Terminal Evaluation Review form, GEF Independent Evaluation Office, APR 2016

1. Project Data

Summary project data			
GEF project ID		4029	
GEF Agency project ID		4347	
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		UNDP	
Project name		Integrated natural resource management in the Baikal Basin transboundary ecosystem	
Country/Countries		Russian Federation, Mongolia	
Region		Asia	
Focal area		International Waters, Biodiversity	
Operational Program or Strategic Priorities/Objectives		IW SP-3, BD SP-4	
Executing agencies involved		UNOPS	
NGOs/CBOs involvement			
Private sector involvement			
CEO Endorsement (FSP) /Approval date (MSP)		March 4, 2011	
Effectiveness date / project start		June 20, 2011	
Expected date of project completion (at start)		June 20, 2015	
Actual date of project completion		December 31, 2015	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	0.18	0.18
	Co-financing	0.2	0.2
GEF Project Grant		3.898	3.898
Co-financing	IA own	0.3	0.3
	Government	45.286072	51.3
	Other multi- /bi-laterals	0.315	0.315
	Private sector		
	NGOs/CSOs	3.387097	3.387
Total GEF funding		4.078	4.078
Total Co-financing		49.488169	55.502
Total project funding (GEF grant(s) + co-financing)		53.566169	59.58
Terminal evaluation/review information			
TE completion date		October 2015	
Author of TE		Peter Whalley	
TER completion date		February 13, 2017	
TER prepared by		Mathias Einberger	
TER peer review by (if GEF IEO review)		Molly Watts	

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF IEO Review
Project Outcomes	HS	HS	NR	S
Sustainability of Outcomes		ML	NR	ML
M&E Design		S	NR	S
M&E Implementation		S	NR	HS
Quality of Implementation		S	NR	S
Quality of Execution		HS	NR	HS
Quality of the Terminal Evaluation Report		-	-	S

3. Project Objectives

3.1 Global Environmental Objectives of the project:

Lake Baikal and its transboundary basin including Lake Hövsgöl provide important global benefit in terms of International Waters and Biodiversity. Lake Baikal is the world's oldest, deepest, and most voluminous lake. It contains 20% of the Earth's unfrozen fresh water, more than all five of North America's Great Lakes combined. Lake Baikal's diversity of flora and fauna is higher than that of any other freshwater lake in the world. An estimated 40% of its lake species are still undescribed, while 85% of the 2,565 described animal species and 40% of the 1,000 plant species are endemic. UNESCO declared Lake Baikal and the adjoining areas a "World Natural Heritage Site" in 1996. The Selenga River is the biggest tributary to Lake Baikal and the Selenga Delta is not only the lake's largest wetland area, but also one of the largest freshwater deltas in the world. It was added to the RAMSAR list of international wetlands in 1994. Lake Hövsgöl is Mongolia's largest freshwater lake, containing 60% of the country's freshwater, and the 16th largest naturally formed lake in the world by water volume. It is a constant source of clean freshwater flowing to the Selenga River. (CEO-End pp. 5-7)

The project documents identify several threats to the health of the Baikal Basin's interconnected aquatic ecosystems, such as climate change, pollution and sedimentation, nutrient loading, and habitat destruction, as well as significant barriers that hamper Russia's and Mongolia's ability to address these threats both jointly and individually. The project sought to address these barriers, which include policy and regulatory gaps, institutional weaknesses, poor utilization of best practices relevant to key issues facing the Basin, and low levels of awareness of transboundary issues in the Baikal Basin. (CEO-End p. 13)

The expected global benefits in terms of the GEF International Water focal area stated in the Request for CEO endorsement included enablement of stakeholders from Russia and Mongolia by improving the collective management of the transboundary Baikal Basin, the implementation of strategic actions and institutional and policy reforms, and investments contributing to the sustainable use and maintenance of ecosystem services. In terms of Biodiversity, the project aimed to support country efforts for integrating biodiversity considerations into productive sectors that fall outside the environment sector, particularly by strengthening the necessary regulatory and policy framework for mainstreaming to take place in the target sectors (especially mining and tourism) within the Baikal Basin. (CEO-End p. 31)

3.2 Development Objectives of the project:

The project objective was: "To spearhead integrated natural resource management of Baikal Lake Basin and Hövsgöl Lake ensuring ecosystem resilience reduced water quality threats in the context of sustainable economic development." It aimed to build on a solid, decades-old foundation of bilateral cooperation between Russia and Mongolia on the transboundary waters of the Selenga River, recognizing the importance of growing mining and tourism sectors in the region. The project sought to support efforts from national and local governments, as well as from civil society, to mainstream conservation measures into productive sectors, policies and practices, by strengthening the regulatory and policy framework for mainstreaming biodiversity. The project's goal was to protect and sustainably utilize the unique aquatic ecosystem stretching from Lake Hövsgöl to Lake Baikal through the deployment of 3 project components:

