

**UNEP GEF PIR Fiscal Year 2009
(1 July 2008 to 30 June 2009)**

1. PROJECT GENERAL INFORMATION

Project Title:	Russian Federation – Support to the National Programme of Action for the Protection of the Arctic Marine Environment, Tranche 1		
Executing Agency:	Ministry of Economic Development of the Russian Federation (MED)		
Project partners:	NEFCO		
Geographical Scope:	The Russian Federation, Russian Arctic		
Participating Countries:	Russian Federation, Canada, Iceland, Italy, USA		
GEF project ID:	1164	IMIS number*¹:	GFL / 2732-03-4694
Focal Area(s):	IW	GEF OP #:	10
GEF Strategic Priority/Objective:	IW-3 Innovative demonstrations	GEF approval date*:	07/12/2001, revised 31/07/2003 and 31/07/2005
UNEP approval date:	18/07/2005	First Disbursement*:	31/08/2005
Actual start date²:	01/07/2005	Planned duration:	60 months
Intended completion date*:	30/06/2007 (Phase I)	Actual or Expected completion date:	October 30, 2010 (Project Phase I)
Project Type:	Full size	GEF Allocation*:	\$5,885,000
PDF GEF cost*:	\$306,000	PDF co-financing*:	\$474,000
Expected MSP/FSP Co-financing*:	\$5,800,000	Total Cost*:	\$
Mid-term review/eval. (planned date):	01/09/2009	Terminal Evaluation (actual date):	
Mid-term review/eval. (actual date):		No. of revisions*:	2
Date of last Steering Committee meeting:	25-26/03/2009	Date of last Revision*:	31/08/2009
Disbursement as of 30 June 2009*:	\$3,138,811	Date of financial closure*:	N/A
Date of Completion³*:	October 30, 2009	Actual expenditures reported as of 30 June 2009⁴:	\$2,678,288
Total co-financing realized as of 30 June 2009⁵:	\$6,207,700	Actual expenditures entered in IMIS as of 30 June 2009*:	\$2,563,370
Leveraged financing⁶:	N/A		
Project summary⁷	Major outcomes will include a nationally approved Strategic Action		

¹ Fields with an * sign (in yellow) should be filled by the Fund Management Officer

² Only if different from first disbursement date, e.g., in cases where a long time elapsed between first disbursement and recruitment of project manager.

³ If there was a "Completion Revision" please use the date of the revision.

⁴ Information to be provided by Executing Agency/Project Manager

⁵ Projects which completed mid-term reviews/evaluations or terminal evaluations should attach the completed co-financing table as per GEF format.

⁶ See above note on co-financing and Glossary (Annex 1)

⁷ As in project document

	<p>Programme to address damage and threats to the arctic environment from land-based activities in the Russian Federation; direct and related improvements to environmental protection (legislative, regulatory and institutional and technical capacity) within the Russian Federation; the completion of ten pre-investment studies to determine the highest priority and tractable interventions to correct or prevent transboundary impacts of land-based activities; and three categories of demonstration projects dealing respectively with marine environmental clean up, the transfer of two decommissioned military bases to civilian control, and involving indigenous peoples in environmental and resource management. The results are intended to benefit the international arctic environment, particularly the Arctic Ocean basin and its shelf seas, and contribute to two principal international agreements: Arctic Environmental Protection Strategy (AEPS); and the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) as implemented in the Arctic Region through the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA) and the Arctic Council Plan of Action to Eliminate Pollution of the Arctic (ACAP).</p>
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<p>Project status FY08⁸</p>	<p>The main achievements of the Project implementation in 2008 are approval of the finalized SAP document by the 2nd meeting of an Inter-Agency work group (IAWG), and distribution of the document for comments and co-ordinations among Russian federal and regional authorities, nongovernmental organizations (NGO) and main industrial companies operating in the Arctic. Positive responses were received from most of respondents. Three tenders for preparation of regional PINS were held and the selection process was completed. Three lead cooperating organizations (LCO) for PINS implementation in western, central and eastern Russian Arctic regions were selected and contracts for all three winners have been prepared. During the reported period three contracts for small pilot projects were also prepared and work on them was started. Pilot project "KOLABAY-1 has been successfully completed. Three main demo projects (BASES, CLEANUP and COMAN), which started last year, are entering into the final stage of their implementation.</p>
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<p>Project status FY09⁹</p>	<p>During reported period Project Office (PO) finalised work with the third and fourth drafts of the Strategic Action Programme (SAP) which have been approved by third and fourth meetings of Interagency Work Group (IAWG) in Moscow and by third meeting of the Project Steering Committee (StC) In Helsinki. The SAP document was reworked in accordance with Russian standards imposed for strategic documents of such kinds. The final SAP document was submitted to Russian Government and was approved by the Maritime Board at the Government of the Russian Federation, the highest-level body of the government in charge of coordinated efforts of federal enforcement authorities in the field of maritime activities, investigation and exploration of the World Ocean, Arctic and Antarctic. The Maritime Board at the Government of the Russian Federation recommended the SAP-Arctic for further promotion to the relevant governmental bodies. Implementation of the pre-investment studies (PINS) component has been successfully continued in all three selected regions: western, central and eastern Russian Arctic. To date, all three PINS contractors</p>
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⁸ Please include additional lines to keep prior year implementation status (if any)

⁹ Progress made during current reporting period (one paragraph stating key changes since previous reporting period)

	<p>finalised their first and second stages and proceeding to next stages. The third Project component – Development and implementation of Environmental Protection System (EPS) which launched by the Project Office ahead of schedule (the implementation of this component had been planned in the original Project Document for the Project Phase II) has been also successfully progressed. To date a work on analyses of International environmental legislation was finished and all consultants focus their efforts on suggestions for improvement of legal framework in the field of environment protection in Russian Arctic. Two mentioned in the Project Document main demo (COMAN and BASES) projects have been successfully finalised and a pilot CLEANUP project is in a stage of final reporting. Two small pilot projects PILOT-BIOREMEDIATION and PILOT-TIKSI which were approved by the 2nd Steering Committee (StC) are also in their final stage.</p>
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<p>Planned contribution to strategic priorities/targets¹⁰</p>	<p>Major outcomes will include a nationally approved Strategic Action Programme to address damage and threats to the arctic environment from land-based activities in the Russian Federation; direct and related improvements to environmental protection (legislative, regulatory and institutional and technical capacity) within the Russian Federation; the completion of ten pre-investment studies to determine the highest priority and tractable interventions to correct or prevent transboundary impacts of land-based activities; and three categories of demonstration projects dealing respectively with marine environmental clean up, the transfer of two decommissioned military bases to civilian control, and involving indigenous peoples in environmental and resource management. The results are intended to benefit the international arctic environment, particularly the Arctic Ocean basin and its shelf seas, and contribute to two principal international agreements: Arctic Environmental Protection Strategy (AEPS); and the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) as implemented in the Arctic Region through the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA) and the Arctic Council Plan of Action to Eliminate Pollution of the Arctic (ACAP).</p>
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2. PROJECT OBJECTIVE

