

**UNITED NATIONS ENVIRONMENT PROGRAMME
GLOBAL ENVIRONMENT FACILITY
PROJECT DOCUMENT**

SECTION 1 – PROJECT IDENTIFICATION

- 1.1 Title of Sub-Programme:** International Waters – 10: Contaminants
- 1.2 Project title:** Russian Federation – Support to the National Programme of Action for the Protection of the Arctic Marine Environment
- 1.3 Project Number:** GFL / 2732 – 03 – 4694
GF/3010-03-21
- 1.4 Geographical Scope:** Russian Federation
- 1.5 Implementing Agency:** United Nations Environment Programme (UNEP)
- 1.6 Executing Agency:** Ministry of Economic Development and Trade of the Russian Federation (Minekonomrazvitiya of Russia)
1st Tverskaya-Yamskaya St., bldg 1,3, Moscow, 125993
Russian Federation
Tel: +(095)-200-0353, Fax: +(095)251-6965
- 1.7 Duration:** 60 months for the two phases
Commencing: July 2005¹
Completion: June 2007
(Phase II July 2007 – June 2010)
- 1.8 Cost:**

			Million US\$
Cost to GEF:	Project tranche I*	:	5.885
	Project tranche II	:	4.425
	PDF-B	:	0.306
	Subtotal GEF	:	10.616
Co-financing:	PDF-B (all sources)	:	0.474
	Russian Federation (in cash & kind)	:	
	Phase I		5.800
	Phase II		4.350
	Other **	:	7.352
	Subtotal Co-financing	:	17.976
Total Project Cost			28.592

* Commitment sought by Council at its December 2001 session for Phase I.

The project document between UNEP and Ministry of Economic Development and Trade of the Russian Federation was initially signed on 20th August, 2003. The meeting between the original Co-executing agencies chaired by UNEP held in Moscow on 3rd December 2003 highlighted serious divergent views on the implementation modalities of the project. Accordingly, no activities have taken place after the signing of the initial project document. At the Consultative meeting held on 19th July 2004 in Geneva, it was agreed that the Ministry of Economic Development and Trade of the Russian Federation will be the executing agency for this project with ACOPS and NEFCO as partners. The revised project document reflects this agreement and was signed on 1st February 2005 and sent to GEF Sec. Bilateral donors and GEF Sec expressed some concerns over the revised and resigned document, and a donors meeting was held on 30th May 2005 in Washington, D.C.. Based on the outcomes of this meeting, the project document was again revised and will be signed again. This document now supersedes the previous two signed (20th August 2003 and 1st Feb 2005) versions.

**** Other Government and organisation Co-Financing (Million US \$ - including PDF-B)**

Canada	:	0.732
RAIPON (sponsored by Denmark, under negotiation-indicative)	:	0.270
European Commission (under negotiation)	:	0.000
Iceland	:	0.100
Italy	:	0.500
NEFCO (under negotiation)	:	1.000
NDEP (under negotiation)	:	0.000
EBRD (under negotiation)	:	0.000
United States of America	:	4.000
GPA	:	0.250
IOC of UNESCO :		0.500
TOTAL		7.352

1.9 **Summary**

Major outcomes will include a nationally approved Strategic Action Programme to address damage and threats to the arctic environment from land-based activities in the Russian Federation; direct and related improvements to environmental protection (legislative, regulatory and institutional and technical capacity) within the Russian Federation; the completion of ten pre-investment studies to determine the highest priority and tractable interventions to correct or prevent transboundary impacts of land-based activities; and three categories of demonstration projects dealing respectively with marine environmental clean up, the transfer of two decommissioned military bases to civilian control, and involving indigenous peoples in environmental and resource management. The results are intended to benefit the international arctic environment, particularly the Arctic Ocean basin and its shelf seas, and contribute to two principal international agreements: Arctic Environmental Protection Strategy (AEPS); and the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) as implemented in the Arctic Region through the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA) and the Arctic Council Plan of Action to Eliminate Pollution of the Arctic (ACAP).

Signatures:

For Ministry of Economic Development and Trade of the Russian Federation (Minekonomrazvitiya of Russia) _____ Mr. B.A.Morgunov Assistant to the Minister Date: 18/07/2005	For UNEP _____ Mr. D. Hastie Chief, Budget & Financial Management Services, UNON Date: 18/07/2005
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SECTION 2 - BACKGROUND AND PROJECT CONTRIBUTION TO THE OVERALL SUB-PROGRAMME IMPLEMENTATION

2.1 Background and Context (Baseline Course of Action)

1. The Arctic Ocean and its shelf seas represent an area of global significance in terms both of their influence on global oceanic and atmospheric circulation and their unique biological species, which constitute an essential element of global biological diversity. Although the smallest of the major ocean basins of the world, the Arctic Ocean plays a crucial role in the movement of oceanic waters through connections and exchanges with the Atlantic and Pacific Oceans. Its characteristics are influenced by major inflows from the Atlantic Ocean, secondary inflows through the Bering Strait and continental runoff. The Arctic is the major driving force for the deep circulation of the oceans with cold deep water formation on the peripheries of the Arctic Ocean giving rise to the deep western boundary undercurrent which can be regarded as the starting point for Henry Stommel's 'Tour de Force' (or 'oceanic conveyor belt'). The Arctic marine environment is heavily ice-covered throughout most of the year with seasonal fluctuations in ice-cover enabling the recovery of important fisheries resources from its shelf seas, particularly the Barents and Kara Seas. The largest fishery landings are made by Russia and Norway with Barents Sea cod among the most important species. The predominant shelf areas lie along the northern Russian coast and in the Canadian Arctic Archipelago. The Russian landmass occupies 44% of the circumpolar arc - approximately twice that of the next largest country, Canada.

2. The Arctic marine environment is home to a wide range of unique species, the best known among them being polar bear, narwhal, walrus and beluga. Over 150 species of fish inhabit arctic and sub-arctic waters; important among these are cod and American plaice, which is the most abundant flatfish in the Barents Sea. There are also a wide variety of birds. Some of these are species found in other oceans but several are unique to the Arctic such as several species of auk and ivory gulls that maintain close contact with ice-covered areas throughout their lives. Each summer over 120 bird species migrate from temperate and tropical regions to the Arctic where they breed. Of the many bird species that inhabit and nest in the Arctic terrestrial environment during the summer months, very few remain in the far north year-round. Raven, snowy owl, rock ptarmigan and willow ptarmigan are predominant among the few year round resident birds.

A further important feature of the Arctic is its indigenous inhabitants. Indigenous peoples have been living as part of the Arctic ecosystem for millennia and, in most areas, continue to do so. As consumers of local resources, they are frequently the most exposed recipients of contaminants from local and distant sources. Many of the effects of large-scale environmental contamination are likely to be most pronounced among indigenous peoples. The cultures and traditions of arctic indigenous peoples are found nowhere else. Most of these groups continue their traditional patterns of natural resource management maintain their cultural heritage and fight for their rights to continue to do so. There exists a close bond among all the indigenous arctic peoples of which the major groupings are the Lapps, Saami, Inuit, Aleut, Athabaskan, Eyak and Métis. There are eleven indigenous minority peoples in Russia considered to belong to the Arctic. These are the Saami, Enets, Nenets, Khanty, Nganasan, Dolgan, Even, Evenk, Chukchi, Eskimo (Yu-pik), and Yukagir. These indigenous populations are threatened by dislocation, interactions with immigrants and the associated decline of traditional activities and values. Some have become extinct, even within the twentieth century. With the increased exploitation of natural mineral resources in the Arctic, the very existence of the indigenous community is at risk. Arctic indigenous peoples are the most fragile elements of human society in the Arctic and the most susceptible to environmental change. As such, they deserve special attention to their ways of life, living conditions and prospects for the future. The impacts that both contaminants and, more insidiously, the fear of contaminants have on these indigenous peoples and cultures demonstrate the need for effective communication and for action to prevent contamination that may lead to adverse effects.

4. The Russian Federation is now attempting to rectify past deficiencies and to formulate a comprehensive approach to environmental protection, including that of the Arctic and its indigenous arctic peoples. The system boundaries for interventions within this Project are northern Russia as

politically defined for the purposes of the AMAP Assessment completed in 1998. The marine area that is the focus of protective activities among the Arctic States is similarly defined on political grounds and extends generally northwards of latitude 60°N. It therefore includes not only the entire Arctic Basin but also several adjacent marine areas such as the Barents Sea, the Greenland Sea, Baffin Bay and some parts of the Bering Sea. The Project outlined here deals specifically with interventions within the Russian Federation to address the most seriously affected marine areas of the Arctic by anthropogenic activities. This is an issue of direct concern to the Russian Federation as the most affected coastal seas are the Barents, Kara and Chukchi Seas, all of which are partially or entirely within Russian jurisdiction. These are shelf seas that are the major areas of ice formation, leading to brine rejection, sinking and export, which directly influence the internal structure of the Arctic Ocean and the character of its waters. However, the adverse effects of previous and contemporary anthropogenic activities in the Russian Federation extend beyond these seas to both international waters and those under the jurisdiction of other countries. Through the role played by the Arctic Ocean in the formation of Atlantic Ocean deepwater, the transboundary effects of Russian activities can extend beyond the Arctic Basin to the major deepwater masses of the global ocean through the “oceanic conveyor belt” process. The dominantly cyclonic surface circulation of the Eurasian Basin of the Arctic Ocean in surface drift to the east along the northern coast of Russia provides a further avenue of transboundary movement of surface water constituents. Arctic tracers (radionuclides) derived from western European sources after entry into the Arctic through the Norwegian Current have been shown to enter the East Greenland Current, the West Greenland Current and are expected to continue surface transport through the Greenland Sea into the surface boundary flow southwards along the eastern seaboard of North America. This demonstrates the interconnectivity of the Arctic with the North Atlantic and other oceans through surface flows. This surface flow is complemented by flow into the deep Western Boundary Undercurrent of the Atlantic as a result of overflow across the Iceland-Scotland and Scotland-Faeroes Ridges. Thus contaminants in the Arctic can be subsequently distributed relatively rapidly to the North Atlantic and then enter the global ocean circulation and reach other oceans. All this adds a global dimension to a topic that would, at first glance, appear to be primarily a matter of concern to the Arctic States.

5. The top-priority environmental issues in the Russian Arctic are mainly associated with local hot spots in the areas of intensive work, first and foremost, of mining companies. The contamination levels in these areas significantly exceed the regional ones, degrading or even destroying natural ecosystems, thus seriously damaging the health of local inhabitants and undermining the traditional way of life of the indigenous peoples. Mining work in the Russian Arctic is expected to gather momentum, which threatens to further damage the environment in this region. All this necessitates urgent measures to be taken to address the adverse ecological effects of the past and also to prevent further contamination of the Russian Arctic in the new realities of a market economy.

6. There are a number of barriers to the correction of environmental degradation with both national and transboundary implications. The major barrier derives from the necessity to solve numerous problems, which emerged during Russia's transition to a market economy, resulting in the lack of funding for environmental protection. Another barrier arises from the outdated nature of the current environmental regulations, which do not correspond with the new economic conditions in Russia. Environmental protection in the Arctic and the adoption of environmental norms are regulated largely by the federal environmental legislation, which has been established on the basis of a single approach that disregards the variety of geographical regions of the country. At present there are no legislative norms that would bind federal, regional and provincial executive bodies and economic entities with regard to the specifics of nature management and environmental protection in the Arctic Region and adequately reflect the differences in the transition of the economic entities located there to market conditions. With a view to resolving the increasingly serious environmental problems in the Russian Arctic, Russia, having considered the necessity to comply with international agreements and programmes, has elaborated and approved the National Plan of Action for the Protection of the Marine Environment from Anthropogenic Pollution in the Arctic Region of the Russian Federation (NPA-Arctic). Some of the NPA issues bear only on the Russian Federation and these are to be funded from national resources. Other issues involve serious consequences of economic activities in the Russian Arctic to wider environmental and natural resources of the international waters. These issues are

matters of international concern, which will permit systematic action, at both national and international levels, to resolve them. This, in major part, constitutes the underlying basis of this Project – to enable a comprehensive approach to be adapted to the reduction of environmental degradation that provides the greatest net benefit to the Russian Federation, its arctic neighbours and the entire global community.

2.2 Legislative Authority and Project Contribution to Overall Sub-programme Implementation

This Project stems from a PDF-B, approved in 1999, that was executed during 1999-2001. During the PDF-B a number of preparatory activities were undertaken including: (1) the identification and prioritisation of hot-spots (i.e. areas of environmental degradation and threat) within the Russian Arctic; (2) an analysis of the mechanisms of hydrological and atmospheric transport of contaminants within the Arctic with primary emphasis on processes within the Russian Federation; (3) an analysis of the current policy and legislative arrangements to address environmental issues in Russia including an assessment of contemporary initiatives and future directions; and (4) an analysis of the existing practice of pre-investment studies and preparation of a manual for their conduct. The products of all these activities and other recent Russian and international initiatives to address the protection of the Arctic environment and the sustainable use of its resources and amenities have formed the basis of this Project.

8. The United Nations Conference on Environment and Development (Rio de Janeiro, 1992) gave a major impetus to Russian activities to resolve environmental protection issues. In 1996, the President of the Russian Federation endorsed the ‘Concept of Transition of the Russian Federation to Sustainable Development’ that, in particular, stipulates the need to adopt measures to reduce the impact of economic activities on the global environment and to normalise the condition of the arctic environment. A number of federal laws and regulations have been adopted by the Government of the Russian Federation in order to address environmental issues and protection of the marine environment. In particular, the federal laws on the Continental Shelf of the Russian Federation, on the Exclusive Economic Zone of the Russian Federation, on the Internal Marine Waters, Territorial Sea and Adjacent Zone of the Russian Federation, on Protection of Ambient Air should be indicated. Conception of the State Support to Economic and Social Development of the Russian North (approved by the Russian Government on 7th March 2000, no. 198) stipulates the principal activities in environment and nature management in the North with regard to its specifics. Principles of the State Policy of the Russian Federation in the Arctic, including the ecological dimension of the Policy were endorsed by the Russian Government in June 2001. On 10th March 2002, a new federal law No. 7FZ on “Environmental Protection” was adopted in the Russian Federation. Yet there is increased pressure to enhance the extraction of natural resources, especially hydrocarbons, from the Arctic where the environment is extremely fragile and highly sensitive to the effects of anthropogenic activities. This could lead to further aggravation of the already serious environmental situation in the Arctic and the emergence of additional “hot spots” and to the enhancement of transboundary contamination effects of the Russian Arctic. This Project aims to address contemporary environmental problems in the Arctic and possible risks of their emergence considering their impact on regional and global levels.

9. There is the necessary legislation to conduct this Project. First, it is conducted within the context of the Federal Target- Oriented Programme (FTOP) ‘World Ocean’ which was approved by the Government of the Russian Federation, with the NPA-Arctic incorporated into the “World Ocean” FTOP. Second, the Project is supported by the Arctic Council through the NPA-Arctic, which was stipulated in the declarations of ministers in Iqaluit (1998), Barrow (2000), Inari (2002) and Reykjavik (2004) as this Russian plan is in line with the Arctic Council’s aims and objectives and its regional programmes. The third pillar is the ‘Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities’ (GPA), concluded in Washington, D.C., in 1995. It is noteworthy that the First Intergovernmental Review Conference held in Montreal in November 2001 emphasised the importance of this Project as one of the major demonstration projects implemented in the framework of GPA. Finally, the GEF Operational Strategy and Operational Programmes provide the ultimate legislation for the Project. Each of these is dealt with in the following paragraphs.

10. The Russian Federation implements Federal Target-Oriented Programmes (FTOPs) that are the basic tools for providing State support to the solution of economic, social and environmental problems. The “World Ocean” FTOP, adopted by the Russian Government in 1998, and its sub-programme ‘Use and Development of the Arctic’ constitute the basic instruments within Russia for policy directions for marine activities and the Arctic. That is why it is in the framework of this programme that the National Plan of Action for the Protection of the Marine Environment from Anthropogenic Pollution in the Arctic Region of the Russian Federation was elaborated to reflect the Russian Federation’s commitment to the objectives of the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) in the arctic region through the Regional Programme of Action for the Protection of Arctic Marine Environment from Land-Based Activities (RPA), and the Plan of Action to Eliminate Pollution in the Arctic (ACAP) initiatives of the Arctic Council.

The eight Arctic States (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the United States) adopted an ‘Arctic Environmental Protection Strategy’, which laid the foundations for environmental co-operation in the Arctic at the intergovernmental level (the Rovaniemi process). A major first initiative in the framework of the Arctic Monitoring and Assessment Programme (AMAP) was the conduct of an assessment of the environment of the Arctic within the boundaries defined by the Arctic governments. This first pan-Arctic assessment set the stage for all the Arctic States to devise a common approach to the restoration and protection of the Arctic environment, its living resources, its biodiversity and its indigenous population. Russia continues to be an active participant in the bilateral and multilateral environmental programmes carried out within the framework of the Rovaniemi process. These programmes and the programme of sustainable development formed the basis for the operation of the Arctic Council established by the Arctic states, including Russia, in 1996. The Arctic Council approved the development of the Russian NPA-Arctic and charged the Working Group on the Protection of the Arctic Marine Environment (PAME) with the co-ordination of efforts made by the Arctic states, international financial organisations and other agencies, with a view to supporting the NPA-Arctic. In Inari Declaration of the Arctic Council, adopted on 10 October 2002, acknowledged the NPA-Arctic as important component of the Regional Programme of Action for the Protection of Arctic Marine Environment from Land-Based Activities and commended adoption of the NPA-Arctic by Russia and multilateral and bilateral financial support for it.

The Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities (GPA) was adopted in Washington, D.C., in 1995 by more than 100 countries. This agreement was the first to deal directly with marine protection from land-based activities, unlike many previous agreements, such as the London Convention of 1972 that addresses dumping at sea from vessels and aircraft, and the MARPOL 73/78 Convention that addresses operational discharges from ships. It is unarguable that the greatest damage to the marine environment, its resources and amenities, stems from activities conducted on land, whether in coastal areas or in the hinterland. These effects are mediated by runoff and atmospheric transport of material, including contaminants, from the continents to the ocean. Furthermore, there are now perceived to be even greater threats on a global basis than the effects of classical contaminants. These include the effects of nutrient and sediment transport into the marine environment and, of particular relevance to the Arctic, the damage caused by physical alterations to coasts, hinterlands and waterways. The accelerated exploitation of hydrocarbons from the Russian arctic shelf increases the threat to the international waters of the Arctic, not only directly but also through the construction of coastal support and transshipment wharves. The adoption of the GPA stimulated nations to develop National Programmes of Action and Regional Programmes of Action for the Protection of the Ocean from Land-Based Activities. Accordingly, the Arctic States, consistent with their commitments to the ‘Arctic Environmental Protection Strategy’ and the Arctic Council, have taken the lead in ensuring that such programmes are prepared for the Arctic marine environment for which the AMAP assessment provided both measures of compromise and threat, and outlined the priorities for future action. It led to the formulation and adoption of a Regional Programme of Action for the Protection of the Arctic Marine Environment (RPA) and a Plan of Action for the Elimination of Pollution in the Arctic (ACAP) by the Arctic Council.

This Project is consistent with GEF policies as articulated in the description of Operational Programme No. 10. It deals predominantly with land-based activities that have either compromised, or threaten to

compromise, the arctic marine environment with consequences for other States bordering this ocean but, more significantly, the global marine environment in which the Arctic plays a pivotal role.

GEF Contaminant-based Operational Programme No. 10 “focuses on poorly addressed contaminants and aims to utilise demonstrations to overcome barriers to adoption of best practices, waste minimisation strategies, and pollution prevention measures.” The description of Operational Programme No. 10 states that the “contaminant-based operational programme is intended to include an array of projects that address certain high priority contaminants in the areas of land-based activities which degrade marine waters, global toxic pollutants, and ship related contaminants”. While pollution prevention is stressed in this Operational Programme on the basis that “prevention, not remediation, is a more cost-effective strategy”, the particular situation in the Russian Federation largely obviates the ability to take a predominantly preventative approach. This is related to the consequences of the intensive industrial development of the Arctic in the last several decades that has led to a degraded environment and weak infrastructure. Superficial evidence of this situation is evident especially in areas of extracting industries and in the vicinity of decommissioned military bases. However, associated compromise of the environment caused by anthropogenic activities is a much graver problem. Thus, one of the main requirements of interventions in favour of environmental improvement in the Arctic is to deal with this decline and restore environmental conditions while at the same time endeavouring to prevent further deterioration and new threats.

It is also noteworthy that under “Programme Outputs” Operational Programme No. 10 (Paragraph 10.10) specifies that: “the outputs of the operational programme encompass a number of projects that focus on certain types of contaminants that degrade the International Waters environment. Consequently, GEF interventions in this operational programme tend to demonstrate that technological barriers can be overcome or that measures aimed at removing barriers can be implemented. Some barriers involve lack of information or the lack of training. Others involve the legal, regulatory, or sectoral policy adjustments needed to reduce environmental stress. Innovative programmes, financing measures and demonstrations of technologies characterise certain projects”. The current Project is designed precisely in such a context and permits the Russian Federation to substantiate, consistently with its “World Ocean” FTOP initiative, the necessity to institute major changes in legislation, procedures and public attitudes to environmental protection and restoration in the Arctic environment.

2.3. NEEDS AND RESULTS

2.3.1 Needs

16. The Russian Federation needs to carry out activities to protect the arctic environment on a system basis that would: (1) satisfy national aspirations for industrial and social development and formation in Russia of civil society; (2) suit its arctic inhabitants, including indigenous peoples; and (3) permit the sustained development of natural resources. This must be done in a manner that is fully consistent with the interests of other Arctic States, as reflected by decisions and programmes under the Arctic Council. The Russian Federation is also to comply with the obligations under international conventions and other multilateral agreements relating to environmental protection. Such an approach will ensure that Russia’s natural resources in the North are exploited in a manner that is inherently sustainable thereby avoiding compromises to the arctic environment and human welfare.

17. There are a number of barriers to environmental protection and remediation in the Arctic. The necessity to resolve a number of problems caused by Russia’s transition to a market economy results in a shortage of financial resources for environmental protection, which is a major barrier. A further barrier is the outdated nature of current environmental laws and acts that are largely incompatible with Russia’s new economic situation. Environmental protection activities in the Arctic are regulated by federal environmental protection legislation that has been drawn up on the basis of an approach that takes little account of regional variability within the country. There are currently no legislative norms to provide a framework for mutual responsibilities of federal, regional and local executive bodies and business entities in a way that takes account of either the special features and uses

of nature in the Arctic or the need for the Russian Federation to complete the transition to market conditions.

18. In accordance with the GEF rules, it is crucial that a Strategic Action Programme (SAP), which includes specific measures for the resolution of priority environmental issues in the Arctic with target dates of their implementation and expected costs, be designed and implemented. Several of the issues covered by the SAP will be of substantial importance to the Russian Federation alone and these will be addressed as priority issues using national resources. Other issues, however, involve serious consequences for the environment and natural resources beyond the Russian Federation in the international waters of the Arctic. These issues merit high priority at an international level so that concerted multilateral efforts can be made to resolve them. This, in major part, constitutes the underlying basis of this Project – to enable the adoption of a comprehensive approach for the reduction of environmental degradation for the benefit of the Russian Federation, its Arctic neighbours and the entire global community.

2.3.2 Results

The results anticipated from the Project can be divided among the four major component activities. First and foremost is the completion of a Strategic Action Programme that: (1) satisfies Russian requirements for sustainable exploitation of natural resources in the Arctic; (2) stipulates the fulfilment of environmental tasks under the Federal Target Oriented Programme ‘World Ocean’; (3) fully meets the aspirations of the other Arctic States and the whole Arctic Council; and (4) ensures the Russian contribution to the implementation of the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities.

The second activity of the Project – pre-investment studies – will address already-identified priority environmental compromises in the Arctic. There is an abundance of evidence, supported by the results of the PDF-B activities, that there are a number of seriously degraded environments within the Russian North both marine and terrigenous, including freshwaters, that seriously threaten the health of the arctic population, its resources and amenities. The pre-investment component of the Project will allow the optimal set of environmental measures requiring significant investments to be established and to design remediation actions that can be instituted by the Russian Federation and funding partners, especially those within the Arctic.

The completion of the third component of the Project will result in the improvement in legislative, administrative and institutional conditions, which will help to implement the Strategic Action Programme. This will permit the installation of a comprehensive legal framework for environmental protection, sustainable exploitation of natural resources and the wise and environmentally sound exploitation of non-renewable resources in the North. It will also harmonise and rationalise the responsibilities and procedures of the federal and provincial executive agencies in the field of environmental protection in the Arctic. Finally, the proposals on the establishment of appropriate institutional entities to ensure optimal operation of the Environment Protection System will be substantiated and approved.

The final component of the Project includes three demonstration projects, which will serve as a basis for a wider application of approaches and methods for restoration and prevention of damage to the environment within Russia and in arctic and non-arctic states. One of them will demonstrate the potential of the brown algae to act as a cleanup agent in marine areas. Another demonstration includes environmental remediation of the areas of decommissioned military bases to be transferred to public use. The third demonstration Project is aimed at setting the conditions for co-management of the environment by executive agencies, resource developing companies and indigenous peoples of the North.

2.3.3 Assumptions to Achieve Results and Associated Risks

23. There are several internal and external assumptions regarding conditions within the Russian Federation that must be met for the projected results of the Project to be obtainable. First, there is the internal requirement for social stability in the Russian Federation. This seems to pose little risk of not being fulfilled. Second, there is a requirement that economic conditions in the Russian Federation do not suffer a serious downturn. Recently the economic growth in Russia has been on the increase and this situation is likely to continue. This minimises the risk of this condition not being fulfilled. Third, governmental authorities show a great concern about the problems of the North and environment. Over a number of years, a series of federal laws and decisions of the Russian Government have been adopted on these issues. In 2001, the Russian Government endorsed Principles of the State Policy of the Russian Federation in the Arctic, including ecological dimension of the Policy. On 26 November 2002, the Prime Minister of the Russian Federation Mr. M. Kasjanov chaired a session in Salekhard of the Governmental Council on the Problems of the Far North and Arctic where a plan of action of federal and regional authorities on the Russian Arctic policy was approved including implementation of the full GEF Project, organisation of round tables meetings and preparations for the Partnership Conference to support the NPA Arctic.

24. The major external condition for the Project to be successfully implemented is its support on the part of the arctic states and the Arctic Council on the whole. Protection of the Arctic environment is a key issue for the Arctic Council and every arctic state. They are successfully implementing the Arctic Environmental Protection Strategy', adopted in Rovaniemi in 1991, as well as a series of regional environmental programmes. It is well known that the contamination of the Russian Arctic caused by land-based activities affects the environment of the circumpolar region. Measures taken by the Russian Federation to decrease the contamination of the Russian Arctic are of great importance for the whole Arctic. So it is only but natural that the Arctic Council supports the Russian NPA-Arctic and the GEF Project. A number of Arctic states have also voiced their readiness to provide financial support to the Project. In the Project Brief, reference was made that priorities related to the GPA implementation might change as a result of the International Review Conference on the GPA. This meeting has now concluded and there seems little risk that the balance of emphasis on land-based activities as the main source of marine contamination is likely to change in a manner that might lower the priority of the objectives of this Project. On the contrary, it is highly possible that issues related to land-based activities will prevail in the system of ocean protection measures.

