

**Transboundary Joint Secretariat
for the Southern Caucasus**

Promoting cooperation in nature conservation



Terms of Reference

**Transboundary Joint Secretariat for Nature Conservation in the
Southern Caucasus**

Phase II (2011 – 2015)

CONTENTS

1. GENERAL OUTLINE AND SCOPE OF TENDERED SERVICES
2. BACKGROUND INFORMATION
 - 2.1 INFORMATION ON NATURE CONSERVATION ACTIVITIES IN THE CAUCASUS
 - 2.2 INFORMATION ON THE ECOREGIONAL PROGRAMME FUNDED BY THE GERMAN GOVERNMENT
 - 2.3 INFORMATION ON THE CURRENT SITUATION OF THE TJS- PHASE I
3. OBJECTIVES AND CONCEPT OF THE TJS
 - 3.1 INTERFACES AND AREAS OF COOPERATION BETWEEN THE TJS AND OTHER ACTORS
 - 3.1.1 Partner organisations
 - 3.1.2 Implementation Consultants of individual PA projects
 - 3.2 OBJECTIVE OF THE TJS AND PRINCIPLES OF IMPLEMENTATION -PHASE II
 - 3.3 SUPPORT TO CPAF
 - 3.4 CONTRIBUTION TO THE FUTURE CONCEPT OF THE ECOREGIONAL PROGRAMME
 - 3.5 MEASURES TO FACILITATE THE EXCHANGE OF KNOWLEDGE
 - 3.6 SERVICES FOR OTHER ENTITIES OF THE GERMAN GOVERNMENT
 - 3.7 DEVELOPMENT OF A CONCEPT FOR THE FUTURE ACTIVITIES OF THE TJS
4. LOCATION, ORGANISATIONAL SET.UP, STAFF INPUT, FINANCIAL RESOURCES
 - 4.1 CONTRIBUTIONS OF MINISTRIES AND KFW
5. REPORTING
 - 5.1 PLANS OF OPERATIONS
 - 5.1.1 Project implementation plan
 - 5.1.2 Annual plans of operations
 - 5.2 REPORTS
 - 5.2.1 Monthly Reports
 - 5.2.2 Inception Report
 - 5.2.3 Semi-Annual Reports
 - 5.2.4 Final Report
 - 5.2.5 Special Reports

1. GENERAL OUTLINE AND SCOPE OF TENDERED SERVICES

KIW is looking for a consulting firm (hereinafter: consultant) to fully operate and manage the "Transboundary Joint Secretariat" (TJS), a supra regional coordinating body located in Tiflis/Georgia which aims at supporting the ministries of environment of Armenia, Georgia and Azerbaijan in their endeavours in the sectors of nature conservation and socio-economic development. The main target of the TJS is to increase regional cooperation, sector harmonization and sector development between the three countries. The TJS was first established in 02/2007 and is about to enter a new phase. This second phase starts in May 2010. The German Government and KIW expect that in its second phase the TJS will substantially contribute to the further development and implementation of sector activities and sector concepts for the Caucasus region.

The TJS is staffed exclusively with personnel provided by the consultant. Additionally, the TJS is supported by a person (so called "Focal Point") in each participating country (Armenia, Azerbaijan and Georgia) who will be nominated by the respective ministries of environment.

For the services to be provided, KIW proposes to conclude an 18 months consultancy agreement with the option to extend the contract by further 30 months. For the entire period of 48 months, KIW holds an overall project budget of EUR 3.5 million for the TJS; EUR 1 million for the initial 18 months and additional 2.5 million for the intended subsequent months. The position for consultancy services within this total budget of EUR 3.5 million amounts to a maximum of EUR 1.9 million; financial proposals exceeding this amount will be excluded. The remaining project budget of a maximum of EUR 1.6 million is held in an operational fund (EUR 930,000) and contingencies). The operational fund is provided to finance special project activities which in detail are yet to be agreed with KIW and the three ministries of environment in an annual operation plan.

