

### GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
		Review date:		Oct, 20, 2006
GEF Project ID:	586		at endorsement (Million US\$)	at completion (Million US\$)
IA/EA Project ID:		<b>GEF financing:</b>	4.771	4.771
Project Name:	Integrated Management of land use-based activities in the Sao Francisco Basin	IA/EA own:	0.175	0.175
Country:	Brazil	Government:	8.543	9.651
		Other*:	8.725	0.1 <sup>1</sup>
		<b>Total Cofinancing</b>	17.443	9.926
Operational Program:	10	<b>Total Project Cost:</b>	22.214	14.697 <sup>2</sup>
IA	UNEP	<u>Dates</u>		
Partners involved:	OAS	Work Program date		07/01/1998
		CEO Endorsement		08/23/1999
		Effectiveness/ Prodoc Signature (i.e. date project began)		September, 1999
		Closing Date	Proposed: Jun/2003	Actual: Nov/ 2003 <sup>3</sup>
Prepared by: André Aquino	Reviewed by: Antonio del Monaco	Duration between effectiveness date and original closing: 3 years and 10 months	Duration between effectiveness date and actual closing: 4 years and 2 months	Difference between original and actual closing: 5 months
Author of TE: Carlos E. M. Tucci		TE completion date: June/2005	TE submission date to GEF OME: 12/14/2005	Difference between TE completion and submission date: 6 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

GEF EO Ratings for project impacts (if applicable), outcomes, project monitoring and evaluation, and quality of the terminal evaluation: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU), not applicable (N/A) and unable to assess (U/A). GEF EO Ratings for the project sustainability: Highly likely (HL), likely (L), moderately likely (ML), moderately unlikely (MU), unlikely (U), highly unlikely (HU), not applicable (N/A), and unable to assess (U/A). Please refer to document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

	Last PIR	IA Terminal Evaluation <sup>4</sup>	Other IA evaluations if	GEF EO

<sup>1</sup> The US\$8.645 MI in co-financing from the WB ProAgua loan did not materialize.

<sup>2</sup> This figure comes from the TE (pg. 12)

<sup>3</sup> This date is not provided explicitly by the project. Nov/2003 is the final date for the development of the SAP, which is assumed to be the last activity of the project.

<sup>4</sup> Based on a 5-point scale (1=Excellent, 2=Very good, 3=Good, 4=Satisfactory and 5=Unsatisfactory).

			applicable (UNEP EOU) <sup>5</sup>	
2.1 Project outcomes	S	Excellent	U/A	MS
2.2 Project sustainability	<b>N/A</b>	Very Good	U/A	ML
2.3 Monitoring and evaluation	U/A	Excellent	U/A	U/A
2.4 Quality of the evaluation report	<b>N/A</b>	<b>N/A</b>	MU	MU

Should this terminal evaluation report be considered a good practice?

No. Because most of its findings are not substantiated with evidence, no discussion on global environmental benefits, sustainability aspect is restricted to the institutional, not sufficiently discussing financial and environmental risks. The scale used is not in line with GEF EO policy.

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

### 3. PROJECT OBJECTIVES, EXPECTED AND ACTUAL OUTCOMES

#### 3.1 Project Objectives

- **What are the Global Environmental Objectives? Any changes during implementation?** No.

Assist the Government of Brazil to promote sustainable development of the SFRB and its coastal zone, based upon the implementation of an integrated approach to management of the watershed and coastal zone. Its goal is to catalyze, through planning and feasibility studies documented within a Watershed Management Program (WMP), the incorporation of land-based environmental concerns into development policies, plans and programs for the SFRB for the protection of its coastal zone. No changes during implementation.

- **What are the Development Objectives? Any changes during implementation?** Same as above.

#### 3.2 Outcomes and Impacts

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

a. Environmental assessment of the basin and development of knowledge about the region. These outcomes included: a. findings on the impact of mining activities on water resources, b. development of a water quality index, c. development of knowledge on sedimentation, soil erosion, nutrient loads and possible mitigation measures. It was not clear from the TE, however, how these assessments and knowledge will be translated into policies.

b. Improved institutional capacity for implementing financial mechanisms for water rights and water charges. A specific output was the implementation and consolidation of the Basin Committee. The TE does not discuss how exactly the institutional capacity of the state government agencies was developed.

c. Stakeholder participation, awareness raising, capacity building. Participation was developed in the basin committee through capacity building in schools and raising public-awareness on the environmental issues related to its local neighborhoods in rural and city areas. The project promoted interactions among stakeholders in the basin committee allowing improved decision-making that has been extended to State administrations in the Basin. The substantial public participation in project activities (around 12,500 people) was important for the establishment of the Basin Committee.