SECTION 3 - ACTIVITIES, OUTPUTS, WORK PLAN AND TIMETABLE, BUDGET AND FOLLOW-UP

3.1 Project Activities and Outputs

The Project comprises four principal components:

1. Preparation and adoption of a Strategic Action Programme (SAP);
2. Completion of a set of Pre-Investment Studies (PINS);
3. Development and implementation of Environmental Protection System (EPS), embodying legislative, administrative, institutional and technical capacity improvements consistent with the SAP; and
4. Three demonstrations projects on:
 - (i) Indigenous Environmental Co-management;
 - (ii) Remediation of the Environment through the Use of Brown Algae; and
 - (iii) Environmental Remediation of Two Decommissioned Military Bases

For possible expansion of donor base for the Project, some additional demonstration and pilot projects will be considered, particularly in the following areas:

- o Ecological rehabilitation of the Arctic territories contaminated by radionuclides; Enhance preparedness to deal with consequences of radiation accidents in the Arctic region;
- o Ecologically safe utilization of obsolete military techniques and ammunition in the Arctic;

- o Utilization of the old stocks of toxic chemicals for agricultural and other purposes in the Arctic region;
- o Assessment of the consequences of global warming for the Arctic territories polluted by toxic chemicals, oil products and radionuclides;
- o Conservation of habitats and biodiversity at the Arctic territories under impacts of toxic chemicals and radionuclides;
- o Ecologically safe utilization of obsolete radio isotopic thermo electrical generators in the Arctic region.

Activities, mechanisms and responsibilities for each of these components are itemised in Annex I to this Project Document. For each component, a sequence of activities has been devised to ensure fulfilment of their objectives within the designated time frame. Specific and more detailed Work Plans with breakdown of activities are presented in Annex II (preparation and adoption of a Strategic Action Programme (SAP)); Annex III (completion of a set of Pre-Investment Studies (PINS)); Annex IV (improvement of the Environmental Protection System (EPS)); and Annex V (demonstration projects (Demos)).

Project outputs are defined in relation to each of the Project components in the following paragraphs.

The preparation and adoption of a comprehensive Strategic Action Programme will be a major output of the Project. This will include costed and targeted measures to attain improved environmental protection in the Arctic region of the Russian Federation and will take full account of the existing state and projected scope of contamination in the Russian Arctic, as well as interests of the inhabitants including indigenous peoples, and the necessity to meet international obligations of the Russian Federation. The subsequent implementation of the SAP will allow for a significant improvement of the environment in the Russian Arctic, the circumpolar region and on the global scale.

The second component of the Project will involve the completion of a set of pre-investment studies to address serious environmental compromises or threats posed to the Russian Arctic from previous and current activities. The selection of pre-investment studies in the framework of this component will be based partially on the results of the PDF-B phase of the Project, in which a large number (147) of such compromises and threats were identified and placed in order of priority. The diverse nature of these problems makes it possible to classify them in accordance with certain criteria, which will enable a selection to be made of a smaller number of pre-investment studies that will address the most frequent and most serious cases. The outputs of this component of the Project will provide an optimal set of proposals for investment for Russian Arctic, where input of money for their implementation will be most effective in economic, ecological, social and political sense. These pre-investment projects can be used to solicit and obtain support from a wide variety of potential donors. As so many of the compromises and threats identified in the PDF-B phase of the Project have transboundary implications, it is anticipated that major international support can be obtained from the Arctic States, either under bilateral arrangements or through concerted action under the auspices of the Arctic Council.

The improvement of an Environmental Protection System (EPS) for the Russian Arctic will follow on from the SAP and will constitute the first stage of its implementation. The EPS will embody revisions and improvements in the legislative, administrative, institutional and technical sectors and these will be implemented as a means of ensuring the implementation of the SAP. The EPS represents a third major deliverable from the Project but has additional importance, as it will provide the basis for federal and on-the-ground implementation of the SAP.

The fourth component of the Project includes three demonstration projects. One of them provides for the demonstration of new effective legislative and economic mechanisms to strike the balance of interests of extracting companies and indigenous peoples in resolving economic and environmental problems while preserving the traditional way of life and habitat. The advantages of establishing special areas – territories of traditional nature management by indigenous peoples of the North, and also the following has been elaborated: (1) proposals on the organisational frameworks and functioning principles of the territories of traditional nature management: (2) principles, procedures and methods of designing of territories of traditional nature management. The final aim of the undertaken measures is

to create conditions for co-management of environmental protection by executive agencies, local self-government bodies, extracting companies and indigenous peoples of the North in the areas of their traditional habitat and economic activities. The active role in the Project development and implementation will belong to indigenous peoples organisations, first and foremost, RAIPON.

The second Project in the demonstration category addresses the utility of a marine alga in the remediation of marine water in the Arctic. It is intended to demonstrate a method of deployment of the algae shelters in the areas threatened with oil contamination. On the inside of these shelters, adult two-year-old species form an active absorption surface which absorbs practically all oil contaminants when the concentration of a dumping does not exceed 3 mg per litre. In an emergency dumping, these algae can curb a 30-thousand-ton raw oil spot. The outside of these shelters of young one-year-old algae absorbs the residual amount of spilt oil. Adult alga material is removed annually to be further processed and recycled and some valuable products, which can be used as food additives, fertilisers or thermal insulation, are extracted in the process. This technology of marine water remediation was designed in the Russian Federation. Following the completion of the demonstration Project it can find a wider application both in Russia and outside.

The third demonstration Project addresses environment remediation in the areas of decommissioned military bases for which there is a desire to have them transferred to the civilian sector. In many cases, these sites are contaminated and not in a condition that enables civilian authorities to assume responsibility for them. Similar problems have been experienced in other jurisdictions and the benefit of the experience elsewhere, especially within the Arctic, will be fully applied to achieve demonstrations of environment remediation for the areas of two decommissioned military bases of different types in the Russian Arctic. It is anticipated that the results of these demonstrations will have applicability not only to other ex-military bases in the Arctic but also to other military installations in Russia where the civilian end-uses may differ but the procedures for remediation would be similar.

34. During the Phase I of the project, activities will be conducted in all the components. The bench marks for the completion of the Phase I are defined as follows:

1. Successful establishment of Project implementation structure, including Project Office, Project Steering Committee, and Project Supervisory Council;
2. Strategic Action Programme fully developed and endorsed by relevant stakeholders;
3. Working document revised at the first meeting of each of sub-group for each pre-Investment Study;
4. Selected lead implementing organization and members of each of the three working groups for the development of the Environmental Protection System;
5. Fully designed demonstration activities; and
6. Mid-term review of the project indicating satisfactory implementation of the project in the phase I.

3.2 Risks and Sustainability

35. The nature of risks and measures adopted in the Project to reduce risks are summarised in Table 1. These risks are of two types, national (or internal) and international (or external).

Table 1: Possible Risks

Risk	Risk Rating	Risk Minimisation Measure(s)
Internal risks: Less concern on the part of state authorities about problems of the North and environmental protection.	N	The Marine Board chaired by the Russian Premier-Minister will be requested to monitor the Project implementation. Ensuring the involvement of all federal and regional stakeholders and their commitment to the development and adoption of a Strategic Action Programme and a national Environmental

Risk	Risk Rating	Risk Minimisation Measure(s)
Economic downturn and social instability, which may result in the decrease in financing on the part of the Russian Federation.	N	Protection System. The NPA-Arctic is incorporated into the FTOP "World Ocean" which is approved by the Russian Government for the period till 2012. The Project is supported by all Arctic subjects of the Russian Federation and a number of private companies.
External risks: Change in the priorities of the Arctic Council and its programmes.	N	Maintaining cognisance of developments in Arctic Council programmes and their directions. Inclusion of representatives of Arctic Council programmes in the Steering Committee and relevant Project components. Inclusion of NPA-Arctic in the Arctic Marine Strategic Plan of the Arctic Council. Submission of the necessary information on Project progress.
Changes in the policies of the Arctic States vis-à-vis priorities for environmental protection of the Arctic, which can lead to the decrease in financing on the part of external donors.	N	Obtaining a commitment from Arctic States for co-financing of the Project for the whole period of its implementation. Participation of representatives of co-financing states in the Steering Committee. Substantive reports and periodic updates on Project progress.
Changes in priorities in the framework of the GPA for addressing the major sources of contamination of the marine environment.	N	November 2001 Intergovernmental Review brought no changes in priorities to adversely affect the Project, the NPA-Arctic was referred to as a good example of GPA implementation. Inclusion of the GPA Secretariat in the Steering Committee. Submission of the necessary information to the GPA Secretariat on Project progress.

N – not significant

36. As noted previously in Section 2.3.3 of this document, one set of internal risks associated with the Project relate to social and economic conditions within the Russian Federation that must remain stable for the projected results to be obtainable. According to the existing forecasts, the risk of changes in the political and social circumstances pertaining to this Project appears minor. Since this Project is being implemented in support of the NPA-Arctic, it is noteworthy that the NPA-Arctic was approved by the State Duma at the Parliamentary hearings in March 2001. According to the mid-term (2003-2005) Programme of Social and Economic Development of the Russian Federation and the long-term forecast of macroeconomic indicators of social and economic development of the Russian Federation, the economic growth proves stable. The NPA-Arctic is incorporated into the FTOP "World Ocean", which is approved by the Russian Federation for the period till 2012 and it is also supported by all Arctic subjects of the Russian Federation and a number of private companies. This reduces the possibility of a decrease in the intended contribution of Russia to the implementation of the Project to a minimum. State authorities are not expected to lose interest in the problems of the North and the environment. In 2000, the Russian Government approved the Concept of State Support for the Economic and Social Development of Regions of the North. In 2001, Principles of the State Policy of the Russian Federation in the Arctic were endorsed by the Russian Government, including ecological dimension of the Policy. In 2002, a plan of actions of federal and regional authorities on the Russian Arctic Policy was approved by the Russian Premier-Minister, including NPA-Arctic and the GEF Project for its support.. All this will secure the Project at the governmental level.

37. The second types of risks are those associated with external factors bearing on the Project, particularly the need for continuing support by the Arctic States. This is essential in order to ensure both a sympathetic international context for the Project and adequate co-financing. The record of successful international co-operation in favour of arctic environmental protection after the adoption of the Arctic Environmental Protection Strategy (Rovaniemi, 1991) and the current commitment of all the Arctic States to the “Rovaniemi process” and the principles of sustainable development, the heightened attention of the Arctic Council to sustainability in resource management and to the wise exploitation of non-renewable resources in the Arctic with regard to the interests of the indigenous peoples – all lend credence to the judgement that the risks of continued international support for the Project are minimal. It should also be noted that ministerial Arctic Council declarations, adopted in Iqualuit, Barrow, Inari and Reykjavik, stated their support for the Russian NPA Arctic. It is included in the Arctic Marine Strategic Plan approved at the Arctic Council ministerial meeting in November 2004. The Project is bound with the Global Programme of Action for the Protection of the Marine Environment from Land-Based Activities. The Intergovernmental Review in Montreal confirmed the importance of the undertaken measures to protect the Arctic seas of Russia from contamination for the implementation of the entire GPA. The priorities related to the GPA are unlikely to change significantly during the life of the Project. Thus, overall, the external risks to the Project appear not so serious as to endanger its satisfactory execution and completion.

38. Many of the national considerations relating to internal risks bear equally on the issue of sustainability. Moreover, adoption and implementation of a Strategic Action Programme (SAP) and the development and implementation of an Environmental Protection System (EPS) within the current Project ensure a legacy of sustained and systematic national interventions with a view of environmental protection following the completion of the Project. Thus, conceptual sustainability is inherent to the Project. Additional considerations in this context are the adoption of a new Federal law on “The Environmental Protection” of 10 January 2002, no. 7-FZ, and the obligations assumed by the Russian Federation to environmental stewardship. There is little doubt that the demonstration of the Project’s successes and the associated social and political benefits of a national and international nature should be a valuable incentive for the continuation of the targeted efforts of the Project. The life of the Project is long enough to provide a basis for institutional sustainability and the implementation of the improved EPS will ensure the maintenance of environmental sustainability and management of ecologically harmless use of resources.

3.3 Work Plan and Timetable

39. The work plan for the co-ordination and management of the Project is shown in Annex VI and the timetable of the Project implementation is shown in Annex VII.

3.4 Budget

40. The summary budget as presented in the Project Brief is shown in Table 2². A detailed budget in UNEP format is presented in Annex VIII.

² With the Consultative meeting held 19th July 2004, the budget reflected in Table 2 stands null and void. The detailed budget in UNEP format, taking into account the decisions of the said consultative meeting is provided in Annex VIII.

Table 2: Project Budget Summary and Component Financing in Million US\$

Project Activities	GEF	Co-Financing	Grand Total	
		Russia*	Other	
1. SAP Development	0.520	0.700	0.700	1.920
2. Pre-Investment Studies	3.350	3.500	3.500	10.350
3. Environmental Protection System Improvements				
3.1 Legislative Improvements	0.880	0.750	0.750	2.380
3.2 Regulatory Improvements	0.680	0.760	0.760	2.200
3.3 Institutional and Technical Improvements	0.730	0.740	0.740	2.210
4. Demonstration Projects				
4.1 Environmental Co-Management of Extracting Companies and Indigenous Peoples	1.190	1.000	1.000	3.190
4.2 Remediation of Marine Waters	0.770	1.300	1.300	3.370
4.3 Environmental Remediation in the Area of Two Military Bases	0.840	0.500	0.300	1.640
Project Co-ordination and Management	1.350	0.500	0.500	2.350
Executing Agencies' Regional Co-ordination		0.400	0.500	0.900
PROJECT TOTAL	10.310	10.150	10.050	30.510
PDF-B	0.306	0.171	0.303	0.780
GRAND TOTAL	10.616	10.321	10.353	31.290

*In cash and in kind

3.5 Cash Advance Requirements

41. An initial disbursement of project funds from the UNEP/GEF contribution, for direct disbursement by UNEP/Moscow Office will be made upon signature of the project document by both parties and the Agreement between the Executing Agency and the entrusted non-profit organization. **Upon confirmation of the establishment of the Project Office and the Project Currency Account with tax-free status and upon request of the Project Office, cash advance will be made on a quarterly basis to the Project Currency Account in accordance with agreed financial requirements (Sections 4 and 5 of this document).** The funds will cover expenditures expected to be incurred by the Project Office during the first three months together with some lead-time for the processing of the subsequent quarter's cash advance. Subsequent cash advances are to be made quarterly, subject to:

- (i) Confirmation by the Project Office, at least two weeks before the payment is due, that the expected rate of expenditure and actual cash position necessitate the payment, including a reasonable amount to cover "lead time" for the next remittance, using format in Annex IX. The cash advance request prepared by the Project Office will be submitted to the Ministry of Economic Development and Trade of the Russian Federation and to UNEP/Moscow Office for clearance prior to UNEP's disbursement of funds.
- (ii) The presentation of:
 - o a satisfactory financial report showing expenditures incurred for the past quarter, under each project using the format in Annex XVI;
 - o timely and satisfactory progress reports on project implementation.

As deemed necessary, the UNDP Moscow office can be used to channel funds from UNEP to be disbursed for the project. Preparation and organization of the first Steering Committee meeting will be funded by UNEP from the GEF Project funds on the basis of procedure and cost estimates agreed between the Executing and Implementing Agencies. If the Project Office and Project Currency account have not been established before holding the First Steering Committee meeting, the UNDP Moscow office will be used to assist fund disbursement for the meeting expenses.

3.6 Follow-Up

42. During the Project, a Partnership Conference will be held to attract financial commitments for investments to rectify existing priority nature management problems in the Russian North, based on the results of the pre-investment studies conducted within the Project. The resolution of the problems encountered during the Project implementation will undoubtedly require considerable investments. Follow-up to the Project will include further Partnership Conferences, held at approximately 5-year intervals, to solicit support for new projects and interventions stemming from the broad application of the Environmental Protection System in the Russian Arctic. It appears unlikely that any requests for additional GEF interventions in this field will be forthcoming following the completion of the Project. It should be noted that support for the concept of the Partnership Conference was expressed at Arctic Council ministerial meetings in the Iqualuit (1998), Barrow (2000) and Inari (2002) Declarations.

3.7 Anticipated Capital Investment and the role of International Financial Institutions

43. The most important goal of this project is to create conditions which will allow for capital investments to flow in the Russian Federation in order to ensure long term protection of coastal and marine environment of the Arctic. To this end, in accordance with established policies of the GEF, participation in the Project of international financial institutions and mechanisms operating with such institutions has been assured. They include the European Bank for Reconstruction and Development, the Nordic Environment Finance Corporation and the Northern Development Environment Partnership. They have all joined the Project in the first place to provide oversight of preinvestment studies with a view to facilitating conditions for the necessary capital investments. In addition, further measures will be taken to mobilize support of the private sector and other financial institutions.

SECTION 4 - INSTITUTIONAL FRAMEWORK

44. Based on the outcomes of the Consultative meeting held on 19th July, 2004, Geneva, (Annex XX) the following project management structure is proposed:

Executing Agency

The Ministry of Economic Development and Trade of the Russian Federation (Minekonomrazvitiya of Russia) will function as Executing Agency for this project. Minekonomrazvitiya of Russia will entrust an official representative responsible for fulfilment by the Ministry of its executing functions although the legal responsibility rests with the Ministry as the Executing Agency of the project. . A part-time consultant for the Ministry will provide technical advice to the Ministry in overseeing the Project implementation, including efficiency of the Project Office work, and provide recommendations for decisions and actions to be taken by the Ministry as the Executing Agency.

4.1 Project Office

To ensure efficient implementation of the Project, Executing Agency will, in coordination with Implementing Agency, entrust an existing independent non-profit organization to act as the Project Office. **Executing Agency and the entrusted non-profit organization in coordination with Implementing Agency will sign an Agreement**, highlighting the roles and responsibilities of the two institutions, including the reporting relationship, legal responsibilities, UNEP/GEF funds' accountability, etc. This Agreement and the Statute of the entrusted non-profit organization will be the integral part of the Project Document.

The Executing Agency will provide premises for the Project Office in Moscow. Employees of the Project Office will work in the office in Moscow. The Project Office will operate in accordance with the objectives determined in the Project Document and job descriptions for personnel as specified in Annex XI. Five permanent staff members shall be stationed in Moscow (Project Manager, Deputy Project Manager, Financial Management Officer, Assistant Financial Management Officer and Secretary). All these employees, except Secretary, shall be recruited on the basis of the following: the staff members are selected by tender from citizens of the Russian Federation; conditions for the tender

will be prepared by Executing Agency together with Implementing Agency. Selection panel including Executing and Implementing Agencies will select candidates by consensus; offer letters to selected candidates will be signed by Executing Agency. The entrusted non-profit organization upon authorization of the Executing Agency, after coordination with Implementing Agency, will sign contracts with selected candidates. The Project Manager and Financial Management Officer for the Project will be accountable to Executing and Implementing Agencies. A project currency account (US\$) with the tax-free status will be established by the entrusted non-profit organization to receive GEF funds and bilateral donor funds if and when the bilateral donors wish to send their funds directly to the Project Currency Account or through the Trust Funds. The Project Office will disburse the funds received in the Project Currency Account. A detailed cash advance request will be sent first to the official responsible for fulfilment of executing functions at Minekonomrazvitiya of Russia, then to UNEP/DGEF for the transfer of the advance to the Project Currency Account. UNEP-Moscow office as well as Executing Agency will review quarterly financial reports of the Project Office based on the approved cash advance requests.

The entrusted non-profit organization will establish a Project Rouble Account.

4.2 Partner Agencies

ACOPS and NEFCO are designated as Partner Agencies. Partner Agencies are mandated to receive funds from donors and coordinate Project activity of donors that request a Partner Agency to do so. Partner Agencies will establish Project Trust Funds to receive funds from bilateral and multilateral donors. General procedure of disbursement of funds from Trust Funds and financial reporting will be regulated by a special document subject to approval at the first Project Steering Committee meeting. Annex X describes Terms of reference for Partner Agencies. If appropriate, the Executing Agency in coordination with Implementing Agency may sign special agreements with Partner Agencies, based on the defined roles of the Partner Agency (Annex X). Partner Agencies will transfer donors' funds to the Project Current Account or disburse them directly. Partner Agencies will have legal responsibility for funds disbursed directly on the basis of agreements between Partner Agencies and respective donors.

4.44.3 Project Steering Committee

The Project Steering Committee as the Project supreme governing body will discuss and approve annual work plans and budgets for the Project, oversee their implementation and adopt corrective actions relating to the further implementation of the Project.

In order to maintain the integrity of the project, especially under the condition that there are Executing Agency and two Partner Agencies, handling funds of various sources, the Project Steering Committee functions as the forum to discuss and agree on the integrated work plan and review the progress of the implementation of activities based on the agreed work plan. A high-level representative of the Executing Agency shall chair the Project Steering Committee. The Committee will have three categories of participation : full member, permanent participant and observer. The Committee will make decisions by consensus of full members. Permanent participants will take part in discussion of all documents at the Committee meetings. Observers are invited to participate in the meetings of the Committee as deemed necessary by the Committee. Following representatives will be members of the Committee: Executing Agency, Implementing Agency, USA, Canada, Italy, Iceland, GPA Secretariat, IOC of UNESCO. Partner Agencies are the permanent participants. NEFCO will have a full member status when speaking as a donor. EBRD and NDEP are invited as observers. Other observers can be invited by the Steering Committee. All members, permanent participants and observers will appoint their official representatives to the Steering Committee (heads of delegations). The size of the party delegation will not be limited within sensible limits, but each delegation will have a single vote. The Terms of Reference and The Rules of Procedure of the Steering Committee will be established at its first meeting. The Steering Committee, based on consensus, may decide to include additional members.

4.5 Project Supervisory Council

The Project Supervisory Council will include representatives of Executing Agency, Implementing Agency and Partner Agencies. The donors may be represented at the Supervisory Council by their chosen Partner Agencies. **Each Agency will appoint its official representative to the Council. Between times of the Steering Committee meetings** the Supervisory Council will be a working body in charge of supervising the Project implementation in a coordinated manner according to a Project work plan approved by the Steering Committee. The Council will meet as a rule once every three months or as often as required. Its meetings can be held by teleconferences and will be chaired by Executing Agency and Implementing Agency in turn. Expenditures for activities of Supervisory Council will be covered by the Project budget for the Meetings/Conferences. The Terms of Reference and The Rules of Procedure of the Supervisory Council will be established at the first Steering Committee meeting. Efficiency and necessity of this Council will be considered at the second Steering Committee meeting. The Supervisory Council will report on its progress to the Steering Committee in a timely manner.

45. All GEF funds for the project will be sent from UNON to the Project Currency Account managed by the Project Office in Moscow. Till such time the Project Currency account is operational and given tax free status and other exceptional situations as agreed upon between Implementing and Executing Agencies, UNDP Moscow office will be used to disburse funds on behalf of the project. Donors' funds will be sent to Project Trust Funds established by the Partner Agencies or to the Project Currency Account according to donor's desires.

46. **Funds of the Federal Budget of the Russian Federation**, in the framework of FTOP "World Ocean", as co-financing of the Project from the Russian Federation, will be utilized in the following manner: Minekonomrazvitiya of Russia, after coordination with UNEP, will indicate every year specific activities funded from Federal Budget, which will correspond to the specific activities of the Project Work Plan. The Steering Committee will be biannually officially informed by Minekonomrazvitiya of Russia of the work on these activities and funds utilized; **Funds from the Subject (administrative regions) of the Russian Federation and companies of all forms of ownership**, including private sector will be directed to the Project roubles account in Moscow or will be spent directly for financing activities in accordance with the Work Plan; and **In kind contribution of the Russian Federation** will be proposed to the Supervisory Council by the Minekonomrazvitiya of Russia. Council will consider the proposal and approved version will be sent to the Steering Committee for adoption.

47. All Project funds should be disbursed in strict accordance with the Project Budget and annual work plans approved by the Project Steering Committee. The targeted spending of funds will be ensured through the joint control by Executing and Implementing Agencies, and regular independent auditing.

48. Minekonomrazvitiya of Russia will ensure that funds entering the special dedicated Project Currency Account in Moscow will be tax-exempt in accordance with the procedure established in the Russian Federation.

49. Legal responsibility for disbursement of all funds of the Project, received in the Project Currency Account in Moscow rests with Executing Agency.

Coordination of the Russian Stakeholders

50. Executing Agency will establish an interagency working group consisting of representatives of Russian organizations interested in the Project implementation for taking into account their interests. Representatives of all concerned federal and regional authorities, Russian Academy of Sciences, organisations of native inhabitants of the North, companies of all forms of ownership, NGOs and civil society will be invited to participate in the working group. A representative of Executive Agency will chair the working group. The working group will meet at least twice per year to discuss implementation of the Project. The Project Manager will inform the working group on the implementation of the Project and also will inform the Project Steering Committee on the meetings of

the working group, including their recommendations. Expenditures for activities of the working group will be covered by the Project budget part for Meetings/Conferences.

Consultations and Communications

51. Allowance has been made within the Project Work Plan and Timetable to ensure regular information of the Arctic Council and the GPA Secretariat in The Hague. These two agencies represent the primary international co-ordination centres for the protection of the Arctic and the marine environment respectively from land-based activities. They therefore provide a means of independent evaluation of Project progress and of the extent to which the goals of these two organisations are met by Project activities. Besides of it the management of the Project will keep necessary consultations with UN, UNEP and GEF organisations implementing projects in Russian Arctic to exclude repetition of efforts.

52. All engaged organisations and nations (stakeholders) would be provided with regular updates of activities and progress in the execution of the Project by the Project Office and the Executing Agency. Such distribution shall also include dissemination to national and international organisations, including those representing indigenous peoples' interests and those having interests or responsibilities in environmental protection. This shall include the secretariats of all environmental conventions and agreements to which the Russian Federation is a contracting party.

All correspondence regarding substantive and administrative matters should be addressed to:

At Executing Agency

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With a copy to:

Ms. Olga Shilkina

Adviser

Division for Economy of Natural Resources

Department of Property and Land Relations, Economy of Nature Management

Ministry of Economic Development and Trade of the Russian Federation

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At UNEP/DGEF

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With a copy to:

Mr. Takehiro Nakamura

United Nations Environment Programme (UNEP)

Division of GEF Coordination (DGEF)

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Nairobi, Kenya
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Fax: 254 20 624041

All correspondence regarding technical and financial matters should be addressed to:

At the Project Office

(To be recruited upon establishing the Project Office)
Project Manager

With a copy to:
Project Financial Management Officer

At UNEP

Mr. D. Hastie
Chief, Budget and Financial Management Service (BFMS)
UNON
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Nairobi, Kenya
Tel: (254) 2 623645
Fax: (254) 2 623755

With a copy to:
(to be recruited upon project approval)
Financial Management Officer, Nairobi
UNEP /DGEF Co-ordination,

SECTION 5 - MONITORING AND REPORTING

Project Monitoring and Evaluation

53. The Project Manager at the Project Office shall be responsible for ensuring that all Project activities are carried out in compliance with the Project design and the instructions of the Steering Committee, and Executing Agency. The Executing Agency shall be responsible for supervising the Project Office and the Project Manager and ensuring appropriate reporting and informing of co-financing partners, UNEP/DGEF and informing bodies of the Arctic Council and the GPA Secretariat on progress in Project implementation. In addition, the Implementing Agency shall undertake a Mid-Term Review of the Project in 2007 and institute a terminal evaluation following completion of the Project. In most respects, the major Project body responsible for oversight, surveillance and corrective action relating to Project implementation shall be the Project Steering Committee, which shall be responsible for annual progress reviews and directing the Executing Agency regarding the further prosecution of the Project.

