

Terminal Evaluation Review Form, GEF Evaluation Office, APR 2014

1. Project Data

Summary project data			
GEF project ID	1895		
GEF Agency project ID	GFL / 2328 - 2713 - PMS: GF/ 1030 – 05		
GEF Replenishment Phase	GEF - 3		
Lead GEF Agency (include all for joint projects)	UNEP		
Project name	Improved Certification Schemes for Sustainable Tropical Forest Management		
Country/Countries	Cameroon, Brazil, Mexico		
Region	Global (LAC, AFR)		
Focal area	Biodiversity		
Operational Program or Strategic Priorities/Objectives	OP-3 Forest Ecosystems.		
Executing agencies involved	Center for International Forestry Research (CIFOR), Forest Stewardship Council (FSC), ProForest, Forest Stewardship Council National Initiative of Brazil, Forest Stewardship Council Regional Office in Cameroon, Forest Stewardship Council National Initiative in Mexico		
NGOs/CBOs involvement	Network for the Environment and Sustainable development in Africa (NESDACA)		
Private sector involvement	None noted.		
CEO Endorsement (FSP) /Approval date (MSP)	Jan 2005		
Effectiveness date / project start	May 2005		
Expected date of project completion (at start)	June 2010		
Actual date of project completion	June 2010		
Project Financing			
	At Endorsement (US \$M)	At Completion (US \$M)	
Project Preparation Grant	GEF funding		
	Co-financing		
GEF Project Grant	.987	.987	
Co-financing	IA own		0.05 (UNDP)
	Government		
	Other multi- /bi-laterals		
	Private sector	.093	.24 (FSC Mexico)
	NGOs/CSOs	.374	0.05 (OPFCR)
Total GEF funding	.987	.987	
Total Co-financing	.467	.793	
Total project funding (GEF grant(s) + co-financing)	1.454	1.780	
Terminal evaluation/review information			
TE completion date	Sep 8 2010		
TE submission date	Sep 8 2010		
Author of TE	Unknown (Robert Nasi is signing Project Manager)		
TER completion date	December 23, 2014		
TER prepared by	Dania M Trespalacios		
TER peer review by (if GEF EO review)	Joshua Schneck		

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF EO Review
Project Outcomes	HS	NR	NA	S
Sustainability of Outcomes	L	NR	NA	L
M&E Design	U	NR	NA	MU
M&E Implementation	UA	NR	NA	MS
Quality of Implementation	HS	NR	NA	MS
Quality of Execution	HS	NR	NA	S
Quality of the Terminal Evaluation Report	-	-	-	MU

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The Global Environmental Objective is to identify and protect high conservation values, especially biodiversity values, in small and low intensity managed forests in the tropics. (TE Annex pg. 1) Large areas of high biodiversity forest outside protected areas are critically affected by commercial exploitation, at both a large and small scale. Certification of these forest areas is difficult to implement in the tropics, due to difficult technical management, weak political and institutional support, and larger certification costs for small operators. This project will help protect biodiversity by enabling small forest managers, communities and NTFP collectors in the tropics to identify and protect biodiversity in the forests they manage through certification schemes. (PD pg. 1)

3.2 Development Objectives of the project:

The Development Objective of this project is to develop the tools and incentives to help small forest managers, communities and non-timber forest product collectors in the tropics to identify and protect biodiversity in the forests they manage, through certification, whilst continuing to meet their own management objectives. (PD pg. 3)

Specific objectives include:

- To increase access and reduce barriers to certification for small and low intensity managed forests in the tropics, in order to provide a verifiable indicator of biodiversity protection in these forests; and
- To develop innovative funding mechanisms to provide improved incentives for the conservation of biodiversity through certification in small and low intensity managed forests.

(PD pg. 3)

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

There we **no changes** to the Global Environmental and Development objectives.

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
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The project outcomes are consistent with the GEF's Biodiversity focal area. The project directly supports GEF Operating Program 3 on Forest Ecosystems, and it is relevant to the GEF's specific priorities of mainstreaming biodiversity in production landscapes and sectors (SP2), and generation and dissemination of best practices (SP3).

