LOAN NUMBER 4844-CHA GEF GRANT NUMBER TF054688-CHA

Project Agreement

(Guangxi Integrated Forestry Development and Conservation Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
(acting as an Implementing Agency of the Global Environment Facility)

and

GUANGXI ZHUANG AUTONOMOUS REGION

Dated February 28, 2007

PROJECT AGREEMENT

Agreement dated, February 28, 2007, entered into between INTERNATIONAL BANK RECONSTRUCTION **AND DEVELOPMENT FOR** ("IBRD"), INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (acting as an Implementing Agency of the Global Environment Facility) ("the Implementing Agency") hereinafter IBRD and the Implementing Agency called "the Bank", and GUANGXI ZHUANG AUTONOMOUS REGION ("Project Implementing Entity") ("Project Agreement") in connection with (a) the Loan Agreement of same date between PEOPLE'S REPUBLIC OF CHINA ("Borrower") and the IBRD ("Loan Agreement"); and (b) the Global Environment Facility Trust Fund Grant Agreement of the same date between the PEOPLE'S REPUBLIC OF CHINA ("Recipient") and the Implementing Agency ("GEF Trust Fund Grant Agreement"). The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I – GENERAL CONDITIONS; STANDARD CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) and the Standard Conditions (as defined in the Appendix to the GEF Trust Fund Grant Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in the Project Agreement have the meanings ascribed to them in the Loan Agreement or the General Conditions or in the GEF Trust Fund Grant Agreement or the Standard Conditions.

ARTICLE II - PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall:
 - (a) carry out the Project in accordance with the provisions of Article V of the General Conditions and Article II of the Standard Conditions, and the provisions of this Project Agreement; and
 - (b) provide promptly as needed, the funds, facilities, services and other resources required for the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III – REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity's Representative is the Governor of Guangxi Zhuang Autonomous Region.
- 3.02. The Bank's Address is:

International Bank for Reconstruction and Development 1818 H Street, NW Washington, DC 20433 United States of America

Cable: Telex: Facsimile:

INTBAFRAD 248423(MCI) or 1-202-477-6391

Washington, D.C. 64145(MCI)

3.03. The Project Implementing Entity's Address is:

Guangxi Zhuang Autonomous Region Government Building No. 2 Min Le Road Nanning, Guangxi 530022 People's Republic of China

Facsimile:

(86-771) 2852085

AGREED at Beijing, People's Republic of China, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCITON AND DEVELOPMENT

By /s/ David Dollar Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (acting as an Implementing Agency of the Global Environment Facility)

By /s/ David Dollar Authorized Representative

GUANGXI ZHUANG AUTONOMOUS REGION

By /s/ Guo Shengkun Authorized Representative

SCHEDULE

Execution of the Project

Section I. Institutional and Other Arrangements

A. Institutional Arrangements.

- 1. The Project Implementing Entity shall maintain until the completion of the Project:
- (a) the Project Leading Group ("PLG") chaired by the Vice Governor of the Project Implementing Entity responsible for forestry and comprised of representatives from the forestry, finance, planning and audit departments of the Project Implementing Entity with such powers, functions and resources as shall be required for purposes of the overall coordination and implementation of the Project.
- (b) the Project Coordinating Group ("PCG") within GFB, chaired by the Director General of the GFB and comprised of the Division Chiefs of PPMO, Planning and Financial Division, and Wildlife Management Division, the Director of Forestry Design Institute and the Director of the Guangxi Forestry Academy for purposes of advising the PLG on matters relating to the implementation of the Project, in particular on matters relating to inter-departmental coordination, under terms of reference satisfactory to the Bank.
- (c) the Provincial Project Management Office ("PPMO") within GFB, managed by a qualified and experienced Division Chief and responsible for the day-to-day implementation of the Project, such PPMO to be assigned with qualified staff in adequate numbers, funds and other resources as shall be necessary to enable the PPMO to undertake Project implementation.
- (d) a county-level Project Leading Group ("C-PLG") and a county-level Project Management Office ("C-PMO") in each Participating County for purposes of carrying out the responsibilities of the PLG and PCG at the county level.
- (e) a Project Management Group in each Participating Nature Reserve ("NR-PMG") comprised of the Participating Nature Reserve's head of management planning team, head of community relationships team, training coordinator, and chief financial officer. The NR-PMG shall be responsible for supervision of all aspects of project activities in its Participating Nature Reserve and shall report to the Biodiversity Office of WNRMS.
- (f) the Technical Support Panel ("TSP") within GFB consisting of members from research and technical institutes satisfactory to the Bank and responsible for identifying and carrying out the research and extension programs, assisting the PPMO