Component 1: Strategic policy and planning framework

Outcome: TDA and SAP for IWRM and biodiversity conservation in the Baikal Basin (which for the first time includes groundwater as a critical component of the overall ecosystem) approved and endorsed by both countries at the ministerial level. The long-term security for the aquatic biodiversity of at least three sub-basins within the BB totaling 11,047,790 hectares strengthened by mainstreamed biodiversity and resilience objectives into the watershed management plans. Spotlighting pollution hotspots results in pollution levels dropping in target hotspots by 30% by end of project.

Output 1.1: Transboundary Diagnostic Analysis of threats to the Baikal Basin ecosystem.

Output 1.2: Study on Selenga Delta habitat and water quality issues.

Output 1.3 Study on surface/ groundwater interactions on the Selenga River basin and assessment of corresponding pollution threats.

Output 1.4: A pollution hot spot assessment for the Basin across both countries, including a prioritized list of projects to be considered for future investment and the development of prefeasibility studies with options for financing.

Output 1.5: Strategic Action Programme (SAP) under implementation, including joint actions to enhance ecosystem protection.

Output 1.6: Biodiversity conservation standards for tourism, mining, fisheries integrated in SAP and local legislation, regional development plans to address biodiversity risks.

Output 1.7: Sub-basin watershed management plans incorporating biodiversity management and ecosystem resilience objectives for one sub-basin in Russia (Tugnuy-Sukhara) and two in Mongolia (Ider and Egiin).

Component 2: Institutional strengthening for Integrated Water Resource Management

Outcome: The Russian Federation and Mongolia have established formal, sustainable mechanisms to jointly protect the Baikal basin. National and local institutional capacities and skills are raised in both countries for integrated basin planning, management, water quality and biodiversity monitoring, law enforcement.

Output 2.1: Joint Commission for the Baikal Basin established and capacitated.

Output 2.2: Inter-ministerial committees set at national levels tasked with managing the decision-making process for approval and implementation of integrated sub-basin watershed management plans.

Output 2.3: Training program carried out based upon basin-specific capacity self-assessments completed by Mongolia and Russia and focused on achievement of Baikal / Selenga SAP & Commission agreement and linked international commitments.

Output 2.4: The harmonized Baikal Basin Water Quality Monitoring program set under implementation, including upgraded monitoring stations.

Component 3: Demonstrating technologies for water quality and biodiversity mainstreaming

Outcome: A reduction in the pressures on habitats from unsustainable mining, tourism and recreation, illegal fishing, poaching, unsustainable livestock management. Pollution reduced by 30% in each respective mining demonstration site. Anthrax cases reduced to zero by end of project in Buryatia. At least 30 fishing operators certified for low-impact sport fishing by EoP, reducing impact of sport fishing on fish population health. At least 340 rangers and 345 ecotourism guides trained by end of project.

Output 3.1: Three model biodiversity mainstreaming demonstrations for the mining sector covering different stages of the mining cycle.

Output 3.2: Demonstration and strategy development for (dead) livestock disposal to cease periodic anthrax outbreaks in Buryatia.

Output 3.3: Two model biodiversity mainstreaming demonstration and capacity building demonstrations for the mainstreaming of biodiversity and ecosystem health management objectives into tourism planning and practice.

Output 3.4: Baikal Information Center, Model stakeholder engagement initiative and NGO Forum and Business and Industry Partnerships.

(CEO-End pp. 1-2, 16)

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

The TE notes no significant changes to the project's global environmental or development objectives.

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 TE rates the project as relevant and the TER follows its assessment, rating relevance as Satisfactory.

Although Lake Baikal is located entirely in Russia, the Baikal Basin is a transboundary ecosystem shared between Russia and Mongolia. It extends over 500,000 km^2 and contains over 400 rivers and streams. The Selenga Delta is one of the world's largest fresh water deltas and Selenga River is the biggest tributary to Lake Baikal. It is responsible for nearly 60% of the total inflow to the lake, with 46% of the annual run-off of the Selenga River being generated in Mongolia. Of the 447,060 km^2 catchment area of the Selenga River, 33% are located within Russia and 67% within Mongolia. The Selenga Basin comprises over 80% of the Baikal Basin, illustrating the importance of Mongolia to the lake's long term ecological health. (CEO-End p. 7)