The project is consistent with the country priorities of Brazil, Cameroon and Mexico. All three countries ratified the Convention on Biological Diversity in 1994. In Brazil, FSC certification is promoted in the National Biodiversity Policy, Sustainable use of the Components of Biodiversity, and in the National Biodiversity Policy. (PD pg. 7, 8). Mexico's current five-year National Forest Program, and the National Biodiversity Strategy and Action Plan, both favor certification schemes. (PD pg. 8, 9) In Cameroon, a number of newly allocated community forests were seeking certification before the project commenced. (PD pg. 12) Cameroon's Forest Law of 1994 Forestry Law recognizes the importance of forest management by local communities. Contrary to Brazil and Mexico, Cameroon has no certified forests yet but is involved in the African Timber Organization (ATO) initiative of certification and has a very active National Working Group on Forest Certification trying to develop national standards under FSC framework. (PD pg. 16)

4.2 Effectiveness	Rating: Satisfactory
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The TE does not provide a rating for project Effectiveness. This TER assesses a rating of Satisfactory for project effectiveness, based on the evidence presented in the TE narrative. The project completed all of its planned activities. Major achievements include the development of management plans for 6 important conservation areas, and the development of locally appropriate certification standards for all 3 target countries. This project has succeeded in providing a base for FSC and other organizations to work with small and community forest operations. There were a few shortcomings- some expected outputs were not achieved, due to overambitious or unrealistic expectations.

The project document lists 3 overall objectives, 6 expected outcomes, and 6 project activities to achieve these expected outcomes. The objectives, outcomes and activities are tied to specific indicators. (PD pg. 5, 18, 21) The 6 project activities are the following:

- 1- Develop baseline criteria for identification of high conservation values in the project forest areas. Assess the conservation values of two project sites per country (6 in total) and develop conservation plans for those areas; implementation of management independently evaluated.
- 2- Develop generic tools for the field identification, management and monitoring of areas of importance for biodiversity conservation in small and low intensity managed forests; specify key indicators as basis for monitoring biodiversity value in certified forests in the tropics generally; translate results into English, Spanish and French; provide training to standards developers and local experts in 3 project countries and 7 additional countries.
- 3- Develop locally appropriate national certification standards for assessment of management of HCVF and biodiversity in small and low intensity managed forests in the three project countries; provide training to standards developers and local experts in 7 additional countries.
- 4- Develop capacity and disseminate information about the methods and standards developed aimed at small scale forest owners and NTFP operations and those that work closely with them
- 5- Identify innovative financing mechanisms and incentives for biodiversity conservation
- 6- Monitoring and evaluation: Annual evaluation by project partners. Establish international data collection and reporting system for monitoring biodiversity impacts of forest certification in tropical countries, with particular focus on target countries and target forests.

The TE lists the 3 overall objectives (TE pg. 1), and lists the 6 planned activities and all sub-activities. (TE pg. 3-5) The TE reports that all project activities were successfully completed as they were designed at project start, or as they were restructured during the Mid Term Review (restructuring was not significant).

The project develop biodiversity management plans for 6 high conservation areas in Cameroon, Mexico and Brazil, and tested their high conservation indicators by independent certification bodies. It developed locally appropriate certification standards for all three countries, including toolkits and good practice, and held multi-stakeholder workshops and consultations. (TE pg. 3-4)

The GEF project has provided a basis for FSC and other organizations to work together on issues related to increasing economic benefits to small and community forest operations. An example of this is the FSC-Fair trade Pilot project for dual FSC and FLO (Fair trade Labeling Organizations) that began by project end. (TE pg. 2)

In Cameroon, the project increased local capacity (office supplies, equipment), secured ongoing financial support from various organizations for meeting activities and production of working papers, and permitted the project participants to simultaneously implement other concurrent FSC projects. (TE pg. 3)

In Mexico, the project's resources/infrastructure were used to develop the forest management standard for small and community operations alongside the forest management standard for big operations. Without the GEF project, this would not have been possible. The project enabled FSC Mexico to develop management plans for X-Noh Cruz. X-Noh's Biodiversity Management Plan in turn motivated other areas with forested land to map their forest resources and develop conservation plans for them. (TE pg. 2)

