

**Biodiversity Conservation & Economic Growth
(BCEG) Project**

QUARTERLY REPORT

May-July 2002

Submitted by:

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Bulgaria Biodiversity Conservation and Economic Growth Project

is a collaborative initiative between the

**United States Agency for International Development
and the
Government of the Republic of Bulgaria**

implemented by

Associates in Rural Development, Inc.

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Acronyms

AED	Academy for Education and Development
ARD	Associates in Rural Development, Inc.
BAAT	Bulgarian Association of Alternative Tourism
BARET	Bulgarian Association of Rural and Eco-Tourism
BAS	Bulgarian Academy of Sciences
BCEG	Biodiversity Conservation and Economic Growth Project
BSBCP	Bulgarian-Swiss Biodiversity Conservation Program
BTA	Bulgarian Telegraph Agency
CBNP	Central Balkan National Park
CCN	Contributing Country National
CHM	Clearing House Mechanism
CO	Contracting Officer
COM	Council of Ministers
CPT	Core Planning Team
CRP	Contract Results Package
CTO	Cognizant Technical Officer
DEMNET	Democracy Network Program
DM	Deputy Minister
EIA	Environmental Impact Assessment
EPA	Environmental Protection Act
EU	European Union
FLAG/UD	Firm Level Assistance Group/University of Delaware
FLC	Functional Labor Category
GEF	Global Environment Facility (note the acronym “GEF” is also generically in Bulgaria for the USAID/GEF Biodiversity project)
GIS	Geographic Information System
GOB	Government of Bulgaria
GPS	Global Positioning System
GWU	George Washington University
IQC	Indefinite Quantities Contract
MOAF	Ministry of Agriculture and Forests
MOE	Ministry of Economy
MOEW	Ministry of Environment and Waters

MOU	Memorandum of Understanding
NEPF	National Environmental Protection Fund
NGO	Non-Government Organization
NNPS	National Nature Protection Service (of MOEW)
NP	National Park
NPD	National Park Directorate
NTEF	National Trust Eco-Fund
NTFP/NTNR	Non-Timber Forest Products/Non-Timber Natural Resources
PA	Protected Area(s)
PAA	Protected Area Act
PCT	Project Counterpart Team
PHD	Program and Human Development
PM	Prime Minister
PMU	Project Management Unit
RMNP	Rila Monastery Nature Park
RNP	Rila National Park
STTA	Short-Term Technical Assistance
TIES	The International Ecotourism Society
TIME	This Is My Environment Foundation
TOR	Terms of Reference
UNDP	United Nations Development Program
USAID	United States Agency for International Development
WTTC	World Travel and Tourism Council
WWF	World Wildlife Fund

Preface

The Biodiversity Conservation and Economic Growth (BCEG) Project is funded by the United States Agency for International Development, (USAID), as part of its strategic support to the Republic of Bulgaria. The Project is sponsored by USAID in conjunction with the Government of Bulgaria – the Ministry of Environment and Waters (MOEW). The Project is governed by a Memorandum of Understanding (MOU) between the two governments, and its implementation covers the period: May 2000 – October 2002.

This Project is a logical evolution of earlier USAID assistance to biodiversity conservation in the country. It follows some 10 years of assessment, technical assistance and financing of Bulgaria's biodiversity conservation strategic development, new protected areas legislation, and new national park institutions. The Project is designed to capitalize on the achievements of the Bulgaria Global Environmental Facility (GEF) Biodiversity Project (implemented during the period June 1995-April 2000), and builds on lessons learned.

The BCEG Project addresses six specific contract themes known as tasks or “contract result packages”. The BCEG Project includes the finalization and implementation of two national park management plans, the development of a new management plan for Rila Monastery Nature Park. It assists in the development of financial mechanisms and strategies to ensure the solvency of national parks. The Project pilots economic growth activities with select target groups around two Bulgarian national parks. And it continues to build on the principles of strong public information and awareness as stepping stones for informed public engagement and promotion of biodiversity conservation and protected area management activities.

This Project is issued as a Task Order (Contract Number LAG-I-00-99-00013-00) under the USAID Global Biodiversity and Forestry Indefinite Quantities Contract (IQC); and is implemented on behalf of USAID by Associates in Rural Development, (ARD) Inc., of Burlington, Vermont, USA.

The Project is implemented through a Project Management Unit (PMU) based in Sofia, and includes a Team Leader, three Bulgarian technical specialists, and support staff. Project activities are coordinated through two mechanisms –

- (a) Project Coordination Group – serves as a steering committee for Project planning and monitors implementation. This consists of the National Nature Protection Service of the MOEW, and national park directors, the PMU and USAID;
- (b) Project Counterpart Team – PMU staff working with MOEW/NNPS counterparts.

The Project is largely implemented through the Directorates for Rila and Central Balkan National Parks. Additional technical assistance is provided by Bulgarian and international consultants, and is based on specific terms of reference.

1.0 Introduction

BCEG Project activities are guided by a life of project work plan, implemented through an annual work plan. Reports regarding progress are required quarterly, and annually. This **Quarterly** report covers the period **May–July 2002**.

1.1 Project Supervision

USAID manages this contract through a project officer, Alicia Grimes, Cognizant Technical Officer (CTO), based in Washington D.C., Europe and Eurasia Bureau/EEST. The BCEG Project however, is one aspect of the USAID Mission to Bulgaria's "Special Initiatives and Cross-cutting Programs". This unusual management structure is historical. Traditionally, the Project has also been supported and overseen by the Mission's PHD, in Sofia.

The USAID Mission to Bulgaria appointed an Environment and Natural Resources Specialist to its staff in March 2001. Among other program duties, the Specialist represents the Mission's interests to the Project, and is now a direct point of contact to the Mission's country program.

1.2 Bilateral Agreement

A Memorandum of Understanding is the formal tool governing the working agreement between the Governments of the United States of America and the Republic of Bulgaria. The MOU was signed between the Governments of the USA and Republic of Bulgaria, on November 30, 2000. The Memorandum reflects the respective commitment of each Government to the successful implementation of this Project.

An amendment to the MOU was requested in December of 2000, in order to reflect changes to a critical timetable in the agreement. The amendment was not signed during this reporting period.

1.3 Project Coordination – Steering Committee

The Project is guided and reviewed on a regular basis by a Project Coordination Group – steering committee. This group is comprised of the PMU Technical Team, the Directors of both National Parks supported by the Project, a representative of the National Nature Protection Service (NNPS), and a USAID representative.

1.4 Project Counterparts

As required in the MOU, a Project Counterpart Team (PCT), was assigned in December of 2000. The counterpart team addresses the specific assignment of nationally based representatives of the Ministry of Environment and Waters, National Nature Protection Service, to specific tasks of the Project. These team members ensure more regular contact, joint project development, and communication with the Ministry.

Conservation, Protected Areas, and Management Planing
Eco-Enterprise
Public Awareness
Counterpart Team Leader
Counterpart within the Ministry

Mihail Mihailov
Raina Hardalova
Diana Iskrev
Hristo Bojinov
Dep. Min. Iliaz

1.5 Work Plan and Contract Results

The Work Plan is developed in response to the Project contract and its tasks. Each task is accomplished through a set of sub-tasks. The PMU has organized these tasks and sub-tasks in logical clusters supporting a hierarchy of expected results. As a consequence, we report on six contract results packages – or distinct project themes. These include:

- Contract Result Package 1* Finalize Management Plans for Rila and Central Balkan National Parks, and deliver to the Council of Ministers
- Contract Result Package 2* Effective Management and Priority Actions of Management Plans Supported
- Contract Result Package 3* Park-related eco-enterprises demonstrated for ecotourism and natural, non-timber resources collection
- Contract Result Package 4* Mechanism for National Park Financial Sustainability Established
- Contract Result Package 5* Rila Monastery Nature Park Management Plan Prepared
- Contract Result Package 6* Public Awareness and Promotion Campaigns Implemented

Additional reporting themes are related to Project management and coordination, Networking and Partnerships, Special Project Issues, etc.

1.6 Background to the Quarterly Report

Mimi Pramatarova, the first Director of Rila National Park, died suddenly after an illness of only several weeks. She was laid to rest during a ceremony in her hometown of Blagoevgrad, on July 16, 2002. USAID and BCEG Project representatives attended the funeral. Rila National Park is a testimony to her commitment and leadership.

Vassil Petrov, former Deputy Director, has been appointed in an acting capacity.

With the support of the CTO and USAID-Bulgaria, ARD has been asked to submit a proposal and budget for a no-cost extension to the BCEG Project. A five-month extension request has been presented to the CO in Washington, D.C. during this reporting period

2.0 Results Framework

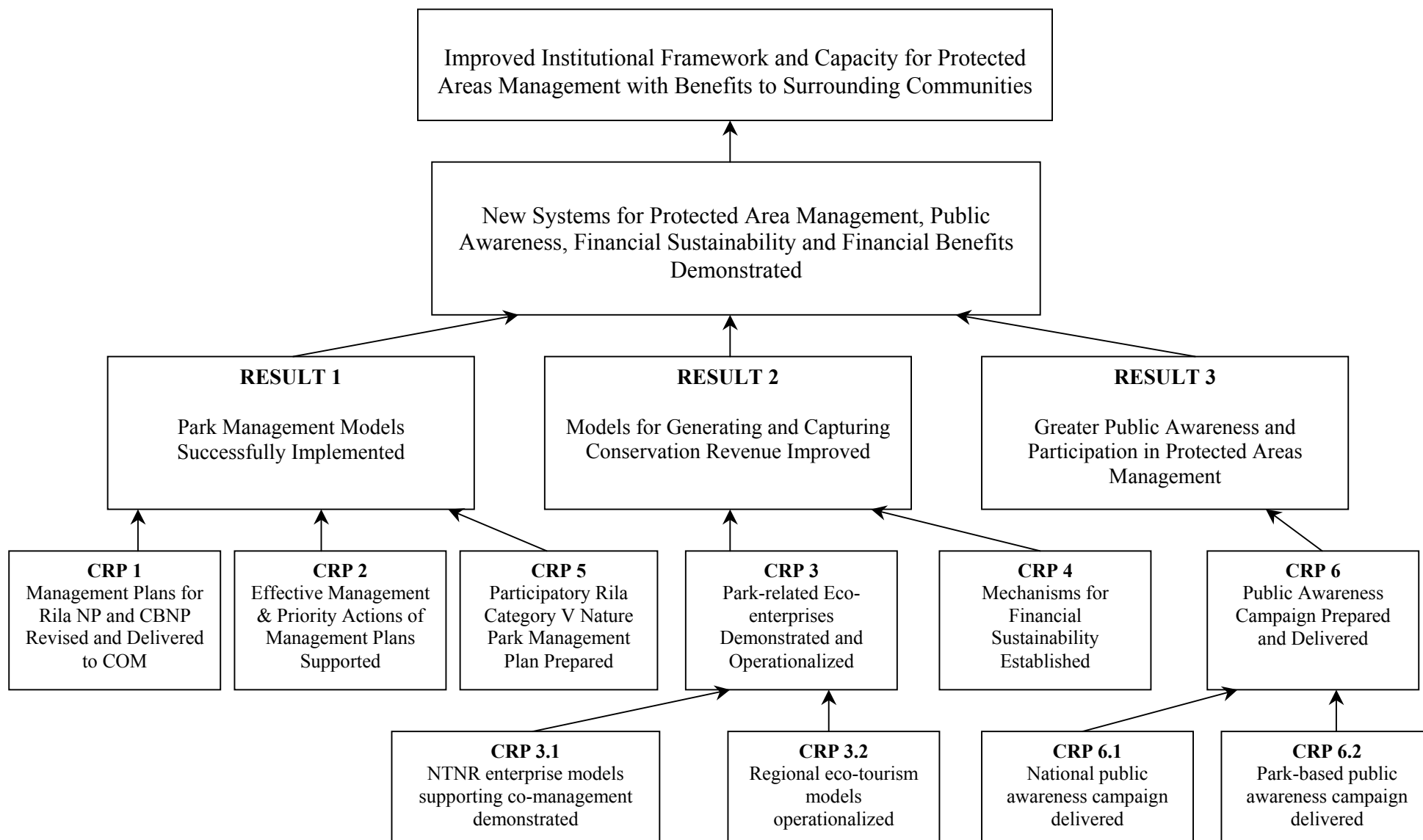
The aim of the Project is to contribute to the improved institutional framework and capacity for protected areas management in Bulgaria with benefits to communities surrounding key protected area sites.

