the end receive much investment of funding or effort. All of that said, CauPO did achieve good coverage of most of its priorities, with much of the work focusing on protected area establishment and management support and/or leopard conservation. As the program goes forward, protected area establishment will continue to be a priority (especially in light of increasing privatization) but work on ensuring effective management, community engagement, and landscape-scale conservation and sustainable development planning will all increase in relative importance.

For these reasons, we recommend that CauPO consider identifying only a handful of larger landscapes that will be its primary focus in the coming five years, with an eye to not only protected area creation and management, but also conservation compatible development in the matrix surrounding protected areas, including corridor formation. Potential priorities would seem to be #51: Javakheti (TR, AM, GE); the broader complex that includes PCAs 15, 23, and 22 (RU, AZ, GE); and the complex that includes PCAs 42, 43, and 44 (IR, AZ, AM). Together, these would capture much of the priority leopard habitat, incorporate successful past work, and contribute to effective transboundary conservation. Beyond these, if CauPO elects to work on sturgeon, it will need to begin working toward the protection and effective management of the two remaining spawning rivers in Georgia and Azerbaijan.

Although we propose these priorities, we encourage CauPO to do a prioritization exercise across the PCAs and corridors in the ECP to select its own priorities via systematic analysis (which may generate results that do not coincide with our recommendations). First and foremost, as discussed above, CauPO should define which of the conservation targets and associated nested targets from the ECP are its true priorities (e.g., mid-montane forest, floodplain forest, leopard habitat, free flowing rivers/healthy watersheds, wetlands...) and use this as a primary criterion to prioritize its focus among the ECP PCAs for the coming five years. In other words, if CauPO feels that alpine meadows represent an urgent priority in the near future, then it might prioritize work on PCAs 21 and 29 (AZ) that would support conservation of a representative sample of this ecosystem type. To keep this simple, CauPO might consider ranking the ECP PCAs and corridors based upon their High, Medium, or Low importance to its set of conservation targets.

Beyond this, CauPO might also rank each PCA according to criteria such as:

- ♦ Urgency of threat/situation
- ♦ Magnitude, nature, and duration of intervention needed – Would this be a very high investment, long-duration, complex intervention or “low hanging fruit”?
- ♦ Need for WWF intervention (i.e., Is anyone else able to do the work? Is anyone else interested?)
- ♦ Feasibility of WWF intervention – Can we get funding? Do we have the capacity to do what is needed?
- ♦ Potential for meaningful, sustainable impact
- ♦ Scale of needed intervention – on-the-ground (site/landscape) versus policy/enabling condition work at national/international scales

- ♦ Fit within CauPO's overall strategy

Once focal PCAs have been determined for the new plan, CauPO should align its ongoing and planned future place-based projects to these areas to ensure focus and achievement of meaningful impact. The BMU project sites, while representing good reforestation projects, don't seem to fully respond to CauPO's aim to 'initiate forest restoration in two PCAs,' as many of the project sites seem to fall outside of PCA boundaries.

Finally, we'd recommend that CauPO pace the focal PCAs it selects according to 3- and 5-year priorities, as it seems that several areas receiving significant effort now might be scaled back within three years (e.g., Javakheti, PCAs 42/43 in AM/AZ), which would allow other areas to receive increased attention (e.g., several partners and staff indicated that NE Armenia should be a growing priority for WWF). There might also be 'incubating priorities:' areas that CauPO has identified as high priorities and planned for but that can't move forward until there is resolution in political issues or civil unrest.

### ECOLOGICAL PROCESSES

- CauPO should consider including ecological process targets in its new 5-year plan, particularly given that these will grow in importance as CauPO moves into landscape-scale and meta-population conservation. Examples of ecological process targets include pollination, seed dispersal, forest connectivity, dispersal of large mammals between protected areas, movements of migratory fish, nursery and recruitment areas for fish, and altitudinal migrations by birds.

### ECOSYSTEM SERVICES

- Although ecosystem services are not included as a specific type of conservation target in the WWF Program Standards, CauPO may want to consider defining ecosystem service targets. These include those services that contribute to and support human welfare in the region (e.g., provisioning services—capture fisheries, freshwater, non-timber forest products; regulating services—erosion control, pollination; cultural—aesthetic, recreation/ecotourism). This would help to create a more explicit link between biodiversity conservation and human well being, including poverty alleviation, which will be an important tactic for CauPO going forward into the next five years.

## Context: Obstacles, Opportunities, and Actors

- **PO SP Template Guidance:**
  - ♦ *Obstacles to Conservation: Threats and Drivers. What threats are directly causing biodiversity decline? What underlying factors are driving those threats? Which of the threats and drivers are most critical to address, given WWF's focal conservation targets?*
  - ♦ *Opportunities: What can we capitalize on to achieve our goals and why now?*
  - ♦ *Key Actors: Who are the greatest proponents of threats/drivers? Who has the greatest influence to affect them? Who are the greatest potential allies to conservation? What are the primary interests and motivations of each?*
- **Conservation Audit Findings:** The CauPO strategic plan, the ECP, and CauPO staff convey a strong understanding of critical threats, drivers, and limiting factors that obstruct conservation, although the extent to which prioritization has occurred among these obstacles is unclear. Furthermore, there is no evidence in the plan that results chains have been developed. There has been some in-depth analysis of certain issues (e.g., certain policies, sturgeon), however, but not in a way that supports baseline establishment of threat status, monitoring (in most cases), or being more proactive to respond to key threats. The last of these seems to be an important priority in this region, where issues like privatization, infrastructure development, and natural resource extraction are advancing rapidly and with little prior notice or information.

Opportunities to advance conservation seem to be less well understood and therefore requiring greater consideration in the development of the new plan. Highest priority obstacles to conservation as well as

opportunities, as communicated to us, are listed in the box below. These were fairly consistent among all three countries.

Regarding stakeholders analysis, given that the ECP was developed via collaborative process and that CauPO plays a key role in coordinating the work of the conservation community in the region against the ECP, CauPO has developed and drawn upon a strong understanding of key stakeholders. There is abundant evidence that the office does an artful job of knowing who to engage and engaging them effectively to bring about positive change (e.g., the ECP process, administering CEPF, accounts from external interviews, WWF-AZ's continued presence even though other international organizations' work has stalled). That said, there is no evidence in the CauPO plan that a rigorous stakeholders analysis has been conducted, but there are fairly general descriptions of various key stakeholder groups in the ECP. There is also a strong section on partnerships within the current plan. While this includes many of the key stakeholder groups in the region that support conservation (e.g., WWF Network, civil society, national governments, donors, business and industry), it omits others who have strong influence over conservation action (including local communities and local governments) and doesn't break down stakeholder groups into sub-groups and so some important distinctions are lost. For example, national government ministries play very different roles according to their mandates.

- **Conservation Audit Recommendations:** To further strengthen its work and in particular increase its ability to proactively respond to key threats, we recommend that CauPO seek to deepen its understanding of the factors and actors with greatest impact on biodiversity and environmental health in the region in order to prioritize among them and define explicitly how they need to change for conservation goals to be achieved. Therefore we recommend that CauPO:
  - Building upon the results of this audit, conduct a more rigorous analysis and ranking of the obstacles to and opportunities for conservation action, particularly as they impact CauPO's focal conservation targets (i.e., species, PCAs, corridors, ecological processes). Even a basic ranking exercise carried out by the team and Network partners would help to highlight those issues most in need of CauPO's attention in the coming five years.
  - Carry out more systematic actors analyses to identify key stakeholders and their interest in and influence over key threats, drivers, limiting factors, and opportunities. Stakeholders should include the full range of actors, rather than only those WWF would consider partners and allies.
  - Translate high priority threats, drivers, limiting factors, and opportunities into SMART objectives—what factors (behaviours, trends, decisions) really need to change, in what way (and where), and by when? Rather than a list of

#### CONSERVATION CONTEXT IN THE CAUCASUS

##### Most Urgent Threats

- Habitat conversion, fragmentation, and degradation due to:
  - Unsustainable resource use (forest practices, fuel wood, rangelands, aquatic resources)
  - Roads and infrastructure
  - Mining (Armenia)
  - Illegal logging
- Poaching and wildlife trade
- Climate change

##### Key Drivers

- **Poverty** – High dependence on natural resources in rural areas especially
- **Legal and policy frameworks** – Gaps and barriers in national legislation
- **Public and private sector finance** – Investments in large development projects and privatization of NRS incompatible with conservation objectives.
- **Weak management of natural resources** – Due to lack of capacity, funding, knowledge, planning, etc.

##### Most Limiting Factors

- Political conflicts
- Low political will and lesser prioritization relative to urgent social and economic needs
- Low public awareness and engagement
- Funding, Sustainable financing
- Weak environmental ministries & enforcement
- Lack of capacity of environmental agencies

##### Opportunities

- Relatively intact ecosystems
- Environmental laws under revision
- Protected area creation opportunities
- Government appreciate and seek WWF support
- Strengthening civil society
- Increasing community interest in conservation
- Growing tourism industry
- Improving relations among countries
- Desire of countries to join European Union
- Established multi-stakeholder dialogue
- Ongoing donor support and national fundraising
- AM, AZ desire to increase remaining forest cover

activities or actions, objectives should describe clearly the desired future state of current and anticipated obstacles to and opportunities for conservation.

- **Strategy Content Recommendations:** In addition to informing WWF's own strategic plan, systematic, data-supported socioeconomic and stakeholders analyses can help the conservation community overall to anticipate and monitor threats, to consider different development scenarios, and to demonstrate the benefits of conservation action to key stakeholder groups (communities, governments, donors). In these ways, such analyses can themselves be strategic actions and it seems that CauPO has reached a level of sophistication in its work and taken on an important role in spearheading regional conservation planning and actions, that taking initiative to develop an intimate understanding of critical trends and motivations would seem to be a logical and important next step in its work. And this can go beyond CauPO alone of course. Both the CBC and the CRMN could be complementary platforms to advance this work.

More specifically, just as CauPO has been proactive on promoting protected area declaration via the ECP process, we feel it should find a way to **be more proactive on development-related threats** to Caucasian biodiversity. One way to approach this is to begin to develop and propose to government agencies and private industry low-biodiversity-impact development scenarios (e.g., where roads might be put; candidate rivers where hydropower development would not have strong adverse environmental consequences; areas where tourism and ecotourism expansion might be pursued).

Similarly, as we've recommended earlier, it seems that CauPO must **broaden its focus to the landscape scale**, working to not only declare and improve the management of protected areas, but also to cultivate supporting surrounding landuse matrices and corridors. This will require **effective integrated landuse planning**. There have been some examples of CauPO doing this (e.g., Javakheti/Lake Arpi), and so we'd simply recommend building upon this work, which is increasingly important as areas to protect run out and we have to look to promoting biodiversity conservation in interstitial areas/corridors and preventing fragmentation and undermining of declared protected areas.

