

Terminal Evaluation Review form, GEF Evaluation Office, APR 2013

1. Project Data

Summary project data			
GEF project ID		2700	
GEF Agency project ID		3469	
GEF Replenishment Phase		GEF 4	
Lead GEF Agency (include all for joint projects)		UNDP	
Project name		Implementation of the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA)	
Country/Countries		Cambodia, China, Indonesia, Timor Leste, Philippines, Lao DPR, Thailand, Vietnam, Japan, Singapore, Republic of Korea	
Region		Asia	
Focal area		International Waters	
Operational Program or Strategic Priorities/Objectives		9- Integrated Land and Water Multiple Focal Area Operational Program IW2 - Reducing nutrient over-enrichment and oxygen depletion from land-based pollution SP 1: Restoring and sustaining coastal and marine fish stocks and associated biological diversity. SP2: Reducing nutrient over-enrichment and oxygen depletion from land based pollution of coastal waters in LMEs	
Executing agencies involved		IMO, UNOPS, PEMSEA	
NGOs/CBOs involvement		NGOs were involved, particularly as participants, stakeholders and partners, but specific names were not provided in the TE.	
Private sector involvement		Private sector was involved, but specific names were not provided in the TE.	
CEO Endorsement (FSP) /Approval date (MSP)		November 7, 2007	
Effectiveness date / project start		2007	
Expected date of project completion (at start)		June 2013	
Actual date of project completion		June 2013	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding	0.7	0.8
	Co-financing		
GEF Project Grant		10.9	10.9
Co-financing	IA/EA own		
	Government		
	Other*		
Total GEF funding		11.7	11.7
Total Co-financing		33.3	80.6
Total project funding (GEF grant(s) + co-financing)		45	92.3
Terminal evaluation/review information			
TE completion date		October 2012	
TE submission date		November 2, 2012	
Author of TE		David A. LaRoche, Dr. Clive Wilkinson	

TER completion date	February 21, 2014
TER prepared by	Dania Trespalacios
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	S	HS	S	HS
Sustainability of Outcomes	Not rated	L	ML	ML
M&E Design	Not rated	HS	MS	HS
M&E Implementation	Not rated	MS	MU	S
Quality of Implementation	S	S	MS	S
Quality of Execution	S	HS	MS	S
Quality of the Terminal Evaluation Report	--	--	Not rated	S

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The SDS-SEA project hopes to ameliorate and reverse environmental degradation by action on land-based and sea-based pollution, overfishing, loss of biodiversity, habitat preservation, sustainable water use and water resource management, natural and man-made hazards, and other challenges of sustainable coastal management.

The Seas of East Asia are home to 30% of world coral reefs and mangroves, about 40% of world fish catch, 84% of the world aquaculture production, and is considered as one of the world's center for marine biodiversity. 1.9 billion people live in the region and depend on economic activities largely clustered around the region's coastal cities. Traditional resource-based activities, such as coastal fisheries, aquaculture, forestry and agriculture, are found side by side with industry, shipping and tourism.

Capture fisheries from the South China Sea contribute 10% of the world's landed catch. Five of the eight top shrimp producers in the world are countries bordering the South China Sea. Coral reefs, mangroves, and sea grass beds provide food, employment and foreign exchange earnings to the countries of the region. For the whole Southeast Asian region, the potential economic value of well-managed coral reefs is estimated to be 42.5% of the global total of US\$29.8 billion.

This area faces tremendous environmental pressures that are rapidly degrading the environment, including population growth, dynamic economic growth, rising global demand for the region's natural resources, and rapidly increasing shipping traffic.

3.2 Development Objectives of the project:

The development objective of this project is the implementation of the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA) through mobilization of the necessary partnership arrangements, operating mechanisms, intellectual capital, support

services and resources for the achievement of their shared vision of sustainable use of the coastal and marine resources of the region and the development targets of the WSSD Plan of Implementation.

