

## GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
GEF Project ID:	4		Review date:	
IA/EA Project ID:	887	<b>GEF financing:</b>	<u>at endorsement</u> (Million US\$)	<u>at completion</u> (Million US\$)
Project Name:	Hon Mun Marine Protected Area Pilot Project	IA/EA own:	1.00	0.97
Country:	Vietnam	Government:		
		Other*:		
		<b>Total Cofinancing</b>	1.15	6.09
Operational Program:	OP2	<b>Total Project Cost:</b>	2.15	7.06
IA	World Bank	<b>Dates</b>		
Partners involved:		Work Program date		12/01/1999 (JE)
		CEO Endorsement		03/28/2001 (PMIS)
		Effectiveness/ Prodoc Signature (i.e. date project began)		04/12/2001
		Closing Date	Proposed: 09/30/2005	Actual: 11/30/2005
Prepared by: Anna	Reviewed by: Neeraj Negi	Duration between effectiveness date and original closing: 54 months	Duration between effectiveness date and actual closing: 56 months	Difference between original and actual closing: 2 months
Author of TE: Ronald D. Zweig		TE completion date:  April 2006	TE submission date to GEF OE:  June 2007	Difference between TE completion and submission date: 14 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	<b>HS</b>	<b>HS</b>	<b>N/A</b>	<b>S</b>
2.2 Project sustainability	<b>N/A</b>	<b>HS</b>	<b>N/A</b>	<b>ML</b>
2.3 Monitoring and evaluation	<b>HS</b>	<b>N/A</b>	<b>N/A</b>	<b>S</b>
2.4 Quality of the evaluation report	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>S</b>

Should this terminal evaluation report be considered a good practice? Why?

No. Although the report is structured and written well, it is overly positive in comparison with a GEF EO site visit. Financial information is not included. Some ratings are missing.

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

## 3. PROJECT OBJECTIVES AND ACTUAL OUTCOMES

### 3.1 Project Objectives

- **What were the Global Environmental Objectives of the project? Were there any changes during implementation?**

According to the project brief the Global Environmental Objective of the project was to conserve a representative example of internationally significant and threatened marine biodiversity. There was no change during implementation.

- **What were the Development Objectives of the project? Were there any changes during implementation?**

According to the project brief the development objective of the project was to enable local island communities to improve their livelihoods, and in partnership with other stakeholders to effectively protect and manage the marine biodiversity at Hon Mun as a model for collaborative MPA management in Vietnam.

Changes to Grant Objectives: According to the TE the objectives of the Grant, as appraised, were extremely well targeted, were consistent with the GEF mandate and took into full consideration the social, environment and economic conditions in the project area. Within the objectives, particularly concerning how to effectively protect and manage marine biodiversity, it became evident that the dialogue was needed and was undertaken to add more of an integrated coastal zone planning and management dimension to meeting that objective. Accordingly, the importance of developing such as strategy was brought to the attention of local authorities with some initial actions taken within that context by the local government.

According to the latest PIR the Marine Authority now encompasses all of Nha Trang Bay and has, accordingly changed its name from Hon Marine Protected Area Authority to the Nha Trang Bay Marine Protected Area Authority that has far greater geographical coverage.

### **3.2 Outcomes and Impacts**

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

According to the TE, the main outcome was to establish a sustainable managed marine protected area in participatory manner and that was fully achieved. All components were implemented as designed:

**Component 1. Participatory Planning and Management.** This component was fully accomplished with direct participation of all stakeholders. A comprehensive management plan was formulated, reviewed, adopted and is now under implementation by Khanh Hoa Province under the direct supervision of a Vice-Chair of the Khanh Hoa People's Committee. There was some delay in completing the process for the finalization of the Management Plan due to a much longer period required for full consultation and review of the plan that came toward the end of the project rather than by the end of the first 18 months of the project. Considering that this was the first plan of its kind in Vietnam, the additional time required is understandable. The additional time did not substantially affect the implementation of the project, for temporary regulations were put in place with support of the Provincial Government. The temporary management plan was being implemented by the Nha Trang Bay Marine Park Authority.

