

No. /HPFECPP/ 2844
Forest Department, HP.

Dated Dharamshala, the 20-11-2020

From:

Chief Project Director,
HPFECPP(KfW) Project,
Dharamshala, HP.

To:

Chief Technical Advisor,
Project Management Committee,
HPFECPP (KfW) Project, Dharamshala.


Subject: Semi Annual Progress Report (1st Jan. 2020 to 30th June, 2020).

Memo:

Enclosed please find herewith Semi Annual Progress Report (1st Jan. 2020 to 30th June, 2020) in respect of Himachal Pradesh Forest Ecosystem Climate Proofing (KfW) Project Dharamshala for further necessary action.

Encl: As above.

Yours faithfully,


20.11.2020
Chief Project Director,
HPFECPP (KfW) Project,
Dharamshala, HP. 176 215.



Himachal Pradesh Forest Department (HPFD)
Himachal Pradesh, Republic of India

Himachal Pradesh Forest Ecosystem Climate Proofing Project

German Financial Cooperation / KfW German Development Bank



KFW

Semi-Annual Progress Report No. 7

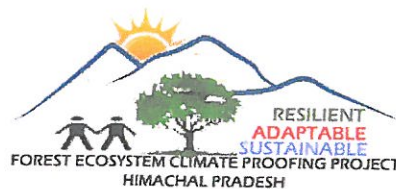
January 2020 – June 2020

BMZ Grant ID 2013 70 279

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Project Report Nr. 2020-31

Feldkirchen and Dharamsala, 17/10/2020



DFS

Deutsche Forstservice GmbH
Feldkirchen, Germany

GOPA
WORLDWIDE CONSULTANTS

GOPA mbH,
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ABBREVIATIONS AND ACRONYMS

| | |
|---------|---|
| ACF | Assistant Conservator of Forest |
| ACS | Additional Chief Secretary |
| ACTA | Assistant Chief Technical Advisor |
| APD | Assistant Project Director |
| BAIF | Bhartiya Agricultural Industrial Foundation |
| CBO | Community-Based Organization |
| CBRT | Community Based Rural Tourism |
| CCA | Climate Change Adapted |
| CPD | Chief Project Director |
| CTA | Chief Technical Advisor |
| DEO | Data Entry Operator |
| DFO | Divisional Forest Officer |
| DFS | Deutsche Forstservice GmbH, Lead Consultant |
| DPMU | Divisional Project Management Unit |
| FMP | Forest Management Plan |
| FS | Feasibility Study |
| FTI | Forest Training Institute |
| FY | Financial Year (from 01 April - 31 March) |
| GIS | Geographical Information System |
| GoHP | Government of Himachal Pradesh |
| Gol | Government of India |
| GOPA | Gesellschaft für Organisation, Planung und Ausbildung mbH |
| GPS | Global Positioning System |
| HP | Himachal Pradesh |
| HPFD | Himachal Pradesh Forest Department |
| HPFECPP | Himachal Pradesh Forest Ecosystem Climate Proofing Project |
| IGWDP | Indo German Watershed Development Programme |
| IT | Information Technology |
| JFM | Joint Forest Management |
| KfW | Kreditanstalt für Wiederaufbau, KfW Development Bank |
| Mgmt | Management |
| MITTRA | Maharashtra Institute of Technology Transfer of Rural Areas |
| MoU | Memorandum of Understanding |
| MP | Micro-Plan |
| M&E | Monitoring and Evaluation |
| NGO | Non-Government Organization |
| NRM | Natural Resources Management |
| NTFP | Non-Timber Forest Produce |
| PCCF | Principal Chief Conservator of Forest |
| PEA | Project Executing Agency |
| PFM | Participatory Forest Management |

| | |
|------|------------------------------------|
| PMC | Project Management Consultants |
| PSC | Project Support Coordinator |
| PSF | Project Support Facilitator |
| SBA | Savings Book Approach |
| SC | Supreme Court |
| SFDA | State Forest Development Authority |
| SOE | Statement of Expenditures |
| SPMU | State Project Management Unit |
| TNA | Training Needs Assessment |
| TOR | Terms of Reference |
| ToT | Training of Trainers |
| UG | User Group |
| VFMS | Village Forest Management Society |
| VGO | Village Group Organizer |
| WA | Withdrawal Application |

ADDRESSES

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1. EXECUTIVE SUMMARY

This report covers the period from January to June 2020.

The lockdown to fight against the COVID-19 pandemic ordered by the GoI on March 22nd, 2020, that was gradually relaxed starting April 16th, 2020, has affected the Project implementation, notably preventing the holding of meetings such as those required for the formation of VFMS, and delaying the implementation of MPs, notably fencing in preparation of the upcoming monsoon plantations.

Sectoral developments in HP include 3 on-going projects funded by BMZ/GIZ, JICA and the World Bank, respectively. With the GIZ project whose current phase is about to end by December 31st, 2020, the HPFECPP has developed mutually beneficial links by way of bi-annual meetings and training / experience exchange.

The ban on Green Felling continues and is unlikely to be lifted during this Project period. There appears to be no movement on the possibility of felling of Eucalyptus trees scheduled for felling under approved Working Plans of Kangra and Chamba. Information of developments on this front shall be collected from the DPMUs and outcome included in the next semi-annual report.

The rehabilitation of forest stands is envisaged to be done through implementation of Micro-Plans (MP). As of June 30th, 2020, 170 sites have approved MPs. Implementation of most of these MPs is underway and activities through User Groups have been taken up since the 2018 rainy season. Table 1, page 9, gives the update on other activities of the Project.

The development of 9 model nurseries, one under each DPMU, is well underway (except Pangi) with procurement of all required items completed and suggested infrastructure at each nursery more or less completed. Additional procurement of root trainers will be done in the third quarter of the current year.

To build essential technical capacity a need for further extensive and intensive training exists, particularly of field staff lacking several key skills like the use of GPS, maps etc. This is exacerbated by frequent transfer of staff. A training programme for the implementation of the springshed component was previously held but progress is very slow. The field staff is still not confident enough in the identification of springsheds and in the implementation of the component. Further training and handholding from a competent technical agency is needed. Similarly, for social staff hired under the Project, skills in mobilization and effective communication need iterative upgrading and practice preferably under senior mentors.

A comprehensive Monitoring and Evaluation (M&E) system has been put in place and related training imparted to SPMU and DPMUs earlier. Database development stands delayed due to bureaucratic procedures. Although agreed by the department, SPMU is

yet to outsource the work of database development. Though crucial for the data management, the post of Project Manager (MIS) is still vacant.

The Baseline Study has been awarded in October 2019 to AFC India Ltd. The methodology was presented and discussed during an inception meeting held on December 17th, 2019, in Dharamsala. As of June 30th, 2020, 80% of the work has been completed in Kangra District, with works in Chamba District ongoing. The results of the study are in principle due by July 2020, but may be delayed following the COVID-19 lockdown.

The Third-Party Monitoring of the implementation measures supported by the Project has been awarded in January 2020 to AFC India Ltd. An inception report has been submitted on March 13th, 2020. Field work has not started yet because of the travel restrictions imposed by the COVID-19 lockdown.

The "Saving Book Approach (SBA)" guidelines, submitted in a first draft edition to KfW in April 2017, finally received KfW's NO on February 6th, 2020.

Withdrawal Application (WA) No. 10 submitted on December 16th, 2019, amounting to 412,847.03 EUR, has been credited on January 20th, 2020. WA No. 11 amounting to approx. 498,000 EUR has been submitted on June 4th, 2020. A detailed financial statement is included in the report (Table 7, page 19, and Table 8, page 20), together with reimbursement status following the Simplified Reimbursement Procedure (Table 9, page 21) and the status of the payments made by KfW to the implementation consultants through the Direct Disbursement Procedure (Table 10, page 22).

KfW's No-Objection (NO) to renew the contract with Agarwal A. Kumar & Associates for the External Audit of the Statements of Expenditures (SOE) and WAs of the Financial Years (FY) 2019-20 has been received on May 26th, 2020.

The tender for the Mid-Term Review (MTR) mission has been floated on June 22nd, 2020. Owing to the COVID-19 pandemic, the pre-bid conference scheduled on July 13th, 2020, will be held online, and the proposals are to be submitted through mail until August 05th, 2020.

The SPMU and DPMU staffing positions are shown in Table 12, page 25, and in Table 13, page 26, respectively, noting changes needed. A summary of the Project impact indicators and outcomes is given in Table 15, page 28.

On June 24th, 2020, a video conference was held between KfW, SPMU and PMC. Apart from reviewing the Project's progress from technical, administrative and financial points of view, SPMU announced the intention to submit a request for a 3-year extension of the Project duration until December 2025. Moreover, SPMU and KfW agreed to field a short-term expert mission to look into the bottlenecks causing the slow pace of Project implementation / Loan and Grant disbursement, and to make recommendations on how implementation and reimbursement of funds can be expedited.

Points of concern are outlined in Section 7 and need consideration and strategic adaptation in terms of future outlook. Revised silvicultural guidelines have been adopted in October 2018. They allow more Climate Change Adapted (CCA) models to be incorporated in the MPs. Their uptake in new MPs and their incorporation into already approved MPs is still slow and needs to be promoted.

2. INTRODUCTION

This 7th **Semi-Annual Progress Report** for the **Himachal Pradesh Forest Ecosystem Climate Proofing Project** (HPFECPP) outlines the Project progress for the period from January to June 2020. During the period under review 20 MPs were approved by SPMU after vetting by PMC. Hence, the total number of approved MPs amounts to 170 as of June 30th, 2020. Currently, 140 MPs are being implemented by VFMS.

The Consulting consortium DFS Deutsche Forstservice GmbH and GOPA mbH of Germany is providing technical advisory services, led by the Chief Technical Advisor (CTA). This report is a contractual requirement by the Project Management Consultants (PMC) and is at the same time the report of the Project Executing Agency (PEA). PEA agreed to develop the progress report jointly, initialize it by their authorized signatories and submit it to KfW.

The State Project Management Unit (SPMU) is the PEA and is responsible for overall support, supervision and monitoring, whereas the (Divisional Project Management Units (DPMU; one in each of the selected Project Divisions of Chamba and Kangra Districts, nine in total) have implementation responsibilities.

