GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
			Review date:	2 Dec 2007
GEF Project ID:	30		at endorsement (Million US$)	at completion (Million US$)
IA/EA Project ID:	13971	**GEF financing:**	0.750	0.750
Project Name:	Upper Mustang Biodiversity Conservation Project	IA/EA own:	0.13	__
Country:	Nepal	Government:	0	0
		KMTNC:	0.51	__
		AHF:	0.75	__
		ICIMOD:	0.075	__
		Total Cofinancing	1.465	1.424
Operational Program:	4	**Total Project Cost:**	2.215	2.174
IA	UNDP	Dates		
Partners involved:	KMTNC, AHF, ICIMOD	Work Program date		April 1999
		CEO Endorsement		Nov 1999
		Effectiveness/ Prodoc Signature (i.e. date project began)		July 2001
		Closing Date	Proposed: June 2005	Actual: Dec 2006
Prepared by: LAR	Reviewed by: Neeraj Negi	Duration between effectiveness date and original closing: 48 months	Duration between effectiveness date and actual closing: 66 months	Difference between original and actual closing: 18 months
Author of TE: Phillip Edwards et al		TE completion date: Sept 2006	TE submission date to GEF EO: July 2007	Difference between TE completion and submission date: 10 months

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

2. SUMMARY OF PROJECT RATINGS

Please refer to document "GEF Office of Evaluation Guidelines for the verification and review of terminal evaluations" for further definitions of the ratings.

	Last PIR	IA Terminal Evaluation	Other IA evaluations if applicable (e.g. IEG)	GEF EO
2.1 Project outcomes	**S**	**S**	**N/A**	**S**
2.2 Project sustainability	**N/A**	**S**	**N/A**	**ML**
2.3 Monitoring and evaluation	**N/A**	**MS**	**N/A**	**MS**
2.4 Quality of the evaluation report	**N/A**	**N/A**	**N/A**	**MS**

Should this terminal evaluation report be considered a good practice? No

Why? Although the TE is well written and contains detailed evidence base it lacks assessment of financial aspects (co-financing etc) of the project by financier. The TE was not organized and structured very clearly (no clear sections on relevance, effectiveness and efficiency as would be expected in an evaluation).

Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? No

3. PROJECT OBJECTIVES AND ACTUAL OUTCOMES

3.1 Project Objectives

- **What were the Global Environmental Objectives of the project?**

Biodiversity of actual and potential value and globally important habitats and species of Upper Mustang conserved.

- **Were there any changes during implementation?**

No

- **What were the Development Objectives of the project?**

Same as above

- **Were there any changes during implementation?**

Same as above

3.2 Outcomes and Impacts

- **What major project outcomes and impacts are described in the TE?**

The TE reports in detail only at the output level. A summary of the main project achievements are provided below (mapped to the key outcomes):

1. **Institutional capacity for effective PA management and biodiversity conservation specific to Upper Mustang developed:**

The project was successful in establishing a permanent management structure – Lo Manthang Unit Conservation Office (LMUCO) in Mustang. It is full staffed with two rangers, manager and several support staff. However, the TE notes although it has received training in rangeland management, gender and people-wildlife conflict reduction and staff have learnt through 'doing'. Two main weaknesses remain – lack of social development and gender training as there is an intimate link between women's role in NRM and biodiversity management. And secondly lack of expertise in livelihood activity development.

The TE states: UMBCP has formed of number of community based institutions – Community Resources Action Joint Sub-committee (CRAJSC), Conservation Area Management Committees (CAMC), Pasture Management Sub-committees (PSMC), Tourism Management Sub-committee (TSMC), Mothers Group, Saving and Credits Group, Micro Hydro Management Sub Committee (MHMSC) – and carried out a lot of training[1] to develop skills and strengthen their capacity. Although many training, workshops and awareness camps have been undertaken, the local people seem to loose track of these exercises, find it difficult to recall what they learned during them, and some of the training they have been given has not been applied on the ground. The reasons that capacity building training programmes have not been able to achieve their desired results are lack of education, high levels of illiteracy, and perhaps not enough attention being paid to the design of training courses given these factors.