A secondary objective is to demonstrate new systems for protected areas management, public awareness, financial sustainability and financial benefits. In order to achieve this hierarchy of objectives, the Project supports **three direct results**, or outcomes:

- Park management models are successfully implemented
- Models for generating and capturing biodiversity conservation revenue are improved; and,
- Greater public awareness and participation is demonstrated in protected areas management

Project reporting is guided by the six results packages. Our annual report uses the six results package to account a set of activities covered by the reporting period, and quantifies results/activities. A narrative also describes constraints to achievement of project targets.

The Project's results are illustrated below.

Figure 2.1 Results Framework

3.0 Planned Activities

Result 1 Park Management Models Successfully Implemented

This result is supported by three (3) contract results packages. Protected area management models continue to be developed through five major areas of support – and each is related to activities and themes of this Project. The five areas include:

1. Support for development of an enabling environment (Legislative Framework);
2. Management Planning – an interactive process conducted by a multi-disciplinary team;
3. Management Plan implementation – Technical and financial support for implementation of protected area (Park) programs and projects that are identified and approved in the Management Plans;
4. Technical training and capacity building at Park level; and
5. Public awareness and information

Park management models for Bulgaria have many important indicators of success. For the purpose of reporting at the level of Strategic Objective for USAID-Bulgaria, we have selected the following indicators of successful park management model implementation:

Number of contemporary protected area management practices adapted and implemented by Bulgarian National Park management.

“contemporary management practices” are defined as a “a set of recognized international protected area management approaches that include: conservation biology, habitat conservation, management zoning, tourist management, visitor interpretation and education , conservation management in a regional and landscape context, revenue generation, and work with surrounding communities to provide education and economic benefits”.

“adapted and implemented” are defined as “provided for in general management plans, developed in sufficient detail to effectively budget for, allocate personnel, and implemented on a pilot basis or incorporated into an operational system for the national park(s)”.

We consider the following management categories an indication of success, and monitor these activities with National Parks accordingly:

- Natural resource management activities implemented
- Tourist management and infrastructure projects implemented
- Interpretation and education programs established for tourists
- Local partnerships developed and nurtured
- Park Administrative Systems functioning
- Revenue Generating Project/activities implemented; and,
- Nature park management plans developed and approved.

Each one of these park management themes contains a number of representative projects/activities. For example:

“Natural resources management activities implemented”, would include:

- establishment of an ecological monitoring program;
- fire management and mitigation plan
- medicinal plants management plan

In order to continue our support to the development of these successful models, we are engaged in the following tasks – expressed as **results packages** – sets of tasks and sub-tasks that contribute to successful implementation of park models.

CRP 1 Management Plans for Rila and Central Balkan National Parks revised and delivered to Council of Ministers for approval.

Indicators	Target	Actual 4/02
Number of management plans revised and submitted to CoM	2	2
Number of public hearings (programs) conducted in support of management plan approval	2	2

The set of activities under this contract results are completed. Rila and Central Balkan National Park Management plan will be printed in their English versions in September, 2002. Review and editing of the English translation of the text for both plans was undertaken during this reporting period.

CRP 2 Effective Management and Priority Actions of Management Plans Supported

Indicators	Target	Actual 4/02
Number of annual operation plans guiding park management plan implementation*	4	4
Number of multi-year action plans guiding implementation of park management plans	2	2
Number of projects implemented per park management theme (5 per park)	10	14
✓ Rila	5	7
✓ Central Balkan	5	7
Number of public awareness strategies prepared and implemented during two year period	2	2
Number of training courses conducted in support of protected area management:		
✓ Rangers	10	6
✓ Park technical staff	7	6

* life of project target

** gray area added to qualify the difference in operations planning. Each park produced a three year action plan as part of its 10-year management plan.

Legislative Development and Policy Reform

With CTO and Mission concurrence, the BCEG Project continued to provide input into matters of Government policy on the environment and biodiversity conservation.

1. Draft Biodiversity Act – because of its important role in securing biodiversity buffer zones around most protected areas; and,
2. Draft Environment Protection Act – because of its important role in supporting decentralization of environmental management, its role in describing important financial mechanisms for environmental management, and its role in enabling external funding to be channeled to protected areas.

Draft Biodiversity Act

Our contributions to the development of this Act were finalized during the previous reporting period. A final draft of the Act was approved by a majority vote in Parliament, and sent to the President for promulgation in July.

The Act was vetoed by the President on July 23 for motives related to changes in the power and scope of the MOEWs role in EIAs and in matters related to changing protected area boundaries.

These matters were clarified in the rejoinder of Parliament and sent to the President during the first week of August. The National Assembly over-rode the President's veto, and with these clarifications, the Bill has been passed.

The Project considers the motives for the President's veto to be fair and accurate. They largely, stem however, from poorly worded text in the Bulgarian that fails to take into account the new Environmental Protection Act's articles on EIA. The President is calling on complete transparency and accessibility for the public to all matters affecting the environment. The MOEW originally called for a streamlining of EIA procedures, and suggested that some be left to the MOEW to judge and respond to using experts. These matters are clear within the new EPA.

In his second motive for the veto, the President refers to an improper role of the MOEW in controlling changes to the protected area boundaries. (This article is a "rider" to the original bill). In the extreme, this could be interpreted to give the MOEW sole powers over boundary changes to the protected area estate, without the approval of Parliament. The intent of the MOEW however, in proposing and adjusting protected area boundaries stems from the need to change boundaries in response to the national land cadaster. Protected area boundaries in the country are still not fixed in the national cadaster. The Biodiversity Act rider to the Protected Areas Act asks for these changes to be made without reference to the National Assembly.

The exercise of the presidential veto does not reflect on those aspects of the Biodiversity Act that were assisted by the BCEG Project. A translation of the President's veto is attached as **Appendix 1**. A final version of the Biodiversity Act, in English is available on request.

No additional short-term technical assistance was contracted for this effort.

Important contacts were maintained with Chairman and Deputies of the Parliamentary Commission on Environment and Water. A study tour to Rila National Park was organized and hosted by the Project for members of the Parliamentary Commission in June (this is reported on in CRP 6).

Draft Environment Protection Act

This draft law replaces the outdated Environmental Protection Act of 1992, and aims at complying with EU directives. Compliance with EU environment (habitat and species) directives within national legislation is seen as additional steps toward EU accession.

This Act was finalized by a drafting committee during this reporting period, and was reviewed and approved by Parliament at the end of July. It will be sent to the President for promulgation.

Management Plan Implementation

Management plan approval signaled an investment of USAID and GOB funds into capital development projects in both Parks. Earlier discussions with both Park Directorates and NNPS ensured that USAID project funds were coordinated with capital development funds available from the National Environment Protection Fund – formerly an extra-budgetary fund of the MOEW. From January 2002, the Fund has become a budgetary fund in response to fiduciary changes in Government's use of extra-budgetary items.

Annual Operations Plans, developed with BCEG Project technical advice, serve to guide park activities and capital investment.

Park investment projects are in full swing during this reporting period. The summer months are the most productive for implementation of high-mountain activities. A status report for all park projects supported by USAID funding are listed as Appendix 2 to this report.

It is important to note in this report again that the basis for implementation of most tourist infrastructure development projects is completely operated and managed by each National Park Directorate. They manage contract awards according to competitive tender requirements for local contractors. These are conducted according to USAID and GOB standards.

These contracts are reviewed and coordinated through the BCEG Project, and serve as the basis for Project issued purchase orders (local sub-contracts).

Geographic Information System for both National Parks, and the NNPS

Digital Models and Maps

The Project supported the development of digitized park section maps for Central Balkan National Park, as part of its on-going support for each Park's GIS development. This included the digitization of seven park section boundaries overlaid against the park management zones. A Sofia-based GIS firm supervised the work, and the GIS expert for the Park participated in the exercise. Three complete sets of new maps for all CBNP sections were created, plotted and laminated.

The same process was initiated for Rila National Park, but is incomplete.

The graphics capacity of each Park's digital model was used to develop tourist theme maps. These are the basis for new information signboards at all major and minor entrances to the Parks, and for entrances to Reserves.

Consultant Support

The Project retains the technical services of a GIS consultant. Mr. Ivan Kounchev, as a GIS advisor to NNPS and Parks.

Mr. Kounchev, accompanied by NNPS GIS specialist, Valeri Valchinkov, installed the "converters" - the specifically designed software program allowing for the transfer of computer files back and forth between the land commissions for each municipality and National Parks. This information is being used to reconcile National Park boundaries as part of the national land cadaster.

Converters were installed and tested successfully in each Park's GIS computer system, during June.

Ecological Monitoring

Based upon the results of the ecological monitoring workshop of April 2002, draft terms of reference were developed for key resource institutions to focus on primary ecological monitoring themes.

Several consultations were made in Sofia, by National Park technical staff, with specialists from these institutions. The results of these discussions form the basis of both STTA consulting contracts and local purchase orders to "operationalize" the new ecological monitoring systems in each Park. This effort will go a long way to detailing the methodology and standards to be used for national ecological monitoring systems in protected areas.

To date, terms of reference and contracts for ecological monitoring themes related to Forests; Birds; and Large Carnivores have been developed.

Medicinal Plants Management Plan

Medicinal plant management plans must be developed for each protected area. This is legal requirement of the Medicinal Plants Act of 2000. Development, let alone, implementation of these plans however, are problematic. There are no national guidelines for these plans, and no nationally accepted methodology for assessing non-timber natural resources. There are no regulations governing the collection of mushroom, and the regulations guiding collection, quantities, and permitting of other NTFPs is filled with contradictions and loopholes.

The BCEG Project is working with National Parks Rila and Central Balkan technical experts to develop the terms of reference that will be used to guide medicinal plant management in protected areas in the country. We are working with three experts from the Bulgarian Academy of Sciences and botany and forestry experts from the Directorates to develop these. They will

set both the procedure and techniques necessary for an assessment of key, commercial medicinal plant species found in the national parks. The result of their will be the description of the methodology and scope of undertaking necessary for the development of a full-park medicinal plant management tool, methodology, and proposed assessment frequency table.

The BCEG Project is also addressing medicinal plant management through its regular work in the NTFP pilot program areas with the focus on (*Vaccinium spp*) assessment methodologies and staff/community training (see CRP 3b.) The results of the bilberry collaborative management campaign activities will also be used to inform the MOEW and the national legislature about the important changes needed to Medicinal Plans secondary legislation.

Park Staff Training – In-country

May 31 – June 2 USAID-BCEG Project funds were used to support the attendance of ecotourism and NTFP pilot area park staff to a National workshop on protected areas and creative financial mechanisms. The workshop was funded through the National Association of Protected Areas. This Association is an NGO registered and supported with the assistance of the EU. This is the fourth in a series of national workshops that the Association has hosted. 6 Park staff – three from Central Balkans and three from Rlia, attended the workshop with Kamelia Georgieva and K. Kostov of the BCEG Project.

The pilot programs of both National Parks were featured at the workshop. Both were illustrations of the only private-public partnerships with protected areas. Other examples are operated and managed by the Nature Parks network and NGOs managing protected sites. Only the latter is legally allowed to generate revenue through commercial activities on state property.

CRP 5 Rila Monastery Nature Park Management Plan Prepared

Indicators (life of project)	Target	Actual 4/02
Number of stakeholder workshops	5	5
Number of public awareness events held in support of management planning	3	2
Number of management plans prepared	1	0

Development of the Rila Monastery Nature Park Management Plan continues in an intensive work mode.

With the assigned participation of the two representatives of the Bulgarian Orthodox Church, the management plan moved forward to develop two of the most important phases of the Plan – these are the development of long-term and management objectives of the territory, and the development of a management zone plan.

The planning process during the reporting period was noted for its high level of stakeholder engagement, at workshops and field work conducted in the Park. The report also notes that two of the workshops were conducted with the blessing of the Abbot of the Rila Monastery, and partially hosted within the Monastery, itself.

Two other significant events characterize the reporting period:

(1) Proposal to change the boundaries of the Nature Park to match the lands being restituted to the Monastery.

A proposal was officially submitted to the MOEW from the National Forestry Board of the MOAF, to change the boundaries of the Rila Monastery Nature Park. The proposal, if accepted, would increase the territory (approx. 780 hectares) by including lands in the midst of restitution along the Rila River, along the entry to the PA. The proposal would also decrease the size of the Park, by excluding territory that was formerly part of Rila Municipality (approx. 2,300 hectares).