**Component 2. Alternative Income Generation Activities (AIGA).** The AIGA was implemented through the establishment of revolving funds that are being managed by the Bank for Social Policy and the Nguyen Vinh Commune Women's Union to assure sustainable management after the project's implementation period. All funded activities were assessed for their financial viability, environmental soundness, and social acceptability as part of the review process. The kinds of activities financed with micro-credits included aquaculture, small animal husbandry, and alternative fishing capacity for fisheries outside the protected area trading to name a few. In addition, handicraft activities such as basket weaving and production of sport nets were done as piece work with direct linkages established with manufacturing companies who provided the raw materials and purchased the finished products. Some of these activities proved to be more sustainable than others. At the close of the project, it was anticipated that the program would continue for at least 10 years.

**Component 3. Capacity Building.** This component was highly successful through the establishment of the Nha Trang Bay Marine Park Authority that was fully staffed, with training provided to the staff on a frequent basis throughout the implementation period. Moreover, major and successful efforts were made with regard to building awareness generally in the government and the Nha Trang Bay community, through various events, schools activities, newspapers, project publications and radio and television broadcasts.

**Component 4. Monitoring and Evaluation.** All aspects of project activities were comprehensively monitored. Baseline social and marine resource surveys were conducted with follow-up surveys done again toward the end of the project where the results of each were compared with the findings helping to make adjustments in the overall program. In addition to regular supervision that included fiduciary and procurement reviews, two independent evaluations were conducted – one at mid-term and the other at the end of the project that gave highly favorable ratings. These were in addition to similar reviews conducted by the Bank, DANIDA and MOFi at midterm and completion of the project.

#### 4. GEF EVALUATION OFFICE ASSESSMENT

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

<b>A Relevance</b>	<b>Rating: 6</b>
<p>The TE does not discuss relevance to global environmental priorities of the GEF, but the projects outcomes are consistent with OP2: Coastal, Marine and Freshwater Ecosystems and responds to the first three objectives of the Convention on Biodiversity (CBD) The TE states that the project was highly relevant consistent with Vietnam's development priorities as they pertain to natural resource management, particularly marine biodiversity. The project was the first of its kind in the country and thus a pilot project that in part was implemented to form the basis and methodology for the establishment of a system of 15 pre-identified national marine protected areas as well as others initiated at the local government and community levels. The project was also fully consistent with the 1998 Bank Group Assistance Strategy for the period of FY1998-2002 when the project was formulated and started implementation in that it contributed to deepening the quality and sustainability of development through contributing to the share of the Bank Group involvement in rural development and natural resource management. It further remained consistent with the 2003-2006 Country Assistance Strategy in that it supported improvements in sustainable natural resource management through the development of a framework to enable community participation in natural resources management. The project was also consistent with the Bank's sector strategy toward the conservation and sustainable management of natural resources and biodiversity conservation as well as the seventh Millennium Development Goal to ensure environmental sustainability. It was also consistent with DANIDA's objectives regarding sustainable development and natural resource management. DANIDA was a co-financier with the GEF and Government of the project.</p>	
<b>B Effectiveness</b>	<b>Rating: 5</b>
<p>The project outcomes are commensurate with the expected outcomes as described in the project brief. According to the TE the highest international standards and experience were satisfactorily applied under the project that are consistent with the recipient's – IUCN – operational requirements and of tremendous benefit to the Nha Trang Bay Marine Park Authority that was established under the project. The Authority that was established under the project, thereby, had no prior experience as is the case with the rest of Vietnam. The purpose of the pilot project was to introduce effective management, community outreach, educational and scientific methods to the project. This was done through the engagement of key international experts who worked directly with the Authority's staff and scientists in the project area and engaged them in all project activities. In addition, international study tours were organized to other well established MPAs in the region that included pertinent provincial and communal staff as well as village leaders from the project area. The importance of applying high standards was well conveyed and adopted by Authority staff making this output highly satisfactory.</p> <p>According to a GEF EO site visit in May 2006 the AIGA component was not effective. MPA project staff organized many public meetings and presented a list of income generation activities they believed would help income generation and help respond to income losses caused by the establishment of the MPA. A few households selected the operation of glass bottom boats for tourism. Thirty households decided on rattan weaving to increase incomes. Households were making 600,000 to 700,000 VND per month. The project provided subsidies to start-up business and prepared an exit strategy to gradually reduce the subsidies. However, transport costs to the mainland substantially increased and households could not make a profit. The thirty households stopped production. After much investment, most activities had benefit for the short-term but were not sustainable. Stakeholders identified key issues that affected the improvement of local livelihoods. These included:</p> <ul style="list-style-type: none"><li>• Lack of awareness of diversification in income generation activities</li><li>• Lack of inclusion in the development of the tourist industry.</li></ul> <p>A major structural issue has been the effectiveness of the approach to the MPA in limiting pressures arising from developments outside the MPA boundaries, especially rapid urbanization and increasing tourism pressures. The extent of support for the MPA in the town and provincial governments is mixed, with pressures to de-regulate part of the MPA and signs of some unwillingness to limit the pressures beyond the MPA boundaries. There has been an increase in support for marine resource conservation in these political bodies that is a result of awareness activities from the project. (See section 4.6.1 for more details of the site visit)</p>	
<b>C Efficiency (cost-effectiveness)</b>	<b>Rating: 5</b>
<p>According to the TE the project achieved all of its planned activities, fully met its objectives and had a successful outcome. The project was satisfactorily implemented overall, achieving each of its planned developmental results within the planned time frame. There was some delay in completing the process for the finalization of the Management Plan due to a much longer period required for full consultation and review</p>	