The project has 3 immediate objectives:

- 1) Implementation of SDS-SEA programs aimed at legal, policy and institutional reforms, and investments at the local, national and regional levels, with a particular focus on scaling up and sustaining integrated coastal management (ICM) practices to reduce coastal and marine degradation;
- 2) Verification, dissemination and promotion of lessons and best practices, in collaboration with IW: Learn and other partners; and
- 3) A Strategic Partnership between participating countries, UNDP, the World Bank and other stakeholders to stimulate and co-finance site-specific private and/or public-private land-based pollution reduction investments under the GEF/World Bank Pollution Reduction Investment Fund for the LMEs of East Asia.

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

No changes in either global environmental objectives of development objectives between the start and finish of this phase of SDS-SEA.

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 contributes to the key indicators of the GEF International Waters Strategic Objective by fostering the development and implementation of required policy reforms, institutional arrangements, core partnerships and capacities in support of SDS-SEA implementation. The project contributes to International Waters Strategic Programmes of (a) Depletion of coastal and marine fish stocks and associated biological diversity, and (b) Nutrient over-enrichment and oxygen depletion from land-based pollution of coastal waters in Large Marine Ecosystems. (TE pg. 8)

The project is also relevant to country priorities. In Cambodia, China, the Philippines, Thailand and Vietnam stakeholders were clear in expressing that ICM, a principal objective of the Project, is being rapidly integrated into local level activities and national level policy. (TE pg. 45)

4.2 Effectiveness	Rating: Highly Satisfactory
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The TE gives this project an overall rating of “Highly Satisfactory”

The TE states that the SDS SEA project has been successful in addressing many of the GEF-4 Objectives for the International Waters focal area. The principle activity has been to introduce integrated coastal management (ICM) to the participating countries in the Seas of East Asia region in an attempt to resolve conflicts in the use of coastal waters, to reduce pollution, to productively involve stakeholders at international, regional, national, and local levels, and implement more effective fisheries management.

The TE lists the specific project components, outcomes and outputs and rates almost all as either highly satisfactory or satisfactory (TE pg. 16-19). There are 7 main components identified: 3 have been entirely completed, and 4 have been mostly achieved. (TE pg. 48-49) 51 out of the scheduled 64 outputs were achieved by October 2012, and an additional 8 were scheduled to be completed by the end of project (the TE was completed 7 months before project closure).

The TE describes that PEMSEA has successfully initiated projects in the most polluted, over-populated and degraded areas in Asia, including Bohai Sea, Jakarta Bay and Manila Bay. These are tasks that few organizations are willing to attempt. (TE pg. 56) It seems that project outcomes are commensurate with the expected outcomes, and these adequately outcomes address the problem of marine ecosystem degradation in the seas of South East Asia.

4.3 Efficiency	Rating: Satisfactory
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The TE concludes “the ratio of GEF funds to that of contributions from non-GEF sources demonstrates substantial efficiencies deriving from the GEF investment. Levels of country and other co-finance have substantially exceeded levels described in the Project Document. GEF finance to co-finance has often exceeded a ratio of 1:10. The result has been the leveraging of significant on-the-ground achievement of Outputs at relatively low GEF direct investment.” (TE pg. 11) The TE rates the project’s cost effectiveness as “highly satisfactory” (TE pg. 19)

However, project implementation was at times delayed due to cumbersome administrative procedures on the part of UNDP and UNOPS, and due to a lack of clear communication between PEMSEA and UNOPS. This decreased the efficiency of the project, but not to the detriment of project achievements.

The TE states “...many of the national and local initiatives have reached a point where they will be sustainable regardless of PEMSEA continued involvement. However, the true test of PEMSEA sustainability will come during the sustainability phase of the Project, the period 2013-2017 when countries will have to decide whether and how they will ensure the continued financial and other support that will be necessary to PEMSEA’s continuation as a legal entity.” (TE pg. 11)

It is likely that the achievements of this project will continue into the future. PEMSEA will continue to operate after GEF and other multilateral donor funds have ended, as it is now a legal entity and counts with the expressed and demonstrated of many regional governments.