The proposal to increase the size of the Park has been accepted in principle, by the MOEW. The proposal to exclude territory from the Park has not. The decision potentially increases the net size of the PA by some 780 hectares, to a new total of more than 26,000 hectares.

There are two implications to the management plan exercise – one is that new territory must be included in the eventual Plan product; and that the BCEG Project TOR for the Plan, needs to have instructions accordingly. The Project has unofficially proceeded to include the proposed new territory into the Park plan. Rapid Ecological Assessment techniques were again used to evaluate the biodiversity importance of this new territory. This mini-assessment was conducted during this reporting period.

(2) Land restitution to the Monastery commences

Abbot John of the Rila Monastery has formally accepted restitution of some 19,000 hectares (of some 26,000 hectares affected by restitution), on behalf of the Monastery and Bulgarian Orthodox Church. We are also told by the Abbot of his intentions to observe the strict status of the nature reserve, Rila Monastery Forest. The Reserve contains some of the country's most valuable forest, and completely surrounds the monastery complex. It is 3,676.5 hectares.

Planning Activities and Events

May 8-10 – Bankya 21 participants	3 rd management planning workshop – development of purpose and significance of the park based on results of rapid assessment exercises.
June 17-20 19 participants – Rila Monastery venue	4 th management planning workshop – management objectives
July 29-August 1 19 Participants – Rila Monastery venue	5 th management planning workshop – zone planning
June 21-13 – 4 CPT members	<i>Rapid Assessment of proposed additions to Park territory conducted. GPS used to identify all infrastructure</i>
Formal request to change Nature Park Boundaries received at MOEW	<i>English and Bulgarian Copy attached as <u>Appendix 3</u></i>
Formal response from MOEW issued to Ministry of Agriculture and Forests	<i>English and Bulgarian Copy attached as <u>Appendix 3</u></i>

Short Term Technical Assistance

No additional international short term technical assistance was employed during this reporting period.

4 CCN-STTA continue to work as the Core Planning Team. They are Dr. Dimitar Peev, Dr. Petar Yankov, Ms. Snezhana Kostadinova, and Mr. V. Velichkov. They are assigned to the management plan's development during its entire development.

Issues – There are four questions that must be addressed in order to assure effective implementation of this management plan. The BCEG Project is attempting to answer these in preparation for a new management concept for the territory.

1. Rights of private landowners on property of national significance – At present, the laws defining private land use and decision making regarding land use, are unclear. Forest must be managed according to a state-approved forest management plan – but matters regarding infrastructure, agriculture, essential state services originating on private/restituted property, tourism, etc. challenge the roles, rights and responsibilities of land-owner.
2. Revenue Generation – if the land and activities on it, generate revenue, and that revenue is generated on private property, to whom does the revenue, and its attendant benefits and responsibilities accrue?
3. Capacity of, and implications to, the Bulgarian Orthodox Church to manage and operate its assets.
4. Capacity and commitment of the MOAF and Directorate of Rila Monastery Nature Park to carry out its responsibilities according to the Management Plan, and under prevailing fiscal administrative conditions.

In light of these issues, the BCEG Project is working on a concept for management mechanisms for the Nature Park. A draft concept paper is attached as **Appendix 4**. It is being reviewed and analyzed for its implications to Bulgarian Law by Bulgarian colleagues and professionals, prior to using it as a tool for discussions between Government-Orthodox Church.

Result 2 Models for Generating and Capturing Biodiversity Conservation Revenue are Improved

This result is supported by two results packages – **Eco-enterprise, and innovative financial mechanisms.**

The activities selected as part of **eco-enterprise** have been developed using contributions from both national park directorates. These pilot activities support models and are test cases within, and outside, National Parks. Most were determined during management planning for both parks, and with the information collected from three years of socio-economic surveys. We believe that two eco-enterprise themes represent the best opportunity to:

- Maximize the partnerships between National Parks and their local, municipal constituencies;
- Address very real needs as expressed by local community members;
- Directly relate park management objectives that stress nature conservation **and** provide benefits to local communities;
- Generate direct income and support enterprise development in target communities selected with National Parks;
- Coordinate in-service staff development, technical specialization, and project results with the roles of Park Directorates.

The BCEG Project is supporting the development of pilot activities addressing **ecotourism, and non-timber natural resources collection.**

The BCEG Project continued to work with two Bulgarian subject matter specialists during this reporting period. They act as intermittent technical advisors to the pilot areas. Both subject matter specialists (one for ecotourism, and one for non-timber natural resources) continue to provide advice and technical direction for the remaining life of the Project.

CRP 3 Park-Related Eco-Enterprises Demonstrated for Ecotourism and Natural, Non-Timber Resources Collection

Indicators for NTFP/NTNR (CRP 3.a)	Target	Actual 4/02
Number of NTFP/NTNR groups formed	2	2
Number of areas managed by co-management agreement	2	2
Number of training events delivered	5	2
Number of park-based regional consultative workshops	2	4
Number of income-generating projects	2	NB
Indicators for Eco-tourism (CRP 3.b)	Target	Actual
Number of eco-tourism forums (initiative groups) developed	2	2
Number of eco-tourism strategies prepared	2	
Number of eco-tourism projects demonstrated	2	

NB. Implementation of these tasks resulted in a considerable shift to the Project's small and medium enterprise strategy.

3a. Non-Timber Natural Resources (NTFP/NTNR)

Phase 3 – Planning for the implementation of this Phase was completed during this reporting period.

The NTFP/NTNR component of the BCEG Project is devoted to developing and promoting an experimental system of improved non-timber natural resource management. The strategy consists of:

- a brand new permit system for all collectors, irrespective of commercial or personal collection. The use of collection permits is another first in Bulgaria. The experimental program will provide all collectors of bilberries with free coupons for collection of the resource. These will be available from all buyout points, from Park staff, and from appropriate chalets. The experimental permit system will be implemented during the summer collection season 2002. The permit coupon is the eventual basis to control resource access and amounts, as well in income generation from permit fees;
- a public information, ranger training, and collector training program for the pilot areas regarding conservation, management and monitoring of NTFP/NTNRs from the pilot areas. There are four aspects to this campaign: (1) confirmation of this season's strategy with community groups, local government, and buyers; (2) development of the public information campaign with Parks and select community representatives; (3) training of rangers in resource conservation and management techniques that include monitoring, law enforcement, conservation resource identification; (4) implementation of collaborative management agreements between Parks and Community collectors prior to commencing the new collection season. These will consist of public information campaigns, coupon distribution, resource assessment exercises, coordination with the Regional Environmental Inspectorates responsible for buyer licensing, collector monitoring, and educational materials.
- The final element of the NTFP/NTNR "paradigm" will be to engage commercial collectors in eventual concession (commercial collection) contracts for specific areas, for specific resources, and for specific amounts, using the collection permit system to control access. The benefits (income) that accrue from these collection contracts, instead of being collected as annual fees could be viewed as social investment capital into local collection communities. Concession could be awarded to companies offering Parks and local communities the best social (employment, value-adding activities, as well as social welfare) programs as part of their concession application. In this case, only application and tender fees would apply.

In three meetings, the National level working group and its members designed and began implementation of a Bilberry (*Vaccinium spp.*) Collection Campaign. It includes:

- An annual assessment of 2002 bilberry stocks (growth/fruit development) prior to announcing the collection areas and dates. This was completed in June and July.
- Design of coupons, information materials, and public education strategy. This was completed in June.
- Production and distribution of materials (June/July).

Phase 4 - implementation and monitoring of these actions (harvest seasons 2002).

Implementation of the campaign started with community meetings of local collectors, buyers, local government and MOEW representatives from the Park and Regional Environment Inspectorate.

Two (2) meetings were held in each of the pilot areas. These meetings are key to collaborative management arrangements. These meetings are used to present the new materials, and to agree on a plan of action for regional collection campaigns. Roles and responsibilities are identified.

Collection campaigns started in Central Balkan and Rila National Parks pilot areas on July 27th and August 3rd respectively. Staggering the campaign start is based on field information and ripening, rather than on logistic convenience.

This is the first year that a new resource management system is put in place. It has four components:

- Resource assessment of berry yields and areas, and results shared with collection community and buyers;
- Production and distribution of new, numbered collection coupons, linked to annual, area productivity and sustainable harvest amounts;
- Collection Campaign start dates – agreed with communities and buyers, and advertised on radio, regional TV, and posters; and,
- Field Monitoring and law enforcement. Rangers in the field, enforcing park and collection rules. Project sponsored STTA monitoring collection campaign benchmarks (1) field reports from rangers; (2) pricing at buyout points; (3) harvest quantities at buyout points; (4) absence/presence of legally registered buyers; (5) market performance – consolidation or expansion;

The collection campaign will finish in early September.

N.B. The non-timber natural resources management program and its collaborative management strategy are beginning to attract attention outside of the country. The Serbian Academy of Sciences asked to send an observer to the *Vaccinium spp* resource assessment conducted in Rila National Park this year. Dr. Bogdan Zlatarov, of the Serbian Academy attended the bilberry assessment exercise at his own expenses in order to share lessons learned with his Serbian colleagues. Serbia is working on the design of a non-timber natural resources assessment methodology and supporting legislation. Dr. Zlatarov believes that Bulgaria is setting regional trends with its collaborative management model.

Jay Lee, USAID-Bulgaria, visited with resources assessment team on August 1, 2002, to witness the field work.

Phase 5 – lessons learned and implications for organizational, policy/legislation, investment, and enterprise development issues (late fall –November – 2002)

Role of the Project

The Project continues to support the efforts of NTNR/NTFP technical experts in the two parks, as well as the NTFP/NTNR management activities of each pilot area section head. This amounts to travel and per diem for two employees from each park's pilot areas.

The Project provides expert technical assistance through an intermittent consultant hired specifically to provide guidance and to support practical activities in the two pilot areas. Chavdar Gusev, NTFP/NTNR specialist, is providing this technical assistance.

The Project supported the costs of all STTA travel, local and national meetings, and production of support materials. In this case, the Project paid for:

- Production of coupons for each Park pilot area – 40,000 coupons;
- Production of campaign and public information posters – 6,000;
- 200 T-shirts for campaign collaborators – provided to community volunteers for coupon and poster distribution, and park staff.

The campaign is supported by local/regional mass media, and a special journalists trip to both areas has been organized. The outcome of the mass media campaign will be provided under separate cover.

The Project expects to summarize the results of two years of pilot work in a national forum in November 2002. This forum is dedicated to addressing the strengths and weaknesses of NTFP/NTNR management as tool in biodiversity conservation and sustainable development.

3.b Ecotourism Pilot Sites

Major Activities and Events in the Pilot Ecotourism Sites

Ecotourism Initiative Groups, register local tourism associations with grant support from the USAID, Democracy Network (DEMNET) Project, administered by the TIME Foundation. A grant for 7,870 BGL was used to support the legal registration of the initiative groups for Kalofer and Samokov. The results include registration, public fora, and the production of a new Association brochure. The component of each Association's grant proposal and plan to generate funds from the production of Park-focused souvenirs and promotional items was rejected by the TIME Foundation review committee, without explanation.

Both new associations are supported by STTA (Nelly Georgieva) for the development of strategic plans for the new associations (3 meetings).

Adventure Trail Development - The Ecotourism Groups and Pilot Area park sections have hosted a series of survey and design visits by the Bulgarian Association of Rural and Eco Tourism. BARET was hired by the BCEG Project to work with these groups on design proposals for an adventure trail in each pilot area. The adventure trail concept is born of income-generating opportunities for local ecotourism associations and Parks. The trails will be built with NEPF capital development funds, and/or new Park Endowment Funds (if in place in adequate time). They will be managed and operated on behalf of each national park on a concession basis – one that will be competed using preference for local ecotourism associations.

Design proposals are presently undergoing EIA and safety reviews by the respective Park Directorates.

Domestic Market Survey Results (market intelligence)– was completed during this reporting period, and presented to the community ecotourism fora (Associations). The results are being used to identify and develop additional domestic market products, packages, and pricing.

8 meetings were attended and facilitated by the BCEG consultant team for ecotourism.

The full report of the domestic market survey results will be produced for the Ecotourism Event in October.