3. DEVELOPMENT, ACTIVITIES AND PROJECT ACHIEVEMENTS (JANUARY - JUNE 2020)

3.1 Coronavirus SARS-CoV-2 Pandemic

On March 22nd, 2020, GoI ordered a nationwide lockdown, initially for 21 days, limiting movement of the entire population of India as a preventive measure against the COVID-19 pandemic. The lockdown restricted people from stepping out of their homes. All transport services - road, air and rail - were suspended, with exceptions for transportation of essential goods, fire, police and emergency services. Educational institutions, industrial establishments and hospitality services were also suspended. Services such as food shops, banks and ATMs, petrol pumps, other essentials and their manufacturing are exempted.

The nationwide lockdown was subsequently extended until May 31st, 2020, with limited relaxations starting April 16th, 2020, according to the spread of the virus based on a classification of the Districts in green zones (no infections), orange zones (some infections, the case of HP) and red zones (high number of infections and high doubling rate, further divided into containment and buffer zones). Only essential Government offices opened, with 30% staff capacity. Though the Forest Department comes under essential department, only limited work was allowed by the Government officials.

Starting June 1st, 2020, the lockdown restrictions have been limited to containment zones within the red zones. In orange zones, only private and hired vehicles were allowed but no public transportation, and red zones still remained under total lockdown. Large gatherings were still banned, but there were no restrictions on inter-state travel. However, states were to decide on inter-state travel modalities. In HP, there was restriction on inter-state travel, with people from other states not allowed to enter, and state residents allowed only after valid documentation. Shopping malls, religious places and hotels were still closed. Restaurants were allowed to reopen from June 8th, 2020 with a condition that they will only give take outs, and nobody was allowed to dine in. Night curfews were in effect from 8 p.m. to 5 a.m. in all areas and state governments were allowed to impose suitable restrictions on all activities as they deemed fit.

Within the period under review, the lockdown has affected the Project implementation:

- preventing the staff to attend office from March 22nd, 2020, to May 3rd, 2020; even from May 4th, 2020, onwards, only 50% of the staff was allowed to attend the office on rotational basis;
- preventing office staff depending on public transport from attending office;
- preventing the holding of meetings such as those required for the formation of VFMS and the implementation of MPs.
- delaying the implementation of MPs, notably fencing in preparation of the upcoming monsoon plantations;
- preventing calling of tenders like the Mid Term Review mission and the procurement of goods;

- preventing baseline teams to complete their study and third-party monitoring teams to commence work;
- preventing all PMC experts residing outside of HP, notably the CTA and the Financial Coordinator / Accountant, to travel to HP; until further relaxations of the lockdown, they are providing their inputs remotely from their home bases.

3.2 Sectoral Developments

Green felling ban

Since February 2018, the constraints brought about to the Project by the green felling ban remain unchanged.

In consideration of the application of the State of HP filed in the Supreme Court (SC) in the case 202 of 1995; the SC vide its order of February 16th, 2018, allowed:

- (i) That the state of HP be allowed to carry out green felling in 3 working circles viz Khair, Chil and Sal over an area not exceeding 20 ha in Nurpur Forest Range, Bhareri Forest Range and Poanta Forest Range respectively.
- (ii) The SC has laid down certain conditions under which this felling is to be carried out and monitored by a Monitoring Committee appointed by the SC.
- (iii) After monitoring the felling and evaluation of the results in terms of natural regeneration in the felled forests, the SC will consider further course of action with respect to the Green Felling Ban in the state of HP. The final report of the Monitoring Committee is scheduled to be submitted to the SC in February 2021 and only thereafter a decision on silvicultural fellings can be expected.
- (iv) As far as the HPFECPP currently ongoing in Chamba and Kangra Districts is concerned, in practical terms it implies that the Green Felling Ban will not be lifted during the Project's lifetime.
- (v) However, the SC has allowed felling of 764 ha of Eucalyptus that are due for felling as per Working Plan prescriptions. Experimental felling of Eucalyptus trees in a phased manner is in progress in these areas under the supervision of the SC appointed Monitoring Committee. Some of these areas are under DPMU Nurpur but whether Eucalyptus trees being felled / proposed for felling fall in any of the identified springsheds is not known. During discussion with the KfW Mission in May 2018, it was agreed by the Additional Chief Secretary (ACS) (Forests) that once the springsheds are identified, PCCF/GoHP shall be asked to move an application before the Apex Court to allow felling of Eucalyptus trees in these areas. The matter needs to be taken up with the PCCF through the SPMU and Conservators of Forest concerned if any such felling of Eucalyptus trees is required in identified springsheds.

Other externally funded projects in the sector or in pipeline

- 1) **HP Forest Ecosystems Management Project:** Funded through INR 38 crores grant by GIZ of Germany, the current phase of this Project that comes to an end by December 2020 is limited to technical cooperation, monitor ecosystem services-based planning in 5-10 sites all across HP. KfW, during their visit in March 2017, desired that regular meetings be set up between SPMU, PMC and GIZ to exchange procedures and experiences (MoM March 2017). So far, PMC had two such meetings with GIZ. Future meetings involving SPMU are envisaged during an eventual second phase.
- 2) **Himachal Pradesh Forest Ecosystems Management and Livelihoods Improvement Project:** Funded by JICA, the objective of this project is to increase the forest cover and density for improved livelihoods of communities. This project is proposed to be implemented over a 10-year period in Bilaspur, Kinnaur, Kullu, Lahaul Spiti, Mandi and Shimla districts. Total outlay of the project is INR 800 crores, out of which 80% is loan component to be funded by JICA. The loan agreement was signed on March 29th, 2018. The 2-year preparatory phase has been completed, and the 6-year implementation phase (to be followed by a 2-year consolidation phase) has started from April 2020 in a first batch of ranges. The Project headquarter is in Shimla and sub-offices are in Kullu and Rampur.
- 3) **Integrated Project for Source Sustainability and Climate Resilient Rainfed Agriculture in Himachal Pradesh:** Funded by the World Bank, this project implemented by HPFD in selected Gram Panchayats in all the Districts of HP except Kinnaur and Lahaul Spiti aims to improve upstream watershed management and to increase agricultural water productivity. The project was approved on February 18th, 2020, and declared effective on May 28th, 2020, with a total cost of US\$ 100.0 million and a commitment amount of US\$ 80.0 million over 7 years.

3.3 Implementation of Activities and Outputs as Agreed (w.r.t. Annex 1 of the Separate Agreement)

The Project outcome is to increase the climate resilience of forest ecosystems, improve biodiversity and enhance adaptive capacities of forest dependent communities in selected Project areas. The Project is expected to lead to:

- a reduction of forest degradation (increased canopy cover),
- increased floral biodiversity,
- enhanced income for forest-dependent communities in vulnerable landscapes,
- increased availability of spring water in treated spring catchment areas, and
- more sustainable management of forests in the Project area.

3.3.1 Output 1: Forest stands in Project area are rehabilitated

For the Climate Change Adapted (CCA) rehabilitation of forest stands, the Feasibility Study (FS; Österreichische Bundesforste AG Consulting and Hessen Forst, 2014) has recommended a series of activities. During the inception phase (from September 2016 to February 2017), SPMU and PMC felt that these recommended activities needed to be looked into and partly revised and/or widened on account of the current situation to improve climate resilience. Hence, additional activities were proposed in the inception report as per the guidelines of the silvicultural expert.

Silvicultural guidelines, technical standards and cost norms for the forest stand rehabilitation activities have been finalised and were approved by KfW in October 2018. Based on these, guidelines for micro-planning and a model Micro-Plan (MP) were also prepared and approved by KfW.

During the period under review, out of totally planned 326 MPs, 22 were reviewed out of which 20 were approved. Hence, the total number of approved MPs stands at 170. Implementation of the approved MPs by the VFMS has started in 2018 and is picking up momentum. The progress till date is as shown in Table 1.

Table 1: Achievement of Project Targets

| S. No. | Separate Agreement | | Inception Report | Activity | Target ¹ | Achievement ² | Remarks | |
|--------|--|-------------|--|-------------------|---------------------|--------------------------|--|---|
| | Activity | Target | | | | | | |
| 1 | Removal of Lantana and planting of climate proof multi-purpose mixed conifer - broadleaf forests | 15,000 ha | CCA conversion of infested forests plus planting bamboo along nallahs | 8,350 ha | | | | |
| | | | Lantana / weed removal | | 1,739.00 ha | | Lantana & Other Weeds | |
| | | | Planting of small trees | | | 1,201.45 ha | | |
| | | | Planting of tall trees | | | 128.55 ha | | Including nallah planting |
| | | | High yield fodder and grass production in alpine pastures | 250 ha | | | | |
| | | | High yield fodder and grass production on lowland | 400 ha | | | 99.50 ha | |
| | | | Forest closure against grazing | 400 ha | | | | |
| 2 | Improvement works in existing Bamboo forests / plantations | 1,000 ha | Income generating activities (seedlings, NTFP) | 100,000 seedlings | | | Merged with S. No. 1 | |
| | | | | | | | | |
| 3 | Underplanting of degraded Chir Pine stands with bamboo and different Multi-Purpose Trees (MPT) | 3,000 ha | | | | | Merged with S. No. 1 | |
| | | | | | | | | |
| 4 | Rehabilitation of spring catchments | 150 springs | Spring rehabilitation | 150 springs | 23 springs | | 18 by ACWADAM and 5 new ³ | |
| | | | | | | | | No felling of live trees due to the green felling ban |
| 5 | Intermediate felling of young and medium-aged forest stands | 5,000 ha | Silvicultural operations in all forest types (no planting, no fencing) | 3,000 ha | | | S. No. 1 - 3 contribute to this target | |
| | | | Soil and water conservation measures | 11,602 ha | | | | |
| 6 | Soil and water conservation measures | 19,000 ha | Two pilot areas for pasture improvement | 100 ha | | | Dropped | |
| 7 | | | | | | | | |