of the plan that came toward the end of the project rather than by the end of the first 18 months of the project. Considering that this was the first plan of its kind in Vietnam, the additional time required is understandable. The additional time did not substantially affect the implementation of the project, for temporary regulations were put in place with support of the Provincial Government. The temporary management plan was being implemented by the Nha Trang Bay Marine Park Authority.

The TE states that the funding available under the project was effectively used. Some reallocation was required from the original plan and all was used to meet the objectives of the project.

According to a GEF EO site visit in May 2006 the AIGA component was not cost-effective as discussed above. After much investment, most income generating activities had benefit for the short-term but were not sustainable.

Furthermore, the MPA Authority has worked with local fishing communities to end destructive fishing practices and develop alternative livelihood activities. A large number of training programmes on alternative income generating activities have taken place and the project has attempted to establish a micro-credit facility. The approach has been mainly through formal training courses. Consultations with project staff and local stakeholders indicated that these were not frequent enough and were not followed up by activities to ensure that the skills and knowledge acquired could be used.  
(See section 4.6.1 for more details of the site visit)

#### 4.1.2 Impacts

The TE rated the Capacity Building impact Highly Satisfactory.

The capacity building dimension of the project is one of the more remarkable aspects and major achievements accomplished under the project. At the start of the project, a marine protected area was essentially a concept in the minds of the local Government, communities and other stakeholders. At the conclusion of the project, the Nha Trang Bay Marine Park Authority was fully staffed with trained personnel; a management plan was adopted, a sustainable financing program was in place; public education programs were developed and broadcast with supporting material prepared; school curricula were developed; a visitor-education center was established on Hon Mun island with displays describing the MPA at the National Institution of Oceanography in Nha Trang; and the fishing community was made aware of the importance of establishing the MPA for biodiversity conservation as well as for a critical habitat in which marine species, including commercial ones, could spawn, grow and repopulate the fishing grounds and areas. In addition, a number of national and international study tours were conducted to examine experience from other activities involving the establishment and operation of marine protected areas that involved government staff and community representatives. Two international meetings on marine parks and marine protected areas were attended by selected Authority and project staff with presentations made at each on the experience from the project. The experience gained from those trips was considered and adopted in the Nha Trang Bay marine park as appropriate.