Destination Business Management Planning – Each association is being encouraged to develop a business plan that provides a one-stop shop for ecotourism in each of the pilot areas. Destination management businesses are being promoted in preference to individual small business plan development. Development of such local companies/capacity within the Ecotourism Associations, also support more of the essential elements of the ecotourism cluster concept.

The BCEG Project is providing a destination management business planning consultant to each of the pilot area groups. The consultant was identified and selected in consultation with FLAG.

Balkanintours Ltd. is supervising the development of destination management business plans for the Kalofer and Samokov Associations. This work is supported under a local sub-contract agreement with the BCEG Project, and includes 30 days of consultant time, travel, workshops, etc.

UNDP – JOBS Program, attracted to Kalofer. Since the CBNP accepted ownership of the new park/community ecotourism information center in Kalofer, they have been successful in attracting a grant and subsidy for its renovation from the UNDP-JOBS/Beautiful Bulgaria/Chitalishte program. Renovation of the center is expected to be complete in the fall. The Center will serve both the National Park and the newly registered Kalofer Ecotourism Association.

World Learning Grants – The Project provided technical assistance to a joint team of USAID-TRANSIT program study tour participants and members of their respective Associations, for development of a grant proposal. The grant proposal is in response to a World Learning grant challenge program for returning study tour participants. A grant proposal representing the collaborative efforts and activities of both Ecotourism Associations was submitted to World Learning in early August.

Success and Impact Indicators – A local subcontract with Tourintel, a Bulgarian tourism advisory company, comprised of University of Sofia tourism experts, their students and local tourism training vocational schools was used. Baseline information was collected on a set of indicators selected in conjunction with local and international ecotourism consultants on the Project. The results of this exercise are used to (1) engage and inform local Associations about impact and success monitoring; (2) develop a manual for instruction on ecotourism indicators nation wide, and (3) provide a baseline of information/data base that can be used to monitor change, and guide further investments and donor support.

An immediate result of the first year's ecotourism activities in each pilot area is 14 new ecotourism businesses registered in Kalofer and 4 in Samokov.

The results of this work are the focal point of one of the presentations at this year's Ecotourism Event, in October.

First Commercial Ecotourism Loan Received (July) – Emilia Borissova, Samokov Ecotourism Association member received the first commercial loan for enterprise development in either of the pilot areas. Assisted by FLAG, Ms. Borissova was successful in negotiating a 10 year loan of 75,000 BGL, with preferential rates, from the United Bank of Bulgaria. Ms. Borissova is a hotel owner in Samokov town. The loan will be used for improvements and expansion of her hotel.

BCEG Project presents its Ecotourism Model – The Project produced a 16 pp pamphlet used to illustrate the elements and steps of its “operational” model for rural ecotourism development in conjunction with protected areas. 2000 copies of the pamphlet were produced – 1000 in each language. They are being distributed along with invitations for the Ecotourism Event, to increase targeted public awareness of national parks achievements in this field.

National Level – Ecotourism Event Plans Finalized

Planning for the National Ecotourism Event – October 2-5, in Sofia, Bulgaria, was finalized during the reporting period. The National Event is the first of its kind in Bulgaria, and will be sponsored, in the largest part, by USAID. It is being used to address the many experiences of ecotourism development in association with protected area in the country. More than 35 ecotourism practitioners are expected to attend and exhibit, in addition to the 12 of the major protected areas in the country, Ministries, and select ecotourism companies from the private sector.

The Ministries of Environment and Waters, Economy, and Agriculture and Forests are co-hosts of the event.

The following activities and events took place during this reporting period.

1. MOE invites BCEG Project and national working group to draft *an ecotourism development strategy* for the nation. The Draft Strategy will be featured at the Ecotourism Event, and the results of the Event will be used to improve and inform the Strategy. (**Appendix 5** is a translation of the relevant letter).
2. *Ministry of Agriculture and Forests* joins the two Government hosts and strengthens the association of ecotourism enterprise and protected areas through their participation.
3. National Working Group forms an *Ecotourism Strategy Drafting Team* – 2 workshops were held to being drafting the strategy. A 10 person drafting team, representing a host of national organizations have produced the outline and are providing written contributions for a draft ecotourism strategy. Workshop costs, travel and per diem have been paid by the BCEG Project. The drafting team includes members of all participating Ministries, National Ecotourism Association (BAAT), members of the national protected areas network, the National Association of Municipalities, and the Foundation for the Local Government.
4. *Protocol of Cooperation* – a memorandum of understanding was drafted by the core ecotourism working group of the BCEG Project. It is developed in order to cement a

working relationship between two line ministries promoting ecotourism as a sustainable development tool and national competitive advantage, and the Ministry of Economy. The latter is responsible for tourism policy, international marketing, and a national tourism development strategy. The protocol should be signed at the Ecotourism Event.

5. *Event Management Company* – was hired to organize and manage activities in preparation for the event, an exhibition at the event, and the management of the event's daily activities. EKSÖ, Ltd., was selected to provide these services based on a competitive procurement process. A working committee of the MOE, MOEW and the BCEG Project made the selection. A local sub-contract will govern their work.
6. *Key Note Speakers* – are selected and invited to provide an international perspective on ecotourism themes identified in the International Year of Ecotourism Conference in Quebec, Canada, in May 2002. The event's speakers parallel this content and major themes of this event. Two speakers will come from North America (Brian White of the World Travel and Tourism Council), and Professor Don Hawkins, (GWU School of Business and Tourism). Three European-based experts, representing UNESCO World Heritage, UNDP – Ecotourism and Sustainable Development, and the International Ecotourism Society have all accepted their invitations. The BCEG Project will cover their travel and accommodation costs. Two honoraria will be paid to the WTTC and TIES representatives.
7. *Donor coordination* – the Project, with USAID-Bulgaria support, made preliminary overtures to all major ecotourism donors – that include GTZ, UNDP, EU, the World Bank, and the Swiss. Overtures promoted opportunities for joint sponsorship of the ecotourism conference participants, exhibitors, and innovation grant recipients.
8. *Innovation Grants* – USAID will support at least 6 innovation grants for project concepts selected by a blue ribbon panel, at the conference. Successful applicants will be judged for innovation in private-public enterprise linked to ecotourism that must focus on protected areas. We are seeking sponsorship of at least 6 more grants. Each grant will be for \$1000 USD, or 2000 BGL. These grants will be used to develop innovative project concepts to full proposal stage.

Role of the Project

The Project is acting as the manager and organizer of the Ecotourism Event, on behalf of USAID.

In addition, it supports and guides the contributions of the following STTA to the ecotourism pilot sites:

- Group Dynamics, Strategic Planning, proposal development and grant applications – N. Georgieva.
- Market Identification and Market Analysis – P. Vulchev

Local Sub-Contracts include:

- Destination Management Business Planning – Balkanintours
- Success and Impact Monitoring – Tourintel
- Ecotourism Event Management – EKSÖ Ltd.

International STTA Professor - Donald Hawkins, returned to Bulgaria for his 5th trip, between July 15 and 25. He provided expert input into the program for the Ecotourism Event, the Drafting of the National Ecotourism Development Strategy, the Protocol of Cooperation

between Ministries, and the Guidelines for Innovation Grants. Professor Hawkins provided an overview and debriefing to the USAID-Bulgaria Mission staff on June 24, 2002.

Role of FLAG/UD

FLAG/UD, a USAID contractor for enterprise development, is noted for their assistance to Emillia Borissova. FLAG provided professional business advisory services for business planning and loan application free-of-charge, as part of the USAID support to the Project.

CRP 4 Mechanism for National Park Financial Sustainability Established

Indicators	Target	Actual 4/02
Number of policy constraints addressed (<i>resulting in changes to income generation and long-term park financing</i>)	4	4
Number of innovative financing mechanisms developed and tested	2	4
Number of support workshops organized and facilitated	8	4
Number of mechanisms established	2	0

The Project continued to promote and pursue the following examples of financial mechanisms:

Parks (Endowment) Fund – the Fund was presented to the Deputy Minister of Economy – Katev, during the reporting period, in a delegation meeting headed by Deputy MOEW Minister, Iliaz. The Fund received an endorsement from DM Katev, and the Fund concept was sent to DM Ananiev for review and comment.

A follow-up letter of endorsement and support for the Fund, was co-signed by Minister Arsenova of the MOEW and USAID-Bulgaria Mission Director, McFarland. The letter was sent to the Ministry of Finance, urging a GOB commitment to the Fund. To date, no formal answer has been received (a copy of this letter is attached in **Appendix 6**).

The necessary legislative framework for the Parks Fund was secured in the final draft of the new Environment Protection Act. Final draft legislation reflects concerns that the National Trust Eco Fund continue to be operated and managed as an extra-budgetary account, with funding sources allowed from a variety of sources, including Government, private sector, investment income, and Debt-for-Nature swaps. This is a product of the BCEG Project's work with the MOEW subject matter specialists and the Parliamentary Committee for Environment and Waters.

Cost-Benefit Analysis - The Park Endowment Fund concept is supported by a National Parks Cost-Benefits analysis demonstrating the Parks as effective national income generation tools. The Analysis uses information gathered by the USAID supported biodiversity conservation projects to demonstrate the direct values generated from controlled access and use of territory managed with the regimes of a national park. The three Bulgarian National Parks readily demonstrate a cost benefit ratio of between 1:4 and 1:5 on investments. Benefits are realized primarily in continued access by the Bulgarian public to sustainable natural resources harvesting, and to some degree, tourism. The indirect values of the Parks to sustainable development in Bulgaria are not calculated, but can be easily attached to the list of

benefits accruing from land management using national parks and biodiversity conservation as a tool. These include clean air, carbon sinks, soil conservation, water and watershed protection, etc. (A summary of the cost/benefit analysis is attached as **Appendix 7**)

Park Promotion and Marketing Materials – One effort to generate revenue from the creative public-private sector efforts to sell parks promotion and marketing materials was not achieved. A grant proposal to TIME Foundation – a DEMNET Grant administrator – that included a creative concept for public-private sales and revenue generation linked to national parks was turned down. We continue to try to get information related to the rejection of this idea.

Otherwise, Parks continue to be able to solicit funds from government and non-government sources that can be used for promotional items. These can be used to generate funds, and these can be booked against revenue received from the NEPF or private sources. There is no guarantee however, that under the new fiduciary control standards for the NEPF these funds will revert to the Parks for similar activities. In other words, the concept of a revolving fund for park promotion and marketing materials is not institutionalized in the present Government funding. Chances that it will be institutionalized within Government fiscal structures are more and more unlikely until the Parks register a separate NGO of foundation.

Park Income Generation and Revenue Collection Tools – Four experimental mechanisms have been introduced this year.

Concessions

Development of the first campsite operation and management concession in national parks. The Central Balkan National Park is using this tool in concert with the establishment of a new camping facility in the Kalofer Ecotourism Pilot Area. The camping concession will be offered for the summer season, and is renewable. It will test both the market for these types of concession, and help to guide the terms and conditions needed for future short (annual) and (7-10 years) medium term concessions in Parks.

The Biala Reka Campsite concession has been let on a competitive basis in June of 2002. The concession operates in a two fold capacity (1) includes a private sector performance bond and fee for the concession; and (2) includes a contract from CBNP to finalize campsite infrastructure and campsite management on behalf of the Park. At the end of the season, the contract will be examined for its profitability and performance. If both prove successful, this concession will provide a model for similar service and concession contracts in other parts of the Park, and for increased revenue generation to Parks. BCEG Project technical and financial assistance support this process.

These efforts are being used to demonstrate the efficacy of this approach to Government. Based on the practical models, we can approach Government again for regulations supporting such types of revenue generation from parks using short and medium-term “concession” contracts for goods and services in the protected areas.

A similar contract award will be used to support the management and maintenance of an interpretive (botanical) trail in Rila National Park that is being designed and developed by Parks with BCEG Project financial and technical assistance.

NTFP/NTNR collection permits and permit system

This new permit system will test the cooperation of Parks, resource buyers and collectors to jointly manage the bilberry resource in each Park's pilot areas. The new system should be better able to regulate and monitor collection, and should serve as the basis for long-term commercial contracts for NTFP/NTNR collection with the private sector. This season (2002) will demonstrate the efficacy of the new system for resource management and income generation.

Grant writing and project fund raising.