Because financing for continuation of PEMSEA as a legal entity is not assured at this point, sustainability is rated as moderately likely.

5. Processes and factors affecting attainment of project outcomes

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

The level of verified co-finance has greatly exceeded the amount of co-finance foreseen as part of the project document. (TE pg. 11)

Levels of country and other co-finance have substantially exceeded levels described in the Project Document. GEF finance to co-finance has often exceeded a ratio of 1:10. The result has been the leveraging of significant on-the-ground achievement of Outputs at relatively low GEF direct investment.

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 was no delay in project completion. The TE evaluates 5 years of a 10 year project, which seems to be running on schedule. There were administrative delays (reports overdue, financial transactions lagging, etc.), but these did not seem to affect the overall achievement of project goals.

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:

One of the components of this project was the development of participatory networks of countries and country officials throughout the Seas of East Asia region The TE states that “Based on extensive interviews with officials and other stakeholders from the participating countries, it is clear that the countries feel a keen sense of ownership of the SDS-SEA

project. The evaluators also conclude that this sense of ownership will continue to grow. “ (TE pg.10) The TE also concludes that the unexpectedly high levels of co-financing secured is a sign of substantial country commitment, and bodes well for achieving long term sustainability of project results. (TE pg. 11)

The TE also notes that “the commitment by Timor Leste, ranked at number 147 in the 2011 Human Poverty Index, of \$100,000 to ensure participation in the SDS-SEA Project is a further and special example of country commitment.” (TE pg.14) Additional examples of country ownership are provided on page 50 of the TE.

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: Highly Satisfactory
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The Project Document described a thorough M&E plan, with its own allocated budget of more than half a million dollars. (Project Document pg. 62-68) The M&E plan includes periodic reporting, development of indicators tailored to each of the project components, and specified committees responsible for M&E activities.

The TE notes that the monitoring and evaluation plan contained in the project document is “...thorough and consistent with UNDP-GEF standards. Further, the focus on provincial and local level demonstration projects as part of an ICM approach lends itself to the early identification of GEF stress reduction and environmental status indicators.” (TE pg. 10)

The M&E plan is found to be more complete and thorough than most of those encountered in other GEF funded projects, and is rated highly satisfactory.

6.2 M&E Implementation	Rating: Satisfactory
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The Project Document contained a table that detailed M&E activities, including responsible parties and time frame (Project Document pg. 64). The TE includes that same table, with an additional comment reporting on the progress of each of the M&E components. (TE pg. 40-42) The TE rates M&E implementation as moderately satisfactory, stating that “the identification of stress reduction indicators and environmental status has lagged” (TE pg. 40. i. According to the TE, it seems that the planning of indicators was satisfactory, but the implementation was flawed. The TE also notes that a planned mid-term evaluation was not undertaken, however it is noted that MTEs are not required for MSP GEF projects.

The M&E plan was comprehensive and complete.. With the exception of the mid-term evaluation, all planned M&E activities were undertaken. The TE notes that M&E “has been undertaken by the project with the appropriate participation of the IA and EA... Auditing has been done on an ongoing basis by UNOPS, and also by non-GEF bi-lateral and multi-lateral donors for their respective grants to the Project.” (TE pg. 39) The TE is right to suggest improvements in the M&E plan.

This review assigns a rating of “satisfactory” for M&E Implementation.

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
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The implementing agency is UNDP. The TE notes “the existing Implementing Agency relationship to the needs of the PEMSEA, and to the participating countries, has been a productive and healthy one. However, the PEMSEA Resource Facility has identified 15 “challenges” of which 8 relate to varying degrees to the UNDP.” (TE pg. 11) Most of the challenges listed in the TE describe delays or difficulties due to lengthy administrative processes. It is clear that UNDP and UNOPS could have streamlined their administrative procedures, or at the very least could have given PEMSEA adequate training and support.