1 Not KfW-approved.

2 Based on data received as of August 2020 from DPMUs Chamba, Dalhousie and Dehra.

3 Though 23 springs were identified, only 5 complete springshed plans were submitted and approved by June 2020.

Table 2: Status of Micro-Plans

| S. No. | Division | No. of MPs | | MP Area | | No. of | | Rehabilitation of Forest Stands & Spring Catchments ¹ | Entry Point Activities ² | Soil & Water Conservation Measures ³ | Forest Protection Incentives ⁴ | Total | Beneficiaries Contribution | Grand Total |
|--------------------------------------|------------|------------|------------|------------------|-----------------|------------|-------------|--|-------------------------------------|---|---|-----------------------|----------------------------|-----------------------|
| | | Target | Approved | Total | Treatment | Villages | User Groups | | | | | | | |
| 1 | Bharmour | 5 | 2 | 378.92 | 44.05 | 8 | 5 | 51,01,281 | 3,06,583 | 0 | 10,27,553 | 64,35,417 | 81,755 | 65,17,173 |
| 2 | Chamba | 37 | 18 | 2,749.39 | 467.38 | 139 | 88 | 4,51,89,894 | 28,27,494 | 4,10,363 | 94,29,965 | 5,78,57,716 | 7,54,676 | 5,86,12,392 |
| 3 | Churah | 35 | 23 | 3,916.94 | 535.14 | 115 | 91 | 4,72,57,215 | 29,89,897 | 24,69,176 | 1,03,88,054 | 6,31,04,342 | 7,97,305 | 6,39,01,647 |
| 4 | Dalhouseie | 41 | 24 | 3,679.87 | 669.90 | 114 | 115 | 6,83,25,029 | 44,24,756 | 58,99,915 | 1,43,19,824 | 9,29,69,524 | 11,87,704 | 9,41,57,229 |
| 5 | Dharamsala | 66 | 36 | 4,822.67 | 1,079.65 | 132 | 160 | 11,03,72,940 | 74,76,799 | 98,35,735 | 2,34,51,467 | 15,11,36,941 | 19,61,831 | 15,30,98,772 |
| 6 | Dehra | 45 | 22 | 3,153.18 | 628.88 | 67 | 74 | 6,06,48,652 | 41,26,310 | 51,10,260 | 1,29,26,193 | 8,28,11,414 | 10,60,290 | 8,38,71,705 |
| 7 | Nurpur | 47 | 21 | 2,510.43 | 533.91 | 73 | 80 | 5,85,03,286 | 37,94,831 | 50,59,775 | 1,23,24,550 | 7,96,82,442 | 10,11,955 | 8,06,94,397 |
| 8 | Palampur | 45 | 22 | 3,115.84 | 504.17 | 80 | 83 | 4,91,88,962 | 31,64,744 | 42,19,657 | 1,07,49,318 | 6,73,22,681 | 8,44,623 | 6,81,67,304 |
| 9 | Pangi | 5 | 2 | 251.30 | 45.00 | 9 | 8 | 51,25,926 | 3,40,383 | 4,53,844 | 11,17,687 | 70,37,840 | 90,769 | 71,28,609 |
| Total | | 326 | 170 | 24,578.54 | 4,508.08 | 737 | 704 | 44,97,13,183 | 2,94,51,797 | 3,34,58,726 | 9,57,34,611 | 60,83,56,318 | 77,90,909 | 61,61,49,227 |
| Budget per Separate Agreement | | | | | | | | 1,15,41,40,000 | 7,50,00,000 | 11,97,00,000 | 27,77,20,000 | 1,62,65,60,000 | 10,55,70,000 | 1,73,21,30,000 |
| Balance available | | | | | | | | 70,44,26,817 | 4,55,48,203 | 8,62,41,274 | 18,19,85,389 | 1,01,82,01,682 | 9,77,79,091 | 1,11,59,80,773 |

1 Project measures 1, 2, 3, 4 and 6 as per Separate Agreement

2 Project measure 8 as per Separate Agreement

3 Project measure 5 as per Separate Agreement

4 Project measure 13 as per Separate Agreement

3.3.2 Output 2: Tools for climate adaptive forest management are developed and applied in Project areas by HPFD

3.3.2.1 Nursery Management

Previously procured root trainers, shredders and other items are available at the model nurseries. Earlier procured coco peat is being used in the forest nurseries, and more coco peat is being procured. Actually, more coco peat was planned to be procured during March 2020, but the COVID-19 restrictions delayed the procurement. Seeing the results of root trainers at different divisional level, it is suggested that more root trainers should be procured. SPMU will submit a proposal to KfW for approval.

In his last report in December 2019, the international Nursery Operations Expert recommended the use of iron frames in place of bamboo frames to support the root trainers as they last longer without being substantially more expensive. DPMUs were also in favour of iron frames. SPMU along with PMC also supports the recommendation. Hence, while submitting the revised procurement plan, iron frames will be included in place of bamboo frames.

The status of Project nurseries is shown in Table 3.

Table 3: Status of Model Nurseries supported by Project

| S. No. | Division | Nursery | Area (ha) | Status | | | |
|--------|-------------|-----------|-----------|----------|--------|----------------|--------------------|
| | | | | Platform | Frames | Composting Pit | 3-Phase Connection |
| 1 | Bharmour | Lamu | 1.65 | Y | | Y | |
| 2 | Chamba | Mehla | 0.70 | Y | Y | Y | N |
| 3 | Churah | Meida | 0.50 | Y | N | Y | Y |
| 4 | Dalhousie | Lahroo | 0.50 | Y | N | Y | Y |
| 5 | Dehra | Khaleta | 1.25 | Y | N | Y | N |
| 6 | Dharamshala | Daulatpur | 0.50 | Y | N | Y | N |
| 7 | Nurpur | Sadwan | 1.00 | Y | N | Y | N |
| 8 | Palampur* | Duhki | 0.50 | Y | N | Y | N |
| 9 | Pangi | Killar | 1.00 | | | | |

* As per DPMU Palampur, in one of the forest nurseries (Dukhi) a composting unit and platform already exists.

From November 2nd to December 7th, 2020, the international Nursery Operations Expert, Mr. Stellan KARLSSON, carried out his fourth and last short-term mission. Amongst others, he prepared a manual for improved nursery management practices that is being translated into Hindi.

3.3.2.2 Forest Management Planning

Out of a total of 326 planned MP sites, 170 MPs are currently approved. The summarised achievement up to June 30th, 2020, is shown in Table 4. A map depicting the 170 approved MP sites as of June 2020 is shown in Annex A.

Table 4: Division-Wise Achievement of MP Implementation up to June 2020

| S. No. | Activities | Unit | Division | | | | | | | | | | Total | | | | |
|--------|--------------------------------------|------|----------|--------|--------|-----------|-------|------------|--------|----------|-------|--|-------|--|--|--|---------|
| | | | Bharmour | Chamba | Churah | Dalhousie | Dehra | Dharamsala | Nurpur | Palampur | Pangi | | | | | | |
| | <u>Development</u> | | | | | | | | | | | | | | | | |
| 1 | Lantana Removal | ha | | 54.03 | | 140.50 | | 258.30 | | | | | | | | | 452.83 |
| 2 | Other Weed Removal | ha | | | | 73.50 | | 4.92 | | | | | | | | | 78.42 |
| 3 | Planting of Trees | ha | | 155.89 | | 124.50 | | 224.85 | | | | | | | | | 505.24 |
| 4 | Nallah Planting | m | | | | 11.00 | | 72.70 | | | | | | | | | 83.70 |
| 5 | Planting of Fodder Trees and Grasses | ha | | | | 3.00 | | 1.00 | | | | | | | | | 4.00 |
| 6 | Assisted Natural Regeneration | ha | | | | | | | | | | | | | | | |
| 7 | Fencing | m | | 39,079 | | 34,215 | | 39,481 | | | | | | | | | 112,775 |
| 8 | Single Tree Protection | no. | | | | 131 | | 1,392 | | | | | | | | | 1,523 |
| 9 | Contour Trenching | m | | 1,400 | | 800 | | 2,244 | | | | | | | | | 4,444 |
| 10 | Construction / Desilting of Ponds | no. | | | | | | | | | | | | | | | |
| 11 | Soil & Water Conservation | no. | | | | | | | | | | | | | | | |
| 12 | Entry Point Activities | no. | | | | | | | | | | | | | | | |
| | <u>Maintenance</u> | | | | | | | | | | | | | | | | |
| 13 | Lantana Removal | ha | | 13.95 | | 46.50 | | | | | | | | | | | 60.45 |
| 14 | Other Weed Removal | ha | | | | | | | | | | | | | | | |
| 15 | Planting of Trees | ha | | 35.36 | | 15.00 | | 12.40 | | | | | | | | | 62.76 |
| 16 | Nallah Planting | m | | | | | | | | | | | | | | | |
| 17 | Fencing | m | | 7,958 | | 2,452 | | 10,460 | | | | | | | | | 20,870 |

Based on data received from DPMUs Chamba, Dalhousie and Dehra. No data was received from DPMUs Bharmour, Churah, Dharamsala, Nurpur, Palampur and Pangi.

3.3.2.3 Springshed Management

During the period under review, only two more springshed plans were prepared and approved, bringing the total to 23 springshed plans (15 thereof without costings). A training programme for the implementation of the springshed component was previously held by ACWADAM, but there has been very slow progress. The hesitation of field staff towards the implementation of this component has been analysed, revealing that a lot of them is still not confident enough in the identification of recharge areas based on the prevailing geological and hydrological conditions. Further training and handholding from a competent technical agency is needed. During the video conference held with KfW on June 24th, 2020, KfW recommended that the work should be outsourced to ACWADAM. SPMU was invited to prepare and to submit ToR to KfW for NO.