### 4. GEF OFFICE OF M&E ASSESSMENT

<sup>5</sup> UNEP EOU review of the TE does present their own rating of project outcome, sustainability and monitoring and evaluation. They only present an assessment of the quality of the TE.

**4.1 Outcomes**

<b>A Relevance</b>	<b>Rating: MS</b>
<ul style="list-style-type: none"> <li><b>In retrospect, were the project’s outcomes consistent with the focal areas/operational program strategies? Explain</b></li> </ul> <p>The project catalyzed preparation of a Watershed Management Plan and contributed to the adoption of joint implementation agreements, such as the Basin Committee. However, it was not clear how the project may have contributed to the implementation of the Global Program of Action (GPA) for the Protection of the Marine Environment from Land-based Activities in Latin America (the project should serve as demonstration project for the GPA, as stated in the project document).</p>	

<b>B Effectiveness</b>	<b>Rating: MS</b>
<ul style="list-style-type: none"> <li><b>Are the project outcomes as described in the TE commensurable with the expected outcomes (as described in the project document) and the problems the project was intended to address (i.e. original or modified project objectives)?</b></li> </ul> <p>The components involving the development of studies and assessments, including an Environmental Assessment of the Basin and the development a Watershed Management Program, were achieved successfully. However, the development of policy instruments (such as water user charges), the identification of investment projects in the region and the reduction of water use conflicts do not seem to have been achieved.</p> <p>The demonstration of sustainable agricultural and stream-bank management measures was only partially achieved. No examples of “strengthened community-based and governmental initiatives that contribute to the determination of water use and its impact on the hydrology of the system” were provided.</p> <p>Finally, it is not clear from TE whether the pollution loads in the Basin were reduced or whether the prevention of negative impacts on numbers and diversity of fish populations and populations of marine animals was achieved. The TE does not address global environmental benefits.</p>	

<b>C Efficiency (cost-effectiveness)</b>	<b>Rating: MS</b>
<ul style="list-style-type: none"> <li><b>Include an assessment of outcomes and impacts in relation to inputs, costs, and implementation times based on the following questions: Was the project cost – effective? How does the cost-time Vs. outcomes compare to other similar projects? Was the project implementation delayed due to any bureaucratic, administrative or political problems and did that affect cost-effectiveness?</b></li> </ul> <p>The TE does not discuss cost-effectiveness directly. Some outcomes were achieved with the collaboration of local institutions (research centers, universities, NGOs), reducing project costs. The implementation seemed to be satisfactory and the team managed to overcome initial managerial changes (the creation of the National Waters Agency – ANA, which took over the project execution). However, the environmental benefits, such as pollution loads in the basin, were not discussed in the TE.</p>	

<b>Impacts</b>
<ul style="list-style-type: none"> <li><b>Has the project achieved impacts or is it likely that outcomes will lead to the expected impacts?</b> Since this project was not intended to implement activities, but rather to build consensus and define the problems (through a Watershed Management Program), a proxy for its impact are the institutional outcomes it achieved, especially the consolidation of the Basin Committee.</li> </ul>

**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.

<b>A Financial resources</b>	<b>Rating: MU</b>
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The TE asserts that 'under current conditions, (...), economic sustainability of the basin is still weak'. However, the creation of the basin water agency in the future may lead to the implementation of a water user charges mechanism, generating the financial flow necessary for the sustainability of the basin. The risks to the creation of such an Agency are not discussed in the TE.	
<b>B Socio political</b>	<b>Rating: ML</b>
The TE contends that the project had "a strong commitment from Federal and State agencies, universities, research institutions, some private companies and NGOs." Further evidence of how this commitment might continue in the future was not given. Stakeholder involvement seems to be satisfactory, especially through the Sao Francisco River Basin Committee.	
<b>C Institutional framework and governance</b>	<b>Rating: L</b>
The implementation of the Basin Committee is strong evidence that the institutional framework is sustainable. The State Secretaries participate in the Committee and president of the Committee was a former Ministry of Environment. State and federal research institutions are also involved in the project and contributed by donating infra-structure facilities and labor.	
<b>D Environmental</b>	<b>Rating: U/A</b>
Environmental threats were not discussed in TE.	