State the global environmental objective(s) of the project¹¹

The project's global environment objective is to protect the global marine environment in which the Arctic plays a pivotal role. The more specific objective of the Project is to develop and establish a sustainable framework to reduce environmental degradation of the Russian Arctic from land-based activities on a system basis by implementation of the SAP developed at the first stage of the Project in favor of all Arctic States and global community and to comply with obligations of the Russian Federation under international conventions and agreements taking into account decisions and programmes of the Arctic Council. As such, it would create conditions, which will allow for capital investments to flow in the Russian Arctic in order to ensure long term protection of coastal and marine environment of the Arctic and to address main root causes of trans-boundary pollution in the Russian Arctic.

*Please provide a narrative of progress made towards meeting the project objective(s). Describe any **significant** environmental or other changes attributable to project implementation. Also,*

¹⁰ For Full Size Projects this information is found in the front page of the project Executive Summary; for Medium-Sized Projects the information appears in the MSP brief cover page.

¹¹ Or immediate project objective

*please discuss any major challenges to meet the **objectives** or specific project **outcomes** (not more than 300 words)*

The main achievements of the Project towards meeting the project objectives include:

- ✓ Finalization of the SAP document and its approval by the Maritime Board under the Government of the Russian Federation.
- ✓ PINS component implementation is progressing in all three selected regions of the Russian Arctic: western, central and eastern in accordance with agreed timetable .
- ✓ Work under EPS component started ahead of schedule in 2008. Two stages of EPS Task Team (TT) planned work have been finalised and the TT came up with working document which includes detailed terms of reference for the TT and its members and with a comprehensive review (report) on environmental legislation of Arctic states comparing these with Russian environmental legislation applicable to Russian Arctic. To date, a draft concept of Report to the Government of the Russian Federation with proposals on elimination of gaps in Russian environmental legislation with regard to Russian Arctic zone has also been prepared.
- ✓ During the reported period two demo projects (COMAN and BASES FJL) and three pilot projects (CLEANUP, BIOREMEDIATION and TIKSIBAY) were successfully completed. Implementation of these demo and pilot projects improved environmental situation on a local scale in FJL archipelago (BASES FJL- demo), Murmansk region (BIOREMEDIATION- pilot and CLEANUP- pilot) and in Tiksi Bay region – downstream of Lena river and near its estuary zone (TIKSIBAY- pilot). Implementation of COMAN demo project showed stable improvement of co-management practice of local authorities with the indigenous communities of the North in the Russian Federation and establishment of conditions to ascertain interest balance of the local indigenous population and extracting companies in solving economic and environmental problems.
- ✓ New revision of benchmarks were suggested by EA and were reviewed by StC members at 3rd meeting in Helsinki. The following benchmarks has been approved and adopted as major outcomes for the Project Phase I: 1. Project Management: Project implementation structures established, including Project Office, Project Steering Committee, Project Supervisory Council and Inter-Agency Working Group. 2. Strategic Action Programme: Strategic Action Programme fully developed and endorsed by relevant stakeholders. Diagnostic analysis document prepared and ready for publication in English and Russian. 3. Pre-investment Studies: Hot spots list updated and finalised. Pre-investment studies successfully carried out and interest of financial institutions preliminary confirmed. 4. Improving Environment Protection System: Report on gap analysis of the environmental legislation applicable to the Russian Arctic with recommendations on improvements e Steering Committee prepared and implemented. 5. Project Phase I Evaluation: Project results for all components evaluated by Interagency Working Group. Independent evaluation of the project completed confirming satisfactory prepared and submitted to the Russian Government. 6. Demo and Pilot Projects: Demonstration activities in accordance with the original Project Document fully implemented. New demonstration and pilot projects approved by the Steering Committee are implemented during the Project Phase I. The benchmark #1 was successfully achieved. The benchmark #2 has been generally achieved: Strategic Action Programme fully developed and endorsed by relevant stakeholders (approved by Maritime Board under Russian Federation Government). As far as Diagnostic analysis concerned the work on it is ongoing and the document will have to be completed in November 2009. The benchmark #3: Hot spots list updated and finalised. Pre-investment studies in western, central and eastern parts of Russian Arctic are in progress and interest of some financial institutions preliminary confirmed. Works under PINS component are planned to be completed to November of 2009. The benchmark #4: This project component was started ahead of a schedule and would be completed in December 2009. The benchmark #5: Demonstration activities in accordance with the original Project Document fully implemented. New demonstration and pilot projects approved by the 2nd and 3rd StC meetings are in the pipe line. Some of demo and pilot project will be completed this year (2009) the other - in August-September 2010. The benchmark #6. As per agreement reached at 3rd StC meeting in Helsinki the Project mid-term review will be undertaken by a reviewer contracted by the UNEP DGEF for the period from September 2009 to 27 November 2009. Interagency Working Group will evaluate Project results in the middle of 2010 follow up by independent evaluation on the Project

Please provide a narrative of progress towards the stated GEF Strategic Priorities and Targets if identified in project document ¹² (not more than 200 words)

Under the GEF Strategic Priority IW-3: Balancing overuse and conflicting uses of water resources in surface and groundwater basins that are transboundary in nature – Monitoring improved water use efficiency in demonstrations; and IW-4: Reducing persistent toxic substances and testing adaptive management of waters with melting ice – Monitoring level of reduction of PTS releases at demonstration sites and Industry codes of conduct, possible private sector initiatives for PTS reduction; the current Project is designed for the Russian Federation to substantiate, consistently with its “World Ocean” FTOP initiative, the necessity to institute major changes in legislation, procedures and public attitudes to environmental protection and restoration in the Arctic environment; and to demonstrate that technological barriers can be overcome or that measures aimed at removing barriers can be implemented.

