

GEF EO Terminal Evaluation Review Form

| 1. PROJECT DATA | | | | |
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| | | | Review date: | November 2006 |
| GEF Project ID: | 1397 (Medium Size Project) | | <u>at endorsement</u> (Million US\$) | <u>at completion</u> (Million US\$) |
| IA/EA Project ID: | P065923 | GEF financing: | 0. 725 + PDF A 0.25 | 0. 725 + PDF A 0.25 |
| Project Name: | Private Land Mechanisms For Biodiversity Conservation In Mexico | IA/EA own: | | |
| Country: | Mexico | Government: | | |
| | | Other*: | | |
| | | Total Cofinancing | 1. 125 | 1. 371 |
| Operational Program: | 3,1, 2 | Total Project Cost: | 1. 825 | 2. 096 |
| IA | | <u>Dates</u> | | |
| Partners involved: | | Work Program date | | 08/20/2001 |
| | | CEO Endorsement | | |
| | | Effectiveness/ Prodoc Signature (i.e. date project began) | | 10/24/2001 |
| | | Closing Date | Proposed: 06/30/2004 | Actual: 06/30/2004 |
| Prepared by: Divya Nair | Reviewed by: Neeraj Negi | Duration between effectiveness date and original closing: 32.6mo | Duration between effectiveness date and actual closing: 32.6mo | Difference between original and actual closing: 0 mo |
| Author of TE: | | TE completion date: December 2004 | TE submission date to GEF ME: | Difference between TE completion and submission date: |

* Other is referred to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.

2. SUMMARY OF PROJECT RATINGS

GEF EO Ratings for project impacts (if applicable), outcomes, project monitoring and evaluation, and quality of the terminal evaluation: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU), not applicable (N/A) and unable to assess (U/A). GEF EO Ratings for the project sustainability: Highly likely (HL), likely (L), moderately likely (ML), moderately unlikely (MU), unlikely (U), highly unlikely (HU), not applicable (N/A), and unable to assess (U/A).

Please refer to document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

| | Last PIR | IA Terminal Evaluation | Other IA evaluations if applicable (e.g. IEG) | GEF EO |
|----------------------|----------|------------------------|---|--------|
| 2.1 Project outcomes | S | | | S |
| 2.2 Project | N/A | | | L |

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|--------------------------------------|-----|-----|--|-----|
| sustainability | | | | |
| 2.3 Monitoring and evaluation | | | | U/A |
| 2.4 Quality of the evaluation report | N/A | N/A | | MS |

Should this terminal evaluation report be considered a good practice? Why? No, the TE is not clear on financial issues (discussed under 4.1C).

Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? No.

3. PROJECT OBJECTIVES, EXPECTED AND ACTUAL OUTCOMES

3.1 Project Objectives

- **What are the Global Environmental Objectives? Any changes during implementation?**

Create a set of legal tools, financial incentives, and implementation techniques for private landowners that promote conservation and sustainable use of biologically significant lands. (TE and PIR, 2004).

No changes were made during implementation.

- **What are the Development Objectives? Any changes during implementation?**

According to the TE, the development objective of the project was to increase the area of privately owned land under protection in forest and coastal ecosystems in Mexico through the use of Private Land Mechanisms for Biodiversity Conservation (PLMBC).

The project addressed four specific objectives:

1. **A tool-kit:** To create a set of legal tools, financial incentives and implementation techniques to support private landowners who promote the conservation and sustainable use of biologically significant lands.
2. **Dissemination:** To implement these tools and incentives in pilot sites and disseminate lessons learned.
3. **Replication:** To replicate similar initiatives to implement a set of economic incentives in other states.
4. **Capacity-strengthening:** To build capacities in PRONATURA and other NGOs and relevant agents to implement PLMBCs. (TE, pp3)

3.2 Outcomes and Impacts

- **What were the major project outcomes and impacts, as described in the TE?**

According to the TE, major outcomes include:

Tool-kit:

- The application of the Toolkit in a broad range of sites and locations in 8 states of the Republic produced conservation models that have been replicated by local organizations, effectively increasing the natural protected area of the country. The long-term sustainability of the Toolkit implementation is now guaranteed by 3 state legislations that now include a section on private conservation instruments. (TE, pp 6)

Dissemination:

- The training of 266 people who represent NGOs and local authorities in both the practical use of the Toolkit and in the case documentation, has motivated independent initiatives to conserve private and social lands including: (i) the creation of "Terra Peninsular" in the Northwest of the country; (ii) the conformation of a network of organizations that work in private lands (REDCOT), which is coordinated by The Nature Conservancy; and (iii) the creation of land conservation programs in local NGOs.