From a strategic standpoint, the issue of **privatization** seems to require much more thought and analysis. For example, we wonder if WWF couldn't encourage national government agencies to place use restrictions on private lands within high conservation value areas. Or, if privatization cannot be avoided, WWF will need to identify options for quickly engaging private landholders to encourage them to consider conservation-compatible landuse options before serious conversion or degradation occurs. To start, CauPO might carry out some kind of risk analysis and conceptual modeling regarding privatization as it may affect the focal PCAs it chooses in the development of the new plan. All of that said, it is clear that the first line of action will remain establishing new protected areas, but additional work will be needed.

Finally, we feel it is important to quickly move to build on the efforts of WWF-Armenia to **demonstrate human welfare benefits of protected areas and sustainably managed resources for continued provision of ecosystem services**. The fundamental ability of WWF to make these arguments will be critical going forward, particularly as governments and donors continue to emphasize human welfare and poverty alleviation and WWF moves more into broader scale conservation and sustainable development planning.

As a last note, we wanted to touch upon the issue of **civil unrest** in this region, which was identified by Network stakeholders in particular as THE primary obstacle to conservation. Interestingly and on the contrary, we find first that the Caucasus is one of the best examples we've seen of multi-national cooperation on conservation action. Granted, transboundary cooperation on the ground is hindered in a few places, but in fact it appears that the conflict areas overlap very little with the PCAs identified in the ECP, affecting only PCA 11 and corridor 9 at the far western border of Georgia and Russia; the western portion of PCA and corridor 14 which fall within the Ossetia region; and PCAs 29 and 43, which sit at the Armenian and Azeri border. Despite these conflicts, there are several examples of work on the ground advancing well on either side of the border even if it is not true collaborative transboundary action. This is particularly true in the Azeri/Armenian region that encompasses PCAs 42 and 43. Where it can't carry out on-the-ground work or as a complement to site-based activities, CauPO is taking broader scale policy and collaborative action. The ECP process, for example, represents a major achievement of cultivating and maintaining multi-country dialogue that contributes not only to conservation but also to peace and cooperation in the region. Given this progress, we must consider

that the extent of conflict in this region may in fact have catalyzed grassroots action and cooperation that often does not occur in more peaceful regions where NGOs may expect governments to take the lead on transboundary action.

## WWF Niche and Role

- **PO SP Template Guidance:** Consider not what the WWF programme is good at, but what it is best at, relative to other conservation actors (government, NGO, and others). Describe the programme’s added value and what role it must play. This will help to focus the programme’s strategic approach by distinguishing between what WWF should do versus all of those things it could do.

- **Conservation Audit Findings:** The current CauPO strategic plan contains a clear, well justified section on its role in conservation in the region. How it defines its niche/role is consistent with what we have been told by staff, Network stakeholders, and partners. The predominant themes were:

- ♦ **Convening power** – Even in this very difficult political context, excels at multi-stakeholder engagement and coalition building; government engagement and policy.
- ♦ **Local to global planning and action** – Generally THE international conservation NGO in the region; implements comprehensive, science-based strategies to achieve ‘big impact;’ leader of a large-scale conservation vision. THE partner and guide for GAA investments. Good balance of on-the-ground implementation versus broad-impact work.
- ♦ **Credibility gained through effective delivery and a foundation in on-the-ground action** – Regardless of scale or scope, gets the job done and done well, building upon years and depth of experience in a range of geographies.
- ♦ **Strong, diverse capacity** – Staff have a range of skills and experience across issues, interventions, and scales; very professional.
- ♦ **Local civil society building and mentorship** – Although fairly young itself, has helped dozens of local NGOs to become stronger implementers.

### CauPO NICHE

To ensure that it leverages its particular comparative advantage in the region and that it is allocating effort and resources to those things most in need and deserving of its attention, CauPO should seek to ensure that its priorities, strategic actions, project portfolio, and overall approach to its work take best advantage of its unique added value in the Caucasus. Fundamental characteristics of CauPO’s niche include:

- Local to global planning and action
- Convening power and ability to mobilize
- Credibility based on delivery
- Strong, diverse capacity
- Local civil society building and mentorship

Although these particular strengths are clear, CauPO’s *strategic niche* is not entirely clear, however. There is a list of ‘strategic approaches’ on page 10 of the current plan but it is quite long and comprehensive and reflects almost the entire set of strategic approaches listed in the ECP. This conveys a ‘we do it all’ approach that should be refined further.

- **Conservation Audit Recommendations:** Revisit and update, as necessary, the definition of CauPO’s niche and role in the region and attempt clarify the pillars of its strategic approach.
- **Strategy Content Recommendations:** CauPO’s work over the past few years seems to be well in line with its niche and comparative advantage in the region, reflecting an even balance of effective execution on the ground and higher level work on policy, coalition building, capacity building, planning, and knowledge sharing. If anything, CauPO might suffer a bit from being able to undertake any kind of conservation work at any scale and so as part of the design of the new strategic plan it might consider translating the updated definition its niche to lay out a few guidelines on types of work CauPO *will not do* to help guide future project and strategic portfolio development. Currently, staff and Network partners were by and large unable to pinpoint work that might be stopped or types of work that should not be taken up. An example of a key guideline might be setting a target to ensure continued balance between CauPO’s on-the-ground, place-based work versus its higher level policy work and engagement on pervasive threats and drivers.

As discussed later in the section on partnerships, we also see an increasing need to clarify WWF-CauPO's regional niche relative to other regional bodies and initiatives, such as IUCN, REC, IJC, the CBC, and CRMN. To date, several of these have had somewhat unclear mandates and function, but as these improve, there may develop some overlap in niche and role with WWF.

## 'Must Win' Objectives and Big Wins

- ♦ **PO SP Template Guidance:** *OBJECTIVES: SMART objectives for each conservation priority (remember to keep these focused): Staff should be able to communicate the offices' conservation goals easily and to anyone – so the fewer the better. Conservation goals may be longer than the duration of the plan however, objectives should set a clear pathway within a 3-5 year timeframe to achieve the longer-term goals. Consider how you will measure success and track progress – this helps to define the objectives. BIG WINS: From the above information, what are one or two major outcomes that will generate momentum for the programme in the near future (1-2 years or sooner)?*
- ♦ **Conservation Audit Findings:** A great number of objectives have been defined in terms of 2025 and 2015 targets, however it seems that these are rarely framed in terms of the desired future condition of key threats, behaviors, etc, making it sometimes difficult to discern how all of the objectives together are meant to add up to mitigating key threats and ultimately improving the status of focal conservation targets. This is a bit more clear in the list of "Impacts by 2010" (section 2.6) in the current strategic plan, as this is a shorter list and each statement resembles a SMART objective; however, it doesn't seem that CauPO has used these as a rallying point to help focus the programme or to assess effectiveness toward desired impacts.
- ♦ **Conservation Audit Recommendations:** Defining a concise set of SMART objectives that describe the desired future condition of key threats, drivers, and opportunities might help CauPO to better focus its work and prioritize among its actions. Once these are defined, we recommend further prioritizing among them to identify 'must win' objectives – those few issues that have the potential to either severely and broadly undermine conservation efforts or, conversely, could contribute to a major advance in conservation action.
- ♦ **Strategy Content Recommendations:** Based upon our analysis of future conservation targets, critical obstacles and opportunities, and CauPO's niche and role, the following might be a good starting list of must win objectives for this region. Obviously it is ultimately up to CauPO to decide this, but these reflect the issues and priorities most often repeated by staff, partners, and Network stakeholders.
  - ♦ **ECONET CONSERVATION:** By 2016, X % of each focal Priority Conservation Area or complex is under some form of formal protection and is being managed effectively, supported by sufficient human and financial resources, infrastructure, and community and local government involvement.
  - ♦ **FOCAL SPECIES CONSERVATION:** By 2016, sufficient knowledge, laws, and enforcement are ensuring targeted species populations are protected, well managed, and suffering no more than negligible losses due to illegal take.
  - ♦ **CONSERVATION-COMPATIBLE DEVELOPMENT:** By 2016, conservation-compatible development planning eliminates threats to focal PCAs posed by infrastructure development, privatization, and extractive industry.
  - ♦ **KNOWLEDGEABLE, WELL COORDINATED CONSERVATION COMMUNITY:** By 2016, key individuals within civil society and local and national government agencies are actively leveraging sufficient, strong knowledge, skills, and coordination mechanisms necessary to take effective conservation action.
  - ♦ **SUPPORTIVE NATIONAL POLICY AND LEGISLATION:** By 2016, gaps and weaknesses in and conflicts among priority laws and policies governing natural resources management in Georgia, Azerbaijan, and Armenia are substantially eliminated.

From and within these, CauPO might do a further prioritization to identify two or three 'Big Wins' for the coming five years. Options might include:

- ♦ Multi-country adoption of a regional sustainable development agreement that has as its basis the ECP, including a climate adaptation layer.
- ♦ Full, long-term funding of the Caucasus Protected Areas Fund, including the involvement of Azerbaijan.

- ♦ Demonstrated growth in priority leopard populations.
- ♦ A regional commitment, supported by effective enforcement action, on sturgeon.
- ♦ Launching and demonstrated use of the CRMN to influence policy and decision making regarding conservation and development.
- ♦ Critical changes in conservation/development legislation (to be specified).

## Strategic Approach and Portfolio Alignment

- **PO SP Template Guidance:** *Strategies to deliver goals and objectives. These may change over time depending on what we learn from implementation and the ever-changing internal/external conditions. However, goals and objectives should remain stable.*
- **Conservation Audit Findings:** The current CauPO strategic plan contains some good information on strategic approach, however, the structure of the document and its many different and seemingly parallel articulations of what CauPO seeks to achieve and what how it will go about its work make it difficult to discern a single focused strategic approach. We think this does a disservice to CauPO in that the office does appear to be very strategic in the way that it works, maintaining a strong balance between on-the-ground and broader impact work; primarily taking on large projects with sufficient funding to have meaningful impact while leaving smaller projects for local NGOs (where these NGOs exist); and cultivating enabling conditions for conservation, such as sustainable finance, local leadership, civil society capacity, and supporting legal frameworks. There is also clear linkage between these actions and the various strategic priorities, outcomes, impacts, etc. articulated in the current plan, but again, because of the plan structure, it is a bit of a game of ‘connect the dots’ to tie past and ongoing actions to desired outcomes and impacts.

Regarding CauPO’s project portfolio, we found that the office was very able to provide us with information on its past and ongoing activities and how these relate to what it seeks to achieve overall—in our experience, an unfortunately rare and therefore admirable ability for a very large programme. The figures and findings below provide an overview of CauPO’s funding and conservation spend from FY07-10, including basic statistics describing the portfolio overall and the distribution of investments across CauPO’s conservation priorities, the three countries, and scales of action. The figures are based on budget figures for the period of the last strategic plan: FY07 – FY10. As projects frequently contribute to more than one strategic priority or are implemented in more than one country, we worked closely with CauPO staff to assess contributions of projects to priorities and countries. The full table of projects showing budgets and contributions as well as a map showing locations of ongoing and pipeline projects can be found in Annex A.