The Project was aligned with the GEF-4 International Waters and Biodiversity focal areas. In line with IW SP-3, the project was designed to balance conflicting uses of water resources in transboundary surface and groundwater basins in the Lake Baikal basin. In order to do so, it relied on classic IW tools: A Transboundary Diagnostic Analysis and Strategic Action Programme, capacity building for key stakeholders in integrated water resources management and enhancement of the Russia / Mongolia Task Force on Transboundary Waters, and the testing and piloting of water quality technologies. At the same time, the project addressed BD SP-4, Strengthening the Policy and Regulatory Frameworks for Biodiversity Mainstreaming: Amending policies on environmental impact assessment and introducing biodiversity conservation standards for mining, tourism, and fisheries, training environmental inspectors in conservation law enforcement, and demonstrating risk avoidance and mitigation approaches in copper and gold mining, as well as pilots for green tourism. (CEO-End p. 28)

The TE further highlights that the project has been developed over several years in close co-operation with regional stakeholders, ensuring that the activities are fully in-line with national and regional priorities. Vice Ministers in both countries also emphasized during the TE discussions that the project's actions were very closely aligned with national issues. Furthermore, its transboundary actions clearly support the 1995 bilateral agreement on the 'Protection and use of Transboundary Waters'. (TE p. 19)

4.2 **Effectiveness**	Rating: Satisfactory

The TE rates the project's effectiveness as Highly Satisfactory, citing the successful implementation of nearly 100 activities and participation in over 120 events by the PMU. (TE p. 19) This TER rates project effectiveness as Satisfactory, because while successful, the project was not without minor shortcomings.

The TE notes that of the 28 indicators/targets contained in the results framework, the project has achieved 19 targets, exceeded 4, and did not achieve 2. Another 2 targets are still pending and 1 has been deleted, as approved by the project steering committee. (TE p. 16)

It was further diagnosed by the MTR, that the results framework had some shortcomings, since not only was one indicator completely dropped, but other indicators had been modified or downscaled. Comparing the original with the MTR and final results frameworks however, this TER only found one indicator as having been downscaled. Considering a lack of ground activities being carried out in Mongolia, the target for the indicator "# of resource users applying biodiversity mainstreaming practices in the mining and tourism sectors in project area" were changed from "at least 10 mining and 15 tourism companies in Russia and Mongolia each" to "at least 5 mining and 5 tourism companies in Russia". (MTR pp. 7, 100-101)

One of the project's most important achievements was the completion of the Baikal Basin Strategic Action Programme (SAP), which was acknowledged by the relevant ministries in both countries as being consistent with and relevant to their work. At the time of TE completion the SAP was expected to be formally signed and endorsed by the Russian and Mongolian governments in October 2015. According to the official project website, this has in fact occurred (http://baikal.iwlearn.org/en/results/preparation-and-approval-of-the-strategic-action-programme). This served as an indicator of successful achievement of the project's overall objective and its outcome 1. Also under outcome 1, a Transboundary Diagnostic Analysis of threats to the Baikal Basin ecosystem was completed, serving as the basis for the SAP.

What the project didn't fully achieve was its target for the number of mining and tourism companies applying biodiversity mainstreaming practices on both the Russian and Mongolian sides of the Baikal Basin. The target was at least 10 mining and 15 tourism companies in both Russia Mongolia. By project end, 4 mining and more than 20 tourism companies were involved in pilot projects in Russia, but none in Mongolia. For the project's aim of extending the legal status of the Russian / Mongolian Joint Commission on the Baikal Basin, which at baseline was not a legal entity with no real authority, the third project steering committee requested that this indicator should be modified or removed, since it was not considered a priority by either country. While the indicator was neither removed (since it was considered a GEF priority) nor fulfilled, the project lent significant support to the various transboundary commissions and provided input to enhance the current arrangements.

Other targets, the project has clearly exceeded, such as minimum of 6 data parameters to be jointly monitored by the two countries across the Baikal Basin, with 30 parameters being monitored in a harmonized process by project end, or the % by which 4 pilot mining sites reduce water pollution due to mainstreaming demonstrations, which was 50% by project end instead of the targeted 30%. (TE pp. 19-20, 66-78)

Listed below are the indicators/targets and respective achievements for the project's overall objective (to spearhead integrated natural resource management of the Lake Baikal / Selenga River Basin, ensuring ecosystem resilience and reduced water quality threats in the context of sustainable economic development). A full list of all indicators and targets for all project components would be beyond the scope of this TER, but can be found in Annex 8 of the TE.