The Project has established a Conservation Area Management Committee (CAMC) in all the seven VDCs of Upper Mustang. These committees have built solidarity amongst the community members and group dynamics have been enhanced. Each CAMC, comprising 14 members, has a representative from each of the nine wards of the VDCs plus five members nominated by the UMBCP. The nominated members include the VDC Secretary as the representative of the DDC, two women, one representative of the civil society and one representative of the dalit community. However, the TE notes that much capacity building remains to be carried out if the CAMC's are going to be able to function as sustainable conservation management institutions. One of the key problems with the CAMC's is that they lack legal jurisdiction to control resource extraction in the Mustang, and hence are largely incapable of influencing conservation effectively.

Coordination between the project and the District Development Council was reported by the TE to be 'very limited'. There is no clear reason for this failing. The MTE and the LBS study both recognized that the projects links to the District Government in Jomson were weak (in part by the logistical problems) and also

[1] Saving and credit management group formation and management training; Account training to Saving and Credit groups; Auditing of Saving and Credit groups; CAMC auditing, support and training; Community-based biodiversity monitoring training; Conservation farmer selection and training; Leadership training to CAMCs; Co-ordination workshop among CAMCs and sub-CAMCs; Implementation of community and private biofuel plantations; Micro-enterprise creation training to local community; Monument restoration training; Native hay seed production training; People-wildlife conflict resolution training to local community; Proposal and report writing training; Specific skill development training to local communities in marketing and eco-friendly management; Report writing training and documentation of good practices; Social mobilization, gender sensitisation and group management training; Training on social and ecological aspects of rangeland management by applying APPA ; Training on gender diversity and social mobilization.

by a lack of clear project outreach and clear project message. This finding is also reported by the TE.

The TE states that the project has established 8 pasture management sub-committees to pilot 'rotational grazing' and 'hay making activities'. These have been quite successful. However, similar to the CAMC they still will require more training and on-the-job capacity development to reach sustainability

2. Essential information and database developed and community-based planning, management and monitoring system for protecting the biodiversity to perpetuity established

The project established an excellent MIS covering the Mustang area and this is kept at the HQ in Pokhara. Mapping of 286 pastures in Mustang were completed and incorporated into the MIS. The database includes biodiversity, social and cultural data points and will assist the LMUCO identify changes in biodiversity in the future. The MIS was used as the main data input for the Upper Mustang Management Plan 2006 – 2010. However, there is still no copy of the MIS deposited in Lo Manathang which severely constrains work and day to day utilization of the information.

Biodiversity surveys were regularly conducted and several new species were recorded for Nepal:

- Mammals – Tibetan Gazelle *Procapra picticaudara* and Tibetan Wild Ass *Equus Kiang* recorded for the first time in Nepal during UMBCP;
- Birds – Tibetan Sandgrouse *Syrrhaptes tibetanus*, and a subspecies of Eurasian Eagle Owl *Bubo Bubo hemachalana* recorded for the first time in Nepal during the UMBCP;
- Invertebrates – Varnished Apollo *Parnassius acco acco* a new Record for Nepal recorded during UMBCP; and three subspecies of butterfly, endemic to Mustang were confirmed as still extant – Common Red Apollo *Parnassius epaphus capdevellei,* Greenish Mountain Blue *Albulina orbitulus lobbichleri,* and Mustang Heath *Coenonympha amaryllis forsteri.*

Since September 2003, multidisciplinary biodiversity survey teams have been mobilized, as recommended by the MTE, comprising Rangers who have expertise on birds, flora, aquatic biodiversity, blue sheep, and snow leopard, and a community representative from the CAMC to learn the monitoring techniques.

The Project also identified a number of biodiversity hotspots resulting in three alpine areas being identified, the most important being Damodar Kund – where the project was able to convince the local community to cease grazing domestic livestock in order to protect the grazing for the Kiang (Wild Tibetan Ass) and the Argali (Bighorn sheep).

The project worked with the Snow Leopard Conservancy to monitor leopards (very difficult) – anecdotal evidence collected after snow falls indicate that they are present throughout much of Mustang. Furthermore, the leopard proof livestock corrals have reduced predation (as reported by local communities). Herders think the predation has also decreased because of the increase in the numbers of prey species such as blue sheep (a change attributed by the herders to the project).