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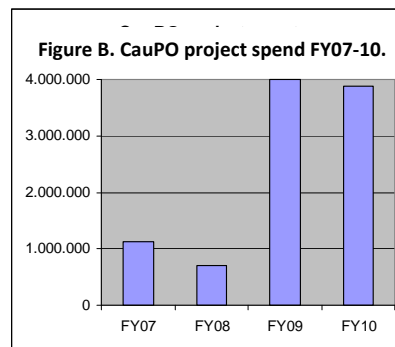
### FY07-10 CAUPO FUNDING AND SPEND PROFILE

#### Total budget and budget fluctuation

- Total FY10 project spend fell just short of 3.9 million euro supporting 15 projects. For the entire period of the strategic plan (FY07– 10), spend was over 10 million euro for about 25 projects.
- CauPO’s project spend has varied considerably over the past four years (0.7 M/year to 4 M/year), reflecting fluctuations across its limited number of funding sources (three WWF donors and five external donors) (Figure B).

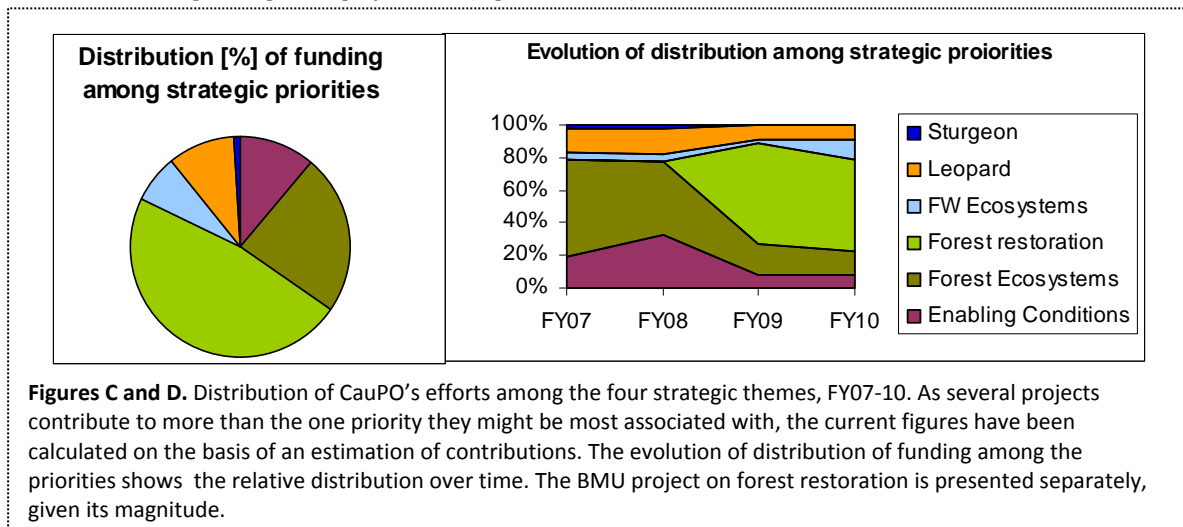
#### Overview of the current project portfolio

- Only one project—the forest restoration project funded by BMU—had a multi-million-dollar budget (4.7 million euro for 18 months), and this contributed nearly 50 percent of the total project budget in FY10.
- Several other projects (some of them just starting) also have project budgets close to or beyond 1 million euro (e.g., Javakheti & Lake Arpi national parks development, Borjomi-Karagauli National Park development, Forest Law Enforcement and Governance, Caucasus Protected Areas Program, Community Development in Southern Armenia). An EC project of 1.5 million euro over four years on forest management has just been secured.



- Of CauPO's 15 projects active in FY10, five had an FY10 spend less than 200K euros, resulting in a portfolio consisting primarily of few, large projects, which generally have the best overhead to conservation action ratio.
- In the FY07-10 strategic plan, CauPO estimated a total funding need of approximately 11 million euro and they've met about 90% of this. However, if the BMU forest restoration project is excluded, CauPO met only about 50% of the funding goal. This of course had implications for funding their priorities, as reforestation was originally a single objective among many in the strategic plan.

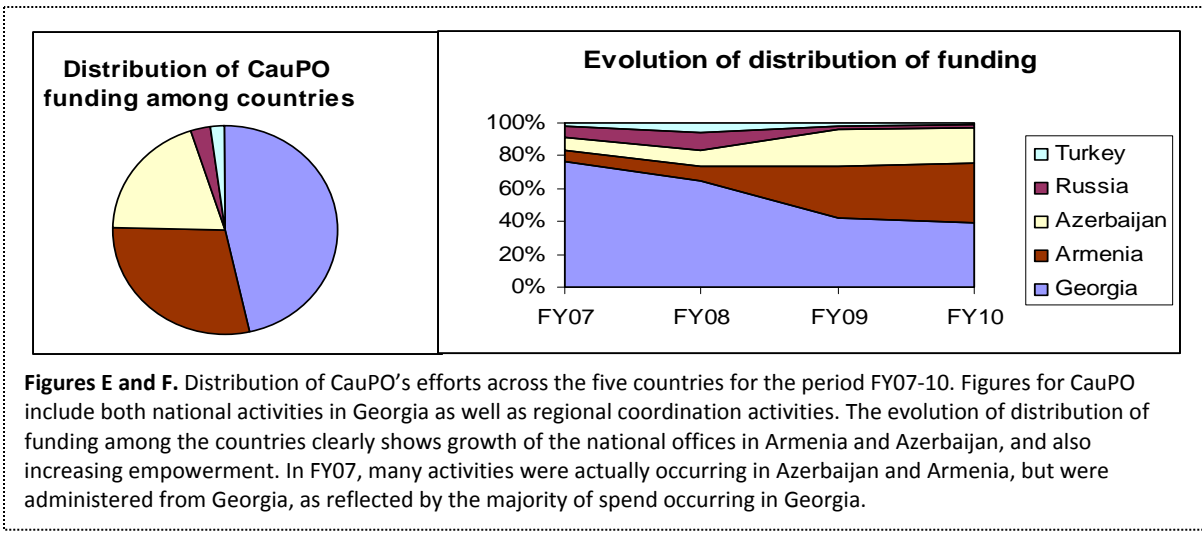
#### Distribution of funding among strategic priorities (Figures C and D)



- Over 70% of CauPO's spend over the past four fiscal years went to forest conservation (50% if the BMU project is excluded). This might suggest that CauPO has one primary strategic priority, and several others that are secondary.
- Investments in leopard conservation consist of several projects aimed at creating and managing PAs that contain leopard habitat and populations. Beyond this, there was limited investment in leopards (about 360,000 over the past four years).
- Freshwater funding has increased over the years due to the Javakheti / Lake Arpi NPs development activities, although this is still marginal as compared to other priorities.
- Funding for sturgeon work has been extremely minimal and we're not aware of any secured sturgeon funding for FY11.
- Funding for enabling conditions work has also declined significantly to about 8 percent of FY10 spend (from nearly 40% in FY08).
- Projects frequently have impact at different scales (local, national, regional), making it difficult to estimate total spend by each scale of impact, however, it appears that a minimum of 20% of project spend had region-wide impact, while the other 80% primarily had impact at the species, site, and landscape scales (although these too can have region-wide effects via regional replication of lessons learned, regional exchange of experiences with innovative approaches, etc.). We consider this to be a good balance.
- Distribution of spending across CauPO's focal PCAs varied greatly, with Mtirala NP receiving over 1.3 million euro in direct investment, Khosrov and Shikahogh Reserves close to 1 million and Javakheti / Lake Arpi 450.000 euro with much more to come. We do note that all 12 of the PCAs prioritized for focus in the strategic plan, along with an additional five PCAs not originally prioritized, have received some effort and investment.

#### Distribution by Country Office (Figures E and F)

- CauPO has by far the largest budget, which covers both the regional work and national work in Georgia, although it is not possible to parse out the amounts for each.
- Project spend in Azerbaijan and Armenia has grown considerably from about 100,000 euro each in FY07 to about 800,000 and 1.5 million euro respectively in FY10.
- Only a small amount of CauPO funding is implemented in Russia or Turkey, although each of these NOs also has Caucasus budgets, which are not reflected in these figures.



- Conservation Audit Recommendations:** In the new plan, it is recommended that CauPO eliminate the many different lists of what it aims to achieve and how it will go about its work by updating its 1-page strategy overview to list focal conservation targets more explicitly, define SMART goals and objectives, and more specifically outline strategic actions so that the full picture of what CauPO is working to achieve and how it approaches its work is more synthetic and clear. This will not only provide a clean framework around which to organize action, but also help with later assessments of progress and impact. Having a simple presentation of strategic approach also will help staff to focus and hold in their ‘hearts and minds’ what ‘bottom line’ success looks like. Finally, synthetic articulations of strategy can help to convey what CauPO is about to partners and key stakeholders. The 1-page synthesis can, we think, be largely constructed from some of the thinking presented in the current plan and the inputs of this audit, and so it may be more of an exercise of cleaning things up, consolidating, and prioritizing than developing a revised strategic approach.
- Strategy Content Recommendations.** Based upon our various findings and recommendations presented earlier regarding potential conservation targets and goals, priority obstacles to conservation and associated objectives, and WWF’s particular niche and comparative advantage, we have made an effort to consolidate a ‘food for thought’ 1-page synthesis of a CauPO strategic approach that outlines an overarching goal statement, what WWF seeks to conserve, its must win objectives, and its primary lines of strategic action (Figure G). Although we have based our work on extensive input from staff, partners, and Network stakeholders, we do feel that the ‘straw man’ we present can serve only as a starting point to CauPO’s planning process, as we cannot pretend that this rapid audit allowed us to perform the full analysis nor have sufficient knowledge to design CauPO’s strategic approach nor set its priorities.

Assuming, however, that the draft strategic approach in Figure G is a credible starting point, we have the following suggestions to strengthen the coherence, relevance, and overall impact of CauPO’s strategic actions and project portfolio for FY11-15.

**Figure G.** A proposed ‘food for thought’ strategic approach for CauPO based upon results of the Conservation Programme Audit.

- The ideas presented herein represent first and foremost an aggregation and analysis of inputs from CauPO staff to this process, complemented by inputs from Network stakeholders, external actors, and the Review Team itself.
- This is a proposal only meant to provide a well-informed starting point to catalyze thought and discussion; the final CauPO strategic approach must come from the CauPO staff themselves.
- Basic indicators for each target, goal, and objective must be defined.
- Targets, goals, and objectives should be parsed out to the country scale, with indicators defined as well.
- Significantly more thought is needed to map out precisely *how* CauPO will deliver, including defining high priority activities and major roles and responsibilities among regional and country programmes, and also ensuring balance between actions with near term impact versus engagement in things like enabling conditions, which contribute to long term sustainability.