Central Balkan National Park has embarked on an ambitious certification program entitled "PANPARKS". The Pan Park concept is born of a private-public partnership between WWF and a Dutch tourism company working to certify the management and conservation of parks within the European system, with particular support for sustainable development activities, such as ecotourism. Once certified by the PanParks system, the park qualifies for WWF and private sector sponsorship, as well as marketing and promotional assistance. CBNP is now registered with the PANPARKS system, and will be submitting a formal application. This initiates a two-year review and certification process.

Rila National Park and its NGO partner, Children of the Earth successfully secured a grant from the Regional Environment Center. The project, *Establishing Financial Mechanisms for Conserving Biodiversity in the Balkan Region – Sustainable Development Through Ecotourism and Environmental Education in Protected Areas*, was funded for approximately 35,000 USD. The Project aims to develop a marketable set of conservation education goods and services related to protected areas, and thus promote conservation education and ecotourism through a "Green Schools" concept. The Project has regional partners in Albania (the NGO, Tourism and Environment in Pogradec, Albania), Macedonia (the NGO, ALLCOOP, at Ochrid, Macedonia), and a Serbian NGO (Association for Education Improvement, Belgrade). Implementation starts this fall.

Result 3 Greater Public Awareness and Participation is Demonstrated in Protected Area Management

This result reflects an over-arching theme in the BCEG Project. Public information and awareness are key components of both national and park-focused efforts. For our purposes, we report on public awareness activities of a national scale, and activities on a park level.

CRP 6 Public Awareness and Promotion Campaigns Implemented

National Public Awareness Campaign	Target	Actual 2000-2001	Actual 2001-2002
Number of public awareness strategies developed	1		
National level		1	1
Park level		2	2
Rila Monastery Nature Park ***		1	1
Number of targeted public awareness events and materials			
✓ Targeted public awareness events	20	9*	
National level			
Park level			
Nature Park			
✓ Public awareness material sets	5	4**	
CHM realized through technical assistance, needs assessment and mechanism design package (added to project indicators)	1	1	1

* targeted public awareness events includes those events related to public hearings for management plans

** public awareness material sets includes those materials developed and used in support of public hearings for management plans.

*** indicates that a separate plan, activities, and plan are conducted in favor of Rila Monastery Nature Park management planning activities.

Our National Public Awareness campaign is characterized by two major phases:

Phase 1 – May 2000-April 2001 – generate increased public information on biodiversity conservation legislation, and the finalization of the Republic's first national park management plans. The major publication – GREEN GOLD of Bulgaria is launched in major national and regional public campaigns.

Phase 2 – May 2001-September 2002, is designed to support Management Plan implementation after their passage by the Council of Ministers. It will have a particular emphasis on Bulgaria's newly elected parliament after June 2001, the private sector, and Bulgaria's role as a leader in European biodiversity conservation efforts

6.1 Work with the “Green Media Machine”

- a) **10 May Meeting** - The meeting was dedicated to the première of the multimedia CD-ROM. Managers and journalists from all central media, representatives of Information and Public Relations Department at the Council of Ministers, of the Ministries of Environment and Waters and of the Exterior, all participants in the production of the CD ROM, Pirin, Rila and Central Balkan National Park Directorates were invited. The strategy for the use and distribution of the CD in the country and abroad was shared with the participants.
- b) **15 July Meeting** - The meeting was organized in coordination with the MOEW press office and announced through their channels. It was designed to complete two main tasks:
- Share information and materials with the Green Journalists.
 - Register interest on specific park management themes, so as to identify media and journalists to work on provoked articles and broadcasts.

Agenda

1. Announcements (and materials) about Project's and Parks activities and events:
 - National Ecotourism Event in October (handing out invitations for the press conference).
 - Registration of the ecotourism associations in Samokov and Kalofer
 - NTFP/NTNR's collection campaign in August
 - Parks events in July and August
2. Review and analysis of popular press coverage of the following project activities:
 - Results of the market survey
 - National Parks Fund
 - NTFP/NTNRs

18 journalists represented the central mass media: 5 of them were from national and private radio stations. 1 is working for the Deutsche Welle German National Radio. 6 – from daily newspapers. 4 - from National TVs. 1 from the Bulgarian Telegraph Agency. The meeting **resulted in 15** newspaper articles, and radio and TV broadcasts.

- c) ***Production and dissemination to the Central Media of a Press Release about the bilberries collection campaign in Rila and Central Balkan National Parks*** - A Press Release was produced by PMU and disseminated through MOEW press office to all central mass media. It was published on the MOEW web site and on the government's site.

6.2 Provoked Articles and Broadcasts

Agreement with Deutsche Welle. German National Radio representative, Antoaneta Nenkova, and the Project, agreed on the production of ten radio features of six minutes each, promoting the main messages of the multi media CD. Each of the features will present one of the main messages of the CD with additional information and points of view of key persons. A proposal for ten themes and theme speakers was prepared and submitted to Mrs. Nenkova. The sound track of the multi media CD for the Bulgarian National Parks will be used, together with reports and interviews. The features will be aired in August-September in Bulgarian and then translated into German and aired for the German speaking listeners of the Deutsche Welle all over the World.

Parks Fund - A feature article was published in the Kapital weekly on 13 July. (Kapital is considered one of the most popular financial/political publications among the Bulgarian middle class). The article presents the Park Endowment Fund within its features column of the newspaper - Government Management.

NTNR-Bilberry Campaign Featured - A feature size article presenting the coupon system used in this year's bilberry collection campaign was published in Zemias daily. It contains 3 color photos and an illustration of the collection coupon, which is the subject of this year's experiment.

6.3 Public Awareness and the October Ecotourism Event

Press Conference - 24 July announcing the Ecotourism Forum, with the participation of Ms. Fatme Iliaz, Deputy Minister of Environment and Waters, Mr. Dimitar Hadjinikolov, Deputy Minister of Economy, Ms. Meglena Plugchieva, Deputy Minister of Agriculture and Forests, International Consultant, Don Hawkins, and the BCEG Project Team.

Invitations sent to the 200 subscribers of the BTA and 40 "Green Journalists" who are regular partners of the BCEG Project.

Media Coverage of the press conference - 17 newspaper articles and TV and Radio Broadcasts in Central Bulgarian and International Media

6.4 Rila Monastery Nature Park Booklet

Nine meetings were held with authors, designers and illustrators in preparation for the next phase of the Rila Monastery Nature Park public awareness effort. A bi-lingual booklet of some 24 pp, will be produced illustrating the conservation and religious significance of the territory for targeted national and international distribution.

6.5 Press Monitoring Reports

3 regular monthly reports and a special one for the Press Conference were created and distributed to USAID and partner institutions.

6.6 Multimedia Presentation of the National Parks Public Awareness Campaign and Distribution

- a) ***Presentation of the multi media CD in MOEW on 13 May*** - Special presentation was organized for the political cabinet and all the Heads of Departments of the MOEW by request of Minister Arsenova. 200 copies were officially handed out to the Minister together with the national and international distribution inventory.

The participants were introduced to the BCEG Project Distribution Strategy and its work on a TV quality broadcast version of the CD. The Minister agreed to include her statement in the TV version of the CD.

- b) ***Regional Mass Media and the National Parks Awareness campaign*** - One-day meeting and orientation to the opportunities for use of the CD in Parks Public Awareness work and discussion of the Parks Distribution Strategies was organized on 10 May.

The two National Parks organized ***launching events of the CD*** for the local authorities and media, with BCEG Project support. Each Park held two regional events.

Total number of participants of all four events - 586 people. Total number of newspaper articles, broadcasts of local TV, and Radio stations - 68.

- c) ***The Ministry of Foreign Affairs received 230 copies of the CD***. These were used for:
- the Open Day of the Bulgarian Embassies in all European countries on 10 May,
 - Bulgarian missions abroad

- d) ***The Prime Minister's Press Office*** received 130 copies. These are being used as promotional materials during the PM's travels abroad and meetings with foreign delegation.
- e) ***The National Library*** has included the CD in its catalogues and sent it to the major libraries in country. In addition, the National Library has sent it to all 23 foreign libraries with which it has an exchange of publications agreement. This includes The Library of Congress, in Washington, The Public Library in New York, The British Library in London, etc.
- f) ***The Central Scientific Library of Bulgarian Academy of Sciences*** has sent the CD to all major scientific libraries in country and to the library of the Natural History Museum in London.
- g) ***Production of a TV Quality Broadcast Version of the CD*** was completed. A 25 minutes TV film dedicated to the memory of Mimi Pramatarova was produced. The TV version includes statements of the USAID Mission Director and the Minister of Environment and Waters.

32 professional BETACAM tapes were reproduced for the central and local TVs. 10 VHS tapes are reproduced for the MOEW and National Parks information centers.

The BCEG Project has negotiated premier rights of the broadcast quality TV version of the multi-media CD with the National Television station because it also offers to air the parks program on its satellite channel. After one month national TV broadcasting, other national and regional TV stations will be offered copies of this film for their use.

- h) ***PC3 Telecenters Supported by USAID*** and implemented through AED, received copies of the multimedia CD.

6.7 Work with Decision and Opinion Makers

An orientation and information tour to Rila National Park was organized for the Parliamentary Commission for Environment and Waters on 14-15 June.

8 members of the National Commission took part in the orientation and field trip to Rila National Park. This included members of parliament from Rousse, Haskovo, Vidin, Varna, Sofia, Bourgas, and Assenovgrad. The Chairman (Chakurov) and one of three deputy chairmen (Velichkov), took part. The Commission members were joined by a NNPS representative, and the National Park Directors for Rila and Central Balkan. The Ecotourism Association of Samokov hosted the event.

The Commission's orientation program included an overview of park management planning and park management themes. The Directors also presented challenges and legislative issues associated with national parks. They introduced several accomplishments and major innovations national parks, and were joined by PMU staff with presentations on NTFP/NTNR collection, Ecotourism and the Parks Endowment Fund.

USAID-Bulgaria representative, Jay Lee attended the evening session. Local ecotourism members provided entertainment, and hosted a working breakfast. Commission members were given a hike in the Park, and a specially organized picnic in the Park.

4.0 Project Management and Administration

4.1 Project Coordination and Supervision

Project coordination and work planning meeting were held to develop the 3rd annual work plan for the BCEG Project. The work plan represents an ambitious set of activities developed in light of a possible no-cost extension to the Project.

Direct project coordination continued with the USAID-Mission representative, Jay Lee, during this reporting period. After his return from home-leave in May, Mr. Lee has become actively engaged in all project matters.

Project supervision continues to be received from USAID-Washington DC, through the Project's CTO, Alicia Grimes. Her present condition precludes travel, and no project visits were undertaken. She continues to supervise the Project in close coordination with the Program Office of the USAID-Bulgaria Mission.

Dr. Steve Dennison – Senior Technical Advisor to the Project, and international STTA for the Project under the FLC of Environmental Policy, left ARD's employ at the end of May 2002.

Mr. Ed Harvey continues as the Project Manager in ARD's Home Office.

4.2 Project Staffing

No changes to Project national staff are noted.

4.3 Office

Project rent contract was renewed for a period of 4 months – July-October 2002.

4.4 International Technical Assistance

Professor Donald Hawkins, approved as key personnel to the BCEG Project under the functional labor category for Ecotourism Specialist. Dr. Hawkins completed his 5th assignment to Bulgaria between July 15 and 25, 2002.

Mr. Jared Hardner, approved as key personnel to the BCEG Project under the functional labor category for Business Development Specialist, was given a 7 days domestic consulting assignment in favor of fundraising for the Parks Endowment Fund. No travel is associated with this assignment.

4.5 National Technical Assistance

No new national (CCN) consulting contracts were used during this reporting period.

Intermittent consultants continued to be active for:

- Ecotourism- N. Georgieva, and P. Vluchev
- NTFP/NTNR – C. Gusev
- Rila Monastery Nature Park Management Plan – V. Velichkov, S. Kostadinova, D. Peev, and P. Yankov.

4.6 Purchase Orders

The following local sub-contracts were issued as purchase orders this reporting period:

1. **May 02#1** Producing Center Ltd.
Design and Production of Information Signs for Park and Reserve Entrances, Central Balkan National Parks
2. **June 02#1** Bulgarian Association for Rural and Environmental Tourism
EcoTrail (Adventure Trails) Feasibility and Design.
3. **June 02#2** Union of Parks and Landscape Specialists in Bulgaria –
Landscape Assessment for Rila Monastery Nature Park
4. **June 02#3** Producing Center Ltd.
Ecotourism Booklet – Protected Areas, Local Communities and Ecotourism – New Examples of Sustainable Development from Bulgaria;
5. **June 02#4** 21/2 Film Production House Ltd.
TV Broadcast Version of the National Parks Multi-Media CD;
6. **July 02#1** Institute of Botany
Vaccinium Spp. Resource Assessment for CBNP and Rila NP.
7. **July 02#2** Hristo Borichev, Ltd.
Unit Production of (wooden) Infrastructure for Signboards at the Park and Reserve Entrances for CBNP.