The project worked with the CAMCs to develop community-based monitoring of biodiversity. Guidelines were developed by the project and these are being followed by the communities

3. Replicable income generation activities, particularly in connection to nature and heritage based tourism and pasture and livestock that contribute to biodiversity conservation developed and tested

The TE details the following key outputs which have contributed to the outcome:

(a) Completion of the *Upper Mustang Area Conservation Management Plan 2006-2010* (UMACMP). However, the TE deemed the tourism component of the plan to be inadequate due to proposals for expansion of tourism and lifting of number restrictions, which it believed should be retained in order to maintain a quality tourism experience and product.

(b) The cultural heritage preservation (carried out by AHF) has been very successful – the TE states:

The component covering the restoration of Loba culture is one of the outstanding successes of the Project. Of the four main sites concerned, restoration work of Thupchen Ghompa, a monastery in Lo Manthang believed to have been built around 1472, is complete and was handed over to the local community during May 2005. Work on the other main monastery within Lo Manthang, Jhampa Gompa believed to have been built around 1446, has been delayed simply by the fact that more and more wall paintings have been

discovered on its various levels. Restoration work on the city walls of Lo Manthang and of another important monastery nearby – Lo Ghaykar believed to have been built in the 8th Century – is nearly complete. In addition, the Project has made a number of other interventions in support of Loba culture such as placing teachers in schools to teach the Tibetan language, and support for religious schools. Interestingly, the latter is one of the few areas where the cultural and biodiversity components have interacted – GEF money having been used to introduce biodiversity conservation into the curricula taught to the young lamas in Years 5-8, an investment that should pay dividends in the long-term.

(c) Notably the project succeeded in concluding negotiations with the Government of Nepal (GoN) to obtain 60% of the tourism trekking fees for conservation and development activities and cultural heritage preservation. This should assist in sustaining conservation and heritage restoration and maintenance into the long term.

(d) The project established a community trust fund to manage and disburse funds for micro-projects for community development and conservation activities. The fund was initially established without clear rules and regulations which lead to suspension of activities until these were put in place in 2005. Two vehicles were established for the CTF (i) a micro-credit window for community development activities and small livelihood development (ii) a grant based conservation fund for environmental activities such as fuelwood plantations. While the grant conservation fund has been utilized, disbursement through the micro-credit fund has been very low due to lack of awareness and promotion of the opportunities for communities.

(e) The project aimed to develop income generating activities with the communities, but this has largely been unsuccessful due to the lack of opportunities afforded in isolated communities with no markets. The project also developed Savings and Credit Groups. Altogether, 29 groups have been formed (with two more to come) comprising 792 members (632 female and 160 male) which cover 68% of the households of the community. Most of the members are saving NR 25 (US 35 cents) each month. As a result, they have developed the habit of saving (formerly not a concept understood), have realised the significance of group activities for community development, and have gained confidence to speak in front of people and to express their needs. However, the funds generated by the Saving and Credit Groups have not been able to fulfil the Project objective of promoting enterprise development contributing towards biodiversity conservation. The Group members do not have a clear vision of how they intend to use the accumulated saving fund in the future. Enterprise development is severely hampered due to inadequate markets since Upper Mustang is very remote, has difficult access, and a very low population density making it extremely difficult and costly to transport products from one place to another. Many Group members feel that the fund will be used mostly just to meet household expenditures.

(f) Sustainable rangeland management – the project identified 286 key pastures for livestock and wildlife. 8 Pasture management sub-committees to encourage rotational grazing, hay meadows and predator proof corrals (implemented with ICIMOD). However the project has been unable to influence large and powerful herders who bring in livestock from Tibet or other areas. The pasture management sub-committees have no legal powers to curtail grazing in certain areas and thus enforce rotational grazing. The Project has still not managed to provide an answer to the question posed by the MTE that said "*why poor local communities with few other income-generating options than keeping livestock would voluntarily refrain from maximising their livestock numbers*".

4. GEF EVALUATION OFFICE ASSESSMENT

4.1.1 Outcomes (use a six point scale 6= HS to 1 = HU)

A Relevance **Rating: S (5)**

The project rationale and design was innovative and relevant to the key threats impacting conservation and cultural preservation in Upper Mustang. The project was one of the only GEF projects to address and combine Global Environmental Benefits and Cultural / Religious Benefits.

- The project has achieved a significant policy success in getting agreement from the GoN to plough back 60% of tourism revenues for conservation and community development activities. This should provide the basis for opportunities to improve natural resource management.