Table 5: Status of Springshed Plans

| S. No. | Division | Range | Site | Spring* | Map | Plan | Cost-ings | Ap-proved |
|--------|------------|--------------|------------------|--|-----|------|-----------|-----------|
| 1 | Bharmour | Bharmour | Barmani mata | Near the ridge | Y | Y | | |
| 2 | Chamba | Masroond | Behlam village | Chabdiyat panihar | Y | Y | | |
| 3 | | Masroond | Dugga village | Kohli | Y | Y | | |
| 4 | | Lower Chamba | Near Jot highway | Chulihara panihar | Y | Y | | |
| 5 | Churah | Bhalei | Wangal Village | Wangal | Y | Y | | |
| 6 | | Chakoli | Chakoli | Chari | Y | Y | | |
| 7 | | Chakoli | Apriyanu village | Apriyanu | Y | Y | | |
| 8 | Dalhousie | Chowari | Mutt Nala | Mutt Nala | Y | Y | | |
| 9 | | Chowari | | Gruru | Y | Y | | |
| 10 | Dharamsala | Kangra | Nadrool | Kundi Spring near Shiv mandir (C-2 plot 4.1) | Y | Y | | |
| 11 | | Kangra | Nadrool | Baduduma | Y | Y | Y | Y |
| 12 | | Kangra | Nadrool | Bouru | Y | Y | Y | Y |
| 13 | | Kangra | Rajal | Madhuna Bawoli (UP 166 K) | Y | Y | Y | Y |
| 14 | | Kangra | Rajal | Plantation Spring | Y | Y | Y | Y |
| 15 | | Dharamsala | Tahu | Tahu | Y | Y | | |
| 16 | Palampur | Bir | Gunehar | Salvang Panihara | Y | Y | Y | Y |
| 17 | | Daroh | Bharth | Dheera Bowari A and B | Y | Y | Y | Y |
| 18 | | Bajjnath | Sunpur | Kuffer | Y | Y | Y | Y |
| 19 | | Palampur | Ghaneta | Tobari | Y | Y | Y | Y |
| 20 | | Bajjnath | Jalgran | Donku Seth Silh Borari | Y | Y | Y | |
| 21 | | Bajjnath | Fatahar | Karnathu | Y | Y | Y | |
| 22 | Nurpur | Nurpur | Ther | Ther Bowadi | Y | Y | | |
| 23 | | Jawali | Singhpurgad | Pathania da beda bawodi | Y | Y | | |

* Details of springs from other DPMUs still awaited.

3.3.3 Output 3: All implementation partners and Project target groups are capacitated

Capacity building is an important part of forestry sector development. With more use of people-centred approaches in forest management and integration of forestry with rural development and livelihood, the capacities of the HPFD staff need to be enhanced as their basic trainings have little focus on participatory and social approaches and methods.

Capacity building becomes critical for the sustainability of the Project where it would be necessary to assess the capabilities of Project officials, front line staff, communities / VFMS members and user groups. The capacity building efforts will emphasize on knowledge development, perspective & skill building and ability to train further.

The capacity building would entail structured trainings, on the job support, workshops, exchange / exposure visits, demonstrations, etc.

3.3.3.1 Assessment of training needs at all levels of Project implementation

Training Needs Assessment (TNA) is an important part of any project for formulating training strategies and plan. The new concept of this Project and different implementation strategies necessitated that the Project staff should be oriented first regarding the various guidelines and their role in the Project. Hence, SPMU insisted that detailed TNA shall only be conducted after initial orientation and basic trainings was given to the staff at all levels to start preparing the MPs and interactions with the community.

More detailed TNA will be planned jointly by PMC and SPMU when some more MPs have been prepared and their implementation has progressed sufficiently to benefit from the feedback received from their implementation.

Meanwhile the trainings are being planned based on the field level requirements for implementation of different components of the Project. Nevertheless, in-depth discussions are being held with the Project staff, social staff and the community based organisations on the day to day capacity handicaps faced by them in implementing the Project which can be addressed through capacity building which includes trainings, on the job trainings and exposure visits.

3.3.3.2 Design and implementation of a comprehensive training programme for HPFD and contracted programme staff

An annual action plan for capacity building was prepared and submitted to the SPMU by PMC for implementation of the trainings at the level of DPMUs. During the period under review, the plan was revisited, and changes were made to adjust the training needs of the DPMUs.

Trainings Conducted

DPMU staff is trained enough now to impart further trainings in the field as well as at DPMU level. ACFs and PSCs are playing an important role for imparting trainings related to project activities to the staff as well as to the communities. The detail of the trainings conducted by all DPMUs is still awaited. The subject wise summary of trainings conducted / organized by SPMU and DPMUs w.e.f January 2020 to June 2020 as per record available with this Office is given in Table 6.

Table 6: Summarized Details of Trainings and Workshops

| Cat. Id. | Category | Sub-Category | Nos. | Participants |
|----------|--------------------------------------|--|-----------|--------------|
| A | Project Planning and Management | Managing KfW Fund Requirement | 3 | 173 |
| | | Project Monitoring and Reporting | 2 | 70 |
| | | Quarterly Review | 1 | 27 |
| C | Climate Change and Forest Management | Fire protection and management, Lantana removal | 1 | 60 |
| | | Map Reading and Orientation, Using GPS for forest mapping, Using Google Earth Pro for forest mapping | 2 | 77 |
| | | Spring Management | 1 | 45 |
| | | Nursery Management and Logistics | 1 | 27 |
| D | Institutional Development | Exposure visit to others | 2 | 38 |
| | Total | | 13 | 517 |

Many trainings / workshops have been organized both at SPMU and DPMU level on different aspects mentioned in the Training Plan submitted by International Expert Dr. Rex Kinder. Till June 2020, a total of 112 events have been organized by SPMU in which about 3,824 stakeholders of different categories participated. The detail of the trainings conducted by DPMUs is still awaited. COVID-19 has affected the training program adversely. A lot of trainings planned could not be organised, hence the training plan was revised to accommodate the changes.

Regular feedback has been taken from stakeholders to make further improvements in capacity building programmes. A format has been developed to record the feedback from the participants. These forms are distributed at the time of training to track the performance and quality of inputs being given in training. Their response was analyzed critically. Some of the responses received from feedback of various trainings are given below:

Training on Group Dynamics at SEWA (Self Employed Women's Association (SEWA) Ahmadabad

Economic disparity in most villages coupled with institutional and social barriers can impact the quality and pace of the implementation of the project. Therefore, the project has to address issues related to poverty, income generation, livelihood and access to basic infrastructure for vulnerable communities. It is necessary to organize women as user groups, SHGs or commodity groups to address livelihood and conservation issues.

The purpose of the visit to SEWA was to make aware and understand the project staff and VFMS members about importance of group dynamics so that they can understand and learn about group working, record keeping, account maintenance, savings & credit and involve in income generation activities. One group from Chamba circle and one group from Dharmashala circle visited SEWA in the months of January and March 2020. Groups were comprised of Forest Guards, Social Staff and few members from different VFMS. It was a six days tour to SEWA for both groups. Participants learned various aspects of group dynamics during this visit. Participants told that SEWA's main goals are to organize women workers for full employment and self-reliance. Full employment means employment whereby workers obtain work security, income security, food security and social security. In rural areas women have formed their own savings groups and are learning to manage their own collective capital.

Feedback:

All participants said that exposure visits to such programs will certainly help to develop the understanding of the project staff and VFMS members who will play an important role in the implementation of the project and will enable to work as efficient teams and perform effectively the roles and responsibilities vested with them.

Training on Self Check Internal Monitoring

One day training was organized at Palampur on June 25th, 2020, in which 46 participants comprised of PSCs, ROs, BOs, FGs and Computer Operators from Palampur Division participated. The training was chaired by CPD who motivated the field staff to attend this training enthusiastically so that the trained staff will be able to implement the leanings in the field in a proper manner. The purpose of these trainings were to make the participants acquainted with how to generate self check reports for internal monitoring and also to review the self check reports prepared by DPMU Palampur.

Feedback:

- 100% of the participants were of the view that more trainings on self-check monitoring are needed for better understanding.
- More than 95% of the participants were of the view that these trainings should be conducted at Division level as well as Range level.

Training on KfW fund management (accounts and record keeping)

A one day training on KfW fund management (accounts and record keeping) was organized at DPMU Palampur on June 26th, 2020. Participants were DFO, ACF, PSCs, Accountants, ROs and BOs of Palampur Division. This training was also chaired by CPD. In this training accounts maintained by the DPMU and status of reimbursement claim was reviewed and scrutinized by CPD in detail. CPD suggested the staff to reconcile / update the amount with reimbursement claim details (voucher wise) already sent from SPMU to DPMU and to submit the correct information with the pending Utilization Certificates / reimbursement claims to the SPMU within a week.

Feedback:

More than 95% of the participants were of the view that this training was very useful to them and should be conducted quarterly at Division level.

3.3.3.3 Improvement / rehabilitation of training infrastructure

Based on the assessment of the number of trainings conducted by SPMU and DPMUs in the last financial year it is felt that there is a need to identify and hire training institutions which can conduct both classroom and field trainings for the Project round the year in both circles.

If the Project feels that it is a long process to hire private institutions it has been suggested by PMC that a yearlong calendar with FTI Sundernagar be agreed upon and fund be provided to them. Apart from this, if the institutions need any infrastructure support it can be provided in consultation with PMC. PMC has undertaken such an assessment early this year.

3.3.4 Output 4: M&E of Project progress and achievements and mainstreaming of identified best practices into HPFD routine operations

Revised M&E guidelines and a corresponding field manual have been approved earlier. However, the baseline values and some target values of a number of success indicators are still missing, pending the finalization of Baseline Study.

The Baseline Study is being implemented by AFC India Ltd. The methodology was presented, discussed and validated during an inception meeting held on December 17th, 2019. The revised inception report was submitted in January 2020 but the field work already started in December 2019. Progress was rapidly affected by the COVID-19 lockdown. The field work was picked up again in May 2020 after the restrictions were relaxed. As of June 30th, 2020, 80% of the work has been completed in Kangra District, with works in Chamba District ongoing. The results, in principle due by July 2020, are likely to be delayed due to the COVID-19 lockdown.

The contract for the Third-Party Monitoring has been awarded to AFC India Ltd. on January 20th, 2020. The methodology was presented in an inception report submitted on March 18th, 2020. Field work for the first year has not started yet due to the COVID-19 lockdown.

The "Saving Book Approach (SBA)", developed and successfully implemented in a number of KfW-funded Natural Resources Management (NRM) projects, aims to incentivize forest protection by local communities against fire, grazing and illicit felling. After the approval of a MP for a particular site and the signing of a MoU with the concerned VFMS, 20% of the "Green Investment" (essentially the wages paid for the labour input for the removal of Lantana and/or other weeds, the raising and planting of trees, the sowing of grass, the fencing and the maintenance of the established plantations / fences) are deposited up-front onto a Fixed Term Deposit Account (yielding higher interest than a saving account) operated under the signatures of the VFMS President (elected) and the Treasurer (ex-officio the Deputy Range Officer) and pledged to the DPMU. Agreed tranches will be released annually from year 1 to 5 with approval of the DPMU pending successful development and maintenance of the plantations, certified by self-checks followed by Third Party Monitoring. A first draft of the SBA guidelines has been submitted to the scrutiny of KfW in April 2017. After several rounds of comments and revisions, KfW has finally given its NO to the guidelines on February 6th, 2020.