**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)

<b>A Financial resources</b>	<b>Rating: 4</b>
<p>According to the TE the project is highly likely to be financially sustainable. Income streams have been established for the Nha Trang MPA Authority. These include</p> <ul style="list-style-type: none"> <li>- "Hon Mun Service Charge", which generated 700 Million Dong in the period of 10/2004 – 8/2005.</li> <li>- Plans for the implementation of the "Nha Trang Bay Sightseeing Fee" estimated to produce an income of \$120,000 per year. This fee was implemented in November 2005.</li> <li>- Additionally, as the Nha Trang Bay MPA Authority is recognized as a Provincial Government Agency, the province is responsible for financial management and liquidity of the MPA Authority.</li> </ul>	
<b>B Socio political</b>	<b>Rating: 3</b>
<p>According to the TE the main beneficiary of the project was Khanh Hoa Province that in collaboration with IUCN, established the Hon Mun Marine Protected Area and the Nha Trang Bay Marine Park Authority. Though the Province had virtually no experience with setting up and managing an MPA, the overall concept of the project fit well with the Government's interest and commitment to community-based, natural resource conservation. The Hon Mun MPA was identified as one critical marine habitat of fifteen that have been identified in Vietnam for marine biodiversity conservation. It thus fit well with the national as well as provincial government's interests.</p>	
<b>C Institutional framework and governance</b>	<b>Rating: 4</b>
<p>According to the TE the project is highly likely to be institutionally sustainable.</p>	

<ul style="list-style-type: none"> <li>• The Nha Trang Bay MPA Authority has been established by provincial decree at the level of a provincial department</li> <li>• Nha Trang Bay MPA Authority is fully staffed</li> <li>• An organizational structure has been approved and a budget has been provided.</li> <li>• Staff members have been trained in various subjects related to Marine Protected Areas.</li> <li>• Temporary regulations have been established and are in effect and being enforced by the MPA Authority</li> </ul>
<p><b>D Environmental</b> <span style="float: right;"><b>Rating: 4</b></span></p> <p>According to the TE the project is highly likely to be environmentally sustainable. The establishment of Nha Trang Bay MPA Authority occurred at a time when the biodiversity values of Nha Trang Bay MPA had been severely compromised. The productivity of the eco-system was considered to be at a low level with little capacity for the system to restore itself. Thus, the establishment of Nha Trang Bay MPA has provided possibilities for environmental sustainability. These include:</p> <ul style="list-style-type: none"> <li>• A significant reduction in the destructive fishing pressures on Nha Trang Bay;</li> <li>• Establishment of areas where breeding stock of fish can re-establish in the core zones of the Bay; and</li> <li>• Increase in the resilience of the habits of Nha Trang Bay, including the protection of internationally significant coral reef habitats.</li> </ul>

#### 4.3 Catalytic role

<p><b>a. Production of a public good</b></p> <p>According to the TE, the project raised awareness among the government staff and the Nha Trang Bay community through various events, schools activities, newspapers, project publications and radio and television broadcasts.</p>
<p><b>b. Demonstration</b></p> <p>According to the TE, the Hon Mun MPA Pilot Project has established the first comprehensive MPA in Vietnam and is a model for the development of MPAs in Vietnam.</p>
<p><b>c. Replication</b></p> <p>According to the TE, as a model, between 2001 and September 2005, there has already been replication of the achievements to date. These included:</p> <ul style="list-style-type: none"> <li>• Study tours to Nha Trang Bay MPA by other planned MPAs and PAs in Vietnam. These included visits from Cu Lao Cham MPA, Ha Long Bay Management Authority, Yok Don National Park and Kien Giang Province;</li> <li>• Development of lessons learned document to provide inputs into the development of a National System of MPAs in Vietnam;</li> <li>• Inputs into the National Steering Committee towards the development of a National System of MPAs; and</li> <li>• Participation by senior staff from other MPAs, PAs and Government agencies in various training courses organized by the project on MPA planning and development. This included a comprehensive training program in December 2005 with 35 MPA managers from China, Cambodia and Vietnam participating in the training program.</li> </ul> <p>Future anticipated efforts towards replication include:</p> <ul style="list-style-type: none"> <li>• Plans for establishment of a national training centre in Nha Trang to disseminate the lessons learned from the Hon Mun MPA Pilot Project both in Vietnam and throughout the region;</li> <li>• National training course on MPAs to be organized in Nha Trang in December 2005 using Nha Trang Bay MPA as a case study;</li> <li>• Nha Trang Bay MPA will serve as a model for MPA development of the other 14 MPAs that are to be developed in Vietnam; and</li> <li>• Mooring Buoy Team has been invited to provide training to install moorings in other MPAs in Vietnam.</li> </ul>
<p><b>d. Scaling up</b></p> <p>According to the TE the project was the first of its kind in the country and thus a pilot project that in part was implemented to form the basis and methodology for the establishment of a system of 15 pre-identified national marine protected areas as well as others initiated at the local government and community levels.</p>