In Brazil, during and following the project’s biodiversity and high conservation value training workshop in Belem in December 2009, the workshop participants formed a committee to take a lead in developing the national high conservation values (HCV) for Brazil. (TE pg. 3)

A few project activities and expected outcomes under component 5- identifying innovative financing mechanisms and incentives for biodiversity conservation- were modified after the Mid Term Review. Instead of establishing an ongoing funding mechanism, the project identified a funding mechanism. Instead of taking donors to the field, the project identified and contacted potential donors. (TE pg. 5)

The TE reports that a few outcomes and outputs were not achieved. TE states that the establishment of a financial mechanism was overly ambitious for a project of this size, thus instead the project identified potential financial mechanism. The original project design called for the certification of an additional 1.5 million hectares– which would normally take effect after the end of the project considering that most of the initial activities would be inputs to the development of the streamlined/simplified standards as final products. Finally, promoting the replication of the SLIMF (small and low intensity managed forest) standards in 7 additional tropical countries, was not a realistic aim given the project’s small budget and the extent of work and time required to develop stand-alone SLIMF standards apt for worldwide dissemination and replication. (TE pg. 6)

Although some project components were modified to more realistic expectations, it seems all six project activities were completed successfully. The project outcomes are highly commensurate with the expected outcomes as described in the Project Document and the problems the project was intended to address. The project had minor shortcomings, and thus is rated satisfactory.

4.3 Efficiency	Rating: Satisfactory
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The project was completed in the expected amount of time, with no delays. More than expected co-financing enabled additional project components to be implemented, but there is no indication in the TE or the last PIR that the additional co-financing was indispensable to achieve original project results, or that the project was not cost-effective. There is no mention of any bureaucratic, administrative, or political problems that affected project implementation. Therefore, efficiency is rated as satisfactory.

4.4 Sustainability	Rating: Likely
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The TE does not rate the project’s sustainability, but does provide some information on “how the project has nurtured sustainability”, included below. (TE pg. 7) The last PIR does provide ratings for “external risks”: political risks rated low, environmental risks rated low, social/economic risks rated low, capacity risks rated medium. The PIR rates the overall sustainability of the project as likely. (PIR 2010 pg. 25-26) This TER review supports the PIR ratings.

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

Financial Risks – Sustainability Unable to assess

No specific information on the financial sustainability of the project achievements is available from the TE, or from the PIRs.

Socio-political Risks – Sustainability Likely

The FSC developed a database for impact indicators of certification in relation to environmental (biodiversity), social and economic aspects. The FSC accredited certification bodies enter the defined indicators for the monitoring of biodiversity. (TE pg. 7) The last PIR rates social, cultural and economic risks as low, suggesting that there are no evident social, cultural and/or economic issues that may affect project performance and results.

The sustainability of the project outcomes will largely depend on factors that directly or indirectly lead to increased livelihoods of the communities, especially where timber might not be the major economic forest product. The provision of information on existing and emerging markets could be an incentive for forest managers to manage the forest in a holistic manner that is geared towards diversifying the incomes from the forests. Training on forest management aspects, organization skills, market information and access was also key to the overall sustainability of project outcomes. (PIR 2014 pg.30)

Environmental Risks- Sustainability Likely

The FSC developed a database for impact indicators of certification in relation to environmental (biodiversity), social and economic aspects. The FSC accredited certification bodies enter the defined indicators for the monitoring of biodiversity. (TE pg. 7) The PIR rates environmental risks as low: “project area is not affected by severe weather events or major environmental stress factors”.

Institutional Risks – Sustainability Likely

The establishment of a specific social program unit at FSC-IC to deal with the certification of small holder forest operations is important in ensuring continued building on the GEF project outcomes. (TE pg. 7) The project developed 3 specific tools for implementing sustainable certified forestry in Small and Low Intensity Managed Forests anywhere in the world. (TE pg. 7)

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?

