

Terminal Evaluation Review form, GEF Evaluation Office, APR 2015

1. Project Data

Summary project data			
GEF project ID		2794	
GEF Agency project ID		P090789	
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		World Bank	
Project name		Sustainable Land Management Project (SLMP)	
Country/Countries		Ethiopia	
Region		Africa	
Focal area		Land Degradation (03/29/2008, STAP document, p.1)	
Operational Program or Strategic Priorities/Objectives		LD-SP1 and LD-SP2	
Executing agencies involved		Government of Ethiopia- Ministry of Agriculture (MoA)	
NGOs/CBOs involvement		N/A (only government at all levels and development partners such as SIDA/GIZ)	
Private sector involvement		N/A(only government at all levels and development partners such as SIDA/GIZ)	
CEO Endorsement (FSP) /Approval date (MSP)		04/03/2008 (CEO endorsement letter)	
Effectiveness date / project start		10/10/2008 (TE, preface, part B)	
Expected date of project completion (at start)		09/30/2013 (TE, preface, part B)	
Actual date of project completion		09/30/2013 (TE, preface, part B)	
Project Financing			
		At Endorsement (US \$M) (04/07/2008, review sheet)	At Completion (US \$M) (ICR review, p.1)
Project Preparation Grant	GEF funding	.35	.35
	Co-financing		
GEF Project Grant		9	8.1
Co-financing	IA own		18.1
	Government		
	Other multi- /bi-laterals		2.61
	Private sector		
NGOs/CSOs			
Total GEF funding		9.35	8.45
Total Co-financing		28.80	20.71
Total project funding (GEF grant(s) + co-financing)		38.15	29.16
Terminal evaluation/review information			
TE completion date		03/24/2014	
Author of TE		Michael G. Carroll (TE, preface, part E)	
TER completion date		12/17/2015	
TER prepared by		Chenhao Liu	
TER peer review by (if GEF EO review)		Molly Watts	

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF EO Review
Project Outcomes	MS	MS	MS	MS (4)
Sustainability of Outcomes	Risk to outcome (low)	Risk to outcome (Moderate)	Risk to outcome (Moderate)	ML
M&E Design	NR	NR	NR	MS
M&E Implementation	NR	NR	NR	MU
Quality of Implementation	MS	MS	MS	MS
Quality of Execution	NR	MS	MS	MS
Quality of the Terminal Evaluation Report	-	-	S	S (5.1)

3. Project Objectives

3.1 Global Environmental Objectives of the project:

“The global environment objective (GEO) is to reduce land degradation, leading to the protection and/or restoration of ecosystem functions and diversity in agricultural landscapes.”(TE, p.iv/ PD, p.3)

3.2 Development Objectives of the project:

“The project development objective (PDO) is to reduce land degradation in agricultural landscapes and improve the agricultural productivity of smallholder farmers.”(TE, p.v)

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

There were no changes to GEO and PDO throughout the project (TE,p.iv-v) . There was no extension as indicated by the key dates of the project presented by the TE. (TE, p.i) “The project underwent a Level 2 restructuring in March 2013. Changes included (i) the reallocation of IDA and GEF funds among components and disbursement categories; (ii) the provision of a waiver for the use of grant funds to cover VAT expenses; and (iii) the revision of selected intermediate indicators including target values in the Results Framework, and the addition of one intermediate indicator on soil carbon. Indicator 10 was deleted during the level-2 restructuring.” (TE, p.x)

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 TE didn't rate the project's outcome relevance. In a binary scale (satisfactory/unsatisfactory) This TER will rate the project's outcome relevance as "Satisfactory". The project's objectives are highly relevant to development priority/strategies at the national and international level.

According to the TE, "The objectives of SLMP-1 (this project) remain highly relevant to the Bank's assistance strategy and within the major pillars of the current CPS (Country program Strategy), and the objectives of the GEF Land Degradation Focal Area. Moreover, the implementation of the broader national SLM Program remains a top priority that is anchored in GoE (Government of Ethiopia) 's sustainable investment framework (ESIF), as well as the country's Growth and Transformation Plan (GTP)." (TE, p.9)