Indicator/Target 1: Baikal Basin Strategic Action Programme, including mitigation strategies to address climate change to focal species and aquatic/riparian habitat and strategies for invasive species, and National Action Plans for national portions of Baikal Basin completed, approved, and adopted by project end.

> *Achievement:* The Strategic Action Programme was completed, approved, and endorsed by October 2015.

Indicator/Target 2: The long-term security of aquatic biodiversity for at least three sub-basins in the transboundary Baikal Basin with a total of 11,047,790 hectares under improved management.

> *Achievement:* Two sub-basin management plans for Tugnuy-Sukhara (4,640,000 ha) and Khilok in Russia and two for Ider (2,275,730 ha) and Eg (4,132,060 ha) in Mongolia have been completed and endorsed.

Indicator/Target 3: By project end, pollution levels in pollution hot spot monitoring areas reduced by at least 20% from baseline, which is to be established at inception.

> *Achievement:* The target has been assumed to have been achieved, although there is limited data to validate. The TE confirms that the assumptions on the likely reductions are realistic. While baseline data is not clearly established and national monitoring programs are not carried out routinely, it is clear that the government of Buryat has closed polluting industry as a result of the project.

Indicator/Target 4: Ecosystem resilience parameters for Hovsgol Lake are maintained at baseline levels.

> *Achievement:* This indicator has been removed on the Second Steering Committee Meeting because of absence of any annual monitoring programs.

Indicator/Target 5: By project end, a total of 10 productive sector policies and regulations are modified to incorporate biodiversity management and ecosystem resilience objectives in Russian and Mongolian portions of Baikal Basin.

> *Achievement:* 15 such policies or regulations have been modified accordingly for the tourism, mining, sport fishing, and watershed management planning sectors.

Indicator/Target 6: At least 10 mining and 15 tourism companies in both Russian and Mongolian parts of Baikal Basin apply biodiversity mainstreaming practices.

> *Achievement:* The target was downscaled to least 5 mining and 5 tourism companies in Russia. 4 mining and 20 tourism companies in Russia were involved in pilot projects by project end.

Indicator/Target 7: Trend of Taimen and Grayling populations in two types of riverine habitats (healthy "stronghold" habitat and degraded "troubled" habitat) remains stable or improves.

Achievement: No change in population dynamic.

(TE pp. 66-69)

4.3 **Efficiency**	Rating: Highly Satisfactory

The TE rates the project's efficiency as Highly Satisfactory and the TER agrees with this rating.

The TE notes that the project achieved high levels of budget disbursement throughout its lifetime – 95% in 2012, 99% in 2013, 96% in 2014 and 56% by June 2015 (with project completion scheduled for December 2015 at the time of the TE). The TE also takes note of the PMU's clear focus on the delivery of results and its adherence to agreed-upon schedules for executing the project, as well as the PMU's significant devotion to briefing ministerial staff in Russia and Mongolia on the progress of the project. According to the TE, keeping these important stakeholders informed and involved in the work of the project, contributed to both its effectiveness and efficiency. Furthermore, the TE takes note of the successful implementation of nearly 100 activities and participation in over 120 events by the PMU. (TE pp. 19-20)

Furthermore, materialization of project co-financing exceeded initial expectations by US$ 6 million and constituted at US$55.3 million more than 93% of total project financing. (TE p. v)

The project document was signed in June 2011 and the project held its inception meeting November 2011. Its duration was initially planned for 48 months but its completion date was later revised to December 2015, in order to accommodate a slight delay in the project start-up. (TE pp. v, 4) However, there is no indication in either the PIRs, the MTR, or the TE that this small (6 month) delay negatively affected the project's outcomes. (TE p. 12)

4.4 **Sustainability**	Rating: Moderately Likely

The TE rates project sustainability as Moderately Likely, discussing financial, socio-political, institutional and governance, and environmental aspects of sustainability, highlighting however a greater likelihood of sustainability of project outcomes in Russia than in Mongolia. The TER agrees with this rating.

Financial sustainability: The TE sees a high level of country ownership of the project contributing to its financial sustainability. The Russian federal government has launched an RUB40 billion environment protection program for Lake Baikal since the project's inception, including a large biosphere information center at Lake Baikal linked to ecotourism and biodiversity conservation actions of the project. For Mongolia, the TE sees greater challenges in obtaining the necessary resources but attests a clear statement of commitment from the Federal Ministry of Environment and Green Development. Overall, the TE views financial sustainability as likely, although international resources will probably still be required, especially to support transboundary activities.

Socio-political sustainability: The TE notes that project's main focus was on government bodies but directed relatively limited resources at community organizations or NGOs, partly reflecting the predominantly 'top-down' approach to environmental management in the region. However, the TE also sees clear signs that the project provided direct support to NGO networks in both countries, rating socio-political sustainability of the project as moderately likely.