2. BACKGROUND INFORMATION

2.1 INFORMATION ON NATURE CONSERVATION ACTIVITIES IN THE CAUCASUS

The Southern Caucasus is a region of unique biological diversity. This biodiversity is severely threatened by poaching, overgrazing, logging and uncontrolled urban development. Many of these threats and challenges are common to the entire ecoregion and can better be addressed on a regional level. All countries in the region have ratified the Convention on Biological Diversity (CBD) and other relevant international agreements. By this they have signalled their commitment to nature conservation and have undertaken relevant responsibilities. The German Government supports Georgia, Armenia and Azerbaijan in the discharge of these responsibilities. *inter alia*, through cooperation efforts with funds from the Federal Ministry for Economic Cooperation and Development (Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung or BMZ). Both German Financial Cooperation and German Technical Cooperation are involved in the Development Cooperation (DC) programme "Conservation and Sustainable Use of Natural

Resources in the Southern Caucasus Region" ("Erhaltung und nachhaltige Nutzung der natOrlichen Ressourcen im SOdlichen Kaukasus"), which is being financed by the BMZ in the framework of the Caucasus Initiative¹.

Within these DC programmes, Germany calls its Financial Cooperation programme "Ecoregional Nature Protection Programme for the Southern Caucasus" (Okoregionales Naturschutzprogramm SOdkaukasus; also "Ecoregional Programme"). The Ecoregional Programme is being financed by BMZ through KfW. It aims to preserve the biodiversity in the Southern Caucasus in the long term and to harmonise the resource protection objectives and instruments through cross-border cooperation among the respective national environmental actors. With its efforts and activities the TJS is expected to contribute to further develop mutual trust between the three countries, finally helping to reduce political tensions in the politically unstable Southern Caucasus region.

Current experience indicates that it is possible to run the technical dialogue with the relevant organisations smoothly despite apparent political restrictions. It seems that in this respect, the subject of biodiversity has an advantage over others. Due to the relatively small size of the targeted countries, a number of issues apply cross-border for the entire region. They bear comparatively limited conflict potential because they are of relatively minor economic interest.

Regional cooperation is also promoted through the activities of various national and international non-government-organisations (NGOs). Despite these common efforts, however, it remains a challenge to transfer results of technical input into a political dialogue intending to contribute to crisis prevention.

2.2 INFORMATION ON THE ECOREGIONAL PROGRAMME FUNDED BY THE GERMAN GOVERNMENT

The Ecoregional Programme contributes to the Millennium Development Goals (MDG) No 1 and 7.

Objectives of the Ecoregional Programme are to:

1. Reduce the pressure on land use at the selected locations;
2. Support the sustainable socio-economic development of the local population in harmony with nature;
3. Support and further develop an eco-regional model for conserving biodiversity in the Southern Caucasus region;
4. Contribute to the sustainable financing of the conservation area system of the three partner countries.

Components being implemented through the Ecoregional Programme:

- a) *Support to individual protected area projects (individual PA projects)*

¹ BMZ. 2005. The Caucasus Initiative: Encouraging understanding. BMZ Materials No 138
<http://www.bmz..de/en/service/infothek/fach/materialien/138Kaukasusengi.pdf>

BMZ. 2006. Nature Protection in the Caucasus. BMZ Topics No 156
http://www.bmz..de/en/service/infothek/fach/materialien/156_Naturschutz_Kaukasus_enql_.pdf

Since 1999, seven individual protected area projects have been jointly implemented or alternatively are in preparation. Each project is supported by an implementation consultant. The individual PA projects have a strong impact on reducing the pressure on natural resources through very tangible measures. At the same time these projects make a contribution to improving the socio-economic conditions of the local population. Conceptually the individual PAs want to find a balance between the protection and use of natural resources on the one hand and the necessary direct involvement of the local population on the other hand.

b) Financing contributions to the Caucasus Protected Areas Fund (CPAF)'

The protected area systems in the Southern Caucasus lack funds for capital spending and to meet their operations costs. The environmental trust fund "CPAF" is an international foundation pursuant to German law. It is open to participation of all donors. The CPAF disposes of an endowment capital of currently EUR 8.4 million to which the German Government contributed EUR 5 million. The Governments of Georgia, Armenia and Azerbaijan can apply to the CPAF for grants to co-finance the running costs of selected protected areas and for the preparation of management plans. The CPAF gives grants according to the application principle based on uniform criteria. The financing through the CPAF, however is limited to an amount not exceeding 50 per cent of the overall running costs. This is to ensure the own initiative of the participating countries in financing nature conservation.

c) Financing the "Transboundary Joint Secretariat"(TJS)

During its first phase (02/2007 – 05/2010 with a budget of EUR 1.5 million) the TJS supported the ministries responsible for nature protection in Georgia, Armenia and Azerbaijan.