During the period under review, physical self-checks of Dehra and Palampur were finalised, whereas for Chamba, Dalhousie and Dharamsala, preliminary scrutiny was done, and the physical self-checks are being finalised. 19 nos. final Self-check reports of Dehra, 13 Nos. of Palampur, 10 from Nurpur, 15 from Dharamsala, 10 from Chamba, 14 from Dalhousie and 2 from Bharmour DPMU from 2018 monsoon season plantation were received. For 2019 monsoon season plantations preliminary reports are received from Dharamsala, Dehra, Chamba and Dalhousie which are being checked. As no work has been carried out in Pangri, no report is expected from there.

A comprehensive M&E system has been developed and put in place, and data entry work into the M&E database is ongoing. Till now the Project Manager (IT) is not employed and data entry can't be checked nor tested on plausibility, though it can be summarized in one data set for all of the divisions.

3.4 Cost and Finance, including Partner Contribution

The estimated total cost of the Project amounts to approximately EUR 37 million, including the HPFD and the beneficiary contribution of ca. INR 423 million. The financial contribution amounts to EUR 2 million as Grant plus EUR 30 million as Loan.

Major cost centres under which reimbursement has been received during the period under review are Forest Protection Incentives and Project Facilitation. As of June 30th, 2020, the total consumption of the Loan and Grant amounts to EUR 3.5 million, the details of which is given as under in Table 7 in EUR and in Table 8 in INR.

Table 7: Loan and Grant disbursement in EUR

| Project Measures per Separate Agreement | Financing per Separate Agreement | | | Amounts disbursed by June 30 th , 2020 | | | Amounts not yet disbursed by June 30 th , 2020 | | |
|---|----------------------------------|---------------------|----------------------|---|---------------------|---------------------|---|-------------------|----------------------|
| | Loan [EUR] | Grant [EUR] | Total [EUR] | Loan [EUR] | Grant [EUR] | Total [EUR] | Loan [EUR] | Grant [EUR] | Total [EUR] |
| 1. Lantana eradication & conversion | 10,850,000.00 | | 10,850,000.00 | 220,873.49 | | 220,873.49 | 10,629,126.51 | | 10,629,126.51 |
| 2. Enrichment Bamboo areas | 290,000.00 | | 290,000.00 | | | | 290,000.00 | | 290,000.00 |
| 3. Enrichment planting of Chir Pine forests | 1,150,000.00 | | 1,150,000.00 | 39,568.79 | | 39,568.79 | 1,110,431.21 | | 1,110,431.21 |
| 4. Silvicultural operation in Chir Pine | 960,000.00 | | 960,000.00 | | | | 960,000.00 | | 960,000.00 |
| 5. Soil and water conservation measures | 1,460,000.00 | | 1,460,000.00 | 9,316.54 | | 9,316.54 | 1,450,683.46 | | 1,450,683.46 |
| 6. Spring rehabilitation | 820,000.00 | | 820,000.00 | 4,354.30 | | 4,354.30 | 815,645.70 | | 815,645.70 |
| 7. Nursery development | 240,000.00 | | 240,000.00 | 95,598.25 | | 95,598.25 | 144,401.75 | | 144,401.75 |
| 8. Human - wildlife conflict fund | 910,000.00 | | 910,000.00 | | | | 910,000.00 | | 910,000.00 |
| 9. Training and capacity building | 340,000.00 | 950,000.00 | 1,290,000.00 | 12,376.14 | 387,067.85 | 399,443.99 | 327,623.86 | 562,932.15 | 890,556.01 |
| 10. Monitoring and evaluation | 630,000.00 | | 630,000.00 | | | | 630,000.00 | | 630,000.00 |
| 11. Project facilitation | 1,600,000.00 | 50,000.00 | 1,650,000.00 | 85,916.67 | 50,000.00 | 135,916.67 | 1,514,083.33 | 0.00 | 1,514,083.33 |
| 12. JFMC coordination | 310,000.00 | | 310,000.00 | | | | 310,000.00 | | 310,000.00 |
| 13. Forest protection incentives | 3,390,000.00 | | 3,390,000.00 | 497,814.72 | | 497,814.72 | 2,892,185.28 | | 2,892,185.28 |
| 14. Micro working plans | 180,000.00 | | 180,000.00 | 9,016.79 | | 9,016.79 | 170,983.21 | | 170,983.21 |
| 15. Project management | 1,890,000.00 | | 1,890,000.00 | 254,087.39 | | 254,087.39 | 1,635,912.61 | | 1,635,912.61 |
| 16. AM - Consultancy | 1,740,000.00 | 1,000,000.00 | 2,740,000.00 | 867,641.38 | 1,000,000.00 | 1,867,641.38 | 872,358.62 | 0.00 | 872,358.62 |
| Basic Costs | 26,760,000.00 | 2,000,000.00 | 28,760,000.00 | 2,096,564.46 | 1,437,067.85 | 3,533,632.31 | 24,663,435.54 | 562,932.15 | 25,226,367.69 |
| Technical Contingencies | 1,270,000.00 | | 1,270,000.00 | | | | 1,270,000.00 | | 1,270,000.00 |
| Price Escalation | 1,970,000.00 | | 1,970,000.00 | | | | 1,970,000.00 | | 1,970,000.00 |
| Interest | 0.00 | | 0.00 | | | | 0.00 | | 0.00 |
| Grand Total | 30,000,000.00 | 2,000,000.00 | 32,000,000.00 | 2,096,564.46 | 1,437,067.85 | 3,533,632.31 | 27,903,435.54 | 562,932.15 | 28,466,367.69 |

Table 8: Loan and Grant disbursement in INR

| Project Measures per Separate Agreement | Financing per Separate Agreement | | | Amounts disbursed by June 30 th , 2020 | | | Amounts not yet disbursed by June 30 th , 2020 | | |
|---|----------------------------------|---------------------|-----------------------|---|---------------------|---------------------|---|--------------------|-----------------------|
| | Loan [INR]* | Grant [INR]* | Total [INR]* | Loan [INR] | Grant [INR] | Total [INR] | Loan [INR]** | Grant [INR]** | Total [INR]** |
| 1. Lantana eradication & conversion | 88,97,00,000 | | 88,97,00,000 | 1,78,04,323 | | 1,78,04,323 | 88,22,17,500 | | 88,22,17,500 |
| 2. Enrichment Bamboo areas | 2,37,80,000 | | 2,37,80,000 | | | | 2,40,70,000 | | 2,40,70,000 |
| 3. Enrichment planting of Chir Pine forests | 9,43,00,000 | | 9,43,00,000 | 31,30,208 | | 31,30,208 | 9,21,65,790 | | 9,21,65,790 |
| 4. Silvicultural operation in Chir Pine | 7,87,20,000 | | 7,87,20,000 | | | | 7,96,80,000 | | 7,96,80,000 |
| 5. Soil and water conservation measures | 11,97,20,000 | | 11,97,20,000 | 7,37,013 | | 7,37,013 | 12,04,06,727 | | 12,04,06,727 |
| 6. Spring rehabilitation | 6,72,40,000 | | 6,72,40,000 | 3,41,510 | | 3,41,510 | 6,76,98,593 | | 6,76,98,593 |
| 7. Nursery development | 1,96,80,000 | | 1,96,80,000 | 75,24,368 | | 75,24,368 | 1,19,85,345 | | 1,19,85,345 |
| 8. Human - wildlife conflict fund | 7,46,20,000 | | 7,46,20,000 | | | | 7,55,30,000 | | 7,55,30,000 |
| 9. Training and capacity building | 2,78,80,000 | 7,79,00,000 | 10,57,80,000 | 9,78,356 | 3,10,54,727 | 3,20,33,083 | 2,71,92,780 | 4,67,23,368 | 7,39,16,149 |
| 10. Monitoring and evaluation | 5,16,60,000 | | 5,16,60,000 | | | | 5,22,90,000 | | 5,22,90,000 |
| 11. Project facilitation | 13,12,00,000 | 41,00,000 | 13,53,00,000 | 67,71,727 | 39,59,368 | 1,07,31,095 | 12,56,68,916 | 0 | 12,56,68,916 |
| 12. JFMC coordination | 2,54,20,000 | | 2,54,20,000 | | | | 2,57,30,000 | | 2,57,30,000 |
| 13. Forest protection incentives | 27,79,80,000 | | 27,79,80,000 | 3,88,01,006 | | 3,88,01,006 | 24,00,51,378 | | 24,00,51,378 |
| 14. Micro working plans | 1,47,60,000 | | 1,47,60,000 | 7,00,672 | | 7,00,672 | 1,41,91,606 | | 1,41,91,606 |
| 15. Project management | 15,49,80,000 | | 15,49,80,000 | 2,00,45,518 | | 2,00,45,518 | 13,57,80,747 | | 13,57,80,747 |
| 16. AM - Consultancy | 14,26,80,000 | 8,20,00,000 | 22,46,80,000 | 6,99,63,792 | 7,39,86,811 | 14,39,50,603 | 7,24,05,765 | 0 | 7,24,05,765 |
| Basic Costs | 2,19,43,20,000 | 16,40,00,000 | 2,35,83,20,000 | 16,67,98,493 | 10,90,00,906 | 27,57,99,399 | 2,04,70,65,150 | 4,67,23,368 | 2,09,37,88,518 |
| Technical Contingencies | 10,41,40,000 | | 10,41,40,000 | | | | 10,54,10,000 | | 10,54,10,000 |
| Price Escalation | 16,15,40,000 | | 16,15,40,000 | | | | 16,35,10,000 | | 16,35,10,000 |
| Interest | 0 | | 0 | | | | 0 | | 0 |
| Grand Total | 2,46,00,00,000 | 16,40,00,000 | 2,62,40,00,000 | 16,67,98,493 | 10,90,00,906 | 27,57,99,399 | 2,31,59,85,150 | 4,67,23,368 | 2,36,27,08,518 |

* 1 EUR = ca. 82 INR per Separate Agreement

** 1 EUR = ca. 83 INR as of June 2020

3.4.1 Simplified Reimbursement Procedure (HPFD)

As per the Separate Agreement dated December 17th, 2014, between HPFD and KfW, all funds assigned to goods and services are reimbursed to HPFD according to the simplified reimbursement procedure. HPFD submits reimbursement requests to KfW along with SOEs and WAs certified and counter-signed by PMC. The detail of all reimbursement to HPFD till date (both Grant & Loan) is given in Table 9.