UNEP, as the Implementing Agency, shall also be responsible for monitoring Project performance to ensure conformity with Project objectives and advising the Executing Agencies on implementation issues. **The UNEP/DGEF and the Executing Agency will be responsible for coordinating the overall monitoring and evaluation activities of the Project.**

5.2 Half-Yearly Progress Reports

55. Detailed half-yearly (i.e., biannual) (by 30 June and 31 December each year) reports shall be prepared and submitted to UNEP/DGEF by the Project Manager and Project Financial Management Officer at the Project Office. These reports shall contain a summary of progress since the previous biannual report, specification of any foreseen impediments to Project implementation and up-to-date financial information regarding GEF and co-financing expenditures. The format of these reports is shown at Annex XIV together with an appendix to it of the inventory of outputs/services. The reports will be submitted to UNEP Moscow and the Executing Agency for clearance prior to its submission to UNEP/DGEF.

5.3 Terminal Report

56. A Terminal Report shall be completed by the Project Manager at the Project Office within 90 days of the completion of the Project. The format of this report is shown at Annex XV. This report shall provide the basis for an independent terminal evaluation conducted by UNEP/DGEF. The report will be cleared by the Executing Agency prior to its submission to UNEP/DGEF.

5.4 Substantive Reports

57. At the appropriate time, the Project Office will submit to UNEP Moscow and UNEP/DGEF three copies in draft of final major substantive project report(s) emanating from each of the four components of the project (paragraph 28-33 above), such as Strategic Action Programme, Pre-investment Studies, demonstration project reports, report on the Environmental Protection System and Steering Committee reports. At the same time the Project Office will inform UNEP of its plans for publication of that text. Within 30 days of receipt, UNEP will give the Project Office substantive clearance of the manuscript, indicating any suggestions for change and such wording (recognition, disclaimer, etc.) as it would wish to see figure in the preliminary pages or in the introductory texts. Both the cover and the title page of these substantive reports will carry the logos of UNEP and GEF and titles of United Nations Environment Programme and Global Environment Facility. All participating, supporting and partner agencies/organizations will be indicated in the introduction or acknowledgement to the substantive reports.

It will equally consider the publishing proposal of the Project Office and will make comments thereon as advisable.

It may request the Project Office to consider a joint imprint basis. Should the Project Office be solely responsible for publishing arrangements, UNEP will nevertheless receive 10 free copies of the published work in each of the agreed languages, for its own purposes.

58. The Project Office will submit to UNEP Moscow and UNEP/DGEF three copies in draft of any other substantive reports, such as reports of Working Group meetings, Task Team Meetings, Russian internal coordination meetings. In the understanding that these reports are published neither as per Paragraph 57 nor posted on the project web, before finalisation of these reports, UNEP within ten days of receipt of the reports, provide comments on the format, acknowledgement and editorial issues.

5.5 Financial Reports

59. Financial reports shall be prepared by the Project Office in accordance with normal accounting practices and cleared by the Executing Agency prior to its submission to UNEP. The financial reports will be submitted by the Project Office to UNEP/GEF after the clearance by the Ministry and the UNEP/Moscow Office. The financial reports will be submitted to UNEP/GEF by the Project Office through UNEP/Moscow Office.

- (i) Details of expenditures shall be reported on an activity-by-activity basis, in line with Project budget codes as set out in the Project Document, as at 31 March, 30 June, 30

- September and 31 December, using the format given in Annex XVI (Quarterly Expenditures Report). All expenditure accounts shall be dispatched to UNEP within 30 days of the end of the three-month period to which they refer, certified by a duly authorised official of the Project Office and signed by the Project Manager;
- (ii) The expenditure accounts as at 31 December, certified by a duly authorised official and signed by the Project Manager, shall be despatched to UNEP within 30 days, as for other quarters, but, in addition, UNEP requires that the end-of-year expenditure account be reported in an opinion by a recognised firm of public accountants, which shall be despatched to UNEP by 31 March. In particular, the auditors shall be asked to report whether, in their opinion:
 - proper books of account have been maintained;
 - all Project expenditures are supported by vouchers and adequate documentation; and
 - expenditures have been incurred in accordance with the objectives outlined in the Project Document;
 - the expenditure reports provide a true and fair view of the financial condition and performance of the project
 - (iii) Within 90 days of the completion of the Project, the Project Office shall supply UNEP with a final statement of account in the format as for the quarterly expenditure statements duly signed by authorised official of the Project Office and certified by recognized firm of public accountants and signed by the Project Manager ; and
 - (iv) Any portion of cash advances remaining unspent or uncommitted by the Project Office on completion of the Project shall be reimbursed to UNEP within one month of the presentation of the final statement of accounts. In the event that there is any delay in such disbursement, the Project Office shall be financially responsible for any adverse movement in the exchange rates.

The Project Office shall retain, for a period of three years, all supporting documents relating to financial transactions under the Project. If requested, the Project Office shall facilitate an audit by the United Nations Board of Auditors and/or the Audit Service of the accounts of the Project. At the termination of activities of the Project Office, the above documents are transferred to the Executing Agency in an established order. In case of other instructions by the Executing Agency, the Project Office should transfer the Project related documentation to other person or persons, specified by the Executing Agency.

5.6 Co-Financing Report

60. A report on co-financing will be completed and submitted to UNEP/DGEF as of 31 December of each year using the format given in Annex XVIII

5.7 TERMS AND CONDITIONS

5.7.1 Non-Expendable (Capital) Equipment

61. The Project Office shall maintain records of non-expendable equipment (items costing US\$1,500 or more, items to be used more than 5 years, as well as items of attraction such as pocket calculators, cameras, computers, printers, etc.) purchased with GEF funds (or with funds of other international donors) and shall submit an inventory of such equipment to UNEP twice a year following the standard UNEP format, Annex XVII. This shall be attached to the biannual progress report, indicating description, serial no., date of purchase, original cost, present condition and location of each item. Non-expendable equipment purchased with funds administered by UNEP remains the property of UNEP until its disposal is authorised by UNEP, in consultation with the Project Office. The Project Office shall be responsible for any loss or damage to equipment purchased with UNEP-administered funds. The proceeds from the sale of equipment (duly authorised by UNEP) shall be credited to the accounts of UNEP, or the appropriate international partners. The Project Office shall attach to the terminal report mentioned above a final inventory of all non-expendable equipment purchased under this Project following the standard UNEP format, indicating description, serial number, original cost,

present condition, location and a proposal for the disposal of the said equipment. Actual presence of the items included into inventory should be physically verified by a duly authorised official of the Project Office.

5.7.2 Responsibility for Cost Overruns

62. Any cost overruns (expenditures in excess of the amount in each budget sub-line) shall be met by the Project Office, unless written agreement has been received in advance from UNEP. In cases where UNEP has indicated its agreement to a cost overrun in a budget sub-line to another, or to an increase in the total cost to UNEP, a revision to the Project Document amending the budget shall be issued by UNEP.

5.7.3 Claims by Third Parties Against UNEP

63. The Project Office shall be responsible for dealing with any claims which may be brought by third parties against UNEP and its staff, and shall hold UNEP and its staff non-lia-ble in case of any claims or liabilities resulting from operations carried out by the Project Office or other project partners under this Project Document and according to the Project Office instructions, except where it is agreed by the Project Office and UNEP that such claims or liabilities arise from gross negligence or wilful misconduct of the staff of UNEP.

5.7.4 Modification

64. Any modification or change to this Project Document shall be approved in writing by the Parties to this Project Document.

5.7.5 Termination

65. Either party may terminate this Contract with sixty days' advanced written notice to the other. In the event of such termination, each party shall provide the corresponding funding in accordance with its obligations herein to cover any Project costs up until the termination date, including, but not limited to, the costs of complying with third-party commitments made pursuant to the Project that may run beyond the termination date and which cannot be revoked without incurring liability.

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ANNEX I: ACTIVITIES OF THE GEF PROJECT

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
	Project Co-ordination and Management	To monitor progress on an annual basis and advise Project Management and executing agency of any adjustments to annual work.	Reports of the Steering Committee Meetings	The Project will be executed under the leadership of the Executing Agency In dealings with other government departments of the Russian Federation, Executing Agency will provide general leadership and deal with the co-ordination of the Project. The Executing Agency will be responsible for the financial and project management aspects of Project implementation pertaining to the project document Contact persons: Morgunov for Executing Agency	The Project Office under the direct supervision of the Executing Agency and Implementing Agency	Supervision: - a The Marine Board chaired by the Russian Premier-Minister will be requested to monitor the Project implementation ; - b the Project Steering Committee., A high-level representative of the Executing Agency will chair the Committee; - c Supervisory Council; - d the Project Office.	Months 1 - 60

* Preliminary proposals. Exact names of the contact persons to be established in the terms of reference for the execution of work.

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
				Minekonomrazvitiya of Russia			
	Strategic Action Programme (SAP)	To formulate Russian Arctic SAP for addressing damage and threats associated with land-based activities. SAP is to be consistent with the provisions of the Russian FTOP "World Ocean" and the GPA and with initiatives and agreements within the Arctic Council.	Comprehensive SAP containing specific targeted and costed measures for addressing priority environmental issues derived from land-based activities within the Russian Federation.	Executing Agency Contact persons: Morgunov for Executing Agency	Executing Agency, Russian Academy of Sciences, interested federal agencies and regional administrations, RAIPON.	Task Team under chairmanship of Executing Agency, comprising representatives of the relevant federal departments and regional administrations, companies of all forms of ownership and RAIPON. As necessary working-groups will be established.	Months 2-19 (preparation of SAP months 2-13; approval and adoption months 14-19).
	Pre-investment Studies	Conduct of pre-investment studies to determine the optimum set of investment projects dealing with environmental damage and threats in the Arctic stemming from activities within the Russian Federation. During the PDF-B phase, 21 priority hot spots and impact zones, either anthropogenic sources or damaged environments were found to merit, from scientific	Optimal set of investment projects which can be used to obtain additional international funding for environmental interventions to resolve serious environmental compromises stemming from anthropogenic activities within	Executing Agency Contact persons: Morgunov for Executing Agency	Executing Agency, relevant federal agencies and regional administrations, Russian Academy of Sciences. Following development of selection criteria, an open competition will be held in order to appoint the lead cooperating	WG to be established under chairmanship of Executing Agency, with participation by the cooperating organisations, representatives of relevant federal agencies, regional administrations and companies of all forms of ownership in order to formulate criteria, select and co-ordinate work among different studies. A special sub-group (SG) will be set up for each pre-	Months 4-33 (Formulation of criteria for selection months 4-9; selection months 10-12; preparation of studies months 13-33).

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
		perspectives, the highest priority for corrective intervention. The comparative technical assessments carried out in the PDF-B need to be extended into the social, economic and political domains as a means of obtaining a more holistic perspective on priorities.	the Russian Federation and assist in the sustainable development of the Russian Arctic.		organisation.	investment study.	
4.	Environmental Protection System	Initial steps in the implementation of the SAP for implementation of the NPA-Arctic to address the consequences of land-based activities.		Executing Agency Contact persons: Morgunov for Executing Agency	Relevant federal agencies and regional administrations /Russian Academy of Sciences/ companies of all forms of ownership/ RAIPON.	Task Team on SAP Implementation, headed by Executing Agency , will be responsible for co-ordinating three subordinate WGs.	Months 19-60
4.1	Environmental Protection System Improvements / Legislative Improvements	To draw up the legislative framework and legal regulations required to facilitate the implementation of the SAP.	a) proposals for new legislation; b) proposals for amendment of the existing legislation; and c) facilitation of	Executing Agency Contact persons: Morgunov for Executing Agency	Federal agencies of the Russian Federation responsible for the environment protection/State Duma/ Minekonomrazvitiy a of Russia /	Working Group	Months 19-52

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
			their implementation.		Roshydromet/ Russian Academy of Sciences/ RAIPON/ other relevant authorities.		
4.2	Environmental Protection System Improvements / Administrative Improvements	Development of agreed proposals on distribution of responsibility and clarification of the functions of the relevant ministries and authorities for the institutional implementation of the SAP.	Proposals and the measures needed for their implementation.	Executing Agency Contact persons:, Morgunov for Executing Agency	Federal agencies of the Russian Federation responsible for the environment protection /Minekonomrazvitiya of Russia /Roshydromet/ Russian Academy of Sciences/ other relevant authorities.	Working Group	Months 19-52
4.3	Environmental Protection System Improvements / Institutional and Technical Improvements	To assess the technical and human resource requirements for implementation of the SAP and specify what administrative structures, designation of responsibilities, information exchange and assessment procedures are required to fulfil appropriate monitoring and compliance	Substantiated description of requirements for attainment of the objectives and facilitation of their implementation.	Executing Agency . Contact persons: , Morgunov for Executing Agency	Federal agencies of the Russian Federation responsible for the environment protection/ Minekonomrazvitiya of Russia / Roshydromet/ Russian Academy of Sciences/ other relevant authorities.	Working Group	Months 19-52

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
		functions.					
5.	Indigenous Environmental Co-management (Demonstration Project)	Creation of conditions for co-management of the environment by the federal and regional executive authorities, resource development companies and indigenous communities of the North.	Demonstration of the potential for balancing different interests in the resolution of economic and environmental problems through increased indigenous participation in the management of natural resources and the environment in the Arctic.	Minekonomrazvitiya of Russia Contact persons:	Federal agencies of the Russian Federation responsible for the environment protection /Administrations of the Russian regions/ relevant companies/ RAIPON.	Working Group	Months 16-60
6.	Rehabilitation of the Environment by the Use of Brown Algae (Demonstration Project)	Assessing the potential of the brown alga to act as a cleanup agent in arctic marine areas that could then be used for large-scale remediation in chemically contaminated coastal areas thereby lessening the impacts of Russian activities on arctic international waters.		Federal agencies of the Russian Federation responsible for the environment protection Contact persons: Shtemberg for Federal agencies of the Russian Federation responsible for the	Federal agencies of the Russian Federation responsible for the environment protection/ other relevant federal agencies and regional administrations / Russian Academy of Sciences.	Working Group	Months 10-50

	Component / Activity	Objective	Output	Responsible organisations and contact persons	Implementing organisations* and contact persons	Modus operandi	Period of Implementation (from the start of financing)
				environment protection			
7.	Environmental Remediation of Two Decommissioned Military Bases (Demonstration Project)	Demonstration of environmental remediation of two decommissioned military bases thereby enabling them to be transferred to public use.	Cost-effective methodology for the environmental remediation and transfer of two decommissioned military bases to public use.	Executing Agency Contact persons: Morgunov for Executing Agency	Executing Agency together with Ministry of Defence/ other interested federal and regional executive authorities.	Working Group	Months 16-60

ANNEX II: WORK PLAN FOR THE IMPLEMENTATION OF THE GEF PROJECT
Strategic Action Programme (SAP)

	Activity	Output	Responsible person	Target Date
2.1	Proposals and selection of the Task Team (TT) Co-ordinator.	Approval of TT Co-ordinator familiar with the methodology for the preparation of the SAP and familiar with the organisations and individuals that might be involved in the preparation of the SAP.	Manager / Exec. Agency	July 2005
2.2	Proposals and selection of the TT members.	Selection of TT members to cover all major sectors of the SAP and the NPA-Arctic. TT to include 13 Russian experts (5 representatives of federal organs, 4 representatives of regional authorities, 3 representatives of industry, 1 representative of indigenous peoples); 3 international experts; 1 representative of the Executing Agency.	Manager / Exec. Agency	July 2005
2.3	Preparation of consultancy contract with TT Co-ordinator.	Signed contract with TT Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	Aug. 2005
2.4	Preparation of consultancy contracts with TT members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential TT members and signed subsequently.	TT Co-ordinator / Manager	Aug. 2005
2.5	Preparation of the working document to be considered at the First Meeting of the TT.	Working document to include basic SAP concept; objectives; principles; content; outputs; work plan; timetable; role of TT co-ordinator and members, as well as lead and participating organisations; procedure for the national and international review of the draft SAP; procedure for the adoption of the SAP; and basic ideas about the mechanism of implementation. Document is also to contain proposals for the terms of reference for the TT. This document is to be considered, amended and adopted by the First Meeting of the TT.	TT Co-ordinator / Manager	Sept. 2005
2.6	Review of the working document at the First Meeting of the TT, Moscow.	Report of the meeting to include basic SAP concept; objectives; principles; content; outputs; work plan; timetable; role of TT co-ordinator and members, as well as lead and participating organisations; procedure for the national and international review of the draft SAP; procedure for the adoption of the SAP; and basic ideas about the mechanism of the implementation; terms of reference for the TT; tender for selection of lead implementing organisation; criteria for the selection of co-operating	TT Co-ordinator / Manager	Oct. 2005

	Activity	Output	Responsible person	Target Date
		implementing organisations; and decision on the establishment of working groups (if appropriate).		
2.7	Carrying out of tender and preparation of the contract with the lead co-operating organisation.	Signed contract with tender winner lead co-operating organisation, to include duties, outputs, work plan, timetable and other details.	TT Co-ordinator / Manager	Nov. 2005
2.8	Selection of co-operating implementing organisations.	Co-operating implementing organisations selected by lead organisations and approved by Project Office on the basis of the criteria adopted by the TT, including their potential contribution to the preparation of the SAP.	TT Co-ordinator / Manager	Nov. 2005
2.9	Proposals for the establishment of WGs (as appropriate).	If TT decides to establish WGs for particular topics, such WGs will be established with defined tasks, work plan, timetable, outputs and other details.	TT Co-ordinator / Manager	Nov. 2005
2.10	Preparation of the first draft of the SAP to be reviewed at the Second Meeting of the TT.	First draft of the SAP prepared in accordance with the conclusions and recommendations of the First Meeting of the TT.	TT Co-ordinator / Manager	Jan. 2006
2.11	Review of the first draft of the SAP at the Second Meeting of the TT, Moscow.	Report of the meeting to include detailed comments on the first draft of the SAP that will enable effective amendment of the document; to include work plan, timetable, and distribution of tasks for the preparation of the second draft of the SAP; and to include a decision to which federal and regional departments and agencies and industrial enterprises the second draft will be sent for comments.	TT Co-ordinator / Manager	Feb. 2006
2.12	Preparation of the second draft of the SAP.	Second draft of the SAP, to include response to comments and suggestions made at the Second Meeting of the TT. This draft will be sent to federal and regional departments and agencies for comments.	TT Co-ordinator / Manager	Apr. 2006
2.13	Review of the second draft of the SAP by federal and regional departments and agencies.	Comments by federal and regional departments and agencies that will be taken into account in preparing the third draft of the SAP.	TT Co-ordinator / Manager	July 2006
2.14	Preparation of the third draft of the SAP to be reviewed at the Third Meeting of the TT, Moscow.	Third draft of the SAP, to address comments by federal and regional departments and agencies.	TT Co-ordinator / Manager	Aug. 2006

	Activity	Output	Responsible person	Target Date
2.15	Review of the third draft of the SAP at the Third Meeting of the TT, Moscow.	Report of the meeting to include detailed comments on the third draft; decision to whom in the international community fourth draft will be sent for comments; and detailed procedure of the process of adoption of the SAP by authorities of the Russian Federation.	TT Co-ordinator / Manager	Aug. 2006
2.16	Preparation of the fourth draft of the SAP.	Fourth draft of the SAP, to address comments by the TT. This draft is to be sent to the international community for comments.	TT Co-ordinator / Manager	Aug. 2006
2.17	International review.	Comments by international community on the fourth draft of the SAP.	TT Co-ordinator / Manager	Sept. 2006
2.18	Preparation of the fifth draft of the SAP.	Fifth draft of the SAP, to address comments by the international community. This draft will be sent to authorities of the Russian Federation for adoption.	TT Co-ordinator / Manager	Oct. 2006
2.19	Endorsement of the SAP by relevant state authorities and industrial companies	Endorsed SAP, ready for approval.	Morgunov	Dec. 2006
2.20	Adoption of the SAP by the relevant executive authority.	SAP adopted by relevant executive authority of the Russian Federation.	Morgunov	Jan. 2007

ANNEX III: WORK PLAN FOR THE IMPLEMENTATION OF THE GEF PROJECT
Pre-Investment Studies (PINS)

	Activity	Output	Responsible person	Target Date
3.1	Proposals for and selection of the Co-ordinator of the Working Group (WG) for Pre-Investment Studies (PINS) will be prepared.	Selected WG Co-ordinator, familiar with the methodology for the preparation of the PINS and familiar with the organisations and individuals that might be involved in the preparation of PINS.	Manager	Oct. 2005
3.2	Proposals for and selection of the WG members.	Selected WG members for development of criteria for hot spots selection and the co-ordination of PINS taking into account environmental, economic, social and political factors. It is envisaged that the WG will be composed of 8 Russian and 3 International experts, and 1 representative from the Executing Agency .	Manager	Oct. 2005
3.3	Preparation of the consultancy contract with WG Co-ordinator.	Signed contract with WG Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	Nov. 2005
3.4	Preparation of the consultancy contracts with WG members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	WG Co-ordinator / Manager	Nov. 2005
3.5	Preparation of the working document to be considered at the First Meeting of the WG.	Working document to include basic concept of PINS; overview of priority environmental hot spots selected during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of the co-ordinator of the WG and its members and of the lead cooperating and participating organisations. Document is also to contain proposals for the criteria for selection of hot spots for which PINS will be prepared and terms of reference for the WG. This document is to be considered, amended and adopted by the First Meeting of the WG.	TT Co-ordinator / Manager	Dec. 2005
3.6	Review of the working document at the First Meeting of the WG, Moscow.	Report of the meeting to include basic concept of PINS; overview of priority environmental hot spots selected during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of the co-ordinator of the WG and its members and of the lead cooperating and participating organisations. Report is also to contain proposals for the criteria for selection of hot spots for which PINS will be	WG Co-ordinator / Manager	Dec. 2005

	Activity	Output	Responsible person	Target Date
		prepared and terms of reference for the WG.		
3.7	Formulation of criteria for selection of hot spots for which PINS will be prepared, on the basis of comments given at the First Meeting of the WG.	Criteria for selection of hot spots for which PINS will be prepared, which will include criteria for taking into account environmental, economic, social, and other aspects in the process of selection.	WG Co-ordinator / Manager	Feb. 2006
3.8	Preparation of the list of potential pre-investment studies.	On the basis of the work done on analysis of environmental hot spots in the PDF B GEF Project and the hot spots identified in the NPA-Arctic, the list of potential pre-investment studies will be prepared.	WG Co-ordinator / Manager	Feb. 2006
3.9	Preparation of terms of reference and tender for lead cooperating organisation for conduct of PINS.	Tender for the selection of the lead cooperating organisation will be announced by the Project Office. Terms of reference for the lead cooperating organisation will be included in the conditions of the tender.	WG Co-ordinator / Manager	Feb. 2006
3.10	Selection of hot spots for which PINS will be done at the Second Meeting of the WG, Moscow.	Using the adopted criteria for selection, about 8-10 hot spots will be selected for which PINS will be prepared. Report of the Second Meeting will include selected hot spots and the rational for the selection.	WG Co-ordinator / Manager	Apr. 2006
3.11	Selection of lead cooperating organisation for the conduct of PINS.	On the basis of the answers to the tender and by applying criteria to be adopted by Executing Agency the lead cooperating organisation will be selected.	WG Co-ordinator / Manager	Apr. 2006
3.12	Establishment of sub-groups (SGs) for each pre-investment study.	For each PIN Study a SG will be established, consisting of the Co-ordinator, up to five Russian experts and one or two international experts. The SG will co-operate with lead cooperating organisation and participating organisations, which will be defined by lead cooperating organisation and approved by Project Office.	SG Co-ordinator / Manager	June 2006
3.13	Preparation of working document for each of the SGs for each study to be considered at the first meeting.	Working document to include for each study objectives; principles; content; outputs; work plan; timetable; role of the co-ordinator of the SG and its members; and role of lead cooperating and participating organisations.	SG Co-ordinator / Manager	July 2006
3.14	Review of the working document at the first meeting of each SG for each study.	Report of the meeting to include for each study objectives; principles; content; outputs; work plan; timetable; role of co-ordinator of the SG and its members; and role of participating organisations and lead cooperating organisation.	SG Co-ordinator / Manager	Aug. 2006

	Activity	Output	Responsible person	Target Date
3.15	Preparation of the first draft of each study to be considered at the second meeting of each SG.	First draft of each study.	SG Co-ordinator / Manager	Feb. 2007
3.16	Review of the first draft of each study at the second meeting of each SG.	Reports of second meetings of each SG for each study, including recommendations for the second draft.	SG Co-ordinator / Manager	March 2007
3.17	Preparation of the second draft of each study to be considered at the third meeting of each SG.	Second draft of studies.	SG Co-ordinator / Manager	Sept. 2007
3.18	Review of the second draft of each study at the third meeting of each SG.	Reports of third meetings of each SG for each study, including recommendations for finalisation of the study.	SG Co-ordinator / Manager	Nov. 2007
3.19	Completion of each study.	All studies completed.	WG Co-ordinator / Manager	Feb. 2008
3.20	Review of the PINS results at the final meeting of the WG PINS	Collated report setting out the optimum package of environmental investment projects in the Arctic region of the Russian Federation.	WG Co-ordinator / Manager	Apr. 2008

ANNEX IV: WORK PLAN FOR THE IMPLEMENTATION OF THE GEF PROJECT
Environmental Protection System Improvements (EPS)

	Activity	Output	Responsible person	Target Date
4.1	Proposals for and selection of the Co-ordinator of the Task Team on Implementation of the SAP (TT SAP).	Approval of TT Co-ordinator, familiar with the methodology for the implementation of the SAP and with the organisations and individuals that might be involved.	Manager / Exec. Agency	Jan. 2007
4.2	Proposals for and selection of TT members.	Approval of TT members to cover various aspects of this activity, to be developed by three WGs (Legislative Improvements, Administrative Improvements and Institutional and Technical Improvements). It is envisaged that TT will be composed of 10 Russian and 3 international experts and 1 representative of Executing Agency.	Manager	Jan. 2007
4.3	Preparation of consultancy contract with TT Co-ordinator.	Signed contract with TT Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	Jan. 2007
4.4	Preparation of consultancy contracts with TT members.	Signed contracts with TT members including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	TT Co-ordinator / Manager	Jan. 2007
4.5	Preparation of the working document to be considered at the First Meeting of the TT.	Working document to include basic concept of the Environmental Protection System (EPS); overview of priority improvements in environmental protection mechanisms for which the need was identified during work on the NPA-Arctic and PDF B GEF Project; proposals for the establishment of the three subordinate WGs, including proposals for the respective Co-ordinators, tasks on EPS improvement in general and in all three directions for lead cooperating and participating organisations, outputs, work plan, timetable and other details. Document is also to contain draft terms of reference for the TT, including outputs, work plan, timetable and other details; role of the co-ordinator of the TT and its members; as well as the role of cooperating and participating organisations. This document is to be considered, amended and adopted by the First Meeting of the TT.	TT Co-ordinator / Manager	Feb. 2007
4.6	Review of the working document at the First Meeting	Report of the meeting to include basic concept of EPS; overview of priority improvements in environmental protection mechanisms for which the need	TT Co-ordinator /	March 2007

