1. Project Data

Summary project data			
GEF project ID		1829	
GEF Agency project ID		P071318, P071316	
GEF Replenishment Phase		GEF - 1	
Lead GEF Agency (include all for joint projects)		World Bank	
Project name		Coral Reef Rehabilitation and Management Project Phase II (COREMAP II)	
Country/Countries		Indonesia	
Region		Asia	
Focal area		Biodiversity	
Operational Program or Strategic Priorities/Objectives		OP -2	
Executing agencies involved		Ministry of Marine Affairs and Fisheries (MMAF), Indonesian Institute of Science (LIPI), Directorate General of Forest Protection and Nature Conservation (PHKA) (PD pg. 14)	
NGOs/CBOs involvement		None.	
Private sector involvement		Involvement discussed in passing in TE (pg. 55,57, 75)	
CEO Endorsement (FSP) /Approval date (MSP)		May 3, 2004	
Effectiveness date / project start		Jan, 28, 2005	
Expected date of project completion (at start)		Dec. 31, 2009 (TE pg. 7)	
Actual date of project completion		Dec. 31, 2011	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding		
	Co-financing		
GEF Project Grant		7.5	7.5
Co-financing	IA own		
	Government	10.9	8.39
	Other multi- /bi-laterals	56.2 (IBRD/IDA)	53.92
	Private sector		
	NGOs/CSOs		
Total GEF funding		7.5	7.5
Total Co-financing		67.1	62.31
Total project funding (GEF grant(s) + co-financing)		74.6	69.81
Terminal evaluation/review information			
TE completion date		Jun. 25, 2012	
TE submission date		Jun. 25, 2012	
Author of TE		Indonesia Sustainable Development Unit, Sustainable Development Department, East Asia and Pacific Region	
TER completion date		October 28, 2014	
TER prepared by		Dania M Trespalacios	
TER peer review by (if GEF EO review)		Joshua Schneck	

* NOTE: TE page numbers in this Form are cited according to real page location, not labeled pages.

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF EO Review
Project Outcomes		**MS**	**MS**	**S**
Sustainability of Outcomes		Moderate/Substantial	**Significant**	**ML**
M&E Design		**N/R**	**Modest**	**S**
M&E Implementation		**N/R**	**Modest**	**S**
Quality of Implementation		**MS**	**MS**	**MS**
Quality of Execution		**MS**	**MS**	**MS**
Quality of the Terminal Evaluation Report		-	**S**	**S**

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The Global Environmental Objective is to protect, rehabilitate, and achieve sustainable use of coral reefs and associated ecosystems in eastern Indonesia. (TE pg. 10) The Indonesian small-scale coral reef fisheries sub-sector is threatened by pervasive poverty in coastal communities and extensive degradation of coastal resources. Destructive and illegal fishing methods (i.e. cyanide and blast fishing) are often used in an attempt to increase fish catches. Almost two-thirds (65%) of Indonesia's coral reefs are now considered threatened from over-fishing, and almost half are considered threatened specifically from destructive fishing practices. In the past 50 years, the proportion of degraded coral reefs in Indonesia has increased from 10 to 50 percent. As a result, many of the small-scale coral reef fisheries in Indonesia have reached a level and mode of exploitation where the only way to increase future production and local incomes is to protect critical coral reef habitats and reduce fishing effort. (PD pg. 10)

3.2 Development Objectives of the project:

The Development Objective of this project is to establish viable reef management systems in six districts in Indonesia , to empower coastal communities to sustainably co-manage coral reefs and associated ecosystem resources, and in turn, enhance the welfare of these communities. (Project Document pg. 7) The project involves three main components:

1-Institutional Strengthening - to enhance government institutional responsiveness to meet the needs of coastal communities, in support of collaborative management of marine reserves and other marine protected areas.

2- Community Based & Collaborative Management - to empower all coastal communities and institutions throughout program districts to sustainably co-manage coral reefs and associated ecosystems to increase incomes which will in turn enhance community welfare.

3- Public Awareness, Education and Extension- to promote societal awareness of the benefits of coral reef ecosystem conservation and sustainable use that leads to behavioral change.

The long-term objective of the project is to establish a viable, operational, and institutionalized coral reef management system in priority coral reef sites in Indonesia. (Project Document pg. 13)

3.3 Were there any **changes** in the Global Environmental Objectives, Development Objectives, or other activities during implementation?

There was **no change** in Global Environmental or Development objectives. The language used for the objectives and indicators diverged in the original Development Credit Agreement and GEF Grant Agreement, and thus was amended in the June 2010 restructuring to correspond to the language in the Project Appraisal Document. (TE pg. 3) The project was restructured in October 2009 and June 2010 to address issues that were delaying implementation progress and to improve the likelihood of fully achieving the project objectives. (TE pg. 23-24)

4. GEF EO assessment of Outcomes and Sustainability

Please refer to the GEF Terminal Evaluation Review Guidelines for detail on the criteria for ratings.

Relevance can receive either a Satisfactory or Unsatisfactory rating. For Effectiveness and Cost efficiency, a six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess. Sustainability ratings are assessed on a four-point scale: Likely=no or negligible risk; Moderately Likely=low risk; Moderately Unlikely=substantial risks; Unlikely=high risk. In assessing a Sustainability rating please note if, and to what degree, sustainability of project outcomes is threatened by financial, sociopolitical, institutional/governance, or environmental factors.

Please justify ratings in the space below each box.