Table 9: Reimbursement Status of Project (EUR + INR)

| WA No. | Value Date | Amount | | Cumulative Total | |
|---------------------------|------------|------------|-------------|------------------|--------------|
| | | [EUR] | [INR] | [EUR] | [INR] |
| Grant 2013 70 279 | | | | | |
| 1 | 29-06-2017 | 8,445.30 | 6,08,868 | 8,445.30 | 6,08,868 |
| 3 | 25-09-2017 | 7,563.26 | 5,83,101 | 16,008.56 | 11,91,969 |
| 5 | 29-06-2018 | 123,239.42 | 98,04,928 | 139,247.98 | 1,09,96,897 |
| 6 | 18-09-2018 | 112,330.56 | 95,50,288 | 251,578.54 | 2,05,47,185 |
| 7 | 23-05-2019 | 106,125.24 | 83,23,456 | 357,703.78 | 2,88,70,641 |
| 8 | 06-06-2019 | 79,364.07 | 61,43,454 | 437,067.85 | 3,50,14,095 |
| Loan 2013 65 154 | | | | | |
| 2 | 22-06-2017 | 15,553.08 | 11,19,386 | 15,553.08 | 11,19,386 |
| 4 | 20-12-2017 | 35,910.31 | 27,20,960 | 51,463.39 | 38,40,346 |
| 5 | 27-06-2018 | 35,257.13 | 28,05,057 | 86,720.52 | 66,45,403 |
| 6 | 18-10-2018 | 104,774.53 | 88,77,703 | 191,495.05 | 1,55,23,106 |
| 7 | 23-05-2019 | 92,321.69 | 72,68,673 | 283,816.74 | 2,27,91,779 |
| 8 | 06-06-2019 | 363,593.69 | 2,81,45,242 | 647,410.43 | 5,09,37,021 |
| 9 | 13-12-2019 | 168,665.62 | 1,32,38,177 | 816,076.05 | 6,41,75,198 |
| 10 | 20-01-2020 | 412,847.03 | 3,26,59,503 | 1,228,923.07 | 9,68,34,701 |
| Total Grant + Loan | | | | 1,665,990.92 | 13,18,48,796 |

3.4.2 Direct Disbursement Procedure (DFS/GOPA)

DFS/GOPA is paid for their services according to the Direct Disbursement procedure. The following table shows all Direct Disbursement requests submitted by DFS/GOPA to HPFD and payments received from KfW up to now. The consulting contract dated July 29th, 2017, was amended to incorporate the costs for an exposure tour to Germany, September 3rd to 11th, 2017, which was organized and facilitated by DFS/GOPA. The actual cost agreed for Addendum No 1 was EUR 43,463; however only EUR 37,976.87 was eligible for reimbursement after final invoicing. By June 30st, 2020, DFS/GOPA received the payments from KfW up to Invoice no. 14, as shown in Table 10.

Table 10: Disbursement Status of Project Management Consultants (EUR)

| S. No. | Value Date | Amount [EUR] | Cumulative Total [EUR] | Balance [EUR] |
|--------|------------|--------------|------------------------|---------------|
| 01 | 21-10-2016 | 150,000.00 | 150,000.00 | 2,374,743.00 |
| 02 | 22-12-2016 | 191,548.74 | 341,548.74 | 2,183,194.26 |
| 03 | 13-06-2017 | 165,000.00 | 506,548.74 | 2,018,194.26 |
| 04 | 21-06-2017 | 165,000.00 | 671,548.74 | 1,853,194.26 |
| 05 | 09-11-2017 | 165,000.00 | 836,548.74 | 1,688,194.26 |
| 05 a | 27-06-2018 | 21,731.50 | 858,280.24 | 1,666,462.76 |
| 06 | 21-12-2017 | 113,115.77 | 971,396.01 | 1,553,346.99 |
| 06 a | 22-12-2017 | 16,245.37 | 987,641.38 | 1,537,101.62 |
| 07 | 23-04-2018 | 110,000.00 | 1,097,641.38 | 1,427,101.62 |
| 08 | 07-08-2018 | 110,000.00 | 1,207,641.38 | 1,317,101.62 |
| 09 | 03-04-2019 | 110,000.00 | 1,317,641.38 | 1,207,101.62 |
| 10 | 08-02-2019 | 110,000.00 | 1,427,641.38 | 1,097,101.62 |
| 11 | 08-05-2019 | 110,000.00 | 1,537,641.38 | 987,101.62 |
| 12 | 11-07-2019 | 110,000.00 | 1,647,641.38 | 877,101.62 |
| 13 | 16-10-2019 | 110,000.00 | 1,757,641.38 | 767,101.62 |
| 14 | 08-04-2020 | 110,000.00 | 1,867,641.38 | 657,101.62 |

3.5 Time Schedule

The implementation phase of the Project officially started in June 2017. Till the end of June 2020, 200 MP sites were selected and 170 MPs were approved. Table 11 gives an overview of the overall implementation status till end of June 2020.

Table 11: Implementation Status for the Progress till June 2020

| PROJECT YEAR | Unit | Target | 2017-18 | | | | | | | | | | | | 2018-19 | | | | | | | | | | | | 2019-2020 | | | | | | | | | | | | 2020-2021 | | | | | |
|--|-----------|--------|---|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|-------------------------------|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|--------------------------|-----|-----|-----|-----|------|--|--|--|--|--|--|-------------|--|--|--|--|--|
| | | | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | | | | | | | | | | | | |
| Project Phases | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Implementation phase FC main programme | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Implementation phase A accompanying Measures | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Preparation and Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Establishment of SPMU & DPMU and Procurement | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Management Units (SPMU/DPMU)- Functioning | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nos. | | | 35 Sites Selected | | | | | | | | | | | | 96 Sites Selected | | | | | | | | | | | | 4 New Sites Selected | | | | | | | | | | | | 5 New Sites | | | | | |
| Nos. | 326 | | 45 | | | | | | | | | | | | 14 | | | | | | | | | | | | 86 | | | | | | | | | | | | | | | | | |
| Formation of JFMCs and MOU with JFMCs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nos. | 1630 | | 43 | | | | | | | | | | | | 265 | | | | | | | | | | | | 203 | | | | | | | | | | | | 64 | | | | | |
| Preparation of micro-working plans (No of villages) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nos. | 15 | | Prepared & Approved | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Activities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CCA conversion of infested forests plus planting bamboo along malahs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ha | 8350 | | 4815 | | | | | | | | | | | | 15865 | | | | | | | | | | | | 55117 | | | | | | | | | | | | 56083 | | | | | |
| Ha | | | 174.2 | | | | | | | | | | | | 216.06 | | | | | | | | | | | | 551.17 | | | | | | | | | | | | 560.83 | | | | | |
| Ha | | | | | | | | | | | | | | | 250.94 | | | | | | | | | | | | 962.26 | | | | | | | | | | | | 116.80 | | | | | |
| Ha | | | | | | | | | | | | | | | 34.79 | | | | | | | | | | | | 38.80 | | | | | | | | | | | | | | | | | |
| Ha | 250 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ha | 400 | | 2 | | | | | | | | | | | | 65 | | | | | | | | | | | | 81 | | | | | | | | | | | | | | | | | |
| Ha | 400 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ha | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ha | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ha | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ha | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ha | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ha | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nos. | 150 | | Mapping of 13 nos. springs | | | | | | | | | | | | Mapping of 5 Springs | | | | | | | | | | | | Mapping of 3 New Springs | | | | | | | | | | | | 2 New | | | | | |
| Nos. | 9 | | 9 Malah Nurseries Selected. Procurement Started. Training Started | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | 9,14,634 | | 59 Nos. Check Dams | | | | | | | | | | | | Springshed Plans Finalization | | | | | | | | | | | | 118 Check Dams | | | | | | | | | | | | | | | | | |
| Euros | 12,90,890 | | System Established & data entry work started | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | 7,31,464 | | 94% Procurement Completed | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | 16,49,270 | | 3,99,483.99 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | 3,07,314 | | 1,33,916.67 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | 33,86,866 | | 4,97,814.72 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euros | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4. CURRENT SITUATION OF TARGET GROUP / BENEFICIARIES AND FOREST USER GROUPS

4.1 The Beneficiaries, Legal Status & Arrangement

The primary beneficiaries are the 'User Groups' (UG) in the MPs under operations. There are generally 4 or more UGs in each MP area with distinct treatment plots allocated to each group. The UG is responsible for the implementation, maintenance and protection of their plots, and their members are the primary beneficiaries by way to usufruct sharing, earning of wages and availing of incentives after Third Party checks. This arrangement is likely to ensure a high level of involvement of the local community and of the UGs in particular. The UGs are all part of the VFMS which is a legally registered entity under the HP Societies Act, 2006. Each UG will also contribute its share of 2% in cash of the Green Investment being made in a MP to the VFMS, who will then deposit this money in the saving account held by them.

Under the guidelines and arrangements for the execution of this Project, new ways of fund transfer and disbursement between the DPMUs and the VFMS have been agreed to. After approval of the MP, a 6-monthly Activity Plan with budget is drawn up by the VFMS, approved by the General House and accepted by the Divisional Forest Officer (DFO) (this is specified in the By-Laws, 31(ii), notified by the Government of Himachal Pradesh [GoHP] for this Project). The DFO then transfers the 6-month budget to the VFMS account (working account) and payments for work performed are done after checking the DPMUs through bank transfers to individual wagers. Similarly, as provided for in the approved Memorandum of Understanding (MoU) and the Savings Book Approach (SBA) guidelines, the funds for maintenance and incentives are also being transferred to the VFMS in their maintenance account and incentive account.

For this arrangement to work smoothly, the HPFD staff including those hired under the Project (Project Support Coordinators, Facilitators, Village Group Organisers) are ensuring that the VFMS Executive Committee and members fully understand the arrangement. Continuous efforts and facilitation are needed for this to happen.