and Biodiversity Office of the WNRMS in carrying out Project monitoring, training and technical services, as well as coordinating relevant departments and institutions to undertake the forestry strategy, policy study, and the regulatory work.

(g) the Biodiversity Office within WNRMS, managed by a qualified and experienced Division Chief and assigned with such powers, functions and resources as shall be required for purposes of coordinating implementation of Part C of the Project.

B. Project Implementation.

I. Implementation Generally

- 1. The Project Implementing Entity shall ensure that the proceeds of the Loan and of the Grant are used exclusively to finance Eligible Expenditures under and for the purposes set out in each of the Loan Agreement and the GEF Trust Fund Grant Agreement.
- 2. The Project Implementing Entity shall: (i) furnish to the Bank for approval, an annual work and budget plan for the Project for the next calendar year by December 31 of each year, commencing on December 31, 2007; and (ii) ensure that Project activities are undertaken in accordance with each approved annual work and budget plan.
- 3. The Project Implementing Entity shall ensure that all Project activities shall be carried out in accordance with the Environment Protection Guidelines, the Minorities Nationalities Development Plan, the Resettlement Policy Framework, the Process Framework for Mitigating Potential Adverse Impact and the Pest Management Plan, all in a manner and substance satisfactory to the Bank.

In particular, the Project Implementing Entity shall:

- (a) take all necessary actions to minimize to the extent possible the acquisition of land or assets of people, any involuntary loss by persons of shelter, productive assets or access to productive assets or income or means of livelihood, temporarily or permanently, and the displacement of said people in the carrying out the Project or any Part thereof;
- (b) where the acquisition of land or assets or the displacement of people is unavoidable, make available to such people, compensation in accordance with the Resettlement Policy Framework and before the carrying out of the works which would result in such acquisition or displacement, all in a manner satisfactory to the Bank;
- (c) in the event that two hundred (200) or more people are displaced by any given activity under the Project: (i) prepare a resettlement plan in accordance with the Resettlement Policy Framework and furnish such plan to the Bank for approval; and (ii)

prior to the carrying out of the said activity, ensure that all Displaced Persons shall have been compensated in accordance with the provisions of said plan;

- (d) implement the Environment Protection Guidelines in a manner satisfactory to the Bank and designed to ensure that the Project is implemented in accordance with sound environmental practices and standards acceptable to the Bank; and
- (e) implement the Minorities Nationalities Development Plan in a manner satisfactory to the Bank and designed to ensure the informed consultation with, broad support to the Project by, and equitable opportunities to take part in and benefit from the Project to, minority nationalities living, residing, cultivating or grazing in Project sites, and that the risks of potential negative impact identified are avoided or minimized.
- 4. The Project Implementing Entity shall and shall cause to apply the Project Implementation Plan in the carrying out of the Project, and shall not amend, suspend, or waive the Project Implementation Plan or any part thereof without the prior agreement by the Bank.
- 5. The Project Implementing Entity shall not amend, suspend, or waive the Environment Protection Guidelines, the Minorities Nationalities Development Plan, the Resettlement Policy Framework, the Process Framework for Mitigating Potential Adverse Impact, and the Pest Management Plan, or any provision thereof, without the prior concurrence of the Bank.