4.1 **Relevance**	Rating: **Satisfactory**

The project outcomes are consistent with the Biodiversity Focal Area. Indonesia contains 8% of the world's coral reefs, of which almost two-thirds are threatened from over-fishing, and almost half are threatened specifically from destructive fishing practices. In the past 50 years, the proportion of degraded coral reefs in Indonesia has increased from 10% to 50%. This project would protect, rehabilitate, and achieve sustainable use of coral reefs and associated ecosystems in eastern Indonesia. (PD pg. 10)

The project is relevant to country priorities. Indonesia's coral reefs are important to small scale fisheries. Healthy coral reef ecosystems can annually produce marine products worth on average US$ 15,000 per square kilometer, and are an important source of food and livelihoods for roughly 9,969 coastal villages across the country. The Government of Indonesia (GOI) identified coral reef ecosystem management as a national priority in the mid-1990s, and requested the World Bank's assistance to finance the three phase Coral Reef Rehabilitation and Management Program (COREMAP). The Indonesian government's development strategy and Guidelines of State Policy (1999-2004) support a coastal and marine sector policy which includes efficient and sustainable management of maritime resources, the rehabilitation of damaged coastal and marine ecosystems, and improvement of the socioeconomic conditions of coastal communities. In 1999, the government established the new Ministry for Marine Affairs and Fisheries (MMAF) to ensure sustainable use of Indonesia's coastal ecosystems. (PD pg. 10) This project significantly contributes to the Indonesian government's objectives of (i) sustainable utilization of the coastal ecosystem, (ii) decentralized natural resource management; and (iii) raising income levels and improving living standards in the coastal zone and on small islands, particularly in small-scale fishing communities, through marine reserves. (PD pg. 12)

4.2 **Effectiveness**	Rating: **Satisfactory**

The TE and the World Bank's IEG review both assign a rating of Marginally Satisfactory for effectiveness. The TE's rating is further subdivided: the achievement of management and empowerment indicators is rated satisfactory, biophysical indicators are rated moderately satisfactory, and socioeconomic and poverty indicators are rated satisfactory. (TE pg. 31-34, see Table 2). However, the TER reviewer finds that the project outcomes are commensurate with expected outcomes, and in many cases exceed expectations. The project had minor shortcomings, but in general was satisfactory. Thus effectiveness is rated Satisfactory.

The objective of COREMAP Phase II is that viable reef management systems are established and made operational in at least six priority Districts, through a financially sustainable program that is nationally coordinated but decentralized in implementation. (PD pg. 14) The six eastern Indonesian districts targeted during Phase II are: (1) Selayar/South Suluwesi Province, (2) Pangkajene Kepulauan/South Suluwesi Province, (3) Buton/Southeast Suluwesi Province, (4) Sikka/Nusa Tenggara Timur (NTT) Province, (5) Biak/Papua Province, (6) Raja Ampat/Papua Province.

Project activities were organized around 3 main components, each with various subcomponents and specific indicators to determine satisfactory performance. Table 1 lists these components, subcomponents and indicators, and notes the TE's report of the degree of achievement.

Table 1 Project Components, Subcomponents, and Indicators, and summarized achievements. (PD pgs. 17-19, 46-49)

Component 1- Institutional Strengthening The objective is to enhance government institutional responsiveness to meet the needs of coastal communities.		
Subcomponent	Indicators	Achieved?
1.1 Program Coordination, M&E, and Training	NCU established and operated	Yes
	M&E Feedback Unit established and operating within NCU at MMAF	Yes
	Program Management Unit staff and consultants from all 6 target districts trained for program management and activities	Yes
1.2 Coral Reef Research & Monitoring	Coral reef health baselines conducted, and indicators collected annually, in 6 program districts	Yes
	Communities in program districts are trained to conduct coral reef health and fisheries monitoring	Yes
	Results of coral reef health, fisheries and socioeconomic monitoring disseminated regularly to PMUs, sub-districts and communities	Yes
1.3 Legal, Policy and Strategy Assistance	District laws for enabling co-management of reef fisheries and establishment of MCA s enacted and adopted in 6 program districts	Yes
	National Reef Fisheries Strategy developed	Yes
Component 2 - Community-Based and Collaborative Management The objective is to empower all coastal communities and institutions in the target areas to sustainably co-manage coral reefs and associated ecosystems to increase incomes, which will in turn enhance community welfare.		
Subcomponent	Indicators	Achieved?
2.1Community Empowerment	Self-learning materials train 300 COREMAP II district stakeholders	Yes
	Social marketing workshop conducted for 180 people from the 6 program districts	Uncertain
	Awareness campaign conducted in 80 % of coastal villages in all 6 program districts by 20 alumni of social marketing workshop, involving at least 50% of the pop. in each village	Uncertain
	50 Sr. Extension & Training Officers, and 208 Community Facilitators recruited and trained	Mostly