The project has failed (at present) to develop any significant links between conservation and development activities. However, this is mainly due to the very difficult social and resource conditions in Upper Mustang, which curtail many alternative livelihood approaches. The project activities with CAMCs and PMSC's are still in an early stage of development, and lack legal status to management rangelands / livestock.

B Effectiveness **Rating: S (5)**

Key achievements (impacts) as stated by the TE include:

- Agreement by Government to plough back 60% of Upper Mustang tourist entry fees to KMTNC for use on community-agreed development and conservation activities;
- Creation of a self-sustaining Community Trust Fund to facilitate biodiversity conservation;
- Development of an integrated management plan covering biodiversity conservation, cultural conservation, and tourism management;
- Restoration of local (but globally significant) cultural heritage – and a key tourist attraction;
- Completion of biodiversity surveys providing baseline information on the status of flora and fauna in the District and repeat surveys providing information on initial trends;
- Development of a geo-referenced Management Information System;
- Large-scale social mobilization of the population to undertake conservation and development activities

Shortcomings have been mainly in relation to development of income generating activities and linkages between conservation and livelihoods. KMTNC have adopted an approach where they promote sustainable community development alongside biodiversity conservation, but without linking both together. This fits KMTNC's longer term approach which goes beyond the life of the project and takes a more programmatic approach given there management mandate for the Annapurna Conservation Area. The TE concludes that culturally and biodiversity based tourism provides the clearest link between community development opportunities and conservation.

C Efficiency (cost-effectiveness) **Rating: S (5)**

The TE does not report specifically on cost-effectiveness / efficiency, with the exception to state that the project has under-spent by approximately US$175,000. All the unspent monies will be deposited into the Community Trust Fund (at project close).

Overall, comparison of project outcome / impacts (see A & B and 4.1.2) against costs indicates that satisfactory outcome with regard to cost-effectiveness

4.1.2 Impacts

See Section B above. The main 'biodiversity impacts' arising from the project so far have been:

- Kiang stable between 2001 and 2005/6 – herd size stable at 25 or less, counts stable at 37 to 45 and 41 to 46.
- Tibetan Gazelle increased from 2001 to 2005/6 – herd size up from 1 to 6-12, counts up from 6 to 68.
- Argali increased between 2002 and 2003 – herd size up from 4-10 to 12-24, counts up from 23 to 77.
- Blue Sheep increased between 2002 and 2003 – herd size up from 2-8 to 3-75, counts up from 83 to 395.
- Himalayan Griffon Vulture flock sizes at carrion increased between 2003/4 and 2005/6 from 54-65 to 81-97

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of **risks** to sustainability of project outcomes and impacts based on the information presented in the TE. Use a four point scale (4= no or negligible risk to 1= High risk)

A Financial resources **Rating: L**

The project established a 60% plough back of tourist revenues (approximately 100,000 – 150,000$ per year) for community development and conservation. Given the local populations 4500 – 6000 people this is sufficient to sustain both development and conservation activities.

The Community Trust Fund (CTF) is now fully operational. The early problems identified by the MTE have been rectified and a legally-constituted Community Resources Action Joint Sub-Committee (CRAJSC) has been formed to administer it. However, the TE points out that there needs to be more effective allocation