II. Implementation by Project Components

1. Part A of the Project: Expanding Timber Plantations

(a) **Timber Plantation**

- (i) **Participating Forest Farms.** The Project Implementing Entity shall ensure that, prior to the planting season, each Participating Forest Farm shall enter into a Participatory Contractual Arrangement, satisfactory to the Bank with farmers, households and communities in each area in which the Participating Forest Farm will undertake timber plantation, setting out a participatory planting design to be used during Project implementation to define farmers' preferences concerning the forest species to be planted. The Project Implementing Entity shall ensure that each Participating Forest Farm undertakes timber plantation in accordance with the agreed Participatory Contractual Arrangement.
- (ii) **Participating Sub-borrowers.** The Project Implementing Entity shall ensure that the portion of the proceeds of the Loan allocated to finance timber plantations by Participating Sub-borrowers shall be made

available through the Forestry Bureau to Participating Sub-borrowers under Timber Plantation On-lending Agreements, on terms and conditions satisfactory to the Bank, which shall include:

- (A) principal of the Sub-loan to the household beneficiaries shall be denominated in RMB and payable as follows:
 - (1) Eucalyptus species, a balloon payment at the end of the seventh year, including a six (6) year grace period.
 - (2) Bamboo, Quercus and Acacia species, a twelve (12) year period including a six (6) year grace period.
 - (3) Chinese Fir, Pine and Broad-leaf species, an eighteen (18) year including a six (6) year grace period.
- (B) interest at an annual rate equivalent to the sum of the interest payable by the Borrower to the Bank pursuant to Section 2.05 of the Loan Agreement, plus a spread of two percent (2%); and
- (C) interest accrued on a twelve (12) months period and payable on semi-annual basis.
- (iii) The Project Implementing Entity shall ensure that the relevant PPMO shall evaluate proposals for Sub-loans using a loan application form and loan appraisal form, including selection criteria, satisfactory to the Bank, and, thereafter, only enter into Timber Plantation On-lending Agreements that meet the criteria required in such application and appraisal.
- (iv) The Project Implementing Entity shall ensure that each PPMO shall establish by June 1, 2007, and, thereafter, maintain a credit management system for tracking the performance of the Participating Sub-borrowers under the On-lending Agreements.
- (v) **Afforestation Models.** The Project Implementing Entity shall ensure that all plantations established under Part A of the Project shall be established and carried out at Timber Plantation Project Sites in accordance with afforestation models acceptable to the Bank.

2. Part B of the Project: Increasing Ecological Forest Cover

(a) The Borrower shall ensure that sites for Protection Forests established under the Project are selected according to criteria acceptable to the Bank, including: (a) the degree of erosion hazard of the sites as estimated by technical staff; (b) potential

impact of the site on the Pearl River hydrology and the ecological system in the karst areas; and (c) the need for sites to be located either on the basins of the Pearl River or its affluents and within severely degraded karst areas. Without limitation to the foregoing, in sites located near or bordering with Project Natural Reserves the following criteria shall in addition apply the site: (i) is located at about five (5) kilometers of a nature reserve; (ii) covers an area that is greater than one (1) square kilometer; (iii) has greater than thirty percent (30%) original vegetation cover; (iv) forms a cluster or corridor to enhance distribution and dispersal of wildlife; and (v) villages located within the site and related forestry bureaus have demonstrated a willingness to participate in the activities under Part B of the Project.

(b) The Borrower shall ensure that all measures are taken to avoid or minimize potential social impacts of hill closure on local communities, including: (i) administrative villages apply on a voluntary basis; (ii) resource access restrictions will be decided through a participatory process; and (iii) hill closure will be linked with the existing biogas program, which will provide alternatives to address potential issues of lack of wood fuel.

3. Part C of the Project: Improving Management of Nature Reserves

- (a) The Project Implementing Entity shall ensure that under Part C.1 of the Project:
 - (i) each Nature Reserve Management Plan, incorporating a timebound implementation schedule, description of civil works required, and environmental assessment, and carried out in accordance with guidelines acceptable to the Bank, is prepared and furnished to the Bank for comments no later than March 30, 2009;
 - (ii) each Nature Reserve Management Plan shall identify options for engaging local communities in nature reserve management and improving the flow of sustainable benefits from the reserves to the surrounding communities;
 - (iii) no civil works construction for any Participating Nature Reserve shall commence and no expenditures under Part C.1 of the Project shall be Eligible Expenditures for financing out of the proceeds of the Grant for civil works until it has been provided for and agreed upon in the relevant Nature Reserve Management Plan; and
 - (iv) all activities under Part C.1 of the Project will be undertaken in accordance with the relevant agreed Nature Reserve Management Plan.