Institutional and governance sustainability: The TE notes that the actions of the project are in line with the government objectives in the participating countries, especially the Strategic Action Programme and the technical and political support the project has provided to the transboundary Joint Commission. Although the expected reforms of the Joint Commission laid out in the project document were not achieved, the TE notes that the Russian and Mongolian governments have reflected on the legal reports prepared by the project on their behalf and thus may undertake appropriate action in the future. The TE also notes that the project contributed to strengthening of many regional and national institutes involved in Lake Baikal Basin, rating institutional and governance sustainability as overall likely.

Environmental Sustainability: The Transboundary Diagnostic Analysis carried out under component 1 of the project identified 7 main ecosystem problems that are impacting the Baikal Basin. They all continue to present challenges to this transboundary ecosystem, with climate change being the most likely to disturb the water regime and biodiversity status of the region, according to the TE. Furthermore, the TE warns that regional anthropogenic issues associated with industrial and urban pollution, including solid waste, will remain an issue until adequate wastewater treatment is installed. In Mongolia especially, there are important threats to the Selenga / Baikal Basin in the form of contemplated large hydropower dams and potential water diversion schemes to mining areas outside of the basin. The TE thus views the role of the Strategic Action Programme and the function of the transboundary Joint Commission as important for the joint management of any changes to the water regime and the associated impacts on the region's biodiversity. In this sense, the region will likely face future challenges in terms of a tension between the economic and environmental goals of sustainable development. The TE rates environmental sustainability as moderately likely.

5. Processes and factors affecting attainment of project outcomes

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

Project co-financing materialized at roughly 111% of the initial expectations, or with US$ 55.3 million at more than 93% of total project costs. The TE does not explicitly state whether and how this slightly higher than expected level of co-financing has contributed to the project's outcomes or sustainability. Since the rise in co-financing is exclusively attributable to government co-financing however, it seems clear that co-financing was related to a high level of country ownership and by extension good results in terms of project outcomes and sustainability. What is not clear, is whether and how this relationship was causal. (TE pp. v, 12)

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 document was signed in June 2011 and held its inception meeting November 2011. Its duration was initially planned for 48 months but its completion date was later revised to December 2015, in order to accommodate a slight delay in the project start-up. (TE pp. v, 4) However, there is no indication in either the PIRs, the MTR, or the TE that this slight delay negatively affected the project's outcomes.

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 TE notes that the project has been developed and executed in close cooperation and with the full engagement of the participating countries. Vice Ministers in both countries expressed high levels of ownership of both the project and its results. The TE views high reliance on national and regional experts, institutes, and authorities, rather than on international consultants, as a main factor in this regard. According to senior representatives of both governments, the development of the joint activities under the project has fostered improved co-operation and strengthened relations between experts, institutes and government departments related to the Lake Baikal Basin. (TE p. 20)

However, since the project's Biodiversity resources were funded from the Russia's STAR allocation and no BD resources were available from Mongolia, they were directed towards pilot demonstrations only in Russia. The TE considers the resulting lack of pilot demonstrations in Mongolia as a disadvantage of this regional project, as it has contributed to the perception by many of the stakeholders interviewed in Mongolia, that this was a 'Russian Project'. According to the TE, this omission, combined with the lack of any International Waters resources having been dedicated to similar pilots in Mongolia, has compromised what was generally a well-designed project. As a result, the Mongolian government and other stakeholders were not enabled to benefit from on-the-ground interventions, which may have further strengthened this regional project.

With the exception of the lack of pilot actions, all stakeholders interviewed by the TE commented that the project generally included and was closely aligned with national wishes and priorities. As an exception, the TE notes the apparent misunderstanding between the countries in regards to the creation of a new Transboundary Commission with an Executive Director under component 2. While the project has assisted the existing structures substantially, there has so far been little desire from both governments to modify them. (TE p. 8)

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: Satisfactory

The TE rates project M&E overall, M&E design and M&E implementation all as Satisfactory. The TER agrees with the TE's rating for M&E Design at entry.

The mid-term review attested some shortcomings and limitations in the results framework, because it did not fully and adequately reflect project results, its indicators were not sufficiently SMART, and one indicator had been completely dropped with approval of the project steering committee, while another one was downscaled. The MTR recommended a review of the indicators, which was undertaken by the project and minor revisions were presented to the 3rd project steering committee for adoption. The TE considered the finalized targets and indicators as having been sufficiently SMART. (MTR p. 7, TE p. 8)

The M&E plan was presented in the project document and the CEO endorsement document, including an indicative budget of US$273,000, considered appropriate for this project by the TE. The plan included inception workshops, PIRs, PSCs, status reports, publications, technical reports, MTR/TE, and financial audits, which the TE notes is a more extensive list than for many other GEF projects, where technical reports are often considered to be the responsibility of the parties tasked with carrying out actions on the ground.