At project start, co-financing comprised more than 30% of the project’s total budget. The TE reports that co-financing both in kind and in cash proved to be useful especially to fill in for those project areas that were underfunded and yet very important (e.g. translations and printing). (TE pg. 6) Co-financing was separated from GEF funding to ensure consistent

financial reporting. (TE pg. 29) It seems that co-financing was important to the achievement of GEF objectives. There is a significantly greater amount of co-financing that materialized by the end of the project (~\$0.8M materialized compared with \$0.4M expected), which likely contributed to the successful achievement of project results, although the TE does not provide an assessment on this regard.

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?

There are no project extensions or delays reported by the TE. The MidTerm Review reports some implementation delays, but these did not delay the project's outcomes.

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:

The TE does not comment on country ownership. The MidTerm Review reports that the project has had good participation from government and non-government institutions and stakeholders, giving it a high degree of ownership. This is particularly manifest at the ground level, where direct contact with communities has been positive, and local actors and authorities are very much involved and aware of the processes conducted by the project. This is also true, but to a lesser extent, of stakeholder involvement at the national and federal level. (MidTerm Review pg. 34)

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: Moderately Unsatisfactory
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The TE does not provide a rating for project M&E Design at entry. This TER assesses a rating of Moderately Unsatisfactory, based on the M&E Design presented in the PD, and evidence found in project PIRs.

The Project Document states that project execution will be monitored and evaluated by constant interaction among the national teams, and between them and the co-ordination and technical support groups at FSC-IC and CIFOR, via email and during technical support or supervision missions. This monitoring would assess whether the management and supervision of project activities is efficient, and would seek to improve overall effectiveness of project implementation. It calls for half yearly progress and financial reports, and a Steering

Committee to track implementation progress and provide guidance on policy and achievement of objectives. (PD pg. 26)

According to the last PIR (2010), the M&E plan does not contain baseline information for each outcome-level indicator, or SMART (Specific, Measurable, Achievable, Relevant, Timely) indicators to track project outcomes. It should be noted that it was not possible to include baseline information at project start because some procedures were not in place at the beginning of the project and because, in several of the planned activities, the work started from scratch.

The M&E plan did not include a clear distribution of responsibilities for monitoring project progress, nor a dedicated budget for a midterm evaluation, a terminal evaluation, or any costs associated with collecting and analyzing indicators' related information. For this reason, the last PIR rates the quality of the project's M&E plan as unsatisfactory, stating the lack of a structured and comprehensive M&E plan. (PIR 2010 pg. 27)

Although the M&E plan at the start of the project was clearly not sufficient (no SMART indicators, no dedicated budget), it does call for specific monitoring and evaluation activities at specific times to report on project implementation. M&E It is therefore rated moderately unsatisfactory.

6.2 M&E Implementation	Rating: Moderately Satisfactory
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The TE does not report on monitoring and evaluation activities. The final PIR does not assign a final rating to M&E Implementation, since there was no original M&E Plan. (PIR 2010 pg. 27) However, the final PIR notes that the project utilized project indicators to track the progress of the achievement of objectives, fulfilled the specified reporting requirements (including financial reporting), completed a thorough Mid-Term Evaluation and a less than satisfactory Terminal Evaluation, and applied adaptive management in response to M&E activities. The PIR notes that M&E activities were conducted mainly via tele/skype conferences with the national coordinators as well as the steering committee- this method does not seem sufficient for capturing important details and conditions on the ground. It seems that the project indicators for expected outcomes were mostly appropriate, although some were unrealized and were adjusted during the project (i.e. establishment of a financial mechanism).

Despite a poor M&E plan, M&E activities were conducted thoroughly, and the PIRs provide a record of detailed and specific monitoring of project components and performance compared to specific targets. Thus M&E Implementation is rated moderately 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
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The project's implementing agency was UNEP. UNEP was responsible for overall project supervision to ensure consistency with GEF and UNEP policies and procedures. It provided guidance on linkages with related UNEP and GEF-funded activities, monitored implementation of the activities undertaken during the execution of the project, and tracked financial and progress reports. (TE pg. 2)

The last PIR notes that there was systemic delay in UNEP execution, although UNEP was fully compliant with the work plan after the MidTerm Review reduced the scope of some activities. Most indicative of the UNEP's poor performance was the lack of a satisfactory M&E Design. The quality of project execution is rated moderately satisfactory.

