### 1. PROJECT DATA

<table>
<thead>
<tr>
<th>Review date:</th>
<th>GEF Project ID:</th>
<th>2077</th>
<th>at endorsement (Million US$)</th>
<th>at completion (Million US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IA/EA Project ID:</td>
<td>TF054815</td>
<td>GEF financing:</td>
<td>0.975</td>
<td>0.975</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Lambusango Forest Conservation, Sulawesi</td>
<td>IA/EA own:</td>
<td>1.610</td>
<td>1.192</td>
</tr>
<tr>
<td>Country:</td>
<td>Indonesia</td>
<td>Government:</td>
<td>1.883</td>
<td>1.115</td>
</tr>
<tr>
<td>Operational Program:</td>
<td>OP#3: Forests; Focal area: Biodiversity</td>
<td>Total Cofinancing</td>
<td>3.493</td>
<td>2.307</td>
</tr>
<tr>
<td>IA:</td>
<td>World Bank</td>
<td>Total Project Cost:</td>
<td>4.468</td>
<td>3.282</td>
</tr>
</tbody>
</table>

**Partners involved:** Operation Wallacea, KSDA, Forestry Ministry

**Effectiveness/ Prodoc Signature (i.e. date project began):** 04/11/2005

**Closing Date**

- **Proposed:** 01/31/2008
- **Actual:** 12/31/2008

**TER Prepared by:** Pallavi Nuka

**TER peer reviewed by:** B. Wadhwa

**Duration between effectiveness date and original closing (in months):** 34

**Duration between effectiveness date and actual closing (in months):** 44

**Difference between original and actual closing (in months):** 9

**Author of TE:** Judith Schleicher

**TE completion date:** 11/2/2009

**TE submission date to GEF EO:** 12/17/2009

**Difference between TE completion and submission date (in months):** 1

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

### 2. SUMMARY OF PROJECT RATINGS AND KEY FINDINGS

Please refer to document GEF Office of Evaluation Guidelines for terminal evaluation reviews for further definitions of the ratings.

<table>
<thead>
<tr>
<th>Performance Dimension</th>
<th>Last PIR</th>
<th>IA Terminal Evaluation</th>
<th>IA Evaluation Office evaluations or reviews</th>
<th>GEF EO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1a Project outcomes</td>
<td>S</td>
<td>S</td>
<td>N/A</td>
<td>S</td>
</tr>
<tr>
<td>2.1b Sustainability of Outcomes</td>
<td>N/A</td>
<td>ML</td>
<td>N/A</td>
<td>MU</td>
</tr>
<tr>
<td>2.1c Monitoring and evaluation</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>MU</td>
</tr>
<tr>
<td>2.1d Quality of implementation and Execution</td>
<td>S</td>
<td>S</td>
<td>N/A</td>
<td>S</td>
</tr>
<tr>
<td>2.1e Quality of the evaluation report</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

**2.2 Should the terminal evaluation report for this project be considered a good practice? Why?**

Overall, this terminal evaluation cannot be considered a good practice. While it comprehensively assesses project outcomes, impacts, and risks to sustainability, the discussion of implementation is too brief, and there is no evaluation of the project’s M&E system.

**2.3 Are there any evaluation findings that require follow-up, such as corruption, reallocation of GEF funds, mismanagement, etc.?**

No such findings were noted in the TE report.
3. PROJECT OBJECTIVES

3.1 Project Objectives

a. What were the Global Environmental Objectives of the project? Were there any changes during implementation?

To conserve globally-significant biodiversity in Sulawesi through an innovative local management regime and to utilize the lessons learned from this approach to establish similar national/local conservation partnerships in other parts of Indonesia.

There were no changes to global environmental objectives during implementation.

b. What were the Development Objectives of the project? Were there any changes during implementation? (describe and insert tick in appropriate box below, if yes at what level was the change approved (GEFSEC, IA or EA)?)