Institutional Impact and Continuity: Prior to the project, the use of legal land conservation instruments was not seen as a viable method of protecting biodiversity as the traditional notion was that the government was responsible for creating Natural Protected Areas to safeguard the natural resources. After this project:

- There is now local legislation and a Federal-level proposal which promote the use of the tools developed by the project. A national incentive program to conserve the forests of private and social owners (a National Payment Fund for Environmental Services) has been created. (TE, pp14)

- At present the National Congress is discussing the need to modify the Constitution to ensure it recognizes that the private property also provides social and ecological functions and so conservation can be considered as a legitimate land use. (TE, pp14)
- The results of the project led the board of directors of PRONATURA to approve the creation of the National Program of Land Conservation, whose mission is the conservation and management of biologically significant lands, property of *ejidos*, communities and private owners. (TE, pp7)

4. GEF OFFICE OF M&E ASSESSMENT

4.1 Outcomes

A Relevance

Rating: HS

- **In retrospect, were the project's outcomes consistent with the focal areas/operational program strategies? Explain**

Mexico is ranked fourth in terms of its biodiversity and is among the top 10 “megadiverse” in the world. (*Project Brief*, pp14)

Much of Mexico's globally significant biological diversity even within the national system of protected areas is on private property, and many critical ecosystems are on private land still not covered by the system. (*Project Brief*, pp3). Given that eighty percent of land in Mexico is owned by *ejidos* and communities (as opposed to individuals or government), a strategy to ensure that current and future land uses are compatible with conservation in biodiversity rich areas under private property is of key importance. (*Project Brief*, pp14)

Mexico ratified the Convention on Biological Diversity on March 11, 1993; and this project is included under the following Operational Strategies: Biodiversity of Forest, Arid, Semi-Arid and Coastal Ecosystems (including wetlands).

B Effectiveness

Rating: S

- **Are the project outcomes as described in the TE commensurable with the expected outcomes (as described in the project document) and the problems the project was intended to address (i.e. original or modified project objectives)?**

As described in the TE, as a result of the application of the Toolkit in a broad range of sites and locations the project contributed to the following:

Biological

- Increased area subject to private protection: The conservation area was increased through the signature of 19 contracts and the creation of 21 private reserves. (148 373 v s 35 000ha)
- Sustained biological and physical conditions of pilot sites: 14 new priority sites were incorporated.

Legal

- Modifications to the legal framework: The Environmental Laws of Veracruz, Chiapas and Baja California now have a component on private land conservation instruments. The Land Use Plan of Sian Ka'an Biosphere Reserve now has a chapter for conservation easements.
- Incentives established for private land conservation. The Federal Government created a National Fund to Pay Environmental Services. The Municipality of Ocozocuatla, Chiapas devotes a land tax for conservation.

Dissemination

- 266 people trained and 1,133 land owners were involved in conservation contracts. (1399 Vs 450 planned) and
- Funds raised for operation beyond project implementation (US\$ 296 000 V US\$ 500 000 planned). Also, at present PRONATURA is in negotiations with The Nature

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| <p>Conservancy to create an endowment of US\$ 1 000 000.</p> <p>g) Having a Special Committee for the Project in PRONATURA, involving outside participants (stakeholders and partners), allowed the project to integrate a variety of conservation activities.(TE,pp14)</p> <p>Institutional</p> <p>h) The establishment of a wide diversity of incentives for private land conservation.</p> <p>i) The implementation of a communication strategy for land owners and the general public to raise awareness of the importance on their involvement in conservation.</p> <p>j) For the sustainability of the project, PRONATURA created a National Land Conservation Program and established a fundraising strategy. (TE, pp7)</p> |
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C Efficiency (cost-effectiveness)**Rating: U/A**

- **Include an assessment of outcomes and impacts in relation to inputs, costs, and implementation times based on the following questions: Was the project cost – effective? How does the cost-time Vs. outcomes compare to other similar projects? Was the project implementation delayed due to any bureaucratic, administrative or political problems and did that affect cost-effectiveness?**

The project was successful in meeting its time-schedules, within planned 36 months.

The TE reports that a strategy for raising funds was established, which has already allowed the mobilization of US\$ 271 000 in addition to the resources involved in the project (US\$ 120 000 was raised from the Tinker Foundation, US\$ 50 000 from J.P. Morgan, US\$ 36 000 from the Overbrook Foundation and US\$65,000 in kind from PRONATURA). Each of the regional partners generates its own resources, contributing to the long-term implementation of the project tools. (TE, pp7).