Provide only ratings for the sustainability of outcomes based on the information in the TE:

<b>A Financial resources</b>	<b>Rating: ML</b>
<b>B Socio political</b>	<b>Rating: L</b>
<b>C Institutional framework and governance</b>	<b>Rating: L</b>
<b>D Environmental</b>	<b>Rating: U/A</b>

#### 4.3 Catalytic role

<b>1. Production of a public good</b> – Project and sub-projects promoted knowledge and information about the environmental conditions of the basin, which will serve as input for the development of the basin's Watershed Management Plan.
<b>2. Demonstration</b> – Pilot activities in land conservation, community-based management and national vegetation recovery were undertaken. Demonstration of institutional arrangement for decentralization of basin management (mainly for large countries) may influence future similar interventions.
<b>3. Replication</b> - No mention to replication of projects activities
<b>4. Scaling up</b> - No mention to scaling up of projects activities

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

<b>A. In retrospection, was the M&amp;E plan at entry practicable and sufficient? (Sufficient and practical indicators were identified, timely baseline, targets were created, effective use of data collection, analysis systems including studies and reports, and practical organization and logistics in terms of what, who, when for the M&amp;E activities)</b>	<b>Rating: U/A</b>
<b>B. Did the project M&amp;E system operate throughout the project? How was M&amp;E information used during the project? Did it allow for tracking of progress towards projects objectives? Did the project provide proper training for parties responsible for M&amp;E activities to ensure data will continue to be collected and used after project closure?</b>	<b>Rating: U/A</b>
<b>C. Was M&amp;E sufficiently budgeted and was it properly funded during implementation?</b>	<b>Rating: U/A</b>
<b>Can the project M&amp;E system be considered a good practice? U/A</b>	

#### 4.5 Lessons

##### 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 Sao Francisco River Basin Committee may be an institutional model for large countries, where a basin covers states/provinces and municipalities with different legislations and different levels of roles and responsibilities as water policy formulation and implementation. The arrangement for the SFRB highlights the following characteristics: a) decentralization; b) commitment from members; c) participation of multi stakeholders in decision-making. More information about the basin can be found in the TE Annex B.

**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 the "Criteria for the assessment of the quality of terminal evaluation reports" in the document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

##### 4.6.1 Comments on the summary of project ratings and terminal evaluation findings

In some cases the GEF Evaluation Office may have independent information collected for example, through a field visit or independent evaluators working for the Office. If additional relevant independent information has been collected that affect the ratings of this project, included in this section. This can include information that may affect the assessment and ratings of sustainability, outcomes, project M&E systems, etc.

N/A

4.6.2 Quality of terminal evaluation report	Ratings by GEF EO	Ratings UNEP EOU
<p><b>A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?</b></p> <p>The outcomes are systematically presented, but most of the time evidence of what is stated is lacking and the relation of a specific outcome to the overall objective is not explored. No third-party validation of perception was used. The logframe indicators were not used to assess outcome achievement. Global environmental benefits were not discussed. The scale used to assess the project and sub-project is not in line with GEF EO's policy.</p> <p>The TE should also have been more explicit about what consequences to the environmental outcomes the cancellation of the WB Proagua loan led to.</p>	MU	MS
<p><b>B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated?</b></p> <p>Although the report is consistent, evidence for ratings are lacking. On pg. 11, the TE provides a table in which the project is rated according to 9 variables, but no evidence is provided for the given rates. The sustainability ratings for the sub-projects are not substantiated either. When outputs are discussed, there seems to be a disconnect between the explanation given by the TE and what the prodoc was expecting (p. 16)</p>	MU	MU
<p><b>C. Does the report properly assess project sustainability and /or a project exit strategy?</b></p> <p>Financial sustainability is not sufficiently discussed. TE only asserts that the funding for the sustainability of the basin would come from the water users</p>	MU	MS

charges, but it does not discuss how likely it is that those would be implemented. Environmental risks were not addressed either.		
<b>D. Are the lessons learned supported by the evidence presented and are they comprehensive?</b> Lessons learned were well presented, but more attention should have been heeded to making them applicable to other GEF interventions.	S	S
<b>E. Does the report include the actual project costs (total and per activity) and actual co-financing used?</b> No discussion on project costs. Not even the total project cost figures are presented. The TE briefly discussed the co-financing used and clarified that the WB ProAgua loan (38% of total project costs) was not made available to the project. However, there were some small inconsistencies between the data used by the TE and the prodoc. The co-financing section is confusing and presents some inaccurate information.	U	U
<b>F. Does the report present an assessment of project M&amp;E systems?</b> Even though the TE rates the project as 'excellent' in terms of M&E, no further discussion on the topic is done. No attempt to analyze baseline data.	HU	HU

**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.

<b>Yes:</b>	<b>No:</b>
<b>X</b>	

Explain: It would be interesting to assess the environmental impact brought about in the long run by the implementation of the Strategic Action Program and Watershed Management Plan.

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

Terminal Evaluation Report of GEF Project No GF/1100-99-14; UNEP EOU Quality Assessment of the Sao Francisco Terminal Evaluation Report, Project Brief of the Integrated Management of Land-based Activities in the São Francisco Basin, Sao Francisco Project 2005 Project Implementation Report.