OUR VISION: A HEALTHY SOUTHERN CAUCASUS	
<p>The Caucasus is a region where healthy populations of native plants and animals flourish; habitats, landscapes, and natural processes are preserved; and where people actively participate in the equitable and sustainable management and use of the natural resources, providing the basis for vibrant and diverse economies and cultures.</p>	
WHAT WE SEEK TO CONSERVE: TARGETS AND GOALS	
<p style="text-align: center;"><b>SPECIES GOALS</b></p> <ul style="list-style-type: none"> <li>♦ <b>Caucasian leopard:</b> By 2016, prioritized populations (<i>TBD</i>) are viable and growing. By 2020, a population across Azerbaijan, Armenia, and Georgia has grown to 75(?) individuals.</li> <li>♦ <b>Leopard prey species (nested target):</b> By 2016, populations of prey species supporting priority leopard populations (<i>TBD</i>) are viable and growing.</li> <li>♦ <b>Sturgeon species of the Black and Caspian Seas:</b> By 2016, population decline is halted. By 2020, populations are recovering.</li> </ul>	<p style="text-align: center;"><b>PLACES AND PROCESSES GOAL</b></p> <p>By 2016, the ecological integrity and ecosystem services of X# hectares of priority ecosystems of the Caucasus Ecoregion (<i>mid-montane forests, floodplain forests, alpine meadows, wetlands, riverine and riparian</i>) are protected, maintained, and restored, focusing primarily on:</p> <ul style="list-style-type: none"> <li>♦ PCA #51: Javakheti (TR, AM, GE);</li> <li>♦ Complex of PCAs 15, 23, 22 (RU, AZ, GE), incl. corridors</li> <li>♦ Complex of PCAs 42, 43, 44 (IR, AZ, AM), incl. corridors</li> </ul>
CRITICAL CHANGES WE SEEK TO EFFECT: MUST WIN OBJECTIVES	WHAT WE WILL DO: STRATEGIC LINES OF ACTION <i>(note: must be made more 'SMART')</i>
<p><b>OBJ: ECONET CONSERVATION:</b> By 2016, X % of each focal Priority Conservation Area or complex is under some form of formal protection and is being managed effectively, supported by sufficient human and financial resources, infrastructure, and community and local government involvement.</p>	<p>← PA declaration, effective management, capacity building, sustainable financing, landscape planning (including climate adaptation planning), support zones, demonstration of human welfare benefits/ecosystem services</p>
<p><b>OBJ: FOCAL SPECIES CONSERVATION:</b> By 2016, sufficient knowledge, laws, and enforcement are ensuring targeted species populations are protected, well managed, and suffering no more than negligible losses due to illegal take.</p>	<p>← Demand-side management, policy and enforcement, monitoring, public awareness</p>
<p><b>OBJ: CONSERVATION-COMPATIBLE DEVELOPMENT:</b> By 2016, conservation-compatible development planning eliminates threats to focal PCAs posed by infrastructure development, privatization, and extractive industry.</p>	<p>← Conservation-compatible development scenarios, policy and advocacy, coalition building, FSC</p>
<p><b>OBJ: KNOWLEDGEABLE, WELL COORDINATED CONSERVATION COMMUNITY:</b> By 2016, key individuals within civil society and local and national government agencies are actively leveraging sufficient, strong knowledge, skills, and coordination mechanisms necessary to take effective conservation action.</p>	<p>← Local NGO and government partnerships, increasing access to training, CBC support, CRMN</p>
<p><b>OBJ: SUPPORTIVE NATIONAL POLICY AND LEGISLATION:</b> By 2016, gaps and weaknesses in and conflicts among priority laws and policies governing natural resources management in Georgia, Azerbaijan, and Armenia are substantially eliminated.</p>	<p>← Policy analysis and advocacy, collaborative policy review with government agencies, public awareness</p>

To bring CauPO's work further into alignment with:

**...the GPF '80:20 rule':** No change recommended, as CauPO's work is almost fully aligned to the GPF from both a geographic and strategic standpoint. Our only thought is to not overly constrain CauPO's work to GPF priorities, as there is room (the 20%) for non GPF priorities, such as nationally important species, globally threatened, non-GPF species, etc.

**...its prioritization among its major conservation targets:** If current priorities remain roughly the same, strive to increase spend/effort on freshwater, leopards, and sturgeon, as these have received significantly less spending than forest conservation in recent years. As discussed earlier in this report, we also recommend concentrating resources on a few, select focal PCAs and PCA complexes (as opposed to the 17 that CauPO has worked on over the past four years), as this will allow CauPO to increase effectiveness and introduce a more holistic approach that includes sustainable development planning. Effort should be made to ensure that future forest restoration sites contribute to focal PCAs.

**...its niche and role in the Caucasus:** No major changes recommended, as CauPO seems to work well in line with its niche and role. Consistent with its niche and comparative advantage, CauPO has played a crucial role in getting other organizations around the table, ensured a good balance between national/regional policy work (for broad impact) and on-the-ground work on species and landscapes (for direct impact, credibility and grounding in reality), and partnered effectively with local organizations to avoid getting bogged down in implementation of very small projects. We recommend continuing to work in this manner, with the only possible shift being increasing the relative investment on broad-impact work (e.g., policy, enabling conditions, financing). Additional refinement will come when the Georgia office is split from the regional office, which will help to clarify WWF's niche and role in Georgian conservation, in particular.

**...a strong approach to conserving forests, freshwater, and species:**

**Forests.** To build on CauPO's success in forest conservation over the past few years, we feel it must strengthen its work on policy—particularly with regard to sustainable development planning, the issues of privatization and infrastructure development, and national sustainable forestry standards and FSC certification. In addition, there is a clear need to continue to increase CauPO's relative investment in improving management of existing protected areas versus promoting declaration of new protected areas, although the latter continues to be of high importance. For both proposed and existing protected areas, CauPO staff clearly indicated a need to increase public awareness and local involvement in management decision making, which will involve considerations of alternative livelihoods and alternative energy sources. Various important donors indicate that they have funding to support forest conservation work (e.g., KfW, UNDP, EC, etc. ) and we feel other donors might be attracted if WWF more effectively demonstrates human welfare benefits—including climate change resilience—of protected areas and biodiversity conservation.

**Freshwater.** Many of the recommendations that pertain to forest conservation—incorporating sustainable development planning, demonstrating human welfare benefits, cultivating local engagement in decision making and management, supporting policy strengthening—also apply to freshwater work. More importantly, however, CauPO must decide what priority it will place on freshwater conservation going forward, as this has been a relatively minor line of work in the past and current funding is limited. Our general sense is that it would be worth increasing attention to this issue, particularly in water poor Azerbaijan which would not only advance conservation of freshwater ecosystems, but also help to demonstrate the link between conservation and human livelihoods (including resilience to climate change) in a way that would resonate strongly with the people of the region—something CauPO and others indicate is a very high priority for these developing economies. Although in the past CauPO has worked on only two freshwater conservation sites—Javakheti and Iori—the revised ECP identifies about a dozen PCAs that are freshwater priorities and several of these occur within the focal PCAs and complexes we've proposed in the section on conservation targets. Among the criteria for prioritizing among sites/landscapes targeted for freshwater conservation, CauPO might consider Ramsar status and opportunities to do IWRM/IRBM projects. Beyond this, we recommend that WWF leverage its 'local to global' capacity to explore options for piloting Payments for Ecosystem Services schemes and to do demonstration projects that show human welfare benefits of protected freshwater areas. Finally, if WWF will retain the sturgeon as one of its focal priorities in this region, a critical element of the freshwater strategy,

shared with the sturgeon strategy, must be to work toward protection and ecological health of the remaining sturgeon spawning rivers.

**Leopard.** While leopard conservation persists as a top priority for CauPO and some progress has been made to develop a multi-stakeholder strategy, conserve key habitat areas, and raise public awareness, work remains to cultivate political and public support for leopard conservation and, most importantly, to restore prey populations to levels sufficient to support viable and flourishing populations of these big cats. Clearly the first line of CauPO action must be to identify its priorities within the recently developed regional leopard conservation strategy and associated national action plans. Paired with this must be a strong fundraising effort, given that funds for this work in recent years have been very limited. We also feel that WWF must continue to support efforts to consolidate the baseline estimate of current population size and distribution of Caucasian leopards and to support ongoing monitoring.

**Sturgeon.** Overall, we are left with the feeling that sturgeon conservation in this region is a very complex and urgent issue and if WWF does elect to retain sturgeon on its list of priorities, it will need to make a strong investment or likely face failure. Therefore, CauPO must first make a pragmatic assessment of feasibility of having an impact on sturgeon in the coming five years given, in particular, the likelihood of conserving the last remaining spawning rivers, the powerful influences of organized crime and corruption, and the significant market demand. Since sturgeon species are included in the GPF, we recommend that this discussion involve other WWF offices in the region as well as WWF-International to construct a more global approach. This might be based in good part on the recent sturgeon market study conducted in Azerbaijan, which seems to present some logical, well founded options for proceeding, including permanent monitoring, a PR campaign to reduce demand, policy and CITES compliance analysis, and customs officers tools and trainings. For some reason, protection and effective management of the remaining spawning rivers was excluded, although this would clearly be a necessary part of any sturgeon strategy. The ECP also proposes the development of regional and national actions plans for sturgeon conservation, and this also seems necessary, although we understand that political will for this continues to be insufficient.

**...a strong approach to promoting an enabling environment for conservation: Find new funding to continue CauPO's broad-impact, effective work on enabling conditions.** CauPO simply should continue doing an excellent job cultivating enabling conditions for conservation via its support to mechanisms such as the CBC, the CRMN, and CPAF, and the UNDP Small Grants Programme Steering Committee, capacity building of local NGOs, support to government agencies, policy analysis, and public awareness raising. Clearly enabling conditions work is a pillar of the CauPO strategy and it is clear that the program is needed to continue this work, not only because it does it well, but because in all three countries, there is no other NGO that could be similarly effective. Our only recommendation would be, as we've said previously, to engage more in proactive sustainable development scenarios planning at the ecoregion and landscape scales and to set explicit policy objectives for each of the three countries pertaining to legislation that affects biodiversity conservation and management. Given the ending of the CEPF project, CauPO is encouraged also to make deliberate efforts to support civil society capacity building, particularly by involving small local NGOs in on-the-ground project design and implementation. Finally, it should continue to do what is needed to get the relevant governments to fund and work closely with CPAF and to help protected areas staff to know how to access funding.

**...strategic action toward the GPF 2020 Footprint Goal: Track contributions toward the 2020 Footprint Goal.** Although WWF has identified 'footprint' as a major new area of work in the GPF, the Network footprint strategy is shaping up to focus primarily on NO actions to reduce footprint from developed countries, as well as some actions by emerging economies on energy, commodities, etc. As such, CauPO similarly should take its time to think through this issue. A number of ongoing and potential future CauPO activities could be linked to footprint objectives, particularly as the countries of the region develop and must address increased energy, water, and other natural resource demands. Work on forest certification also might be linked to footprint objectives on commodities. Rather than set explicit objectives regarding footprint in the new strategic plan, CauPO should be sure to track those efforts that are 'win-win' because they benefit both Greater Black Sea Basin biodiversity as well as WWF's global efforts on footprint.

**...to global initiatives: Consider linkage to Forest-based Carbon NI.** The only global initiative that seems to have relevance in the Caucasus is the Forest-based Carbon NI, given potential for avoided deforestation in Georgia and for reforestation in Azerbaijan and Armenia. We are unsure whether the NI would prioritize engagement in this region, however, and so CauPO will need to explore this with them.