However, it is also noted that the TE lacks clarity on two issues

(a) Unclear if the planned target was met: the TE indirectly reports that the Funds raised for operation beyond project implementation did not **meet their planned target**, and achieved \$296,000 instead of the \$500,000 (Table 8, TE, pp8). The discrepancies in amounts are not explained.

(b) There is no mention of the Trust Fund in the last PIR (2004) or TE: an objective of the project was to “create a Trust Fund for paying environmental services particularly in critical watershed” (PIR, 2003). The PIR in 2003 scores as satisfactory the achievement of project components, financial management etc, while it notes that “A public trust fund to pay private land owners for the environmental services of the forests has consolidated the initiative and multiplied the possibilities of partnerships. Even though the creation of the fund is not totally a result of the project, the project team has provided technical assistance in the design and operation and expanded the initial area that benefits from it. (PIR, 2003 pp9). The PIR also notes that progress in meeting objectives for “A long-term fund raising strategy in place to mobilize resources for private land activities is 0 %”

Impacts

- **Has the project achieved impacts or is it likely that outcomes will lead to the expected impacts?** Yes, given the projects success and wide stakeholder participation it is likely to have impact.

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of **risks** to sustainability of project outcomes and impacts based on the information presented in the TE.

A Financial resources**Rating: U/A**

As per the TE, each one of the regional partners generates its own resources. This contributes to the long-term implementation of the project tools. (TE, pp 7)

However, while in the Project Brief there is recognition that for financial sustainability of the project, Pronatura needs both the necessary resources to implement the management plans in all the sites as

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| <p>well as funds for the expansion and operation of the program within Pronatura. There is mention that Pronatura will create a trust for the entire program with an initial capitalization goal of US\$500,000. (<i>Project Brief</i>, pp24)</p> <p>Yet, there is no mention of whether this fund was created in the TE.</p> | |
| <p>B Socio political</p> <p>According to the TE, the project was able to include a variety of stakeholders, reducing risk to sustainability:</p> <ul style="list-style-type: none"> • participation of <u>families</u> in conservation actions raised the level of awareness and the interest of other inhabitants of the neighborhood in management, restoration and protection programs (TE, pp6) • The main proof of the project's sustainability is the degree of interest of <u>landowners</u> in conserving their properties autonomously. This is demonstrated by the data base of 7 000 potential work sites. (TE, pp12) • The success of this project was not only due to its involving the active participation of many individual, communal, and indigenous landowners throughout Mexico (1133 individuals were involve in the contracts), but also to its receiving <u>public support</u> for the proposed policies, regulations and conservation approaches, especially from the Federal and local Congresses where bills were discussed and laws passed, and from the National Commission for Natural Protected Areas which has created a new strategy to use private land conservation tools. (TE, pp13) • Research Centers and Universities took the leadership in the dissemination of the products and methodologies | <p>Rating: L</p> |
| <p>C Institutional framework and governance</p> <p>The long-term sustainability of the Toolkit implementation is now guaranteed by three state legislations that now include a section on private conservation instruments. (TER, pp6)</p> | <p>Rating: L</p> |
| <p>D Environmental</p> <p>The recognition of full property rights of <i>ejidos</i> and communities over their lands (Reforma Agraria, 1995), which were previously held over a structure of social property, allow stakeholders to make use of a wider range of private land conservation tools. This broadens the scope for biodiversity conservation on these lands, reducing risk. (<i>Project Brief</i>, pp4)</p> | <p>Rating: L</p> |

Provide only ratings for the sustainability of outcomes based on the information in the TE:

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|---|------------------|
| A Financial resources | Rating: S |
| B Socio political | Rating: S |
| C Institutional framework and governance | Rating: S |
| D Environmental | Rating: S |

4.3 Catalytic role

1. Production of a public good

The success of this project involving the active participation of many individual, communal, and indigenous landowners throughout Mexico along with public support for the proposed policies, regulations and conservation approaches, especially from the Federal and local Congresses where bills were discussed and laws passed, and from the National Commission for Natural Protected Areas which has created a new strategy to use private land conservation tools. (TE, pp13)

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| 2. Demonstration | U/A |
| 3. Replication | The project has served as a model to encourage other local organizations to work in private land conservation. An example of this is the creation of the Network Organization that works in Private and Social Lands Conservation (REDCOT). (TE, pp12) |
| 4. Scaling up | |