During the reported period the Project made following progress towards the stated GEF Strategic Priorities and Targets:

- Strategic Action Programme has been approved by Maritime Board under the Government of the Russian Federation - a federal governmental body in charge of any efforts of federal authorities in the field of maritime, Arctic and Antarctic activities, e.g. the SAP approved nationally.
- Implementation of the pre-investment studies (PINS) component has been successfully continued in all three selected regions: western, central and eastern Russian Arctic. To date, all three PINS contractors finalised their first and second stages and proceeding to next stages. About 20 pre-investment studies for investment projects has been preliminary selected to date for further development in all three Russian Arctic regions what will result in the long run to correction or prevention of transboundary impacts of land-based activities.
- Three categories of demonstration projects dealing respectively with marine environmental clean up, the transfer of two decommissioned military bases to civilian control, and involving indigenous peoples in environmental and resource management together with several new demo and pilot projects were successfully completed.

The results have been of benefit to the international arctic environment, particularly the Arctic Ocean basin and its shelf seas, and contributing to the two principal international agreements: Arctic Environmental Protection Strategy (AEPS); and the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) as implemented in the Arctic Region through the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA) and the Arctic Council Plan of Action to Eliminate Pollution of the Arctic (ACAP).

¹² Projects that did not include these in original design are encouraged to the extent possible to retrofit specific targets.

3. RATING PROJECT PERFORMANCE AND RISK

Based on inputs by the Project Manager, the **UNEP Task Manager**¹³ will make an overall assessment and provide ratings of:

- (i) Progress towards achieving the project objective(s)- see section 3.1
- (ii) Implementation progress – see section 3.2

Section 3.3 on Risk should be first completed by the Project Manager. The UNEP Task Manager will subsequently enter his/her own ratings in the appropriate column.

3.1 Progress towards achieving the project objective (s)

Project objective and Outcomes	Description of indicator ¹⁴	Baseline level ¹⁵	Mid-term target ¹⁶	End-of-project target	Level at 30 June 2009	Progress rating ¹⁷
Objective¹⁸ Improved management of the Arctic environment in the Russian Federation and clear appreciation of priorities.	1. Adoption of the SAP for the Protection of the Arctic Marine Environment from Land-based Activities by relevant executive authorities of the Russian Federation by the end of Phase I.	The National Action Plan (NAP) for the Protection of the Arctic Marine Environment has been developed and agreed upon.	SAP fully developed and endorsed by relevant stakeholders	Adoption of the SAP for the Russian Arctic as a component of the FTOP 'World Ocean' by the Russian Federation	100 %. The SAP has been adopted by relevant executive authorities - the Maritime Board at the Government of the Russian Federation which was recommended the SAP-Arctic for further promotion by the relevant governmental bodies.	HS

¹³ For joint projects and where applicable ratings should also be discussed with the Task Manager of co-implementing agency.

¹⁴ Add rows if your project has more than 3 key indicators per objective or outcome.

¹⁵ Depending on selected indicator, quantitative or qualitative baseline levels and targets could be used (see Glossary included as Annex 1).

¹⁶ Many projects did not identify Mid-term targets at the design stage therefore this column should only be filled if relevant.

¹⁷ Use GEF Secretariat required six-point scale system: Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU). See Annex 2 which contains GEF definitions.

¹⁸ Add rows if your project has more than 4 objective-level indicators. Same applies for the number of outcome-level indicators.

Project objective and Outcomes	Description of indicator ¹⁴	Baseline level ¹⁵	Mid-term target ¹⁶	End-of-project target	Level at 30 June 2009	Progress rating ¹⁷
	2. The reformed regulatory framework is implemented by local, provincial, federal administrations.	There is an existing regulatory framework, which does not take into consideration the programmatic requirements to be outlined in the SAP and NAP.	Selected lead implementing organization and members of each of the three working groups for the development of the EPS		The survey of the regulatory framework at the local, regional and federal levels has been performed and environmentally sustainable development concerns are incorporated in the SAP. Work on EPS is successfully implemented and to be finalised in December 2008	S
	3. Contributions by the Russian Federation to the AEPS of the Arctic Council (AC). Acknowledgement by the Arctic Council of the SAP as a component of the Regional Programme of Action for the Arctic.	The initiated work of this Project is recognized by the Arctic Council and GPA.	The Russian representative at the AC provides information on the SAP and the minutes of the ACcan indicates the contribution of the SAP to the Arctic Council activities		Progress reports on the Project implementation are delivered to the AC and AC WGs. NPA-Arctic Project is mentioned in all minutes of the AC as well as in Salekhard Declaration of the AC. Presentation on NPA-Arctic project progress was given at 2 nd IGR of GPA	S

Project objective and Outcomes	Description of indicator ¹⁴	Baseline level ¹⁵	Mid-term target ¹⁶	End-of-project target	Level at 30 June 2009	Progress rating ¹⁷
Outcome 1: Finalisation and endorsement of the Strategic Action Programme for the Russian Arctic	By the end of Phase I, review and publication* of the SAP for the Russian Arctic	There is no SAP formulation at the onset of the project.	Adoption of the SAP by relevant authorities	Strategic Action Programme fully developed and endorsed by relevant stakeholders	100%. The forth draft of SAP was submitted to the third StC meeting in March 2009. The final version of SAP document has been adopted by relevant executive authorities - Maritime Board at the Government of the Russian Federation which was recommended the SAP-Arctic for further promotion by the relevant governmental bodies.	HS
Outcome 2: Improved legislation, administrative procedures and institutional capacity for the environmental protection of the Arctic environment.	By the end of Phase I, selection of lead organisations and members of the working groups selected and confirmed.	There is an existing legal, regulatory and administrative framework, which does not take into consideration the programmatic requirements to be outlined in the SAP.	Selected lead implementing organization and members of each of the three working groups for the development of the Environmental Protection System		50%. Ahead of schedule. A draft concept of Report to the Government of the Russian Federation based on comprehensive analysis of Arctic countries environmental legislation with proposals on elimination of gaps in Russian environmental legislation with regard to Russian Arctic zone has been prepared	S-HS