## Partnerships

- **PO SP Template Guidance:** *Partners and what they will deliver.*
- **Conservation Audit Findings:** The existing CauPO Strategic plan is based on the ECP which in itself is a multi-stakeholder approach. The strategic plan contains a strong section on partnerships that we feel represents a good example of how this issue should be addressed within a PO plan. We like that higher level objectives by stakeholder group are articulated and then supported in the workplan with detail on strategic priorities, milestones, means of verification, etc.
- **Conservation Audit Recommendations:** We recommend that in the new planning, the current section on partnerships in the strategic plan simply be updated, with particular attention given to how partnership activities would need to change in light of the updated set of focal conservation targets (species, ecosystems/PCAs, ecological processes) and the ‘must win objectives’ it defines.
- **Strategy Content Recommendations:** From a strategy and implementation standpoint, it is clear that CauPO is a model program in terms of partnership and coalition development. All external stakeholders with whom we spoke hold the programme in very high regard, laud the assistance it provides, admire its regional leadership, and particularly note its ability to walk the fine line between government engagement and maintaining independence as an NGO. CauPO also pursues a range of partnership approaches, from mentoring, to informal implementation and consultation arrangements to MOUs. Our only recommendations with regard to CauPO’s strategic approach to partnerships are:
  - ♦ **Identify major development NGOs and other groups with whom to cultivate close partnerships.** As CauPO continues to move to engage on issues of sustainable livelihoods around protected areas to sustainable development planning at landscape, national, and regional scales, it will have an increasing need to access expertise in these areas. For this, we advise cultivating a few close partnerships with organizations and agencies of similar profile and capacity to WWF, but in the development field.
  - ♦ **Take deliberate steps to sort out roles and responsibilities with IUCN, REC, and the CauPO regional staffing.** It is clear that some discussions along these lines have happened, but have been somewhat impeded by restructurings and work on role definition of IUCN and REC. As these organizations become clearer on their niche, WWF must continue to keep an eye to ensuring that efforts are complementary and not competitive or redundant.
  - ♦ **Continue to work on civil society capacity building.** CauPO had some good success via its role in implementing CEPF but it seems that this has dropped off some with the ending of the funding. New avenues must be explored, as strong national civil society is a key ingredient to long term conservation success.
  - ♦ **Related to the above, continue to promote local implementation by local NGOs.** Where possible, it seems to make sense for local organizations to do as much of the local project implementation as possible, freeing up WWF to do what only it can really do—engage on pervasive threats, national policy, private sector engagement, large-scale conservation planning, etc.
  - ♦ **Continue on advisory boards and secretariats.** CauPO has clearly had great success advancing a range of regional initiatives simply by participating as one key voice on various advisory, oversight, and coordination bodies.

## Measuring and Evaluating Success

- **PO SP Template Guidance:** *Measures of success – key performance indicators of progress. By monitoring progress you are demonstrating that you are implementing your strategy – so a critical element of a strategic plan.*

- **Conservation Audit Findings:** Fairly unique in the WWF Network, CauPO has a good system to monitor progress against activities and milestones. There are matrices both for CauPO and for the workplan shared by CauPO, WWF Russia, and WWF Turkey. In addition, all of the offices indicate that they hold periodic meetings to assess progress against the workplans and of course all complete periodic reports for POM and donors. In general, all of these tools and activities focus mainly on outputs rather than outcomes or impact or the regular questioning: “Are we in the right places, doing the right things, and having our desired outcomes and impacts?” In many cases, the staff are able to provide qualitative, anecdotal information on the status of focal targets and key threats, knowledge that can be used to build M & E systems that more systematically track outcomes and impact.

Beyond office-level M & E, CauPO has shown real leadership in helping to advance a Caucasus Regional Monitoring Network (CRMN), a joint initiative among various conservation actors. This too will serve as an important source of information on regional biodiversity status that can inform assessments of effectiveness and impact. Furthermore, it seems that this system represents a real advance in the field of biodiversity conservation and might serve as an excellent model for other priority programmes in the Network.

- **Conservation Audit Recommendations:** Building on its excellent progress to date, CauPO can now move to developing practices to help it to assess its effectiveness toward attaining objectives and realizing goals regarding biodiversity status. This is needed from the project to the multi-national levels, including portfolio monitoring. The PO does acknowledge that impact monitoring has been limited, mostly for all of the same reasons faced elsewhere in the world – lack of human and financial capacity, lack of demand from donors, not an aspect of historical practice, lack of good examples, etc.

To overcome this, at least in part, CauPO must ensure that proposals, project plans, and strategic plans include monitoring plan development within the planning phase as well as baseline data collection, and does not leave these until the end of the project. As discussed earlier, rigorous design and monitoring will become increasingly important as CauPO shifts from a very strong focus on protected areas to engaging on issues of sustainable development and livelihoods, both areas that represent potential for mission drift unless designed and monitored in a manner that ultimately ensure biodiversity as well as development impacts.

During the strategic planning process—*not after the fact*—develop a basic monitoring and evaluation plan that describes how CauPO will measure its progress and effectiveness. This must be done during the planning process, as this helps to assess whether goals and objectives are sufficiently well defined, feasibility of proposed actions, costs and roles and responsibilities related to M & E, etc. To develop its basic M & E approach, CauPO will need to:

- Define at least basic indicators for each goal and each ‘must win’ objective and the methods by which data will be gathered, analyzed, and utilized. (Note that having goals and objectives articulated in a manner that is SMART will be a prerequisite to good indicator definition.)
- Ensure that baseline information is gathered in time to monitor trends and achievements toward the indicators defined. If some baselines can’t be established during the strategic planning phase, plan and implement baseline assessments in the first year of implementation of the new strategic plan.
- Even if done qualitatively/anecdotally, ensure that regular internal evaluation occurs to assess progress against *impact-oriented indicators* as well as activities.
- Ensure that any new M & E system for CauPO aligns to the newly developing WWF Monitoring and Reporting System and the Programme Office Dashboard Report (under development by Programme Office Management).

Potentially helpful M & E references include the Amazon NI Monitoring Plan, the Heart of Borneo NI Monitoring Plan, the developing Greater Mekong Programme Office Monitoring Plan, and of course the WWF PPMS, which has a section dedicated to M & E plan development.

- **Strategy Content Recommendations:** Clearly systematic monitoring and evaluation can provide valuable information to help projects and programmes assess whether they are having desired impact and operating in an efficient manner, which then contributes to adaptive management of programmatic strategies and project portfolios. M & E also supports learning and improvement over time by supporting assessment of which interventions are having desired outcomes and which are not. Finally, M & E contributes critical data that can inform and support policy arguments and other communications with key stakeholders. For all of these

reasons, M & E should be considered a critical element of CauPO's strategic approach and not just a reporting activity.

## **Sustainability and Exit**

**PO SP Template Guidance:** *Who will carry on the work after the programme achieves its goals? How do we institutionalise the programme? What actions must we include in the strategic plan to ensure sustainability?*

- **Conservation Audit Findings:** Although clearly driving much of CauPO's work, conditions for sustainability and exit are not discussed explicitly in the current CauPO plan. These are critically important given that cultivation of an enabling environment is a prerequisite for sustaining conservation effectiveness (e.g., to address issues such as weak policy enforcement, political will for conservation, public awareness and will, lack of civil society capacity, and sustainable financing). The CauPO staff themselves often emphasize the importance of these aspects of their work.
- **Conservation Audit Recommendations:** Further thought and more systematic analysis regarding sustainability and exit would be useful, particularly to inform strategy development on enabling conditions work so that CauPO can continue to promote long-term sustainability of impact, hand over leadership in focal PCAs to local governments, communities, and NGOs, and ensure sustainable financing.

**Strategy Content Recommendations:** As discussed earlier, CauPO has undertaken many activities that have helped to build an enabling environment for conservation and these should be used as a foundation and major starting point for CauPO to consider how it will continue to advance regional sustainability of conservation impacts and also eventually exit any major functions, roles, or projects.

# IV. COUNTRY OFFICES

## Introduction

Given that most rigorous strategy development and delivery occurs intra-nationally (Table D), CauPO must continue to build strong national presences for on-the-ground conservation supported and guided by effective but streamlined regional coordination. Maintaining strong national offices is necessary to adhere to national policies and procedures to operate (e.g., legal status, HR, financial flow management), to respond to the unique characteristics of each national context, and to engage effectively on national policy and development planning, all of which can only be accomplished intra-nationally. More specifically, critical functions of the Country Offices should include:

- Providing management and infrastructure to ensure effective execution of most of CauPO’s project portfolio.
- Taking political actions and steps to ensure that WWF continues to maintain good relations with relevant government agencies and other key stakeholders.
- Promoting a national enabling environment for conservation by engaging on issues such as awareness, national policy (including development planning and drivers), and civil society organization capacity building.
- Engaging directly with government and other stakeholders to advance regional objectives (e.g., Big Wins).
- Fundraising locally/intra-nationally (to the extent legally feasible).
- Advancing the conservation of various national species and ecosystem priorities (in addition to providing support on GPF and regional priorities).

<b>Table D. FY10 Projects and Spend by Scale and Conservation Priority</b>	<b>Total</b>	<b>GE**</b>	<b>AZ</b>	<b>AM</b>	<b>REG</b>
Number of Projects Active in Fy10	15*	7	8	8	5
<b>FY10 Spend (T€)</b>					
Total	3,760	1,110	840	1,410	400
Forests	2,700	830	720	830	320
Freshwater	470	170	0	300	0
Species	360	40	60	250	10
Enabling Conditions	230	70	60	30	70

\*Some projects are implemented in more than one country, so projects in all countries do not sum to the total for the region.

\*\*It was often difficult to parse out funding for conservation within Georgia versus funds spent within Georgia for regional coordination, therefore this number may be somewhat inflated.

This implies ensuring that the country offices operate fairly independently but in close coordination to deliver on explicitly defined responsibilities to reach the goals of the new strategic plan. Therefore, ***we recommend that the new strategic plan include clear country office descriptions, roles, and responsibilities.***

***Within the new CauPO strategic plan, country-by-country sections, in a few paragraphs, should:***

- Translate regional goals (i.e., statements of desired future condition of conservation targets) to country-scale goals. Rather than a priority-setting exercise, this should simply define very clearly what components of CauPO’s conservation targets fall within each country. Consolidating the set of intra-national conservation priorities and goals will not only serve to focus WWF’s work within each country, but also will ensure that each office is able to clearly and concisely describe its highest priorities to key national and local stakeholders.
- Explicitly define national ‘must wins’: priorities and objectives for transboundary coordination, contribution to region-wide initiatives (e.g., Big Wins), and national policy engagement in support of species, landscape, and regional goals and objectives.

- Set ‘enabling environment’ objectives. Critical enabling conditions to plan around and to monitor would seem to include: education and awareness, national policy (including development planning and drivers work), civil society organization capacity building, and sustainable financing.