and balance between loans and deposits to make the CTF sustainable in the long run.
B Socio political **Rating: L**
The GoN has demonstrated its support to Upper Mustang by agreeing to plough back 60% of the tourism revenues. The prospects for social sustainability of the Project's achievements also appear very good. The social mobilization undertaken by the UMBCP is undoubtedly one of its major successes. The Project has mobilized the local population and organised seven Conservation Area Management Committees (covering roughly the same area as the corresponding VDC) along with 68 Sub-committees covering pasture management, tourism management, micro-hydro management, gompha management, savings and credit groups, and mothers groups. These cover all seven VDC areas of Upper Mustang and the membership of the 29 savings and credit groups covers 68% of all the households of Upper Mustang, an extremely high rate of penetration for the Project into the community. The capacity of these various bodies varies, but motivation within all of those interviewed by the TET was high. These bodies now seem to be well-integrated into the society and their decisions generally respected. The sustainability of the cultural restoration program appears to be very high. The American Himalayan Foundation (AHF) is committed to a twenty year program in Upper Mustang and at present they are only seven years into this. Their program includes all aspects of strengthening Loba culture including placing Tibetan-language teachers in schools, day-care centers, and health centers. The issue of maintenance of the restored gomphas (monasteries) and chortens is not a concern. AHF has a firm policy that the restoration of this Tibetan heritage is for the sake of the local people, not for tourists to come and see it.
C Institutional framework and governance **Rating: ML**
The project established a management unit (LMUCO) which will be supported in the post-project period by KMTNC at least until 2012. The CAMC and PSMC still will require further capacity development and will look to KMTNC for support. Similarly AHF plan to continue work in Mustang until 2020. Based on the long term commitment of both project executing agencies, the conditions for institutional capacity development are secure, and weaknesses at the local and district level will have a good chance to be resolved The KMTNC have been weak and integrating the project and its rationale into District Government frameworks. The TE recognizes that further work will be needed to influence District particularly on plans for further road development
D Environmental **Rating: ML**
The main threats to environmental sustainability (a) pasture management issues and (b) fuel wood / biomass use. The project has not found satisfactory solutions to unsustainable pasture management across most of Mustang. On the fuel wood issue, the project struggled to develop alternatives to use of bushes which people current uproot and dry for fuel wood. Energy demand is greatest in the winter when local people require large amounts of wood to keep warm. As a result they spend large amounts of time in the summer digging up thorny bushes thereby degrading the environment and contributing to soil erosion. Micro-hydro has been installed by KMTNC in a number of places, but these fail in the winter as the water freezes. Solar power is also popular but not good for cooking or heating and only useful in the summer when there is less cloud cover. The only suitable alternative is to continue developing plantations, this will require a stronger focus from the community trust fund and possibly investment of some of the tourism revenues in tree seedlings (but appropriate species only). These aspects will probably be addressed by the CTF and the plough-back of tourism revenues, hence prospects for a sustainable solution(s) is probable. Other threats are the planned trans-Himalayan road from Tibet to India (presently planned to go through Mustang). Alternatives have yet to be considered given the detrimental impact a road would have on the biodiversity and cultural values of Mustang.

4.3 Catalytic role

a. Production of a public good – the project has helped conserve public goods such as the landscape and biodiversity, and unique cultural heritage of Upper Mustang.
b. Demonstration - Not applicable the project was not a demonstration
c. Replication – Not applicable the project did not set out to replicate approaches widely. The KMTNC approach taken within Annapurna Conservation Areas has been (arguably) transferred to the GEF project – hence the GEF project is replicant of KMTNC approach
d. Scaling up – Not applicable

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

A. M&E design at Entry	**Rating (six point scale): NA**
No rating of M&E at design	
B. M&E plan Implementation	**Rating (six point scale): MS (4)**

The TE states:
Internal activity monitoring was undertaken by the Project itself to assess project implementation and accomplishments to serve as guide for the project management team. However, it was undertaken in an *ad hoc* way without a set timetable.

There is no separate M&E unit in the Project office of Upper Mustang. Activities of the LMUCO at the community level are monitored by the project manager or a person designated by him. There is no pre-planned schedule for M&E – it has been undertaken as and when the project manager believes it necessary

The project has undertaken specific baseline surveys for biodiversity conservation. In many cases, e.g. birds, mammals, butterflies, and plants, these have been undertaken repeatedly and in different seasons allowing rough trends to be determined. Additionally, indirect measures of biodiversity have also been taken, e.g. livestock depredation/human-wildlife conflict surveys. The results from these have been fed into a geographical information system (GIS) and used to identify biodiversity hotspots within the District. These in turn have been used to establish a zoning system with the integrated management plan produced by the Project. Narrative reports on biodiversity have been presented as part of the project's annual reports. It is intended that these surveys will be continued by ACAP from hereon, planned to be on a two-year cycle.

C.1 Was sufficient funding provided for M&E in the budget included in the project document? Yes

C.2 Was sufficient and timely funding provided for M&E during project implementation? Yes, no reported problems but M&E was hampered during the project implementation both by the Maoist insurgency (when the Annapurna Conservation Area project HQ was burnt down in 2002 – 03) and by the very difficult field conditions (high altitude and poor weather conditions / challenging communication)

C.3 Can the project M&E system be considered a good practice? No

4.5 Lessons and Recommendations

Project lessons and recommendations as described in the TE

What lessons mentioned in the TE that can be considered a good practice or approaches to avoid and could have application for other GEF projects?