Project objective and Outcomes	Description of indicator ¹⁴	Baseline level ¹⁵	Mid-term target ¹⁶	End-of-project target	Level at 30 June 2009	Progress rating ¹⁷
<p>Outcome 3: Conditions for further interventions and investments to remediate or prevent the degradation of the Arctic Environment are realised.</p>	<p>By the end of Phase I, investments are prepared based on at least 8-10 pre-investment studies and demonstration projects are fully developed and ready for implementation.</p>	<p>The project PDF-B; NEFCO and Russian authorities, respectively issued a list of hot spots. Limited demonstrative activities have been developed or implemented.</p>	<p>Finalisation of the pre-investment studies</p> <p>Demonstration projects are in the process of practical implementation</p>	<p>Conducted pre-investment studies</p> <p>Implemented demonstration projects</p>	<p>70%. PINS component implementation is ongoing process in all three selected regions of the Russian Arctic: western, central and eastern and progressing now in compliance with its timetable.</p> <p>100%+. The demo projects component is actually ahead of schedule – all demonstration activities mentioned in the original Project Document have been completed. In addition, several new demo and pilot projects approved by the 2nd and 3rd meetings of the Project StC were fully designed and pipelined.</p>	<p>S-HS</p>

Project objective and Outcomes	Description of indicator ¹⁴	Baseline level ¹⁵	Mid-term target ¹⁶	End-of-project target	Level at 30 June 2009	Progress rating ¹⁷
Outcome 4: Successful establishment of the project implementation structure, incl. Project Office, Project Steering Committee, Project Supervisory Council (Phase I benchmark)	All project implementation units are functional and deliver expected outcomes on time.	There was no project structure before.	Successful establishment of Project implementation structure, including Project Office, Project Steering Committee, Project Supervisory Council, and Russian IAWG.	Successful establishment of Project implementation structure, including PO, Project StC, Project SC, and Russian IAWG	100%. All project implementation units have been successfully established	HS

Overall rating of project progress towards meeting project objective(s) (*To be provided by UNEP GEF Task Manager. Please include columns to reflect all prior year ratings*)

FY2008 rating	FY2009. rating	Comments/narrative justifying the current FY rating and explaining reasons for change (positive or negative) since previous reporting periods
S	S-HS	During the period of July 2008 to June 2009, considerable progress has been made towards achieving project's objectives - developing and establishing a sustainable framework to reduce environmental degradation of the Russian Arctic from land-based activities on a system basis. The SAP was adopted by the high-level governmental body and recommended to be integrated into other environmental governmental programmes in the Russian Arctic. In addition, key demo and pilot projects has been completed and finalized. Additional demo and final projects started in 2008 have been either finalized or being at a final stage of implementation. Other demo and pilot projects started in 2009 have been making satisfactory progress. PINS and EPS components are under implementation. Project data has been utilized to fill up substantive parts of the FTOP "World Ocean" relating to Arctic issues.

Action plan to address MS, MU, U and HU rating (*To be completed by UNEP GEF Task Manager in consultation with Project Manager*)

Action(s) to be taken	By whom?	By when?

Action(s) to be taken	By whom?	By when?

This section should be completed if project progress towards meeting **objectives** was rated MS, MU, U or HU during the previous Project Implementation Review (PIR) or by the Mid-term Review/Evaluation (*To be completed by Project Manager*).

Problem(s) identified in previous PIR	Action(s) taken	By whom	When
Outcome 2.- MS. 20%. Tender documents including ToRs for WG consultants' selection were prepared. Tenders are planned for July-August 2008. Major work on EPS is planned from September 2008 to be finalised in June 2009	Tendering process was completed, contracts with EPS consultants were signed, work on the EPS component is progressing quite successfully and should be completed to December 2009.	PO	October-December 2008
Outcome 3(1)- MS. 40%. Three tenders for preparation of regional PINS were held and the selection process was completed. Three LCO for PINS implementation in western, central and eastern parts of Russian Arctic were selected and contracts for all three tender winners have been prepared.	All contracts with LCOs were signed and works in all three regions of the Russian Arctic have been developing in accordance with timetable. PINS component planned to be finalised to December 2009.	PO	September-November 2008

3.2 Project implementation progress

Outputs ¹⁹	Expected completion date ²⁰	Implementation status as of 30 June 2009 (%)	Comments if variance ²¹ . Describe any problems in delivering outputs	Progress rating ²²

¹⁹ Outputs and activities as described in the project logframe or in any updated project revision.

Outputs ¹⁹	Expected completion date ²⁰	Implementation status as of 30 June 2009 (%)	Comments if variance ²¹ . Describe any problems in delivering outputs	Progress rating ²²
Output 1: Preparation and adoption of a comprehensive Strategic Action Programme for the Russian Arctic	June 2009	100	Completed	HS
Activity 1: Development of financial mechanisms of the SAP implementation	September 2007	100	Completed	HS
Activity 2: Preparation of scoping report on regional SAP sub-programs with recommendations for SAP	June 2008	100	Completed. Regional sub-programmes are included in SAP	HS
Activity 3: Strategic environmental assessment on the SAP	April 2007	100	Completed.	HS
Activity 4: Diagnostic analysis of environmental situation in Arctic region	October-November 2008	95	Analysis is completed; Work on the publication summarizing results of the analysis planned to be completed to November 2008. The work was delayed due to other commitments of the project office.	S
Activity 5: Causal chain analysis	November 2007	100	Completed	HS
Activity 6: Stakeholder analysis and development of public involvement. Information to stakeholders and communication strategy to public on project results	December 2008	100	Completed Initially was planned to be executed by ACOPS.	HS
Activity 7: Preparation of the first draft of the SAP	August 2007	100	Completed	HS
Activity 8: Preparation of the second draft of the SAP.	Dec. 2007	100	Completed	HS
Activity 9: Review of the second draft of the SAP by federal and regional executive authorities.	June 2008	100	Completed	HS
Activity 10: Preparation of the third draft of the SAP	Sept. 2008	100	Completed	HS
Activity 10.1: Preparation of the fourth draft of the SAP	Feb. 2009	100	Completed	HS

²⁰ As per latest workplan (latest project revision)

²¹ Variance refers to the difference between the expected and actual progress at the time of reporting.