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

<p><b>A. M&amp;E design at Entry</b> <span style="float: right;"><b>Rating (six point scale): 5</b></span></p> <p>According to the Project Brief environmental and socioeconomic (baseline) monitoring will be carried out at the start of the project. Project performance will be monitored at several different levels consistent with the indicators and benchmarks defined in the Logical Framework Analysis. There will be evaluation missions at the end of Phases 1 and 2 to report independently to IUCN, the World Bank and Danida on progress with</p>
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project implementation against the defined indicators and benchmarks. The World Bank will be responsible for oversight of IUCN and ensuring consistency with the Project Document and terms-of-reference.

At the local level the Khanh Hoa MPA Authority, working in partnership with village communities, will oversee enforcement, monitoring and review of the MPA management plan. Community-based coral reef monitoring activities will provide baseline and ongoing information to assess the status of reef-related resources. Performance of the MPA Authority will be monitored and evaluated through the Project Coordinating Committee, which is responsible for overseeing implementation of the MPA Management Plan.

There will be a major review of the success of AIG projects and of the Sustainable Financing Strategy in year 4 of the Project. This will feed into a process for review and revision of the MPA management plan.

The project brief includes indicators for the global objective, development objective and outputs. Some of these are vague and are difficult to measure. The indicators and the means of verification are appropriate and sufficient.

**B. M&E plan Implementation Rating (six point scale): 5**

According to the TE monitoring and evaluation was considered on the following levels:

- **Community level:** The Village MPA Committees planned, monitored and evaluated the progress of project implementation. This provided useful feedback into the project's implementation plans and assisted in ensuring the project met the needs of local users;
- **Provincial level:** The Nha Trang Bay MPA Authority is a provincial agency. As such it reports to Khanh Hoa Province. Bank Supervision Aide-memoires were translated into Vietnamese and forwarded to the Khanh Hoa PPC. The Provincial Steering Committee held regular meetings and provided guidance and plans and activities;
- **National level:** The National MPA Steering Committee received reports from the Hon Mun MPA Pilot Project at each of its three meetings. In addition, a workshop was held in 2002 providing an update on activities;
- **IUCN:** As the Executing Agency, IUCN monitoring and evaluation controls were in place for technical, administrative and financial management. Regular accounts were maintained, audits conducted and technical reports reviewed. IUCN also commissioned two independent evaluations during the life of the project; and
- **PMU:** A project organizational structure was established and workplans developed for each Unit. Implementation was monitored through a weekly planning meeting. In addition, there were regular planning meetings to review quarterly, semi-annual and annual plans.

According to the TE all aspects of project activities were comprehensively monitored. Baseline social and marine resource surveys were conducted with follow-up surveys done again toward the end of the project where the results of each were compared with the findings helping to make adjustments in the overall program. In addition to regular supervision that included fiduciary and procurement reviews, two independent evaluations were conducted – one at mid-term and the other at the end of the project that gave highly favorable ratings. These were in addition to similar reviews conducted by the Bank, DANIDA and MOFi at midterm and completion of the project.