The development objective, or purpose, of the project as stated in the Project Document was to “establish effective District-level management with the involvement of local communities around the Lambusango forest area.” Under this broad development goal, the specific objectives as listed in the Project Document were to:

1. Maximize local involvement through the establishment of a management ‘Forum’ for the Lambusango Forest Management Area [integrated management of national and District-level forests], and the development of village contracts granting exploitation rights in exchange for conservation gains
2. Increase local capacity through awareness building of biodiversity amongst local communities, and the development of technical skills in biodiversity assessment at undergraduate and postgraduate levels amongst the next generation of Indonesian conservationists
3. Develop and implement an effective biological and social assessment program for performance monitoring
4. Ensure the various strands of the project are financially sustainable from government and private sector input by the end of the project.
5. Work towards the introduction of similar schemes in three other Districts and promote the concept nationally.

The six major expected outcomes of the project as outlined in the Project Document were:

1. Local communities vested financial interest in the long term survival of the Lambusango forests ensured
2. Effective enforcement and high levels of compliance with agreed management regulations for the Lambusango forests ensured
3. Public awareness amongst communities on Buton Island of the biological importance of the Lambusango forests and their management regulations increased
4. Capacity amongst Indonesian managers and scientists improved to ensure similar schemes could be introduced into other districts
5. Adaptive management system developed based on the results of an ongoing biological and social science monitoring program that can be used to assess the level of success of the management program for the forests
6. Other Districts adopt similar management strategies for their locally and nationally controlled forests

Project activities were organized under the six components outlined below:

A. Local Community Involvement: Development of forest NRM plans, identifying financial opportunities and a Rattan permitting system.
B. Forest Management: Integrated national/local management plan and patrolling teams.
C. Public Awareness: Renovation of a public field center; participation by 1000 residents in training courses on forest management.
D. Capacity Building Activities: Training of Indonesian PhD candidates registered at UK universities and grant aid to undergraduates to gain biological and socio-economic field experience; establishment of a Labundo Research Center.
E. Adaptive Management and Monitoring (co-financed): Monitoring strategy to (1) detect biodiversity changes in indicator groups and population changes of key or threatened species, and (2) assess socio-economic changes in the surrounding community was developed and implemented.
F. Project promotion and replication: Communication of results to key officials; production and distribution of articles demonstrating the benefits of the Lambusango scheme and how it could be set up.

At the mid-term evaluation, project components were revised with the approval of the IA, as the original outputs were deemed not-feasible or overambitious. The allocation of GEF funds was also revised accordingly. The main revisions for each component were:
A. Formation of a Lambusango Community Forest Management Form (CFMF) organization rather than trying to integrate management at different levels of government. Development of sustainable livelihoods and enabling conditions for sustainable rattan extraction rather than NRM plans or a rattan licensing system.
B. Focus on stronger forest crime law enforcement, rather than actually integrating national and district-level forestry offices.
C. Promote global significance of Lambusango Forest through development of local-specific teaching materials and awareness rising of Lambusango Forest constituents and stakeholders at local and national level.
D. Additional site-specific job training activities for forest rangers and PPNS.
E. No change.

Overall Environmental Objectives | Project Development Objectives | Project Components | Any other (specify)
--- | --- | --- | ---
X | | |

c. If yes, tick applicable reasons for the change (in global environmental objectives and/or development objectives)

Original objectives not sufficiently articulated | Exogenous conditions changed, due to which a change in objectives was needed | Project was restructured because original objectives were over ambitious | Project was restructured because of lack of progress | Any other (specify)
--- | --- | --- | --- | ---
X | | |

4. GEF EVALUATION OFFICE ASSESSMENT OF OUTCOMES AND SUSTAINABILITY

4.1.1 Outcomes (Relevance can receive either a satisfactory rating or an unsatisfactory rating. For effectiveness and cost efficiency a six point scale 6= HS to 1 = HU will be used)

a. Relevance

Project outcomes are consistent with the aims of the GEF focus on biodiversity and the goals of OP#3 on forest management. This project was the fourth in the WB/GEF’s portfolio working at the District level in Indonesia. As such, this project can be viewed as a “test-case” for integrating management of nationally controlled forests with forests managed at the District-level. Project outcomes are relevant to the World Bank’s current Country Partnership Strategy, which prioritizes environmental sustainability and highlights the linkages between effective forest resource management and rural development. The importance of sustainable natural resources management, including biodiversity conservation, is also recognized in the latest Environment Strategy for the World Bank in the East Asia and Pacific Region (2005).