- In designing projects that will operate in extremely difficult physical environments, there is a great need to allow adequate time for their implementation.
- When designing projects, it is important to ensure that proper causal links are established between conservation and other project components such as social development.
- Careful social organisation, and involvement of local people in planning and decision-making appears to result in extremely good social mobilization and motivation for implementing project activities.
- When designing micro-enterprise training for local communities, it is important to ensure that there is adequate access to markets, or that such markets can be established, otherwise little use can be made of the training.
- Unless appropriate income-generating training and market linkages for enterprise development are made, it is not possible to invest credit capital in the community.
- The improvement of pastureland to benefit wildlife conservation will always remain fragile and open to increases in domestic livestock unless either a) some form of policed quota system is operated in conjunction with such management, or b) other economic incentives can be developed that themselves encourage conservation actions.

List (or if detailed summarize) the recommendations given in the terminal evaluation

- The equipment necessary to deploy a copy of the MIS in the Lo Manthang Unit Conservation Office be undertaken as a matter of priority. Regular updates can continue to be made in Pokhara and copied through to the LMUCO on a regular basis.
- It is imperative that the GoN along with the DDC and other stakeholders develop a policy on the appropriateness and suitability of extending the road to Jomsom and thereby creating a de facto trans-Himalayan link through this biologically and culturally sensitive area. Alternatives should be considered and selected preferably as the primary link.
- As a matter of some urgency UNDP source funds internally or externally to complete the engineering

works necessary to make the Lo Manthang usable and thereby capable of negating the adverse impacts of vehicular traffic on the cultural restoration works carried out as part of the UMBCP. The maximum expenditure is estimated to be US$15,000.

- While the Terminal Evaluation Team acknowledges the near impossibility of establishing a Nepali army presence at the head of the Korolla Pass because of the harsh physical conditions and the political realities of resource deployment over a relatively minor issue (to the GON), the team recommends that the Government of Nepal makes representations to the Chinese ambassador about full maintenance of the fence or its removal to re-establish a level playing field in Mustang.
- While the Team acknowledges that border security is a sovereign issue, it recommends that the Government of Nepal continues to make representations to the Chinese ambassador about the implications for wildlife of the fence and seeks assurances that the fence will not be extended. Given the global significance and highly threatened nature of the large ungulates involved, the Team also urges GEF to raise the issue with the GEF Focal Point for China.
- An account separate from KMTNC is established for the funds from the tourism plough back, and that Guidelines and a legally-based (Sub-) Committee, similar to those governing the Community Trust Fund, be established immediately to administer them.
- The CTF-Manager needs to work hard and quickly to re-focus the Community Resource Action Joint Sub-Committee to balance its grant allocations and loan income more closely by either being more conservative with the amount of grants that it allocates, or preferably by more actively mobilizing its loan operations.

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

4.6.1 Comments on the summary of project ratings and terminal evaluation findings from other sources such as GEF EO field visits, etc.
Not applicable

4.6.2 Quality of terminal evaluation report	**Ratings**
A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	4
B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated?	4
C. Does the report properly assess project sustainability and /or a project exit strategy?	5
D. Are the lessons learned supported by the evidence presented and are they comprehensive?	5
E. Does the report include the actual project costs (total and per activity) and actual co-financing used?	3
F. Does the report present an assessment of project M&E systems?	4

4.6.3 Assessment of processes affected attainment of project outcomes and sustainability.

Co-financing and Project Outcomes & Sustainability. 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, and if it did affect outcomes and sustainability then in what ways and through what causal linkage did it affect it?
No
Delays and Project Outcomes & Sustainability. If there were delays in project implementation and completion, then what were the reasons responsible for it? Did the delay affect the project's outcomes and/or sustainability, and if it did affect outcomes and sustainability then in what ways and through what causal linkage did it affect it?
The project was extended by 18 months because of delays caused by the Maoist insurgency in Nepal.

4.7 Is a technical assessment of the project impacts described in the TE recommended? Please place an "X" in the appropriate box and explain below.	**Yes:**	**No: X**
Explain: Not necessary. The project was visited by the LBS. Furthermore, it would not be cost-effective to conduct a technical assessment because of the logistical challenges of reaching Mustang		

4.8 Sources of information for the preparation of the TE review in addition to the TE (if any)

The Local Benefits Study – Upper Mustang Case Study and the reviewers own experience of visiting the project in 2004.