**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? UA** There is no information in the TE on sufficiency and timeliness of the funding for M&E.

**C.3 Can the project M&E system be considered a good practice? Yes,** but more details would be needed for knowledge sharing.

**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?**

**The zoning process**

**Naming of zones:** A consistent approach should be used with the zones should be easily understandable not only for scientist, but also for local people. Care should be given with the use of the following terms:

- "core zone" can be called "no take" or "sanctuary zone;"
- "buffer zone" is a technical word and in use with local people and officials. Need to find an easier word for people to understand; and
- "transition zone" is a complex concept and easier words should be used to explain concept.

**Ensuring representative habitats are protected** The zoning system should be based on research on the structure of coral reef communities and be flexible so as to include new zones as and if they are discovered.

**Balancing different uses:** The zoning of marine protected areas must balance between the need for protection and the need for uses by the local communities. In the Nha Trang Bay MPA, there was conflict over the location of the core zone. Discussions were held with local fishermen and agreement was reached to move three boundary markers approximately 30 meters. This resolved an issue that had created a problem over a period of 3 years. It is important to listen very carefully to the needs of all stakeholders and understand their issues so that a compromise can be reached.

**Intersectoral coordination is vital:** It is vital to manage both the landward and riverine influences entering the MPA.

- Need to link the seas of the MPAs together with the land-based PA system for MPA development.
- Rivers are the greatest threat to the health of Nha Trang Bay. Need to develop integrated catchment management approach to managing all water discharges
- Need to coordinate all activities within and adjacent to the MPA

#### **Addressing urgent issues in management**

**Mooring buoy establishment:** Mooring buoy installation should be conducted together with education and awareness program for local people; and should use appropriate technology for the implementation of the moorings to prevent damage to coral reefs

**Crown-of-Thorn Seastars (COTS):** It is vital that these predators are removed to maintain the small amounts of healthy coral along the coastal area. They also provide an important opportunity for community involvement in MPA management.

- The removal of Crown-of-Thorn Seastars is vital to community involvement in MPA management;
- A system for positive action towards COTS removal should be identified and implemented. This scheme should not only focus on an annual collection period, but rather focus on continuous action; and
- Education and awareness activities are vital to a COTS removal program.

#### **Local involvement and benefit sharing**

- Need to continue to focus on the fisheries benefits that will accrue for users of the MPA in a period of 3-5 years.
- Need to clearly identify the target group affected by zoning. For example in Nha Trang bay this is squid fishermen using light fishing;
- Access to credit is important for local people. Demonstrations and training should be provided before the provision of loans; and
- Need to think of new ideas, not only traditional approaches. These activities need to be at all scales from small through to larger scales.
- A percentage of the revenue generated from tourism should be channeled back to local communities to support development activities.

#### **Functional agency**

**Regulations, permits and enforcement:** A system needs to be developed for providing licensing and permits for activities such as fishing, tourism, land based development and discharge of waste. The roles of all agencies involved needs to be clarified.

Staff of the MPA Authority must be granted authority and the support required to enforce the regulations of the MPA. Lack of this authority and/or support significantly weakens the ability of the MPA Authority to implement its activities.

#### **Management Plan**

A comprehensive process should be established for the development of a management strategy that provides time and the opportunity for awareness raising and discussion between all participating agencies and stakeholders. The planning process should be comprehensive and take into consideration the needs of all the stakeholders. The Management Plan should clearly indicate the roles and responsibilities of the different agencies in the management of the MPA.

#### **Safe operation of tourism activities**

Lesson learned: The Nha Trang Bay MPA Authority must work with other provincial agencies to ensure that all tourist activities are implemented in a safe and comprehensive manner.