Project outcomes also support national priorities to sustainably manage natural resources with the participation of local communities, conserve biodiversity, and promote rural livelihoods as outlined in the Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2003-2020. Although the goal of a single management regime for national and locally-controlled forests was not achieved, the remaining project outcomes are relevant to national priorities. Project research and work at the village level have allowed communities to understand the importance and benefits of the globally significant natural ecosystems, delivered innovative means by which pressure on forests and species will be reduced, facilitated socially-appropriate enforcement efforts, and raised awareness at all societal levels maximizing the chances for sustained change in attitudes and behavior.

b. Effectiveness

Based on information in the TE report and final report (State of the Lambusango Forests 2008, Operation Wallacea), this project has been successful in achieving most outcomes and the main outputs specified under the revised components. There has been statistically significant change in forest cover over the project period. The only shortcomings in were in achieving certain outcomes under Component 5.

Component 1: Local Community Involvement

The project delivered all the outputs under this component. Community involvement in forest management has been deepened through the establishment of the Community Forest Management Forum (CFMF). This Forum has successfully opposed proposed plans for plantation and mining areas in the forest and it has been invited by the local government to participate in decision making. The project has also implemented sustainable livelihoods sub-projects in 17 villages and measurably increased incomes, in return for “conservation contracts” from the villages agreeing to sustainably use forest resources. The project has also established a rattan nursery and facilitated a shift from rattan
extraction to rattan cultivation.

Component 2: Forest Management
The tangible output of this component was an increase in the number of detected forest crimes over the implementation period. This was achieved through the CFMF and communication with traditional village authorities rather than forest rangers. Additional activities that strengthened law enforcement included training on prosecuting forest crimes and establishment of a Forest Crime Unit.

Component 3: Public Awareness
The project significantly increased public awareness about forest regulations and accomplished targeted outputs. Based on a 2008 survey 91% of those sampled from local villages said their knowledge about forest regulations had increased over the past year. 67% of the Buton Island population were more aware of the existence Lambusango Forest Management Area and protected species in this area. Billboards were installed at forest entry points to illustrate protected species and the sanctions for illegal activity. The project held an 8-week training course for local university students, distributed education materials to local schools, and used local print and radio media to disseminate information about Lambusango Forest Conservation efforts.

Component 4: Capacity Building
The project achieved the expected outcomes under this component through the training of 24 undergraduate students and the sponsorship of 3 doctoral students to do research related to Lambusango forest conservation. Forest rangers and forest crime investigators were trained on criminal and legal procedures and the use of GIS/GPS tools, which has already increased the rate of prosecution for forest crimes.

Component 5: Adaptive Management and Monitoring
Outcomes under this component were partially achieved. A biodiversity monitoring plan was developed, but was not fully implemented or, in some cases implemented inconsistently, because of a lack of adequately skilled staff. The monitoring plan includes assessment of change in forest cover, recording the number of forest trails, surveying rattan extraction, and collecting data on species levels and socio-economic levels. Additionally the project team was unable to develop an adaptive management strategy to accompany this monitoring plan. The TE report rates outcomes under this component as Unsatisfactory.

Component 6: Promotion of Approach
The actual outputs from this component were consistent with the expected outcomes. Project results have been presented to key Indonesian officials including the Ministry of Forestry, and the heads of National Parks. Results have been disseminated in-country through print media and also globally via the Wallacea website.

c. Efficiency (cost-effectiveness) Rating: MS

The actual project cost of $3.28 M was over 25% less than the projected cost of $4.47 M. The project’s scope was considerably reduced after the revision of some project components and actual co-financing levels were lower than proposed. However, the entire GEF grant amount of $0.975 M was disbursed.