Beyond these sections in the CauPO regional plan, each Country Office should take whatever steps are necessary to be clear as to its national identity, priorities, and niche, both to focus and orient staff and also to readily explain what WWF is about in a given country (particularly important for national government and fundraising relations). Each Country Office also will need to define its own national policy, advocacy, and fundraising strategies. Taking the time to consider and define these various aspects of WWF’s presence in each country will be particularly important to the Georgia office, which will be newly established, and the Azerbaijan office, which needs a good degree of capacity building and increased autonomy.

To help guide the process of translating the CauPO regional plan to national priorities and actions, herein, we provide our highest priority findings and recommendations with regard to past effectiveness, present work, and future strategic approach within each country. We also touch on operations and administrative issues that were readily apparent to us, although we note again that this audit did not include a thorough organizational assessment.

## **WWF Azerbaijan**

### **Past and Present**

Since initiating project activities in 2000 and becoming a nationally recognized legal entity in 2006, WWF Azerbaijan has grown steadily and today, although still fairly small and young (five staff; 840,000 euro across eight projects in FY10), is clearly progressing well. It is viewed very highly by partners and although other organizations have come and gone, WWF still stands as the only international conservation organization still active in the country. Having a WWF presence in Azerbaijan is pivotal in that it rounds out WWF’s regional presence, which many staff, external stakeholders, and Network partners identify as CauPO’s most important added value, and one that it leverages very effectively.

Specifically, we note that in an environment where it is unwise to criticize or confront the government directly, WWF has cultivated a strong working relationship with key ministry partners who hold WWF in general and the Country Director in particular in high regard. This has laid the groundwork for WWF to provide constructive and diplomatically worded input on national policy and decision making, as it has done in advising the significant protected area creation that has occurred over the past several years. As the Ministry of the Environment has moved to double the protected area network to 800,000 ha, WWF has helped to ensure much of this area captures the priorities outlined in the ECP with a particular emphasis on leopard habitat.

WWF Azerbaijan also contributed to the effective execution of the BMU reforestation project, a challenging, high profile, rapid turn-around project that has provided the majority of WWF Azerbaijan’s funding in recent years. With regard to species, WWF has strong capacity in leopard conservation work and has engaged in monitoring activities and habitat conservation, and more work in both of these areas is clearly needed. The office also contracted a thorough study of the sturgeon conservation issue and although it has not taken any action thus far, has identified several key strategic lines of action that might be taken.

Although Azerbaijan is a water poor country, the WWF office is not really working on freshwater conservation directly, however all priority PCAs that have received WWF investment/effort in the country include freshwater ecosystems and most major freshwater sources in the country are already formally protected.

### **Future**

Given the strategic importance of WWF Azerbaijan in the Caucasus as well as seemingly strong potential for growth, effort is urgently needed to map out an evolutionary pathway for the office, including developing an overall set of priorities and strategic approach and assessing related funding needs, human resource requirements, and capacity building needs, and a devising a fundraising strategy. This will help the office to transition from a project implementation office to a national presence in its own right.

Specific focal PCAs for the coming five years in Azerbaijan, as discussed earlier in this report, would seem to include PCAs 16, 22, 23, and 43. PCA 33 might also be included if sturgeon continue as a focal conservation target and PCAs 21 and 29 might become priorities due to the contribution they make to conservation of alpine meadows. In selecting WWF's focal PCAs in Azerbaijan, potential contribution to climate change resilience via forest and freshwater conservation should receive particular emphasis.

Specific priority strategic lines of action and areas for strengthening in Azerbaijan would seem to include:

#### **Enabling Conditions**

- ♦ *Continue to engage in national policy strengthening:* Continue with efforts to strengthen national legislation by providing well researched, well worded technical advice (as in the past). Focus this work by conducting a basic policy gaps and issues analysis to select priorities. The FLEG and MAVA projects should inform this.
- ♦ *Promote CPAF:* Facilitate dialogue between the Caucasus Protected Areas Fund and relevant government agencies, as CPAF has not yet become active in the country due to limited political will.
- ♦ *Support CSO Capacity Building:* Develop a 5-year, focused approach to continuing to build the capacity of local conservation organizations. WWF should not persist as “the only game in town” for long.

#### **Forests and Freshwater**

- ♦ *Move from protected areas creation to a focus on effective management:* Although many new protected areas have been created in Azerbaijan in recent years, many are still ‘paper parks’ and so strengthening management, infrastructure, and community involvement represent high priorities in the coming five years. Focal areas for work include: community outreach, demonstration of benefits, promotion of ecotourism, awareness raising, and developing alternative livelihoods with a focus on innovative/alternative energy sources. WWF should very carefully define its strategic approach in these areas, however, as engagement on development issues can easily lead to mission drift because conservation benefit can be difficult to demonstrate and development of a portfolio of too many small, dispersed projects that do not add up to meaningful impact.
- ♦ *Promote habitat/ecosystem connectivity through demonstration of human welfare benefit:* Although the government in Azerbaijan has taken strong action in recent years to develop new protected areas, as WWF moves more into the conservation and effective management of freshwater systems and corridors, it will need to make convincing arguments to cultivate both political and public will for conservation. We feel the best avenue to do this is to demonstrate the linkages among biodiversity conservation, direct human welfare benefits, and longer term climate resilience.

#### **Species**

- ♦ *Take non-place-based action on leopard:* Beyond habitat conservation achieved via the work on the PCAs, priorities for leopard conservation would include: public awareness, prey recovery, and relations with Iran. There is new money coming in from WWF Germany to support leopard conservation in the region.
- ♦ *Select sturgeon conservation action:* If CauPO continues to include sturgeon among its conservation targets, it seems that Azerbaijan has greater potential for meaningful impact in the coming few years than does Georgia. Using the sturgeon market study that was recently completed the office should select which of the recommended strategic lines it will pursue and ensure that these are built into the new CauPO plan.

#### **Operations and Administration**

- ♦ *Strengthen the strategic leadership role of the Country Director:* To date, the Country Director has worked more as a multi-project manager rather than a director, with most strategic direction apparently coming from the Regional Representative and the Conservation Director. Since we feel that WWF Azerbaijan should be developed into a stronger national presence, this will require that the Country Director take on more of a strategic leadership role.
- ♦ *Possibly find a new office:* While the current office seems to provide adequate space for the staff and is well located in Baku, we feel that the working environment is not on par with the other offices in the region or

across the Network. We are far from experts on the issue of office space, however, and so recommend that this be considered by the upcoming organizational assessment.

- ♦ *Develop a fundraising strategy to diversify the portfolio:* As stated earlier, the office hoped a continuation of the BMU project would cover up to 75% of their funding requirement in FY11, however, a replenishment of this funding is unlikely, although there will be some bridging funds to ensure sustainability of current results. Regardless of the future of the BMU project and even though there are a few proposals out that might help to diversify WWF Azerbaijan's funding base in the near term, a longer term fundraising strategy, in line with the new strategic plan, is urgently needed.

## **WWF Armenia**

### **Past and Present**

Since initiating project activities in 2002 and establishing as a Country Office in 2006, WWF Armenia has grown to be a strong and effective office with an annual operating budget of about 2M CHF, demonstrated conservation success, a very high regard among key stakeholders, excellent relationships with government agencies, and strong and diverse staff capacity (17 staff). As in Azerbaijan, WWF is the only 'big game in town,' as there are no other large conservation groups and many of the local/national NGOs are said to be very vocal but have limited reach or impact.

In FY10, there were seven active projects in Armenia, with just two comprising more than 70% of the total budget for the office. In FY11, there will be at least five active projects totaling over 1.3 million euro and another five projects have been proposed with a total funding potential of 1 million euro.

Fundamentally, we have the sense that the office strategizes and implements very well using the tools and resources at hand but would benefit from having a bigger toolkit. This will be particularly needed as the office moves from a past strong focus on protected areas creation and management—currently 12.5% of AM is protected and there is a government plan to increase forested land from 11 to 15% of the country over the next several years and to 20% by 2050—to engaging more proactively in government policy and development planning to address pervasive priority threats such as unsustainable resource use, infrastructure development, and poaching.

WWF is well positioned in Armenia to place greater emphasis on "bigger issues," with effective capacity and work that extends from local NGO capacity building and support via participation on the UNDP Small Grants Program Board to close working relationships with the state forestry agency, the ministry of the environment, and the Prime Minister himself. Specific successes in recent years have included preventing the development of a road through Shikahogh Reserve; several examples of comprehensive PA management strengthening; the establishment of the Environmental News Network, which is said to be operating well and quite popular; and the effective implementation of the BMU reforestation project. The Lake Arpi/Shirak project also represents a somewhat new way of working for WWF, in that it goes beyond strict protected areas creation to effective community engagement and integrated landuse planning, both areas that all three WWF offices identified as areas for increased attention.

We also note that the office places great importance on monitoring project areas even after it exits so that it knows if things are deteriorating and intervention is needed. As part of their monitoring efforts, they emphasize the importance of cultivating strong community relations so that the communities take over as the eyes and ears. That said, the office indicates that it often feels behind on major infrastructure development and regional/national planning, only learning about major projects once underway, and so this will be an area for continued improvement going forward.

## Future

With regard to specific conservation priorities in Armenia, as discussed earlier in this report, priority PCAs would seem to include PCAs 42, 43 and 51 in a first phase, with a potential to move to PCA 50 in a second phase of the new plan.

In its discussions with us, WWF Armenia identified and made a strong case for several “must win objectives.” In most cases, the external actors interviewed supported or at least did not contradict these, and so we can only indicate our support for them here. Therefore, based upon this information, specific priority strategic lines of action and areas for strengthening in Armenia would seem to include:

### Enabling Conditions

- ♦ *Continue to support and represent civil society:* While many noted that WWF Armenia walks the line well between NGO representation and government support, it is clear that the office must make a concerted effort to maintain its independence from the government, effectively represent and coordinate the NGO community (e.g., via the CRMN), and at the same time continue to build civil society capacity.
- ♦ *Continue to engage in national policy strengthening:* A clear priority is the ongoing revision of national forest legislation by the state, which presently has GTZ support.
- ♦ *Strengthen engagement of the business sector:* To date, WWF Armenia has had some private sector engagement, but there is clearly room to grow in this area to engage them in conservation efforts and take steps to minimize footprint. This will be particularly important to engage directly on the issue of expanding copper mining across the country.

### Forests, Freshwater, Species

- ♦ *Continue to promote protected area creation as well as effective management:* As in Georgia, privatization is a growing threat to biodiversity conservation, with the first line of action being protected area creation. The office also must continue to promote effective management of declared protected areas, and the office indicates that particular attention must be given to building the capacity of protected area staff.
- ♦ *Strengthen inspection of support zone and corridor areas:* The office indicates that the Law on Environmental Protection needs to be revised to create environmental police to enforce effective management of lands and natural resources that fall outside of protected areas. This work should seek to draw focus of enforcement efforts to focal PCAs and connecting corridors.
- ♦ *Promote habitat/ecosystem connectivity through demonstration of human welfare benefit:* As WWF moves more strongly into the conservation and effective management outside of or in the support zones of protected areas, it will need to make convincing arguments to cultivate both political and public will for conservation. As stated earlier, we feel the best avenue to do this is to demonstrate the linkages among biodiversity conservation, direct human welfare benefits, and longer term climate resilience.