This support had the objectives to:

- harmonise sector policies of these ministries,
- develop Financial Cooperation strategies and projects (e.g. preparatory studies), and to
- establish and/or improve operational instruments (e.g. technical guidelines).

This was done in accordance with the common ecoregional vision for the Southern Caucasus laid down in the "Ecoregional Conservation Plan for the Caucasus"³. The Ecoregional Conservation Plan for the Caucasus was drawn up in 2003 in cooperation with stakeholders from Georgia, Armenia, and Azerbaijan. It outlines long-term objectives and strategies for the conservation of the region's rich biodiversity taking into account the anticipated long-term sectoral developments in the three countries. Moreover, lessons learned from the individual protected area projects were incorporated in TJS's activities.

² Caucasus Protected Areas Fund (CPAF)
<http://www.caucasus-naturefund.org/index.html>

³ WWF. 2006. An Ecoregional Conservation Plan for the Caucasus. 2nd edition.
http://assets.panda.org/downloads/ecp_second_edition.pdf

The TJS operates at local, national, and regional (cross-border) level. The environment ministries of Armenia, Azerbaijan and Georgia have acknowledged the role of the TJS and support its extrapolation into a second phase.

2.3 INFORMATION ON THE CURRENT SITUATION OF THE TJS- PHASE I

The TJS was first established in 02/2007 and is about to enter a new phase. This second phase starts in May 2010. The TJS is organised at a regional level but has no legal status of its own. The TJS is neither a representative of KfW nor of the ministries of environment of Georgia, Armenia and Azerbaijan. The head office of the TJS is located in Tbilisi/ Georgia and currently resourced with one international and one regional expert. In addition to the head office, the TJS has established local field offices in Georgia, Armenia and Azerbaijan. Each field office is resourced with one national coordinator and currently supported by one nominated local expert appointed by the respective national environment ministry. In general, seconded staff currently receives a topping-up to their salary from the TJS. Ministries have been informed that the topping-up will end with the first phase of TJS.

The TJS makes a substantial contribution in achieving the priority objectives of the German Development Cooperation in the region and contributes to its standing and effectiveness. The TJS successfully brought together experts from Georgia, Armenia and Azerbaijan, be it in study tours or regional workshops to evaluate lessons learned and best practices.

The TJS draws up its operations plan together with the environment ministries in Georgia, Armenia and Azerbaijan and cooperates closely with them when implementing its activities. Its operations are currently managed by a consultancy. The TJS manages its own operational budget. So far the TJS has developed regional guidelines concerning protected areas management planning⁴. It currently develops national guidelines contributing to the management of protected areas in accordance with international standards. The CPAF supports this objective too by demanding e.g. international management quality standards from the protected areas when they apply for money from the fund. Since mid-2009 the TJS supports the CPAF and its partner countries in processing grant applications and its related reporting.

The following responsibilities and duties do not lie within the scope of the TJS:

- The TJS is not superior to the individual protected area projects and therefore not authorised to issue instructions to the implementation consultants of these projects.
- The TJS does not provide logistic support to the project implementation units of individual protected area projects. Training provided to the consultant staff responsible for the individual protected area projects shall not be financed from the budget of the TJS.

⁴ TJS, 2008: National Park Management Planning in the South Caucasus: an adaptive, people-centred approach. Draft Guidelines http://www.jointsecretariat.org/uploads/Report_CurrentApproaches_Final_EN.pdf

3. OBJECTIVES AND CONCEPT OF THE TJS

3.1 INTERFACES AND AREAS OF COOPERATION BETWEEN THE TJS AND OTHER ACTORS

3.1.1 Partner organisations

The TJS has to perform its services in close cooperation with the three environment ministries in Georgia, Armenia and Azerbaijan. Where applicable, the TJS also supports the CPAF and its partner countries in processing grant applications and its related reporting.