The TE further takes note of the project's detailed M&E plan, consistent with UNDP and GEF expectations and in place from project inception and that all relevant reports (management reports, PIRs, financial reports) were prepared as planned on a quarterly and annual basis. (TE p. 13)

6.2 **M&E Implementation**	Rating: Highly Satisfactory

The TE rates M&E implementation as Satisfactory, but based on the evidence presented, the TER could not find any significant shortcomings in M&E implementation, rating it therefore as Highly Satisfactory.

As previously stated, the project's detailed M&E program, which was in place from inception and consistent with UNDP and GEF expectations, was carried out properly, with all relevant reports having been prepared as planned. The mid-term review did recommend minor changes to the results framework in order to enhance the "SMARTness" of indicators, which were accepted by the project steering committee.

The TE notes that the project followed the M&E plan presented at the design stage and that all reports prepared were also available on the project website. The project held four annual PSC meetings, for which detailed briefing papers and summaries of the discussion points and decisions were prepared. Furthermore, TE interviews confirmed that the PMU had been in frequent constant contact with PSC members to ensure they were well informed about the progress of the project.

Furthermore, while the TE notes that it wasn't possible to independently verify the expenditures related to M&E, because the project did not include a dedicated budget line for M&E activities, it confirms that based on the prepared M&E material it is clear that the M&E actions were completed. (TE p. 13)

In terms of adaptive management, there have been many clear cases where the project adopted a new activity as a result of stakeholder and/or PSC remarks, according to the TE. The procurement of laboratory equipment in Mongolia, the production of two high-quality info/promotional videos, and the production of an Ecological Atlas of the Baikal Basin are listed as specific examples in the TE.

Finally, the TE notes that of the 16 recommendations for strengthening the project provided by the mid-term review, the majority was accepted by the PSC and implemented by the project. (TE p. 11)

7. Assessment of project implementation and execution

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

Please justify ratings in the space below each box.

7.1 **Quality of Project Implementation**	Rating: Satisfactory

The TE rates UNDP's performance as the GEF agency responsible for implementation and supervision as Satisfactory and the TER agrees with this assessment.

The TE notes that overall implementation was effective, despite the complexity of UNDP's role as the implementing agency, acting both as a project country lead through the support office in Moscow and through involvement with the Mongolian country office. The UNDP-GEF regional technical advisor, the head of the Moscow project support office and the UNDP-CO in Mongolia were all active participants in the PSC. The regional technical advisor was responsible for providing oversight and guidance regarding GEF expectations. The UNDP project support office in Moscow was responsible for providing regional disbursements in both Mongolia and Russia in cooperation with UNOPS, while the UNDP-CO in Mongolia assisted with national issues and priorities. However, since this was a regional project the main responsibility for implementation was with the UNDP-GEF regional technical advisor.

It was further noted by the TE that there had been some confusion between different parts of UNDP and a lack of clarity about their respective roles in this regional project. Some aspects of the described complex organizational structure have likely contributed both to this misunderstanding and to the common perception in Mongolia that this was a Russian project. This issue was addressed extensively during the mid-term review and the TE recommends that future regional projects should make these roles clearer to all stakeholders. (TE p. 14)

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

The TE rates the performance of UNOPS, which was responsible for day-to-day project management through the PMU and for ensuring that UN and the GEF procedures for financial management were complied with, as Highly Satisfactory.

UNOPS was identified in the project document as the implementing partner (i.e. the executing agency from GEF's perspective) responsible for the day-to-day management of project activities through a locally recruited PMU. The TE notes that UNOPS has extensive experience with delivering GEF International Waters projects, but also highlights that this project's execution has been particularly effective and efficient. Staffing of the PMU was relatively large for the size of the project (7 staff in total) and included a project manager, two national project directors in Ulan Bator and Moscow, a project technical expert, a financial officer, and two administrative/logistics officers. The Mongolian PMU was responsible for the in-country aspects of the project and for close liaison with government stakeholders. The Russian project director had a similar role in coordinating the contractors from Moscow-based institutes. The remaining staff (including a bio-resources and data expert) was based in Ulan Ude.