- (b) The Project Implementing Entity shall ensure that under Part C.2 of the Project:
 - (i) the second site for the comprehensive biodiversity survey of karst cave ecosystems under Part C.2 shall be selected on the basis of a thorough field assessment by June 1, 2008, acceptable to the Bank; and
 - (ii) guidelines for karst management acceptable to the Bank shall be drafted by March 30, 2011.
- (c) The Project Implementing Entity shall ensure that under Part C.3 of the Project, the communities shall be selected to receive training using criteria acceptable to the Bank and set forth in the Project Implementation Plan.

4. Part D of the Project: Enhancing Institutional Management

The Project Implementing Entity shall implement training and extension services programs and forestry development strategy under Part D of the Project pursuant to the provisions of the Project Implementation Plan in a manner and substance satisfactory to the Bank.

Section II. Project Monitoring, Reporting, Evaluation

A. Project Reports.

- 1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08(b) of the General Conditions and Section 2.06 of the Standard Conditions and on the basis of the indicators set forth in the Annex to this Schedule. Each such Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Borrower not later than February 28 and August 31 of each year, commencing on August 31, 2007.
- 2. The Project Implementing Entity shall, through the PMO, prepare and furnish to the Bank a mid-term report by no later than February 28, 2010 and a mid-term review shall be conducted no later than June 30, 2010. The mid-term report shall integrate the results of monitoring and evaluating Project performance during the period preceding the date of such report, and recommend measures to ensure efficient Project implementation so as to achieve the Project objectives during the period following the date of such report.

B. Financial Management, Financial Reports; Audits.

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting

standards acceptable to the Bank, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to its Respective Part of the Project.

2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The audited financial statements for each period shall be furnished to the Borrower and the Bank not later than six (6) months after the end of the period.

Section III. Procurement

All goods, works and services required for the implementation of the Project and to be financed out of the proceeds of the Loan or the GEF Grant shall be procured in accordance with the provisions of Schedule 2 to the Loan Agreement and Schedule 2 to the GEF Trust fund Grant Agreement, respectively.

ANNEX to SCHEDULE

Performance Indicators

| PDO/Global | Outcome Indicator | Use of Outcome |
|-----------------------------|-----------------------------------|--|
| Environment Objective | Outcome marcator | Information |
| To improve effectiveness | 1.1. Project-supported timber | 1.1. PY2-3 – FBs and FFs |
| of forest management and | plantations achieve higher | would evaluate plantation |
| institutional arrangements | timber volume growth per | quality (success rates) and |
| in timber production, | hectare than non-project | improve technology as |
| watershed protection and | plantations areas. | relevant. |
| nature reserves | 1.2. Project forest farm | 1.2. PY6 – FFs and FFs |
| management in selected | employees are able to engage | workers to evaluate |
| areas of GZAR. | in self employment. | achievement and find other |
| | | avenue of self employment, |
| | | if needed. |
| | 2.1. Increase in vegetation | 2.1. PY4-5. GFB and FBs to |
| | cover in targeted watersheds at | monitor impact of forest |
| | project completion. | closures and ecological |
| The GE objective is to | | forest plantations to |
| better conserve globally | | document results and guide |
| significant biodiversity of | | ecological forest |
| GZAR. | | management and policy. |
| | 3.1. Populations of key | 3.1. PY3-6. Changes in |
| | indicator species (e.g., primates | biodiversity, resource use |
| | & turtles) or areas of limestone | and threats used to guide |
| | forest in at least 4 out of 5 | local decision-making and to |
| | nature reserves remain stable | adjust nature reserve |
| | or increase. | management plans. |
| Intermediate Results | Results Indicators for Each | Use of Results monitoring |
| One per Component | Component | |
| Part A: | Part A: | Part A: |
| Expanding timber | 1.a. Afforested area increase by | PY2-5. GFB and PMOs |
| <u>plantation</u> : | 200,000 ha with a tree survival | monitor plantation |
| Timber production by FFs | rate above 90%. | establishment goals and |
| and HHs increases in the | 1.b. 100 percent of all | improve implementation and |
| project area. | contractual arrangement per | techniques to achieve targets |
| | type (operations models) | DV2 former professores for |
| | recorded in project M&E database. | PY2. farmer preference for different contractual |
| | 1.c. Number of participating | arrangements used to adjust |
| | farm household reached. | participatory design manual. |