The ministries of environment in Georgia, Armenia and Azerbaijan may also call upon services and support provided by other donors and organisations, this being in particular: Non-government-organisations (NGO's), the German Agency for Technical Cooperation (gtz), the Regional Environment Center for the Caucasus (REC), the World Bank and the United Nations. In this event, the TJS is expected to make all possible efforts to coordinate and streamline its activities with these other actors.

3.1.2 Implementation Consultants of individual protected area projects

Implementation Consultants of individual protected area projects, financed through budgets of the Financial Cooperation programme, are contracted by the respective ministries of environment. They are expected to deliver the services and outputs defined in their contracts. It is expected that the implementation consultants support the efforts of the individual protected area projects to adhere to the sector concepts and sector guidelines elaborated by the TJS or with its support. Implementation consultants must communicate their experiences during the implementation of these master concepts and guidelines in the field projects to the TJS so that the concepts and guidelines may be amended if necessary.

The respective ministries of environment of Georgia, Armenia and Azerbaijan are in charge of managing the contracts they conclude with the implementation consultants. Upon request, the TJS may offer advice to the ministries in this respect.

3.2 OBJECTIVE OF THE TJS AND PRINCIPLES OF IMPLEMENTATION-PHASE II

In its second phase, the TJS will have the following objectives:

1. Harmonisation and further development of their sectors;
2. Establishment and/or improvement of the instruments for a sound implementation of the sector policies (sector concepts and sector guidelines);
3. Development of financing strategies and instruments for a sustainable funding of protected areas in Georgia, Armenia and Azerbaijan (e.g. through the CPAF, payment schemes for environmental services and other instruments).

It is the intention of KIW and the ministries of Georgia, Armenia and Azerbaijan to involve as much as possible national expertise in the activities of the TJS.

The direct target group of the TJS are the environment ministries in Georgia, Armenia and Azerbaijan. Another target group are the employees of park administrations and the state-run nature conservation administrations.

The consultant's tasks are outlined here as detailed as possible in order to facilitate a good understanding of the services he is expected to render. The tenderer is expected, however, to critically verify the described scope of services and to propose amendments where it is deemed necessary. He shall explain his critical comments and suggestions to these terms of reference in his technical proposal of this tender.

The consultant will be obliged to perform all work necessary to fulfil the objectives of the TJS mentioned above. He will be responsible for the organisation of his team and his work programme in such a manner that he can fulfil his obligations within the given conditions and time frame. Therefore, the scope of work described below is neither meant to be comprehensive for the whole implementation time, nor exhaustive. It will be the task of the Consultant to propose all modifications concerning the terms of reference and their priority agreed upon between him and the Contracting Authority which he considers to be necessary during the implementation phase of the TJS.

During the second phase, the TJS must make additional efforts to further improve its standing in the sector. The TJS will have specific tasks at each implementation level – these being:

At local level the TJS will:

- support the ministries in the implementation of the individual protected area projects of the Ecoregional Programme upon request, giving advice in the implementation of innovative concepts and in the analysis of "lessons learned".
- support the ministries in establishing transboundary coordination mechanisms.
- use its mandate to organise and finance exchange visits as well as workshops to facilitate the exchange of experiences among the seconded local staff of the field projects, their project executing agencies, and the implementation consultants.

At national level the TJS will:

- lobby and support the environment ministries in incorporating important "lessons learned" from individual protected areas projects as well as international state-of-the-art concepts and approaches into the respective national sector policies.
- observe and evaluate current developments and priority topics in the sector in cooperation with the ministries, other relevant stakeholders and KfW;
- support the ministries of Georgia, Armenia and Azerbaijan and their subordinated agencies responsible for the protected areas in applying for funds from the CPAF. The CPAF demands international management quality standards from the protected areas when they apply for money from the fund.