In general, project implementation was satisfactory, and thus the rating given by the TE is also given here.

7.2 Quality of Project Execution	Rating: Satisfactory
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The executing agency is identified as UNOPS, but also includes PEMSEA, “Partnerships in Environmental Management for the Seas of East Asia”. The TE concludes that “ the complexity of the PEMSEA project apparatus, existing as it has since 1996, presents challenges both to PEMSEA and to the UNOPS. As above, the PEMSEA Resource facility has identified 15 “challenges” of which they conclude 13 relate in varying degrees to UNOPS execution.” (TE pg. 11, 143-148) Most of these challenges are due to lengthy or cumbersome administrative procedures, and at times a lack of clear communication between UNOPS and

PEMSEA. Many of the administrative delays could have been averted. For this reason, the rating given here is 'satisfactory'.

8. Lessons and recommendations

8.1 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 does not have an explicit section with lessons learned, but does have extensive recommendations for the continuation of the project.

8.2 Briefly describe the recommendations given in the terminal evaluation.

The TE lists the following major recommendations (pg. 14-15):

Because of its legal status and overall respect in the area, PEMSEA should be given the ongoing responsibility and funding for a programmatic approach for regionally based activities in the East Asia Seas. PEMSEA should continue its "bottom up" approach (i.e. its focus on local level, on-the-ground actions) and it should continue to serve as a link between locally driven efforts and policy level personnel in the respective central governments of the participating countries.

Because there may be a possible gap in funding between Phase 3 Phase 4, the UNDP and PEMSEA should jointly undertake contingency planning to assure that core staff and critical program functions are maintained. The salaries of the remaining PEMSEA employees should be covered through project activity funds instead of core funding. UNDP and PEMSEA should convene a donor conference to recruit donors to ensure the long term sustainability of PEMSEA.

The TE recommends that PEMSEA should address the 15 "challenges" identified in the terminal evaluation, as well as improve M&E stakeholder consultation, and make "State of the Coast Reporting" a permanent activity. Moving forward, PEMSEA should focus much of its interventions on reinforcing and building upon the successful initiatives already begun, for example, the implementation of ICM in all levels of government in participating countries.

The TE also makes the following recommendations:

- The PNLG is an excellent mechanism to build capacity and confidence in local government authorities to manage their problems through direct action and request more devolution of authority and funding for community-based activities.
- There should be a greater emphasis on the documentation of lessons learned to establish demonstration and parallel sites in adjacent regions.
- Efforts could be undertaken to ensure that ICM principles and practices are extended into catchment areas to tackle non-point sources of pollution. This may require modification of ICM guidelines to replace 'coastal' with 'catchment.'

- Suggestions to extend into Burma, Sabah and Sarawak, and into the Pacific should be resisted unless there are clear promises of additional funding for staffing, operations and logistics.

9. 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 assesses the relevant outcomes and impacts of the project. A case study is provided in the annex. Examples from each country are provided throughout the report	HS
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The evidence presented in the report is complete and convincing. The ratings given are sometimes inconsistent (Implementation is rated HS on pg. 20 and pg. 62, but S on pg. 45). Ratings in general are well substantiated.	S
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE properly addresses sustainability, and substantiates its assessment with many examples.	HS
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The TE does not explicitly provide lessons learned, but does offer comprehensive recommendations that are well substantiated by evidence and examples.	S
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE includes co-financing costs of each activity, broken down by country. But there is no summary of project costs.	MU
Assess the quality of the report's evaluation of project M&E systems:	The TE adequately and comprehensively addresses M&E design and implementation.	HS
Overall TE Rating		S

$$0.3 \times (a + b) + 0.1 \times (c + d + e + f)$$

$$0.3(11) + 0.1(20) = 5.2 = S$$

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

This TER was completed using:

- *Project Document for CEO Approval*
- *Request for CEO Endorsement/Approval*