Terminal Evaluation Review form, GEF Independent Evaluation Office, APR 2017

1. Project Data

Summary project data			
GEF project ID	3548		
GEF Agency project ID	EC-X1004		
GEF Replenishment Phase	GEF-4		
Lead GEF Agency (include all for joint projects)	Inter-American Development Bank (IDB)		
Project name	Marine and Coastal Biodiversity Conservation in Ecuador		
Country/Countries	Ecuador		
Region	LAC		
Focal area	Biodiversity		
Operational Program or Strategic Priorities/Objectives	SO-1: Catalyze the sustainability of protected area systems; SP-2: Increasing the representation of effectively managed marine protected areas in protected area systems		
Executing agencies involved	Ministry of the Environment (MAE) and Undersecretariat for Marine and Coastal Management (SGMC)		
NGOs/CBOs involvement	None		
Private sector involvement	None		
CEO Endorsement (FSP) /Approval date (MSP)	February 2010		
Effectiveness date / project start	August 6, 2010		
Expected date of project completion (at start)	January 2014		
Actual date of project completion	August 6, 2016		
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	0	0
	Co-financing	0	0
GEF Project Grant		4.23	1.34
Co-financing	IA own	3.15	0
	Government	1.15	1.01
	Other multi- /bi-laterals	13.0	0
	Private sector	0	0
	NGOs/CSOs	0	0
Total GEF funding		4.23	1.34
Total Co-financing		17.3	1.01
Total project funding (GEF grant(s) + co-financing)		21.53	2.35

Terminal evaluation/review information	
TE completion date	June 12, 2017
Author of TE	Michael Bliemsrieder
TER completion date	March 6, 2018
TER prepared by	Spandana Battula
TER peer review by (if GEF IEO review)	Molly Watts Sohn

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF IEO Review
Project Outcomes	MS	U	-	U
Sustainability of Outcomes		U	-	U
M&E Design		-	-	MU
M&E Implementation		U	-	U
Quality of Implementation		-	-	MS
Quality of Execution		-	-	MS
Quality of the Terminal Evaluation Report		-	-	MS

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The Global Environmental Objective of the project is "to improve the conservation of marine and coastal biodiversity in Ecuador through the promotion of a network of representative and well managed marine and coastal protected areas and targeted actions for the protection of key threatened marine species" (PD pg 7).

3.2 Development Objectives of the project:

The project documents don't mention Development Objectives of the project, but state that the project aimed to conserve marine and coastal biodiversity in Ecuador through two components, and they are:

- "(i) support the consolidation and expansion of a network of representative and well managed MPAs that provides for both ecological and socioeconomic benefits (e.g., fisheries recovery) and to generate the key information to ensure representation and connectivity during its expansion in accordance with international good practice for designing resilient MPA networks
- (ii) advance the conservation and management of sharks by supporting the implementation of the National Plan of Action for the Conservation and Management of Sharks by means of strengthening cooperation and enforcement and promote science-based decision making" (PD pg 7).

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

There were no changes to the objectives or other activities during implementation of the project.

4. GEF IEO assessment of Outcomes and Sustainability
Please refer to the GEF Terminal Evaluation Review Guidelines for detail on the criteria for ratings.

Relevance can receive either a Satisfactory or Unsatisfactory rating. For Effectiveness and Cost efficiency, a six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess. Sustainability ratings are assessed on a four-point scale: Likely=no or negligible risk; Moderately Likely=low risk; Moderately Unlikely=substantial risks; Unlikely=high risk. In assessing a Sustainability rating please note if, and to what degree, sustainability of project outcomes is threatened by financial, sociopolitical, institutional/governance, or environmental factors.

Please justify ratings in the space below each box.

4.1 **Relevance**	Rating: Satisfactory

The project is consistent with the first strategic objective for the GEF-6 Biodiversity focal area, to catalyze sustainability of protected areas, as well as Strategic Priority2 on establishment and expansion of Marine and Coastal Protected Areas and protected area networks. The project was aligned with IDB's 2008-2011 Country Strategy "as part of the priority for promoting sustainable productive development, it calls for the promotion of natural resource conservation of marine and coastal ecosystems with a long-range vision that is compatible with the welfare and progress of the local population" (PD pgs 7-8). It complies with IDB's Sectoral Framework for Environment and Biodiversity and its Biodiversity and Ecosystem Services Program. Additionally, the project was relevant as per CBD's Strategic Plan for Biological Diversity 2011-2020, Strategic Objective C of the Aichi Goals on Protected Areas (TE pg 4).

4.2 **Effectiveness**	Rating: Unsatisfactory

The terminal evaluation rates effectiveness as unsatisfactory, and this TER agrees with that rating. The project intended to improve conservation of marine and coastal biodiversity in Ecuador through two components: supporting the Network of Marine and Coastal Protected Area, and implementing the National Plan of Action for the Conservation and Management of Sharks. The project did manage to establish the Marine and Coastal Protected Area network, and there were significant improvements in several MPAs as well as in the MPA network's operations. However, as per the TE, component 2 was not carried out at all, and not all targets under the project's first component were met.