### Operations and Administration

- ♦ *Pursue creative fundraising ideas.* Although it seems that the office actively pursues funding opportunities, as everywhere, there is a continued need to build and diversify the funding portfolio. One avenue to do this would seem to be engagement of Armenian diaspora in France, the US, and Russia. The program has done some initial work on this without much luck, but continues to feel that this is an untapped resource. The office should renew efforts to engage relevant WWF National Offices, at a minimum to gain their approval for WWF Armenia to pursue fundraising within their borders.
- ♦ *Build capacity to support integration of conservation and sustainable development:* Possible areas for strengthening capacity in WWF Armenia include integrated landuse planning (although the office has both GIS and sustainable livelihoods specialists) and policy analysis. It may be that these capacities can be contracted on an as-needed basis, however.

## WWF Georgia

### Past and Present

Created in 1992 as the WWF country representation in Georgia, the CauPO Office in Tbilisi has the longest presence in the region and has served as a hub that oversees the branch offices in Azerbaijan and Armenia. With the evolution of the Georgia office to the CauPO office, many staff took on regional as well as national responsibilities, and CauPO today plays a crucial role in enabling regional cooperation among the six Caucasus countries, including initiating and coordinating the progress of the ECP. WWF's good standing in Georgia with government agencies and donors can be partly attributed to the office playing its regional roles very effectively.

In FY11, there are four ongoing projects with Georgian components worth about 560,000 Euros (PA management, Leopard conservation, and FLEGT), plus establishing the Javakheti NP (PCA 51) with remaining funding for the coming two years of about 1.8 million euro. The EC/WB funded regional FLEG project with a Georgian component of approximately 400,000 euro over four years has recently been approved.

Since the office has been working both regionally and nationally, it is challenging to parse out what impact it has had on Georgia in particular, versus region-wide, although the office has supported the improved management of Borjomi-Kharagauli and Mtirala National Parks and the protection of Javakheti. The FLEG, BMU forest restoration, leopard conservation (although there are only a few individuals that occur in the country), and CBD Programme of Work projects all have sites and/or activities in Georgia. Beyond this, regional activities such as support to the Caucasus Biodiversity Council and administration of the CEPF funding have all of course impacted the country. Finally, there has been some limited work on sturgeon to identify and improve management of spawning areas, although our sense is that the staff are skeptical of their ability to make meaningful progress on sturgeon conservation in Georgia and off shore in the Black Sea. Taken all together, it does seem that WWF has made some good progress in Georgia, but it also appears that although the regional office is in the country and regional and national staff are almost all Georgian, intra-national work has taken a bit of a 'back seat' to the focus on regional activities.

Nonetheless, we do feel that staff have a strong understanding of the context and priorities in the country. In addition, because of the presence of the regional staff, there is very strong capacity in the office, much of which we expect will transition to some dedicated and significant focus on Georgia. This includes good expertise in forest management, NGO support and engagement, and policy analysis. Socioeconomic analysis for large-scale conservation and development planning, campaigning (versus general communications and public relations), and policy *advocacy* all seem to be areas for further development and strengthening. A freshwater position previously in place was discontinued, and this may also be an area for growth, should freshwater continue as a focal target in Georgia.

### Future

With its good relations and communication with Azerbaijan and Armenia, its significant remaining forest cover, and its central geographic position in the region, it is clear that WWF must maintain a strong and effective program in Georgia. The restructuring of CauPO and division of regional from national staff will help to clarify roles and responsibilities and should lead to a more focused program that we hope will be able to proactively anticipate and respond to pervasive threats such as privatization and infrastructure development, as well as ensure the maintenance of forest cover and recovery of species populations. This will require a clear set of focal conservation targets, goals, and objectives for the country that are derived from the CauPO plan as well as analysis of national context. As mentioned in the section on conservation targets, focal PCAs in Georgia might include 51 plus 16, 22, and 23 and respective corridors for forest, freshwater and leopard work.

Specific priority strategic lines of action and areas for strengthening the work of the new Georgian country office would seem to include:

#### Enabling Conditions

- ♦ *Support CSO Capacity Building*: Despite the fact that CEPF funding came to an end, WWF in Georgia should continue to build the capacity of local conservation organizations and foster partnerships. Having coordinated

the CEPF Small Grants Program, WWF Georgia should be best placed to partner with local NGOs, particularly for local project implementation, so that it can concentrate more on delivery of 'big wins' via national policy and advocacy work.

- ♦ *Continue to engage in national policy strengthening and decision-making:* In light of threats posed by big infrastructure projects and privatization and licensing potentially resulting in non-sustainable use, WWF Georgia should increase its policy work and engagement of those national government bodies that have authority over natural resource use/landuse policies and decisions. This will require not only policy analysis capacity, but also adequate financial resources and capacity in campaigning and advocacy for conservation results.

### **Forests and Freshwater**

- ♦ *Move beyond PA establishment.* As across the region, although there is a continued need to promote creation of new protected areas, particularly in light of the threat posed by privatization and infrastructure development, it seems that WWF could turn more of its attention to strengthening management, infrastructure, and community involvement and support in and around existing protected areas. Focal areas for work include: community outreach, demonstration of benefits, promotion of ecotourism, awareness raising, and alternative livelihoods with a focus on innovative/alternative energy sources. Relevant work is also necessary on the policy and legal levels to improve protection status and especially management of PAs.
- ♦ *Engage in proactive landscape and development planning.* On a related note, we frequently heard in Georgia that development projects sometimes take WWF by surprise, making it difficult to react in a timely manner. For all WWF focal areas, we suggest that the office seek ways to be proactive by engaging in landscape planning to, for example, identify development areas versus no-go-areas.

### **Species**

- ♦ *Implementing the leopard strategy.* With an estimated population of only three or four leopards in Georgia located along the border with Azerbaijan, there is much to be done if viable leopard populations are to be cultivated in the country. At the same time, resources for leopard conservation have proven limited over the past few years, indicating that priority in the Caucasus should be placed on securing habitat, prey, and protection from poaching in those countries holding viable populations. In Georgia in the near term, work might focus on conserving habitat and prey species in border areas where leopards are known to cross into the country.
- ♦ *Take a clear decision on sturgeon.* It seems that WWF Georgia does not have a clear vision at this time for work on sturgeon, which is particularly problematic given that the situation in the Black Sea is desperate and would require a major investment and effort in order to have any kind of meaningful impact both on the very imperiled remaining spawning river or to combat continued overharvest in the Sea. Many threats originate outside of Georgia, necessitating strong regional action as well. WWF Georgia should decide in this planning period whether it is truly committed to sturgeon conservation and, if so, what realistic goals might be.

### **Operations and Administration**

- ♦ *Ensure regional and national staff have clear and separate mandates and authority.* As CauPO restructures to form the WWF Georgia office, it will be challenged to fully separate regional from national roles. It is easy to imagine that some staff will have both mandates and so it will be important to define job descriptions, terms of reference, and workplans very clearly. National staff, and in particular the new Country Office Director, must also have a good degree of autonomy and authority from the regional directors to run the country programme as s/he sees fit. Similarly, staff with regional mandates must provide quality regional support across the three countries, as it is easy to get pulled into focusing primarily on one's own country, particularly if based there.
- ♦ *Decide whether to purchase the current office.* CauPO would like to purchase its existing office, as it can acquire the building at a good price at this time. This would seem to be a good choice, given that alternative premises of similar size and quality would likely come at a high price. Conversely, purchasing the office might limit the programme's potential for growth, as all available space appears to be in use.

## V. ORGANIZATIONAL ISSUES

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### Introduction

While this Conservation Programme Audit did not seek to carry out an in-depth organizational assessment, we do highlight herein critical issues we observed as related to conservation programme delivery. These are general observations and so none of what is presented below should be taken as definitive findings. In most cases, we feel these issues should be investigated further before any action is taken.

Unfortunately, because of time constraints, we only highlight those things that appeared to be potential organizational issues to be overcome. We also observed many strengths in the staffing, structure, and function of the programme but for the sake of brevity, do not list them here.

We do note that CauPO appears to have made progress toward various office development objectives included in the operations section of the FY07-10 strategic plan, which included specific milestones and means of verification. This approach should be continued in the new strategy, taking into account the issues raised below.

### Capacity, Staffing, and Structure

- ♦ **Role and workload of senior leadership.** Various Network stakeholders engaged with CauPO expressed concern that the CauPO Director and Conservation Director are overworked. We agree with this concern and feel this should be assessed, although this should in part be mitigated by the formation of the Georgia Country Office and hiring of a Country Director there, which should somewhat remove the oversight of national action from the two senior leaders, assuming roles and responsibilities are defined clearly and respected.
- ♦ A few Network and external stakeholders also feel that the two senior leaders shoulder the entire burden of leadership in the region, however, we feel this concern is unfounded. Several staff, including the two Country Directors and various technical specialists, clearly have strong capacity and ability to lead and this will only grow with the hiring of the new Georgia Director. All of that said, as indicated earlier in this report, we feel that the Azerbaijan Country Director should receive focused capacity building support as that program continues to grow.
- ♦ **Authority of CauPO in overseeing WWF's work in the ecoregion.** The Caucasus Ecoregion is considered by WWF to include parts of Russia, Turkey, and even the Iran. However, it became obvious during the mission that there are two levels of cooperation in the Caucasus program of WWF: a close coordination and clear line of authority within the three countries belonging to CauPO and a looser cooperation among the three WWF offices under the Programme Implementation Agreement (PIA). Although the Ecoregion Coordinator—the CauPO Conservation Director—has responsibility for ensuring effective collective progress against the WWF Caucasus Action Plan, he does not have direct authority. Nonetheless, it seems that work and coordination have advanced as well as can be expected in a complex, multi-country, multi-office ecoregion, but we still recommend that the two NOs and the PO revisit the PIA, consider together whether it is the best model to continue, and what improvements might be made moving into the coming five years. In particular, we feel that there needs to be a stronger means to make and document commitments to thematic and geographic priorities in the ecoregion that CauPO and the two NOs will all work toward—even when true transboundary action is not possible.
- ♦ **Training needs.** Despite staff generally being well qualified for their work, CauPO employees themselves identify a great need to have increased access to, knowledge of, and funding for training, which not only builds staff capacity, but also can be viewed as personal development and a reward beyond salary. It seems that these desires and needs have not been assessed, however, nor have avenues to access training and expert exchange been identified and CauPO's human resources staff should fill these knowledge gaps and take appropriate action in the coming five years. In some cases, it seems likely that training could be arranged within the region (e.g., the UN offers training and might be willing to take WWF staff).

- ♦ **Evolution of Country Offices.** As discussed in the Country Offices section of this report, it is clear that all three of the offices need to have some kind of 5-year evolutionary plan that indicates whether and how they will grow, what capacity they require, what scale of funding they seek, desired future legal status, etc. This will be particularly important in Azerbaijan and Georgia. Among other benefits, this process could help to identify training needs.
- ♦ **Office premises.** See Country Office section.