	416 Community-Based Management Information Centers established in each coastal village in the program	Unknown
	Radio and FM systems operational for all 416 coastal villages in program districts	Mostly
2.2 Community-Based Coral Reef Management	Village Resource Assessments conducted in 100% of participating coastal villages	Uncertain
	Coral Reef Management Plans created by village community groups, endorsed by the village heads and approved by the village parliament in 75% of the participating coastal villages in program districts	Yes
	All small-scale fishing vessels registered in each program district	Uncertain
	At least 50% of undercover anti-destructive fishing operations/district are successful (i.e. results in prosecution) by project end	Yes
	Number of infringements of fishing rules and regulations observed per unit of patrolling effort by patrols/Siswasmas13 decreases by 10% per year over the period of the program (after the baseline year)	Yes
	At least 10% of coral reefs in 6 program districts established & demarcated as 'no-take' MCAs	Yes
2.3 Community Development	Transparent financial management systems established in all program 416 coastal villages	Yes
	At least 300 alternative income generation (AIG) pilots initiated, of which 75% become financially viable (FIRR>10%) by EOP in all participating coastal villages in program districts	Uncertain
	15% of fishers/households affected by establishment of MCAs diversify into other occupations outside the reef fisheries	Uncertain
	At least 300 savings/credit facilities established/expanded in coastal villages in program districts; at least 75 % repayment rate; at least 30% shareholding by women	Yes
2.4 District Marine Conservation Area Management	Program units (6 District Boards, 50 Sub-district Boards) established and operating in each 6 district	Yes
	District Marine Resources Strategic Plans created and enacted in 6 program districts	Yes
	Network identified and established of MCAs in program districts	Yes
	Sustainable live coral reef fish certification programs established in 2 pilot program districts	No
2.5 Marine Park Support	Improved management effectiveness, including establishment of Park Advisory Boards, of 2 National Marine Park Authorities (Taka Bone Rate and Wakatobi) and 4 KSDAs (Raja Ampat, Padaido, Sikka and Kapoposang) in the protection of biodiversity of global significance, as indicated by MPA Scorecard	Partly
	Number of infringements of Park rules and regulations observed per unit of patrolling effort by park ranger teams decreases by 5% per year over the period of the program	Unknown
Component 3- Public Awareness, Education and Sea Partnership. The objective of this component is to promote societal awareness to the benefits of coral reef ecosystem conservation and sustainable use that leads to behavioral change.		
Subcomponent	Indicators	Achieved?
3.1 Public Awareness Campaigns	Trainings/local awareness campaigns conducted annually for target groups in program districts and coastal villages	Yes
	Media (posters, brochures, leaflets, billboards, news stories, puppets, etc.) advocating coral reef conservation and community-based management produced in 6 program districts and 50 sub-districts, advertising campaigns conducted at national and provincial level (e.g. press, radio, television, etc.)	Yes
	Video cameras, video projectors and computers to document COREMAP II activities installed in each program district (including FM radio in selected sub-districts)	Yes
	Stakeholders (i.e. coral reef resource users in the 6 program districts) are more willing to participate in the sustainable management of coral reef ecosystems, 20% above baseline of survey responses	Uncertain
3.2 Education Programs	Coral reef ecosystem conservation materials included in the formal Indonesian elementary education system	Yes
	75% of teachers in coastal villages/regions of program districts attend training workshops and receive credit points	Yes
3.3 Sea	National Sea Partnership Office established	Yes

Partnership Program	12 university staff/yr placed in local govt. offices in 6 program districts	Yes
	21 students from program districts receive university & high school scholarships and work in program sub-districts for a subsequent year	Yes
	60 students per/yr distribute community-based coral reef management information packets in coastal villages	Yes
3.4 Program Support Communication	Program information packets distributed to all 6 program sub-districts, as well as program newsletters	Yes

The TE does not report on each indicator explicitly, but rather gives a summary of the main achievements of each subcomponent. This is why some of these indicators are reported as "Uncertain". In general it is clear that most of the project's subcomponents were successfully achieved, and very few were partially achieved.

The Project Document outlines 3 key Outcomes, and specific Indicators against which to judge the achievement of outcomes. These three Outcomes, their respective 7 Indicators, and the TE's assessment of achievement of these are summarized in Table 2.

Table 2. Project Key Outcomes and Indicators, Project Results as reported by the TE, and summarizing ratings added by the TER reviewer. (PD pg. 45, TE pg. 11-14))

Outcome 1 Improved awareness, empowerment and sustainable management of coral reef ecosystems in program sites.		
Indicator	Project Results	Result
Collaboratively managed marine conservation areas cover 10% of program district reefs by project end	15% coverage by no-take zones (afford more protection than "Marine Protected Areas"). Management effectiveness of MPAs and MCAs varies by location.	HS
70 % of operating costs of program activities fully integrated into target district Government programs and funded independent of COREMAP II by project end	70% achieved	S
Awareness about the importance of coral reefs increases to and/or maintained at 70 % in all program districts	75% achieved. Strong anecdotal evidence exists that awareness extends beyond COREMAP communities to the general public as a result of outreach materials and multi-media campaigns.	HS
Outcome 2: Improved health of coral reef ecosystems, including fish and invertebrates, in program sites.		
Biophysical Indicators	Achievement	Result
Initial Indicator: 5% increase in live coral annually until coverage similar to pristine reefs. Revised Indicator: Significant improvement in 80% of sample sites	Statistically significant improvement (positive change in coral cover over time) in 71% of sample sites. Lack of controls outside C2 sites made interpretation of impact difficult	S
Initial Indicator: 35% increase in catch per unit effort for early- breeding indicator species; 10% increase for medium-size indicator species. Revised Indicator: 80% of project sites have increased fish population relative to control areas	29% increase of reef-fish population by visual census at the sample sites. Results of two different data collecting methods were mixed, and neither generated confidence.	MU
Outcome 3: Enhanced community welfare (i.e. community development, economic diversification) of coastal communities in program sites.		
Socio-economic & Poverty Indicators	Achievement	Result
Total income of project beneficiary group	21% increase. Project areas were all above	HS

members increased by 10% by project end	poverty levels. Raja Ampat reported particularly excellent results.	
At least 70% of fishers/beneficiaries in coastal communities in program districts perceive the program has had a positive impact on their welfare	84%. An overwhelming majority of those in census perceived the project had been beneficial to them.	HS

A quick glance at the far right column in Table 2 indicates that the project achieved almost all its desired outcomes, and often exceeded expectations.

