Terminal Evaluation Review form, GEF Evaluation Office, APR 2013

1. Project Data

Summary project data	
GEF project ID	25
GEF Agency project ID	PIMS 1265
GEF Replenishment Phase	GEF-2
Lead GEF Agency (include all for joint projects)	UNDP
Project name	Conservation of Arid and Semi-Arid Ecosystems in the Caucasus
Country/Countries	Georgia
Region	ECA
Focal area	Biodiversity
Operational Program or Strategic Priorities/Objectives	1. Arid and Semi-Arid Zone Ecosystems
Executing agencies involved	Noah's Arc Center for Recovery of Endangered Species (NACRES); Environmental Union of Azerbaijan; Union for Saving the Environment
NGOs/CBOs involvement	Lead executing agency
Private sector involvement	Beneficiary
CEO Endorsement (FSP) /Approval date (MSP)	9/20/1999
Effectiveness date / project start	4/18/2000
Expected date of project completion (at start)	9/20/2002
Actual date of project completion	12/31/2002

Project Financing		At Endorsement (US $M)	At Completion (US $M)
Project Preparation Grant	GEF funding	.025	.025
	Co-financing		
GEF Project Grant		.725	0.725
Co-financing	IA/EA own		
	Government	0.012	0.000
	Other*	0.116	0.131
Total GEF funding		0.750	0.75
Total Co-financing		0.128	0.131
Total project funding (GEF grant(s) + co-financing)		0.893	0.878

Terminal evaluation/review information	
TE completion date	May 2003
TE submission date	
Author of TE	Francis Hurst Maka Tsereteli
TER completion date	05/02/2014
TER prepared by	Pallavi Nuka
TER peer review by (if GEF EO review)	Joshua Schneck

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

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF EO Review
Project Outcomes	MS	S	NA	S
Sustainability of Outcomes	NA	L (Satisfactory)	NA	ML
M&E Design	NA	NA	NA	MS
M&E Implementation	S	S	NA	MS
Quality of Implementation	NA	S	NA	S
Quality of Execution	NA	S	NA	S
Quality of the Terminal Evaluation Report	NA	NA	NA	MS

3. Project Objectives

3.1 Global Environmental Objectives of the project:

According to the TE report, the GEO was to "conserve a highly threatened Arid and Semi-arid ecosystem through the participatory planning and sustainable use of natural resources." The arid and semi-arid region stretching from southeastern Georgia, to northeastern Armenia and northwestern Azerbaijan contain globally significant biodiversity. Portions of this area serve to maintain population numbers and other portions are biological corridors. The project sought to address land degradation and biodiversity loss stemming from various human activities including intensive grazing, habitat conversion and over-hunting. The project also sought to fill "knowledge gaps" regarding biodiversity resources in the arid and semi-arid areas of the Caucusus, and it also aimed to improve regional collaboration on conservation efforts between Georgia, Azerbaijan and Armenia.

3.2 Development Objectives of the project:

As noted in the TE report, the immediate objectives of the project were:

1. To increase coordination among countries involved in participatory planning and sustainable management of natural resources.

2. To develop agreed-upon alternative land use strategies aimed at recovering and protecting the ecosystem and key species.

3. To increase awareness and develop management techniques for the sustainable use of biological resources among land users and other stakeholders.

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

No changes are noted in the TE report.

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 was relevant to national priorities regarding conservation of threatened habitats and also the aims of the GEF biodiversity focal area. The project's environmental objective was consistent with the goals of GEF's OP1: Arid and Semi Arid Ecosystems and the Biodiversity focal area. The semi-arid zone targeted in this project was identified as a priority conservation area by Georgia's State Council in May 1992, and also highlighted in the 1996 Biodiversity Country Study. Following the Biodiversity Country Study, the Gov. of Georgia prepared a National Strategy and Action Plan (NSAP; also funded by GEF), with NACRES as the executing agency. This project thus complements the NSAP. The project also directly supported the objectives of another World Bank-GEF project, "Biodiversity Conservation in Forests in the Caucausus."