The project closed 9-months later than planned largely due to a slow start-up phase. The extension was granted following project revision. These delays were caused by factors outside its control. Once implementation began, project activities were carried out in a timely and efficient manner.

The project achieved most of its intended objectives; the major shortcoming being the failure to fully implement the biodiversity monitoring system and develop an adaptive management strategy under Component 5. This component had the largest budget allocation (following revisions) and carries the most weight with respect to global environmental objectives. Given the reduced scope of the project following revisions and the failure to achieve important outputs under Component 5, efficiency is rated Moderately Satisfactory.

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of risks to sustainability of project outcomes and impacts based on the information presented in the TE. Use a four point scale (4= Likely (no or negligible risk); 3= Moderately Likely (low risk); 2= Moderately Unlikely (substantial risks) to 1= Unlikely (High risk)). The ratings should be given taking into account both the probability of a risk materializing and the anticipated magnitude of its effect on the continuance of project benefits.

<table>
<thead>
<tr>
<th>a. Financial resources</th>
<th>Rating: MU (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The CFM Forum and the GIS Forum have garnered limited funding from the local government during the last 6 months of the project and after closure. This funding is inadequate to cover the Forum’s total operating costs, and additional</td>
<td></td>
</tr>
</tbody>
</table>
long-term funding is required.

b. Socio political Rating: ML (3)
The project had wide societal impact and increased local knowledge about forest conservation and the importance of maintaining biodiversity. The TE report notes that there is a high level of ownership of the sustainable livelihood projects, the conservation contracts, and the CFMF. The CFMF is headed by a retired civil servant with strong political ties and has widespread community participation. There is some risk that the sustainable livelihoods projects may not be viable in the long term. These businesses are very vulnerable to swings in the market prices for their goods and need to develop a plan to export goods beyond local markets.

c. Institutional framework and governance Rating: L (4)
Institutional and legal risks are negligible. The Forestry Ministry, the KSDA and local government were all active participants in project implementation and will very likely to sustain project outcomes. Capacities in the KSDA and the District Forestry Authority have been significantly enhanced and forest law enforcement has been strengthened. Joint policing of forests in partnership with local communities will contribute to effective enforcement of forest regulations.

d. Environmental Rating: ML (3)
There are moderate environmental risks to the sustainability of project outcomes. These risks are linked to human activity from rattan extraction, selective logging, and hunting. If the sustainable livelihoods projects are not viable in the long term it is quite likely that human activity in the forest area will increase.

4.3 Assessment of processes and factors affecting attainment of project outcomes and sustainability.

a. Co-financing. To what extent was the reported co-financing (or proposed co-financing) essential to achievement of GEF objectives? Were components supported by co-financing well integrated into the project? 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 it did, then in what ways and through what causal linkages?

Co-financing from the executing agency and from the Indonesian Forestry Ministry was essential for achieving project outcomes. Co-financing accounted for more than two-thirds of the project cost. Actual co-financing was $2.3 M, about 28% less than the expected amount of $3.5 M in co-financing. Based on a review of the budget outlined in the ProDoc, the co-financing was well integrated and used to fund activities under all project components.

Wallacea, the executing agency, contributed $1.2 M in cash and in-kind co-financing to support research teams in the field. This was critical for collecting all the socio-economic and biological data. The Provincial Conservation Agency (KSDA) contributed $0.078 M. KSDA’s contribution was much lower than the expected $0.928 M. This difference in actual vs. expected co-financing may have the cause or the result of the revisions to Component 2 (dropping the goal of a joint management plan for the entire Lambusango Forest area). The Forestry Ministry contributed $1.036 M of in-kind financing (personnel, training, and equipment).

b. 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 it did, then in what ways and through what causal linkages?

The start of project implementation was slowed due to delays in the disbursal of GEF grant funds, the pulling out of KSDA as a major project partner, and administrative delays obtaining the necessary clearances for the executing agency to operate in the Lambusango area. Once implementation began, the project progressed smoothly. A 9-month extension was granted at the time of project revision so that the project could fully achieve outcomes.

c. 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.