7.2 Quality of Project Execution	Rating: Satisfactory
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The project's executing agencies are the Center for International Forestry Research (CIFOR), the Forest Stewardship Council (FSC), ProForest, Forest Stewardship Council National Initiative of Brazil, Forest Stewardship Council Regional Office in Cameroon, Forest Stewardship Council National Initiative in Mexico.

CIFOR provided the monitoring and scientific backstopping through the provision of technical oversight and ensuring the scientific quality and objectivity of the results and outcomes. CIFOR together with FSC ensured that project implementation was in accordance with the objectives and activities as outlined in the project document. (TE pg. 2)

The FSC International Center provided the institutional and administrative control necessary to implement the GEF project. It provided the coordinating mechanism for working with national counterparts in Brazil, Mexico and Cameroon. Finally, through inclusion of the project results in its own operational procedures, international policies, standards and guidance FSC provided the mechanism for ensuring that the results of the project are taken up in all the tropical countries in which FSC operates. The FSC International Center worked closely with CIFOR and the FSC National Initiatives in Brazil, the FSC Regional Office in Cameroon, the FSC National Initiative in Mexico and ProForest. (TE pg. 2)

ProForest provided additional technical support, drawing from its extensive experience in certification and standards development and in particular in the areas of high conservation value forests and small and low intensity managed forests. (TE pg. 2)

FSC National Initiative Brazil and FSC National Initiative Mexico implemented the project in those respective countries. The Cameroon FSC regional office was just getting established at the commencement of the project and had a dual role including overseeing the GEF project implementation in Cameroon as well as promoting FSC in Africa.

The TE notes that frequent staff turnover at FSC-IC, FSC National offices and ProForest affected activities such as keeping timelines, maintaining the same understanding of project

components, and continuous building on previous project activities. (TE pg. 6) The TE does not discuss individual executing agencies in particular, and notes no other shortcomings in project execution. The last PIR rates the performance of execution as highly satisfactory. Perhaps the most convincing evidence of satisfactory performance is the achievement of all project components within the original scheduled time and budget. For this reason, the quality of project implementation in general is rated 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.

No changes in environmental stress or environmental status are noted in the TE or PIRs. However, at project end, 6 high conservation value areas had thorough management plans.

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.

Not changes in human well-being are reported by the TE. However, the project improved the ability and ease of certification of managed forests, which provides access to lucrative markets for many small producers, and may impact their financial and environmental wellbeing.

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 capacity:

- The GEF project has motivated FSC to establish a streamlined system to facilitate and enhance the certification of small and community forest operations. For example, the need for small forest operations to translate forest management public summaries into one of the FSC official languages (English and Spanish) has been waived. Additionally, FSC is

undertaking work to develop a unique label for products coming from community forest operations. (TE pg. 2)