## Systems

Overall, core operating systems seem adequate for the current size and complexity of the programme office, but we **do** note the following.

- ♦ **PPMS adoption.** CauPO is intuitively following some of the elements of the PPMS and is clearly strong in program and project design and management, including strategy development, despite not following the PPMS strictly or having project management systems. In the design of the new strategic plan, we recommend that CauPO seek out support to apply the PPMS and thus set a benchmark for future project planning and implementation. In addition, in the coming five years, CauPO might consider introducing project management systems, which may be particularly helpful as the Country Offices take on increased responsibility for design and delivery of projects against the new CauPO Strategic Plan.
- ♦ **Internal communication and collaboration.** Despite challenges posed by the political conflicts in this region, most staff reported good collaboration among the offices and sufficiently frequent and formalized communication (e.g., weekly teleconferences of directors, quarterly visits of Finance/Admin manager). We do recommend, however, that CauPO seek out ways to improve integration and collaboration between administrative and conservation program staff to strengthen planning and implementation and ensure formalized and steady back-and-forth flow of information. This is particularly important for ensuring that projects and programs are feasible given human and financial capacity and that finance and admin systems provide information in a manner that helps conservation staff to regularly assess things like alignment of effort/finances to strategic priorities.
- ♦ **Communications technology.** Communication technology (landline and mobile connections, internet, Skype) was considered sufficient to support coordinated work.

## Funding

- ♦ **Inadequate funding for major initiatives.** As proposed earlier, the current funding portfolio requires greater balance to adequately respond to CauPO's conservation targets. For example, the lack of progress on sturgeon conservation results in part from lack of funding for this work, although this may be addressed in part by the development of a stronger strategic approach that could be marketed to donors (should CauPO decide to continue working on sturgeon). CauPO also notes that lack of unrestricted funding and funding for transboundary coordination work (e.g., for CBC and CRMN support), and we note that additional funds will be needed for non-habitat-based work on leopard (e.g., for monitoring, poaching/enforcement, prey species conservation). Finally, the majority of funding in recent years for forest work has been for reforestation, which responds to only a small set of CauPO's overall strategic priorities in this theme. We note, however, that we agree with CauPO that the overall size of the program seems manageable and appropriate given its scope of work, and so we don't see a need to grow the program considerably. Rather, it would seem to be more an issue of bringing in funds to respond to the highest conservation priorities.
- ♦ **Sustainability of funding and diversifying donor base.** Presently, just three NOs provide support to CauPO and of these, only two provide non-GAA funding. One of the goals of the recent strategic plan was to increase the number of supporting donors and this was not fully achieved (CauPO's recent significant increase in funding was due largely to the 4.8 million-euro BMU project). CauPO has done good work for its current donors (both internal WWF donors and GAA) and just recently, WWF received two new grants (a UNDP project from Armenia and EC/WB project on FLEGT). WWF Switzerland recently indicated its intention to continue to provide support to the region, joining WWF Norway and WWF Germany. Nonetheless, we are concerned that the funding base

is too narrow and that there might be some donor fatigue over time. We therefore recommend that CauPO further diversify its GAA relationships and start to engage more on a higher policy level to drive donor agendas rather than being driven by them; survey primary donors regarding their future funding priorities; and aim to produce a very clear and well supported prioritization of fundraising needs as a primary product of the strategic planning process. Near the top of this list should be landscape scale conservation and sustainable development planning, as we are convinced that if CauPO turns the story around to link its conservation targets with sustainable development (e.g., by demonstrating benefits of PAs and other conservation activities for people), a whole new set of donors could be attracted.

We have also been given the impression that the country offices have fundraising opportunities beyond GAA only, and these vary by country (e.g., Armenia has the potential to approach its diaspora around the world and Azerbaijan has opportunities with business and industry). In this light, we suggest that CauPO develop individual fundraising strategies for each of the three countries that go beyond GAA funding.

- ♦ **Project driven model.** As with most of WWF's field entities, CauPO has limited unrestricted funding, making it more likely to take any funding that comes its way. This can result in a lot of earmarked funding, not all of which responds well to strategic priorities. This project driven model prevails in WWF place-based programmes and constrains our ability to execute complex programmatic strategies (e.g., Big Wins, Ecoregion Action Plans). The associated uncertainty, short time frames, and resulting narrowing of staff focus impedes WWF's ability to maintain the relationships, human capacity, and attention to higher level strategic linkage that are required for WWF to move from implementing projects to implementing programmes and delivering meaningful conservation results at scale. CauPO has managed to some extent to find funding for the activities outlined in its strategic plan, however, it continues to have little flexibility to fund the less attractive but still necessary elements of its program. As external donors will continue to pick their projects, at a minimum, the allocation of restricted and unrestricted funding from within the Network should be reviewed to ensure that it is best supporting delivery of CauPO's next strategic plan.
- ♦ **Fostering donor dialogue.** Since several current and potential donors have their headquarters in Tbilisi, it is timely to hire a donor engagement expert to work regionally. Rather than focus primarily on GAA funding, as suggested in the position description for the regional partnerships specialist, we feel this person should explore the array of fundraising opportunities that exist in this region.

## Network Support

- ♦ **Network Communication and Collaboration.** CauPO and the two Country Offices considered support from the WWF Network to be sufficient to facilitate their work. We would suggest only that as CauPO moves more strongly into areas such as integrated, large-scale planning; climate change adaptation; freshwater conservation; and livelihoods/human welfare, it access the significant experience on these issues within the Network. We feel that any investment Network staff would make in this region would be worthwhile given the programme's strong track record on implementing projects and programmes.

## VI. NEXT STEPS

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We hope that this report serves as a valuable contribution to the development of the new CauPO 5-year Strategic Plan by helping to ensure that CauPO overall and its individual programmes identify a well justified and clear strategic focus and approach supported by project portfolios that have a high degree of cross-project complementarity and clear contribution to strategic priorities, including the GPF. We also intend for this report to highlight to the WWF Network the excellence of this programme office, which we feel is a model for promoting regional collaboration, ecoregion conservation action planning AND implementation, executing balanced portfolios of policy and on-the-ground action, and cultivating partnerships and a solid reputation with external stakeholders and donors. While the programme office also already has good systems in place for internal communication, management, and collaboration, we hope that the recommendations made herein will help to further strengthen offices, staffing, and systems to ensure effective, efficient delivery of the conservation programme.

CauPO has mapped out and already initiated a process for developing its new plan and it is clear that this report will be used as an integral input, not only because it provides some outside perspective on the programme, but also because it reflects the synthesis of a significant amount of information and thought that came from the CauPO staff themselves. We are hopeful that the findings and recommendations herein will be considered and those pieces found to be most valuable will be adopted, used to catalyze discussion, or drawn upon as the basis for more in-depth thinking and decision making. Ultimately, it is up to CauPO leadership and its line managers in Programme Office Management to decide what must be picked up from this audit and what can be left.

It is hoped that in a year's time, CauPO will agree to work with the Conservation Auditor to assess progress made against the recommendations of this Review, both to increase accountability and follow up, but also to inform future processes like this one.

## ANNEX A. CauPO projects list and map

Project No.	Project Title	Implementor	GPF Aligned?	Donor(s)	FY07 Actual **	FY08 Actual	FY09 Actual	FY010 Actual	Funding Beyond FY10	Funded through...?	Project Status
AM-0001	Biodiversity Protection and Community Development implementing Ecoregional Conservation Plan targets in Southern Armenia	AM	Yes	Government of Norway, WWF Norway			662	713	622	FY11	Active
AM-0003	Establishment of protected areas in Armenia's Javakh Region	AM	Yes	German Government through KfW			115	439	1,885	FY11	Active
AM-003.PP*	Support creation of a community managed sanctuary "Gnishik" in Armenia	AM		CEPF					96	FY13	Unsecured
GE0014	Promoting the Sustainable Use of Medicinal Plants Resources in Caucasus Ecoregion (SDC)				25						
GE0015	Conservation of Endangered Leopard (WWF -CH)				129						
GE0022	Georgia: Red Deer Conservation in Southern Caucasus (WWF-CH)				13						
GE0024	Establishment of Saguramo National Park (WWF Int.)				4						
GE0025	Establishment of a Trust Fund for the Caucasus Ecoregion (WWF Germany)				0						
GE-0026	Strengthening Conservation alliances through CEPF Coordination in the Caucasus	Reg.	Yes	CEPF (Critical Ecosystem Partnership Fund)	949	800	616	191	0	FY10	Closed in FY10
GE-0027	Regional Council for Biodiversity Conservation and Sustainable Resource Use in Caucasus	Reg.	Yes	CEPF; Government of Norway; MAVA Foundation	58	100	44		0	FY09	Active
GE-0029	Borjomi-Kharagauli National Park (BKNP) Implementation Program	GE	Yes	WWF Germany	213	174	139	163	0	FY10	Ending in FY10
GE-0030	Saving forest ecosystems and promotng transboundary cooperation in Caucasus	GE	Yes	WWF Norway	971	281	950	771	0	FY10	Ending in FY10
GE-0031	Protected Areas for a living planet - Caucasus Ecoregion ( 2012 Protected Areas Program)	Reg.	Yes	MAVA Foundation	19	231	582	938	656	FY12	Ending FY12
GE0032	Capacity Building of Local NGOs in the South Caucasus Region on ENP and Environment related Policy Processes (DEFRA)				128			28			
GE-0034	Leopard Conservation in Caucasus	Reg.	Yes	WWF Switzerland		16	84	102	112	FY11	Active
GE-0035	Development of beekeeping in rural areas surrounding the Mtirala National Park in Georgia	GE	Yes	WWF Poland			96		0	FY09	Closed FY10
GE-0036	Establishment of Javakheti National Park (GE)	GE	Yes	KfW				439	183	FY11	Active
GE-0038	Market Assessment of Sturgeon Meat and Caviar in Azerbaijan	AZ	Yes	SECO			6	24	0	FY10	Ending FY10
GE-0039	Development of Infrastructure in Shirvan and Hirkan National Parks of Azerbaijan	AZ	Yes	CEPF (Critical Ecosystem Partnership Fund)				142	0	FY09	Closed FY10
GE-0040	Mitigating Impacts of Climate Change through Restoration of Forest Landscapes in Southern Caucasus	Reg.	Yes	BMU			5,300	4,201		FY13	Ending in FY10
GE-0041	Improving Forest Law Enforcement and Governance	Reg.	N/A	EU				435	952	FY11	Active
GE-033.PP*	Establish the Khevsureti National Park (GE)	GE		CEPF					264	FY13	Unsecured

\*PP = Proposed or pipeline project

\*\*FY07 – Only limited information was gathered on projects active and ending in FY07.

CAUCASUS ECOREGION: PRIORITY CONSERVATION AREAS AND WILDLIFE CORRIDORS



**CauPO**  
**Projects**  
 Blue – pipeline  
 Red -- Active