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

Based on the reporting in the TE report, the project outcomes were largely commensurate with expectations. The project developed agreed-upon principles, guidelines and actions for conservation of the arid and semi-arid zone conservation. A biodiversity monitoring system for the arid and semi-arid zone was designed and a biodiversity database was established. Awareness of sustainable resource use increased and the pilot hunting farm project was successfully launched. This is consistent with the previous TER, which also found that "the project can be considered satisfactorily implemented as a majority of the objectives (in line with focal area program indicators) were successfully achieved."

From the previous TER:

1. The project brought together concerned countries; made it possible to evaluate the whole ecosystem and to prepare conservation action plans through a participatory process; acted as catalyst for several new cross-border projects in the region. The Plan for Arid and Semi-Arid Zone Management was developed and submitted for consideration to the Government of Georgia, academic and NGO communities, and all interested stakeholders. After a comprehensive discussion that followed, the plan was adopted as a guiding document for the ecosystem management. Considerable work has been carried out jointly with the Azerbaijani colleagues to develop guidelines and a plan for the ecosystem conservation in the territory of Azerbaijan that was submitted by way of recommendation to the Government of Azerbaijan.

2. The legal basis for the monitoring of biodiversity was improved, a study on the conservation of Key Species was initiated, implementation of management plan started. An awareness raising and constituency building process was initiated. At the request of the Ministry of Natural Resources and Environment of Georgia, a new version of the National Biodiversity Strategic Action Plan (NBSAP) was elaborated and submitted for approval to the Government of Georgia. Based on the course of project implementation and identified needs, relevant legislative amendments were proposed. Draft changes and amendments were submitted for consideration to the

Government of Georgia, and were adopted following the required procedures in the form of a normative act (Monitoring Regulation and Program).

3. Several publications, a series of training, workshops and meetings was held. A public awareness campaign on grazing issues was conducted, applying Participatory Rural Appraisal techniques. One of the main achievements of the project is that as a result of the educational campaign both local authorities and local people have admitted and realized the problems and more importantly have established links between the problems and underlying causes. Local stakeholders approached the project implementation unit (PIU) to request its support in initiating a new project that would target public awareness issues on grazing matters. The concept of the hunting farm has become known, and NACRES is now often approached for assistance in that area.

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

Project activities were completed within the 2-year implementation timeframe and actual costs were within the initial budget. According to the TE report, 99.7% of the GEF allocation was disbursed. The TE report notes that implementation was quite efficient. The NGO execution modality shielded the project from political changes and government turmoil during the implementation period. According to the TE report, the "high number of technical experts that were required for short-term inputs to various components were more efficiently engaged through NACRES" and "NACRES had a strong and effective network and was able to access other networks of civil society organizations more rapidly than might have been possible for a state institution."

The TE report measures projects cost effectiveness against: (i) compliance with the incremental cost criteria and securing co-funding and associated funding and, (ii) against the project completing the planned activities and meeting or exceeding the expected outcomes in terms of achievement of Global Environmental and Development Objectives as initially planned. Overall, the TE report finds that the project represents "value for money". While there were shortcomings in the development of alternative sustainable grazing regimes, the project met or exceeded expectations in other areas.

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

Financial (**ML**): According to the TE report, the executing agency, NACRES, has "proved itself an effective organisation for leveraging funds in the past" and "the broad political support appears to be in place and the relationships have been developed" to maintain a flow of financial resources. The TE report does not see financing as a significant risk to sustainability. However, direct government support is unlikely given the difficulties in raising even a small amount of government cash co-financing for the project. The project will have to continue to rely on external funding to continue activities and sustain benefits.