At regional level the TJS will:

- organise, finance and implement events and measures to share best practices and experience of managing natural resources with Georgia, Armenia and Azerbaijan such as: exchange visits and workshops. The aim is to incorporate these experiences into appropriate policies, strategies and instruments for the sector
- contribute to sector harmonisation in the ecoregion of the Southern Caucasus;
- support the ministries in implementing and further developing the "Ecoregional Conservation Plan";
- contribute to further developing and implementing the concept of the Ecoregional Programme;
- provide technical and operational support to the CPAF and assist with fund acquisition efforts.

3.3 SUPPORT TO CPAF

During its second phase, the TJS will promote the sustainable financing of the individual protected area projects of the Ecoregional Programme.

The TJS will assist the Governments of Georgia, Armenia and Azerbaijan in applying for funds from CPAF until their ministries have developed sufficient capacities to successfully apply for funds on their own. Due to this support, the CPAF will receive more qualified grant applications.

The TJS will also provide hands-on support to the CPAF. The TJS will support the CPAF in developing a monitoring system in order to evaluate the utilization of funds as well as the effectiveness and efficiency of the project work in the participating conservation areas. The results of this monitoring are meant to improve CPAF's operational performance helping to free up personnel resources for its core activities. In addition, the TJS must support the CPAF in the acquisition of additional trust fund capital. The TJS will verify the terms of reference on which the mentioned support shall be based and will provide its support in close cooperation with all parties involved. The CPAF is still a fairly new organization. Therefore, it cannot be expected that the range of support services required from the TJS can be entirely anticipated at this point. KfW will provide sufficient budgetary flexibility enabling the TJS not only to adequately carry out all necessary services agreed upon between KfW and the consultant during this tendering procedure, but also to carry out such services which have become necessary during the implementation of the individual protected area projects.

Regarding the individual protected area projects the TJS has to provide support to ensure that the measures of the respective park management (management plan, etc.) are in line with CPAF standards. During the second phase of the TJS, an agreement will be set up between the TJS, KfW and the CPAF in which envisaged support activities are defined and

the necessary resources are agreed upon; in particular with regard to the input of personnel and a separate budget line.

3.4 CONTRIBUTION TO THE FUTURE CONCEPT OF THE ECOREGIONAL PROGRAMME

It is expected that the results of information exchange and discussion processes supported by the TJS on regional level will provide important inputs for the future concept and design of the Ecoregional Programme. It is envisaged that the Programme will in future focus more on a sector-wide approach for the entire region and less on supporting individual protected areas. This implies that the funds for investments shall be mainly allocated to objectives of regional interest, such as the sustainable financing of protected areas, solutions to the energy problem in the vicinity of protected areas and the improved protection of water resources in the framework of Integrated Water Resources Management (IWRM).

As for future projects of the Ecoregional Programme, the TJS will draft terms of reference for the conduct of feasibility studies. Lessons learned must at all times be taken into account.

The TJS will support the ministries of Georgia, Armenia and Azerbaijan with regard to the institutional and legal aspects relevant for the successful implementation of the Financial Cooperation Programme in the future. The TJS will help the ministries to ensure that the pre-conditions agreed upon are fulfilled prior to the start-up of any new Financial Cooperation project. Special attention will hereby be given to the projects in Kazbegi (Georgia), Shikahogh (Armenia) and Zakatala (Azerbaijan) which are currently being planned.

3.5 MEASURES TO FACILITATE THE EXCHANGE OF KNOWLEDGE

The TJS will ensure that technical information, lessons learned and knowledge, are intensely exchanged within the entire sector. The TJS will thereby pay special attention to the promotion and further development of agreed priority topics (e.g. the participatory approach of the Financial Cooperation programme, the ecoregional vision for the region, etc). In order to achieve this, the TJS will:

- a) participate in all crucial planning and evaluation meetings of the individual protected area projects and will receive all main reports elaborated in the framework of the Financial Cooperation programme;
- b) promote the establishment and operation of national and regional dialogue platforms. Therefore, the Consultant will submit to KfW a "regional information and dialogue concept", drawn up in cooperation with the ministries and other important stakeholders;
- c) provide conceptual and technical training to the ministries, the protected areas agencies and other relevant actors, on all aspects directly linked with the Ecoregional Programme and the identified priority topics after a comprehensive assessment of the training needs.