Component 1: Support for the Network of Marine and Coastal Protected Area (MCPA):

Under this component, the project planned to establish a network of Marine Protected Areas, propose new areas for the network, improve management effectiveness and representation of marine ecosystems in the networks, as well as decrease annual landings of threatened sharks. As per the TE, in 2017 the Marine and Coastal Protected Area network was formally established through a Ministerial resolution. At the time of the evaluation mission, "for practical purposes, MCPAs included in the Project were effectively operating as a network, in the sense that individual units maintained fluid and permanent coordination, communication and exchange of information. The newly declared areas, although not fully funded, were included in the network for administrative purposes, and there was at

least a minimum of direct management (e.g. monitoring, evaluation and patrolling) shared between different areas" (TE pg 13). Four new Marine and Coastal Protected Areas were declared through ministerial resolutions during project implementation, twice the targeted number. The project also completed two baselines studies for additional proposed Marine and Coastal Protected Areas. The management effectives score for the original 13 protected areas (those already in existence before the project began) was 73.46 at project completion, below the target score of 80. The TE notes that "after assessing existing threats (especially regarding financial sustainability, chronic lack of staff and equipment, absence of monitoring and evaluation mechanisms, and a lack of apparent short, medium and long term solutions), the evaluation agreed with METT results and concluded that this outcome was not met" (TE pg 14), however, it also notes that though the final score was below target level, it was still more than double the baseline score of 30.77. Lastly, for the output on improving representativeness of marine ecosystems, the project surpassed the original baseline value, but the TE finds that the criteria used during Project design to set these values cannot be identified, and that there were no initial biodiversity diagnostics nor full analyses of initial representativeness, the outcome did not have the necessary information to be viable or achievable" (TE pg 8).

4.3 **Efficiency**	Rating: Unsatisfactory

The TE gives an Unsatisfactory rating to efficiency of the project because it managed to spend only "28.33% of its overall budget despite having been extended two years beyond its original deadline. Only 33.48% of GEF grant funds were used" (TE pg 29). The Ministry of Environment still invested 88% of its original counterpart contribution, especially for project management costs. Also, the closure of the National Environmental Fund, and absence of an exit plan for financial sustainability deprived the Project of one of its key goals. In terms of time, the delays in project procurement and fiduciary management delayed the implementation of key activities. The TE states that due to "delays in fiduciary government approvals, the Project failed to acquire approximately USD 0.5 million worth of goods and services, which meant that actions that depended on these acquisitions were not carried out and associated outcomes and outputs were not achieved" (TE pg 41).

4.4 **Sustainability**	Rating: Unlikely

The TER gives an Unlikely rating to the sustainability of the project because the financial, sociopolitical, and institutional risks were high during the implementation of the project, and there is no indication of the risks reducing post completion. Below is a detailed assessment of the sustainability components:

Financial resources: The project has problems with financial sustainability as during implementation there was chronic lack of funding and resulting limitations for efficient protected area management. Although the project succeeded in collecting baseline information, and created management plans for MPAs, "the necessary equipment, materials and financial resources to ensure that this information and technical capacity would be translated into effective operational field actions were absent. To fix this

problem, the MCPA network will require a sustained flow of funding. Unfortunately, by closing of this evaluation there were no indications that protected area financing would be available in the short and medium term." (TE pg 30).

Socio-political: The TE states that sociopolitical risks are high because, although the project worked on strengthening the legal MPA framework, it failed at implementing actions to include local communities in protected area management. Plans for fisheries management and marine tourism were not developed, and a planned local education and awareness campaign was neither designed nor implemented" (TE pg 31). By not including the local communities, they would not have had "incentives to respect the new regulations framework and would probably continue to interact with protected areas in a negative way" (TE pg 31).

Institutional framework and governance: The TE finds that there were institutional difficulties such as frequent changes in budgeting and planning systems which impacted expenditure types and schedules. The MPAs and project management unit faced frequent staff turnover at managerial and technical levels that affected the continuity of project activities and fiduciary management (TE pg 32).

Environmental: In some MPAs there were mega-infrastructure projects being planned which could have potential impact on the ecosystem integrity of the associated MPAs (TE pg 32).

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 project's materialized co-financing of $1,012,000 was far less than the expected financing of $17,300,000. At CEO endorsement, USAID and IDB's Coastal Artisanal Fisheries Support Project (PROPESCAR) had agreed to co-finance. At project end, the evaluation was unable to identify the materialized amounts that were provided directly or indirectly to the Project from the USAID component. For PROPESCAR, the financing was withdrawn in March of 2013 due to a decision by the Government of Ecuador to cancel the entire associated IDB loan. "Project component 2 was to be financed entirely by PROPESCAR, so that the loss of funding automatically meant that this component would not be carried out unless new resources were found. Given that by 2013 the Project was itself close to its original end date and that the GoE had decided to carry out PAT-EC activities through the Under secretariat of Fisheries with government funds, no further efforts were undertaken to fill this financing gap" (TE pg 40).