**National framework is necessary for successful MPA**

**Legislative framework for local authorities:** Establishing management agencies at the provincial level is a difficult task. The legislation for MPAs should provide clear guidance for their planning, operation and establishment. It should include the following:

- Clear aims and objectives for establishment of the MPA; and
- Need for the roles and responsibilities for the province in the management and operation of the MPA

**Organizational structure and staffing:** There needs to be a clear definition of the roles of provincial agencies for MPA management. In particular, this should indicate the:

- Role of the Ministry of Fisheries in MPA planning and management
- Role of Provincial Level management Authorities, e.g. Nha Trang Bay MPA Authority
- Staffing structure for provincial level authorities

**Funding and financing:** The central government has a crucial role in defining the operation and activities of the management authority of the MPA Authority. In particular, this should focus on:

- The provision of adequate financial incentives to the local level for the management of MPAs such as reserving fees collected as a result of the Authority's activities and earmarking them for MPA management needs. Supplementary financial support may also be needed.

**Planning framework:** Consistency in approaches to planning for MPA survey, designation and management will be able to be developed through a national system of MPAs. This should include:

- The process for management planning and permits should be specified in national policy and planning documents.

**Financial sustainability:** MPAs which are not accessible for tourism may not be able to generate funds directly. Thus, an alternative scheme including national and provincial level funding must be adopted. Nha Trang Bay is a major tourist destination and is benefiting from fees collected from those activities.

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

The TE makes several recommendations which are summarized below.

IUCN should develop a post-project monitoring and support plan that could continue to provide inputs, most significantly of a technical nature to help with issues that could arise after the project closes and for which additional assistance would be needed

For the Government, and in this case Khanh Hoa Province in particular, financial planning for needs during and after the project should be initiated as early as possible, starting during project identification and preparation to assure smooth implementation and sustained operation.

It is critical that the Government body with the responsibility for the project and management of the MPA also recognize, consult with and engage all government agencies, including those of local municipalities such as the Nha Trang Government and local levels within the municipality (e.g., communes such as the Vinh Nguyen commune and villages) and other stakeholders that have an interest in coastal or marine resources in the vicinity of the MPA in the development and management of the MPA.

The main recommendation for the World Bank is to incorporate the knowledge gained on the importance of working with all stakeholders in an area where a MPA has been designated. For those, such as the one under the project which was the first of its kind under the project, the consultation process needs to begin and continue systematically at all levels and with all stakeholders, including fishers, other local village community members, private sector agencies and all related government agencies and departments. There also must be openness and flexibility with regard to the needs of the project as the on-the-ground realities are faced so long as the goal is to achieve the objective of the project. For a project of this kind that was firstly working within a new paradigm for the country and secondly with a complex of issues that required, in some cases, agreement at the national and provincial levels, particularly concerning sustainable financing, these factors need to be given adequate consideration in project design and follow through during implementation.

One specific recommendation to DANIDA would be to have more direct participation in supervision of projects of this kind to enable a first-hand understanding of project implementation. Without that, the main reliance is upon post-supervision briefings and documentation that does not always provide the clearest



insight into progress under the project. Also, DANIDA has considerable experience with projects of this kind that can be conveyed to the Grant recipient and Government counterparts as well as to the Bank team.

**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.**

The project was visited by EO staff and consultants for the Capacity Development Evaluation in May 2006:

**The TE reports the following: Component 2. Alternative Income Generation Activities (AIGA).** The AIGA was implemented through the establishment of revolving funds that are being managed by the Bank for Social Policy and the Nguyen Vinh Commune Women's Union to assure sustainable management after the project's implementation period. All funded activities were assessed for their financial viability, environmental soundness, and social acceptability as part of the review process. The kinds of activities financed with micro-credits included aquaculture, small animal husbandry, and alternative fishing capacity for fisheries outside the protected area trading to name a few. In addition, handicraft activities such as basket weaving and production of sport nets were done as piece work with direct linkages established with manufacturing companies who provided the raw materials and purchased the finished products. Some of these activities proved to be more sustainable than others. At the close of the project, it was anticipated that the program would continue for at least 10 years.