4.4 Assessment of the project's monitoring and evaluation system based on the information in the TE

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| <p>A. In retrospect, was the M&E plan at entry practicable and sufficient? (Sufficient and practical indicators were identified, timely baseline, targets were created, effective use of data collection, analysis systems including studies and reports, and practical organization and logistics in terms of what, who, when for the M&E activities)</p> <p>Rating: U/A</p> |
| <p>There is mention that “with regards to the overall project monitoring plan, one of the initial activities of the project will be the development of a Project Management Information System. This system will facilitate periodical evaluations of the project using the indicators proposed in the Summary Section as well as the data necessary for effective financial controls of the project (disbursements, auditing and reporting)” There is also mention that this will include baseline development, the management plan, business plan and legal implementation. Once established the PLMBC monitoring plan will enter into operation and provide annual information on the biological and legal status of the site as well as on the business plan implementation (<i>Project Brief</i>, pp43).</p> <p>The Brief expects that the Advisory Board would be the main body responsible for evaluating the project on an annual basis, and Pronatura would report regularly to the Bank on project implementation within the monitoring and evaluation plan and its results.</p> <p>Since there is no mention of whether these plans were implemented, no conclusion can be drawn on whether this was sufficient or practicable.</p> |
| <p>B. Did the project M&E system operate throughout the project? How was M&E information used during the project? Did it allow for tracking of progress towards projects objectives? Did the project provide proper training for parties responsible for M&E activities to ensure data will continue to be collected and used after project closure?</p> <p>Rating: U/A</p> |
| <p>One of the initial activities of the project was the development of a Project Management Information System. This system facilitated periodic evaluations of the project using the indicators proposed in the Project Brief, as well as the data necessary for effective financial controls of the project.</p> <p>The data from the monitoring system served as a reference for the evaluation. To monitor implementation in the pilot sites, the information system created a checklist of the expected success indicators of the instruments and these were complemented by regular visits to the sites by the project coordinator. Several documents were produced along the implementation process as benchmarks to assess progress. These included the baseline development, the management plan, business plan and legal implementation. (TE,pp13)</p> <p>One of the lessons learned, as per the TE is: to continuously improve tools, it is necessary to carefully document progress in each pilot site. (TE, pp14)</p> |
| <p>C. Was M&E sufficiently budgeted and was it properly funded during implementation?</p> <p>Rating: U/A</p> |
| <p>While the Project Brief mentioned M&E systems that a total of \$11,560 is budgeted for monitoring and evaluation activities. There is no follow-up in the TE.</p> |
| <p>Can the project M&E system be considered a good practice? U/A</p> |

4.5 Lessons

Project lessons as described in the TE

What lessons mentioned in the TE that can be considered a good practice or approaches to avoid and could have application for other GEF projects?

- Since land owner's motivations to conserve their land are very diverse, strengthening the capacities of PRONATURA with professional negotiators was necessary. (TE,pp14)
- The direct involvement of land owners in the protection of their resources will guarantee better management practices and long term conservation. (TE,pp14)
- The implementation of each tool has to be accompanied by outlining the incentives to the owners, whether these involve in-kind contributions of professional services or the generation of new income alternatives.
- Working with indigenous communities requires devoting more time than usual to implementation since their uses and customs involve different dynamics. (TE,pp14)

4.6 Quality of the evaluation report Provide a number rating 1-6 to each criteria based on: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, and Highly Unsatisfactory = 1. Please refer to the "Criteria for the assessment of the quality of terminal evaluation reports" in the document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

4.6.1 Comments on the summary of project ratings and terminal evaluation findings

In some cases the GEF Evaluation Office may have independent information collected for example, through a field visit or independent evaluators working for the Office. If additional relevant independent information has been collected that affect the ratings of this project, included in this section. This can include information that may affect the assessment and ratings of sustainability, outcomes, project M&E systems, etc.

| 4.6.2 Quality of terminal evaluation report | Ratings |
|--|----------------|
| A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? | S |
| B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? | MU |
| C. Does the report properly assess project sustainability and /or a project exit strategy? | MU |
| D. Are the lessons learned supported by the evidence presented and are they comprehensive? | S |
| E. Does the report include the actual project costs (total and per activity) and actual co-financing used? | S |
| F. Does the report present an assessment of project M&E systems? | MU |

4.7 Is a technical assessment of the project impacts described in the TE recommended? Please place an "X" in the appropriate box and explain below.

Yes:

No:X

Explain:

4.8 Sources of information for the preparation of the TE review in addition to the TE (if any)

PIR (2003), PIR (2004), Project Brief (2001)