4.2 Effectiveness	Rating: Moderately Satisfactory
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Regarding the project's outcome effectiveness, the TE rated "Overall Outcome and Global Environment Outcome" as Moderately Satisfactory. Based on the evidence presented by the TE, this TER will rate the project's outcome effectiveness as "Moderately Satisfactory". The TE has listed in detail the achievements of each component of PDO/GEO and their specific indicators, and it also gave ratings for the achievement of PDO/GEO. As presented by the TE, GEO and PDO component 1 have been achieved substantially, and PDO component 2 has been partially achieved. This conclusion is also supported by the achievements of project indicators measuring them, according to the detailed comparison of the indicator's target value and actual achievements as per below (target values are the latest update after post-MTR restructuring) (TE, p.v-ix)

Objective 1: Provide assistance to smallholder farmers to adopt SLM practices to reverse land degradation in agricultural landscapes (TE rating: Substantially achieved); In addition: Global Environmental Objective: Reduce land degradation leading to restoration of ecosystem functions and diversity (TE rating: Substantially achieved)

Component 1: Watershed Management

Indicator 1: Increase in Normalized Difference Vegetation Index (NDVI)

Target: 0.586 (17% increase); Actual Value 0.543 (9% increase) **(Unachieved)**

NDVI measures vegetation cover. The final value was below the revised target value, but increased 9% over the baseline, reflecting improvements in land productivity, and the project's contribution to the GEO.

Indicator 2: Increase in agricultural productivity

Target: 30% increase; Actual Value: 10% increase **(Unachieved)**

This indicator achieved a third of the end-project target. Survey data generated during the preparation of the Borrower Completion Report had methodological issues but provides an average 10% yield

increase for major crops from all watersheds, with higher values for regions where project interventions began earlier (i.e. Tigray, Amhara and Oromia).

Indicator 3: Increase in area under sustainable land management practices in the targeted watersheds

Target: 80-90% increase; Actual Value: 140% increase **(Achieved)**

Indicator 4: Increase in area under SLM practices in the targeted watersheds

Target: 156,406 Ha; Actual Value: 209,926 Ha **(Achieved)**

Indicator 5: Increase in the amount of carbon sequestered in soil

Target: 0.1% increase; Actual Value: 0.31% increase **(Achieved)**

Target was significantly exceeded as the content of soil carbon in the 15 sample watersheds increased from 1.87% to 2.45%.

Indicator 6: Development Agent (DA) and Woreda experts in the project area using information on best management practices in SLM from MoA's knowledge management system.

Target: 80%; Actual Value 92% **(Achieved)**

Objective 2: Reduce land degradation to improve agricultural productivity of smallholder farmers (TE rating: *Partially Achieved*)

Component 2: Rural Land Certification and Administration

Indicator 7: Issuance of land certificates with geo-referencing and maps to small holder farmer households.

Target: 70,000 certificates; Actual Value: 59,999 certificate **(Unachieved)**

Revised target partially achieved (86%), reflecting issuance of second-level certificates. A total of 59,999 level one certificates were issued, while 229,642 parcels were surveyed in preparation for issuance of second-level certificates. The indicator was significantly revised during restructuring.

Indicator 8: Percentage increase in the number of beneficiaries with a sense of tenure security compared with non-beneficiaries.

Target: 70% increase; Actual Value: 98% increase **(Achieved)**

Component 3: Project Management

Indicator 9: Planned implementation progress, based on the annual workplans, is achieved.

Target: 90%; Actual Value: 66% **(Unachieved)**

Target underachieved, largely due to methodological problems with measuring the indicator. Given the high disbursement rate and the results, the team believes planned implementation progress was well achieved despite the limitations of this indicator.

Indicator 10: and Indicator 11 (Deleted at restructuring after MTR)

Indicator 12: Proposed sub-projects subjected to screening with the ESMF (Environmental and Social Management Framework) before approval.

Target: 100%; Actual Value: 100% **(Achieved)**

It is clear from the above comparison that, although the majority of indicators have reached their expected value, some of them are having evident underachievement, which affects the achievement of their corresponding objectives. Thus, a rating of “Moderately Satisfactory” is justified.

4.3 Efficiency	Rating: Satisfactory
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Apart from a detailed discussion, the TE didn’t give ratings for the project’s outcome efficiency. Based on the evidence presented by the TE, this TER will rate the project’s outcome efficiency as “Satisfactory”. The project’s outcomes were achieved in a cost-effective manner with high returns and within the expected timeframe.