	Activity	Output	Responsible person	Target Date
	of the TT, Moscow.	was identified during work on the NPA-Arctic and PDF B GEF Project; and proposals for the establishment of three subordinate WGs, including proposals for the respective Co-ordinators, tasks on EPS improvement in general and in all three directions for lead cooperating and participating organisations, outputs, work plan, timetable and other details. Report is also to contain terms of reference for the TT, including outputs, work plan, timetable and other details; role of the co-ordinator of the TT and its members; as well as the role of cooperating and participating organisations.	Manager	
4.7	Carrying out of tender and selection of lead cooperating organisation and preparation of contract with selected organisation for the development of EPS.	As a result of the tender lead cooperating organisation is selected. Signed contract with lead cooperating organisation, to include duties, outputs, work plan, timetable and other details.	TT Co-ordinator / Manager	May 2007
4.8	Proposals for the members of each of the three WGs.	Selection of WG members. It is envisaged that each WG will be composed of 6 Russian and 3 international experts, and 1 representative from f the Executing Agency.	TT Co-ordinator / Manager	May 2007
4.9	Carrying out of tenders and selection of lead participating organisation for each of the three WGs and preparation of contracts with each organisation.	As the result of the tender lead participating organisation is appointed for each of the three WGs on the basis of agreed TORs. Signed contracts with lead participating organisations, to include duties, outputs, work plan, timetable and other details.	WG Co-ordinator / Manager	June 2007
4.10	Preparation of the working document to be considered at the First Meeting of the Working Group on Legislative Improvements (WG LEGIM).	Working document to include basic concept of legislative improvements; overview of priority legislative needs identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	WG Co-ordinator / Manager	Aug. 2007
4.11	Review of the working document at the First Meeting	Report of the meeting to include basic concept of legislative improvements; overview of priority legislative needs; objectives; principles; content; outputs;	WG Co-ordinator /	Sept. 2007

	Activity	Output	Responsible person	Target Date
	of WG LEGIM, Moscow.	work plan; timetable; and role of participating organisations and experts. The report is also to contain the terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	Manager	
4.12	Preparation of the working document to be considered at the First Meeting of the Working Group on Administrative Improvements (WG ADIM).	Working document to include basic concept of administrative improvements; overview of priority needs for administrative improvements identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; the role of the co-ordinator of the WG and its members; and the role of participating organisations.	WG Co-ordinator / Manager	Dec. 2007
4.13	Review of the working document at the First Meeting of WG ADIM, Moscow.	Report of the meeting to include basic concept of administrative improvements; overview of priority needs for administrative improvements; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. The report is also to contain the terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	WG Co-ordinator / Manager	Jan. 2008
4.14	Preparation of the working document to be considered at the First Meeting of the Working Group on Institutional and Technical Improvements (WG INTEC).	Working document to include basic concept of institutional and technical improvements; overview of priority needs for administrative improvements identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; role of the co-ordinator of the WG and its members; and the role of participating organisations.	WG Co-ordinator / Manager	June 2008
4.15	Review of the working document at the First Meeting of WG INTEC, Moscow.	Report of the meeting to include basic concept of institutional and technical improvements; overview of priority needs for administrative improvements; objectives; principles; content; outputs; work plan; timetable; and the role of participating organisations and experts. The report is also to contain the agreed terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	WG Co-ordinator / Manager	July 2008
4.16	Preparation of the working document to be considered at	Working document to review the progress of the three WGs, review their work plans, timetables etc. and propose amendments as appropriate.	TT Co-ordinator /	Sept. 2008

	Activity	Output	Responsible person	Target Date
	the Second Meeting of the TT.		Manager	
4.17	Preparation of the draft Report to be considered at the Second Meeting of WG LEGIM.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	WG Co-ordinator / Manager	Sept. 2008
4.18	Review of the working document at the Second Meeting of the TT, Moscow.	Report of the meeting to assess the progress of each WG for each study, approve or amend its work plan, timetable etc. and provide guidance for further operation.	TT Co-ordinator / Manager	Oct. 2008
4.19	Review of the draft Report at the Second Meeting of WG LEGIM, Moscow.	Report with comments and proposals for amendment.	WG Co-ordinator / Manager	Oct. 2008
4.20	Preparation of the draft Report to be considered at the Second Meeting of WG ADIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	WG Co-ordinator / Manager	Nov. 2008
4.21	Review of the draft Report at the Second Meeting of WG LEGIM, Moscow	Report with comments and proposals for amendment.	WG Co-ordinator / Manager	Dec. 2008
4.22	Preparation of the draft Report to be considered at the Second Meeting of WG INTEC, Moscow.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	WG Co-ordinator / Manager	Apr. 2009
4.23	Review of the draft Report at the Second Meeting of WG INTEC, Moscow.	Report with comments and proposals for amendment.	WG Co-ordinator / Manager	May 2009
4.24	Preparation of the working document to be considered at the Third Meeting of the TT.	Working document to review the progress of the three WGs, review their work plans, timetables etc. and propose amendments as appropriate.	TT Co-ordinator / Manager	May 2009
4.25	Review of the working	Report of the meeting to assess the progress of each WG for each study,	TT Co-	June 2009

	Activity	Output	Responsible person	Target Date
	document at the Third Meeting of the TT, Moscow.	approve or amend its work plan, timetable etc. and provide guidance for further operation.	ordinator / Manager	
4.26	Preparation of the final draft Report to be considered at the Third Meeting of WG LEGIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Oct. 2009
4.27	Preparation of the final draft Report to be considered at the Third Meeting of WG ADIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Nov. 2009
4.28	Review of the final draft Report at the Third Meeting of WG LEGIM, Moscow.	Adoption of the Final Report, containing draft new environmental protection acts and regulations and proposals for amendment of the existing legislation.	WG Co-ordinator / Manager	Nov. 2009
4.29	Review of the final draft Report at the Third Meeting of WG ADIM, Moscow.	Adoption of the Final Report, containing proposals on the division of responsibility and clarification of the functions of federal and regional authorities in respect of the arctic environment.	WG Co-ordinator / Manager	Dec. 2009
4.30	Preparation of the final draft Report to be considered at the Third Meeting of WG INTEC, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Feb. 2010
4.31	Preparation of the working document to be considered at the Fourth Meeting of the TT, Moscow.	Working document to include assessment of the work of the three WGs and consolidated conclusions and recommendations by the WGs. The TT is to prepare a work plan of concrete follow-up actions that will lead to the implementation of the conclusions and recommendations of the three WGs in order to enhance the Environmental Protection System in the Arctic region of the Russian Federation.	TT Co-ordinator / Manager	Feb. 2010
4.32	Review of the final draft Report at the Third Meeting of WG INTEC, Moscow.	Adoption of the Final Report, containing an assessment of the need for technical and human resources for implementation of the SAP, an explanation of the necessary administrative procedures, measures to improve information	WG Co-ordinator / Manager	March 2010

	Activity	Output	Responsible person	Target Date
		exchange and measures to ensure monitoring and compliance with the environmental regulations.		
4.33	Review of the working document at the Fourth Meeting of the TT, Moscow.	Adoption of the work plan of concrete follow-up actions that will lead to the implementation of the conclusions and recommendations of the three WGs in order to enhance the Environmental Protection System in the Arctic region of the Russian Federation.	TT Co-ordinator / Manager	March 2010

ANNEX V: WORK PLAN FOR THE IMPLEMENTATION OF THE GEF PROJECT
Demonstration Projects (Demos)

	Activity	Output	Responsible person	Target Date
5.1	Proposals for and selection of the Co-ordinator of the WG on Contaminant Clean-up (WG CLEANUP).	Approval of the WG Co-ordinator, familiar with the methodology for the implementation of the Contaminant Clean-up Project and with the organisations and individuals that might be involved.	Manager / Exec. Agency	Apr. 2006
5.2	Proposals for and selection of the WG CLEANUP members.	Approval of the WG members to cover various aspects of this demonstration project.	Manager	Apr. 2006
5.3	Preparation of consultancy contract with the WG CLEANUP Co-ordinator.	Signed contract with the WG Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	May 2006
5.4	Preparation of consultancy contracts with the WG CLEANUP members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	WG Co-ordinator / Manager	May 2006
5.5	Preparation of the working document to be considered at the First Meeting of the WG CLEANUP.	Working document to include basic concept of the Contaminant Clean-up method; draft terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of the lead cooperating organisation. This document is to be considered, amended and adopted by the First Meeting of the WG.	WG Co-ordinator / Manager	June 2006
5.6	Review of the working document at the First Meeting of the WG CLEANUP, Moscow.	Report of the meeting to include basic concept of Contaminant Clean-up method; terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of the lead cooperating organisation.	WG Co-ordinator / Manager	July 2006
5.7	Conduct of the tender and preparation of contract with lead cooperating organisation for the development of Contaminant Clean-up demonstration.	Signed contract with lead cooperating organisation (which won the tender), to include duties, outputs, work plan, timetable and other details.	WG Co-ordinator / Manager	Aug. 2006
5.8	Proposals for and selection of the Co-ordinator of the WG on Indigenous Environmental Co-Management (WG	Approval of the WG Co-ordinator, familiar with the methodology for the implementation of the Indigenous Environmental Co-Management Project and with the organisations and individuals that might be involved.	Manager / Exec. Agency	Oct. 2006

	Activity	Output	Responsible person	Target Date
	COMAN).			
5.9	Proposals for and selection of the WG COMAN members.	Approval of the WG members to cover various aspects of this demonstration project	Manager	Oct. 2006
5.10	Preparation of consultancy contract with the WG COMAN Co-ordinator.	Signed contract with the WG Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	Oct. 2006
5.11	Preparation of consultancy contracts with the WG COMAN members.	Draft contracts including duties, outputs, work plan, timetable and other details , to be discussed with the potential consultants and signed subsequently.	WG Co-ordinator / Manager	Oct. 2006
5.12	Proposals for and selection of the Co-ordinator of the WG on the Remediation of Two Decommissioned Military Bases (WG BASES).	Approval of the WG Co-ordinator, familiar with the methodology for the implementation of the Remediation of Two Decommissioned Military Bases Project and with the organisations and individuals that might be involved.	Manager / Exec. Agency	Oct. 2006
5.13	Proposals for and selection of WG the BASES members.	Approval of WG members to cover various aspects of this demonstration project.	Manager	Oct. 2006
5.14	Preparation of consultancy contract with the WG BASES Co-ordinator.	Signed contract with the WG Co-ordinator including duties, outputs, work plan, timetable and other details.	Manager / Exec. Agency	Oct. 2006
5.15	Preparation of consultancy contracts with the WG BASES members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	WG Co-ordinator / Manager	Oct. 2006
5.16	Preparation of the working document to be considered at the First Meeting of the WG COMAN.	Working document to include basic concept of the Indigenous Environmental Co-Management method; overview of relevant needs identified during work on the NPA-Arctic and PDF B GEF Project; draft terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of lead cooperating organisation. This document is to be considered, amended and adopted by the First Meeting of the WG.	WG Co-ordinator / Manager	Oct. 2006
5.17	Preparation of the working document to be considered at the First Meeting of the WG BASES.	Working document to include basic concept of the Remediation of Two Decommissioned Military Bases method; overview of relevant needs identified during work on the NPA-Arctic and PDF B GEF Project; draft terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of	WG Co-ordinator / Manager	Oct. 2006

	Activity	Output	Responsible person	Target Date
		lead cooperating organisation. This document is to be considered, amended and adopted by the First Meeting of the WG.		
5.18	Review of the working document at the First Meeting of the WG COMAN, Moscow.	Report of the meeting to include basic concept of Indigenous Environmental Co-Management method; overview of relevant needs identified during work on the NPA-Arctic and PDF B GEF Project; terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of lead cooperating organisation.	WG Co-ordinator / Manager	Nov. 2006
5.19	Conduct of the tender and preparation of contract with lead cooperating organisation for the development of Indigenous Environmental Co-Management demonstration.	Signed contract with lead cooperating organisation (which won the tender), to include duties, outputs, work plan, timetable and other details.	WG Co-ordinator / Manager	Nov. 2006
5.20	Review of the working document at the First Meeting of the WG BASES, Moscow.	Report of the meeting to include basic concept of the Remediation of Decommissioned Military Bases method; overview of relevant needs identified during work on the NPA-Arctic and PDF B GEF Project; terms of reference for the WG, including outputs, work plan, timetable and other details; the role of the co-ordinator of the WG and its members; as well as the role of lead cooperating organisation.	WG Co-ordinator / Manager	Nov. 2006
5.21	Conduct of the tender and preparation of contract with lead cooperating organisation for the development of Decommissioned Military Bases demonstration.	Signed contract with lead cooperating organisation (which won the tender), to include duties, outputs, work plan, timetable and other details.	WG Co-ordinator / Manager	Dec. 2006
5.22	Preparation of Progress Report to be considered at the Second Meeting of the WG CLEANUP.	Progress Report, to include suggestions for further work.	WG Co-ordinator / Manager	Jan. 2007
5.23	Review of the Progress Report at the Second Meeting of the WG CLEANUP, Moscow.	Reviewed Progress Report with suggestions for further work.	WG Co-ordinator / Manager	Feb. 2007
5.24	Preparation of Progress Report to be considered at the Second Meeting of	Progress Report, to include suggestions for further work.	WG Co-ordinator /	Oct. 2007

	Activity	Output	Responsible person	Target Date
	the WG COMAN.		Manager	
5.25	Preparation of Progress Report to be considered at the Second Meeting of the WG BASES	Progress Report, to include suggestions for further work.	WG Co-ordinator / Manager	Oct. 2007
5.26	Review of Progress Report at the Second Meeting of the WG COMAN, Moscow.	Reviewed Progress Report with suggestions for further work.	WG Co-ordinator / Manager	Nov. 2007
5.27	Review of Progress Report at the Second Meeting of the WG BASES, Moscow.	Reviewed Progress Report with suggestions for further work.	WG Co-ordinator / Manager	Nov. 2007
5.28	Preparation of the draft Report to be considered at the Third Meeting of the WG CLEANUP.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Nov. 2007
5.29	Review of the draft Report at the Third Meeting of the WG CLEANUP, Moscow.	Reviewed draft Report with comments and proposals for amendment.	WG Co-ordinator / Manager	Dec. 2007
5.30	Preparation of the draft Report to be considered at the Third Meeting of the WG COMAN.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Oct. 2008
5.31	Preparation of the draft Report to be considered at the Third Meeting of the WG BASES.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	WG Co-ordinator / Manager	Oct. 2008
5.32	Review of the draft Report at the Third Meeting of the WG COMAN, Moscow.	Reviewed draft Report with comments and proposals for amendment.	WG Co-ordinator / Manager	Nov. 2008
5.33	Review of the draft Report at the Third Meeting of the WG COMAN, Moscow.	Reviewed draft Report with comments and proposals for amendment.	WG Co-ordinator / Manager	Nov. 2008
5.34	Preparation of the final draft Report and replicability specifications to be considered at the Fourth Meeting of	Final draft Report and replicability specifications prepared.	WG Co-ordinator /	Nov. 2008

	Activity	Output	Responsible person	Target Date
	the WG CLEANUP.		Manager	
5.35	Review of the final draft Report at the Fourth Meeting of the WG CLEANUP, Moscow.	Adoption of the Final Report and replicability specifications.	WG Co-ordinator / Manager	Dec. 2008
5.36	Preparation of the final draft Report and replicability specifications to be considered at the Fourth Meeting of the WG COMAN.	Final draft Report and replicability specifications prepared.	WG Co-ordinator / Manager	Jan. 2010
5.37	Preparation of the final draft Report and replicability specifications to be considered at the Fourth Meeting of the WG BASES.	Final draft Report and replicability specifications prepared.	WG Co-ordinator / Manager	Jan. 2009
5.38	Review of the final draft Report at the Fourth Meeting of the WG COMAN, Moscow.	Adoption of the Final Report and replicability specifications.	WG Co-ordinator / Manager	Feb. 2010
5.39	Review of the final draft Report at the Fourth Meeting of the WG BASES, Moscow.	Adoption of the Final Report and replicability specifications.	WG Co-ordinator / Manager	Feb. 2010

ANNEX VI: WORK PLAN FOR THE IMPLEMENTATION OF THE GEF PROJECT
Project Co-ordination and Management

	Activity	<u>Output</u>	Responsible person	Target Date
1.1	Establishment of the Project Office comprising of the Project Manager, Deputy Project Manager, Financial Management Officer, Assistant Financial Management Officer and Secretary. The Project Supervisory Council will be established, which will include representatives of Executing Agency, Implementing Agency and Partner Agencies. The donors may be represented at the Supervisory Council by their chosen Partner Agencies. Between times of the Steering Committee meetings the Supervisory Council will be a working body in charge of supervising the Project implementation in a coordinated manner according to a Project work plan approved by the Steering Committee.	Project Office established.	Morgunov	June 2005
1.2	Hiring of the staff of the Project Office. Job descriptions for all positions in the Project Office are contained in Annex XI.	Staff of the Project Office hired.	Morgunov	June.2005
1.3	Establishment of the Steering Committee.	Steering Committee established.	Morgunov	July 2005
1.4	Meetings of the Steering Committee. These meetings will be held once a year.	Report of the meeting, to include recommendations on the operation and management of the Working Groups, approval of detailed annual work plans and budgets, whenever applicable, and other recommendations.	Manager/ Morgunov	Yearly
1.5	The Meeting of the Steering Committee in June 2007 will be held as the Mid-term Review Meeting. The purpose of this meeting is to review progress in the implementation of the Project and to indicate whether any adjustments are needed in the work plan and the timetable of implementation. The mid-term evaluation document will be prepared by an independent consultant.	Report of the meeting, to include assessment of the progress achieved and clear indication whether any adjustment has to be made to the budget work plan and timetable of implementation.	Manager	June 2007
1.6	Final Report on the Project.	Final Report on the Project.	Manager	June 2010

ANNEX VII: TIMETABLE FOR THE IMPLEMENTATION OF THE GEF PROJECT

Component / Sub-Component	GEF Project Implementation																		
	PHASE I									PHASE II									
	2005			2006			2007			2008			2009			0			
1. Project Co-ordination and Management																			
1.1 Steering Committee Meetings																			
1.2 Mid-term Review Meeting of the Steering Committee																			
1.3 Reporting to UNEP																			
1.4 Reporting to the Arctic Council and the Global Programme of Action																			
2. Strategic Action Programme Development (SAP)																			
2.1 Task Team Meetings																			
2.2 Drafting of Strategic Action Programme																			
2.3 Review by federal and provincial departments and agencies																			
2.4 Revision of Draft Strategic Action Programme																			
2.5 International Review																			
2.6 Adoption of Strategic Action Programme																			
3. Pre-investment Studies																			
3.1 Formulation of criteria for selection of pre-investment projects																			
3.2 Completion of candidate list of potential pre-investment studies																			
3.3 Selection of pre-investment studies based on priority and tractability																			
3.4 Conduct of pre-investment studies																			
3.5 Approval of the results of the pre-investment studies																			
4. Environmental Protection System Improvements																			
4.1 Legislative Improvements																			
4.2 Administrative Improvements																			
4.3 Institutional and Technical Improvements																			
5. Demonstration Projects																			
5.1 Project Design for Indigenous Environmental Co-Management Demonstration																			
Conduct of demonstration																			
Preparation of replicability specifications																			
5.2 Project Design for Seawater Decontamination Demonstration																			
Conduct of demonstration																			
Preparation of replicability specifications																			
5.3 Project Design for Remediation of Decommissioned Military Bases Demonstration																			
Conduct of demonstration at site 1																			
Conduct of demonstration at site 2																			
Preparation of replicability specifications																			

ANNEX VIII: BUDGET IN UNEP FORMAT TO REFLECT DECISIONS OF THE CONSULTATIVE MEETING, HELD 19TH JULY, 2004, GENEVA

		PHASE I										PHASE II						TOTAL	
Updated:	16.06.2005			2005	2006		2007		2007		2008		2009		2010		Total		
Object of Expenditure	Activity	Description	Unit	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m	W/m		
1100		<u>Project Personnel</u>																	
1101	PC&M	Project Manager, Project Office Moscow	3.7	6.5	24.1	12.0	44.4	6.5	24.1	5.5	20.4	12.0	44.4	12.0	44.4	5.5	20.4	60.0	222.0
1102	PC&M	Project Deputy Manager, Project Office Moscow	2	6.5	13.0	12.0	24.0	6.5	13.0	5.5	11.0	12.0	24.0	12.0	24.0	5.5	11.0	60.0	120.0
1103																			
	PC&M	Project Financial Management Officer, Project Office Moscow	2.6	6.5	16.9	12.0	31.2	6.5	16.9	5.5	14.3	12.0	31.2	12.0	31.2	5.5	14.3	60.0	156.0
1181	PC&M	Technical Expert	13.33	3.3	43.3	6.0	80.0	3.3	43.3	2.8	36.7	6.0	80.0	6.0	80.0	2.8	36.7	30.0	400.0
1182	PC&M	Technical Expert	10	1.63	16.3	3.0	30.0	1.63	16.3	1.4	13.8	3.0	30.0	3.0	30.0	1.38	13.8	15.0	150.0
Sub Total				24.4	113.5	45.0	209.6	24.4	113.5	20.6	96.1	45.0	209.6	45.0	209.6	20.6	96.1	225.0	1,048.0
1200		<u>Consultants</u>																	
1201	Activity 1 - SAP	International consultant, Task Team (TT)	10	2.0	20.0	2.0	20.0											4.0	40.0
1202	Activity 1 - SAP	International consultant, TT	10	1.5	15.0	1.5	15.0											3.0	30.0
1203	Activity 1 - SAP	International consultant, TT	10	1.0	10.0	1.0	10.0											2.0	20.0
1204	Activity 1 - SAP	International consultant, WG 1	10			1.0	10.0											1.0	10.0
1205	Activity 1 - SAP	International consultant, WG 2	10			1.0	10.0											1.0	10.0
1206	Activity 1 - SAP	Lead Russian consultant, TT	3.9	5.0	19.5	6.0	23.4											11.0	42.9
1207	Activity 1 - SAP	Russian consultant, TT	3.3	4.0	13.2	5.0	16.5											9.0	29.7
1208	Activity 1 - SAP	Russian consultant, TT	3.3	2.0	6.6	4.0	13.2											6.0	19.8
1209	Activity 1 - SAP	Russian consultant, TT	3.3	2.0	6.6	3.0	9.9											5.0	16.5
1210	Activity 1 - SAP	Russian consultant, TT	3.3	2.0	6.6	2.0	6.6											4.0	13.2
1211	Activity 1 - SAP	Russian consultant, TT	3.3	2.0	6.6	2.0	6.6											4.0	13.2
1212	Activity 1 - SAP	Russian consultant, TT	2.6	2.0	5.2	2.0	5.2											4.0	10.4

1213	Activity 1 - SAP	Russian consultant, TT	2.6	2.0	5.2	2.0	5.2											4.0	10.4
1214	Activity 1 - SAP	Lead Russian consultant, WG1	3.9	1.0	3.9	2.0	7.8											3.0	11.7
1215	Activity 1 - SAP	Russian consultant, WG1	3.3	1.0	3.3	1.0	3.3											2.0	6.6
1216	Activity 1 - SAP	Russian consultant, WG1	3.3	1.0	3.3													1.0	3.3
1217	Activity 1 - SAP	Lead Russian consultant, WG2	3.9	1.0	3.9	2.0	7.8											3.0	11.7
1218	Activity 1 - SAP	Russian consultant, WG2	3.3	1.0	3.3	1.0	3.3											2.0	6.6
1219	Activity 1 - SAP	Russian consultant, WG2	3.3	1.0	3.3													1.0	3.3
1220	Activity 2 - PINS	International consultant, Working Group (WG)	10	0.5	5.0	2.0	20.0	1.0	10.0	1.0	10.0	0.5	5.0					5.0	50.0
1221	Activity 2 - PINS	International consultant, WG	10	1.0	10.0	1.0	10.0	1.0	10.0	0.5	5.0							3.5	35.0
1222	Activity 2 - PINS	International consultant, WG	10	0.5	5.0	1.0	10.0	0.5	5.0	0.5	5.0							2.5	25.0
1223	Activity 2 - PINS	Lead Russian consultant, WG	3.9	1.0	3.9	2.5	9.8	1.5	5.9	1.0	3.9	1.0	3.9					7.0	27.3
1224	Activity 2 - PINS	Russian consultant, WG	3.3	1.0	3.3	2.0	6.6	1.0	3.3	1.0	3.3							5.0	16.5
1225	Activity 2 - PINS	Russian consultant, WG	3.3	0.5	1.7	1.0	3.3	0.5	1.7	0.5	1.7	0.5	1.7					3.0	9.9
1226	Activity 2 - PINS	Russian consultant, WG	3.3	1.0	3.3	1.0	3.3	0.5	1.7	0.5	1.7							3.0	9.9
1227	Activity 2 - PINS	Russian consultant, WG	3.3	0.5	1.7	0.5	1.7											1.0	3.3
1228	Activity 2 - PINS	Russian consultant, WG	3.3			0.5	1.7	0.5	1.7									1.0	3.3
1229	Activity 2 - PINS	Russian consultant, WG	2.6	0.5	1.3	0.5	1.3											1.0	2.6
1230	Activity 2 - PINS	Russian consultant, WG	2.6		0.0	0.5	1.3	0.5	1.3									1.0	2.6
1231	Activity 3 - EPS	International consultant, Task Team (TT)	10					2.0	20.0	1.0	10.0	2.0	20.0	1.0	10.0			6.0	60.0
1232	Activity 3 - EPS	International consultant, TT	10					2.0	20.0			1.0	10.0	1.0	10.0			4.0	40.0
1233	Activity 3 - EPS	International consultant, TT	10					2.0	20.0		0.0	1.0	10.0	1.0	10.0			4.0	40.0
1234	Activity 3 - EPS	Lead Russian consultant, TT	3.9					3.0	11.7	0.5	2.0	2.5	9.8	2.0	7.8			8.0	31.2
1235	Activity 3 - EPS	Russian consultant, TT	3.3					3.0	9.9	0.5	1.7	2.5	8.3	2.0	6.6			8.0	26.4
1236	Activity 3 - EPS	Russian consultant, TT	3.3					2.0	6.6		0.0	1.0	3.3	1.0	3.3			4.0	13.2