- FSC has eased transactions for small holder issues. The CEFCo project will pilot test a mechanism to decrease the costs and burden of certification for small producers in Europe through the certification of forestry service contractors. (TE pg. 2)
- FSC has increased participation with stakeholders, including with the ongoing The Forests Dialogue sponsored by Yale (TE pg. 2)
- In Cameroon, the project increased local capacity (office supplies, equipment), and secured ongoing financial support: Forest Governance Facility (FGF) provides US\$500 monthly to cover transportation and accommodation during meetings and production of working papers; REPAR provided US\$1000 monthly to cover transportation, lodging, production of working papers for meetings; Network for the Environment and Sustainable development in Africa (NESDACA) contributed US\$500 monthly for meetings and production of working papers. (TE pg. 3)
- In Cameroon, the GEF project providing an opportunity for the project implementers to manage and implement other international projects, including: a) Private Public Partnership-PPP GTZ/FSC: Strengthening FSC-NIs in Amazon, the Congo Basin and China, from March 2007 to November 2010; and b) FSC-CMR/UNDP: adapting FSC certification of SLIMFS to facilitate the access of their products to market, from July 2007 to March 2009. (TE pg. 3)
- FSC Mexico leveraged a US\$ 240,000 loan from HSBC Bank for the development of management plans for X-Noh Cruz. (TE pg. 3)
- The specific tools that have been developed and that are intended for uptake by other forest operations include:
 - a) FSC step-by-step guide - Good practice guide to meeting FSC certification requirements for biodiversity and High Conservation Value Forests in Small and Low Intensity Managed Forests,
 - b) FSC user-friendly guide to FSC certification for smallholders - Make more out of your forests, and
 - c) Guidance on the interpretation of FSC Principles and Criteria to take account of small scale and low intensity. (TE pg. 7)
- The FSC database for impact indicators of FSC certification in relation to environmental (biodiversity), social and economic aspects was developed. The FSC accredited certification bodies are responsible for populating the database and entering data on the defined indicators for the monitoring of biodiversity. (TE pg. 7)
- A webpage has been specifically developed as a repository for all the information and work related to the certification of smallholder forest operations. The establishment of a specific social program unit at FSC-IC to deal with the certification of small holder forest operations should be seen as important in ensuring continued building on the GEF project outcomes. (TE pg. 7)
- Training materials for the identification, management and monitoring of biodiversity and HCVs have been produced and with adaption can be used for developing training materials in other countries. (TE pg. 7)

b) Governance - The TE does not report any changes in governance. This element was not part of the project activities.

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 GEF project has had specific and general influences on the FSC system both in strategic and operational terms. Some of the noted influences have been: the revision of the existing FSC standards to take into account small forest operations; the setting up of a unit to specifically deal with community and small holder operations; and the drafting of a policy on how to validate work produced by external organizations/initiatives that is important and relevant to meeting FSC's mission. (TE pg. 6)

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 project initiatives adopted at scale:

- **Scaling Up - Adopted.** The GEF project has provided a basis for FSC and other organizations to work together on issues related to increasing economic benefits to small and community forest operations. An example of this is the FSC-Fairtrade Pilot project for dual FSC and FLO (Fairtrade Labelling Organizations) that began by project end. (TE pg. 2)
- **Mainstreaming - Adopted.** The GEF project has motivated FSC to establish a streamlined system to facilitate and enhance the certification of small and community forest operations. For example, the need for small forest operations to translate forest management public summaries into one of the FSC official languages (English and Spanish) has been waived. Additionally, FSC is undertaking work to develop a unique label for products coming from community forest operations. (TE pg. 2)
- **Replication - Adopted** In Mexico, the development of X-Noh's Biodiversity Management Plan prompted the other ejidos (lands for public use, 23 in total) to generate and apply for funding for their own Biodiversity Management Plans. Following X-Noh's example, these ejidos mapped the "high value" areas they wished to set aside for conservation (totaling 37,000 ha) to eventually create a corridor. (TE pg. 3)
- **Mainstreaming- Established.** In Brazil, during and following the project's biodiversity and high conservation value training workshop in Belem in December 2009, the workshop participants formed a committee to take a lead in developing the national high conservation values (HCV) for Brazil. (TE pg. 3)
- **Mainstreaming - Adopted.** The stand-alone SLIMF (small and low intensity managed forest) standard development process has encouraged the development of full national standards, and this has proved to be generally more efficient and instrumental both in terms of generating a full standard and in generating appropriate indicators for SLIMF operations. Using the opportunity to incorporate SLIMF requirements into the full standard has resulted in the approval of a full national standard for Mexico, by building on the old draft national standard that has stalled for years and using the work on SLIMF to bring it in line with current FSC requirements. (TE pg. 6)

- **Replication – Established.** The replicability of integrated sources of revenue based on valuation of the provision of ecosystem services through FSC certification is to be tested in a GEF FSP on ecosystem services with operations in Chile, Indonesia, Nepal and Vietnam. (TE pg. 7)

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. 6):