²² To be provided by the UNEP Task Manager

Outputs ¹⁹	Expected completion date ²⁰	Implementation status as of 30 June 2009 (%)	Comments if variance ²¹ . Describe any problems in delivering outputs	Progress rating ²²
Activity 10.2: Preparation of the SAP final document	May 2009	100	Completed	HS
Output 2: Completion of a set of Pre-investment studies (PINS)	June 2008			S
Activity 11: Update and review of the existing hot spots identified at PDF-B stage	July 2007	100	Completed	S
Activity 12: Preparation of Guidelines on conduction of pre-investment studies	August 2007	100	Completed	S
Activity 13: Development of criteria for selection of hot spots for which PINS will be prepared	August 2007	100	Completed	S
Activity 14: Hot spots screening and selection. Preparation of the list of potential pre-investment studies.	October 2007	100	Completed	S
Activity 15: Preparation of tenders dossiers and ToRs for three lead cooperating organisations.	January 2008	100	Completed	S
Activity 16: Selection of three LCO for the conduction of PINS. Concluding the contracts with bid-winners	September 2008	100	Completed	S
Activity 16.1: Completion of a set of Pre-investment studies (PINS)	Oct.-Nov. 2009	40-50	All three LCOs finalised second stages of their studies	MS
Output 3: Environmental Protection System improvements (EPS)	June 2008			S/HS
Activity 17: Proposals for and selection of the Co-ordinator of the Task Team on Implementation of the SAP (TT EPS).	Septemr 2008	100	Completed	HS
Activity 18: Proposals for and selection of TT members.	Sept. 2008	100	Completed	HS
Activity 18.1: Contract with coordinator of TT EPS prepared and signed	October 2008	100	Completed	HS
Activity 18.2: Contracts with TT EPS members prepared and signed	October 2008 - June 2009	95	Contract with one consultant not signed yet	S
Activity 18.3: Elaboration of proposals on improvements of Russian legislation for Environmental Protection System (EPS). Submitting of these proposals to relevant executive authorities	December 2009	50	Working document and International analysis both are completed. Draft concept of Report to the Government with	S

Outputs ¹⁹	Expected completion date ²⁰	Implementation status as of 30 June 2009 (%)	Comments if variance ²¹ . Describe any problems in delivering outputs	Progress rating ²²
			proposals on elimination of gaps in Russian environmental legislation was prepared.	
Output 4: Rehabilitation of the Environment by Use of Brown Algae (Demonstration Project CLEANUP)	November 2007			HS
Activity 19: Preparation of ToR and conduction of the tender and preparation of the contract with the lead cooperating organisation for the CLEANUP pilot project. Signing of contract	August 2007	100	Completed	HS
Activity 20: Preparation and review of Progress Report to be considered at the Second Meeting of the WG	October 2008	100	Completed	HS
Activity 20.1: Finalisation of the project	August 2009	95	Final report on the project is prepared and is under consideration by the EA	S
Output 5: Environmental Remediation of Two Decommissioned Military Bases (Demonstration Project BASES)				HS
Activity 21: Review of the working document at the First Meeting of the WG BASES, Moscow	July 2007	100	Completed	HS
Activity 22: Preparation of ToR and conduction of the tender and preparation of the contract with the lead cooperating organisation for the BASES demo project. Signing of contract	August 2007	100	Completed	HS
Activity 23: Preparation and Review of Progress Report to be considered at the Second Meeting of the WG BASES	December 2008	95	Completed. Final report is in process of final revision to address comments of PO and EA	S
Output 6: Indigenous Environmental Co-management (Demonstration Project COMAN)				HS
Activity 24: Preparation of ToR and conduct of the tender and preparation of the contract with the lead cooperating organisation for COMAN demo project.	October 2007	100	Completed	HS

Outputs ¹⁹	Expected completion date ²⁰	Implementation status as of 30 June 2009 (%)	Comments if variance²¹. Describe any problems in delivering outputs	Progress rating²²
Signing of contract				
Activity 25: Preparation and Review of Progress Report to be considered at the Second Meeting of the WG COMAN	November 2008	100	Completed	HS
Activity 25.1: Finalisation of the project	Feb. 2009	100	Completed	HS
Output 7: New Pilot projects				HS
Activity 26: Preparation of project documentation for pilot projects	1-2 quarters of 2008	100	Completed	HS
Activity 27: Contracting companies on selected pilot projects (preparation of tenders where applicable)	3-4 quarters of 2008	100	Completed	HS
Activity 28: Final evaluation of conducted pilot projects and their replicability potential	3-4 quarters of 2008	70	Three of the projects have been successfully finalised; Several other approved by StC pilot projects are in stage of preparation, tendering and contracting.	S

Overall project implementation progress²³ *(To be completed by UNEP GEF Task Manager. Please include columns to reflect prior years' ratings):*

FY08 rating	FY09 rating	Comments/narrative justifying the rating for this FY and any changes (positive or negative) in the rating since the previous reporting period
S	S/HS	The project EA, PO, and partner agencies have made impressive progress in implementing the planned activities during the reporting period, albeit delays and institutional constraints since the Inception. The SAP is approved by relevant executing authorities. Project results were used to substantively support the section on "Environmental Security" of sub-program "Arctic" of the Federal Targeted Program "World Ocean". PINS component has been started and successfully progressing. Work on EPS component started and progressing well. The demonstration projects component has been started ahead of the planned schedule.

²³ Use GEF Secretariat required six-point scale system: Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU)

Action plan to address MS, MU, U and HU rating. *(To be completed by UNEP Task Manager in consultation with Project Manager²⁴)*

Action(s) to be taken	By whom?	By when?

This section should be completed if project **progress** was rated MS, MU, U or HU during the previous Project Implementation Review (PIR) or by the Mid-term Review/Evaluation *(To be completed by Project Manager)*.

Problem(s) identified in previous PIR	Action(s) taken	By whom	When

3.3. Risk

There are two tables to assess and address risk: the first “risk factor table” to describe and rate risk factors; the second “top risk mitigation plan” should indicate what measures/action will be taken with respect to risks rated **Substantial** or **High** and who is responsible to for it.

RISK FACTOR TABLE
<p><i>Project Managers will use this table to summarize risks identified in the Project Document and reflect also any new risks identified in the course of project implementation. The <u>Notes</u> column should be used to provide additional details concerning manifestation of the risk in your specific project, as relevant. The “Notes” column has one section for the Project Manager (PM) and one for the UNEP Task Manager (TM). If the generic risk factors and indicators in the table are not relevant to the project rows should be added. The UNEP Task Manager should provide ratings in the right hand column reflecting his/her own assessment of project risks.</i></p>

				Project Manager Rating	Notes	Task Manager Rating

²⁴ UNEP Fund Management Officer should also be consulted as appropriate.