The TE discusses that the indicators chosen to monitor reef health- growth in live coral cover and fish populations - were problematic, because both are affected by factors outside the project's control. In addition, inconsistent and infrequent monitoring regimes, problematic census techniques, and a lack of control plots make it difficult to attribute environmental changes to project activities. (TE pg. 50)

The following notable achievements are recorded by the TE:

- The project was successful in strengthening the participating institutions at all levels- the level of achievement was substantial. (TE pg. 48)
- The TE reports that the Community Based and Collaborative Management component was successful, despite highly difficult operating conditions, including political changes, project coverage area, logistical difficulties (e.g., lack of infrastructure, equipment, high cost of fuel), very low level of education and awareness in many of the districts. (TE pg. 51)
- COREMAP-II's public awareness campaign to promote awareness and behavioral changes related to coral reefs and fisheries practices included 12 television features, 16 radio programs that aired 2,700 times over three years, appearances by the project staff in 50 television and radio talk shows, and 50,000 print media products. (TE pg. 55)
- The project's education program reached 130,000 students. The project developed, produced and distributed local coral reef and marine education materials for elementary, junior and senior schools. These materials were officially accepted by DikNas' Curriculum Center and therefore can be used for all Indonesian schools. The project exceeded expectations by including middle and high schools, in addition to elementary schools. A total of 32,700 books were produced and distributed. To raise institutional capacity, 1,225 teachers were directly trained (645 – primary; 327 – middle; 253 – high) and a Training of Trainer approach trained an estimated additional 4,400 local teachers. In total about 90% of all COREMAP-II districts coastal schools received teacher training and materials. (TE pg. 56)
- All 358 villages produced Coral Reef Management Plans which required them to establish a village-level No Take Zone. COREMAP-II villages produced a total of 317 DPLs totaling 15,794.8 ha. (TE pg. 53)
- Management units were formed at all levels including national, provincial, district, and village. A National Strategy for Sustainable Coral Reef Fish Management was produced. Provincial Project Management Units were established and functioned well. Each district established a Coastal Community Empowerment Board and enacted a District Marine Resources Strategic Plan. All 358 target villages formed a Coral Reef Management Committee that contained community support groups with specific functions/issues. The Village and Coral Reef Management Plans were drafted and endorsed through Village Head authority. (TE pg. 50)

- Monitoring Control and Surveillance program helped to reduce illegal/destructive fishing practices by about 60% from 2,200 infringements in 2005 to 880 infringements in 2010. Furthermore, follow-up legal activities led to 70% successful prosecution. (TE pg. 53)
- Project Management Units were quickly established and generally functioned well, and were able to effectively undertake project activities. The PMUs also benefited in later years as the local governments became more adept in early release of local budgets. (TE pg. 54)
- Each District fisheries service produced a Marine Resources Strategic Plan and provided coverage of +/- 300 No Take Zones and 12 district-level Marine Conservation Areas. (TE pg. 54)

The TE rates the achievement of management and empowerment indicators as satisfactory, biophysical indicators as moderately satisfactory, and socioeconomic and poverty indicators as satisfactory. (TE pg. 31-34, see Table 2). The project outcomes are commensurate with expected outcomes, and in many cases exceed expectations. The project had minor shortcomings, but in general was satisfactory.

4.3 **Efficiency**	Rating: **Moderately Satisfactory**

The TE reports that the project's financial management performance is moderately satisfactory. (TE pg. 29) At project start, the submission of financial reports was delayed, there was slow progress in resolving the backlogged items, and the project was slow to respond to audit findings. This situation improved with the 2010 updated financial management manual and additional training to the village coral reef management committee and village micro saving and credit union.

The TE also reports that output data were closely correlated with the expenditures, and that the project was more cost effective than anticipated at appraisal, as shown by the higher rates of return in the economic, financial, and fiscal analysis. (TE pg. 28, 34)

The project was restructured in October 2009 and June 2010 to address issues that were delaying implementation progress and to improve the likelihood of fully achieving the project objectives. The causes of delayed disbursement and poor procurement included delays in allocation of the budget in order to co-finance certain project activities; weak procurement capacity among NCU staff owing to complicated Bank procurement policies, and delays in decentralized financial management accounting and reporting. Ultimately, the project end date was changed to December 2011, a $3 million USD portion of the loan was cancelled and reallocated, some key performance indicators were modified after a review of the Mid-Term Review, and the total number of villages in which COREMAP II would be implemented was reduced from 416 to 357. (TE pg. 23-24)

In general, it seems that this project was cost-effective, but that there were implementation delays due to bureaucratic and administrative challenges. Due to moderate shortcomings, efficiency is rated as moderately satisfactory.

4.4 **Sustainability**	Rating: **Moderately Likely**

As stated in the PD, the principle risks to the sustainability of project outcomes appear to be environmental (reef degradation outside the control of the project), institutional (maintenance of community institutions established by project), and financial (robust alternate income generating mechanisms that will alleviate fishing pressure). TE states that all these risks will be addressed in phase 3 of this project, and assesses the likelihood of continuation of project benefits after completion of project implementation as likely. This TER however assesses a lower rating to sustainability, reflective of the uncertainty posed by both environmental and institutional risks (see below).

Risks to sustainability of project outcomes are further assessed along the following four dimensions:

Financial Risks –(Likely) The TE reports that that the Indonesian government had, by project end, allocated budgets to keep a group of core staff from this project to continue to the third phase, and that the third phase of the project was being prepared as the Implementation Completion Report was being prepared. (TE pg. 29, 30) According to the TE, anecdotal evidence also shows that all seven districts have allocated budgets to maintain COREMAP II institutions and personnel as well as monitoring, facilitation and surveillance operations for 2012. (TE pg. 32) Thus it is very likely that the project's gains and progress will continue after project completion, as the third phase of this project begins. However, the TE reports that one of the two main sustainability risks to this project is the lack of alternate income generating activities among the target communities. (TE pg. 38)

Socio-political Risks – (Likely) The TE reports that there is strong governmental support for this project, and that the target communities have benefitted from, and thus have been supportive of, project activities.