- Using the opportunity to incorporate SLIMF requirements into the full standard has resulted in the approval of a full national standard for Mexico, by building on the old draft national standard that has stalled for years and using the work on SLIMF to bring it in line with current FSC requirements. Such an approach produces greater gains for FSC in terms of fulfilling its mission and for funders wishing to support the system and meet their objectives.
- Developing global and generic tools for small holders while keeping them still relevant for different countries can be challenging - this is even more important if there are marked differences between types of forest use/management, types of individuals/organizations managing the forest, level of education/awareness (of say FSC, HCVs, etc.), and terms/language used among SLIMF operations. Thus the adaption of generic tools to develop specific tools to respond to the specific circumstances of any given country or region remains paramount.
- It is typical that while a project implementation is underway, like-minded projects/initially unidentified projects might emerge and it can be challenging to collaborate and build synergies with these kinds of projects that might have common and different interests. Although attempts were made during the project to collaborate with such projects/organizations, greater results could have been attained through the incorporation into the project a clearly defined framework or strategy for dealing with such issues.
- Staff turnover during project implementation is not uncommon and can affect the implementation of projects especially those with an international scope. Thus, building a framework or mechanisms to allow for greater face-to-face or conference phone interactions and discussions becomes very essential especially for ensuring the continuation of project implementation monitoring. The Steering Committee meetings via physical meeting, teleconference/Skype conference were paramount in keeping the project on track.
- With the project already ongoing, teasing out realistic project outcomes vis-a-vis the available financial resources is a very important step in redefining those areas that can be achievable, as was revealed during the MTR.
- It would very useful for future projects with an international scope to estimate the amount of translations needed during the project implementation.
- FSC is a stakeholder-based system with various cross-cutting themes as well as requirements. This is particularly important in areas and countries where FSC is young or completely new. As a result this could imply that in some cases the project experienced some delays in order to first provide a basic understanding of what FSC/forest certification is all about. Thanks to UNEP and GEF that allowed for this flexibility of the project implementation time frame.

- A communication strategy on project and project outcomes plays an important role in creating awareness and dissemination of project results. This was emphasized during the MTR, and was made possible via publishing the GEF project information, the FSC website and the GEF project link on the GEF project partners. Furthermore, making presentations of the GEF project in various events has also been paramount.
- It is not financially worthwhile for small operations to be certified unless there is a financial gain. This has led to a Full Size Project (FSP) on ecosystem services going forward for GEF approval with the aim of generating revenue from activities other than timber production. An example of how such a multi-generation income scheme can arise out of certification is the Mexican communities with which the project worked which not only produce timber for sale but also receive subsidies for carbon sequestration. They export mushrooms to Asia and run a small eco-tourist resort.
- In addition to financial revenues, the project also noted how forest certification can benefit communities by building social capital. Ascribing to FSC requires that communities organize, delegate, prioritize and reach agreements which are processes that have the value of creating social organization skills and a common understanding around environmental and social values that might not come about if not driven by the methodical and high-standard certification process.
- The GEF project has had specific and general influences on the FSC system both in strategic and operational terms. Thus future projects could always prioritize analyzing the impact of the project both at the strategic and operational levels.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE does not provide any specific list of recommendations, other than those implied or suggested in the lessons learned.

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 discusses the achievement of objectives and the impacts of the project, but does not provide enough detail, nor specific achievements per country.	S
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is too short, there is no information presented on M&E, and there is almost no information on the quality of project implementation and execution, the project's efficiency, etc.	U
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE does not address sustainability.	HU
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned are not supported by through evidence, but they seem useful and comprehensive.	S
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE includes total project costs, but not by activity. TE includes realized co-financing.	MS
Assess the quality of the report's evaluation of project M&E systems:	The TE does not comment on the project's M&E systems.	HU
Overall TE Rating		MU

$$0.3 \times (a + b) + 0.1 \times (c + d + e + f) = 0.3(7) + 0.1 (11) = 2.1 + 1.1 = 3.2$$

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

In addition to the TE and the final PIR, the MidTerm Review was used to complete this TER.