According to the TE, “Analysis conducted during preparation suggested that the proposed interventions were economically and financially feasible. The borrower’s completion report and this economic analysis provide evidence that the project had significant returns. The results show that even with the most conservative estimates and only a portion of the benefits quantified, the project benefits exceed the costs. With more generous prices and discount rate assumptions, the benefits exceed the costs substantially.” (TE, p.15) The modeling results from the cost benefit analysis reported “in earlier SLMP documentation estimated erosion prevention at 52 tons per ha per year, applied in an area of 60,000 hectares, which was the area of intensive project intervention. The soil carbon figure, a 1% incremental change in soil carbon, is drawn from the borrower’s completion report and valued conservatively. NDVI and soil retention figures rely on average prices for land, soil and farmer incomes before project interventions.” (TE, p.15) The project’s estimated economic benefits range from US\$3 million-US\$75 million per year based on different assumptions. “At the low end, the IRR is calculated as 10.4% and the high end range is 22.6%. Soil retention benefits account for about 33% of the benefits stream, carbon sequestration about 41%, vegetation cover about 5% and farmer incomes about 20%. Of course, all these benefits leave out the value of water retention, water quality, biodiversity, resilience building and risk reduction.” (TE, p.16)

The project has undergone no extension. The MTR reported initial delays in procurement of vehicles, office and field equipment which affected key project activities had been overcome and overall the project was on track to meet its objectives. (TE, p.5)

Overall, a rating of “Satisfactory” for the project’s outcome efficiency is justified.

4.4 Sustainability	Rating: Moderately Likely
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The TE didn’t directly give ratings for the project’s sustainability. Instead, the TE rated the level of risk to the PDG and GEO as “Moderate”, and it presented some detailed evidence on the risks to the project’s sustainability. This TER will rate the project’s sustainability as “Moderately Likely”, based on assessment of four sub-categories of sustainability as per below. The project’s sustainability faces risks of multi-facets, but so far it has received the strongest support from the approval of SLMP-2, which is the project’s direct scale-up.

Financial Resource Sustainability- Moderately Likely

Following the success of this project (SLMP-1), the Government of Ethiopia committed a larger follow-up project SLMP-2, and it was recently approved by the World Bank. However, the TE has identified a temporary lack of “financial support” from the relevant development partners to the SLMP-2 (TE, p.18). Thus, although the institutional arrangement has been in place, this TER cannot rate the project’s financial sustainability as “Likely” as no concrete financial commitment was in place for SLMP-2. Thus, a rating of “Moderately Likely” is justified.

Socio-political Sustainability- Moderately Likely

The project’s socio-political sustainability is moderately likely due to the co-existence of high-level country-drivenness and potential challenges. The outcome and impacts which have brought about positive changes in the country were well recognized, therefore a SLMP-2 project was proposed by the Government of Ethiopia. According to the TE, SLMP-2 was proposed by the Government of Ethiopia and has been already approved by the World Bank as a scale-up of SLMP-1. (TE, p.18) Through participatory demand-driven design, cost-sharing with beneficiaries, support from the social and political front was mobilized (TE, p.16), leading to a high-level country-drivenness which is critical to the project’s sustainability. In the meantime, the TE also indicated a potential challenge that, in order to ensure the project’s continued economic benefits to the local communities “more work is needed at the farm and household level to achieve the potential productivity gains and higher income levels resulting from increased water availability and reduced landscape degradation (mainly livestock management and cropping techniques).” (TE, p.18) Overall, a rating of “Moderately Likely” for the project’s socio-political sustainability is justified.

Institutional Sustainability- Moderately Unlikely

The TE has identified both contributing factors and challenges regarding the supporting institutional system for the project. “SLM functions under existing government structure are dependable and there are promising grounds for the sustainability of SLM outcomes, results and best practices.” (TE, p.55) “The project also shows efficiency judged by its positive direct and indirect economic and environmental benefits and sustainability of objectives through participatory demand-driven design, cost-sharing with beneficiaries, and contribution to the design of the SLM-2 project.” (TE, p.16), At the same time, the TE has identified a number of significant institutional risks to the project’s sustainability, “including structural/policy issues such as population pressure, climate change vulnerability, regional staff turnover, institutional mainstreaming, and work norm harmonization, as well as operational issues related to adequate, functional and consolidated M&E, and weak procurement, accounting and auditing at sub-national levels.” (TE, p.18) Among these, “one of the prevailing institutional challenges faced by the project was the persistent turnover of staff, particularly at the Woreda level”. (TE, p.17) Overall, the project’s outcome sustainability significantly hinges on institutional change and strengthening regarding the risks as referred above, and a rating of “Moderate Unlikely” for the project’s institutional sustainability is justified.