Socio-political (**L**): The TE report finds that the project was successful in raising environmental awareness and outreach to civil society and other environmental NGOs. However, the TE report also notes that the project needs to do more to address the issues of shepherds and other resource users in order to sustain impacts over the long-term. According to the earlier TER, "project target groups (including representatives of the Dalis Mta hunting farm, community based organizations and local authorities) regard the project activities as highly important for their region. Representatives of the target groups firmly believe that project activities should continue, which they formally expressed in various correspondence with the PIU. One of the main achievements of the project is that as a result of the educational campaign, both local authorities and local people have admitted and realized the problems and, more importantly, have established links between the problems and underlying causes. Local stakeholders approached the PIU and requested its support in initiating a new project that would target public awareness issues on grazing matters."

Institutional (**ML**): Since the project was executed by the NGO, NACRES, there was limited capacity building in national or local government institutions. NACRES did collaborate with MoE on developing a monitoring system and a management plan. However the TE report notes that the management plan "lacked the appropriate linkages to local administrative institutions necessary for its effective implementation and therefore lacked a local institutional home." Additionally the TE report points to the need for a clearer framework for participation by local authorities.

Environmental: (**ML**) As noted in the TE report, overgrazing still remains to be addressed.

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?

Promised co-financing was US$ 0.128 M or about 14% of the total project budget. The actual co-financing was US$ 0.131, slightly more than expected. The promised GoG contribution of US$ 12,000 did not materialize. The TE report notes that at the time of project implementation "the GoG was in turmoil and suffering from serious financial constraints," and that the executing agency, NACRES, covered this shortfall from their own funds. At CEO endorsement NACRES had committed US$ 0.086 M in co-financing, but actual contributions were higher at US$ 0.100 M. Committed and actual contributions from FFI were US$ 0.030 M.

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?

None noted.

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:

This was largely a local NGO-driven project. According to the TE report, the NEX/NGO execution modality fostered "a strong feeling of country ownership both within NACRES, other civil society organizations and the GoG." The project enhanced national capacities for conservation through the involvement of NACRES and the other civil society organizations. According to the TE report, this had "a considerable impact upon the projects sustainability, particularly with regards to supporting the long-term process of land use reform."

Government ownership of the project was more limited. According to the TE report, government participation in the project was hampered "the general lack of resources within the Ministry of Environment, the short time since independence and the generally chaotic system of government prevailing prior to 2003 meant that much of the policy and legislation was espoused and there was very little chance of the GoG delivering on its stated policy goals." The project's final report notes that the MoE was "unable to initiate the actual implementation of the biodiversity monitoring system on the ground" and further unable to enforce "legislation on the ground" leading to "uncontrolled distribution of goods" as well as "chaotic and qualitative transformations concerning land and sheep ownership patterns." This forced the project to re-think and re-design some of its components. While the government was incapable of taking ownership of the project, the TE report does note that "support amongst

individuals within the government appears to have been good and GoG participation in the Steering Committee was one demonstration of this commitment."

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 Satisfactory**

The M&E design at entry includes a logical framework matrix and a timeline for activities. The logframe outlines project objectives, outputs, and activities, as well as indicators, means of verification and assumptions. There was no assignment of responsibilities for M&E tasks and there was no separate M&E budget.

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

According to the TE report, "project implementation appears to have adhered to the log frame during the project and this is reflected in the reporting." However, it's not clear how much the logframe was actually used as a management tool. The logframe was never revised although there were significant changes to project activities. For example, when it was found that Objective 3 – to increase awareness and implement land management techniques was only partly achievable within the project timeframe, a decision was made to concentrate efforts on raising awareness rather than implementing the proposed rotational grazing regime.

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: **Satisfactory**

Based on the information in the TE report, the implementing agency, UNDP, had a good working relationship with the executing agency, NACRES, and took an active part in project preparation and implementation. The project design was well formulated given the context at the time of preparation and implementation arrangements took advantage of the strong NGO/civil society sector in Georgia.

During implementation, the UNDP Country Office played an important role in maintaining good relations with the extensive network of stakeholders including the Govt. of Georgia and civil society groups. The TE report finds that the "implementation modalities of NEX/NGO execution provided a great deal of flexibility ensuring that the project

was firmly embedded at the national level and effectively building the capacity of the NGO (NACRES). As a result the project appears to have been regarded as a national or NACRES project and less of a UNDP/GEF project reflecting a genuine national interest."