4.7 International Training and Workshop Events - None

4.8 International Travel

Don Hawkins – July 15-25.

4.9 Networking and Partnerships

- 4.9.1 **BSBCP - Swiss Program** – no new developments.
- 4.9.2 **UNDP** –Close collaboration continues on:
 - *Rhodopes GEF Biodiversity Conservation Project*
 - *Biodiversity Conservation Financial Mechanisms*
 - *Clearing House Mechanism*
 - *Ecotourism Event*
- 4.9.3 **GTZ** - Jay Lee and the BCEG Project PMU made a presentation of the Project's ecotourism component to the GTZ representative, during this reporting period. We sought to solicit their interest and support of the Ecotourism Event in October. They pledged their participation and support for the participation of their regionally focused ecotourism activities conducted with the MOE.
- 4.9.4 **World Bank** – The Parks Fund concept and paper was provided to the World Bank representative from Moscow. The World Bank is assembling a loan project to the Forestry Sector in Bulgaria for 30 million dollars. This is supplemented with a 5 million dollar GEF Biodiversity conservation in Forestry management grant; and approximately 7 million dollars of Swiss funding and in-kind contributions.
- 4.9.5 **Nutrient Reduction and Wetland Restoration Project** has been funded with support from the GEF, Austrians and EU. We continue to collaborate on information sharing, and are particularly interested in the PA management model that is being discussed for the future of wetlands.

President Vetoes Biodiversity Act

President Georgi Parvanov has returned for further deliberations the recently passed Biodiversity Act as enacted by Parliament July 7th, 2002. The Head of State has challenged Arts. 31, 32, 33 and 34, as well as § 9 and § 11 of the Transitory and Final Provisions, with the following

MOTIVES:

Ladies and Gentlemen, Members of Parliament,

The heightened interest of society in issues of environmental conservation is permanent, well-grounded and understandable. Modern society is particularly sensitive to these issues, as they, in the final analysis, bear upon the protection of human health – of the present as well as of future generations. The protection of the environment is a precondition for the survival of humankind; therefore the placing of these issues under control and their proper regulation are of paramount social significance.

Undoubtedly, the conservation of biodiversity is an important part of environmental protection measure; therefore, the enactment of a separate, new Act specifically aimed at regulating the conservation of biodiversity merits special praise and appreciation as a new accomplishment of Bulgarian environmental legislation. The system of laws dealing with environmental conservation is thereby complemented by yet another special Act dedicated to the important issue of biodiversity conservation. This Act is important in that it regulates a range of relations that were heretofore lacking a detailed and specific set of regulations governing them. Its enactment, therefore, will fill a major gap in the present Bulgarian environmental legislation. The proposed Act complements and develops further the domestic legislation in harmony with international conventions relating to biodiversity conservation, to which Bulgaria is a signatory.

The new Act merits a positive assessment also in view of the attempt made thereby to regulate a set of complex interrelations bearing upon diverse and varied activities for the conservation of wildlife species, including by regulating the trade and customs regime, as well as by clearly defining the competencies and responsibilities of individual government agencies and the rights and obligations of physical persons and legal entities. I share the view that by working out a complete set of laws one creates a reliable precondition for their effective and easy enforcement.

Last but not least, we should note with appreciation as a new and positive element of our environmental legislation the modern legislative solution of defining biodiversity as part of the national heritage, as well as the definition of sustainable management of natural resources.

At the same time, alongside the undoubted accomplishments of the newly enacted Act in its general entirety, some of its provisions warrant, in my view, controversial or negative assessments, including some suspicions of unconstitutionality. My motives in vetoing this Act have to do with the protection of socially significant interests related to environmental protection, and are therefore aimed at improving the efficiency of the proposed legislation.

I hereby return for further deliberation the Biodiversity Act by challenging Arts. 31, 32, 33 and 34, as well as § 9 and § 11 of the Transitory and Final Provisions.

Specifically, my motives are as follows:

1. I find the provisions of Arts. 31, 32, 33 and 34 of the newly enacted Biodiversity Act to be contradictory, unclear and inappropriate. The basic environmental law in Bulgaria, the Environment Protection Act (EPA), regulates clearly and specifically all cases where an Environmental Impact Assessment (EIA) is mandatory, as well as the order and procedure of conducting such an assessment. The cited texts in the new Act constitute a duplicating piece of legislation and introduce a subsidiary procedure, that of the ecological assessment (Art. 31) without specifying the order and procedure of conducting it. In practice, the mandatory implementation of EIA for plans and programs as per Art. 20 para 1, items 2 and 3, of the Environment Protection Act, is overruled, and the EIA procedure is limited only to investment proposals, namely to just one of the cases as provided for under the present legislation.

Art. 33 of the newly enacted Biodiversity Act also reneges on the principle provided under Art. 23c of the Environment Protection Act, namely that activities and projects for which an EIA has produced negative results are subject to suspension or ban. An old and already rejected practice is being reinstated (cf. Art. 24 of the now repealed Prevention of Air, Soil and Water Pollution Act), whereby the executive authorities are entitled, subject to their own judgment of expediency, to allow activities about which there is previous knowledge that they upset the environment, or may have a serious negative impact on a protected area. The exception thus introduced completely bypasses the mandatory character of an EIA as the principal mechanism of prevention of negative impacts on the environment.

2. By force of § 9 of the Transitory and Final Provisions of the just enacted Biodiversity Act, the Nature Protection Act is repealed in its entirety. I believe that this fact constitutes violation of the systematic internal consistency of environmental legislation in Bulgaria, more specifically, by removing from it a whole set of general norms and principles regulating environmental protection activities and measures. There is no denying the fact that most of the provisions of the Nature Protection Act were outdated and, even in their phrasing, outmoded. However, until and unless the sound ideas and principles which they reflect are developed into norms of modern environmental legislation, we cannot afford to renege on them in an offhand way. It should be borne in mind that a whole series of bylaws are based upon the Nature Protection Act and will be rendered invalid by its cancellation. The existing general legal framework is of extremely great importance for ensuring the unity and consistency of the relevant legislation. I therefore believe that § 9 of the Transitory and Final Provisions of the Biodiversity Act should supersede the Nature Protection Act only partially, namely in its parts which overlap in scope with the newly enacted Act (cf. Chapter III: Protected Natural Sites of the Nature Protection Act).

3. Also considerable objections are raised by § 11 of the Transitory and Final Provisions of the just enacted Biodiversity Act, whereby major texts of the existing Protected Areas Act are being amended and supplemented. Some Members of Parliaments, speaking in reference to these changes, have even voiced concerns about their possible unconstitutionality, concerns that can be regarded as having some merit.

A) At first glance, the provisions of item 2 and item 3 of § 11 of the Transitory and Final Provisions of the just enacted Biodiversity Act seemingly improve on the procedural accuracy of the adopted text. These provisions define the prerogatives of the Minister of the Environment and Waters in relation to the declaration and possible changes in protected areas. The newly introduced paragraph 5 of Art. 38 of the Protected Areas Act gives the Minister greater operational independence in this respect.

At the same time, the Minister's prerogatives are also extended as per item 4 in relation to items 10 and 11 of the said § 11 of the Transitory and Final Provisions of the Biodiversity Act. These provisions, on the one hand, repeal (delete) the legally established borders and territory of the National Parks and reserves (items 10 and 11), while, on the other (item 4) authorize the Minister of the Environment and Waters to change the territory of these protected areas at will.

Such unmotivated increase of the prerogatives of government authorities is bound to upset the necessary legislative balance, which ultimately leads to making considerable social interests and stakes contingent upon the arbitrary personal judgment of any individual government body or agency.

In my opinion, in order to meet its purposes of environmental protection, the Protected Areas Act must be conservative in the extreme, which would require that legislation and regulation be left in the sole and direct responsibility of the national Assembly and be enshrined in the respective laws. In this way, it would conform to the goals and spirit, as well as to the letter of the Constitution (Art. 15 in relation to Art. 18, para 1 of the Constitution of the Republic of Bulgaria). I share the view that pursuant to Art. 18, para 1 of the Constitution, the "definition" of entities constituting state property for public use that is to be provided under law, must include not only a typological classification but must specify their basic, specific defining attributes: name, exact borders and area. I share the concern that the provisions as per item 4 in relation to items 10 and 11 of § 11 of the Transitory and Final Provisions of the Biodiversity Act are at variance with the spirit and norms of the Constitution.

The existing legislation on defining and declaring protected areas should not be narrowed in scope; quite on the contrary, it should be improved and developed, including, no less importantly, the established procedure of declaring parks of national significance and reserves representing state property for public use. In defining the specific attributes of protected areas of national significance, the future legislation, if deemed appropriate by the legislator, should take into account the prerogatives of the president as defined by Art. 98 item 13 of the Constitution of the Republic of Bulgaria. The provision of declaring protected areas by Presidential Decree would contribute to the stability and permanence of the protection regime and would infuse a healthy dose of conservatism into the legislation and regulation thereof.

B) If the provisions of items 2 and 3, and of item 4 in relation to items 10 and 11 of § 11 of the Transitory and Final Provisions of the Biodiversity Act were said to cause some concern and doubts of unconstitutionality, this is even more true of item 6.b."a", items 7 and 9 of the said § 11, whereby the so-called "nature fee" for property located within protected areas (item 7) is lifted, while the provision of accountability of perpetrators of damages to protected areas (item 9) is also repealed. In essence, these new provisions constitute a serious break with the fundamental principle of environmental legislation, namely that "the perpetrator pays". As someone who champions the beauty and rich heritage of this country's natural environment, I can hardly accept such a "legislative amnesty" of people who inflict damage upon it, as *de*

facto provided under the above mentioned item 9 of § 11 of the Transitory and Final Provisions. I am afraid that, should this piece of legislation enter into force, many nature lovers and conservationists in this country will rightfully voice their concern and disapproval.

One cannot believe or accept that the above cited provisions conform to the constitutional principles of environmental protection. The Basic Law of this country proclaims that the protection of nature is a principal duty not only of the state, but of each and every individual citizen. I cannot see how this duty can be fulfilled in practice, if once existing regulations about user fees are lifted and the perpetrators of environmental damage are relieved of responsibility. I share the view that item 7 and item 9 of § 11 of the Transitory and Final Provisions of the Biodiversity Act are at variance with Art. 15 and Art. 55 of the Constitution of the Republic of Bulgaria, in that they repeal norms providing for environmental protection.

Ladies and Gentlemen, Members of Parliament,

I hereby exercise my constitutional prerogative pursuant to Art. 101 of the Constitution of the Republic of Bulgaria with all due regret of having to send back for further deliberation a Act that is modern in nature, that for its most part constitutes, in my opinion, a major accomplishment of Bulgarian environmental legislation. However, in upholding the rights of every citizen to a healthy and wholesome natural environment, and in enforcing the requirements of environmental protection by the State, there can be no compromise. These are imperatives of paramount social significance for today's, as well as for future generations; in this context, we cannot call Bulgaria a modern and law-governed state if we do not provide, to the greatest extent possible, for the proper protection of the environment.

In view of the above motives, I hereby return for further deliberation the Biodiversity Act, by challenging Arts. 31, 32, 33 and 34, as well as § 9 and § 11 of the Transitory and Final Provisions thereof.