1237	Activity 3 - EPS	Russian consultant, TT	3.3					2.0	6.6		0.0	1.0	3.3	1.0	3.3			4.0	13.2
1238	Activity 3 - EPS	Russian consultant, TT	3.3					1.0	3.3	0.5	1.7	0.5	1.7		0.0			2.0	6.6
1239	Activity 3 - EPS	Russian consultant, TT	3.3					1.0	3.3		0.0	0.5	1.7	0.5	1.7			2.0	6.6
1240	Activity 3 - EPS	Russian consultant, TT	3.3					1.0	3.3	0.5	1.7	0.5	1.7		0.0			2.0	6.6
1241	Activity 3 - EPS	Russian consultant, TT	3.3					1.0	3.3		0.0	0.5	1.7	0.5	1.7			2.0	6.6
1242	Activity 3 - EPS	Russian consultant, TT	2.6					1.0	2.6	0.5	1.3	0.5	1.3		0.0			2.0	5.2
1243	Activity 3 - EPS	Russian consultant, TT	2.6					1.0	2.6			0.5	1.3	0.5	1.3			2.0	5.2
1244	Activity 1 - SAP	International consultant, unspecified	10	2.0	20.0	1.0	10.0											3.0	30.0
1245	Activity 1 - SAP	Russian consultant, Project Advisor	3.3	3.3	10.7	6.0	19.8	3.3	10.7	2.8	9.1	6.0	19.8	6.0	19.8	2.8	9.1	30.0	99.0
1246		Russian consultant, Unspecified									4.5		4.5		4.0		1.6	0.0	14.6
Sub Total				43.3	201.3	58.0	272.5	32.3	164.3	11.3	62.3	22.0	108.7	16.5	79.4	2.8	10.7	186.0	899.1
<u>1300</u>			<u>Administrative Support</u>																
1301		Project Assistant Financial Management Officer, Project Office Moscow	0.8	1.0	0.8	3.0	2.4	1.4	1.1	1.6	1.3	2.5	2.0	2.5	2.0	1.0	0.8	13.0	10.4
1302	PC&M	Project Secretary, Moscow	1	6.5	6.5	12.0	12.0	6.5	6.5	5.5	5.5	12.0	12.0	12.0	12.0	5.5	5.5	60.0	60.0
Sub Total				7.5	7.3	15.0	14.4	7.9	7.6	7.1	6.8	14.5	14.0	14.5	14.0	6.5	6.3	73.0	70.4
<u>1600</u>			<u>Travel on official business</u>																
1601	PC&M	Travel on official business			9.0		9.0		15.0		9.0		5.0		4.0				51.0
1602	Activity 1 - SAP	Travel on official business			10.0		15.0		15.0										40.0
1603	Activity 2 - PINS	Travel on official business			15.0		25.0		30.0		30.0								100.0
1604	Activity 3 - EPS	Travel on official business							30.0		30.0		30.0		30.0				120.0
1605	Activity 4- DEMOS	Travel on official business					30.0		30.0		30.0		30.0						120.0
Sub Total					34.0		79.0		120.0		99.0		65.0		34.0				431.0
<u>2200</u>			<u>Sub-contracts with cooperating organisations</u>																
2201	Activity 1 - SAP	Sub-contract with one organisation			14.0														14.0

2202	Activity 1 - SAP	Sub-contract with one organisation	14.5						14.5
2210	Activity 2 - PINS	Sub-contract with three organisations		1,070.0	977.8	506.3			2,554.1
2220	Activity 3 - EPS	Sub-contract with one organisation for Legislative Improvements (LEGIM)			228.2	300.0	100.0	60.0	688.2
2221	Activity 3 - EPS	Sub-contract with one organisation for Administrative Improvements (ADIM)			170.0	215.0	100.0	45.0	530.0
2222	Activity 3 - EPS	Sub-contract with one organisation for Institutional and Technical Improvements (INTEC)			170.0	210.0	100.0	95.0	575.0
2230	Activity 4- DEMOS	Sub-contract with one organisation for Contaminant Cleanup (CLEANUP)		196.0	298.0	100.0	140.0		734.0
2231									
2232	Activity 4- DEMOS	Sub-contract with one organisation for Indigenous Environmental Co-management (COMAN)		196.0	298.0	290.0	216.0	100.8	1,100.8
	Activity 4- DEMOS	Sub-contract with one organisation for Decommissioned Military Bases (BASES)		150.0	299.0	145.0	115.0	100.0	809.0
Sub Total			28.5	1,612.0	2,441.0	1,766.3	771.0	400.8	7,019.6
3300	<u>Meetings / Conferences (travel, DSA, administrative support, interpretation, translation, preparation of documents, copying, sundry, hospitality)</u>								
3301	PC&M	Steering Committee Meetings	37.0	15.0	15.0	10.0	10.0	10.0	97.0
3302	Activity 1 - SAP	Task Team Meetings	10.0	25.0					35.0
3303	Activity 1 - SAP	Meetings of the Working Groups		30.0					30.0
3304	Activity 2 - PINS	Meetings of the Working Groups		50.0		29.0			79.0
3305	Activity 3 - EPS	Meetings of the Task Team			17.0	17.0	33.0		67.0
3306	PC&M	Unspecified meetings	1.0	1.0	1.0	1.0	1.0	1.0	6.0
3307		Supervisory Council		3.0	3.0	3.0	3.0	3.0	15.0
3308		Russian Coordination WG		8.2	8.2	8.2	8.2	8.2	41.0
3309		WG for Demonstration Projects		15.0	15.1	18.8	18.8	18.8	86.5
Sub Total			48.0	147.2	59.3	87.0	74.0	41.0	456.5

4100		<u>Expendable equipment</u>								
4101	PC&M	Expendable equipment	3.0	2.0	2.0	2.0	2.0	1.0		12.0
Sub Total			3.0	2.0	2.0	2.0	2.0	1.0		12.0
4200		<u>Non-expendable equipment</u>								
4201	PC&M	Non-expendable equipment	43.0	2.0	2.0	2.0	2.0	3.0		54.0
Sub Total			43.0	2.0	2.0	2.0	2.0	3.0		54.0
5100		<u>Operation and maintenance of equipment</u>								
5101	PC&M	Operation & maintenance of equipment	2.0	5.0	5.0	2.5	5.0	5.0	2.5	27.0
Sub Total			2.0	5.0	5.0	2.5	5.0	5.0	2.5	27.0
5200		<u>Reporting Activities</u>								
5201	PC&M	Reports to UNEP & partners, translation	2.0	2.0	3.0	2.0	2.0	5.0		16.0
5202	PC&M	Reports to UNEP & partners, copying & distribution	1.0	1.0	1.0	1.0	2.0	2.0		8.0
5203	PC&M	Information, promotion	1.0	2.0	5.0	1.0	1.0	1.0		11.0
5204	PC&M	General translation	3.0	4.0	4.0	4.0	4.0	4.0		23.0
5205	PC&M	General copying & distribution	3.0	4.0	4.0	5.0	5.0	5.0		26.0
5206	Activity 1 - SAP	General translation	5.0	10.0	10.0					25.0
5207	Activity 2 - PINS	General translation	5.0	5.0	5.0	5.0				20.0
5208	Activity 3 - EPS	General translation			11.0	5.0	11.0	10.0	6.0	43.0
Sub Total			20.0	28.0	43.0	23.0	25.0	27.0	6.0	172.0
5300		<u>Sundry</u>								
5301	PC&M	Sundry	6.0	7.0	4.0	2.5	5.0	5.0	2.5	32.0
5302	PC&M	Communication services	4.4	7.4	3.7	3.7	7.4	7.4	3.0	37.0
Sub Total			10.4	14.4	7.7	6.2	12.4	12.4	5.5	69.0
5400		<u>Hospitality</u>								
5401	PC&M	Hospitality	2.0	4.0	3.1	1.5	3.0	3.0	1.5	18.1
Sub Total			2.0	4.0	3.1	1.5	3.0	3.0	1.5	18.1

5500		<u>Evaluation</u>																		
5501	PC&M	Evaluation, auditing & peer review						13.3						0.0				10.0	10.0	33.3
Sub Total			0.0	0.0	13.3	0.0	0.0	10.0	10.0	33.3										
		<u>Grand Total</u>																		
1100		Project Personnel	24.4	113.5	45.0	209.6	24.4	113.5	20.6	96.1	45.0	209.6	45.0	209.6	20.6	96.1	225.0	1,048.0		
1200		Consultants	43.3	201.3	58.0	272.5	32.3	164.3	11.3	62.3	22.0	108.7	16.5	79.4	2.8	10.7	186.0	899.1		
1300		Administrative support personnel	7.5	7.3	15.0	14.4	7.9	7.6	7.1	6.8	14.5	14.0	14.5	14.0	6.5	6.3	73.0	70.4		
1600		Travel on official business		34.0		79.0		120.0		99.0		65.0		34.0		0.0		431.0		
2200		Sub-contracts with cooperating organisations		28.5		1,612.0		2,441.0		1,766.3		771.0		400.8		0.0		7,019.6		
3300		Meetings / Conferences		48.0		147.2		59.3		87.0		74.0		41.0		0.0		456.5		
4100		Expendable equipment		3.0		2.0		2.0		2.0		2.0		1.0		0.0		12.0		
4200		Non-expendable equipment		43.0		2.0		2.0		2.0		2.0		3.0		0.0		54.0		
5100		Operation and maintenance of equipment		2.0		5.0		5.0		2.5		5.0		5.0		2.5		27.0		
5200		Reporting costs		20.0		28.0		43.0		23.0		25.0		27.0		6.0		172.0		
5300		Sundry		10.4		14.4		7.7		6.2		12.4		12.4		5.5		69.0		
5400		Hospitality		2.0		4.0		3.1		1.5		3.0		3.0		1.5		18.1		
5500		Evaluation		0.0		0.0		13.3		0.0		0.0		10.0		10.0		33.3		
Grand Total:			75.1	513.1	118.0	2,390.1	64.5	2,981.9	39.0	2,154.6	81.5	1,291.7	76.0	840.2	29.9	138.5	484.0	10,310.0		
TOTAL BY PHASE																		4,425.0	10,310.00	

ANNEX IX: FORMAT FOR CASH ADVANCE STATEMENT

Statement of cash advance as at
 And cash requirements for the quarter of

Name of co-operating agency/Supporting organization
 Project No.
 Project title

I. Cash statement

1. Opening cash balance as at US\$
 2. Add: cash advances received:

Date	Amount
.....	
.....	
.....	
.....	

3. Total cash advanced to date US\$
 4. Less: total cumulative expenditures incurred US\$ (.....)
 5. Closing cash balance as at US\$

II. Cash requirements forecast

6. Estimated disbursements for quarter
 ending US\$
 7. Less: closing cash balance (see item 5, above) US\$ (.....)
 8. Total cash requirements for the
 quarter US\$

Prepared by Request approved by
 Duly authorised official of co-operating agency/ supporting organisation

Details of the cash advance requested

Object of Expenditure	Description	Amount in US \$	Details of expenditure to be incurred
1101			
1102			
.....			
Total			

ANNEX X: TERMS OF REFERENCE FOR PARTNER AGENCIES

Partner Agencies are established in order to facilitate the implementation of this Project based on funding provided by bi-lateral and multi-lateral donors who chose to support this mechanism.

A Partner Agency participates in the implementation of the Project by fulfilling all or some of the following functions:

- establishment and execution of Trust Funds in support of the Project, which receive financial contributions from donors who officially select a given Trust Fund for channeling their money;
- continued fund-raising to attract new bi-lateral and multi-lateral donors for participation in the Project;
- at donors' request and under the coordination of the Executing Agency implementation of specific work on new projects and components adopted in the framework of the Project using donors' funds specially allocated for these purposes;
- participation together with the Executing and Implementing Agencies in discussion of draft work plans and budgets prepared by the Project Office;
- participation in the activity of working groups and task teams through consultants recommended by a Partner Agency;
- submission of proposals to the Project Office and the Executing Agency on activities funded by the funds contributing to the project through the established Trust Fund-based on the consolidated opinion of relevant donors related to activities to be funded through a Trust Fund;
- coordination of donors that entrusted the respective Partner Agency to handle their funds under the Project;
- at the request of the Project Office and subject to availability of resources, preparation of draft documents related to the Project Document, including proposals on draft documents for the Project Steering Committee, task and working groups, drafts of substantive reports and information materials;
- participation in the project monitoring and evaluation activities together with the Executing and Implementing Agencies.

Partner Agencies are permanent participants of the Project Steering Committee. They may represent donors at the Supervisory Council.

Partner Agencies may participate in the preparation and organization of the Partnership Conference and Round Tables, to be organized by the Executing and Implementing Agencies.

General procedure of disbursement of funds from Trust Funds and financial reporting will be regulated by a special document to be submitted for approval at the first Project Steering Committee meeting. As appropriate the Executing Agency may sign a special agreement with a Partner Agency, which will detail the mandate and functions of each Partner Agency, including the modality for expenditure of funds and for financial reporting.

A Partner Agency will sign agreements with each of the donors that desire its funds to be channeled through a respective Trust Fund.

Partner Agencies will transfer donors' funds to the Project Current Account in Moscow or disburse them directly according to request of donors, General Procedure of disbursement of funds from Trust Funds and financial reporting, the Project Work programme and annual budgets to be agreed at the Steering Committee. Partner Agencies will have legal responsibility for funds disbursed directly on the basis of agreements between Partner Agencies and respective donors.

In order to fulfill the roles of the Partner Agency, each Partner Agency will use its own or donor funding, to the extent available for such purpose.

ANNEX XI: TERMS OF REFERENCE FOR THE PROJECT PERSONNEL (Project Office & UNEP/Moscow Office)

Project Manager, Moscow (budget line 1101)

1. Overall responsibility:

The overall responsibility of the Project Manager, Moscow, is effective management of the UNEP/GEF Project entitled “Russian Federation – Support to the National Plan of Action for the Protection of the Arctic Marine Environment” in accordance with the signed Project Document and Agreement between the Executing Agency and Legal Entity “Executive Directorate of the Russian National Pollution Abatement Facility”, with a view to timely and proper implementation of the Project in its entirety. In fulfilling his/her ToR, the Project Manager will consult and report to the UNEP/GEF Office in Moscow.

2. Duties and responsibilities:

- guidance and organisation of the implementation of all activities specified in the Project Document, ensuring their timely completion;
- supervision of meetings and effective functioning of all entities set up for the co-ordination and implementation of the Project;
- monitoring of overall Project implementation, monitoring of the mid-term review and facilitation of the terminal independent evaluation;
- definition of the necessary institutional arrangements for the implementation of the Project, as well as associated management tasks;
- liaising with the Executing, Implementing and Partner Agencies, Supervisory Council, Steering Committee, Task Teams, Working Groups, Russian Panel, GEF and other donors;
- raising funds in the Russian Federation for the Project Document implementation, in addition to those already committed;
- ensuring continued Project funding in the Russian Federation in accordance with the Project Document;
- linkages with the Arctic Council;
- facilitation of the preparation of the Partnership Conference and Round Tables on support to the NPA-Arctic, as directed by the Executing Agency;
- preparation, in consultation with the Executing Agency, of the contracts and MOUs required during the Project;
- consideration of working documents for discussion at the meetings of task teams and working groups;
- presentation, together with the Financial Management Officer, to the UNEP/Moscow Office and the Executing Agency of the quarterly Cash Advance Request using format in Annex IX to the Project Document and, after approval by them, sending it to UNEP/DGEF concerning GEF funds;
- presentation, together with the Financial Management Officer, to Partner Agencies on quarterly, half-yearly or annually basis cash advance requests to receive donors’ funds in the Project Currency Account from Project Trust Funds according to General procedure of disbursement of funds from Trust Funds and financial reporting to be approved by the Steering Committee;
- presentation, together with the Financial Management Officer, on quarterly, half yearly or annually basis cash advance requests to donors that wish sending their funds directly to the Project Currency Account in Moscow;
- presentation of detailed draft annual work plans on the Project implementation and of the required financing to be adopted by the Supervisory Council and approved by the Steering Committee;
- ensuring the preparation of substantive, financial and other Project reports stipulated under the Project for submission first to the Executing Agency and UNEP/Moscow Office, and then to UNEP/DGEF;
- ensuring the preparation of annual expenditure reports and financial plans for adoption by the Supervisory Council and approval by the Steering Committee;
- regular reporting to all co-financing parties in accordance with their specific requirements;

approval of members for task teams and working groups and consultants involved in the implementation of the Project and co-ordination of their work;

negotiation and finalisation of consultancy contracts and monitoring of their execution;

evaluation of the work of consultants and Project Office personnel and taking appropriate action if the performance is deemed not to be satisfactory;

ensuring the involvement of Russian stakeholders for participation in Project implementation;

organisation of communications for Project implementation, including a website, newsletter and regular press releases;

facilitation of the distribution and, if required, publication of substantive reports and other documents resulting from the Project implementation in consultation and coordination with the Executing and Implementing Agencies;

representing the Project at meetings of other organisations and programmes, first and foremost, those of the Arctic Council and GPA, as instructed by Executing Agency;

liaison with other relevant GEF projects in the Russian Federation, especially those referred to in Project Document;

- provision of general leadership and decision-making on matters pertaining to the co-ordination of work with other federal and regional executive branches of the Russian Federation, Russian business entities and indigenous organisation of the North;
- ensuring that the benefits to the Russian Federation are fully realised throughout the execution of this Project;
- holding tenders and developing criteria for the identification of lead organisations to execute certain Project activities;
- conclusion of contracts with lead organisations to execute certain Project activities and supervision of the implementation of contracts;
- approving, in consultation with Executing Agency, the members of organisations to be included into the consortium being established by the lead organisation;
- supervising the targeted expenditure of funds entering the bank accounts of the Project Office;
- facilitating translation of prepared documents from English into Russian and from Russian into English;
- securing the financial deposit from the Russian Federation (in cash and in kind), as provided for in the financial section of the Project Document; and
- approval of candidates and signing of consultancy contracts with Russian and international experts and co-ordination and supervision of the work of the Russian and international consultants;
- responsibility, together with the Financial Management Officer, for targeted spending of funds received in the Project Office accounts.

3. Job requirements:

demonstrated competence in the management of large international projects including budget planning, financial management, monitoring and evaluation;

demonstrated experience in national and international negotiations;

demonstrated capacity for networking;

Russian national;

10 years of experience in development and management of large marine, arctic or nature management projects;

familiar with the structure, mechanism and potential of the political, scientific, technical, legislative and administrative procedures in the Russian Federation;

high level of fluency in written and spoken English; and

computer literacy.

4. Type of contract:

Contract with the Project Manager will be for one year duration renewable based on performance for the life of the Project.

5. Supervision given to the post:

The work of the Project Manager post will be supervised by the Executing and Implementing Agencies.

Project Deputy Manager, Moscow (budget line 1102)

1. Overall responsibility

The overall responsibility of the Project Deputy Manager is to assist the Project Manager and co-ordinate actions for effective management of the UNEP/GEF Project entitled “Russian Federation – Support to the National Plan of Action for the Protection of the Arctic Marine Environment” in accordance with the signed Project Document and Agreement between the Executing Agency and Legal Entity “Executive Directorate of the Russian National Pollution Abatement Facility”, with a view to timely and proper implementation of the Project in its entirety.

2. Duties and responsibilities

Assist, including provision of proposals, the Project Manager:

- in the follow-up of the implementation of all activities specified in the Project Document and their timely completion;
- in liaising with the UNEP/GEF including its office in Moscow as well as partner agencies;
- in organisation of work and participation in the preparation of substantive reports and other reports specified in the Project for their transmission to UNEP/GEF;
- in participation in the preparation of the relevant contracts and MOUs for which a need arises during the implementation of the Project;
- in the follow-up of the work of all consultants involved in the implementation of the Project;
- in the preparation of materials for detailed annual work plans and in the follow-up of their implementation;
- in facilitating distribution and, when required, publication of substantive reports and other materials resulting from Project activities;
- in the preparation of open tenders to identify lead organisations to execute certain Project activities and in drafting contracts with these organisations in accordance with the tender results;
- in the preparation of draft consultancy contracts for Russian and international experts and in follow-up of their work;
- in synthesising the work by the implementing organisations;
- in organising all meetings to be held in the framework of the Project;
- in drafting decisions and materials of meetings held in Russia;
- in participation in the preparation of working documents for task teams and working groups; and
- in any other tasks which the Project Manager may deem necessary for the Project implementation.

3. Job requirements:

- Russian national;
- organisational skills;
- experience of working in international and national projects;
- good communication skills;
- ability to take initiative;
- ability to prioritise workload and work under pressure;
- computer literacy (including network, electronic mailing systems, Word, Excel, PowerPoint and Access);
- thorough and methodical approach to work; and

- high level of fluency in written and spoken English.

Type of contract:

Contract with Project Deputy Manager will be for 12 months per year for the duration of the Project

Supervision given to the post:

The work of the Project Deputy Manager will be supervised by the Project Manager.

Project Financial Management Officer, Moscow (budget line 1103)

1. Overall responsibility:

The overall responsibility of the person employed in this post is to ensure successful management of the financial aspects of the Project through smooth and uninterrupted flow of cash resources to the points of expenditure, and hence contribute to the overall successful implementation of the Project. Objectives include the establishment of a Project accounting system for recording of commitments and advances against planned expenditures; prompt reconciliation of Project accounts with those of the Budget and Financial Management Service of the United Nations Office at Nairobi (UNON); prompt receipt of expenditure and other reports, and also cash advance requests from cooperating organizations.

2. Duties and responsibilities:

- assisting and preparing Project Documents and draft revisions and ensuring that proposals are in accordance with GEF and UNEP financial requirements and within resources allocated to the Project and its GEF approved budget;
- ensuring that Project Document revisions and other financial instruments are formulated and prepared within the limits set by the UN Financial rules and regulations;
- certifying availability of funds against financial allocations and preparing requests to the Budget and Financial Management Service of UNON to disburse funds to the executing agencies in line with Project requirements;
- preparing, in consultation with the Budget and Financial Management Service of UNON, expenditure reports and reconciliation statements of the Project accounts;
- preparation of the quarterly Cash Advance Request using format in Annex IX to the Project Document to be presented to the Executing Agency and UNEP/Moscow Office, and after approval by them to UNEP/DGEF concerning GEF funds;
- preparation of the quarterly, half-yearly or annually cash advance requests to Partner Agencies to receive donors' funds in the Project Currency Account from Project Trust Funds according to General procedure of disbursement of funds from Trust Funds and financial reporting to be approved by the Steering Committee;
- preparation of the quarterly, half-yearly or annually cash advance requests to donors that wish sending their funds directly to the Project Currency Account in Moscow;
- maintaining Project records of income and expenditure from all sources (GEF & Co-financing) and records of financial documents;
- preparing draft reports on the Project income and expenditure for presentation to the Supervisory Council and to the Steering Committee;
- preparing draft annual budgets for consideration and approval by the Supervisory Council and by the Steering Committee;
- assisting the Project Manager in monitoring and co-ordination of financial management of the Project;
- checking, prior to approval by the Project Manager, of contracts, MOUs and other agreements with legal and physical persons to ensure their consistency with UN financial rules and regulations;
- assisting the Project Manager in drafting agreements with potential co-sponsors regarding financial support to the Project;
- preparing draft reports for approval by the Project Manager to all co-sponsoring agencies in accordance with those organisations' requirements;
- securing targeted expenditure of funds in strict accordance with the approved budget;
- informing all entities and organisations involved in Project activities about the UN financial norms and standards and their proper application in the framework of the Project;

meeting all financial requirements to ensure timely closure of obligations and projects;
regular contacts with financially responsible officers in the cooperating organizations regarding expenditure reports, quarterly operational reports, cash advance requests, and audit reports as required under the Project Document and subsidiary financial agreements;

- transfer of funds from the currency account to the roubles account of the Project Office given the signature of the Executing Agency according to detailed work plan and approved budget and on the basis of the decision by Supervisory Council;
- financial resources for objectives stipulated under the Project budget for Russian physical and legal persons are to be drawn from the roubles account of the Project Office.

3. Job requirements:

good accounting skills;
experience in interaction with tax authorities;
good numeracy skills;
a systematic and methodical approach;
good prioritisation skills;
ability to manage a heavy and fluctuating workload;
ability to work under pressure;
ability to work as part of a team;
experience in budget preparation and the management of financial records for complex international projects and/or activities;
good computer skills (knowledge of Microsoft Office – Word, Excel, PowerPoint), including management of complex spreadsheets;
knowledge of computerised databases and management systems;
knowledge of the UN accounting and reporting system;
Russian national;
5 years experience in accounting in Russia including experience in international projects;
familiar with details of the relevant Russian laws and regulations; and
good knowledge of English.

4. Type of contract:

Contract with Project Financial Management Officer will be for 12 months per year for the duration of the Project

5. Supervision given to the post:

The Project Financial Management Officer works under the supervision of the Project Manager in consultation with UNEP.

Project Assistant Financial Management Officer (budget line 1104)

1. Overall responsibility:

The overall responsibility of the person employed in this post is to ensure successful management of the financial aspects of the Project through keeping records of the basic financial documents and cash transactions, to calculate and make payment of salaries, the unified social tax and income tax and to keep personalized records.

2. Duties and responsibilities:

- assisting the Project Financial Management Officer in maintaining records of income and expenditure from all sources (GEF & Co-financing) and record-keeping of financial documents;
- conducting cash transactions, including acting as cashier;
- determining the tax codes to be applied and calculation of the unified social tax;
- keeping individualized and personalized records for the unified social tax;
- keeping individualised income tax records;
- keeping records of the basic financial documents;

- payment of salaries, travel and DSA and other approved payments and determination of the income tax applicable to the Project Office Personnel and consultants;
- assisting the Project Financial Management Officer in preparing all necessary financial documents to ensure the timely closure of obligations and projects; and
- interaction with the tax authorities and non-budgetary funds.

3. Job requirements:

- Russian citizen;
- high level of accounting qualifications;
- experience in interaction with the tax authorities;
- good numeric skills;
- good computer skills (knowledge of Microsoft Office – Word and Excel);
- experience of working with accountancy software (1S, and INFO-Bukhgalter);
- ability to manage a heavy and fluctuating workload;
- ability to work under pressure;
- a systematic and methodical approach;
- knowledge of the legal framework for accounting and taxation; and
- preferably knowledge of English (spoken and written).

4. Type of contract:

Contract for the Project Assistant Financial Management Officer will be for Total of 13 months over the duration of the Project.

5. Supervision given to the post:

The Assistant Financial Management Officer works under the supervision of the Project Financial Management Officer in Moscow.