Environmental Risks- (Moderately Likely) There is a risk of reef degradation from causes outside the control of the project.

Institutional Risks – (Moderately Likely) This Project is the second phase of a fifteen year program: the first phase was completed between 1998 and 2004, and the third phase is planned to continue the advances in this project. (PD pg. 13) There is strong support from the Government of Indonesia, the World Bank and the Global Environment Facility to continue this long tem program. The TE reports that one of the two main sustainability risks is the continuation of community institutions created by the project after project completion. (TE pg. 38)

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5. Processes and factors affecting attainment of project outcomes

5.1 Co-financing. To what extent was the reported co-financing essential to the achievement of GEF objectives? If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project's outcomes and/or sustainability? If so, in what ways and through what causal linkages?

The TE does not discuss the importance of co-financing. However, from the total quantities, it seems that co-financing was very important. The project was composed of a $7.5 million grant from the GEF, $8.9 million co-financing from the country government, and approximately $62.3 million loan from the World Bank. It seems that most of the funds expected for this project were provided, thus it is clear that, without co-financing, many of the components of this project would not have been possible.

5.2 Project extensions and/or delays. If there were delays in project implementation and completion, then what were the reasons for it? Did the delay affect the project's outcomes and/or sustainability? If so, in what ways and through what causal linkages?

This project was extended for two years, from an expected end date of 2009 to an actual end date of 2011. The project was restructured and extended in October 2009 and June 2010 to address issues that were delaying implementation and to improve the likelihood of fully achieving the project objectives. The causes of delayed disbursement and poor procurement included delays in allocation of the budget in order to co-finance certain project activities; weak procurement capacity among NCU staff owing to complicated Bank procurement policies, and delays in decentralized financial management accounting and reporting. Ultimately, the project end date was changed to December 2011, a $3 million USD portion of the loan was cancelled and reallocated, and some key performance indicators were modified after a review of the Mid-Term Review. (TE pg. 23-24) But none of the key indicators were completely cancelled, and the project was mostly successful in achieving its outcomes.

The TE also reports that project implementation encountered early delays related to the central government's national budgeting process, a highly bureaucratic process that posed a challenge to timely disbursement and implementation. The Project also faced delays in implementation of social funds due to changing policy decisions on revolving funds. (TE pg. 41)

5.3 Country ownership. Assess the extent to which country ownership has affected project outcomes and sustainability? Describe the ways in which it affected outcomes and sustainability, highlighting the causal links:

Both the PD and the TE state that there was strong commitment from the Government of Indonesia for this project, both at the national and district levels. (PD pg. 13, TE pg. 25, 29) Country ownership has clearly contributed to successful outcomes, and also to the sustainability of project results.

6. Assessment of project's Monitoring and Evaluation system

Ratings are assessed on a six point scale: Highly Satisfactory=no shortcomings in this M&E component; Satisfactory=minor shortcomings in this M&E component; Moderately Satisfactory=moderate shortcomings in this M&E component; Moderately

Unsatisfactory=significant shortcomings in this M&E component; Unsatisfactory=major shortcomings in this M&E component; Highly Unsatisfactory=there were no project M&E systems.

Please justify ratings in the space below each box.

6.1 **M&E Design at entry**	Rating: **Satisfactory**

The Project Document provides specific indicators for each of the three major project components and subcomponents. (PD pg. 17, 47-49) It also specifies where the data with which to join these results will come from: for the management and empowerment component, a monitoring and evaluation sub-component would empower the National Coordination Unit and the Program Management Units in each target area to evaluate management effectiveness; for the biophysical component, the project would fund district reef health monitoring teams; and for the socioeconomic and poverty component, data would come from household surveys and the national census. (PD pg. 24) The Project Document includes baseline measurements, SMART goals, data analysis systems, frequency of monitoring activities and reporting, and specifies the parties responsible for data collection.

It should be noted that the TE reports that the set of indicators for the second project component are not scientifically robust enough to determine whether the changes in coral growth and fish population can be attributed to the project, and thus do not allow a sound validation of achievement of project objectives. It also noted that the project's Management Information System was Excel based, which resulted in inconsistency of the form and data and unnecessary data clearing. (TE pg. 27)

It seems the M&E plan at entry was practicable, and sufficient to inform project implementation. Thus it is rated satisfactory.

6.2 **M&E Implementation**	Rating: **Satisfactory**

The TE reports that the seven key performance indicators (see Table 2 on page 6-7 of this Form) were monitored separately by the project's National Coordinating Unit, and by the Indonesian Institute of Sciences (one of the project's executing agencies). Each program implementation unit had an M&E officer responsible for gathering and compiling data to be sent to the National Coordinating Unit, and the NCU then compiled the data and prepared progress reports for the Indonesian government and the World Bank. However, the TE reports that the majority of program implementation units failed to submit forms in time, and that the NCU could not consolidate the data due to data inconsistency. (TE pg. 27)

In response to these shortcomings, the project reformed the M&E system in 2011, and greatly improved the quality and utility of the M&E system, allowing data queries and easy comparisons of outputs and performance across geographic areas as well as within a given district, down to the Village level. (TE pg. 28) According to the TE, the improvements to the M&E system allow the ability to correlate behavior change with management interventions, and thus will enable future interventions to be targeted where they are needed most. (TE pg. 28)

M&E implementation, data collection methods, and key performance indicators were regularly reviewed during the Bank's supervision missions, which contributed to improvements in the

M&E arrangements, M&E capacity and performance, and eventually informed the project restructuring. (TE pg. 28) The mid-term review provided good recommendations which contributed to the restructuring proposal and improvements in project performance. (TE pg. 26)

The TE also reports that a Monitoring & Evaluation (M&E) Feedback Unit was established in 2007 to monitor implementation progress and other national level reports. The unit developed a manual and monitoring tool, and trained regional coordination units and program management. (TE pg. 49)

The TE attributes the project's M&E implementation success to: (i) proactive attitudes among project implementers to deal with issues; (ii) strong ownership among local stakeholders; (iii) the hiring of an Executive Advisor to handle day to day operations; (i) the constant information dissemination through public awareness campaigns and educational programs. (TE pg. 26)

The TE concludes that Phase III will benefit from improved monitoring and evaluation with adequate controls. (TE pg. 30) Therefore, M&E Implementation is rated satisfactory.