- d) contribute to the raising of ecological awareness. The TJS will help to organise and implement public relations campaigns on national and regional level. It will also give advice to the implementation consultants responsible for the individual protected area projects in how to design their public relations and their strategies for raising ecological awareness amongst the local population. This will be done in order to obtain a coherent regional PR approach. To this end, the TJS shall prepare a regional public relation concept in cooperation with the ministries. The actual implementation of awareness raising and public relations measures in the context of the individual protected area projects is the sole responsibility of their project implementation units.
- e) organise and implement study tours, also to countries outside the Southern Caucasus;
- f) organise different workshops for stakeholders from all three countries on topics relevant to the objectives of the Ecoregional Programme and at least one international conference on nature protection/protected areas topics;
- g) contribute to the revision or development of sector guidelines and technical manuals, as far as this is deemed appropriate;
- h) elaborate new regional guidelines, e.g. on the following themes: "Concepts to support socio-economic development in the context of protected areas"; "Participatory approaches in the management of protected areas" and "Concepts to address the energy problems (firewood) in the surroundings of protected areas".

3.6 SERVICES FOR OTHER ENTITIES OF THE GERMAN GOVERNMENT

There are additional budget lines from other German Government institutions, notably the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit or BMU) and the Federal Foreign Office (Auswärtiges Amt or AA), which can be tapped for support for projects in the area of nature conservation and sustainable management of natural resources.

3.7 DEVELOPMENT OF A CONCEPT FOR THE FUTURE ACTIVITIES OF THE TJS

Due to the lacking of a joint agreement between Georgia, Armenia and Azerbaijan, there are currently no regional structures which could succeed the TJS as an adequate regional project executing agency. The activities of the TJS are therefore directly financed by the German Government through KfW. This is meant to be a temporary solution, until an agreement between the three participating countries can be achieved.

During the second year of the second phase the TJS is expected to reassess the issue of a potential project executing agency and its sustainable financing. Based on this assessment the consultant is expected to develop a substantiated concept for a possible third phase of the TJS. At the end of the second year of phase two, the consultant has to present a comprehensive, well analysed concept to KfW describing the future activities and measures he suggests the TJS should be engaged with in a possible third phase. The

consultant must develop his concept in cooperation with the environment ministries of Georgia, Armenia and Azerbaijan.

4. LOCATION, ORGANISATIONAL SET-UP, STAFF INPUT, FINANCIAL RESOURCES

The TJS has its head office in Tbilisi, from where it coordinates all regional programmes of Germany's Development Cooperation activities. This location was chosen because of the logistical advantages it offers. However, it is necessary that the TJS shows immediate presence in all three participating countries. For this purpose, a field office has already been established in Armenia, Georgia and Azerbaijan respectively. The consultant will define and include all requirements concerning the equipment for the three field offices in his first plan of operations.

The consultant must ensure that the TJS is managed and headed by an experienced international long term expert during phase two and will recruit a qualified team leader for this task according to his technical proposal in this tender. The team leader will receive support from an experienced national long term expert in the field office of each participating country. The consultant is expected to recruit these three national coordinators as permanent TJS staff by contracting the experts he has offered in his technical proposal. The four staff members of the TJS will be supported by one so called "Focal Point" per participating country. These persons are nominated and are staff from the respective national ministries of environment. The Focal Point forms the hinge between TJS and the ministries, promoting TJS topics within the ministries and communicating the ministries' interests to the TJS. TJS staff has meetings every 3 months with the Focal Points in order to review progress and to identify whether changes in the plans of operations need to be adapted. Travel costs for the Focal Points are covered by a separate budget line earmarked in the budget of the TJS.

The consultant shall assign the staff required for the TJS according to the staffing schedule of his technical proposal and is expected not to change the personnel during phase II. Should a replacement however become necessary for good reasons, the consultant must offer an equally qualified replacement. All replacements must be approved by Ktw and all costs caused by replacing staff must be borne by the consultant.