Environmental Sustainability- Moderately Likely

Immediately, the project's environmental sustainability is contingent upon the successful rollout of SLM-2, which has already garnered solid support from the country's social and political front. But the TE has also identified some challenges that should be addressed in order to sustain the project's environmental outcomes/impacts, such as "given the demands for investments in O&M (Operation and Maintenance) of small irrigation infrastructure, terraces, and feeder roads, the need for technical capacity to develop the Watershed Management Plans in new areas and update existing plans;" (TE, p.18)

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 GEF secretariat review sheet before the project's start indicates a level of planned co-financing of 33.0 million USD. (04-07-2008, GEF Secretariat Review Sheet, p.1)The actual level of co-financing realized based on the World Bank ICR Review is 20.71 million USD (ICR Review, p.1), which suggests a materialization rate of 62.8%. However, relevant project documents didn't explain in detail the linkage between the lower-than-expected co-financing and project outcomes.

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?

The project was finished on time with no extension. Relevant policy documents reported a few cases of delays. The MTR reported "initial delays in procurement of vehicles, office and field equipment which affected key project activities had been overcome and overall the project was on track to meet its objectives (TE, p.5). The TE reported that Indicator 7 "Issuance of land certificates with geo-referencing and maps to small holder farmer households" was significantly revised due to operational delays, changes in the Government of Ethiopia's (GoE) policies and inaccuracies identified with the survey method used initially." (TE, p.vii) "Key elements of the performance of the PSU have been adversely affected by the problems of quality, performance and delays created at the regional and local levels"(TE, p.20) The audit report for the year ended July 7, 2013 "has been submitted to the Bank on February 14, 2014 which was a delay of about a month from the deadline."(TE, p.43) With the current evidence from relevant policy documents, although these delays have to some extent affected the project implementation, there has been no significant linkage identified between them and project outcome/sustainability.

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

The project's country ownership is high. This project is a country-level project led by the Ethiopian government, and it is aligned with relevant country-level development strategies/priorities. It has been implemented with efficiency and ended up with desired outcome achievements. Relevant project documents provided some detailed examples showcasing the project's high-level country ownership: The

demand-driven bottom-up approach adopted under SLMP-1 marks as a particular success, as this approach allows active community participation in determining priorities and in project identification, planning, development and implementation which has contributed to generate ownership by both beneficiary communities and local authorities. (TE, p.20) By the EOP (End of Project), a total of 59,999 households have received second level certificate. As a result, 98.6% of landholders in the project areas feel more secure with the land holding certificate, and 71% explained that disputes and/or conflicts on land use have significantly reduced. There is an increased sense of ownership by farmers (TE, p.55)

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
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The TE didn’t rate the M&E design at entry, but it has rendered a discussion of the general performance of the M&E system. This TER will rate the project’s M&E design at entry as “Moderately Satisfactory” upon a review of key information from relevant policy documents. The M&E design was well-rounded, with some marked shortcomings in the indicators.

The Project Document laid out a well-rounded plan, specifying the M&E management/personnel arrangements, implementation plan, periodic reporting mechanism (PD, p.13-14). The M&E framework is based on the project logic framework, in which PDO/GEO/intermediate Objectives are measured by a set of specific indicators. For example, the objective “Improved land and water management” is measured by “Percentage increase in area under sustainable land management practices in the targeted watersheds” and “Percentage increase for carbon sequestered” (PD, p.28) As a part of the M&E plan, the PD also indicated that rigorous baseline information for the project’s evaluation will be taken from “A separate study planned by the Ethiopian Development Research Institute, World Bank, and the International Food Policy Research Institute” (PD, p.3)

The M&E design was comprehensive in format, but some of its indicators are not SMART. “Regarding the Results Framework, some of the intermediate indicators and targets were unrealistic and/or difficult to measure, including: (i) increase in the growth of agricultural productivity over non-intervention areas; (ii) increase in agricultural productivity; and (iii) number of farmer households receiving land certificates issued with geo-referenced maps.” (TE, p.6) The level-2 restructuring has addressed this and revised a number of indicators to make them “measurable and relevant” (TE, p.6)

Thus, one could draw the clear conclusion that the project’s M&E design was well-rounded, but with some problems in the quality of indicators. A rating of “Moderately Satisfactory” is justified.

6.2 M&E Implementation	Rating: Moderately Unsatisfactory
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The TE didn’t give rating for the project’s M&E implementation. But considering the evidence as presented by the TE, this TER will rate it as “Moderately Unsatisfactory”. The M&E implementation was not implemented in line with the original design due to a number of difficulties encountered throughout the implementation process.