| Part B: Increasing Ecological Forest Cover: Watershed protection land and water conservation improved and carbon sequestration increased. | Part B: 2.a. Number of ha of multiple protection forest established. 2.b. Tons of carbon sequestered. | Part B: 2.a. PY2-3.Forest/vegetative cover is monitored systematically to define best combination of soil and water conservation practices. |
|---|--|--|
| Part C: Strengthening Nature Reserves Management: Management effectiveness of five target nature reserves improved. | Part C: 3.1.a. Average Nature Reserve Management Effectiveness Tracking Tool score for five target reserves improves from 43 to 60 at mid-term and 70 at completion. 3.1.b. Project-supported nature reserves maintain a higher METT score than a sample of comparable non-project nature reserves. | Part C: PY2-3. Nature reserve management plan implementation performance and outcomes evaluated and plans strengthened as needed. PY5: With and without project intervention evaluated and results used to guide future decisions by the autonomous region. |
| New sites with high biodiversity value identified and protection initiated. | 3.2. Two new high biodiversity value sites identified, threats analyzed, conservation plans prepared and implementation begun. | PY4-5: Biodiversity values of new sites confirmed. Status/threat analysis guides management plan design. |
| Part D: Enhancing Institutional Capacity: Provincial Forest Bureau, County Forest Bureau, FF, HHs and nature reserve management entities have the skills needed to formulate strategy, develop and sustainably manage forest plantations and nature reserves. | Part D: (a) Provincial forest strategy formulated and adopted by Guangxi authorities. (b) Number of staff and households trained. (c) Number of guidelines, technical advisory bulletins developed and disseminated. (d) Monitoring and evaluation system performance evaluated periodically and improved. | Part D: PY3-4. Project monitoring system and indicators evaluated and results used to improve project implementation, focus and impact. |

Arrangements for Results Monitoring

| | | | Targe | t Values (i | n Cumulat | Data Collection and Reporting | | | | |
|--|-------------------------------|-----|-------|-------------|-----------|-------------------------------|------|--|--|--|
| Outcome Indicator | Baseline | YR1 | YR2 | YR3 | YR4 | YR5 | YR6 | Frequency and Reports | Data Collection Instrument | Responsibility for Data collection |
| 1.1. Relative productivity of timber plantations under the project compared to non-project areas increases as measured by annual timber volume growth per hectare. | N/A | | 15% | 15% | 20% | 20% | 25% | Annual M&E reports | Field surveys and Project reporting | PPMO |
| 1.2. Number of employees of participating forest farms no longer on payroll. | 0 | | | | | | 1600 | Project ICR | Survey | PPMO |
| 2.1. Percent of increase in vegetation cover in targeted watersheds. | N/A | | | 5% | | | 10% | Mid-term and project ICR | Field surveys | PPMO |
| 3.1. Number of nature reserves within which key indicator species or limestone forest areas remain stable or increase. | Baseline survey results | | | 2 | 3 | 4 | 4 | Mid-term and end of project | Expert survey assessment, participatory monitoring and dialogue with NR staff | ВО |
| Results Indicator | | | | | | | | | | |
| Part A: (Expanding timber plantation) | | | | | | | | | | |
| 1.a. Afforested area in ha with a tree survival rate above 90% ('000ha). | 0 | 50 | 110 | 170 | 200 | 200 | 200 | Semi- annual progress reports | MIS | PMOs |