The expertise of the consultant's personnel – this being the team leader and the national coordinators – will be complemented by a pool of national and international short term experts which are to be contracted by the consultant when deemed necessary. Fields of work of these short term experts are e.g.: Participatory Socio-Economic Rural Development, Integrated Water Resource Management, Tourism Development, Community Forestry, National Park and Biosphere Reserve Management, the development of related Management Plans and the development of a regional public relation strategy. For each working field the consultant must propose one experienced international expert. For the following fields of work, additionally national experts should be presented: Participative Socio-Economic Rural Development, Tourism Development, Environmental and nature conservation legislation (one per country).

It is expected that needs for additional experts for other working fields will be identified during the course of project implementation. The consultant will define the exact needs and

detailed terms of reference for their assignments during project implementation in close cooperation with the ministries of Georgia, Armenia and Azerbaijan and KfW. Compared to phase I of the TJS, the number of short term experts as well as their range of expertise will increase substantially in phase II of the TJS.

With the staff organisation described above, the TJS is well set-up to provide advice and support for a wide scope of services and subjects, much exceeding the possibilities it had during phase I. The TJS will be in the position to respond swiftly and flexibly to a large variety of technical queries.

The consultant will manage a special operational fund needed for the implementation of the TJS. The fund is reimbursable to the consultant and can be used for: the training of partner staff, study tours, workshops and field trips, public relations activities and awareness building measures, acquisition of maps, satellite imagery, subcontracts for different services to define in accordance with KfW and the ministries, translation work, copies and reproduction of reports not mentioned in item 5 of these terms of reference.

KfW will remit the related funds to a special account opened by the consultant. The consultant is entitled to dispose of these funds in accordance with the current versions of approved plans of operations and in accordance with the lists of good services. The consultant will maintain an adequate book keeping system and is liable for the correct use of funds and budget. The books will be subject to an annual financial audit carried out by KfW.

This audit will be conducted in accordance with International Standards on Auditing as published by the International Auditing and Assurance Standards Board of the International Federation of Accountants, with special reference to ISA 800 (Auditor's Report on Special Purpose Audit Engagements) and will include such tests and controls as the auditor considers necessary as well as on-site visits if also deemed necessary. The auditor must bear in mind that, for the establishment of the audit opinion, he has to carry out a compliance audit and not a normal statutory audit. The preparation of the financial reports (statements of expenditure) on the cash receipts and disbursements as basis of accounting is the responsibility of the TJS. The financial information has to be established in accordance with consistently applied accounting standards and the underlying Loan / Financing Agreement including the corresponding Separate Agreement.

Further information on the 'Audits of Funds under the "Reimbursement Procedure" is given in a separate annex to these specifications.

The operational fund for the implementation of the TJS is seized as follows:

	For the first 18 months	Accumulated after 48 months
Operational fund	EUR 130.000	EUR 800.000

4.1 CONTRIBUTIONS OF MINISTRIES AND KfW

It is foreseen that the environment ministries of Georgia, Armenia and Azerbaijan and KfW will sign an agreement at the beginning of the second phase. It is foreseen that this agreement will stipulate that:

- Each of the ministries will nominate a professional as "Focal Point" for the TJS being a pre-requisite for the consultant to provide services to the ministries and to the CPAF;
- The ministries and KfW will facilitate TJS's staff to get in contact with key persons in the sector with the aim to establish a professional network. These contacts can be e.g. within ministries, state organisations, international agencies, non-government organisations, and among implementation consultants;
- The ministries and KfW will grant the consultant free and unrestricted access to relevant data, documentation, and information as well as all possible support the consultant may reasonably request in order to achieve the objectives mutually agreed upon;
- The ministries will support the consultant and KfW in obtaining free entry and unrestricted access to all parts and regions of the different protected areas wherever in line with the national legislation.

No other contributions, provision of services or goods can be expected free-of-charge.

5. REPORTING

Given the manifold tasks, the complex objectives and the organisational set-up of the TJS, it is crucial that the consultant keeps a complete and comprehensive documentation of his work and of TJS's activities and achievements. Special emphasis is therefore placed on the consultant's reporting.

Prior to the start of phase II of the TJS (commencement of the tendered services), KfW and the consultant will hold a kick-off meeting in Frankfurt. Prior to commencing work and activities in the TJS locality, kick-off meetings will take place with the relevant ministries and state agencies of Georgia, Armenia and Azerbaijan as well as with other relevant stakeholders. The latter are defined and agreed upon during the kick-off meeting with KfW in Frankfurt. The consultant will provide minutes documenting the main findings from each of these meetings and will present them to KfW no later than 2 days after the respective meeting has been held.