During KfW's April 2018 mission, it was suggested and agreed that a honorarium of INR 1,000 and INR 750 should be given to the VFMS President and to the Member Secretary, respectively. For contingencies and other unexpected expenses, a fund totalling of INR 10,000 is deposited into the concerned VFMS working account. The VFMS has to provide due invoices for the usage of this contingency amount.

5. STAFFING SITUATION

5.1 Project Executing Agency (SPMU / DPMU)

The SPMU has been established at Dharamshala with a staffing as per FS, headed by a CPD. For implementation at divisional level, the territorial divisions headed by DFCs were notified as DPMUs.

For the Project implementation government staff at SPMU and the DPMUs have been deputed from the HPFD. As per the FS the operational staff like Project Managers, Project Support Facilitators, VGOs and the other support staff like Computer Operators and Messengers etc. were to be hired from an outer agency, but with the change in Government Policy, it has been mandated that the required staff be hired from the Himachal Pradesh Natural Resource Management Society. The society hires the staff from the closed down forestry projects of HPFD.

5.1.1 Staffing at SPMU level

The current state of staffing situation at SPMU level is shown in Table 12.

Table 12: Staffing Detail at SPMU Level

| S. No. | Position | Per FS | Required | Present Status |
|--|---|--------|----------|----------------|
| Staff from HPFD | | | | |
| 1 | Chief Project Director | 1 | 1 | 1 |
| 2 | Deputy Project Director | 2 | 2 | 0 |
| 3 | Assistant Project Director | 4 | 4 | 4 |
| 4 | Clerical Staff | 10 | 10 | 5 |
| Outsourced staff from Resource Agency | | | | |
| 1 | Project Manager SFDA Support (SPMU Level) | 1 | 0 | Nil |
| 2 | Project Manager | 6 | 5 | 2 |
| 3 | Support Staff | 7 | 7 | |
| | a. GIS Expert | - | 1 | 1 |
| | b. Computer Operator | - | 6 | 5 |
| 4 | Messenger | 4 | 8 | 8 |

The regular staff position at the SPMU level is yet to be completed. Two Deputy Project Director level posts are still vacant. Project Manager (Information Technology [IT]) and Project Manager (Nurseries) are still to be hired.

5.1.2 Staffing at DPMU level

The current state of staffing situation at DPMU level is shown in Table 13.

Table 13: Staffing Detail at DPMU Level

| S. No. | Position | Per FS | Required | Present Status |
|---|---------------------------------------|--------|----------|----------------|
| Staff from HPFD | | | | |
| 1 | Divisional Forest Officer (DFO) | 8 | 9 | 9 |
| 2 | Assistant Conservator of Forest (ACF) | 8 | 9 | 3 |
| 3 | Range Officer | 30 | 32 | 32 |
| 4 | Deputy Range Officer | | | 101 |
| 5 | Forest Guard | | | 315 |
| Outsourced / local / work base staff | | | | |
| 1 | Project Support Coordinator (PSC) | 8 | 18 | 9 |
| 2 | Data Entry Operators (DEO) | | 9 | 7 |
| 3 | Project Support Facilitator (PSF) | 40 | 64 | 32 |
| 4 | Village Group Organizer (VGO) | 150 | 320 | 157 |

Data Entry Operators at DPMU level were hired on work basis for speeding up the process of data entry as well as the preparation of MPs. Currently, only 7 DPMUs have hired DEOs.

As can be seen from Table 13 there is shortage of outsourced staff.

It has been decided that the social staff deployed to the Project is for the whole term of the HPFECPP. DPMUs will utilize the optimum services of the deployed staff for speedy implementation of the Project.

5.2 Project Management Consultants

5.2.1 Present Situation

The Consulting consortium DFS Deutsche Forstservice GmbH and GOPA mbH of Germany are providing technical advisory services led by the CTA.

Since Contract Addendum No. 2 signed on August 6th, 2019, the Consultant services comprise up to 69.5 person-months of international advisers and up to 116 person-months of national advisers.

5.2.2 Consultant services provided during the period under review

Consultant services provided during the period under review comprise 1.233 person-months of international adviser in project management (0.267 person-months thereof remotely due to the COVID-19 lockdown), implementation and administration topics, and 4.733 person-months of national advisors on project management and accounting.

Consultant services provided during the period under review and in total are summarised in Table 14.

Table 14: Staffing Detail of Project Management Consultants

| Code | Position | Name | Allocation | Person-Months of Consultant's Services | | | Balance |
|------------------------------------|--|--|----------------|--|-----------------------|---------------|---------------|
| | | | | Previously | Used Reporting Period | Total | |
| Foreign Personnel | | | | | | | |
| CTA | Forest Restoration / Mgmt | HESS Peter LENNERTZ Ralph DIETZ Johannes | 40.000 | 21.700 | 1.233 | 22.933 | 17.067 |
| iKE1 | Climate Change & Reserach Coop. | HORST Alexander | 4.000 | 2.200 | - | 2.200 | 1.800 |
| iKE2 | Nursery Operation | KARLSSON Stellan | 4.500 | 4.467 | - | 4.467 | 0.033 |
| B1 | Backstopper DFS | LUDWIG Ralf SCHADE Christian | 1.800 | 1.133 | - | 1.133 | 0.667 |
| B2 | Backstopper GOPA | TUNK Christian | 1.200 | 0.400 | - | 0.400 | 0.800 |
| iSTE1 | Financial Mgmt | FUCHS Hans-Udo | 1.000 | 0.900 | - | 0.900 | 0.100 |
| iSTE2 | FMP & Silviculture | GAMPE Stephan | 5.000 | 4.967 | - | 4.967 | 0.033 |
| iSTE3 | Capacity Development | KINDER Rex Gordon | 4.000 | 4.000 | - | 4.000 | - |
| iSTE4 | SBA | WILLEMS Heinz | 3.000 | 1.900 | - | 1.900 | 1.100 |
| iSTE5 | M&E Development | SCHWEIZER Gerhard | 4.000 | 3.933 | - | 3.933 | 0.067 |
| iSTE6 | Unallocated | N.N. | 1.000 | - | - | - | 1.000 |
| Sub-Total Foreign Personnel | | | 69.500 | 45.600 | 1.233 | 46.833 | 22.667 |
| Local Personnel | | | | | | | |
| ACTA | Community Forestry | TANDON Vinay VAIDYA Anil | 60.000 | 37.100 | 3.333 | 40.433 | 19.567 |
| nKE1 | Fin. Coord. / Accounting | SARASWAT Mukesh | 18.000 | 9.867 | 1.400 | 11.267 | 6.733 |
| nKE2 | Community-Based Livelihoods, IGA, Capacity Development & Convergence | JAISWAL Dayal | 10.000 | 9.300 | - | 9.300 | 0.700 |
| nSTE1 | Sustainable NRM, JFM, SBA | THAKUR Amar Singh SHARMA Picky | 6.000 | 4.950 | - | 4.950 | 1.050 |
| nSTE2 | Climate Proofing | KOUL Deeraj | 4.000 | 1.733 | - | 1.733 | 2.267 |
| nSTE3 | Spring Rehabilitation | KULKARNI Himanshu | 4.000 | 3.600 | - | 3.600 | 0.400 |
| nSTE4 | Pasture Mgmt / Integrated Fire Mgmt | RADOTRA Sudesh | 4.000 | 0.167 | - | 0.167 | 3.833 |
| nSTE5 | NTPP Development | CHKRAVARTi Visvarup | 4.000 | - | - | - | 4.000 |
| nSTE6 | Procurement | MISHRA Vikash | 2.000 | 2.000 | - | 2.000 | - |
| nSTE7 | Unallocated | N.N. | 4.000 | - | - | - | 4.000 |
| Sub-Total Local Personnel | | | 116.000 | 72.267 | 4.733 | 77.000 | 39.000 |

6. STATUS / ACHIEVEMENT OF OUTCOMES - IMPACTS, UPDATE OF INDICATORS

At present all guidelines for climate proofing of forest ecosystems are established and tested. Some of the guidelines have been updated (saving book approach, cost norms, silvicultural guidelines including technical standards) and adjusted to lessons learned so far. 200 sites for Micro-Planning have already been selected, 170 MPs are approved, and another 30 MPs are under preparation. The process of further identification of remaining sites for constitution of VFMS and development of MPs is in progress. Trainings for beneficiaries and forestry staff is ongoing.

At present no update of indicators is necessary. The Project indicators are unchanged. The outcomes are briefly summarized in Table 15.

Table 15: Project Impact Indicators

| Summary | Success Indicators | Result / Achievement |
|--|--|--|
| Programme Impact (= Overall Objective) | Indicator Name / Description | |
| Public and private investments in the Natural Resource Management sector improve the natural resource base, minimize the risk of climate change and increase productivity and income in rural areas. | 1. Improving the stock of natural resources in supported states or regions (e.g. increase of forests, increasing the water table and/or improve soil quality). | |
| | 2. The states / districts supported by German development cooperation have a strategy for adapting to climate change which is implemented and demonstrated. | |
| Programme Outcome (= Module Objective) | Indicator Name / Description | |
| Climate resilience of forest ecosystems, biodiversity and adaptive capacities of forest dependent communities in the selected Project area is increased. | 1. Reduction of forest degradation (canopy cover). | |
| | 2. Increased floral biodiversity. | |
| | 3. Increased income from timber and non-timber forest products of target population as per PFM regulations. | Not accepted by SPMU. |
| | 4. Increased availability of spring water in treated spring catchment areas. | Preparation of springshed plans underway. Increased availability can only be observed over a period of time. |
| | 5. Treated forest stands are well protected and sustainably managed. | Results from survival self-checks. |

| Summary | Success Indicators | Result / Achievement |
|--|--|--|
| | Baseline values / Target values: Will be defined during Project inception phase. | Values to be determined by the baseline study, ongoing since December 2019. |
| Outputs (= Results) | Indicator Name / Description | |
| Output 1: Forest stands in Project area are rehabilitated. | 1. Survival rate of afforestation. Baseline value: - Target value: 80% | |
| Output 2: Tools for climate adaptive forest management are developed and applied in Project areas by HPFD. | 2a. Project nurseries produce quality planting material as per established Project standards. Baseline value: - Target value: 80% Grading methodology for nurseries will be defined during Project inception phase. | Guidelines for nursery management developed, pilot nurseries selected and being prepared for root trainer planting stock, procurement of needed equipment completed; Training of nursery staff with new technique was completed in November 2019. It was mutually decided to select 10 more forest nurseries as support nurseries wherein the required planting stock can be raised with new technique in polybags in the absence of root trainers. |
| | 2b. Guidelines for CC adapted forest management developed and applied. Baseline value: - Target value: Yes | With the implementation of activities in the field the need for new models were felt and hence the CC guidelines were revised, and some new models and new cost norms were included which were approved by KfW. Guideline for Climate Change Adapted Forest Management in HP was prepared by CC expert and submitted to SPMU for perusal. |
| Output 3: All implementation partners and Project target groups are capacitated. | 3a. Efficiency and effectiveness of training courses positively appraised by participants. Baseline value: - Target value: 70% of participants rate the trainings as useful and successful. | 112 trainings done. |
| | 3b. Majority of CBOs rated as well performing according | |

| Summary | Success Indicators | Result / Achievement |
|---|--|---|
| | to Project rating system. Baseline value: - Target value: 70% | |
| Output 4: M&E of Project progress and achievements and mainstreaming of identified best practices into HPFD routine operations. | 4a. Progress monitoring system established and operational Baseline value: - Target value: - | M&E guidelines were revised due to inclusion of new models in the silvicultural guidelines. Database was also revised. Related training was imparted for entering data into the database. |
| | 4b. Number of best practices / Project products integrated into HPFD's respective management guidelines. Baseline value: - Target value: will be defined during Project inception phase. | |