The TE notes that the PMU was highly effective, despite working from three different locations. The project manager and the financial officer both undertook an in-house UNOPS training course at the start of the project that was highly beneficial in improving their ability to deliver the project and comply with financial requirements. Without exception, all interviewed stakeholders commented on the strength of the PMU in responding to requests and delivering the project, praising the flexibility and dedication demonstrated by the project manager. The same strengths of the PMU were also noted by UNOPS personnel based in Copenhagen/New York. (TE pp. 14-15)

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.

According to the TE, there have been clear beneficial environmental impacts within the lifetime of the project, while future implementation of the Strategic Action Programme will likely lead to additional ecosystem impacts. It lists current environmental impacts from this project in terms of direct stress reduction indicators as follows:

- The Ministry of Natural Resources and Environment of the Russian Federation has taken actions as a result of the studies and assessments done by this project, adopting recommendations on mines and mine tailing dams, including closures through the withdrawal of operating licenses
- Pilot action to test "cattle mortuaries" that will be replicated after project completion reduce the risk of biological hazards (including anthrax) from the inappropriate disposal of animal carcasses
- Closure of a paper mill in the basin, eliminating many tons of waste entering the lake
- Reduction in the use of mercury for mineral processing for gold extraction through better control and a reduction in informal mining activities

Additionally, the TE postulates that the Strategic Action Programme and the project activities to strengthen capacity will lead to further reductions in environmental stress in the future. (TE p. 23)

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

The TE does not note any socioeconomic change occurring as a direct result of the project, but Mongolia's economic development goals could pose challenge to the project's environmental goals in terms of potential additional large hydropower, water transfer, and mining schemes. (TE p. 23)

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

a) Capacities

The TE notes that the project had a significant impact on capacity development on all levels, from communities over schools and institutes to the government, regarding water, biodiversity, and the environment in general. The project further supported transboundary co-operation by providing direct training to members of the working groups of the Joint Commission between Russia and Mongolia on the Baikal Basin. (TE p. 21)

b) Governance

Although the project did not achieve its goal of creating an upgraded Joint Commission with a legal mandate, which was not seen as a priority by the participating countries, much has been done to improve the functioning of the existing working groups under the current system, according to the TE. The TE further notes that multiple discussions conducted with ministry staff in both countries have indicated, that the governments at least recognizes that changes to the Joint Commission may be needed in the future, although presently there was little desire for this to occur. (TE p. 17)

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

The unplanned outputs of the project (e.g. the videos and Ecosystem Atlas) that were produced in response to stakeholders are also likely to create benefits by increasing awareness of the importance of Lake Baikal and providing a good basis for understanding the basin and its resources, which will be an asset to future water management and biodiversity conservation according to the TE. (TE p. 23)

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.

The project aimed to modify at least one watershed management planning policy instrument in each country, but by the end of the project 5 such plans had been prepared and endorsed in the Eg sub-basin, the Ider sub-basin, the Orkhon-Selenga sub-basin, the Tugnui-Sukhara sub-basin, and the Khilok sub-basin. Although of an initial target of 15 tourism companies in both countries applying biodiversity mainstreaming was not reached for Mongolia, in Russia more than 20 tourism companies were involved in the ecotourism within protected areas. Likewise, 8 ecotourism plans had been developed and implemented on the Russian side of the Baikal Basin by project end, instead of the initially planned 3. (TE pp. 68-69) Finally, most project activities, most notably the SAP, will likely contribute to the mainstreaming of biodiversity and environmental concerns across sectors within the region.

9. Lessons and recommendations

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

The TE draws the following lessons from the project:

- Close co-operation with governments and support from all levels of society

  The project had strong links with the governments of both countries during the design phase to ensure that its objectives were closely aligned with national priorities. It had frequent communication at many levels throughout implementation to ensure both engagement with the project and awareness of its progress. More importantly, this ensured that the direction of the SAP remained closely aligned with national policies and priorities. In addition, through the pilot projects in Russia and the development of river basin management plans in Mongolia, links with local communities and NGOs were established. This was complemented by multiple communication and awareness raising exercises that addressed the needs of schools and institutes, making the project a good example for community-to-cabinet engagement.

- The need to effectively balance project design between countries to ensure all countries feel fully involved in regional projects

  This regional project has suffered in Mongolia by being perceived as a Russian led initiative, resulting from the location of the UNDP and PMU lead offices in Russia and exacerbated by the pilot activities being only carried out in the Russia as well. There was also a lack of clarity in component 3 that the pilots would only be implemented in Russia. Accordingly, some of the concerns would have been mitigated if the International Waters budget for component 3 would have been diverted to undertake pilot actions in Mongolia, or if the situation would at least have been made more transparent to avoid any confusion. The lesson from this project is thus the importance of ensuring that all countries benefit directly from on-the-ground actions.