Country ownership of the project at all level has heavily contributed to the achievement of outcomes and sustainably. The Forestry Ministry was a major project partner in terms of co-financing and helped with the initial development of the project proposal. The District level government supported implementation of project activities focused on forest management and pushed for stronger forest law enforcement. Local village support has been critical for the success of the CFM Forum and the implementation of the sustainable livelihoods projects. The continued involvement and funding of local government will be necessary for sustaining these outcomes.

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

a. M&E design at Entry Rating (six point scale): MS
The project document outlines an M&E plan based on a set of 6 “management objectives” and a range of socio-economic and biological indicators relevant to these objectives. Also included is an implementation plan and timeline. Although the ProDoc M&E plan does not include baselines for criteria such as “5% increase in income from forest based activities”, it does set out the methodology by which to establish baselines during the first year of
implementation (Appendix 4 of the ProDoc). The M&E plan also specifies the timelines for collecting data on indicators, and the indicators selected meet SMART criteria for the most part. The M&E plan was clearly used to track progress towards project objectives and intended impacts.

The main drawback to this M&E plan is that it is poorly integrated with the rest of the project as described in the project document. The “management objectives” do not correspond well with the project Components elaborated in the ProDoc, nor with the expected outcomes, or with the project objectives listed on p.11. Additionally, some of the indicators measuring ecosystem quality (species levels, forest area, etc) were problematic considering the project’s timeline and resources. It would have been difficult to collect meaningful bio-data and such data might not have been the most useful for assessing the project’s outcomes and impacts. Overall, the M&E plan was detailed, but ambitious and loosely tied to project outcomes.

<table>
<thead>
<tr>
<th>b. M&amp;E plan Implementation</th>
<th>Rating (six point scale): MU</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;E plan implementation was partially achieved. The TE report notes that M&amp;E implementation was the “the weaker part of the project.” Following project revision, the original project indicators were not appropriate, however it’s not clear if the M&amp;E plan was updated. As noted under M&amp;E design, many of the indicators focused on bio-monitoring, rather project implementation.</td>
<td></td>
</tr>
</tbody>
</table>

The major shortcoming of M&E plan implementation is that the data is unreliable. For example, due to migration/movement of peoples, the villages used to establish socio-economic baselines at the start of the project were different from those surveyed at the end of the project. Inconsistencies in data collection methods and possibly lack of adequate training for data collectors complicated the comparison of data between years for some of the indicators. These inconsistencies are attributable to the fact that Wallacea, the executing agency is a “research tourism” company and the people collecting the data are students who typically come out for only a single season.

4.6 Assessment of Quality of Implementation and Execution

| a. Overall Quality of Implementation and Execution (on a six point scale): S |
| b. Overall Quality of Implementation – for IA (on a six point scale): S |
| Briefly describe and assess performance on issues such as quality of the project design, focus on results, adequacy of supervision inputs and processes, quality of risk management, candor and realism in supervision reporting, and suitability of the chosen executing agencies for project execution. |

The implementing agency for this project was the World Bank country office in Indonesia. Overall, project design was relevant and appropriate. The selection of a “research tourism” company was novel, but appropriate given the qualifications and capacities of the executing agency. However, the Bank could have provided more input into developing the M&E plan and better integrating it with the rest of the project.

Project implementation progressed smoothly after the initial delays over start-up. The TE report notes that the Bank regularly communicated with the project team and “carried out yearly supervision missions to the project site.” Supervision appears by the Bank team to have been adequate. Management appears to have been flexible; the project outcomes were revised according to changing circumstances on the ground and the project was granted an extension in order to achieve specified outcomes. There is no information in the TE on the quality of reporting.

| c. Quality of Execution – for Executing Agencies\(^1\) (rating on a 6 point scale) MS |
| Briefly describe and assess performance on issues such as focus on results, adequacy of management inputs and processes, quality of risk management, and candor and realism in reporting by the executive agency. |

The executing agency for this project was Wallacea, Ltd, a “research tourism” company based in the UK. As such, the research program is run by university academics and carried out by paying volunteers (university students).