7. RISKS AND NEED FOR ACTION

- The delay that initially set in has been made up for to some extent, but Project schedules and progress are still to be expedited. After 4 years of Project implementation, only about 11% of Project funding is used / reimbursed. It is expected that the reimbursement continues to gain momentum, as a lot of field activities have been implemented and DPMUs are preparing the reimbursement claims for these field activities. To speed up the implementation process the communication between the Project and various stakeholders has been improved vastly. Field implementation is monitored, and more awareness generated.
- As of June 2020, out of totally planned 326 MPs, 170 are approved. Considering the progress made so far, it seems likely that the remaining 156 MPs can be elaborated and approved until March 2021.
- The prolonged inception phase and delay in the initial start of the project implementation along with the current COVID-19 pandemic has become a cause for concern. Hence, to achieve the project targets, a 3-year extension of the Project duration until December 2025 is being sought by HPFD. A decision in this respect will be required on urgent basis so as to plan the next year activities, especially the nursery raising for the project plantations.

If the original project period up to December 2022 is to be reckoned, then all remaining Lantana / other weed removals, planting of trees on forest land, nallah planting, etc. have to be implemented in 2020 in order to be able to monitor the survival rates at least until year 3 before the end of the Project. This practically will mean there has to be no new planting / Lantana removal during 2021 and 2022, and only maintenance work under these activities has to be done and hence the budget projections for FY 2021-2022 and 2022-2023 have to be done accordingly.

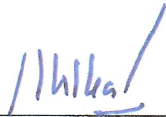
On the other hand, if the Project gets an extension, further plantation work / Lantana removal will be carried out for another 2 years i.e. FY 2021-2022 and FY 2022-2023, for which nursery raising has to be initiated during the current FY, i.e. 2020-2021. A delay in the decision on extension request of the project period is likely to adversely affect the availability of the plant stock and other field activities which will need to be implemented in case the Project gets extension.

- The progress in adopting root trainer technology in nurseries has not picked up the required pace. Although the International Nursery Operation Expert has already given his input and certain connected issues regarding bamboo versus iron frames as well as the procurement of root trainers and coco peat have been sorted out, actual implementation in the nurseries is slow.

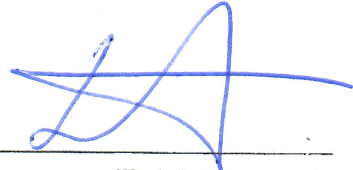
No nursery plants using the root trainer methodology are likely to become available for monsoon planting in 2020, and the earliest availability of some of these plants actually being planted in the field is monsoon 2021. However, since a beginning has been made in this direction, once the technological efficacy of root trainer plants gets established in project plantations, this will be one of the major take aways for HPFD for adoption and mainstreaming.

- Progress for formulation of springshed plans is lagging behind. By June 2020, only 23 springshed plans were developed, 18 thereof by ACWADAM, with 13 still without costings to be completed by the DPMUs. Since a large number of MPs have already been approved and only very few of them have any springshed intervention proposed, the DPMUs need to explore and identify suitable springsheds in the already approved MPs as well as in the MPs under formulation so that this important CCA model could be effectively implemented in the Project. Despite 2 trainings arranged in Chamba and Dharamsala for the field staff through ACWADAM, the staff is still not very confident regarding identification of recharge zones. To expedite the work, ACWADAM should provide on-the-job training / mentor springshed plan development under a contract to be preferably directly awarded with the consent of KfW.
- In 7 out of the 9 model nurseries planned (2 in Bharmour and Pangri excluded), most materials, equipment and infrastructure have been provided and training of staff in various operations carried out. Anticipating this development, PMC and SPMU along with the International Nursery Operations Expert agreed to grow 15,000 seedlings each in 10 supplementary nurseries. These are being raised in poly bags using the coco-peat & vermi-compost medium.

This report is prepared by PMC dated 20 Nov. 2020. It is based on progress reports received from only 3 Divisions.

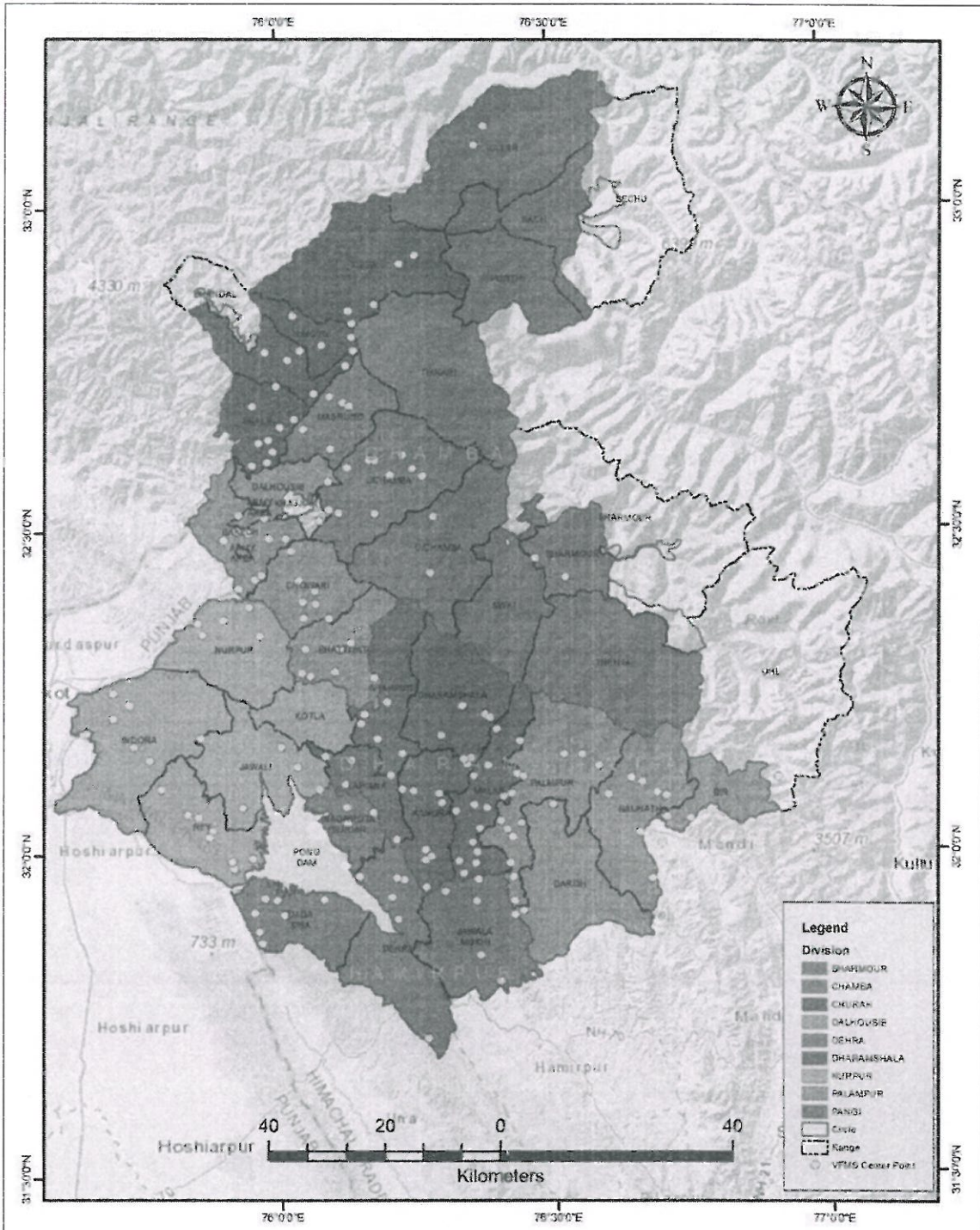


(Raghubir Singh Banyal)
Chief Project Director



(Ralph Lennertz)
Chief Technical Advisor

Annex A: Approved FMP Sites



Annex B: Glimpses



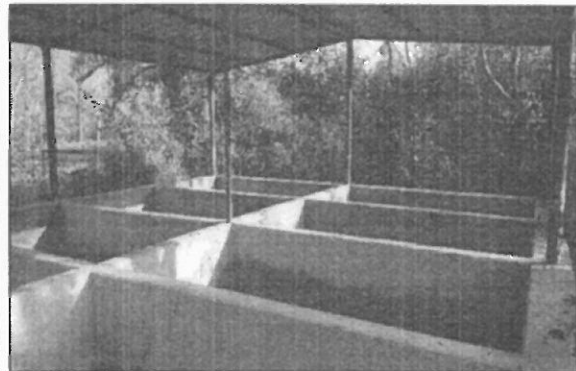
Fencing at Naushera VFMS



Fencing being done at Sadwan VFMS



Root trainers being used at Haripur Nursery



Vermi compost pit at Khaleta Nursery



Plantation, Rinda Samana VFMS



Discussion with Khawa VFMS Members



Display Board at Chambi Plantation Area



FMP record maintained by Forest Guard