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 implementation had delays because of operational and financial problems that hindered the activities and affected the long-term sustainability of outcomes. For example, the baselines data was

collected only at the end of the project, which affected the conservation management decisions and actions. Additionally, due to delays in getting government approvals, the project did not receive USD 0.5 million worth of goods and services, which meant that actions that depended on these acquisitions were not carried out and associated outcomes and outputs were not achieved (TE pg 41).

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 had adequate country ownership as relevant officials participated in designing and implementing the project and they also played a key role in solving many of the problems. Even local communities and other stakeholders in technical and socio-economic aspects were consulted in during project design, however, there is no evidence whether the stakeholders participated in project intervention. On financing, the government kept its commitment to provide co-financing despite worsening economic conditions (TE pg 38).

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 Unsatisfactory

The project provided a good M&E plan with two levels of monitoring, i.e., monitoring of project progress, and technical monitoring with the principal objective of ensuring that MPA management and shark conservation measures are informed by relevant up-to-date scientific programs. It also provided for a results framework with indicators, annual work plan, mid-year progress report, annual project report, project implementation reviews, mid-term evaluation and final evaluation reports. However, the TE notes that the plan did not include "feasibility analyses of the proposed indicators; protocols for data collection, measurement and interpretation; redundancy analyses between indicators; contingency scenarios to respond to changes in environmental conditions and/or Project implementation premises; and specific protocols for information flow and decision-making processes resulting from data interpretation" (TE pg 34). Due to the absence of these guidelines, the M&E couldn't get operationalized. Thus, the TER gives a Moderately Unsatisfactory rating to the M&E design.

6.2 **M&E Implementation**	Rating: Unsatisfactory

The TE states the IDB kept adequate records of field activities and managed to provide the METT deployments with information. The protected areas also maintained adequate databases to guide and support Project interventions. However, as there were flaws in the M&E plan, the M&E tool was never used. The TE is also unable to confirm whether M&E reports were submitted. The M&E budget was adequate, but the "MEP design was improperly done and did not fulfill Project requirements nor basic criteria for monitoring and evaluation of environmental and protected area initiatives" (TE pg 35). As the M&E implementation was not done adequately, the TER gives an Unsatisfactory rating.

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

The project implementation agency was IDB, and as per the TE, it provided good support to both at office level and during field missions. Its solutions were applied to the project's shortcomings and they were dynamic and effective. However, "the Bank's local Project team would have benefited from having more technical capacity regarding protected areas, biodiversity and biological monitoring. In hindsight, it may have been more beneficial for the parties to formally restructure the Project once it became clear that objectives and outcomes were unlikely to be achieved" (TE pg 40). Also, IDB failed to provide co-financing at the time of implementation, as it has initially committed to do. Thus, the TER gives a Moderately Satisfactory rating to quality of implementation.

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

The project's executing agencies were the Ministry of Environment (MAE) and Under-secretariat for Marine and Coastal Management (SGMC). The TE states MAE helped in developing impact indicators for project design, and kept measuring MPA coverage of areas under effective protection in hectares. SGMC carried out its communication and outreach activities as part of its regular work programs. Additionally, despite problems in financing, SGMC and IDB managed to resolve these difficulties. Expenditures, and unavoidable discrepancies were properly identified and dealt with in a timely manner (TE pg 39).

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.

No environmental change has been reported.

8.2 Socioeconomic change. Describe any changes in human well-being (income, education, health, community relationships, etc.) that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

No socio-economic changes are reported in the TE.

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: No capacity changes have occurred.

b) Governance: The TE states that although the MPA "network was not formally established, but individual MCPAs were already working in a network-style coordinated manner. Biodiversity diagnoses were in place and will, in the medium- and long-term, provide the required background information for the network to make science-based management decisions" (TE pg 33).

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.

No unintended impacts are reported.

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.

No adoption of GEF initiatives at scale.

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 key lessons are (TE pg 41):

1) Problems with field-based environmental projects can be addressed more efficiently and timely if all parties do their due diligence when judging risks and developing adequate mitigation measures; and
2) There should be sound risk analysis and contingency plans in place to solve unexpected problems.

9.2 Briefly describe the recommendations given in the terminal evaluation.

Two main recommendations given in the TE are (TE pg 41):

1) A working M&E system need to be established to identify problems, as the project showed when M&E is deficient, identifying and solving these problems complicate and may even affect the achievement of project objectives; and
2) M&E systems must be built to not only identify and resolve contingencies in a timely and effective manner, but also to determine the actual progress in achievement, without further complicated interpretations, of outcomes and outputs.

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 IEO 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 report did a good job of assessing the sole outcome which was implemented, and as there were no impacts measured, there is no mention of it the report.	S
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is consistent and convincing in giving rating according to the evidence presented.	S
To what extent does the report properly assess project sustainability and/or project exit strategy?	The report properly assesses the project's sustainability but does not provide for an exit strategy.	MS
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons learnt are inadequate and do not provide any evidence.	U
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The report includes the costs and expenditures of the project and informs on actual co-financing used	S
Assess the quality of the report's evaluation of project M&E systems:	The report provides analysis of M&E design, but does not provide adequate data on M&E implementation.	MS
Overall TE Rating		MS

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

No other sources were used in preparation of the TER.