According to the TE report, UNDP oversight and supervision of the project was efficient and streamlined. The TE report notes that the "speed with which the project was developed, agreed and funded and successfully implemented suggests that there is considerable merit to the UNDP/GEF CO procedures."

There appears to have been no independent evaluation of the project until 2006, but, a final report was prepared by a consultant in 2002.

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

Based on the information in the TE report the capacity of the executing agency, Noah's Arc Center for Recovery of Endangered Species (NACRES), was an important factor in the successful implementation of the project. NACRES combined sound administration with good project management and understanding of the technical issues. Workplans and reporting appear to have been realistic and timely, while implementation was efficient and effective. When it became clear that improved grazing regimes were not possible, the decision to concentrate remaining resources on awareness-raising was a good instance of adaptive management and it made the best use of the resources.

However, according to the TE report, NACRES lacked sufficient capacity to carry out the socio-economic analysis, set priorities and adequately cost measures that were necessary to integrate the management plan into the local administrative and planning framework.

The TE report also notes that NACRES also developed a strong working relationship with Fauna and Flora International (FFI), a well-established and highly regarded international conservation organization. FFI provided considerable in kind support to both NACRES as the EA and the project as a whole.

8. Assessment of Project Impacts

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 status were noted in the TE report.

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.

No changes in socioeconomic status were noted in the TE report.

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 project developed the skills and capacity of a number of organizations. NACRES, and the consortium of civil society organizations that participated in the project, benefited from the project and lessons and skills are firmly embedded in the organization. Civil society organizations appear to have stepped in to fill the vacuum that resulted from the chaotic situation that prevailed in government prior to 2003. These civil society organizations retain the institutional memory that would normally be held by government institutions. While they are not a replacement for statutory agencies, they fulfil a vital and effective role in society.

The project also designed a monitoring system and established a biodiversity database. NACRES is working with the MoE to operationalize the monitoring system.

b) Governance

The project contributed to the development of cross border collaboration and strategies for recovering and conserving the ecosystem and key species. The project established a dialogue between public organisations and institutions in Georgia, Armenia and Azerbaijan. The TE report notes that the project has "put in place a robust and rational framework that will allow the process of change to take place. However, this will require further support to develop a system of land use that is equitable and ecologically sustainable."

Project activities have strengthened the legal basis for biodiversity monitoring. At the request of the Ministry of Natural Resources and Environment of Georgia, a new version of the National Biodiversity Strategic Action Plan (NBSAP) was elaborated and submitted for approval to the Government of Georgia. Based on the course of project implementation and identified needs, relevant legislative amendments were proposed. Draft changes and amendments were submitted for consideration to the Government of Georgia, and were adopted following the required procedures in the form of a normative act: Monitoring Regulation and Program.

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.

None identified.

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 project successfully launched a pilot (model) hunting farm to highlight sustainable hunting and wildlife management techniques. At the time of the TE report, this not been replicated elsewhere in Georgia, but the farm has trained a number of trackers and NACRES was seeking funding to scale-up and/or replicate the farm.

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.