| | | | Targe | t Values (ir | Cumulat | rs) | Data Collection and Reporting | | | |
|--|------------------------|-----|-------|---------------|---------|------|-------------------------------|--|----------------------------------|--|
| Outcome Indicator | Baseline | YR1 | YR2 | YR3 | YR4 | YR5 | YR6 | Frequency and Reports | Data Collection Instrument | Responsibility for Data collection |
| 1.b. Number of participating farm households reached ('000HH). | 0 | 35 | 70 | 95 | 112 | 112 | 112 | Semi- annual M&E report | MIS | PPMO, supported by PMOs |
| c. Monitor and report on sub-loan appraisal and performance per Para. 15 of Annex 17. | 0 | - | - | - | - | - | - | Semi- annual M&E report | MIS | PPMO, supported by PMOs |
| Part B: (Increasing Ecological Forest Cover) | | | | | | | | | | |
| 2.a. Number of ha of multiple protection forest established ('000ha). | 0 | 5 | 12 | 16 | 18 | 18 | 18 | Semi- annual progress reports | MIS | PPMO, supported by PMOs |
| 2.b. Carbon sequestered (1000. tons). | 0 | | 5.4 | 11.2 | 17.0 | 23.0 | 30.0 | Mid-term and project ICR | Field surveys | PPMO |
| Part C: (Strengthening Nature Reserves Management) | | | | | | | | | | |
| 3.1.a. Management effectiveness of five targeted nature reserves measured by average incremental scores on scorecard. | Base score of 43 | | | Score of 60 | | | Score of 70 | Mid-term and end of project | METT and RPM&E | Nature Reserves supported by BO |
| 3.1.b. Project-supported nature reserves maintain a higher METT score than a sample of comparable non-project nature reserves. | 0% difference | | | 10% higher | | | 15% higher | Mid-term and project ICR | METT | |
| 3.2. Number of new sites with high | 0 | | | | 1 | | 1 | Mid-term | Surveys and | BO |

| | | | Target Values (in Cumulative numbers) | | | | | Data | Collection and | Reporting |
|--|-----------|------|---------------------------------------|---|------|------|---|--|------------------------------------|--|
| Outcome Indicator | Baseline | YR1 | YR2 | YR3 | YR4 | YR5 | YR6 | Frequency and Reports | Data Collection Instrument | Responsibility for Data collection |
| biodiversity value identified and protection initiated. | | | | | | | | and project ICR | RPM&E | |
| 3.3. Forest dependency score for birds in Damingshan Nature Reserve. | 3.0 | 3.0+ | 3.0+ | 3.0+ | 3.5+ | 4.0+ | 4.0+ | Annual assessment , Mid-term and project ICR | Fixed transect field surveys | Nature Reserve supported by BO |
| 3.4. Kilometric abundance score for four forest-dependent pheasants in Maoershan Nature Reserve. | 0.47 | | | 0.5+ | 0.6+ | 0.6+ | 1.0+ | Annual assessment , Mid-term and project ICR | Fixed transect field surveys | Nature Reserve supported by BO |
| 3.5. Area utilized by Francoisi leaf monkeys in Nong Gang Nature Reserve. | 26 sq km. | 26 | 26 | 26+ | 30+ | 35+ | 35+ | Annual assessment , Mid-term and project ICR | Field surveys | Nature Reserve supported by BO |
| 3.6. Number of slipper orchids along 19 fixed transects in Mulun Nature Reserve. | 849 | | | Less than 10% decline since start Yr | | | No decline from previous year | Mid-term and project ICR | Fixed transect field surveys | Nature Reserve supported by BO |