Georgi Parvanov,
President of the Republic of Bulgaria

Sofia, 23 July, 2002

CAPITAL INVESTMENT PROJECTS

BULGARIAN NATIONAL PARKS

2001-2002

Rila National Park - 2001

Park	Project	Proposed Budget	Actual Budget
Rila NP 01	Tourist Picnic Areas	13,000 BGL	13,450 BGL
<p>Description/Comments:</p> <p>25 picnic areas were planned, with 18 sets of picnic furniture produced; and four sets installed in the area of Beli Iskar. The remaining installation will be completed in the spring of 2002. Implementation is now largely complete.</p> <p>July 02 Construction is complete.</p>			
Rila NP 02	Park Entrance Points	50,000 BGL	49,200 BGL
<p>Description/Comments:</p> <p>8 main entrances were planned and 8 produced, with one installed at the Maliovitsa trail head. 30 secondary entrances – all produced and ready for installation, and 35 tertiary entrance signs –</p> <p>July 02 Signboard production will be complete at the end of August. Final installation will be done by mid-September.</p>			
Rila NP 03	Visitor Management Signage	16,000 BGL	0 BGL
<p>Description/Comments:</p> <p>Visitor management signs refer to the signboards used to explain park rules and regulations. The NNPS and Parks are presently working together to agree a set of icons/images that will be used throughout the national parks system, and become a standard for park/visitor management signage. Both Park Directors have worked together to design and agree a set of park standard signs/emblems for use throughout the Park system. The designs were formally submitted to the Minister of Environment and Waters for approval. An order should be issued, authorizing use of the signs as standard throughout the Park system. No expenditure was made on this activity during the Park's work year 2001, and the activity will be carried over to the new year (2002).</p> <p>DELETED and COMBINED UNDER PROJECT 16</p>			

Park	Project	Proposed Budget	Actual Budget
Rila NP 06	Interpretation and Education Facilities	16,000 BGL	16,000 BGL
<p>Description/Comments:</p> <p>These sites/facilities are being designed in conjunction with the Ecotourism Initiative Group of Samokov, in the northern section of Rila National Park. The project has been designed into a Botanical interpretation trail in Govedartzi Park section. The project includes trail development , selection of interpretation points, development of interpretation texts, design and production of a leaflet (field guide) and field interpretation infrastructure, training of guides and park staff, design and construction of “Park as classroom” infrastructure, promotion of the trail and contracting out to a local business for its management and maintenance.</p> <p>All the design work is finished, texts are developed, the production will be accomplished in August and September and the official opening is planned for October, during the Ecotourism event.</p>			
Rila NP 07	Conservation Education Materials	3,000 BGL	4,900 BGL
<p>Description/Comments:</p> <p>A set of 10 lessons plans specific to Rila National Park complement the conservation education curriculum materials produced under the GEF Project. Completed under the title, Rila-Known and Unknown. This activity was completed successfully. A series of 3 public launch activities was conducted in support of Rila National Park’s 10 Anniversary.</p>			
Rila NP 10	Visitor Information and Safety Materials	4,700 BGL	7,000 BGL
<p>Description/Comments:</p> <p>The Directorate has completed production of all leaflets. There are nine in the series: (1) fire prevention, (2) tourist safety, (3) solid waste, (4) fishing, and (5) park zoning which is addressed by 5 leaflets. 1000 leaflets have been produced in favor of each theme. Distribution has been accomplished through the Park Visitor Center in Panichishte, as well as through each of the Park Sections, which have distributed them to chalets, rest houses and local hotels.</p> <p>This activity was completed successfully.</p>			
Rila NP 14	Management Zone Maps - Digitization	500 BGL	459.65 BGL
<p>Description/Comments:</p> <p>Costs were paid to the Park for expert supervision of the digitization of management zone boundaries for the National Park to be added to the Park’s GIS.</p> <p>This activity was completed successfully.</p>			

Rila National Park – New Projects 2002

Park	Project	Proposed Budget	Actual Budget
RNP 2002 14	Medicinal Plants Management Plan	10,000 BGL	
<p>Description/Comments:</p> <p>Each National Park is required to produce a medicinal plants technical management plan according to the Law. Rila National Park will use this amount to develop the Terms of Reference for a comprehensive park-wide medicinal plants technical management plan to be conducted under the supervision of appropriate technicians from the Bulgarian Academy of Sciences.</p> <p>BAS scientists identified and contracted by National Parks to start field work.</p> <p>See activity description under Medicinal Plants Section in main body of report.</p>			
RNP 2002 15	Park Brochure	7,500 BGL	
<p>Description/Comments:</p> <p>Rila National Park Directorate will produce new park brochures in at least two languages.</p> <p>No Progress</p>			
RNP 2002 #16	Tourism Infrastructure and Signage	68,000 BGL	
<p>Description/Comments:</p> <p>The Directorate will use the most significant amount of BCEG Project funds allocated to this CRP for finishing off its park-wide tourism infrastructure and signage. This project consolidates outstanding signage from the previous year, and increases the number of sign locations.</p> <p>All the designs are finalized and the purchase order for the production of the graphic elements (signboards) was issued. The wooden infrastructure will be sub-contracted according to USAID and National Park procurement standards. This project is expected to be complete by mid-end October 2002.</p>			

Park	Project	Proposed Budget	Actual Budget
RNP 2002 #18	Waste Management	12,000 BGL	
<p>Description/Comments:</p> <p>This program will consist of studies/designs and campaign for waste management in the park. Primary focus will be given to a campaign of carry –in carry-out, and designs developed for implementing improvements to solid waste and waste water from chalets. This Project is being designed and executed in conjunction with Central Balkan National Park, the MOEW water and waste management departments, and will be sub-contracted to the National Trust EcoFund technical experts. This is a feasibility and design project, resulting in a set of priority geographic sites, and national standards for waste treatment in protected areas.</p> <p>The NTEF is expected to fund the implementation of the project resulting from this feasibility study and design for both Parks.</p>			
RNP 2002 #19	Professional services to Regional Ecotourism Fundraising	USD 800	USD 780
<p>Description/Comments:</p> <p>Supervision, facilitation and translation costs were carried by the Project in support of a Bulgarian initiated, regional environmental education and ecotourism development project.</p> <p>See body text for description. This project is complete.</p>			

Central Balkan National Park - 2001

Park	Project	Proposed Budget	Actual Budget
CBNP 04	Visitor Infrastructure - Kalofer	13,600 BGL	16,869 BGL
<p>Description/Comments:</p> <p>Local purchase order with a contractor from Kalofer includes the production of 36 benches, 17 tables, 28 chairs, seven fire places, two pit latrines, 2 children's playgrounds, 3 water tap restorations. All elements were produced in a timely fashion and installed in preparation for the 10th anniversary celebrations. Graphic elements/signage is outstanding due to technical problems.</p> <p>This project was successfully completed</p> <p>Phase 2 consists of a commercial management contract. See main body text for description under CRP 4, Bila Reka Campsite Management Concession..</p>			
CBNP 08	Archaeological Inventory	3,000 BGL	2,850 BGL
<p>Description/Comments:</p> <p>The archaeological inventory required under instruction of the Council of Ministers was successfully completed during the August period. An extensive report was completed with both the geographic locations of the inventory, as well as their significance. Both form the basis of a selective interpretive program for the National Park in the future.</p> <p>A final report has been provided, with copies sent to the Ministry of Culture, as well as the MOEW/NNPS. The Report serves as part of the Parks interpretive and signage activities.</p> <p>This activity is complete.</p>			
CBNP 11	Portable Fauna Exhibit	2,200 BGL	2,780 BGL
<p>Description/Comments:</p> <p>A subcontractor will finalize production of 6 (two sided) billboards presenting the fauna of CBNP and a leaflet representing the traveling exposition. The materials focus on primary and early -secondary levels. The exhibition will be used as a tool for realization of the nature conservation education program in the schools around the Park (about 100) and in the visitors centers of Karlovo and Ribaritsa. Completion of the project is expected in the next quarter.</p> <p>Test and design of the portable exhibit have been approved by the Park Directorate and the Ministry of Education.</p>			

Park	Project	Proposed Budget	Actual Budget
CBNP 12	Post Card set	4,000 BGL	4,000 BGL
<p>Description/Comments:</p> <p>A subcontractor will produce 1000 sets of post cards which will be distributed through the Park visitors' centers. 12 quality images of the CB National Park will be selected through a nationally announced competition for amateur and professional photographers. The NPD will have the rights to use them for future information and education materials production. Five people from the Park staff will be trained in taking photos. A Group of professional photographers will be identified as Park Directorate partners.</p> <p>To date, the competition for photos and pre-selection of winners were completed. Final winners will be selected in the next quarter and photos reproduced as postcards for promotion and publicity purposes. The Project is implemented by the National Park in conjunction with Borrowed Nature – an environmental NGO noted for is graphic and multi-media talents. This is one of two sales' tools (the other is a calendar) that Central Balkan National Park is using to generate revenue from park-related promotion and publicity tools. Sales are conducted by commissioned agents of the Park, and the proceeds generated are returned to a revolving fund within the National Environment Protection Fund for similar sales items. This is one of the new Park financial mechanisms in practice.</p> <p>Delivery of the post cards is complete; the Park is finalizing a contracting mechanism for sale of the post cards.</p>			
CBNP 16	Reserve Boundary Demarcation	7,000 BGL	8,700 BGL
<p>Description/Comments:</p> <p>Materials for reserve boundary demarcation were provided under this Project. National Parks supplied labor and transport. Boundary marking was completed during the summer months for the National Park's Reserve system. Only materials were provided. The Park and its partners supplied the labor. To date, 99.5 km of reserve boundaries have been marked. Another 152.5 km of reserve boundaries will be marked in the summer season of 2002. The activity is almost complete.</p> <p>Final markings will take place in June 2002. This activity is complete.</p>			

Park	Project	Proposed Budget	Actual Budget
CBNP 17	CBNP HQ Internet Connection	USD 990.00	USD 990.00
<p>Description/Comments:</p> <p>This project was added to the Park's project list. Significant investigations have been conducted to assure CBNP of a dependable, dedicated internet connection. This will be afforded through a radio modem. Procurement will proceed upon receipt of approval for equipment purchase.</p> <p>The equipment was purchased and installed. CBNP is now part of the "<i>information highway</i>", and regularly uses its internet access to communicate with partners both inside and outside Bulgaria.</p> <p>This activity is successfully completed.</p>			
CBNP 19	Management Zone Digitization	1,000 BGL	1,309.54 BGL
<p>Description/Comments:</p> <p>Costs were paid to the Park for expert supervision of the digitization of management zone boundaries for the National Park to be added to the Park's GIS. This activity was completed during this period and copies presented to the Park Directorate and MOEW. Costs were higher than those for Rila because of the complex set of overlapping geo-reference coordinate sheets used in this Park.</p> <p>This activity is complete.</p>			

Central Balkan National Park - New Projects 2002

Park	Project	Proposed Budget	Actual Budget
CB 2002 #19	Medicinal Plants	10,000 BGL	
<p>Description/Comments:</p> <p>Each National Park is required to produce a medicinal plants technical management plan according to the Law. Rila National Park will use this amount to develop the Terms of Reference for a comprehensive park-wide medicinal plants technical management plan to be conducted under the supervision of appropriate technicians from the Bulgarian Academy of Sciences. Preliminary field exercises for medicinal plants in the multi-functional zones of the park will be conducted as a matter of priority.</p> <p>Underway, with information being collected from all park sections as the basis for mapping critical areas of local and commercial resource collection.</p>			

Park	Project	Proposed Budget	Actual Budget
CB 2002 #20	Tourism Management and Information Infrastructure	89,100 BGL	
<p>Description/Comments:</p> <p>This Project will consolidate all the outstanding activities of 2001, and to them add the development of new infrastructure for all main park entrance, secondary entrances, view points, rest areas, etc. Separate purchase orders will be used to contract construction services from municipalities to the north and south of the Park.</p> <p>The sub-contracts have been issued in favor of tourist information infrastructure in the Park. One is for the design and production of the signboards for all sites;</p> <p>One if for the pre-fabrication of all wooden elements that will assembled and erected on sites;</p> <p>The third is for the assembly and installation of the infrastructure on sites.</p> <p>This approach is taken with preference for local fabrication and installation of all tourist information infrastructure in the Parks, and favors local sub-contractors. Sub-contractors are identified and selected based on competitive tender process, organized by the National Park Directorate, to USAID and MOEW standards.</p>			
CB 2002 #21	Web Site Design and Development	5,000 BGL	
<p>Description/Comments:</p> <p>Central Balkan will be first national park to develop and maintain a web site in two languages. The website will be hotlinked to other websites in Sofia, and managed and maintained through a commercial service.</p> <p>No Progress, as the coordinator remains on sick leave. The design if the website will be developed and managed by the BCEG Project – PMU, as part of its work with the MOEW.</p>			
CB 2002 #22	Cherni Ossam Tourism Catalog and CD	4,000 BGL	
<p>Description/Comments:</p> <p>This is the final set of tourism inventory materials to be produced in favor of municipalities surrounding Central Balkan National Park. Design and production of a catalog and CD is part of the Parks partnership with the Troyan municipality, and ecotourism development on the north side of the Park.</p>			

APPENDIX 3

Correspondence Regarding the Request to Change Rila Monastery Nature Park Boundaries

Ministry of Agriculture and Forests

To: The Minister of Environment and Waters
Mrs. Arsenova

*Regarding: Proposal for starting a procedure for changing the borders and the area of
Rila Monastery Nature Park*

Dear Mrs. Arsenova,

On the basis of Art. 41, point 2 and 3, Art. 42, paragraph 1, and regarding the Art. 36, paragraph 1 of the Protected Areas Act, the Ministry of Agriculture and Forests proposes changes in the borders of Rila Monastery Nature Park so that these borders come to coincide with the restored and requested for restoration property of the Rila Monastery. This proposal has the following motives:

1. Opportunities for more efficient management of the Nature park due to the fact that the owner of the lands and the forests within the borders of the protected area is just one.
2. The geographical identity of the restored monastery property with the borders of the Nature park could contribute to the correct bounding of the protected area with the cultural – historical monument of Rila Monastery.