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
INTERNAL RISK																
Project management																
Management structure	Stable with roles and responsibilities clearly defined and understood	Individuals understand their own role but are unsure of responsibilities of others	Unclear responsibilities or overlapping functions which lead to management problems	X						PM: Good management structure with defined roles & responsibilities of network members maintained and operational TM: Roles and responsibilities clearly defined and understood	x					
Governance structure	Steering Committee and/or other project bodies meet periodically and provide effective direction/inputs	Body(ies) meets periodically but guidance/input provided to project is inadequate. TOR unclear	Members lack commitment Committee/body does not fulfil its TOR	X						PM: Project StC meeting held in March 2009 and two IAWG meetings held in February and May 2009 provided effective directions and inputs TM: Stable with functions and support of the Committee	x					
Internal communications	Fluid and cordial	Communication process deficient although relationships between team members are good	Lack of adequate communication between team members leading to deterioration of relationships and resentment	X						PM: Fluid and cordial TM:	x					

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
INTERNAL RISK																
Project management																
Work flow	Project progressing according to work plan	Some changes in project work plan but without major effect on overall timetable	Major delays or changes in work plan or method of implementation	X						PM: Some changes in project work plan adopted by the Project Steering Committee but without major effect on overall implementation. The Project Phase I grew actually into full-scale project which embraced both phases envisaged in the original Project Document. TM:	x					
Co-financing	Co-financing is secured and payments are received on time	Is secured but payments are slow and bureaucratic	A substantial part of pledged co-financing may not materialize	X						PM: Planned and agreed finances from Iceland and USA are transferred to UNEP for Project needs TM:	x					
Budget	Activities are progressing within planned budget	Minor budget reallocation needed	Reallocation between budget lines exceeding 30% of original budget	X						PM: Project is within budget though some reshuffling of the original budget has been undertaken with permission of the Project StC . TM:	x					

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
INTERNAL RISK																
Project management																
Financial management	Funds are correctly managed and transparently accounted for	Financial reporting slow or deficient	Serious financial reporting problems or indication of mismanagement of funds	X						PM: Funds are correctly managed and transparently accounted for. Detailed financial reports are available in Half Yearly reports. TM:	x					
Reporting	Substantive reports are presented in a timely manner and are complete and accurate with a good analysis of project progress and implementation issues	Reports are complete and accurate but often delayed or lack critical analysis of progress and implementation issues	Serious concerns about quality and timeliness of project reporting	X						PM: Substantive reports by Project Office are presented in a timely manner and are complete and accurate with a good analysis of project progress and implementation issues TM: PO/EA provided quality and timely information regarding activity implementation	x					
Stakeholder involvement	Stakeholder analysis done and positive feedback from critical stakeholders and partners	Consultation and participation process seems strong but misses some groups or relevant partners	Symptoms of conflict with critical stakeholders or evidence of apathy and lack of interest from partners or other	X						PM: Positive feedback from critical stakeholders and partners is achieved during regional consultations and round table discussions, presentations at different meetings inside and outside Russia	x					

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
INTERNAL RISK																
Project management																
			stakeholders							TM:						
External communications	Evidence that stakeholders, practitioners and/or the general public understand project and are regularly updated on progress	Communications efforts are taking place but not yet evidence that message is successfully transmitted	Project existence is not known beyond implementation partners or misunderstandings concerning objectives and activities evident	X						PM: The project website http://npa-arctic.ru is maintained properly. All important events are reflected in the website in due time. Aimed at consolidating and strengthening partner network, disseminating project outputs, and sharing experiences and lessons learned. Project website is updated regularly by PO staff. Detailed information for all demonstration sites and project activities easily accessible online. Regional round-tables are additional source of external communication. Information on project is regularly published in regional mass-media	x					
										TM:						

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
INTERNAL RISK																
Project management																
Short term/long term balance	Project is addressing short term needs and achieving results with a long term perspective, particularly sustainability and replicability	Project is interested in the short term with little understanding of or interest in the long term	Longer term issues are deliberately ignored or neglected	X						PM: Project is meeting short-term needs and results with a long-term perspective TM: while address short-term problems, the results also provide long-term benefits in terms of sustainable and replicable lessons	x					
Science and technological issues	Project based on sound science and well established technologies	Project testing approaches, methods or technologies but based on sound analysis of options and risks	Many scientific and /or technological uncertainties	X						PM: Leading Russian scientists participated in the Project implementation particularly in the SAP development and demo projects preparations. External scientific expertise is attracted in case of some scientific uncertainties. TM	x					
Political influences	Project decisions and choices are not particularly politically driven	Signs that some project decisions are politically motivated	Project is subject to a variety of political influences that may jeopardize project objectives	X						PM: Project decisions and choices are not politically driven. TM	x					
Other, please specify. Add rows as										PM						

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating						
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined	
INTERNAL RISK																	
Project management																	
necessary										TM							

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
EXTERNAL RISK																
Project context																
Political stability	Political context is stable and safe	Political context is unstable but predictable and not a threat to project implementation	Very disruptive and volatile	X						PM: There is no visible political instability on the project life time TM:	x					
Environmental conditions	Project area is not affected by severe weather events or major environmental stress factors	Project area is subject to more or less predictable disasters or changes	Project area has very harsh environmental conditions		X					PM: Project is implemented in Russian Arctic sometimes under severe weather conditions, however no extraordinary weather events happened in areas of planned project activities so far. Nevertheless, in theory, harsh Arctic climate conditions can effect on field implementation of some demo/pilot projects. TM: Knowledge of environmental condition in the project areas should be taken into consideration when planning and implementing activities		x				

Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Project Manager Rating						Notes	Task Manager Rating					
				Low	Medium	Substantial	High	Not Applicable	To be determined		Low	Medium	Substantial	High	Not Applicable	To be determined
EXTERNAL RISK																
Project context																
Social, cultural and economic factors	There are no evident social, cultural and/or economic issues that may affect project performance and results	Social or economic issues or changes pose challenges to project implementation but mitigation strategies have been developed	Project is highly sensitive to economic fluctuations, to social issues or cultural barriers	X						PM: No evidence of social and/or cultural events affects project activities. TM:	x					
Capacity issues	Sound technical and managerial capacity of institutions and other project partners	Weaknesses exist but have been identified and actions is taken to build the necessary capacity	Capacity is very low at all levels and partners require constant support and technical assistance	X						PM: Project ExA is a very reputable and influential Russian ministry. Other partners involved in the project implementation process are also reputable institutions. Scientific and technical capacity is high for all project components TM:	x					
Others, please specify																

If there is a significant (over 50% of risk factors) discrepancy between Project Manager and Task Manager rating, an explanation by the **Task Manager** should be provided below

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TOP RISK MITIGATION PLAN
Rank – importance of risk Risk Statement – potential problem (condition and consequence) Action to take – action planned/taken to handle the risk Who – person(s) responsible for the action Date – date by which action needs to be or was completed

Rank	Risk Statement ²⁵		Action to Take	Who	Date
	Condition	Consequence			
No visible essential risks					

Project overall risk rating (Low, Medium, Substantial or High) (*Please include PIR risk ratings for all prior periods, add columns as necessary*):

FY08 rating	FY09 rating	Comments/narrative justifying the current FY rating and any changes (positive or negative) in the rating since the previous reporting period
L	L	The success achieved to date in the implementation of the project is directly related to sustained political commitment at federal and regional levels, ensuring the adequate extent of the project ownership, to the broad-based public support, including support of indigenous communities it has received as well as to closer cooperation with existing and planned programmes and projects in Arctic region. The maintenance of this support requires effective dissemination of accurate information about the objectives, achievements and challenges of the project. The broad support is critical for mobilization of domestic resources and obtaining commitments from municipalities, local NGOs and companies of all forms of ownership. A great deal of efforts has been undertaken in this direction by PO, EA and IA. Project has being received full support and technical backstopping by the EA (Russian Ministry of Economic Development) that assures that project recommendations will be taken at the highest level possible and future interventions will be sustainable. Provisions of draft SAP are taking into account in FTOP “The World Ocean” for 2008-2012 and in other documents related to the Russian Arctic.

²⁵ Only for Substantial to High risk.

If a risk mitigation plan had been presented for a previous period or as a result of the Mid-Term Review/Evaluation please report on progress or results of its implementation

RATING MONITORING AND EVALUATION

Based on the answers provided to the questions in 4.1, 4.2 and 4.3 below, the **UNEP Task Manager** will provide ratings for the following aspects of project monitoring and evaluation:

- (i) Overall **quality** of the Monitoring & Evaluation plan
- (ii) Performance in the **implementation** of the M&E plan

4.1. Does the project M&E plan contain the following:

- Baseline information for each outcome-level indicator Yes No
- SMART indicators to track project outcomes Yes No
- A clear distribution of responsibilities for monitoring project progress. Yes No

4.2. Has the project budgeted for the following M&E activities:

- Mid-term review/evaluation Yes No
- Terminal evaluation Yes No
- Any costs associated with collecting and analysing indicators' related information Yes No

Please rate the **quality** of the project M&E plan (use HS, S, MS, MU, U, HU): S

4.3 Has the project:

- Utilized the indicators identified in the M&E plan to track progress in meeting the project objectives; Yes No
- Fulfilled the specified reporting requirements (financial, including on co-financing and auditing, and substantive reports) Yes No
- Completed any scheduled MTR or MTE before or at project implementation mid-point; Yes No
- Applied adaptive management in response to M&E activities Yes No
- Implemented any existing risk mitigation plan (see previous section) Yes No

Please rate the performance in **implementing** the M&E plan (use HS, S, MS, MU, U, HU): S

4.4. Please describe activities for monitoring and evaluation carried out during the reporting period²⁶

One StC and two IAWG meetings were held with the purpose of evaluating PO activities and Project implementation progress and also to solve any uncertainties and problems. Detailed reports for all meetings with all associated documentation distributed among all interested parties and uploaded on the Project website: <http://npa-arctic.ru>.

The PO scrutinised all technical reports prepared by the project consultants and LCOs. After that, most of the technical reports were reviewed by EA (through its Project advisor) and IA. From the other hand, all documentations issued by PO were also under thorough quality control by both EA and IA. These include Half yearly, Quarterly and PIR reports, all financial documents. Packages of necessary documents for all project consultants tenders as well as for LCOs for pilot projects and three PINS tenders and contracts have been prepared by PO in close cooperation with both EA and IA. EA and IA representatives participated in most of meetings and workshops held by PO. All versions of the SAP document and its separate chapters and sections were closely reviewed also by the representatives of both agencies. With the purpose of quality control improving EA, IA and PO were held several meetings.

4.5. Provide information on the quality of baseline information and any effects (positive or negative) on the selection of indicators and the design of other project monitoring activities

Quality of baseline information was quite satisfactory and positively effected on the selection of indicators and the design of other project monitoring activities

4.6. Provide comments on the usefulness and relevance of selected indicators and experiences in the application of the same.

The indicators are useful and relevant to the Project purposes

4.7. Describe any challenges in obtaining data relevant to the selected indicators; has the project experienced problems to cover costs associated with the tracking of indicators?

The Project has never experienced any challenges in obtaining data relevant to the selected indicators

4.8. Describe any changes in the indicators or in the project intervention logic, including an explanation of whether key assumptions²⁷ are still valid

The Project on its lifetime evolved from Phase I into full scaled project which includes virtually all activities envisaged in Project Document for both Phase I and II the third meeting of the Project StC decided to change original benchmarks in PD into new ones which correspond more to the new realities.

4.9. Describe how potential social or environmental negative effects are monitored

PO has constant feedback with local authorities and LCOs implementing Project activities (demo/pilot project and PINS) in the field.

²⁶ Do not include routine project reporting. Examples of M&E activities include stakeholder surveys, field surveys, steering committee meetings to assess project progress, peer review of documentation to ensure quality, etc.

²⁷ Assumptions refer to elements of the “theory of change” or “intervention logic” (*i.e., the problem is a result of A, therefore, if we change B, this will lead to C*) and not to pre-conditions for project implementation. It is a common mistake to include statements such as “political will” as an assumption. This is rather a necessary condition to implement the project.