| | | Target Values (in Cumulative numbers) | | | | | Data | Collection and | Reporting | |
|--|----------|---------------------------------------|-----|---|--|---|--|--|----------------------------------|--|
| Outcome Indicator | Baseline | YR1 | YR2 | YR3 | YR4 | YR5 | YR6 | Frequency and Reports | Data Collection Instrument | Responsibility for Data collection |
| 3.7. Area affected by fires in Longshan Nature Reserve Donghong Section. | 19.7 ha | | | Less than 10 ha affected by fire since start Yr | Less than 7 ha affected by fire since start Yr | Less than 5 ha affected by fire since start Yr 3 | Less than 3 ha affected by fire since start Yr | Annual assessment , Mid-term and project ICR | Field surveys | Nature Reserve supported by BO |
| Part D: (Enhancing Institutional Capacity) | | | | | | | | | | |
| 4.a. Provincial forest strategy formulated and adopted by Guangxi authorities. | N/A | | | formulat ed | | adopted | | Semi- annual progress reports | MIS | PPMO |
| 4.b. Number of forest staff and households trained ('000). | 0 | 40 | 100 | 150 | 170 | 180 | 190 | Semi- annual progress reports | MIS | PMOs |
| 4.c. Number of guidelines, technical advisory bulletins developed and disseminated. | 0 | | | 10 | | | 20 | Semi- annual progress reports | MIS | PPMO |
| 4.d. Monitoring and evaluation system performance evaluated periodically and improved. | | Qualitative assessment | | | | | | Mid-term and project ICR | Expert assessment | PPMO |

Project Participating Counties

| | | | TDC (f , f , 1 | EFC (1 1 W 10 | |
|-----|-----------|-----|---|---|------|
| No. | County | TPC | TPC (forest farms and planting entities only) | EFC (watershed, Karst & multipurpose plantations) | MNRC |
| 1 | Lingyun | Yes | | Yes | |
| 2 | Longlin | Yes | | Yes | |
| 3 | Napo | Yes | | Yes | |
| 4 | Pingguo | Yes | | Yes | |
| 5 | Tiandong | Yes | | Yes | |
| 6 | Tianlin | Yes | | Yes | |
| 7 | Xilin | Yes | | | |
| 8 | Tiandeng | Yes | | Yes | |
| 9 | Guiping | Yes | | Yes | |
| 10 | Longshen | Yes | | | Yes |
| 11 | Yongfu | Yes | | Yes | |
| 12 | Ziyuan | Yes | | Yes | Yes |
| 13 | Bama | Yes | | | |
| 14 | Huanjiang | Yes | | Yes | Yes |
| 15 | Luocheng | Yes | | Yes | |
| 16 | Nandan | Yes | | Yes | |
| 17 | Yizhou | Yes | | Yes | |
| 18 | Babu | Yes | | | |
| 19 | Hezhou | Yes | | | |
| 20 | Zhaoping | Yes | | Yes | |
| 21 | Wuxuan | Yes | | | |
| 22 | Xingbin | Yes | | Yes | |
| 23 | Rong'an | Yes | | Yes | |
| 24 | Sanjiang | Yes | | Yes | |
| 25 | Nanning | Yes | | | |

| 26 | Shanglin | Yes | | Yes | Yes |
|----|--------------------|-----|-----|-----|-----|
| 27 | Pubei | Yes | | | |
| 28 | Cangwu | Yes | | Yes | |
| 29 | Cenxi | Yes | | Yes | |
| 30 | Debao | Yes | | | |
| 31 | Fusui | | | Yes | |
| 32 | Rongxian | Yes | | Yes | |
| 33 | Zhongshan | Yes | | | |
| 34 | Jiangzhou | | | Yes | |
| 35 | Huangmian | | Yes | | |
| 36 | Sanmenjiang | | Yes | | |
| 37 | Daguishan | | Yes | | |
| 38 | Weidu | | Yes | | |
| 39 | Yachang | | Yes | | |
| 40 | Paiyangshan | | Yes | | |
| 41 | Dongmen | | Yes | | |
| 42 | Gaofeng | | Yes | | |
| 43 | Qipo | | Yes | | |
| 44 | Liangfengjiang NFP | | Yes | | |
| 45 | Liuwan | | Yes | | |
| 46 | Qinlian | | Yes | | |
| 47 | Wuming | | | | Yes |
| 48 | Mashan | | | | Yes |
| 49 | Longzhou | | | | Yes |
| 50 | Ningming | Yes | | | Yes |
| 51 | Xingan | | | | Yes |

[&]quot;TPC" means Expanding Timber Plantations under Part A of the Project

[&]quot;EFC" means Increasing Ecological Forest Cover under Part B of the Project

[&]quot;NRMC" means Improving Management of Nature Reserves under Part C of the Project.