Once a year, the consultant will personally present the results of his work. He will do this at stakeholder workshops in Georgia, Armenia and Azerbaijan and thereafter to KfW in Frankfurt.

At all times it is the duty of the consultant to assess the availability, validity, quality and importance of information and communicate it in the appropriate form to the appropriate addressee.

The consultant must ensure the quality of his services. Particularly reports, planning documents, requests for consent (investment requests, assignments of national and international short-term experts) as well as any other documents presented to the executing agency and/or to KfW and the partner ministries must not be submitted before the consultant's backslapper has performed the appropriate quality control. KfW attaches great importance to a systematic and rigorous quality control of the rendered consulting services and expects this to be carried out by a qualified and technically experienced permanent employee.

5.1 PLANS OF OPERATIONS

The consultant must present to Ktw for approval a project implementation plan for the entire implementation phase II as well as annual plans of operations.

5.1.1 Project implementation plan

The project implementation plan must be submitted to KfW by the consultant 6 months after the commencement of services.

5.1.2 Annual plans of operations

The first annual plan of operations is of preliminary kind and must be submitted to Ktw by the consultant 3 months after the commencement of services. 6 months after the commencement of services, the plan will be harmonized with the project implementation plan. All subsequent annual plans of operations must be submitted on 1st of December for the ensuing year.

5.2 REPORTS

Reports must be clear and concise with references made to annexes attached. Reports must be presented in DIN A4 format. Maps, plans, drawings and photographs may be presented in a different format. The reports must be prepared in English. The plans of operations as well as the final report must also be made available in a Georgian, Armenian and Azerbaijani language version (with annexes in English).

Monthly reports and draft versions of other reports shall be sent via e-mail. The final versions of the semi-annual and final report must be submitted in duplicate to Ktw and to the ministries of environment of Georgia, Armenia and Azerbaijan. In addition to the paper copies, reports must be made available as electronic copies.

The consultant must inform Ktw without delay of all extraordinary circumstances arising during the performance of his services and of any other matters requiring KfW's approval.

5.2.1 Monthly Reports

The monthly reports must focus on the analysis of problems arising during the implementation of individual projects and on their corresponding solutions. A mere description of activities must be avoided.

Monthly reports must not exceed two DIN A4 pages and be sent via e-mail no later than 3 working days after the first calendar day of the ensuing month.

5.2.2 Inception Report

This one-off report must comprise of the preliminary annual plan of operations and its corresponding cost and financing plan. Findings must be documented and discussed. The Consultant shall forward his proposals for possible contract amendments to KfW, if he identifies substantial deviations from the original specifications.

The consultant must present the inception report three months after the commencement of work. The report must not exceed 10 DIN A4 pages; annexes and executive summary must be added.

5.2.3 Semi-Annual Reports

The report must be based on the annual plan of operations and outline the main results achieved within the reporting period.

Six months after the commencement of services the consultant must present the first semi-annual report. The report must not exceed 20 DIN A4 pages; annexes and executive summary must be added.

5.2.4 Final Report

The final report must comprise of the main activities, results, lessons learned and all changes of terms of reference during the entire project implementation. The consultant will also report about the correct use of funds and budgets. The final report must consist of one volume not exceeding 50 DIN A4 pages; an appropriate number of annexes displaying relevant data in greater detail, analyses, calculations and an executive summary must be added.

The draft of the final report must be presented 3 months before the end of the consulting contract. The final version of this report must be submitted to KfW at the latest two calendar weeks after KfW has submitted its comments on the draft version of the final report.

5.2.5 Special Reports

KfW requests two special reports on conceptual issues to be submitted to KfW for approval. (1) A "regional information and dialogue concept" 9 months after the commencement of the services. (2) A "regional public relations concept" in cooperation with the ministries of environment of Georgia, Armenia and Azerbaijan and in cooperation with the individual protected area projects no later than 12 months after the commencement of services.