- Using adaptive management approaches to respond to stakeholder requests for new/revised outputs

  Hearing and implementing suggestions for new or updated activities are a positive signal projects can provide to accommodate interested stakeholders and further engage them to assist in sustaining post-project work. This project received suggestions that went beyond the agreed project document for the production of high quality videos and an Ecological Atlas. Following project steering committee authorization, resources were made available for producing of these highly effective outputs. They have strengthened the awareness raising functionality of the project aimed at multiple audiences and provided an important resource for future scientific research, while facilitating environmental protection strategy development and management.

- Strong links with GEF IW:LEARN to capitalize on new approaches for presenting information

  The GEF IW:LEARN project has been developing tools to facilitate the visualization of geographical information to assist other GEF IW projects. This project was one of two IW projects that utilized these tools effectively within the Baikal Information Center, enabling researchers, policy makers and other interested stakeholders to access the wealth of information that has been gathered by the project. The utilization of these tools as a common basis within the GEF IW community will also provide global access to the data and provide a powerful lesson to other IW projects. They can replicate the approach to enhance the dissemination of their findings and the use of visual techniques to illustrate their results.

- Significant use of national/regional expertise through consultants and organizations to stimulate national ownership of project outputs

  This project has made almost exclusive use of national/regional consultants and organizations to deliver the project's high quality outputs. This has facilitated the national acceptance by the government and other stakeholders of the through the utilization of national centers of excellence that are well known and acknowledged by national bodies. In the case of this project, the relevant Academies of Science have both acknowledged the contribution of the project to the overall understanding of the Lake Baikal ecosystem. The important lesson is that projects should be strongly encouraged to use national expertise and limit the use of international consultants, in order to strengthen ownership by national authorities of the results.

(TE pp. 26-27)

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE's recommendations are all focused on a recommended follow-on project to be developed by Mongolia, Russia, and UNDP, which is to assist with implementation of the Strategic Action Programme. The recommendations for that project are:

- Focus on SAP implementation addressing GEF multi focal areas of relevance to the River Selenga and Lake Baikal Basin as a regional project, specifically International Waters, Biodiversity, and Climate Change. In addition, it would be interesting to investigate Land Degradation, due to the pressures from increased livestock, deforestation and chemicals and waste, with regards to mining activities, taking potential desertification issues in Mongolia into account.

- Ensure that the title and objectives of the project reflect the wider basin, for example the River Selenga / Lake Baikal Basin, or broaden the scope to include all three transboundary basins between the Russian Federation and Mongolia. This would help mitigate any concerns that the project is perceived as a Russian project. However, it will still be important to stress that any Strategic Action Programme intervention is being approached as a regional initiative, regardless of where the main PMU will be located.

- SAP implementation should assist the development of concrete action plans in the basin, in order to facilitate direct actions that can be implemented on different levels. Also ensure that the interests of other ministries, especially from the economy, industry, agriculture, tourism, and power, sectors, are addressed and reflected in implementation action plans.
- Increase the focus of the project on issues affecting Mongolia through replication / upscaling of practical demonstrations already tested under this project and investigate issues of specific concern to the Selenga River Basin in Mongolia (e.g. land use and over grazing).
- Further engage local communities and NGOs to develop local action plans, including river basin management plans and local biodiversity conservation plans, and promote advocacy and raise awareness.
- Further promote the standardization of methods for monitoring and analysis and data management.
- Further explore options to enhance the work of the transboundary Joint Commission to meet the needs of the SAP and the management of regional resources, building on the legal assessment conducted by the current project.
- Facilitate links where needed with the UNECE Helsinki Agreement in Mongolia.
- Continue the strong links with local and national institutions that can further foster country ownership of project activities.

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 contains an assessment of all relevant outcomes and impacts of the project, as well as detailed assessment of the achievement of its objectives.	**HS**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is internally consistent, the evidence is complete and mostly presented in a convincing way, while ratings are generally well substantiated.	**S**
To what extent does the report properly assess project sustainability and/or project exit strategy?	The report properly assesses project sustainability along its four dimensions and also briefly discusses the project exit strategy.	**HS**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned are comprehensive and appear to be supported by the evidence.	**HS**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The report includes the actual total project costs and co-financing used. A breakdown by project component only includes GEF funds, no breakdown by activity is provided.	**MS**
Assess the quality of the report's evaluation of project M&E systems:	The report assesses project M&E adequately.	**S**
Overall TE Rating		**S**

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

Official project website (http://baikal.iwlearn.org)