ANNEX XII: TERMS OF REFERENCE FOR CONSULTANTS
Formulation of a Strategic Action Programme (SAP) (Activity 1)

Work Plan for the Formulation of the Strategic Action Programme (SAP)

	Activity	Output	Target Date
2.1	Proposals and selection of the Task Team (TT) Co-ordinator.	Approval of TT Co-ordinator familiar with the methodology for the preparation of the SAP and familiar with the organisations and individuals that might be involved in the preparation of the SAP.	July 2005
2.2	Proposals and selection of the TT members.	Selection of TT members to cover all major sectors of the SAP and the NPA-Arctic. TT to include 13 Russian experts (5 representatives of federal organs, 4 representatives of regional authorities, 3 representatives of industry, 1 representative of indigenous peoples); 3 international experts; 1 representative of Executing Agency.	July 2005
2.3	Preparation of consultancy contract with TT Co-ordinator.	Signed contract with TT Co-ordinator including duties, outputs, work plan, timetable and other details.	Aug. 2005
2.4	Preparation of consultancy contracts with TT members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential TT members and signed subsequently.	Aug. 2005
2.5	Preparation of the working document to be considered at the First Meeting of the TT.	Working document to include basic SAP concept; objectives; principles; content; outputs; work plan; timetable; role of TT co-ordinator and members, as well as lead and participating organisations; procedure for the national and international review of the draft SAP; procedure for the adoption of the SAP; and basic ideas about the mechanism of implementation. Document is also to contain proposals for the terms of reference for the TT. This document is to be considered, amended and adopted by the First Meeting of the TT.	Sept. 2005
2.6	Review of the working document at the First Meeting of the TT, Moscow.	Report of the meeting to include basic SAP concept; objectives; principles; content; outputs; work plan; timetable; role of TT co-ordinator and members, as well as lead and participating organisations; procedure for the national and international review of the draft SAP; procedure for the adoption of the SAP; and basic ideas about the mechanism of the implementation; terms of reference for the TT; tender for selection of lead implementing organisation; criteria for the selection of co-operating implementing organisations; and decision on the	Oct. 2005

	Activity	Output	Target Date
		establishment of working groups (if appropriate).	
2.7	Carrying out of tender and preparation of the contract with the lead co-operating organisation.	Signed contract with tender winner lead co-operating organisation, to include duties, outputs, work plan, timetable and other details.	Nov. 2005
2.8	Selection of co-operating implementing organisations.	Co-operating implementing organisations selected by lead organisations and approved by Project Office on the basis of the criteria adopted by the TT, including their potential contribution to the preparation of the SAP.	Nov. 2005
2.9	Proposals for the establishment of WGs (as appropriate).	If TT decides to establish WGs for particular topics, such WGs will be established with defined tasks, work plan, timetable, outputs and other details.	Nov. 2005
2.10	Preparation of the first draft of the SAP to be reviewed at the Second Meeting of the TT.	First draft of the SAP prepared in accordance with the conclusions and recommendations of the First Meeting of the TT.	Jan. 2006
2.11	Review of the first draft of the SAP at the Second Meeting of the TT, Moscow.	Report of the meeting to include detailed comments on the first draft of the SAP that will enable effective amendment of the document; to include work plan, timetable, and distribution of tasks for the preparation of the second draft of the SAP; and to include a decision to which federal and regional departments and agencies and industrial enterprises the second draft will be sent for comments.	Feb. 2006
2.12	Preparation of the second draft of the SAP.	Second draft of the SAP, to include response to comments and suggestions made at the Second Meeting of the TT. This draft will be sent to federal and regional departments and agencies for comments.	Apr. 2006
2.13	Review of the second draft of the SAP by federal and regional departments and agencies.	Comments by federal and regional departments and agencies that will be taken into account in preparing the third draft of the SAP.	July 2006
2.14	Preparation of the third draft of the SAP to be reviewed at the Third Meeting of the TT, Moscow.	Third draft of the SAP, to address comments by federal and regional departments and agencies.	Aug. 2006
2.15	Review of the third draft of the SAP at the Third Meeting of the TT, Moscow.	Report of the meeting to include detailed comments on the third draft; decision to whom in the international community fourth draft will be sent for comments; and detailed procedure of the process of adoption of the SAP by authorities of the Russian Federation.	Aug. 2006
2.16	Preparation of the fourth	Fourth draft of the SAP, to address	Aug. 2006

	Activity	Output	Target Date
	draft of the SAP.	comments by the TT. This draft is to be sent to the international community for comments.	
2.17	International review.	Comments by international community on the fourth draft of the SAP.	Sept. 2006
2.18	Preparation of the fifth draft of the SAP.	Fifth draft of the SAP, to address comments by the international community. This draft will be sent to authorities of the Russian Federation for adoption.	Oct. 2006
2.19	Endorsement of the SAP by relevant state authorities and industrial companies	Endorsed SAP, ready for approval.	Dec. 2006
2.20	Adoption of the SAP by the relevant executive authority.	SAP adopted by relevant executive authority of the Russian Federation.	Jan. 2007

International Consultants (3 consultants, budget lines 1201 - 1203)

Objectives

The main objectives in the formulation of a SAP are:

to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;

- to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
- to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and

to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead cooperating organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to participate actively in the work of the Task Team to attend all meetings and to give necessary guidance and substantive input to the formulation of the SAP in accordance with the specific terms of the contract;
- to ensure that the formulation of the SAP is carried out in accordance with GEF requirements;
- to assist lead Russian consultant in the preparation of the SAP document;

to comment on drafts of documents prepared by the members of the Task Team and to ensure that such comments are considered in the preparation of subsequent drafts;

- to assist in the preparation of meeting reports of the Task Team and all documents envisaged in the work plan;
- to send all documents to the Project Office, by the dates specified in the work plan, in both hard copy and electronic form, and to communicate with the Project Office and Russian consultants in the English language; and
- to ensure that the content and quality of the final product is in accordance with standard international practice.

Qualifications

Knowledge of GEF procedures, especially in relation to International Waters projects. Substantial experience in environmental science, nature protection technologies and/or environment protection management. Knowledge of the methodology and experience in the preparation of SAPs. Fluency in English. Knowledge of Russian would be deemed an advantage in the selection of candidates.

International Consultants (2 consultants, budget lines 1204-1205)

Objectives

The main objectives in the formulation of a SAP are:

to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;

- to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
- to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and

to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead implementing organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to participate actively in the work of the Working Group, to attend its meetings and to give substantive input relevant to the formulation of the SAP in accordance with specific terms of the contract;
- to ensure that the work of the Working Group is assisting the formulation of the SAP and is carried out in accordance with GEF requirements;

to comment on drafts of documents prepared by the members of the Working Group and to ensure that such comments are considered in the preparation of subsequent drafts;

- to assist in the organisation of two meetings of the Working Group and to assist in the preparation of the reports of Working Group meetings;

- to assist in the preparation of all documents as envisaged in the work plan;
- to send all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, and to communicate with the Project Office and Russian consultants in the English language; and
- to ensure that the content and quality of the final product is in accordance with standard international practice.

Qualifications

Knowledge of GEF purpose and procedures, especially in relation to International Waters projects. Substantial experience in environmental science, or nature protection technologies, or environment protection management. Knowledge of the methodology and experience in the preparation of SAPs. Fluency in English.

Lead Russian Consultant (1 consultant, budget line 1206)

Objectives

The main objectives in the formulation of a SAP are:

- to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;
 - to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
 - to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and
- to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead implementing organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to act as a lead Russian consultant and co-ordinator of the work of the Task Team and to attend all meetings of the Task Team;
- to represent his/her organisation in the work of the Task Team;
- to co-ordinate the work of members of the Task Team and working groups;
- to prepare the draft working document for consideration at the First meeting of the Task Team;
- to prepare the SAP document, in co-operation with the lead international consultant;
- to organise in concert with the Project Office three meetings of the Task Team and to prepare meeting reports;
- to participate in the preparation of the tender to select the lead cooperating organisation for SAP, in the preparation of the contract with the organisation to have won the tender, and in the selection of participating organisations;

- to ensure that the work plan is implemented on schedule by members of the Task Team and Working Groups;
- to organise the preparation of all documents as envisaged in the work plan; and
- to send all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, and to communicate with the Project Office in the English or Russian language (to be determined before signing of the contract).

Qualifications

Knowledge of GEF procedures, especially in relation to International Waters projects. Substantial experience in environmental science, nature protection technologies, or environment protection management. Experience in the preparation of SAPs or major national programmes (projects). Knowledge of English.

Russian Consultants (7 consultants, budget lines 1207-1213)

Objectives

The main objectives in the formulation of a SAP are:

- to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;
 - to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
 - to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and
- to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead implementing organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to contribute to the elaboration of the SAP in accordance with the particular terms of the contract;
- to represent his/her organisation in the work of the Task Team;
- to participate actively, under the guidance of the co-ordinator, in the work of the Task Team to attend all its meetings;
- to voice his/her considerations over draft documents prepared by the Task Team members and to ensure that these comments will be considered in the preparation of subsequent drafts;
- to participate in the preparation of meeting reports of the Task Team and all documents as envisaged in the work plan; and
- to send all documents to the Project Office, by the dates as envisaged in the work plan, in hard copy and electronic form, in English or Russian (to be determined before signing of the contract).

Qualifications

Experience in environmental science, nature protection technologies, or environment protection management. Experience in the preparation of SAPs or participation in the preparation of major national programmes (projects). Knowledge of English would be deemed advantageous in the selection of candidates.

Lead Russian Consultant (2 consultants, budget lines 1214 and 1217)

Objectives

The main objectives in the formulation of a SAP are:

to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;

- to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
- to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and

to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead implementing organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to give substantial input to the SAP elaboration in accordance with the particular terms of the contract;
- to act as a lead Russian consultant and co-ordinator of the work of the Working Group and to participate at all meetings of the Working Group;
- to co-ordinate the work of the Working Group members with that of the Task Team;
- to represent his/her organisation in the work of the Working Group;
- to prepare in concert with the Project Office the organisation of two meetings of the Working Group and the preparation of Working Group meeting reports;
- to ensure that the work plan is implemented on schedule by the Working Group members;
- to arrange for the preparation of all documents the Working Group is charged with as envisaged in the work plan; and
- to send all documents to the Project Office and to the Task Team co-ordinator, by the dates as envisaged in the work plan, in both hard copy and electronic form, in the English or Russian language (to be determined before signing of the contract).

Qualifications

Substantial experience in environmental science, or in nature protection technologies, or in environment protection management in accordance with the Working Group activity. Experience in the

preparation of SAPs or national programmes (projects) in the line of the Working Group activity. Knowledge of English.

Russian Consultants (4 consultants, budget lines 1215, 1216, 1218 and 1219)

Objectives

The main objectives in the formulation of a SAP are:

to include in the SAP measures covering all matters relating to land-based activities within the Russian Federation within the scope of the NPA-Arctic that adversely affect or threaten the arctic marine environment;

- to define specific targeted and costed measures for addressing priority environment protection issues derived from land-based activities within the Russian Federation with regard to the current state and the projected scope of contamination in the Russian Arctic;
- to take account of provisions stipulated in the Russian FTOP “World Ocean”, the GPA, as well as decisions taken in the framework of the Arctic Council; and

to give due considerations for proposals of federal and regional executive stakeholders of the Russian Federation, industrial companies, indigenous peoples' organisations of the North, international organisations and partners.

Method of Work

These objectives will be met through the establishment of a Task Team under the chairmanship of the Executing Agency, comprising 13 Russian experts (representatives of federal organs (5), regional authorities (4), industry (3) and indigenous peoples (1)), 3 international experts and 1 representative of Executing Agency. The Task Team will establish two Working Groups on specific subjects, to assist in the formulation of the SAP. A contract for SAP elaboration will be concluded with the lead implementing organisation to have won the tender. The second draft of the SAP will be reviewed by federal and regional departments and agencies. The fourth draft of the SAP will undergo international review. The fifth draft of the SAP will be submitted to relevant executive authorities for adoption in accordance with the established procedure of the Russian Federation. Three Task Team meetings are planned for October 2005, February and August 2006. Two meetings are planned (December 2005 and March 2006) for each of the Working Groups.

Duties

The following is expected from the consultant:

- to contribute to the SAP elaboration in accordance with the particular terms of the contract;
- to represent his/her organisation in the work of the Working Group;
- to participate actively, under the guidance of the co-ordinator, in the work of the Working Group and to attend all its meetings;
- to voice his considerations over the draft documents prepared by the Working Group members and to ensure that the comments are considered in the preparation of subsequent drafts;
- to take part in the preparation of reports of the Working Group meetings and of all documents as envisaged in the work plan; and
- to submit all documents to the Project Office and to the Working Group co-ordinator, by the dates as envisaged in the work plan, in hard copy and electronic form, in the English or Russian language (to be determined before signing the contract).

Qualifications

Experience in environmental science, or nature protection technologies or in the environment protection management of a particular sphere in the line of the Working Group activity. Experience in the preparation of SAPs or national programmes (projects) in the line of the Working Group activity. Knowledge of English and experience in the preparation of SAPs would be an advantage.

Pre-Investment Studies (Activity 2)

Work Plan for the Preparation of Pre-Investment Studies (PINS)

	Activity	Output	Target Date
3.1	Proposals for and selection of the Co-ordinator of the Working Group (WG) for Pre-Investment Studies (PINS) will be prepared.	Selected WG Co-ordinator, familiar with the methodology for the preparation of the PINS and familiar with the organisations and individuals that might be involved in the preparation of PINS.	Oct. 2005
3.2	Proposals for and selection of the WG members.	Selected WG members for development of criteria for hot spots selection and the co-ordination of PINS taking into account environmental, economic, social and political factors. It is envisaged that the WG will be composed of 8 Russian and 3 International experts, and 1 representative from the Executing Agency .	Oct. 2005
3.3	Preparation of the consultancy contract with WG Co-ordinator.	Signed contract with WG Co-ordinator including duties, outputs, work plan, timetable and other details.	Nov. 2005
3.4	Preparation of the consultancy contracts with WG members.	Draft contracts including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	Nov. 2005
3.5	Preparation of the working document to be considered at the First Meeting of the WG.	Working document to include basic concept of PINS; overview of priority environmental hot spots selected during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of the co-ordinator of the WG and its members and of the lead cooperating and participating organisations. Document is also to contain proposals for the criteria for selection of hot spots for which PINS will be prepared and terms of reference for the WG. This document is to be considered, amended and adopted by the First Meeting of the WG.	Dec. 2005
3.6	Review of the working document at the First Meeting of the WG, Moscow.	Report of the meeting to include basic concept of PINS; overview of priority environmental hot spots selected during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of the co-ordinator of the WG and its members and of the lead cooperating and participating organisations. Report is also to contain proposals for the criteria for selection of hot spots for which PINS will be prepared and terms of reference for the	Dec. 2005

	Activity	Output	Target Date
		WG.	
3.7	Formulation of criteria for selection of hot spots for which PINS will be prepared, on the basis of comments given at the First Meeting of the WG.	Criteria for selection of hot spots for which PINS will be prepared, which will include criteria for taking into account environmental, economic, social, and other aspects in the process of selection.	Feb. 2006
3.8	Preparation of the list of potential pre-investment studies.	On the basis of the work done on analysis of environmental hot spots in the PDF B GEF Project and the hot spots identified in the NPA-Arctic, the list of potential pre-investment studies will be prepared.	Feb. 2006
3.9	Preparation of terms of reference and tender for lead cooperating organisation for conduct of PINS.	Tender for the selection of the lead cooperating organisation will be announced by the Project Office. Terms of reference for the lead cooperating organisation will be included in the conditions of the tender.	Feb. 2006
3.10	Selection of hot spots for which PINS will be done at the Second Meeting of the WG, Moscow.	Using the adopted criteria for selection, about 8-10 hot spots will be selected for which PINS will be prepared. Report of the Second Meeting will include selected hot spots and the rational for the selection.	Apr. 2006
3.11	Selection of lead cooperating organisation for the conduct of PINS.	On the basis of the answers to the tender and by applying criteria to be adopted by Executing Agency the lead cooperating organisation will be selected.	Apr. 2006
3.12	Establishment of sub-groups (SGs) for each pre-investment study.	For each PIN Study a SG will be established, consisting of the Co-ordinator, up to five Russian experts and one or two international experts. The SG will co-operate with lead cooperating organisation and participating organisations, which will be defined by lead cooperating organisation and approved by Project Office.	June 2006
3.13	Preparation of working document for each of the SGs for each study to be considered at the first meeting.	Working document to include for each study objectives; principles; content; outputs; work plan; timetable; role of the co-ordinator of the SG and its members; and role of lead cooperating and participating organisations.	July 2006
3.14	Review of the working document at the first meeting of each SG for each study.	Report of the meeting to include for each study objectives; principles; content; outputs; work plan; timetable; role of co-ordinator of the SG and its members; and role of lead cooperating and participating organisations.	Aug. 2006
3.15	Preparation of the first draft of each study to be considered at the second	First draft of each study.	Feb. 2007

	Activity	Output	Target Date
	meeting of each SG.		
3.16	Review of the first draft of each study at the second meeting of each SG.	Reports of second meetings of each SG for each study, including recommendations for the second draft.	March 2007
3.17	Preparation of the second draft of each study to be considered at the third meeting of each SG.	Second draft of studies.	Sept. 2007
3.18	Review of the second draft of each study at the third meeting of each SG.	Reports of third meetings of each SG for each study, including recommendations for finalisation of the study.	Nov. 2007
3.19	Completion of each study.	All studies completed.	Feb. 2008
3.20	Review of the PINS results at the final meeting of the WG PINS	Collated report setting out the optimum package of environmental investment projects in the Arctic region of the Russian Federation.	Apr. 2008

International Consultants (3 consultants, budget lines 1220-1222)

Objectives

Main objectives in the preparation of pre-investment studies are:

- to develop criteria for the selection of priority hot spots that will include criteria for taking into account environmental, social, economic and political factors as a means of gaining a perspective on priorities on the basis of a comprehensive approach;
- to apply such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority, which are either regions of severe environmental damage threatening international waters or major sources of contaminants in Russia that have widespread adverse effects both on the Russian Federation and on international waters areas beyond Russian jurisdiction;
- to conduct pre-investment studies for the selected 8 – 10 hot spots to determine the optimum set of investment projects to be designed to address environmental damage and threats in the Arctic stemming from activities within the Russian Federation; and
- to present the products of pre-investment studies at a Partnership Conference in order to obtain additional international funding to resolve serious environmental compromises in the Arctic stemming from anthropogenic activities within the Russian Federation.

Method of Work

The objectives will be met through the establishment of a Working Group under the chairmanship of the Executing Agency, comprising 8 Russian and 3 international experts and 1 representative of the Executing Agency. A contract for the preparation of pre-investment studies will be concluded with the lead cooperating organisation to have won the tender. The Working Group will establish specific Sub-groups for each of the selected priority pre-investment studies. Three Working Group meetings are planned for December 2005, April 2006 and April. 2008. It is intended that each Sub-group will have three meetings (Aug. 2006, March and November 2007).

Duties

The following is expected from the consultant:

- to participate actively in the work of the Working Group, to attend all its meetings and give substantive input to the preparation of criteria for selection of priority hot spots on the basis of a comprehensive approach, including criteria for taking into account environmental, social, economic and political factors;

- to assist in the application of such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority for the preparation of pre-investment studies;
 - to assist in the preparation of pre-investment studies in accordance with the specific terms of the contract;
- to comment on draft documents prepared by the members of the Working Group and to ensure that such comments are considered in the preparation of subsequent drafts;
- to take part in the preparation of reports of Working Group meetings and all documents envisaged in the work plan;
 - to submit all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, and to communicate with the Project Office in the English language; and
 - to ensure that the content and quality of the final products are in accordance with standard international practice.

Qualifications

Knowledge of GEF procedures, especially in relation to International Waters projects. Substantial experience in environmental science or in nature protection technologies, or environment protection management. Knowledge of the methodology and experience in the preparation of pre-investment studies, as well as the design of investment projects. Fluency in English. Knowledge of Russian would be deemed an advantage in the selection of candidates.

Lead Russian Consultant (1 consultant, budget line 1223)

Objectives

Main objectives in the preparation of pre-investment studies are:

- to develop criteria for the selection of priority hot spots that will include criteria for taking into account environmental, social, economic and political factors as a means of gaining a perspective on priorities on the basis of a comprehensive approach;
- to apply such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority, which are either regions of severe environmental damage threatening international waters or major sources of contaminants in Russia that have widespread adverse effects both on the Russian Federation and on international waters areas beyond Russian jurisdiction;
- to conduct pre-investment studies for the selected 8 – 10 hot spots to determine the optimum set of investment projects to be designed to address environmental damage and threats in the Arctic stemming from activities within the Russian Federation; and
- to present the products of pre-investment studies at a Partnership Conference in order to obtain additional international funding to resolve serious environmental compromises in the Arctic stemming from anthropogenic activities within the Russian Federation.

Method of Work

The objectives will be met through the establishment of a Working Group under the chairmanship of the Executing Agency, comprising 8 Russian and 3 international experts and 1 representative of Executing Agency. A contract for the preparation of pre-investment studies will be concluded with the lead cooperating organisation to have won the tender. The Working Group will establish specific Sub-groups for each of the selected priority pre-investment studies. Three Working Group meetings are planned for December 2005, April 2006 and April. 2008. It is intended that each Sub-group will have three meetings (Aug. 2006, March and November 2007).

Duties

The following is expected from the consultant:

- to act as a lead Russian consultant and co-ordinator of the work of the Working Group and to attend all meetings of the Working Group;
- to co-ordinate the work of Working Group members, sub-groups on each pre-investment study, the lead and participating organisations;

- to represent his/her organisation in the work of the Working Group;
 - to organise in concert with the Project Office three Working Group meetings and to prepare meeting reports;
 - to give substantive input to the preparation of criteria for the selection of priority hot spots on the basis of a comprehensive approach that will include criteria for taking into account environmental, social, economic and political factors;
 - to assist in the application of such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority for the preparation of pre-investment studies;
 - to take part in the preparation of a tender to select the lead cooperating organisation for the preparation of pre-investment studies, in the preparation of a contract with the organisation to have won the tender, and in the selection of participating organisations;
- to draft the working document for its consideration at the First meeting of the Working Group;
- to comment on drafts of documents prepared by the members of the Working Group and to ensure that such comments are considered in the preparation of subsequent drafts;
- to supervise preparation of pre-investment studies;
- to prepare a collated report on the outputs of pre-investment studies, which sets out the optimum package of environmental investments in the Arctic region of the Russian Federation;
 - to ensure that the work plan is implemented on schedule;
 - to arrange for the timely preparations of all documents envisaged in the work plan; and
 - to send all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, in the English or Russian language (to be determined before signing of the contract).

Qualifications

Knowledge of the methodology of pre-investment studies preparation, and of organisations and experts to be involved. Experience in environmental science or nature protection technologies, or environment protection management, as well as experience in the preparation of pre-investment studies and/or the design of investment projects. Knowledge of English.

Russian Consultants (7 consultant, budget lines 1224-1230)

Objectives

Main objectives in the preparation of pre-investment studies are:

- to develop criteria for the selection of priority hot spots that will include criteria for taking into account environmental, social, economic and political factors as a means of gaining a perspective on priorities on the basis of a comprehensive approach;
- to apply such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority, which are either regions of severe environmental damage threatening international waters or major sources of contaminants in Russia that have widespread adverse effects both on the Russian Federation and on international waters areas beyond Russian jurisdiction;
- to conduct pre-investment studies for the selected 8 – 10 hot spots to determine the optimum set of investment projects to be designed to address environmental damage and threats in the Arctic stemming from activities within the Russian Federation; and
- to present the products of pre-investment studies at a Partnership Conference in order to obtain additional international funding to resolve serious environmental compromises in the Arctic stemming from anthropogenic activities within the Russian Federation.

Method of Work

The objectives will be met through the establishment of a Working Group under the chairmanship of the Executing Agency, comprising 8 Russian and 3 international experts and 1 representative of Executing Agency. A contract for the preparation of pre-investment studies will be concluded with the lead cooperating organisation to have won the tender. The Working Group will establish specific Sub-groups for each of the selected priority pre-investment studies. Three Working Group meetings are

planned for December 2005, April 2006 and April 2008. It is intended that each Sub-group will have three meetings (Aug. 2006, March and November 2007).

Duties

The following is expected from the consultant:

to contribute to the implementation of pre-investment studies in accordance with the specific terms of the contract:

- to represent his/her organisation in the work of the Working Group;
- to participate actively in the work of the Working Group under the supervision of the co-ordinator, attend all its meetings and to give substantive input to the preparation of criteria for the selection of priority hot spots on the basis of a comprehensive approach that will include criteria for taking into account environmental, social, economic and political factors;
- to assist in the application of such criteria to the 21 priority hot spots identified in the PDF-B activities and to 10 hot spots identified during the preparation for the NPA in order to select 8-10 hot spots of the highest priority for the preparation of pre-investment studies;

to comment on drafts of documents prepared by the members of the Working Group and to ensure that such comments are considered in the preparation of subsequent drafts;

- to take part in the preparation of reports of Working Group meetings and all documents envisaged in the Work Plan; and
- to submit all documents to the Project Office and to the co-ordinator, by the dates as envisaged in the work plan, in both hard copy and electronic form, in the English or Russian languages (to be determined before signing of the contract).

Qualifications

Experience in environmental science or nature protection technologies, or environment protection management. Experience in the preparation of pre-investment studies and/or the design of investment projects and knowledge of English would be deemed an advantage in the selection of candidates.