7. Assessment of project implementation and execution

Quality of Implementation includes the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to execution agencies throughout project implementation. Quality of Execution covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances, the focus is upon factors that are largely within the control of the respective implementing and executing agency(s). A six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess.

Please justify ratings in the space below each box.

7.1 **Quality of Project Implementation**	Rating: **Moderately Satisfactory**

The implementing agency of this project was the World Bank (WB). The TE rates the WB's performance as moderately satisfactory, based on a moderately unsatisfactory performance at entry, and a moderately satisfactory performance in supervision during project implementation. (TE pg. 39-41) The TER reviewer concurs with this rating.

The TE reports that shortcomings in the identification of risks related to complexity of the project and the implementing environment led to a 2.5 year delay in the start of the project. The TE attributes this delay to four project implementation weaknesses: (1) the inability of the WB and the Indonesian government to agree on the conditions of the loan caused a 2 year start delay; (2) the poor design of the initial performance indicators; (3) the WB underestimated the complexity of the Indonesian administrative and financial system at both the central and district levels, which caused further delays in project implementation; (4) the WB had unrealistically high expectations regarding the impact of the alternate income generating project components on the economic and social welfare of communities. (TE pg. 39)

The Bank's supervision and missions were generally proactive, providing technical assistance and advice. Two full supervision missions per year were held regularly from the start of

restructuring until the project ended. Comprehensive Aide Memoires were prepared and fully vetted with government to document project status, flag issues and agree on time-bound action plans. The mid-term review was extensive and provided a sound basis for project restructuring that was ultimately instrumental in "turning around a project that was at risk of closing in problem status". The presence of a dedicated WB management team in Indonesia had direct effects on the quality of supervision and led to improvements in project implementation post-restructuring. The TE lists multiple examples of WB support to the project, including trainings, document and data reviews, advice, and some direct implementation. (TE pg. 40) The TE concludes that the WB helped the Indonesian government establish a successful model for decentralized co-management of coral reef resources involving local government and coastal communities that will be institutionalized in the third and final phase of COREMAP.

7.2 **Quality of Project Execution**	Rating: **Moderately Satisfactory**

The executing agency is the recently established Ministry of Marine Affairs and Fisheries (MMAF). (PD pg. 21) However, the Project Document outlined tasks to be shared by various institutions. Research and Education activities would be coordinated by the Indonesian Institute for Sciences (LIPI), and program activities within national marine parks would be implemented through the park authorities under the jurisdiction of the Directorate General of Forest Protection and Nature Conservation (PHKA), within the Ministry of Forestry. (PD pg. 14) A National Steering Committee (NSC), National Technical Committee (NTC) and National Coordination Unit (NCU) provide oversight, technical advice and national coordination support to COREMAP Phase II, respectively, and report to the MMAF Minister through the Director General of Coasts and Small Islands. Each of the six target districts would have a Coastal Community Empowerment Board that would provide oversight, conflict resolution, and review and endorsement of annual implementation plans.

The TE reports that MMAF and LIPI both succeeded in overcoming early implementation delays due to budget and disbursement issues, although data collection for certain indicators remained a problem, limiting interpretation of results. PHKA was less able to fulfill the activities assigned to it, in large part due to budget coordination issues which prevented the timely allocation of counterpart funds for the disbursement of GEF grant funds—and the implementation of certain activities within the agreed time frame. (TE pg. 42) The TE reports that lack of familiarity with the World Bank's administrative and procurement procedures by executing agencies contributed to project delays. (TE pg. 26)

Ultimately, the execution of the project was delayed to the point of requiring a two year extension. However, there were significant implementation challenges, both under and out of the control of the project management. The TE concludes that, although many aspects of the executing agencies' performance were less than fully satisfactory, the agencies succeeded in executing the project in a decentralized and coordinated manner, and achieving the development objectives despite the complex and multilayered implementation challenges of the Project. (TE pg. 42) Therefore, project execution is rated moderately satisfactory.

8. Assessment of Project Impacts

Note - In instances where information on any impact related topic is not provided in the terminal evaluations, the reviewer should indicate in the relevant sections below that this is indeed the case and identify the information gaps. When providing information on topics

related to impact, please cite the page number of the terminal evaluation from where the information is sourced.