According to the TE, “The limited functionality and utilization of the M&E system affected project progress and achievement of objectives.” (TE, p.6) The project implementation has encountered difficulties to collect (such as baseline information) and report on progress at the local level (low institutional capacity, insufficient technical know-how, persistent staff turnover, equipment and communication deficiencies, etc.). (TE, p.6) “Despite this, the PSU (Project Support Unit) developed a comprehensive internal planning process, in which, as part of the budget allocation procedures, each district and region was required to annually present to MoA (Ministry of Agriculture) an extensive list of targets for field activities. In terms of utilization, this methodology was relatively effective to report on project progress by the PSU (as reflected in Annual Reports), but the value of this information was limited, as new targets were developed each year, and progress was rated usually based on compliance with these annual targets rather than the global target for each project component, or the indicators of the Results Framework.” (TE, p.6-7)

7. Assessment of project implementation and execution

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

Please justify ratings in the space below each box.

7.1 Quality of Project Implementation	Rating: Moderately Satisfactory
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The project’s implementing agency is the World Bank. The TE rated the overall performance of the World Bank in supervising project implementation as “Moderately Satisfactory”, and it also rated two areas related to the World Bank’s role and activities in fulfilling its role: (a) Bank Performance in Ensuring Quality at Entry (“Moderately Unsatisfactory”) (b) Quality of Supervision (including of fiduciary and safeguards policies)(“Moderately Satisfactory”). This TER will rate quality of project implementation as Moderately Satisfactory”. The World Bank has been creditable in ensuring a smooth project implementation and

effective supervision over the project’s execution, but its success can’t hide certain areas in which it could have performed better.

According to the TE, “The Bank provided adequate support to the design of the project and the development of the implementation strategy. Preparation was responsive to Government needs and priorities, took into consideration the valuable experiences from predecessor initiatives (WFP, USAID, GIZ), and fully adopted the Community Based Participatory Watershed Management Guidelines (January 2005) as the key technical and operational basis for the design of watershed-based SLM interventions. On the other hand, the Bank could have performed a better role regarding the assessment of implementation readiness (i.e., Preparation of Watershed Management Plans), the technical rationale for the Land Certification Component, the assessment of technical assistance requirements and availability, and the development of the indicators and targets for the Results Framework, as well as the arrangement for monitoring of results.” (TE, p.18)

“The Bank complied with its fiduciary responsibilities by conducting regular supervision missions, which were further enhanced by including other development partners supporting the Government’s broader SLM Program. The partnership work contributed to convening and aligning financing and knowledge among partners and stakeholders, strengthening the overall policy and investment dialogue. The supervision team also contributed to the overall Bank’s role in promoting SLM in the Africa Region, by providing regular reporting and feedback. With the TTL and fiduciary staff based in the country office, procurement and FM reviews, and meetings with the PSU (project support unit) were routinely conducted, providing constructive support to MoA and the PSU. In general, as documented in Aide Memoires and ISRs, the Bank team adequately identified most issues affecting implementation (M&E deficiencies, lagging land certification progress, staff turnover etc.), and dedicated considerable supervision resources to providing field support to MoA and local governments efforts to develop and implement the watershed-level investments. In some instances however, the intense field work affected the speed of follow-up actions, in particular on the project’s M&E, environmental audits, and restructuring (additional details on the restructuring process are provided in Section 2.2).” (TE, p.19)

“The Bank provided valuable support to the Government of Egypt prior to and during project preparation and was effective in promoting the adoption of previously successful experiences within Ethiopia and other countries. Similarly, the Bank subsequently made considerable efforts to provide much needed guidance during supervision, and promote the results of the project within the Africa Region. Regardless of the commendable and relevant results achieved by the main component of the project, the overall Bank performance was affected by insufficient attention to key design elements during preparation, and the frequent delays in addressing implementation constraints and complying with some important due diligence requirements during supervision.” (TE, p.19)

7.2 Quality of Project Execution	Rating: Moderately Satisfactory
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The project’s chief executing agency is the Government of Ethiopia (GoE). More specifically, the project’s management focal point is the MoA (Ministry of Agriculture), in which a special Project Support Unit (PSU)

was set up for all the project coordination issues. The TE rated the overall performance of the project's executor as "Moderately Satisfactory". Specifically, the GoE's performance in general is rated "Moderately Satisfactory", and the MoA's performance is also "Moderately Satisfactory". Based on the evidence presented by the TE regarding the achievements of the project execution, this TER will rate the quality of project execution as "Moderately Satisfactory". The GoE and MoA has been in general successful in ensuring a high-quality of project execution, with some areas for potential improvement.