Environmental Protection System Improvements (EPS) (Activity 3)

Work Plan for the Implementation of the Environmental Protection System Improvements

	Activity	Output	Target Date
4.1	Proposals for and selection of the Co-ordinator of the Task Team on Implementation of the SAP (TT SAP).	Approval of TT Co-ordinator, familiar with the methodology for the implementation of the SAP and with the organisations and individuals that might be involved.	Jan. 2007
4.2	Proposals for and selection of TT members.	Approval of TT members to cover various aspects of this activity, to be developed by three WGs (Legislative Improvements, Administrative Improvements and Institutional and Technical Improvements). It is envisaged that TT will be composed of 10 Russian and 3 international experts and 1 representative of Executing Agency.	Jan. 2007
4.3	Preparation of consultancy contract with TT Co-ordinator.	Signed contract with TT Co-ordinator including duties, outputs, work plan, timetable and other details.	Jan. 2007
4.4	Preparation of consultancy contracts with TT members.	Signed contracts with TT members including duties, outputs, work plan, timetable and other details, to be discussed with the potential consultants and signed subsequently.	Jan. 2007
4.5	Preparation of the working document to be considered at the First Meeting of the TT.	Working document to include basic concept of the Environmental Protection System (EPS); overview of priority improvements in environmental protection mechanisms for which the need was identified during work on the NPA-Arctic and PDF B GEF Project; proposals for the establishment of the three subordinate WGs, including proposals for the respective Co-ordinators, tasks on EPS improvement in general and in all three directions for lead co-operating and participating organisations, outputs, work plan, timetable and other details. Document is also to contain draft terms of reference for the TT, including outputs, work plan, timetable and other details; role of the co-ordinator of the TT and its members; as well as the role of lead cooperating and participating organisations. This document is to be considered, amended and adopted by the First Meeting of the TT.	Feb. 2007
4.6	Review of the working document at the First Meeting of the TT, Moscow.	Report of the meeting to include basic concept of EPS; overview of priority improvements in environmental protection	March 2007

	Activity	Output	Target Date
		mechanisms for which the need was identified during work on the NPA-Arctic and PDF B GEF Project; and proposals for the establishment of three subordinate WGs, including proposals for the respective Co-ordinators, tasks on EPS improvement in general and in all three directions for lead co-operating and participating organisations, outputs, work plan, timetable and other details. Report is also to contain terms of reference for the TT, including outputs, work plan, timetable and other details; role of the co-ordinator of the TT and its members; as well as the role of lead cooperating and participating organisations.	
4.7	Carrying out of tender and selection of lead cooperating organisation and preparation of contract with selected organisation for the development of EPS.	As a result of the tender lead cooperating organisation is selected. Signed contract with lead cooperating organisation, to include duties, outputs, work plan, timetable and other details.	May 2007
4.8	Proposals for the members of each of the three WGs.	Selection of WG members. It is envisaged that each WG will be composed of 6 Russian and 3 international experts, and 1 representative from the Executing Agency	May 2007
4.9	Carrying out of tenders and selection of lead participating organisation for each of the three WGs and preparation of contracts with each organisation.	As the result of the tender lead participating organisation is appointed for each of the three WGs on the basis of agreed TORs. Signed contracts with lead participating organisations, to include duties, outputs, work plan, timetable and other details.	June 2007
4.10	Preparation of the working document to be considered at the First Meeting of the Working Group on Legislative Improvements (WG LEGIM).	Working document to include basic concept of legislative improvements; overview of priority legislative needs identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	Aug. 2007
4.11	Review of the working document at the First Meeting of WG LEGIM, Moscow.	Report of the meeting to include basic concept of legislative improvements; overview of priority legislative needs; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. The report is also to contain the terms of	Sept. 2007

	Activity	Output	Target Date
		reference for the WG; and the role of the co-ordinator of the WG and its members.	
4.12	Preparation of the working document to be considered at the First Meeting of the Working Group on Administrative Improvements (WG ADIM).	Working document to include basic concept of administrative improvements; overview of priority needs for administrative improvements identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; the role of the co-ordinator of the WG and its members; and the role of participating organisations.	Dec. 2007
4.13	Review of the working document at the First Meeting of WG ADIM, Moscow.	Report of the meeting to include basic concept of administrative improvements; overview of priority needs for administrative improvements; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. The report is also to contain the terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	Jan. 2008
4.14	Preparation of the working document to be considered at the First Meeting of the Working Group on Institutional and Technical Improvements (WG INTEC).	Working document to include basic concept of institutional and technical improvements; overview of priority needs for administrative improvements identified during the work on the NPA-Arctic and PDF B GEF Project; objectives; principles; content; outputs; work plan; timetable; and role of participating organisations and experts. Document is also to contain proposals for the terms of reference for the WG; role of the co-ordinator of the WG and its members; and the role of participating organisations.	June 2008
4.15	Review of the working document at the First Meeting of WG INTEC, Moscow.	Report of the meeting to include basic concept of institutional and technical improvements; overview of priority needs for administrative improvements; objectives; principles; content; outputs; work plan; timetable; and the role of participating organisations and experts. The report is also to contain the agreed terms of reference for the WG; and the role of the co-ordinator of the WG and its members.	July 2008
4.16	Preparation of the working document to be considered at the	Working document to review the progress of the three WGs, review their work plans,	Sept. 2008

	Activity	Output	Target Date
	Second Meeting of the TT.	timetables etc. and propose amendments as appropriate.	
4.17	Preparation of the draft Report to be considered at the Second Meeting of WG LEGIM.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	Sept. 2008
4.18	Review of the working document at the Second Meeting of the TT, Moscow.	Report of the meeting to assess the progress of each WG for each study, approve or amend its work plan, timetable etc. and provide guidance for further operation.	Oct. 2008
4.19	Review of the draft Report at the Second Meeting of WG LEGIM, Moscow.	Report with comments and proposals for amendment.	Oct. 2008
4.20	Preparation of the draft Report to be considered at the Second Meeting of WG ADIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	Nov. 2008
4.21	Review of the draft Report at the Second Meeting of WG ADIM, Moscow.	Report with comments and proposals for amendment.	Dec. 2008
4.22	Preparation of the draft Report to be considered at the Second Meeting of WG INTEC, Moscow.	Draft Report prepared in accordance with guidelines agreed at First Meeting.	Apr. 2009
4.23	Review of the draft Report at the Second Meeting of WG INTEC, Moscow.	Report with comments and proposals for amendment.	May 2009
4.24	Preparation of the working document to be considered at the Third Meeting of the TT.	Working document to review the progress of the three WGs, review their work plans, timetables etc. and propose amendments as appropriate.	May 2009
4.25	Review of the working document at the Third Meeting of the TT, Moscow.	Report of the meeting to assess the progress of each WG for each study, approve or amend its work plan, timetable etc. and provide guidance for further operation.	June 2009
4.26	Preparation of the final draft Report to be considered at the Third Meeting of WG LEGIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	Oct. 2009
4.27	Preparation of the final draft Report to be considered at the Third Meeting of WG ADIM, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	Nov. 2009
4.28	Review of the final draft Report at the Third Meeting of WG LEGIM, Moscow.	Adoption of the Final Report, containing draft new environmental protection acts and regulations and proposals for amendment of the existing legislation.	Nov. 2009
4.29	Review of the final draft Report at the Third Meeting of WG ADIM, Moscow.	Adoption of the Final Report, containing proposals on the division of responsibility and clarification of the functions of federal	Dec. 2009

	Activity	Output	Target Date
		and regional authorities in respect of the arctic environment.	
4.30	Preparation of the final draft Report to be considered at the Third Meeting of WG INTEC, Moscow.	Draft Report prepared in accordance with guidelines agreed at Second Meeting.	Feb. 2010
4.31	Preparation of the working document to be considered at the Fourth Meeting of the TT, Moscow.	Working document to include assessment of the work of the three WGs and consolidated conclusions and recommendations by the WGs. The TT is to prepare a work plan of concrete follow-up actions that will lead to the implementation of the conclusions and recommendations of the three WGs in order to enhance the Environmental Protection System in the Arctic region of the Russian Federation.	Feb. 2010
4.32	Review of the final draft Report at the Third Meeting of WG INTEC, Moscow.	Adoption of the Final Report, containing an assessment of the need for technical and human resources for implementation of the SAP, an explanation of the necessary administrative procedures, measures to improve information exchange and measures to ensure monitoring and compliance with the environmental regulations.	March 2010
4.33	Review of the working document at the Fourth Meeting of the TT, Moscow.	Adoption of the work plan of concrete follow-up actions that will lead to the implementation of the conclusions and recommendations of the three WGs in order to enhance the Environmental Protection System in the Arctic region of the Russian Federation.	March 2010

International Consultants (3 consultants, budget lines 1231-1233)

Objectives

Main objectives of the component on Environmental Protection System Improvements are:

- the adjustment of legislative, administrative institutional provisions on environmental protection in the Russian Arctic to the new economic conditions while considering the specifics of nature management in the Arctic and drawing upon international experience;
- provision of a coherent basis to reduce the adverse effects of anthropogenic activities in the Russian Federation on the Arctic marine environment pursuant to international agreements, regional programmes of the Arctic Council and the GPA;
- launching of the SAP for the NPA-Arctic;
- implementation of three parallel activities, through three Working Groups on Legislative Initiatives, Administrative Arrangements and Institutional Capacity that will be carried out in a co-ordinated fashion to create the legal, administrative and technical conditions to enable on-the-ground remedial and preventative measures to be conceived and implemented;

- design of the legal framework and regulations required to facilitate the implementation of the SAP (Working Group on Legislative Initiatives);
- design of concerted proposals on the division of responsibilities and the assignment of responsibilities to federal and regional authorities for the institutional implementation of the SAP (Working Group on Administrative Arrangements); and
- assessment of the technical and human resource requirements for implementation of the SAP and specification of administrative structures, designation of responsibilities, mechanisms of information exchange and environmental assessment that are required to fulfil appropriate monitoring and compliance functions (Working Group on Institutional Capacity).

Method of Work

The objectives will be met through the establishment of a Task Team on SAP Implementation comprising representatives of federal and regional departments, industrial companies and indigenous peoples' organisations. The Task Team will be responsible for establishing and co-ordinating three subordinate Working Groups on Legislative Initiatives (LEGIM), Administrative Arrangements (ADIM) and Institutional Capacity (INTEC). These three Working Groups will be directed by the Task Team to which they will report periodically. The Task Team will comprise 10 Russian and 3 international experts and 1 representative of -Executing Agency. The Task Team will meet in March 2007, Oct. 2008, June 2009 and March 2010. Each of the three groups will hold three meetings: LEGIM that will meet in Sept. 2007, Oct. 2008 and Nov. 2009; ADIM that will meet in Jan. and Dec. 2008 and Dec. 2009; and INTEC that will meet in July 2008, May 2009 and March 2010. A contract for the EPS elaboration with the lead cooperating organisation that wins the tender and contracts with lead participating organisations in the three activities will be also concluded. These three lead participating organisations are also selected in accordance with the tender results.

Duties

The following is expected from the consultant:

- to participate actively in the work of the Task Team, attend all its meetings and to give substantive input to the work on legislative improvements, administrative arrangements and institutional capacity according to the terms of the contract and drawing upon international experience;
- to assist in the provision of a coherent basis to reduce the adverse effects of anthropogenic activities in the Russian Federation on the Arctic marine environment pursuant to international agreements, regional programmes of the Arctic Council and the GPA;
- to comment on the drafts of documents prepared by the members of the Task Team and to ensure that such comments are considered in the preparation of subsequent drafts;
- to assist in the preparation of reports of Task Team meetings and all documents envisaged in the work plan;
- to provide all documents to the Project Office, by the dates envisaged in the work plan, in both hard copy and electronic form, and to communicate with the Project Office in English; and
- to ensure that the content and quality of the final product is in accordance with standard international practice.

Qualifications

Knowledge of GEF procedures, especially in relation to International Waters projects. Substantial experience in environmental legislation improvement, administration science, or institutional and technical capacities related to the Arctic environment. Fluency in English. Knowledge of Russian would be deemed an advantage in the selection of candidates.

Lead Russian Consultant (1 consultant, budget line 1234)

Objectives

Main objectives of the component on Environmental Protection System Improvements are:

- the adjustment of legislative, administrative institutional provisions on environmental protection in the Russian Arctic to the new economic conditions while considering the specifics of nature management in the Arctic and drawing upon international experience;

- provision of a coherent basis to reduce the adverse effects of anthropogenic activities in the Russian Federation on the Arctic marine environment pursuant to international agreements, regional programmes of the Arctic Council and the GPA;
- launching of the SAP for the NPA-Arctic;
- implementation of three parallel activities, through three Working Groups on Legislative Initiatives, Administrative Arrangements and Institutional Capacity that will be carried out in a co-ordinated fashion to create the legal, administrative and technical conditions to enable on-the-ground remedial and preventative measures to be conceived and implemented;
- design of the legal framework and regulations required to facilitate the implementation of the SAP (Working Group on Legislative Initiatives);
- design of concerted proposals on the division of responsibilities and the assignment of responsibilities to federal and regional authorities for the institutional implementation of the SAP (Working Group on Administrative Arrangements); and
- assessment of the technical and human resource requirements for implementation of the SAP and specification of administrative structures, designation of responsibilities, mechanisms of information exchange and environmental assessment that are required to fulfil appropriate monitoring and compliance functions (Working Group on Institutional Capacity).

Method of Work

The objectives will be met through the establishment of a Task Team on SAP Implementation comprising representatives of federal and regional departments, industrial companies and indigenous peoples' organisations. The Task Team will be responsible for establishing and co-ordinating three subordinate Working Groups on Legislative Initiatives (LEGIM), Administrative Arrangements (ADIM) and Institutional Capacity (INTEC). These three Working Groups will be directed by the Task Team to which they will report periodically. The Task Team will comprise 10 Russian and 3 international experts and 1 representative of Executing Agency. The Task Team will meet in March 2007, Oct. 2008, June 2009 and March 2010. Each of the three groups will hold three meetings: LEGIM that will meet in Sept. 2007, Oct. 2008 and Nov. 2009; ADIM that will meet in Jan.. and Dec. 2008 and Dec. 2009; and INTEC that will meet in July. 2008, May 2009 and March 2010. A contract for the EPS elaboration with the lead cooperating organisation that wins the tender and contracts with lead participating organisations in the three activities will be also concluded. These three lead participating organisations are also selected in accordance with the tender results.

Duties

The following is expected from the consultant:

- to act as a lead Russian consultant and co-ordinator of the work of the Task Team;
 - to co-ordinate the work of members of the Task Team, Working Groups, the EPS lead organisation and lead organisations in each of the three activities;
 - to represent his/her organisation in the work of the Task Team;
 - to give substantive input to the work on legislative improvements, administrative arrangements and institutional capacity in accordance with the terms of the contract;
 - to organise together with the Project Office four meetings of the Task Team and to prepare Task Team meeting reports;
 - to prepare the working document to be considered at the First meeting of the TT;
 - to prepare or supervise preparation of all documents of the TT;
 - to prepare contracts with the TT members;
 - to prepare, together with the Project Office, a tender to select the lead organisation for EPS elaboration and lead organisations for the three working groups, and participate in the preparation of contracts with organisations to have won the tender;
- to draw the final document based on the results of the three Working Groups and a draft plan of particular actions to implement the proposals of Working Groups and the Task Team on the EPS improvement in the Russian Arctic;
- to ensure that the work plan is implemented on schedule by Task Team members and the Working Groups;
 - to arrange for the preparation of all documents envisaged in the work plan; and

- to submit all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, and to communicate with the Project Office in the English or Russian languages (to be determined before signing of the contract).
- language.

Qualifications

Knowledge of the methodology of SAP implementation, as well as experts that may be involved in the EPS improvement. Substantial experience in environmental legislation, administration arrangements, institutional and technical capacities related to the Arctic environment. Knowledge of English.

Russian Consultants (9 consultants, budget lines 1235-1243)

Objectives

Main objectives of the component on Environmental Protection System Improvements are:

- the adjustment of legislative, administrative institutional provisions on environmental protection in the Russian Arctic to the new economic conditions while considering the specifics of nature management in the Arctic and drawing upon international experience;
- provision of a coherent basis to reduce the adverse effects of anthropogenic activities in the Russian Federation on the Arctic marine environment pursuant to international agreements, regional programmes of the Arctic Council and the GPA;
- launching of the SAP for the NPA-Arctic;
- implementation of three parallel activities, through three Working Groups on Legislative Initiatives, Administrative Arrangements and Institutional Capacity that will be carried out in a co-ordinated fashion to create the legal, administrative and technical conditions to enable on-the-ground remedial and preventative measures to be conceived and implemented;
- design of the legal framework and regulations required to facilitate the implementation of the SAP (Working Group on Legislative Initiatives);
- design of concerted proposals on the division of responsibilities and the assignment of responsibilities to federal and regional authorities for the institutional implementation of the SAP (Working Group on Administrative Arrangements); and
- assessment of the technical and human resource requirements for implementation of the SAP and specification of administrative structures, designation of responsibilities, mechanisms of information exchange and environmental assessment that are required to fulfil appropriate monitoring and compliance functions (Working Group on Institutional Capacity).

Method of Work

The objectives will be met through the establishment of a Task Team on SAP Implementation comprising representatives of federal and regional departments, industrial companies and indigenous peoples' organisations. The Task Team will be responsible for establishing and co-ordinating three subordinate Working Groups on Legislative Initiatives (LEGIM), Administrative Arrangements (ADIM) and Institutional Capacity (INTEC). These three Working Groups will be directed by the Task Team to which they will report periodically. The Task Team will comprise 10 Russian and 3 international experts and 1 representative of Executing Agency. The Task Team will meet in March 2007, Oct. 2008, June 2009 and March 2010. Each of the three groups will hold three meetings: LEGIM that will meet in Sept. 2007, Oct. 2008 and Nov. 2009; ADIM that will meet in Jan. and Dec. . 2008 and Dec. 2009; and INTEC that will meet in July 2008, May 2009 and March 2010. A contract for the EPS elaboration with the lead cooperating organisation that wins the tender and contracts with lead participating organisations in the three activities will be also concluded. These three lead participating organisations are also selected in accordance with the tender results.

Duties

The following is expected from the consultant:

- to represent his/her organisation in the work of the Task Team;
- to participate actively in the work of the Task Team under the supervision of the co-ordinator, attend all meetings, to give substantive input to the work on legislative improvements, administrative arrangements, and institutional and technical capacity in accordance with the specific terms of the contract;

- to participate in the preparation of Task Team meeting reports and all documents envisaged in the work plan;
- to comment on drafts of documents prepared by the members of the Task Team, and to ensure that such comments are considered in the preparation of subsequent drafts; and
- to submit all documents to the Project Office, by the dates as envisaged in the work plan, in both hard copy and electronic form, in English or Russian languages (to be determined before signing of the contract).

Qualifications

Experience in environmental legislation improvements, administration arrangements, or institutional and technical capacity related to the Arctic environment. Knowledge of English would be deemed an advantage in the selection of candidates.

Project Advisor (Minekonomrazvitiya of Russia) (budget line 1245)

The Project Advisor for the UNEP/GEF Project: “Russian Federation – Support to the National Programme of Action for the Protection of the Arctic Marine Environment” (hereinafter, the GEF Project) will provide overall technical advice to Minekonomrazvitiya of Russia in overseeing the Project implementation, including efficiency of the Project Office work, and provide recommendations for decisions and actions to be taken by the Ministry as the Executing Agency. Minekonomrazvitiya of Russia will provide premises for the Advisor. The Project Advisor will perform his/her duties under the direct supervision of the designated representative of Minekonomrazvitiya of Russia, while maintaining communication and liaison with the Ministry staff involved in the project, as well as the Project Office and other participants of the Project.

To this end, the Project Advisor will perform the following duties:

1. Review relevant documents related to the implementation of the all components of the GEF Project according to the signed Project Document, decisions of the Project Steering Committee and Supervisory Council, and approved work plans;
2. Identify any deviations from the planned implementation of the project, and when such deviations are identified, report to the Ministry about the identified deviations;
3. Examine documents prepared by the Project Office for the meetings of the Project Steering Committee, Supervisory Council and Interagency Working Group on coordination of the Russian participants of the Project, and provide comments to the Ministry his/her comments and proposals for improvement;
4. Examine draft reports of Task Teams, Working Groups, consultants and cooperating organizations on the all four components of the GEF Project from the point of view of conformity of their content and recommendations to the Russian legislation, national interests and the State Policy of the Russian Federation in the Arctic, and provide his/her comments to the Ministry;
5. Prepare draft documents and proposals on interactions of Minekonomrazvitiya of Russia with UNEP, Partner Agencies, donors, Russian federal and regional bodies of executive authority and other participants of the GEF Project;
6. Examine draft documents/reports related to the financial aspects of the project implementation, including quarterly cash advance statements and quarterly financial reports, to be prepared by the Project Office in order to identify any discrepancies so that the Ministry can take necessary action before these documents/reports are submitted to UNEP/DGEF;
7. According to the Project Document regularly provide advices to Minekonomrazvitiya of Russia regarding possible ways and values of contribution of the Russian Federation (in case and in-kind) to the project implementation for submission of such contribution by the Ministry to the Supervisory Council and further to the Steering Committee.
8. Take part, jointly with the Project Office, in preparing information documents on the Project implementation to be submitted to the Arctic Council, GPA Coordination Office and other organizations concerned.
9. Take part in the preparation of round tables and the Partnership Conference using outputs from the GEF Project implementation.

Qualifications

Experience in development of large-scale international programs/projects on the Arctic and participation in their implementation. Knowledge of principles of the State Russian Policy in the Arctic, as well as federal laws, federal programs and decisions taken by the Russian Government and related to the Arctic and protection of the environment. Knowledge of main international programs/projects on the protection of the Arctic environment. Experience in interaction with federal and regional authorities. Knowledge of all provisions of the Project Document in detail. Knowledge of written English.

Contract with the Project Advisor to Minekonomrazvitiya of Russia will be for six months per year for the duration of the Project.

ANNEX XIII: WORKING GROUPS, TASK TEAMS AND STEERING COMMITTEE OF THE PROJECT

	Component Activity /	Modus operandi	Period of Implementation
1.	Project Co-ordination and Management	a) The Steering Committee, comprising the members (Executing and Implementing Agencies, and Donors), permanent participants (Partner Agencies) and observers (EBRD and NDEP, and others as deemed appropriate). A high-level representative of the Russian Ministry of Economic Development and Trade will chair the Committee; The Supervisory Council composed of representatives of the Executing, Implementing and Partner Agencies and donors. Partner Agencies may represent donors at the Supervisory Council. c) The Project Office	Months 1-60
2.	Strategic Action Programme (SAP)	Task Team on SAP under chairmanship of the Executing Agency, comprising representatives of the relevant federal agencies and regional administrations, the Russian Academy of Sciences, companies of all forms of ownership, and RAIPON. Working groups will be established.	Months 2-19 (preparation of SAP months 2-13; approval and adoption 14-19)
3.	Pre-investment Studies	Working Group on Pre-investment Studies under chairmanship of the Executing Agency, comprising representatives of relevant federal agencies and regional administrations, the Russian Academy of Sciences, other interested federal and regional authorities, companies of all forms of ownership in order to formulate criteria, select and co-ordinate work among different studies. A special sub-group will be set up for each pre-investment study.	Months 4-33 (formulation of criteria for selection months 4-9; selection months 10-12; preparation of studies months 13-33)
4.	Environmental Protection System	Task Team on Implementation of SAP under chairmanship of the Executing Agency, comprising representatives of the relevant federal agencies and regional administrations, the Russian Academy of Sciences, companies of all forms of ownership, and RAIPON will be responsible for co-ordinating three subordinate WGs.	Months 19-60
4.1	Environmental Protection System Improvements / Legislative Improvements	Working Group on Legislative Improvements (Federal agencies of the Russian Federation responsible for the environment protection will be responsible executing agency)	Months 19-52
4.2	Environmental Protection System Improvements /Administrative Improvements	Working Group on Administrative Improvements (Federal agencies of the Russian Federation responsible for the environment protection will be responsible executing agency)	Months 19-52

	Component Activity /	Modus operandi	Period of Implementation
4.3	Environmental Protection System Improvements / Institutional and Technical Improvements	Working Group on Institutional and Technical Improvements (Federal agencies of the Russian Federation responsible for the environment protection will be responsible executing agency)	Months 19-52
5.	Indigenous Environmental Co-management	Working Group on Indigenous Environmental Co-management by Resource Development Companies and Indigenous People of the North (Minekonomrazvitiya of Russia will be responsible executing agency)	Months 16-60
6.	Rehabilitation of the Environment through the Use of Brown Algae	Working Group on Decontamination of Marine Waters through the Use of Brown Algae (Federal agencies of the Russian Federation responsible for the environment protection will be responsible executing agency)	Months 10-50
7.	Environmental Remediation of Decommissioned Military Bases	Working Group on Decommissioned Bases (Minekonomrazvitiya of Russia and Ministry of Defence will be joint responsible executing agencies)	Months 16-60

ANNEX XIV: FORMAT FOR HALF-YEARLY PROGRESS REPORT

As at 30 June and 31 December

(Please attach a current inventory of outputs/Services when submitting this report)

1. Background Information

1.1 Project Number:

1.2 Project Title:

1.3 Division/Unit:

1.4 Coordinating Agency or Supporting Organization (if relevant):

1.5 Reporting Period (the six months covered by this report):

1.6 Relevant UNEP Programme of Work (2002-2003) Subprogramme No:

1.7 Staffing Details of Cooperating Agency/ Supporting Organization (Applies to personnel / experts/ consultants paid by the project budget):

Functional Title	Nationality	Object of Expenditure (1101, 1102, 1201, 1301 etc..)

1.8 Sub-Contracts (if relevant):

Name and Address of the Sub-Contractee	Object of expenditure (2101, 2201, 2301 etc..)

2. Project Status

2.1 Information on the delivery of outputs/services

	Output/Service (as listed in the approved project document)	Status (Complete/ Ongoing)	Description of work undertaken during the reporting period	Description of problems encountered; Issues that need to be addressed; Decisions/Actions to be taken
1.				
2.				
3.				

2.2 If the project is not on track, provide reasons and details of remedial action to be taken:

3. Discussion acknowledgment (To be completed by UNEP)

Project Coordinator's General Comments/Observations	First Supervising Officer's General Comments
Name: _____ Date: _____ Signature: _____ _____	Name: _____ Date: _____ Signature: _____ _____

Attachment to Half-Yearly Progress and Terminal Reports: Format for Inventory of Outputs/Services

a) Meetings

No	Meeting Type (note 4)	Title	Venue	Dates	Convened by	Organized by	# of Participants	List attached Yes/No	Report issued as doc no	Language	Dated
1.											
2.											
3.											

List of Meeting Participants

No.	Name of the Participant	Nationality

b) Printed Materials

No	Type (note 5)	Title	Author(s)/Editor(s)	Publisher	Symbol	Publication Date	Distribution List Attached Yes/No
1.							
2.							
3.							

c) Technical Information / Public Information

No	Description	Date
1.		
2.		
3.		

d) Technical Cooperation

No	Type (note 6)	Purpose	Venue	Duration	For Grants and Fellowships		
					Beneficiaries	Countries/Nationalities	Cost (in US\$)
1.							
2.							

e) Other Outputs/Services (e.g. Networking, Query-response, Participation in meetings etc.)

No	Description	Date
1.		
2.		
3.		

Note 4

Meeting types (Inter-governmental Meeting, Expert Group Meeting, Training Workshop/Seminar, Other)

Note 5

Material types (Report to Inter-governmental Meeting, Technical Publication, Technical Report, Other)

Note 6

Technical Cooperation Type (Grants and Fellowships, Advisory Services, Staff Mission, Others)

ANNEX XV: FORMAT FOR TERMINAL REPORT

Implementing Organisation _____

Project No.: _____

Project Title: _____

1. **Project Objectives - Re-state the following:**

Objectives:

Needs:

Results:

2. **Project activities**

Describe the activities actually undertaken under the project. Give reasons **why some activities, planned at the outset, were not undertaken, if any.**

Activities actually undertaken	Activities planned but not undertaken (reason for failure)

3. **Project outputs**

Compare the outputs generated with the ones listed in the Project Document.

Actual Outputs (generated)	Outputs envisaged under the project
a)	
b)	
c)	
d)	
* Below, provide more information on the outputs listed on this section:	

Further information on outputs listed above:

(a) MEETINGS

Inter-governmental (IG) Mtg.	Expert Group Mtg	Training Seminar/Workshop	Others
Title:_____ Venue _____ Dates _____ Convened by _____ Organised by _____ Report issued as doc. No/Symbol _____ Dated _____ Languages _____	Title:_____ Venue _____ Dates _____ Convened by _____ Organised by _____ Report issued as doc. No/Symbol _____ Dated _____ Languages _____	Title:_____ Venue _____ Dates _____ Convened by _____ Organised by _____ Report issued as doc. No/Symbol _____ Dated _____ Languages _____	Title:_____ Venue _____ Dates _____ Convened by _____ Organised by _____ Report issued as doc. No/Symbol _____ Dated _____ Languages _____
Please complete list of participants below, giving their names and nationalities.	Please complete list of participants below, giving their names and nationalities.	Please complete list of participants below, giving their names and nationalities.	Please complete list of participants below, giving their names and nationalities.

Participants List (Attach a separate list for each meeting)

Name	Nationality

(b) PRINTED MATERIALS

☐ Report to IG Mtg	☐ Technical Publication	☐ Technical Report	☐ Others
Title_____ Author(s)/ Editor(s) _____ Publisher _____ Symbol (UN/UNEP/ ISBN/ISSN)_____ Date of publication ____ (When reports/ publications have been distributed, complete distribution list below or attach a separate list)	Title_____ Author(s)/ Editor(s) _____ Publisher _____ Symbol (UN/UNEP/ ISBN/ISSN)_____ Date of publication ____ (Complete distribution list below or attach a separate list)	Title_____ Author(s)/ Editor(s) _____ Publisher _____ Symbol (UN/UNEP/ ISBN/ISSN)_____ Date of publication ____ (Complete distribution list below or attach a separate list)	Title_____ Author(s)/ Editor(s) _____ Publisher _____ Symbol (UN/UNEP/ ISBN/ISSN)_____ Date of publication ____ (Complete distribution list below or attach a separate list)

Distribution List (IG Meeting reports/ technical reports or publications)

Title of Report	Name of Recipient (Agency/individual recipient)

(c) INFORMATION

☐ TECHNICAL INFORMATION Description _____ _____ _____ _____ Dates _____ _____	☐ PUBLIC INFORMATION Description _____ _____ _____ _____ Dates _____ _____
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(d) TECHNICAL COOPERATION

☐ Grants and Fellowships Purpose _____ Place _____ Duration _____ For Grants/Fellowships, please indicate cost (in US\$) _____ _____ <u>Beneficiaries</u> and their nationalities _____	☐ Advisory Services Purpose _____ Place _____ Duration _____ Please indicate cost (in US\$) _____ _____ <u>Beneficiaries</u> and their nationalities _____	☐ Others (materials & equipment donated) Purpose _____ Place _____ Duration _____ Please indicate cost (in US\$) _____ _____ <u>Beneficiaries</u> and their nationalities _____
---	--	---

OTHER OUTPUTS/SERVICES

For example: Centre of excellence, Network, Environmental Academy, Convention, Protocol, University Chair, etc.