8.1 Environmental Change. Describe the changes in environmental stress and environmental status that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

The TE reports a positive change in environmental stress and environmental status. There was positive coral cover growth in six of the seven project target districts. Reef fish populations showed an increase in two of the seven districts. (TE pg. 49) The Monitoring Control and Surveillance Program helped to reduce illegal and destructive fishing practices by about 60%, from 2,200 infringements in 2005 to 880 infringements in 2010. (TE pg. 53)

8.2 Socioeconomic change. Describe any changes in human well-being (income, education, health, community relationships, etc.) that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

There were positive changes in human well=being as a result of project activities, but their sustainability after project end is uncertain. The project's alternate income generating components provided supplemental income, but they were not sufficient to provide an opportunity to exit the fisheries sector altogether. For a few of these activities, such as seaweed culture, the Financial Internal Rates of Return were up to three times the appraisal estimates. These high rates enabled fishermen in some communities to shift from capture fishing as the major source of income to more profitable but also more risky seaweed culture activities. (TE pg. 35)

The TE reported that household income of project beneficiary groups increased by 34% across the seven districts, 80% in the Raja Ampat district. Household income increase was greater in project target villages as compared to other villages within target districts. Household income improved by 21% in beneficiary groups. A large majority (85%) of community members in target villages, as evidenced by these survey results, felt that the project had positive impacts on their welfare. (TE pg. 50)

All 358 villages participated in the community micro saving credit union activities, including: seaweed and fish cage culture; fish capture; baking goods; and other small business operations. About half of the borrowers were women, exceeding the project target of 30% women involvement. (TE pg. 53)

8.3 Capacity and governance changes. Describe notable changes in capacities and governance that can lead to large-scale action (both mass and legislative) bringing about positive environmental change. "Capacities" include awareness, knowledge, skills, infrastructure, and environmental monitoring systems, among others. "Governance" refers to decision-making processes, structures and systems, including access to and use of information, and thus would include laws, administrative bodies, trust-building and conflict resolution processes, information-sharing systems, etc. Indicate how project activities contributed to/ hindered these changes, as well as how contextual factors have influenced these changes.

a) Capacities - The TE reports the following changes in capacities:

- A large number of community members were trained in reef monitoring methods– 192 and 101 people in CREEL and PIT methods. (TE pg. 50)
- In addition to monitoring coral reef data, the project collected socio-economic data to better gauge project interventions on enhanced community welfare of coastal communities in target districts. Baseline surveys were carried out in 2006, and subsequent surveys were carried out in 2008 and 2011 in a total of 1,605 households across seven districts. (TE pg. 50)
- Field teams including Senior Extension and Training Officers (SETO), Community Facilitators (CF), and Village Motivators (VM) were recruited and trained at district-level workshops. Overall, the project employed 662 field staff. _Self Learning Packs' in CD and book formats were used as a key training tool. (TE pg. 52)
- A communication network was established in about 90% of target communities. FM radio stations were established in Pangkep, Wakatobi and Selayar, while the other districts had collaborative program with existing radio stations. (TE pg. 52)
- The project succeeded in increasing the level of awareness concerning coastal and marine-related natural resource management and setting in motion community-based actions to strengthen community-based coral reef management. (TE pg. 53)
- Coastal Community Empowerment Boards played an effective role in promoting greater awareness and coordination among stakeholders such fishers, police, navy, women's groups and NGOs. (TE pg. 54)
- Through the project, the Directorate General of Forest Protection and Nature Conservation at the Ministry of Forestry conducted MPA training at the central and regional offices, and form National Park Collaborative Forums. These contributed to participatory park zoning, their involvement in Coastal Community Empowerment Boards, collaborative management workshops with communities, socialization of park programs, and production of awareness material. (TE pg. 55)
- To raise institutional capacity, 1,225 teachers were directly trained (645 – primary; 327 – middle; 253 – high) and a Training of Trainer approach trained an estimated additional 4,400 local teachers. (TE pg. 56)

b) Governance - The TE reports the following changes in governance:

- All 358 villages produced Coral Reef Management Plans which required them to establish a village-level No Take Zone. COREMAP-II villages produced a total of 317 DPLs totaling 15,794.8 ha. (TE pg. 53)
- Management units were formed at all levels including national, provincial, district, and village. A National Strategy for Sustainable Coral Reef Fish Management was produced. Provincial Project Management Units were established and functioned well. Each district established a Coastal Community Empowerment Board and enacted a District Marine Resources Strategic Plan. All 358 target villages formed a Coral Reef Management Committee that contained community support groups with specific functions/issues. The Village and Coral Reef Management Plans were drafted and endorsed through Village Head authority. (TE pg. 50)
- Monitoring Control and Surveillance program helped to reduce illegal/destructive fishing practices by about 60% from 2,200 infringements in 2005 to 880 infringements in 2010. Furthermore, follow-up legal activities led to 70% successful prosecution. (TE pg. 53)
- Project Management Units were quickly established and generally functioned well, and were able to effectively undertake project activities. The PMUs also benefited in later years as the local governments became more adept in early release of local budgets. (TE pg. 54)

- Each District fisheries service produced a Marine Resources Strategic Plan and provided coverage of +/- 300 No Take Zones and 12 district-level Marine Conservation Areas. (TE pg. 54)

8.4 Unintended impacts. Describe any impacts not targeted by the project, whether positive or negative, affecting either ecological or social aspects. Indicate the factors that contributed to these unintended impacts occurring.

The TE does not report any unintended impacts.

8.5 Adoption of GEF initiatives at scale. Identify any initiatives (e.g. technologies, approaches, financing instruments, implementing bodies, legal frameworks, information systems) that have been mainstreamed, replicated and/or scaled up by government and other stakeholders by project end. Include the extent to which this broader adoption has taken place, e.g. if plans and resources have been established but no actual adoption has taken place, or if market change and large-scale environmental benefits have begun to occur. Indicate how project activities and other contextual factors contributed to these taking place. If broader adoption has not taken place as expected, indicate which factors (both project-related and contextual) have hindered this from happening.

The TE reports the following evidence of adoption of GEF initiatives at scale:

- The project succeeded in increasing the level of awareness concerning coastal and marine-related natural resource management and setting in motion community-based actions to strengthen community-based coral reef management. (TE pg. 53) **Mainstreaming, Adopted**
- Each District fisheries service produced a Marine Resources Strategic Plan and provided coverage of +/- 300 No Take Zones and 12 district-level Marine Conservation Areas. (TE pg. 54) **Mainstreaming, Adopted**
- The project was able to establish decentralized and legally codified coral reef co-management systems, including the establishment of community-implemented Marine Protected Areas (No-Take Zones) in all 7 project districts. **Mainstreaming, Adopted**

This project was successful in achieving most of its goals within the target districts. But there is little evidence of project components being replicated or scaled up beyond the project's target sites.