"The broader, multi-donor SLM Program is one of the flagship programs of the Ethiopian Government. As a major part of this program, SLMP-1 received adequate attention and dedication by the relevant authorities. In addition, the priority given by the Government to SLM is demonstrated by the number of additional development partners participating in the program. The creation of the Directorate for Land Administration in 2010, and the strong political support transmitted by the central authorities from MoA to the regional, district and level are relevant GoE contributions. Despite this, and largely due to the decentralized nature of the project, GoE was unable to resolve some of the administrative bottlenecks experienced by the project, such as the high staff turnover, or to provide the full counterpart contribution agreed at negotiations." (TE, p.18)

"MoA, through the PSU, has adequately met its responsibilities as the central body of the National SLM Program Support. With strong support from technical assistance provided by GIZ at the central and in selected regions, the PSU has coordinated, reported, and supervised the implementation of the project in all SLM implementing regions. It followed relevant government policies and the guidelines provided in the project's core documents (the PIM, PAD and CBPWDG); reviewed and approved annual work plans and budget; worked towards ensuring the achievement of planned outputs by facilitating conditions adherent to the project objectives; monitored progress of the project; and, mainly through the decentralized regional coordinators, provided guidance and advice to local authorities, institutions and beneficiary communities."(TE, p.19-20) However, "in the context of a complex and decentralized institutional setting, the PSU appears to have been overloaded as a result of insufficient number of staff to perform certain tasks such as coordination, M&E, compilation and consolidation of reports, procurement and financial management. Moreover, institutional requirements linked to the nature of SLM as a flagship programs, and the relationships with donors and development partners have contributed to heavy workloads. Unfortunately, despite intense training and capacity building efforts, key elements of the performance of the PSU have been adversely affected by the problems of quality, performance and delays created at the regional and local levels." (TE, p.20)

Overall, The TE rates the project executor's performance as "moderately satisfactory", "mostly related to public sector procedures that affected key aspects of project implementation, including budget allocations, delayed procurement processes, recurrent staff turnovers, and procedural discrepancies between central and local institutions." (TE, p.20)

8. Assessment of Project Impacts

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

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

The TE listed the following environmental changes brought about by the project:

9% Increase in Normalized Difference Vegetation Index (NDVI), which measures vegetation cover; average 10% yield increase for major crops from all watersheds, with higher values for regions where project interventions began earlier; 140% increase in area under sustainable land management practices in the targeted watersheds; the content of soil carbon in the 15 sample watersheds increased from 1.87% to 2.45% (Soil carbon is an important proxy for tracking overall ecosystem health and the flow of ecosystem services including those pertaining to land degradation as well as food and water security including soil fertility, resistance to erosion); (TE,p.v-vi)

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.

The TE reported the following socioeconomic change as a part of the project's impact:

"SLMP-1 (the project) has made a significant impact to women through the issuance of first level land certificates. The certification enabled women to acquire equal rights to landholdings since land certificates bear rights for both husband and wife. As a result, the share of women in the Land Registration and Administration component of SLMP-1 has been 41.6%." (TE, p.16)

The project (especially through the component 1&2 of its PDO) has "created opportunities for female-headed households. In particular, women's participation in watershed development appears to be relatively higher than in other regular local development programs. Their involvement in watershed development has been significant in the form of labor contribution to physical and biological conservation, raising seedlings, involvement in trainings, awareness raising, benefiting from income generation opportunities, appropriate management of livestock, and homestead development." (TE, p.17)

"The introduction of income generating opportunities promoted the establishment and profitability of natural resource related productive activities, and enhanced farmers' confidence on the various conservation measures practiced on individual farmlands and communal grazing areas. This included assistance for the establishment and operation of user groups (mainly unemployed youth and females) to engage in protection and utilization of communal cropping areas resulting from terrace construction.