4. Use of outputs

State the use made of the outputs.

5. Degree of achievement of the objectives/results

On the basis of facts obtained during the follow-up phase, describe how the Project Document outputs and their use were or were not instrumental in realising the objectives/results of the project.

6. Conclusions

Enumerate the lessons learned during the project execution. Concentrate on the management of the project, indicating the principal factors that determined success or failure in meeting the objectives set down in the Project Document.

7. **Recommendations**

Make recommendations to:

- (a) Improve effect and impact of similar projects in the future;
- (b) Indicate what further action might be needed to meet the project objectives/results.

8. **Non-expendable equipment (value over US\$1,500)**

Please attach to the terminal report a **final** inventory of all non-expendable equipment (if any) purchased under this project, indicating the following: Date of purchase, description, serial number, quantity, cost, location and present condition, together with your **proposal** for the disposal of the said equipment (**see separate inventory format**).

ANNEX XVI: FORMAT FOR QUARTERLY PROJECT EXPENDITURE ACCOUNTS FOR SUPPORTING AGENCIES

Quarterly project statement of allocation (budget), expenditure and balance (Expressed in US\$) covering the period to.....

Project No. Agency name

Project title:

Project commencing: Project ending:

Object of expenditure by UNEP budget code	Project budget allocation for year.....		Total expenditure for quarter *	Total unliquidated obligations..... ...	Cumulative expenditure for year	Unspent balance of budget allocation for year	
	m/m (1)	Amount (2)	(3)	(4)	(5)	m/m (6)	Amount (2)-(5)
1100 Project personnel							
1200 Consultants							
1300 Administrative support							
1400 Volunteers							
1600 Travel							
2100 Sub-contracts							
2200 Sub-contracts							
2300 Sub-contracts							
3100 Fellowships							
3200 Group training							
3300 Meetings/conferences							
4100 Expendable equipment							
4200 Non-expendable equipment							
4300 Premises							
5100 Operation							
5200 Reporting costs							
5300 Sundry							
5400 Hospitality							
99 GRAND TOTAL							

*breakdown of expenditures per quarter with related information such as name of person hired, duration of contract, fees, purpose...should be reported in a separate annex.

Signed:

Duly authorised official of co-operating agency

ANNEX XVII: FORMAT FOR INVENTORY OF NON-EXPENDABLE EQUIPMENT PURCHASED AGAINST UNEP PROJECTS
UNIT VALUE US\$ 1,500 AND ABOVE AND ITEMS OF ATTRACTION
As at _____

Project No. _____
Project Title _____
Implementing Agency _____
Internal/SO/CA (UNEP use only) _____
FPMO (UNEP use only) _____

Description	Serial No.	Date of Purchase	Original Price (US\$)	Present Condition	Location	Remarks/ Recommendation for disposal

The physical verification of the items was done by:

Name: _____

Signature: _____

(Duly authorised official)

Title: _____

Date: _____

ANNEX XVIII: FORMAT FOR REPORT ON CO-FINANCING

Title of Project:							
Project Number:							
Name of Executing Agency:							
Project Duration:	From:		To:				
Reporting Period <i>(to be done annually):</i>							
Source of Cofinance	Cash Contributions			In-kind Contributions			Comments
	Budget original (at time of approval by GEF)	Budget latest revision	Received to date	Budget original (at time of approval by GEF)	Budget latest revision	Received to date	
Total	0	0	0	0	0	0	

Name:

Position:

Date:

*All amounts in US
dollars*

ANNEX XIX: LIST OF ACRONYMS

ACAP	Arctic Council Action Plan
ACOPS	Advisory Committee on Protection of the Sea
AMAP	Arctic Monitoring and Assessment Programme
DGEF	Division of Global Environment Facility Coordination
EBRD	The European Bank for Reconstruction and Development
EC	European Commission
EPS	Environmental Protection System
FTOP	Federal Targeted Oriented Programme
GEF	Global Environment Facility
GPA	Global Programme of Action
IA	Implementing Agency
IOC of UNESCO	Intergovernmental Oceanographic Commission of United Nations Educational, Scientific and Cultural Organization
ISBN	International Standard Book Number
ISSN	International Standard Serial Number
MNR	Ministry of Natural Resources of the Russian Federation
MOU	Memorandum Of Understanding
NDEP	The Northern Dimension Environmental Partnership
NEFCO	Nordic Environment Finance Corporation
NGO	Non-Governmental Organisation
NPA	National Programme of Action
OIC	Officer In Charge
PAME	Protection of the Arctic Marine Environment
PINS	Pre-Investment Studies
PDF-B	Project Development Grant Block-B
PTS	Persistent Toxic Substances
RAIPON	Russian Association of Indigenous Peoples of the North, Siberia and Far East
RPA	Regional Programme of Action
SAP	Strategic Action Programme
SG	Sub-Group
TOR	Terms of Reference
TT	Task Team
UN	United Nations
UNEP	United Nations Environment Programme
UNON	United Nations Office at Nairobi
WB	The World Bank
WG	Working Group
WG ADIM	Working Group on Administrative Arrangements
WG BASES	Working Group on Remediation of Two Decommissioned Military Bases
WG CLEANUP	Working Group on Contaminant Clean Up
WG COMAN	Working Group on Indigenous Environmental Co-Management
WG INTEC	Working Group on Institutional Capacity
WG LEGIM	Working Group on Legislative Initiatives

ANNEX XX: MINUTES OF THE CONSULTATIVE MEETING

19 July 2004, Geneva, 0830 Hrs – 1400 Hrs

Report of the consultative meeting among UNEP, the Ministry of Economic Development and Trade of the Russian Federation, ACOPS, NEFCO

Background:

After the consultative meeting in Moscow on 3 December 2003, the major project stakeholders had further dialogues in support of further arranging for the project implementation modalities, expressed particularly in the Joint Statement between ACOPS and the Ministry (8 April 2004), and the minutes of the meeting between NEFCO and the Ministry (16 April 2004). These documents, as well as the signed Project Document (28 August 2003) were the basis for the discussion. The Executive Director of UNEP called for a consultative meeting to resolve pending issues relevant to the project implementation arrangements, which was held in Geneva on 19 July 2004. The list of participants is attached as Annex. The meeting was chaired by the Executive Director of UNEP. The participants had an intensive discussion on the issues necessary to be resolved to proceed with the project implementation. The participants expressed their wishes to start the project activities as soon as possible and practical.

The following decisions were made:

The meeting decided to change the project execution arrangements. The Ministry will function as the sole Executing Agency, with ACOPS and NEFCO (subject to decision of the NEFCO Board of Directors in September 2004) as partner agencies that are mandated to play a role in coordination of activity of donors that entrusted respective partner agencies to handle their funds under the project. The partner agencies will have responsibilities to work with existing donors and seek to expand the donor base for the project. The overall coordination of project activities by various funding sources will be carried out through the Steering Committee. Detailed roles of partner agencies will be defined and included in the amended project document. NEFCO and ACOPS will consult each other on the proposed arrangements for the Partnership Agencies.

ACOPS will represent the interests of Canada, USA, Italy, IOC and other possible donors, which desire their funds to be channelled through the Trust Fund established by ACOPS.

NEFCO expressed its readiness to support the project, subject to a decision of the NEFCO Board. NEFCO's possible funding can be in two ways: (i) direct financing of consequent investments based on the outcome of the GEF project, potentially in the magnitude of tens of millions of Euros, and (ii) financing of components of the GEF project. NEFCO is requested to consider a contribution at the level of US\$1 million. The participants welcomed possible involvement in this project, of NEFCO as a joint Nordic financial institution. NEFCO will decide if it will be a partnership agency subject to satisfactory definition of the role of NEFCO as partner agency.

In order to effect these changes in execution of the project, the project document will be amended, and the amended project document will be signed by UNEP and the Ministry. There was a strong conviction of the participants that the project should avoid being divided into multiple sub-projects without coordination. Consequently, partnership agreements should be drawn up between the Ministry and NEFCO and between the Ministry and ACOPS. These should be in line with the principles of the amended project document. UNEP will evaluate the clauses in the new partnership agreements. These documents will be prepared in consultation with UNEP and will be annexed to the amended project document. The amended project document will be submitted to the GEF Secretariat for information purposes. It should be completed within two weeks of the conclusion of the present meeting (2 August 2004).

The first meeting of the Steering Committee will be organised in Moscow during the last week of September 2004. A donors meeting, also inviting potential donors, will be held back-to-back to this first meeting of the Steering Committee. The organisation and preparation of the Steering Committee will be conducted using the GEF project funds.

The tender commission discussion for appointment of the Project Office staff will be concluded between UNEP and the Ministry as soon as possible, and the arrangements for the Project Office, including the tax-free account, will be agreed upon.

The results of the meeting as well as the amendment of the project document will be communicated to donors that have already pledged their funding, as well as to potential donors.

The progress made in the project document amendment and the results of the first meeting of the Steering Committee, will be reported by the Ministry and UNEP to the Arctic Council Ministerial meeting in November 2004.

UNEP

Klaus Toepfer
Ahmed Djoghlaif
Takehiro Nakamura
Elena Orlyk (Interpretation)

Ministry of Economic Development and Trade

Boris Morgunov
Boris Melnikov

ACOPS

Lord Hunt of Chesterton
Tim Turner
Vitaly Selesth

NEFCO

Harro Pitkanen (part-time)

Permanent Mission of the Russian Federation for the UN Office and other International Organizations in Geneva

Mikhail Velikanov

**ANNEX XXI: AGREEMENT BETWEEN MINEKONOMRAZVITIYA OF RUSSIA AND THE
LEGAL ENTITY "EXECUTIVE DIRECTORATE OF THE RUSSIAN
NATIONAL POLLUTION ABATEMENT FACILITY"**

Version 291204

AGENCY AGREEMENT

between

**THE MINISTRY OF ECONOMIC DEVELOPMENT AND TRADE OF THE RUSSIAN
FEDERATION
and
THE LEGAL ENTITY
"EXECUTIVE DIRECTORATE OF THE RUSSIAN NATIONAL POLLUTION ABATEMENT
FACILITY"**

**on the UNEP/GEF PROJECT
"RUSSIAN FEDERATION - SUPPORT OF THE NATIONAL PROGRAMME OF ACTION
FOR THE PROTECTION OF THE ARCTIC MARINE ENVIRONMENT"**

dated _____ "___", 2005

**Moscow
2005**

The Ministry of Economic Development and Trade of the Russian Federation, acting on the basis of Statute of the Ministry of Economic Development and Trade of the Russian Federation, approved by the Decree of the Government of the Russian Federation #443 dated August 27, 2004, hereinafter referred to as "Trustee", on the one hand

and

the Legal Entity "Executive Directorate of the Russian National Pollution Abatement Facility", acting on the basis of the Charter registered by the Moscow Registration Chamber on December 16, 1997 (Registration Certificate No 069.467), hereinafter referred to as the "Agent", on the other hand,

WHEREAS:

- a) The Russian Federation as the Party of the UN Convention on the Law of the Sea and the member state of the Arctic Council, implementing measures on protection of the Arctic sea environment against pollution, has developed the National Plan of Action for the Protection of the Marine Environment from Anthropogenic Pollution in the Arctic region of the Russian Federation (NPA-Arctic) which was approved by the Ministry of Economic Development and Trade of the Russian Federation on September 8, 2001 in coordination with the Ministry of Natural Resources of the Russian Federation, Roshydromet and the Russian Academy of Sciences;
- b) Global Environment Facility (GEF), United Nations Environment Programme (UNEP), a number of states and international organizations have decided to assist in the NPA-Arctic implementation by extending grants to the Russian Federation under the UNEP/GEF Project "Russian Federation – Support to the National Programme of Action for the Protection of the Arctic Marine Environment" (hereinafter - the Project);
- c) Council on the Far North and Arctic Region Problems at the Government of the Russian Federation (Minutes of Council meeting of November 26, 2002 #1) has approved the Plan of preparation of draft regulatory acts and other documents related to the realization of Bases of the State Policy of the Russian Federation in the Arctic, which includes NPA-Arctic and the Project;
- d) According to the Project Document on the Project Implementation, UNEP is the Implementing Agency, the Ministry of Economic Development and Trade of the Russian Federation (MEDT) is the Executing Agency and the Project Office is the body providing realization of day-to-day activities under the Project implementation;
- e) The Agent has declared the commitment to the objectives and tasks of the Project and readiness to create a separate division functioning as the Project Office, which will be guided in the activities by this Agreement and the Project Document, within the Legal Entity - Executive Directorate of the Russian National Pollution Abatement Facility (NPAF ED);
- f) The Agent possesses the necessary legal, organizational and technical resources to provide the activities of the Project Office on the Project implementation, including contract awarding, payments and operations according to requirements of the Project, hiring or otherwise attraction of foreign and Russian consultants for rendering services, reception and utilization of office rooms, information technologies, communication systems and book keeping and monitoring for earmarked expenditure under the Project funds,
- g) The Trustee represented in the managerial bodies of the Agent, have made this Agreement as follows:

Article 1. Terms and Definitions

1.1. "Project" means UNEP/GEF Project "Russian Federation – Support to the National Programme of Action for the Protection of the Arctic Marine Environment" financed out of grants, extended to the Russian Federation by the GEF and donors, and out of means of the Russian Federation.

1.2. "Grant" means proceeds of the GEF and other donors at the rate, stipulated by the Project Document.

1.3. "Project Document" means the document signed by the UNEP and MEDT according to which Project implementation and financing are conducted.

1.4. "Project Currency Account" means the account opened by the Agent (and managed by the Project Manager on the basis of the Power of Attorney issued by the Agent) for receiving grants from the GEF and other international donors for the purposes of the Project implementation.

1.5. "Project Rouble Account" means account opened by the Agent (and managed by the Project Manager on the basis of the Power of Attorney issued by the Agent) for proceeds of the Russian Federation for the purposes of the Project Implementation.

1.6. "Application" means a standard quarterly application stipulated by Annex IX to the Project Document for reception of GEF proceeds or other applications for reception of donors funds for replenishment of the Project Currency Account.

1.7. "Disbursement from the Project Currency Account" means disbursement procedure for Grant proceeds from the Project Currency Account in the order stipulated by the Project Document and the current legislation of the Russian Federation.

1.8. "Agent" means the Legal Entity "Executive Directorate of the Russian National Pollution Abatement Facility (NPAF ED)", registered by the Moscow Registration Chamber on June 25, 2002 (Registration Certificate 69467), founded in pursuance of the Decree of the Government of the Russian Federation #808 dated August 11, 1995.

1.9. "Authorized Expenditures" means expenditures authorized for covering or compensating out of the Grant according to the Project Document, approved budget and approved working plan.

1.10. "Earmarked Expenditure of Proceeds" means disbursement of Grant proceeds in strict conformity with rules and procedures for disbursements for services, goods and works under the Project implementation, stipulated by the Project Document.

1.11. "Grant Closing Date" means the date of termination of the Project Document implementation.

1.12. "Period of Technical Prolongation of the Grant" means the period equal to 4 (four) months from the Grant Closing Date during which disbursement of Grant proceeds for Authorized Expenditures suffered before the Grant closing Date is conducted.

1.13. All other terms and definitions used in the Project Document have the same meaning in this Agreement.

Article 2. Subject of the Agreement

2.1. During the fulfillment of this Agreement, the Agent undertakes to operate exclusively in interests of the Russian Federation and the Trustee and to provide achievement of maximal advantages and benefit for them, to make all possible efforts to maintain the qualified implementation of the Project and fulfillment of Trustee's assignments under this Agreement.

2.2. The Trustee charges and the Agent undertakes to realize the Project under conditions set by the Project Document and this Agreement.

2.3. This Agreement has a noncommercial gratuitous character. The purpose of the Agent during the fulfillment of this Agreement is not a generation of profit or reception of direct or indirect compensation.

Article 3. Authorities, Rights and Duties of the Agent

3.1. For the project implementation, the Agent is authorized to create in its structure a new division – the "Project Office", functioning to fulfil the project execution functions as per the Project Document and any decision of the Project Steering Committee and the Supervisory Council and acting independently of substantive or programmatic interests of the Agent. The Agent employs the full-time personnel of the Project Office according to the order, list of staff and budget stipulated by the Project Document. The Project Manager, on the basis of the Power of Attorney issued by the Agent, ensures execution by the Project Office of the following functions:

3.1.1 procurement of goods, works and services, including awarding of contracts with Russian and international consultants under the Project (hereinafter – Consultants), members of task teams and working groups, and leading organizations-executors of works under the Project, according to the approved working plan and budget under the Project and the results of tenders;

3.1.2 preparation of draft annual work plans and budgets for consideration by the Supervisory Council and endorsement by the Steering Committee;

3.1.3 preparation of Terms of Reference and draft contracts for members of working groups and task teams and Specifications on procurement of goods or works under the Project;

3.1.4 preparation of the tender documents and realization of bids (tenders) for procurement of goods, works and services under the Project;

3.1.5 verification of reports from Consultants, members of task teams and working groups and accepting the results of their work, and signing the acceptance acts of work performed;

3.1.6 formalization, signing and directing to the UNEP and Partner Agencies of quarterly Applications for removal of Grant proceeds and conducting disbursements from the Project Currency Account and the Project Rouble Account for payment of Authorized Expenditures in the order stipulated by the Project Document;

3.1.7 employment of auditor to the satisfaction of the MEDT and UNEP requirements and organizing financial audit of the Project Office activities;

3.1.8 monitoring the observance of rules and instructions of UNEP, GEF, Project Steering Committee, Supervisory Council and legislation of the Russian Federation under all components of the Project activities;

3.1.9 development of necessary financial, detailed semi-annual and substantive reports and information materials, submitting them for preliminary consideration and approval and further distributing them in the order stipulated by the Project Document;

3.1.10 preparing and organizing meetings of the Project Steering Committee, Supervisory Council, Working Group on Coordination of the Russian Participants of the Project, task and working groups of the Project;

3.1.11 submitting of Project progress reports at meetings of Supervisory Council, Steering Committee and Working Group on Coordination of the Russian Participants of the Project;

3.1.12 keeping, during the validity of this Agreement, documents related with the Project implementation. At the termination of activities of the Project Office, the above documents will be transferred to the Trustee in the established order. In case of corresponding instructions of the Trustee, the Project Office should transfer the Project related documentation to other person or persons, as specified by the Trustee.

3.1.13 maintain records of non-expendable equipment purchased under the Project and submission of the inventory of this equipment to the UNEP twice a year in the standard UNEP format; reports for any loss or damage of non-expendable equipment purchased out of UNEP proceeds;

3.1.14 consideration of any claims eventually presented by third parties to the UNEP under the Project and drafting of decisions for the UNEP.

3.1.15 participating in negotiations with international financial organizations and other donors on conditions and order of grant proceeds for the Project Implementation;

3.1.16 realization of other actions stipulated by the Project Document or related to execution of Trustee's commissions.

3.2. The Agent undertakes to provide conditions for effective work of the Project Office and for earmarked expenditure of the Project proceeds.

3.3. The Agent:

3.3.1 immediately informs the Trustee on any emergencies preventing Project implementation and/or execution of the Project Office's obligations, following out of this Agreement;

3.3.2 within ten days from the date of coming into force of rights and duties of the Parties under this Agreement submits to the Trustee a copy of signatures of the Project Manager and Financial Management Officer authorized to sign Applications and other financial documents and reports of the Project Office;

3.3.3 can only change the legal position in coordination with the Trustee;

3.3.4 within three days, notifies in writing the Trustee on changes of mailing address and payment requisites;

3.4. The Director (Project Manager) supervises the work of the Project Office. The Project Office operates separate Project currency account and Project rouble account opened by the Agent. The Project Office has its own-headed notepaper and the same legal address as the Agent. The Project Office has the right to address the Trustee with inquiries on presentation of information or delivery of Powers of Attorney necessary for execution of obligations under this Agreement by the Project Office

and for assistance in elimination of circumstances preventing execution of obligations by the Project Office.

3.5. The Project Office prepares financial reports in accordance with normal accounting practice as it is stipulated in paragraphs 59 and 60 of the project document and submits them to UNEP/GEF through UNEP/Moscow Office. The Project Office follows also general procedure of disbursement of funds from Trust Funds and financial reporting that will be regulated by a special document subject to approval at the first Project Steering Committee meeting.

3.6. During the Period of Technical Prolongation of the Grant the Director (Project Manager) provides:

- a) carrying out of audit of accounting (reporting) and procedures (methods) of internal monitoring for the last accounting period of the Project Implementation according to the Project Document;
- b) preparation of the draft Project Terminal Report according to requirements of the Trustee and UNEP and submission to the Trustee.

Article 4. Rights and Responsibilities of the Trustee

4.1. The Trustee has the right:

4.1.1. to monitor the execution of commissions under this Agreement by the Project Office and at any time to direct the representatives for inspection of the Project Office to verify the earmarked expenditure of proceeds, if necessary;

4.1.2. to terminate the Agreement ahead of schedule in cases and in order, stipulated by item 7.4 of this Agreement.

4.2. The Trustee undertakes:

4.2.1. upon the request of the Project Office, to send to UNEP and Partner Agencies the letter confirming authorized signatures of the Project Manager and the Project Financial Management Officer, authorized to sign financial and other documents of the Project Office;

4.2.2. to provide necessary assistance, submission of information and documentation for successful execution of the tasks following from this Agreement by the Project Office, including delivery of necessary Powers of Attorney;

4.2.3. to undertake necessary measures on elimination of infringements of the Project Office rights, preventing duly fulfillment of responsibilities under this Agreement;

4.2.4. at termination of the Project Office activities, to accept from the Project Office independently or to assign other person to accept the documentation under the Project in the established order.

Article 5. Reimbursement of Agent's Expenditures and Reporting

5.1. To cover the Authorized Expenditures under the Project, the Project Office makes Applications and/or disbursements from the Project Currency Account and the Project Rouble Account in the order stipulated by the Project Document. The specified Applications should be properly made and signed by the Project Manager and the Project Management Officer.

5.2. Disbursements under the contracts signed by the Project Office are made in the currency of payment under such contracts directly the party under the respective agreement.

5.3. The Project Office undertakes to report upon a written request of the Trustee all information on the execution of obligations and regularly report on the execution of obligations under this Agreement. In particular, the Project Office undertakes:

5.3.1 to maintain the accounting documentation reflecting the activities for the Project Implementation;

5.3.2 to observe the established rules by the legislation of the Russian Federation and UNEP/GEF requirements to financial and accounting reporting;

5.3.3 to submit annual estimates for the use of the Project proceeds or upon the Trustee's request, within 3 (three) working days from the date of the request reception;

5.3.4 within three days from the date of the request reception, to submit to the Trustee and the Project Supervisory Council any other information on the Project implementation.

Article 6. Responsibilities of the Parties

6.1. In the cases established by items 7.4.1 and 7.4.2 of this Agreement, the MEDT has the right to withdraw signatory authority of the Agent on Applications and to suspend disbursement of granted funds till the elimination of faults.

6.2. In case of non Earmarked Expenditure incurred from proceeds by the Project Office, the Agent undertakes to reimburse the above proceeds. The Agent undertakes to pay to the MEDT a penalty at a double discount rate of the Central Bank of the Russian Federation (operating on date of registration of payment application) from the rouble equivalent of the amount of not Earmarked Expenditure at the exchange rate of the Central Bank of the Russian Federation on the date of registration of payment application.

6.3. The Project Office is responsible for efficient management of the Project and execution of all components of the Project Document in an appropriate way.

6.4. The Project Office shall be responsible for dealing with any claims which may be brought by third parties against UNEP and its staff, and shall hold UNEP and its staff non-liaible in case of any claims or liabilities resulting from operations carried out by the Project Office or other project partners under this Project Document and according to the Project Office instructions, except where it is agreed by the Project Office and UNEP that such claims or liabilities arise from gross negligence or wilful misconduct of the staff of UNEP.

6.5. The Parties bear the responsibility for default or inadequate execution of liabilities under this Agreement according to the current legislation of the Russian Federation.

Article 7. Effectiveness of the Agreement and Termination of the Agreement

7.1. This Agreement will be signed upon after coordination with UNEP in order to ensure conformity with the Project Document between UNEP and the Ministry.

7.2. The rights and responsibilities of the Parties under this Agreement inure from the date of its signing.

7.3. This Agreement is valid during the five years' period of the Project implementation or till the term specified in the MEDT notifications, which will be directed to the Agent by way stipulated by item 7.4 of this Agreement.

7.4. During the validity of this Agreement, the Trustee has the right to terminate unilaterally this Agreement with the preliminary notification in writing of the Agent not later than 30 days before the prospective date of termination, in the following cases:

7.4.1 identification of non-Earmarked Expenditure of proceeds by the Project Office and in case of excess of actual expenditures over the budget approved by the Project Steering Committee or Supervisory Council, with observation of the conditions stated in item 6.2 of this Agreement by the Project Office;

7.4.2 default or inadequate execution by the Project Office of any responsibility under this Agreement;

7.4.3 if the MEDT or UNEP will make a decision on termination of the Project Document ahead of schedule.

7.5. At the completion (termination) of this Agreement, the Project Office undertakes to execute in reasonable terms all responsibilities concerning the submission of the reporting as of the date of termination of activities under this Agreement, including submission of the draft Project Termination Report, and concerning transfer of the Project documentation according to the provisions of this Agreement.

7.6. If the right of the Russian Federation to disburse Grant proceeds is partially or completely suspended or stopped by UNEP, irrespective of the reason of such suspension or cancellation, this Agreement simultaneously, partially or completely, will be suspended for the term established by the decision of UNEP.

Article 8. Dispute Settlement

8.1. All disputes and disagreements, which may arise during implementation of this Agreement, shall be resolved through negotiations between the Parties, if possible.

8.2. In the event of inability to resolve disputes through negotiations, the disputes shall be taken to the Arbitration Court of the City of Moscow.

8.3. This Agreement is adjusted and interpreted according to the current legislation of the Russian Federation.

Article 9. Other Provisions

9.1. Any of the Parties has no right to concede the rights and responsibilities under this Agreement to any individual or legal entity without the written approval of the other Party.

9.2. Any amendments and addenda to this Agreement are only valid under the condition that they are made in writing and signed by the authorized representatives of the Parties. All amendments and addenda to this Agreement inure after their approval by UNEP.

9.3. This Agreement is made in two original copies having an equal validity, on one for each of the Parties.

Article 10. Essential Elements of the Parties

All notifications, confirmations, or requests by the Parties should be formalized in writing and forwarded to the following addresses:

Trustee
Ministry of Economic Development and
Trade of the Russian Federation
1st Tverskaya-Yamskaya St., 1,3, Moscow,
Russian Federation, 125993

Agent
Legal Entity "Executive Directorate of the
Russian National Pollution Abatement Facility"
117218, Russian Federation, Moscow,
Krzhizhanovskogo Street, 23, bldg.5
Requisites of the account:
INT 7710269619, BIC 044525225
Settlement account 40703810200020106434 with
the Savings Bank of Russia, Moscow,
Corr. account 30101810400000000225

Article 11. Signatures of the Parties

Trustee

Andrey V.Sharonov,
Deputy Minister,
Ministry of Economic Development
and Trade of the Russian Federation

Agent

Yuriy L. Maksimenko,
General Director,
Executive Directorate of National Pollution
Abatement Facility

Acquainted with the signed Agreement:

Project Manager

(Signature)

Project Financial Management Officer

(Signature)