Enclosed are:

- 1/ Description and area distribution of the territories of the forestry fund proposed for including to and excluding from the borders of the Rila Monastery Nature park.
- 2/ Map material – 4 maps, scale 1:25000 in which are reflected:
 - the present borders of the park – in blue
 - the borders of the proposed for exclusion areas – in red
 - the borders of the proposed for inclusion areas – in green

Respectfully
Signed, stamped
Mechmed Dikme
Minister of Agriculture and Forests

**Description and area distribution of the territories from the Forestry Fund,
proposed for inclusion and exclusion from the Rila Monastery Nature park area**

- I. Within the territories of Rila Monastery Nature park to be included:
 1. The territories from the State forestry fund of National Forestry Rila Monastery of the following sections and subsections:
with total area of **711.2 ha**
 2. Territories that are captured in a surrounding polygon in sections and subsections ##### with total area of **45.0 ha**
- II. From the territory of the park to be excluded:
 1. Pastra village – forestry fund in sections and subsections ### with total area of **1024.3 ha**, agricultural fund – **950.9 ha**
 2. Padala village – forestry fund in sections and subsections ### and with total area **199.6 ha** and agricultural fund – **594.5 ha**.

Ministry of Environment and Waters

Outgoing № 04-00-4566/ from 06.08.2002

To: Mr. Mehmed Dikme
Minister of Agriculture and Forests

On your № 04-03-255/ from 22.05.2002

Concerning: Proposal for opening a procedure for change in the boundary of Rila Monastery Nature Park

Dear Mr. Dikme,

In connection with Your proposal for change in the boundary of RMNP, on the strength of the art.36, par.2 of PAA the Ministry of Environment and Waters has the following position:

1. We find the proposal for enlarging the area of the park with 711,2 ha advisable, according point I.1 from the appendix of Your letter. Since the monastery owns the lands in the next stage of the procedure it will be necessary to have the position of the owner too.
2. The proposal for enlarging the area of the park with 45.0 ha according to point I.2. of the appendix of Your letter has to be examined additionally. According art.6, par.2 from PAA, the village formations that are defined with round ranges and are on protected area territory are not part of this territory. In this sense we need more precise information for the status of these terrains according to the Structure of the Territory Law.
3. The proposal for decreasing of the territory of the park with more then 2769,3 ha according point II of the appendix of Your letter, we see as unsuitable, because on these territories are located forest and high mountain pasture ecosystems with proved high conservation significance. Beside this the fact that these territories are not monastery's property can not be taken as a reason for excluding them from the park.

In connection with the upper said, we propose the Ministry of Agriculture and Forests, respectively National forestry Board to prepare and present in the Ministry of Environment and Waters, the documentation connected with art.36, par.4 from PAA for enlarging the territory of the park with the territories from point I. and possibly with these from point II., after clarification of the raised problem.

With respect,
Minister D. Arsenova (signed)

Rila Monastery Nature Park

Concept – A New Management Mechanism for a Special Protected Area.

Purpose

To develop a management mechanism that effectively incorporates the desires and responsibilities of a private landowner (Rila Monastery) on a protected territory of national and international conservation and cultural significance.

Background

Since it was excised from Rila National Park and re-categorized as a nature park in March of 2000, the Rila Monastery and its surroundings have been carefully studied as part of the preparation of a protected area management plan. Central to the plan's development is the religious and conservation significance of the territory. The resulting values of this territory are significant. In addition, this area includes the single largest piece of private land restoration in the nation – traditional title is claimed by the Rila Monastery. There is no precedence or experience in Bulgaria, however, for managing a national protected area, of which some 90% will be restituted to a private landowner.

The Abbot of Rila Monastery presently manages the Monastery, with direction provided by the Directorate for Monuments of Culture. Protection of the Rila Monastery Forest Reserve is provided by rangers from the Rila National Park Directorate. Forest guards from the Rila Forest Enterprise provide law enforcement for the remainder of the territory.

Conservation activities on the territory are supervised by the Rila Monastery Nature Park Directorate, a staff of only 5 individuals. State interests on the territory include the Regional Office of Dams and Cascades within the MOEW. There are numerous additional private and state activities conducted in the Park, primarily in support of tourism, and on a relatively small scale.

The Rila Monastery and its surroundings receive at least half a million visitors a year. This makes the monastery and the nature park the most heavily visited protected area in the country after Vitosha Nature Park.

Challenge

Management planning to date illustrates the importance of harmonizing the future of the Monastery and its holy sites with the future conservation of natural resources. Both are of national and international significance. The goals and management objectives for this territory fall well outside the purview of one Government agency or landowner. To effectively manage this Nature Park and in recognition of the rights and responsibilities of its special landowner, a new management mechanism must be employed.

Proposal

The future management of this territory is critical. The Park's values and significance demand the formation of a new type of management authority. For our purposes, we will call this the Rila Monastery and Nature Park Land Trust (RM&NPLT).

The RM&NPLT will have three main components:

1. **A Memorandum of Understanding** – A document that specifies the purpose of this territory, and the means by which it will be supervised, managed, financed and maintained. This document will be developed by a special working group appointed by Government, and agreed with the Holy Synod of the Bulgarian Orthodox Church. The documents will be used to recognize the broad responsibilities of both parties.

We recommend that this MOU be drafted by a sub-group of the Rila Monastery Nature Park Management Planning team (Drafting Team). It should include Ministry representatives at national level.

2. **A Board of Governors (Governing Council)** whose composition and governance are agreed and approved by the Government of Bulgaria and the Holy Synod of the Bulgarian Orthodox Church.

We recommend that the same Drafting Team be used to develop the concept for composition and governance of the Board of Governors/Governing Council.

3. **Adoption of the Rila Monastery Nature Park Management Plan.** This plan will be the primary tool for guiding the development and management of the Monastery and Nature in keeping with its purpose (Item 1).

We are proposing that the RM&NPLT obtain the best professional services for management of the territory. We believe these can be best supplied by a professional team that is assembled in response to the objectives, programs and projects of the Management Plan for the territory. These professional management services should be identified based on a competitive process, and selected by the Board of Governors, assisted by professional advisory services, as necessary.

A management authority could be comprised of the best of Bulgarian, international companies, and NGOs, which, individually or collectively, offer the best management services to implement the management plan. The Management Plan presently being drafted under the terms of reference for the BCEG Project can be adopted as the management plan that governs the next 10 years of investments and activities in the Nature Park.

July 2002
Sofia, Bulgaria

ARD-Bulgaria
Biodiversity Conservation & Economic Growth Project
Sponsored by
USAID & Government of Bulgaria

Republic of Bulgaria
MINISTRY OF ECONOMY

92-00-247 / 12.04.2002

To: Mr. Peter Hetz
BCEG Project

Regarding: *Collaboration between BCEG Project and the Ministry of Economy*

Dear Mr. Hetz,

First I would like to express my content of our cooperation in the ecotourism area so far. Taking into consideration how important the development of the ecotourism in Bulgaria is for the Ministry of Economy we are observing with particular interest the work of the National ecotourism working group under the BCEG Project and highly appreciate the efforts and the approach which your Project applies in the development of an ecotourism concept based on the protected areas in Bulgaria.

Because of the fact that in the National ecotourism working group participate many different representatives of the interested in ecotourism organizations and institutions in the country, I would like to express my hope and expectations that it will contribute to the development of the National ecotourism strategy, the work on which is going to start during the next months.

As I have already expressed during our meetings, the Ministry of Economy greets the carrying out of a national forum dedicated to the International year of ecotourism and we are going to be one of the organizers.

With hope for good future cooperation
Remain with respect

Signed, stamped
Dimitar Hadjinikolov
Deputy Minister of Economy



June 25, 2002

His Excellency Milen Velchev
Minister of Finance
Ministry of Finance
Sofia

Dear Minister Velchev:

It is with a certain amount of pride and in the spirit of bilateral cooperation that the Minister of Environment and Waters and the Mission Director of the U.S. Agency for International Development (USAID) sign this joint letter to you.

As you may know the Ministry of Environment and Waters, the Ministry of Economy and USAID are parties to a Memorandum of Understanding defining a working relationship for the Biodiversity Conservation and Economic Growth Project. The purpose of the project is to develop management plans and the financial mechanisms for the sustainability of Bulgaria's National Parks. The project has met with great success to date both in terms of the fruitful collaboration between the parties and in the products developed.

One such product that has great potential for the financial sustainability of the National protected area system is the concept of a Parks Endowment Fund. The Fund concept arises from the collaborative work of Bulgarian and US experts. The Fund is an investment tool that is readily enabled through provisions in the Environmental Protection Act; and it builds on the experience of the successful National Trust EcoFund.

To date, meetings have been held at the Deputy Minister level between the Environment and Finance Ministries, to discuss the various aspects of the Fund. We have every indication that all interested parties – the Ministry of Environment and Waters, Ministry of Finance, the Parliamentary Commission on Environment and Waters, and donors in the field of conservation – endorse this concept and support its development.

We are writing you together in acknowledgement of our cooperation and seeking your formal endorsement of the fund concept. With the endorsement by the Ministry of Finance, the Ministry of Environment and Waters will seek to capitalize the fund out of extra-

budgetary sources, and USAID and its contractors will seek matching funds from other international donor organizations and private foundations later this year.

As the project and USAID's support to the Parks draws to its conclusion at the beginning of next year, an established Parks Endowment Fund will serve an important role in continuing to support the work of protecting Bulgaria's rich natural heritage and provide a fitting legacy to our cooperation of some 10 years.

We welcome your thoughts; look forward to your endorsement of the concept, and to capitalization of the Fund as further indication of Bulgaria's leadership in the field of biodiversity conservation.

Sincerely,

Mission Director Debra McFarland
U.S. Agency for International Development

Her Excellency Dolores Arssenova
Minister of Environment and Waters

Encl. Parks Endowment Fund Concept Paper

**Republic of Bulgaria National Parks
Ministry of Environment and Waters**

Costs and Benefits

Preliminary Analysis - 2002

Direct investments made by the Government and donors include the following:

- I. **Operations and Maintenance Costs**
- II. **Capital Development Costs (Programs and Projects)**

Financial Year 2002 (in Bulgarian Leva)

(Planned and approved)

National Park	Ministry Budget Operations and Maintenance	NEPF	Other*	Total BGL	Total employees
Pirin	310,000	459,800	1,500 82,400	853,700	44
Rila	501,489	371,650	112,738	985,877	81
Central Balkan	413,112	270,946	130,971 97,522	912,551	69
Totals	1,224,601	1,102,396	425,131	2,752,128	194

* includes USAID, Swiss, Eco Trust, and UNDP funds

Economic Benefits Generated by National Parks to the Bulgarian Economy

These calculations are based on information from socio-economic surveys conducted by USAID between 1996-2001. Averages are for local income (or in-kind values) generated directly from Park-based activities. These figures do not include indirect market values such as fresh air, water, social, recreation, and other such values.

National Park	Revenue Source	Estimated Annual Amount in BGL	Area
Pirin	Non-timber resources, chalet nights, and special events	2,059,920	40,332.4 ha
Rila	<i>ditto</i>	4,136,848	81,046 ha.
Central Balkan	<i>ditto</i>	2,864,499	71,669.5 ha
	Total	9,061,267	193,047.9 ha