Although the number of beneficiaries was relatively low, it was nevertheless a successful practice worth replicating.”(TE, p.17)

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

a) Capacities

The TE reported the following changes in capacities of its stakeholders:

“SLMP-1 also provided livelihood improvement opportunities to youth by offering advantages, particularly in setting up user-groups and becoming beneficiaries of employment and gaining skills in the fields such as cadastral surveying, land registration and natural-resource based income generation.”(TE, p.17)

“The project also assisted in the distribution of training and awareness creation materials in SLM watersheds. About 161 Woredas undertook HIV/AIDS mainstreaming in SLM project areas.” (TE, p.17)

“The project was responsible for providing a comprehensive training and capacity building program that substantially contributed to improving technical knowledge and raising awareness on the importance and benefits of SLM, both within public institutions at the regional and district level, as well as in beneficiary communities and farmer organizations. This major effort, led by the PSU with strong support by the technical assistance provided by GIZ, has been successful in terms of mainstreaming the environmental implications of applying sound soil and water management practices as part of the sustainable productive use of resources in small watersheds landscapes.” (TE, p.17)

According to the TE’s documentation of the project’s actual achievements as compared to the baseline and target values, 92% of Development Agents (DA) and Woreda experts in the project area were reported by the EOP to be able to use information on best management practices in SLM from the Ministry of Agriculture’s knowledge management system, which is a 82% increase from the baseline; and The TE also reported a 98% increase in the number of beneficiaries with a sense of tenure security compared with non-beneficiaries. (TE, p.vii)

b) Governance

The TE reported the following changes related to governance:

Land Tenure Insecurity is one of the root causes of land degradation, for which, issuance of land certificates by the government to farmers was designed by the project as a solution. By the EOP, 59,999 land certificates were issued by the government with geo-referencing and maps to small holder farmer households. As a result, 98.6% of landholders in the project areas feel more secure with the land holding

certificate, and 71% explained that disputes and/or conflicts on land use have significantly reduced. (TE,p.55) In addition, planned implementation progress (for Watershed management), based on the annual workplans, has been established. A number of proposed sub-projects were established to be subjected to screening with the ESMF (Environmental and Social Management Framework) before approval. (TE, p.vii)

Following the success of the SLMP-1 project, the MoA (Ministry of Agriculture) has continued to develop and implement the innovative, integrated and inclusive SLM Program that supports (i) efforts to address land degradation and climate risks and productivity constraints through a landscape approach, and (ii) contributes to growth in the agricultural sector in general.”(TE, p.8-9)

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

The TE didn't identify any unintended impacts. (TE, p.17)

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.

“Due to the positive results of the project and the support from other partners, MoA (Ministry of Agriculture) has continued to develop and implement the innovative, integrated and inclusive SLM Program that supports (i) efforts to address land degradation and climate risks and productivity constraints through a landscape approach, and (ii) contributes to growth in the agricultural sector in general.

On the basis of SLMP-1's promising results at all levels (farmers, rural communities, and public institutions at the central, regional and local levels), GoE requested a new Bank-financed operation (SLMP-2) aimed at (i) further scaling up and consolidating the pioneering efforts and achievements of the project, mainly through replicating the project's assistance to 90 additional watersheds; (ii) contributing to the consolidation and harmonization of MoA's multi-donor SLM program; and (iii) synergizing the project's achievements in terms of reduced soil degradation and improved water management by promoting a comprehensive livelihood improvement strategy anchored on “climate-smart” agricultural practices in beneficiary farmlands, households, and communities.

Prioritized in the 2013-2016 Country Partnership Strategy (CPS) adopted by the Bank's Executive Directors on August 29, 2012, SLMP-2 preserves the main pillars of SLMP-1 and will expand support to 135 large watersheds in six regions, via financing of US\$112 million from the contributions of an IDA credit fully blended with grants from GEF and Norway, which has emerged as an active new partner.” (TE, p.8-9)

9. Lessons and recommendations

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

The TE rolls out the following lessons learned: (TE, p.20-21)