**Meanwhile a site visit to Hon Mot Island and discussions about AIG reports the following:**

The island has a population of 300. Some households are making 4 mil. VND to 5 mil. VND per month from fishing and aquaculture but most households are below the MoLISA poverty line. However, the PPC has issued policy to exclude aquaculture from the MPA after 2010. Households dependent on aquaculture know about the policy but have no plan to change income activities or more out of the MPA. Households do not have land user rights certificates for their land, which also makes them vulnerable to changes caused by economic development.

MPA project staff organized many public meetings and presented a list of income generation activities they believed would help income generation and help respond to income losses caused by the establishment of the MPA. A few households selected the operation of glass bottom boats for tourism. Thirty households decided on rattan weaving to increase incomes. Households were making 600,000 to 700,000 VND per month. The project provided subsidies to start-up business and prepared an exit strategy to gradually reduce the subsidies. However, transport costs to the mainland substantially increased and households could not make a profit. The thirty households stopped production. After much investment, most activities had benefit for the short-term but were not sustainable. Stakeholders identified key issues that affected the improvement of local livelihoods. These included:

- Lack of awareness of diversification in income generation activities
- Lack of inclusion in the development of the tourist industry.

**Summary of project site visit:**

The Hon Mun Marine Protected Area (MPA) has been established off the coast of Nha Trang, one of the emerging beach tourism centres of Vietnam with the pressures on development and marine resources this suggests. Tourism-based pressures such as water sports, diving and recreational fishing and the rapid development of the town and nearby tourist facilities are added to longer-standing pressures from commercial and artisanal fishing to generate severe pressure on marine resources in one of the richest marine biodiversity resources of Vietnam. The project was established with the explicit intention of providing a model of MPA development for replication elsewhere in Vietnam. It aimed to preserve the coral reef, mangrove, seagrass and marine animal stocks of the MPA, as well as enabling local island communities to improve their livelihoods.

Capacity development has been central to the project's approach. The project assisted the MPA to establish the Khanh Hoa MPA Authority, to construct offices and other physical infrastructure for the MPA, to prepare a new management plan and to establish relations with local communities and other local organisations. The MPA Authority has worked with local fishing communities to end destructive fishing practices and develop alternative livelihood activities. A large number of training programmes on alternative income generating activities have taken place and the project has attempted to establish a micro-credit facility. The approach has been mainly through formal training courses. Consultations with project staff and

local stakeholders indicated that these were not frequent enough and were not followed up by activities to ensure that the skills and knowledge acquired could be used.

A major structural issue has been the effectiveness of the approach to the MPA in limiting pressures arising from developments outside the MPA boundaries, especially rapid urbanization and increasing tourism pressures. The extent of support for the MPA in the town and provincial governments is mixed, with pressures to de-regulate part of the MPA and signs of some unwillingness to limit the pressures beyond the MPA boundaries. There has been an increase in support for marine resource conservation in these political bodies that is a result of awareness activities from the project.

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? Yes.	6
B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? The TE ratings for outcomes are slightly higher compared to findings of a site visit.	5
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? Yes.	6
E. Does the report include the actual project costs (total and per activity) and actual co-financing used? No.	2
F. Does the report present an assessment of project M&E systems?	5

#### 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?

The TE does not address cofinancing.

**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?

According to the TE a comprehensive management plan was formulated, reviewed, adopted and is now under implementation by Khanh Hoa Province under the direct supervision of a Vice-Chair of the Khanh Hoa People's Committee. There was some delay in completing the process for the finalization of the Management Plan due to a much longer period required for full consultation and review of the plan that came toward the end of the project rather than by the end of the first 18 months of the project. Considering that this was the first plan of its kind in Vietnam, the additional time required is understandable. The additional time did not substantially affect the implementation of the project, for temporary regulations were put in place with support of the Provincial Government. The temporary management plan was being implemented by the Nha Trang Bay Marine Park Authority.

**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
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Explain:

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

Project Brief, PIR06, site visit for the Evaluation of GEF Capacity Development Activities