Wallacea hired an Indonesian project team to manage the project’s on-the-ground activities. The TE report notes that “overall, the staffing, procurement, financial management, relations with the government and local communities were handled well.” The project team was very effective in promoting community participation and empowerment. Stakeholder involvement in the project was high.

There is no information on the adequacy of management inputs or risk management.

Wallacea, Ltd managed implementation of the M&E plan as well as much of the biodiversity monitoring under Component 5. As noted above, these were the weakest aspects of this project.

\(^1\) Executing Agencies for this section would mean those agencies that are executing the project in the field. For any given project this will exclude Executing Agencies that are implementing the project under expanded opportunities – for projects approved under the expanded opportunities procedure the respective executing agency will be treated as an implementing agency.
5. PROGRESS TOWARDS IMPACT

a. What is the outlined outcomes-to-impact pathway?

Briefly describe the logical sequence of means-to-end linkages underlying a project (Outcome to impact pathways are the means-ends relationships between project outcomes and the intended impacts – i.e. the logical results chain of activity, output, outcome and impact)

<table>
<thead>
<tr>
<th>Activities</th>
<th>Outputs</th>
<th>Outcomes</th>
<th>Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance in drawing up forest management plans and identifying other financial opportunities</td>
<td>A forest management Forum bringing together the management of national and District controlled forests, established as an effective decision-making management body</td>
<td>Local communities vested financial interest in the long term survival of the Lambusango forests.</td>
<td>No decrease in area of forest cover.</td>
</tr>
<tr>
<td>Support to train and equip joint KSDA/PHPA ranger teams; infrastructure investment for management.</td>
<td>Forest management plan implemented so that the management regulations are known and accepted by all the surrounding communities.</td>
<td>Effective enforcement and high levels of compliance with agreed management regulations.</td>
<td>Reduction in illegal harvesting and hunting.</td>
</tr>
<tr>
<td>Promotion of educational opportunities and short courses on environmental conservation.</td>
<td>Development of a rattan licensing system and introduction of sustainable cultivation practices.</td>
<td>Increased public awareness of the biological importance of the Lambusango forests and local regulations.</td>
<td>Increase in key species levels/populations.</td>
</tr>
<tr>
<td>Investment in a field and research center.</td>
<td>Introduction of sustainable use agreements for all the surrounding villages.</td>
<td>Capacity amongst Indonesian managers and scientists improved.</td>
<td>Improved conservation of globally-significant biodiversity in Sulawesi;</td>
</tr>
<tr>
<td>Provision of field study grant opportunities for Indonesian undergraduates and appointment of PhD students.</td>
<td>Implementation of a chain saw amnesty and buy back scheme.</td>
<td>Other Districts adopt similar management strategies for their locally and nationally controlled forests.</td>
<td>Similar national/local conservation partnerships developed in other parts of Indonesia.</td>
</tr>
<tr>
<td>Development of a biomonitoring system.</td>
<td>Strengthening of the KSDA/Forestry team in patrolling and enforcement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultation and investigation of opportunities for similar forest management areas.</td>
<td>Modification of an existing building into a field centre.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Extensive participation in training courses and awareness programs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Grant aid and training for students to complete the main aspects of the biological monitoring program.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Implementation of a bio-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b. What are the actual (intended or unintended) impacts of the project?

Based on the assessment of outcomes [4.1.1] explain to what extent the project contributed to or detracted from the path to project impacts and to impact drivers (Impact drivers are the significant factors that, if present, are expected to contribute to the ultimate realization of project impacts and that are within the ability of the project to influence)

Evidence of impacts on the quality of biodiversity in the Lambusango Forest Area is inconclusive. Bird surveys showed an overall decline in the most common species, indicating that the human activity has increased in the area. Levels of anoa (a species of dwarf buffalo) also declined, indicating excessive hunting activity. The levels of macaques and wild pigs appear to have stayed constant. The number of forest trails did decrease over the project’s lifetime, and most importantly satellite surveys of forest cover show that there has been no significant decrease in forest area during the project’s lifetime.