- “Establishing and scaling up SLM can be facilitated by putting in place a programmatic approach that can deliver multiple benefits downstream despite upstream transaction costs associated with convening and aligning financing, experiences and approaches among partners and stakeholders. Such joint approaches strengthen the overall policy and investment dialogue and coordination. For this, analytical support addressing technical and institutional elements prior to project preparation can play a very significant role.
- SLM should be considered as an integral part of rural development strategies that can deliver livelihood opportunities and improving environmental security. Ethiopia has shown that efforts to improve land quality and protect natural resources are important components of climate resilient, low carbon economic growth.
- The demand-driven bottom-up approach adopted under SLMP-1 is relevant for natural resources management and local development in Ethiopia’s rural space. This development approach, with active community participation in determining priorities and in project identification, planning, development and implementation has contributed to generate ownership by both beneficiary communities and local authorities. SLMP-1 outputs are essential to build community confidence and enhanced community participation. Similarly, it is important to provide enhanced support in technical design and implementation and O&M of subprojects involving road improvements and small irrigation, as well as structural and vegetative land management practices.
- The need to build sustainable institutions at the local level is equally important since they are crucial for delivery of service and attainment of project objectives. SLMP-1 showed that where local level implementation structures were established and sustained through technical assistance, targeted capacity building and reward and incentive schemes, implementation of project activities was more effective in terms of quantity and quality.
- Implementation of the project was initially constrained by inadequate M&E capacity and poor financial management and procurement capacity at the Woreda level coupled with a high staff turnover. Having an effective and comprehensive M&E system in place early in the life of the project is essential for adequate assessment of project progress and assistance to management to monitor achievement of objectives and to help harmonize stakeholder and development partner efforts.
- The experience of SLMP-1 highlights the importance of enhanced recruitment procedures, appropriate incentive mechanism (working conditions, training, etc.) and harmonization of salaries and benefits among Woreda staff working on different projects.
- Provided strong community engagement and commitment are achieved, area closures have proven effective mechanisms for environmental rehabilitation, climate-resilience and reclamation of

biodiversity. For this, community by-laws play a decisive role in consolidating the rehabilitation of communal lands.

- Regarding environmental safeguards, given that the Bank’s continued support to the SLM Program will involve the construction of infrastructure, such as small scale irrigation, it is highly recommended to follow a systematic approach in the implementation of environmental safeguards. On Social safeguards, there is the need to provide special arrangements to support underserved and vulnerable groups, including careful planning and management of gender dimensions.
- To maximize dissemination (both within Ethiopia and the Africa Region), visibility and perception of project actions and results, the implementation of SLMP-1 demonstrated the importance of including, within the structure of the MoA, a knowledge management and communications team staffed by specialized professionals.”

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE didn’t provide recommendations for the entire project, but it provided the following recommendations regarding “Fiduciary Performance”: (TE, p.41)

- “Going forward there should be substantial improvement on procurement reporting under the forthcoming SLM project. In most cases it was impossible to obtain the procurement status of the FPCU (Federal Project Coordination Unit) and the Regions for review and analysis. There should be a system whereby the status of procurement is periodically reported by the regions to FPCU and the same is submitted to the Bank for its review.
- Regardless of the capacity building efforts and recommendations made to the PCU there does not seem to be an improvement in the preparation and utilization of procurement plans to guide the procurement process. In the forthcoming project the project should ensure that all procurement activities should be carried out with an approved procurement plan and procurement plans should be used as monitoring and management decision making tools by all implementing agencies of the project.
- Regardless of the capacity building effort made by providing procurement training to procurement staff in the Woredas there were some procedural errors in procurement processing at Woreda level. The FPCU should devise and put in place mechanisms to ensure that all implementing agencies are in compliance with agreed procedures in processing of the procurement of goods, works and services.
- Strengthening of the internal control and ensuring that procurement manuals of the project are widely disseminated and used by procurement staff of implementing agencies is critical to ensure compliance with agreed procedures;
- Going forward the FPCU should ensure that procurement staff at Regional level shall provide the necessary support and supervision to Regional procurement staff and the regional procurement staff shall in turn provide the necessary support to woreda level procurement staff to ensure compliance with agreed procedures and the smooth implementation of the project. To this effect the project should provide the necessary logistical support and means for mobility.”

10. Quality of the Terminal Evaluation Report

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

Criteria	GEF EO comments	Rating
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	The TE report rendered a detailed and specific assessment of the project's outcomes/impacts, in which the preset outcomes/impacts were compared by the project's actual achievements indicator by indicator	Satisfactory
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The TE report is internally consistent, evidence presented is complete and convincing, and ratings are well substantiated	Highly Satisfactory
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE rendered an assessment related to the project's sustainability (risks to outcomes),but it didn't include the project's exit strategy	Moderately Satisfactory
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The TE's "lessons learned" section is adequate	Satisfactory
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE reported the project's total cost and expense by timeline and per activity, but it didn't specify the level/use of co-financing	Moderately satisfactory
Assess the quality of the report's evaluation of project M&E systems:	The TE's assessment of the project's M&E system is adequate	Satisfactory
Overall TE Rating: $0.3 \times (a + b) + 0.1 \times (c + d + e + f) = 0.3 \times (5 + 6) + 0.1 \times (4 + 5 + 4 + 5) = 3.3 + 1.8 = 5.1$		Satisfactory

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

In the preparation of this TER, no additional documents were referred to as the source of information apart from PIRs, TE, and PD.