4.10. Please provide any other experiences or lessons relevant to the design and implementation of project monitoring and evaluation plans.

4. PROJECT IMPLEMENTATION EXPERIENCES AND LESSONS

5.1. Please summarize any experiences and/or lessons related to project design and implementation. Please select relevant areas from the list below:

- Conditions necessary to achieve global environmental benefits such as (i) institutional, social and financial sustainability; (ii) country ownership; and (iii) stakeholder involvement, including gender issues.
- Institutional arrangements, including project governance;
- Engagement of the private sector;
- Capacity building;
- Scientific and technological issues;
- Interpretation and application of GEF guidelines;
- Factors that improve likelihood of outcome sustainability;
- Factors that encourage replication, including outreach and communications strategies;
- Financial management and co-financing.

The success of the project depends on degree of involvement of top-level stakeholders from governmental institutions at federal and regional level, the implementation of the activities at the regional level as well as on proper channeling contributions from donors and from the Russian stakeholders for the project needs. Bearing this in mind, during the reporting period for the project implementation Project Office continued to pay special attention to defining clear procedures of project management mechanisms and administrative procedures. Special emphasis was also given to establish good working relations with the Arctic regions of the Russian Federation.

The success achieved to date in the implementation of the project is directly related to sustained political commitment at federal and regional levels, ensuring the adequate extent of the project ownership, to the broad-based public support, including support of indigenous communities it has received as well as to closer cooperation with existing and planned programmes and projects in Arctic region. The maintenance of this support requires effective dissemination of accurate information about the objectives, achievements and challenges of the project. The broad support is critical for mobilization of domestic resources and obtaining commitments from municipalities, local NGOs and companies of all forms of ownership. A great deal of efforts has been undertaken in this direction by PO, EA and IA however it should be noted that the dissemination of information on project implementation requires further improvement.

Project has being received full support and technical backstopping by the Executing Agency (Russian Ministry of Economic Development) that assures that project recommendations will be taken at the highest level possible and future interventions will be sustainable. Provisions of draft SAP are taking into account in FTOP "The World Ocean" for 2008-2012 and in other documents related to the Russian Arctic.

Amongst other lessons learned the following should be noted:

Institutional arrangements, including project governance

- Closer cooperation amongst existing and planned programmes that address the impact of various sources and activities on the Arctic marine and coastal environments is needed. Information on the Project was presented at the Arctic Council ministerial meeting as well as to Senior Arctic Officials and PAME Working Group. Russian NPA-Arctic activity is noted in Salekhard Declaration, SAOs' Report to Ministers, Arctic Marine Strategic Plan and work plan of PAME for 2006-2008. The work of several other Arctic Council Working Groups, first of all ACAP, is very pertinent to the NPA-Arctic and Project Office should consider how these sources of expertise could be best incorporated. Provisions of SAP were used in the preparation of Russian proposals for the PSI of the Arctic Council. Establish closer co-operation with existing initiatives
- The compatibility of NPA-Arctic that corresponds to related governmental obligations under the Arctic Council, the GPA, different conventions and other pertinent intergovernmental agreements as well as reflection of the national practices needs to be considered by Project Office, PINS and EPS WGs. SAP endorsement procedure should accommodate both, national and international practices. NPA-Arctic GEF project developed Approved SAP document incorporated elements of the Federal Targeted Programme (regional interventions matrix with cost estimates and financial sources) keeping at the same time internationally recognized elements of such documents (e.g., causal chain analysis)
- Key federal and regional bodies' technical support in the process of finalisation of diagnostic analysis of current state of Arctic environmental situation is of very high importance. Regional and federal authorities provided necessary information (copies of latest reports on environmental protection for the regions, other information specifically requested by the Project Office). Scheduled meetings to the Arctic regions could be useful to fill the gaps in.
- Information on the project should be further disseminated at the widest possible levels through mass-media, including regional sources. Scheduled meetings to the Arctic regions will provide further impetus to this process. Information on NPA-Arctic and first of all on approved SAP is planned for SAOs of the Arctic Council. To date the Project web-site allows interactive communication and provides the basis for long-term dialogue and for the continuous participation of regional stakeholders in the Project. To use regional sources of information to provide broader dissemination of information on the Project.

Financial management and co-financing

- Project is executed in the framework of the Agency Agreement between Ministry of Economic of the Russian Federation (Trustee) and the Legal Entity "Executive Directorate of the Russian National Pollution Abatement Facility" (Agent), which did not provide a Power of Attorney to the PM for procurement of goods, works and services, including awarding of contracts with Russian and international consultants under the Project, members of task teams and working groups, and leading organizations, etc. and raised additional requirements not specified in the Agreement. This results sometimes in delay with payments of consultants contracts, etc. Problems with the Commission for Humanitarian and Technical Assistance under the Government of the Russian Federation also contributes in the delay with sub-projects funding resulting in delay of these projects implementation. Executing Agency keeps too long submitted reports and other documents slowing down the Projects implementation.

The following advantages can be formulated:

- Sustainable political commitment at federal and regional levels ensuring the adequate level of project ownership;
- Broad public involvement including organizations of indigenous people of North;
- Formal and informal communication mechanisms for exchange of information, which have been developed;
- Institutional procedures and structures have been established for long-term dialogue and for the continuous participation of multiple-stakeholders.
- Creation of the Project website that helps in the Project publicity: <http://npa-arctic.ru> . The website should become a forum on Arctic environmental issues. Wide use of photo and video materials on website helps in visualization of the project activities and its further promotion.

The following disadvantages or weaknesses can be noted:

- Relatively small involvement at this stage of industrial companies of different ownership in the process. ExA invited several large companies to participate in the Project implementation and to hold negotiations on this issue. Positive responses were received. Representatives of four largest industrial companies operating in the Arctic were included in the IAWG.
- Insufficient capacities of the Project Office staff. Project Office organizes and coordinates all the activities, prepares all ToRs for task teams, working groups, individual consultants, website maintenance etc. More to it, all these documents should be prepared in English and Russian, which require additional human resources and time. More active involvement of working groups' coordinators in preparation of ToRs for consultants and meetings of working groups is needed. Delays with consideration of documents by ExA causes sometimes delays in project implementation.
- Insufficient experience of ExA in implementation of large-scale international programs/projects that often concentrated on minor revisions of reports prepared by Consultants which resulted in delays in project implementation.