**Impact drivers:** This project has catalyzed community support for biodiversity conservation efforts in the Lambusango Forest Management Area. Numerous trainings and informational activities have enhanced local capacities to understand and even lead conservation efforts. The CFM Forum has developed into a strong and active civil society organization that is recognized by local government. Community involvement in policing forest areas has led to an increased sense of ownership over conservation efforts and better relations with park authorities. Project activities have also enhanced the abilities of national and District-level park management units to effectively monitor, discover, and prosecute forest crimes.

The sustainable development pilot projects have demonstrated that biodiversity conservation and economic improvement can be mutually supporting. Communities now have a vested financial interest in promoting forest conservation. The shift to cultivation of rattan resources is a significant outcome with the potential to reduce human pressures on forest resources in the long-term.

Project impacts may extend beyond Indonesia. The executing agency, Wallacea, has applied a number of the lessons learned about forest crime enforcement to similar projects in Honduras and South Africa. Furthermore, the sustainable livelihoods sub-projects and linked conservation contracts are singled-out by the TE report as being “innovative, bottom-up driven and successful,” with good potential for replication through other community based NRM projects.

c. Drawing on the assessment of the likelihood of outcome sustainability[4.2], what are the apparent risks to achieved impacts being sustained and likely impacts being achieved?

The main risk to the sustainability of project outcomes is limited funding available to support operation of the Community Forest Management Forum and the Forest Crime Unit. Without funding for these organizations community support for management may decline and the illegal activity may increase. There is also a smaller risk that changes in the prices of forest products may affect the viability of some sustainable businesses affecting improvements in socio-economic status.

d. Evidence of Impact
Question | Yes | No | UA |
--- | --- | --- | --- |
i. Did the evaluation report on stress reduction\(^2\) at the local level (i.e. at the demonstration-pilot level, etc)? | X | | |

ii. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope\(^3\) of such reductions given the range of concerns targeted by the project.

10% reduction in infringements and illegal activities detected in the project area (from “State of Lambusango Forests 2008”).

iii. Did the evaluation report stress reduction at the broader systemic level? | X | | |

iv. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope of such reductions given the range of concerns targeted by the project.

v. Did the evaluation report change in the environmental status at the local level (i.e. at the demonstration - pilot level, etc) | X | | |

vi. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope of change given the range of concerns targeted by the project.

There was a small increase in forest regeneration rates and a decline in evidence of negative impacts in the project area over the project’s lifetime (for details see “State of Lambusango Forests 2008”).

vii. Did the evaluation report change in the environmental status at the broader systemic level? | X | | |

viii. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope of such change given the range of concerns targeted by the project.

ix. Did the evaluation report change in the socioeconomic status at the local level? | X | | |

x. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope of change given the range of concerns targeted by the project.

Household income derived from forest activities increased in the villages surveyed from 2007-2008 and the number of people deriving income from legal forest activities increased by 5% (“State of Lambusango Forests 2008”).

xi. Did the evaluation report change in the socio-economic status at the systemic level? | X | | |

xii. If yes, describe the evidence that was provided whenever possible quoting quantitative evidence. Also discuss the scope of change given the range of concerns targeted by the project.

xiii. Did the evaluation provide evidence of any negative impacts (on drivers toward the projects intended impact, environmental status, socioeconomic status)? Describe the impacts that were documented and how severe were these impacts?

There was no evidence of negative impacts from project activities.

c. Monitoring of impacts

i. Are arrangements/institutions in place to monitor stress reduction/improvement in the environment and/or socio-economic conditions at the local level after project completion? | X | | |

ii. Are arrangements/institutions in place to monitor stress reduction/improvement in the environment and/or socio-economic conditions at the systemic level after project completion? | X | | |

6. LESSONS AND RECOMMENDATIONS

Assess the project lessons and recommendations as described in the TE

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

1. The village businesses showcase how local development can be linked to sustainable forest management by employing a highly bottom-up approach. The project team successfully involved the local community and the extensive awareness program contributed towards a strong sense ownership by the local communities, who saw the project team as a partner for local development.