1. In most instances, neither the state nor the leaseholders of pastures have the capacity or motivation to impose any grazing regulations on the pasturelands.
2. Not all resource users in the system will consider ecological sustainability as a priority. They are responding to a number of different forces (economic, tenurial, political and cultural). However, in an uncertain world they will attempt to maximize profit against an uncertain future. This does not make them "bad" people; it is a sensible response to the uncertainty that they face, and a natural response to risk.
3. One of the most promising achievements of the project occurred when resource tenure, authority, responsibility, cost and benefit were brought together in one unit of management, the *hunting farm*.
4. The traditional rotational grazing system that the project hoped to re-establish was in fact a common property system. This system would have conferred strong ownership rights upon the "members" linking *cost* and *benefit*, and, *authority* and *responsibility* within the unit of management. It would have had strongly defined tenure rights providing the long-term security of "ownership" that provided the motivation for investing in the future. Furthermore, it would have had effective institutional structures for internal management and control, determining membership of the commonage and defining relationships with external agencies and neighbors. This historical common property regime was severely disrupted during the Soviet Union by the imposition of a "command and control" economy and the subsequent creation of *Kolkhozes* and *Sovkhozes* or *collective farms* and has not recovered following independence. The challenge now, as over most of the CIS, is developing a system that equitably incorporates the components of tenure, cost and benefit, authority and responsibility within a defined user group and within the framework of modern government and an emergent free-market economy.
5. Well thought out monitoring, whether from background monitoring or focused studies, provided the information that allowed an adaptive management approach in implementing the project.

9.2 Briefly describe the recommendations given in the terminal evaluation.

1. **Across borders relationships** – Funding should be sourced to further develop these important international links with Armenia and Azerbaijan and follow up visits are arranged.
2. **Ecosystem monitoring** – The MAP 1 database should be updated periodically and a mapping component should be added to the system.
3. **The WB/GEF GPADP Vashlovani National Park Project** – Disseminate the project experience relating to rotational grazing, the availability of grazing and the complexity of the overall system when planning traditional use areas within the protected areas and in particular when considering resettlement of resource users into a system that is probably now at capacity. This could be achieved by sharing the Lessons Learned document with the WB/GEF GPADP through a seminar or round table meeting presented by NACRES personnel who worked on these aspects of the CASEC project and have a good understanding of the complexities of the system.

4. **Hunting farm development** - NACRES should continue to provide technical assistance to the Dalis Mta Hunting Farm, investigating ways in which habitat management can increase productivity of target species and conducting a financial review after the next hunting season. NACRES should consider developing a relationship with the British Association of Shooting and Conservation (BASC), with a view to developing the hunting farm approach to conservation (or alternatively the Federation of associations for hunting and conservation of the EU, FACE).
5. **GEF should continue to support *the process*** by funding the development of a follow up project or programme that builds on the experience gained so far. The scope of the intervention should be extended to include summer pastures and the migratory corridors. …It would require a strong commitment from the GoG to address these issues and could create the necessary management linkages between summer and winter pastures. One possible approach to this would be the creation of a Biosphere Reserve. Whether a biosphere reserve approach is used or not, the project or programme would need to be embedded at the local socio-political and administrative level and have mutli-agency support if it is to effectively bring about changes in the land use management outside of the protected areas system.
6. **Sharing the experience** - Other GEF projects in the CIS should take advantage of the positive experiences of the project. One such project is the Nuratau Kyzlekum Biosphere Reserve that is attempting similar activities particularly in relation to the hunting farm and approach to the issues of grazing.

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 assessment of outcomes and impacts is based on the project's original logframe. The assessment is disorganized and difficult to follow. Much of the report focuses on implementation with only 3 paragraphs discussing results/outcomes.	**MS**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	There are minor inconsistencies in the breakdown of co-financing. Ratings are provided for each objective, and outcome without clear justification of the ratings.	**MS**
To what extent does the report properly assess project sustainability and/or project exit strategy?	The sustainability assessment looks at sustainability of global environmental benefits in detail, with consideration of financial, political and institutional risks.	**S**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons learned are supported by the evidence presented on project implementation. The lessons appear to be comprehensive.	**S**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The report does not include project costs. Actual co-financing figures are presented.	**MS**
Assess the quality of the report's evaluation of project M&E systems:	There is no assessment of M&E design at entry. The discussion of M&E implementation is brief.	**MS**
Overall TE Rating	The TE report contains detailed information on project implementation. However the presentation would benefit from greater organization. The outcome assessment in particular could be more detailed with better justification for the ratings on all the outputs and objectives.	**MS**

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

Earlier version of GEFEO TER.

Project final report.