9. Lessons and recommendations

9.1 Briefly describe the key lessons, good practices, or approaches mentioned in the terminal evaluation report that could have application for other GEF projects.

The TE lists the following lessons learned (TE pg. 43-44):

- Due to the lack of controls set up at the outset of the project and inconsistencies in data collection, the monitoring data on two performance indicators were of limited use in assessing the project's contribution to the changes observed. Assessment of changes in coral reef health would have been enhanced if a related process indicator was also measured, allowing a fuller and more accurate picture of likely future outcomes. CREEL can be a useful tool for examining livelihoods aspects of fishermen, and for engaging local fishermen in dialogue about fisheries and their own livelihoods.

- The project was able to instill a strong sense of ownership in local governments and stakeholders, particularly local communities. This contributed to strong engagement during project implementation, and after project completion.
- Decentralized collaborative management requires: support to organizational structures, reinforcing of institutional arrangements at all levels of government, and strong ownership by local stakeholders
- COREMAP-II's comprehensive approach using awareness, training, education, economic and social welfare, research and monitoring, and proactive management led to its success in accomplishing the objectives. If any one of these areas had been ignored, the project may not have had the degree of success in accomplishing a strong decentralized and community-based collaborative management, although it imposes a big challenge for all implementers.
- Alternate Income Generating activities must be accompanied with adequate technical and financial support. COREMAP-II livelihood support helped to increase supplemental incomes, but not for substantial AGIs. Any AGI activities have to incorporate technical assistance programs and well designed financial support systems.
- The project was ambitious in its design to cover more than 457,222 ha of marine areas in the remotest parts of Indonesia, include 416 villages in its original design, institutionalize collaborative management practices in villages that have limited infrastructure and education capacity, operationalize routine communication and management activities where weather conditions and geographic isolation pose severe logistical problems. Future efforts should be focused on: 1) raising awareness at the broadest level possible to reach as many villages as possible; but 2) developing a basic COREMAP model for extension to other coastal communities across districts in Indonesia that is easy to execute and scalable.
- Streamlining Government and Bank financial administrative and disbursement system is absolutely critical for project success/failure. Although this project succeeded in spite of the central government's rigid, complex, and cumbersome financial and administrative system, delays and disproportionate attention and effort by the project team toward administration led to frustration and mistrust by local stakeholders.
- Awareness raising and education can be a low-risk, cost effective way to strengthen support and ownership of project objectives and improve outcomes. The realization by community members of the connection between coral reef health and human welfare is a revelatory event. The fact that the project was able to carry this forward in an exponential manner was a major success. The Sea Partnership component was also a strong success resulting in massive numbers of university studies and degrees focused on coral and marine science, leading to a cadre of knowledgeable scientists that can increase the capacity to sustainably manage and monitor Indonesia's seascape and its resources.
- Revolving funds may not be the best mechanism to channel needed financing for livelihood transformation. Although intensive efforts to train and socialize community members in the concept of revolving loan funds, there was misunderstanding and misuse of the funds in some cases, and poor overall rate of repayment (60%). Globally, revolving funds have had limited success, and their sustainability is being revisited. Future efforts toward poverty alleviation through grant funds and credit must be designed in a way in which there is greater ownership and accountability by community members and adequate technical assistance to optimize use of these funds.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE lists the following recommendations (TE pg. 43-44):

- The Performance Indicators selected should accurately reflect project objectives and should be measurable, and M&E methods should allow for continuous feedback on project performance and discrimination of project effects.
- Alternate Income Generating activities must be accompanied with adequate technical and financial support. COREMAP-II livelihood support helped to increase supplemental incomes, but not for substantial AGIs. Any AGI activities have to incorporate technical assistance programs and well designed financial support systems.
- Project design must realistically incorporate logistical, financial, and capacity factors that may present challenges in the field.

10. Quality of the Terminal Evaluation Report

A six point rating scale is used for each sub-criteria and overall rating of the terminal evaluation report (Highly Satisfactory to Highly Unsatisfactory)

Criteria	GEF EO comments	Rating
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	The TE reports on the relevant outcomes and achievements of the project. Although the TE does not report on each of the detailed indicators established by the Project Document, there is a through assessment of the achievements of each of the project's subcomponents, as well as the key indicators of the project.	**S**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is internally consistent, the evidence is complete and convincing, and the ratings are well substantiated.	**HS**
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE discusses the risks to continuation of project achievements, and the likelihood of sustainability of project components beyond project end.	**HS**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned are supported by the evidence, and they are comprehensive.	**HS**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE reports on the expected and actual project costs per activity, and the quantities contributed by the GEF, the World Bank, and the recipient government. But there is some inconsistency in the numbers (the individual amounts do not add up to the total amount reported, TE pg. 46-47). The TE does not discuss co-financing, although it was important in this project.	**MS**
Assess the quality of the report's evaluation of project M&E systems:	The TE adequately and thoroughly discusses both the preparation and the implementation of M&E systems.	**HS**
Overall TE Rating		**S**

0.3 × (a + b) + 0.1 × (c + d + e + f) = 0.3(11) + 0.1(22) = 3.3 + 2.2 = 5.5 ~ S

11. Note any additional sources of information used in the preparation of the terminal evaluation report (excluding PIRs, TEs, and PADs).

The only documents available to the TER writer were the Project Document and the Terminal Evaluation.