2. Developing and strengthening community associations, in this case the CFM Forum, can give voice to the

\(^2\) Stress = Pressure on the environment caused by human activities; Reduction=decrease of this pressure

\(^3\) Scope refers to the broadness of results against original objectives,
community. The CFMF acted as a platform for lobbying the government to oppose oil palm plantations and mining in and around Lambusango Forest.

3. Local government support is very important for successful implementation of community based projects. At least in part as a result of the project, the District head decided not to issue any new wood collection permits, allocated funds to the CFMF and the GIS Forum and threatened to dismiss the sub-district heads if forest protection was not enforced.

4. A biological monitoring scheme can provide insights on what methods and species groups are most cost-effective and relevant for protected area and forest management. The lessons from this project written up in a forest monitoring report, which discusses the headline indicators of forest quality and makes recommendation to managers.

b. Briefly describe the recommendations given in the terminal evaluation

1. For future projects, it would seem better to have the same organization conduct both the monitoring and implementation of the other project activities, rather than two different organizations as was the case in this project. Having one organization would ease supervising the monitoring activities during missions, such that indicators can be changed early on in the project if they do not prove as appropriate as initially thought.

7. QUALITY OF THE TERMINAL EVALUATION REPORT

7.1 Comments on the summary of project ratings and terminal evaluation findings based on other information sources such as GEF EO field visits, other evaluations, etc.

No other sources were consulted.

Provide a number rating 1-6 to each criterion based on: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, and Highly Unsatisfactory = 1. Please refer to document GEF Office of Evaluation Guidelines for terminal evaluations review for further definitions of the ratings.

Please briefly explain each rating.

7.2 Quality of the terminal evaluation report

<table>
<thead>
<tr>
<th>a. To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>The TE report contains a comprehensive assessment of project outcomes and impacts with respect to the revised project objectives.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>b. To what extent the report is internally consistent, the evidence is complete/convincing and the IA ratings have been substantiated? Are there any major evidence gaps?</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are minor inconsistencies in the report, but no major evidence gaps were noted. For example the report states that Operation Wallacea both was and was not the Recipient of the grant.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>c. To what extent does the report properly assess project sustainability and/or a project exit strategy?</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>The report realistically evaluates (financial, socio-economic, institutional) risks to sustainability. There is no discussion of a project exit strategy.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>d. To what extent are the lessons learned supported by the evidence presented and are they comprehensive?</th>
<th>MS</th>
</tr>
</thead>
<tbody>
<tr>
<td>The lessons learned are superficial; they don’t give the ‘how’ or the ‘why’, and are not readily transferrable to other projects. For example, it’s not clear exactly how or why this project was so successful in involving the community, or generating local government support. The discussion of performance by the IA and EA was very brief. More detail would have been useful, particularly in defining exactly which entities were responsible for the various component of the project.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>e. Does the report include the actual project costs (total and per activity) and actual co-financing used?</th>
<th>MU</th>
</tr>
</thead>
<tbody>
<tr>
<td>The TE report provides actual project costs in total, not per activity or component. Actual co-financing amounts are provided.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>f. Assess the quality of the reports evaluation of project M&amp;E systems?</th>
<th>MU</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no evaluation of the project’s M&amp;E system; aspects of M&amp;E implementation are mentioned briefly at various points in the report.</td>
<td></td>
</tr>
<tr>
<td>8. SOURCES OF INFORMATION FOR THE PRERATATION OF THE TERMINAL EVALUATION REVIEW REPORT EXCLUDING PIRs, TERMINAL EVALUATIONS, PAD.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td>No other sources were consulted.</td>
<td></td>
</tr>
</tbody>
</table>