

GEF EO Terminal Evaluation Review Form

| 1. PROJECT DATA | | | | |
|--|---|---|---|--|
| GEF Project ID: 778 | | Review date: | | |
| IA/EA Project ID: P066674 | GEF financing: | <u>at endorsement</u> (Million US\$) | <u>at completion</u> (Million US\$) | |
| Project Name: Indigenous and community biodiversity conservation project | IA/EA own: | 7.50 | 7.48 | |
| Country: Mexico | Government: | IBRD 2.60 Planned IBRD 1.70 | IBRD 7.98 | |
| | Other*: | National 3.90 Local 3.00 | National 2.61 Local 2.61 | |
| | | | Foreign sources 5.00 | |
| | | Total Cofinancing | 11.2 | 18.05 |
| Operational Program: OP 4: Montane Ecosystems OP 3: Forest Ecosystems | | Total Project Cost: | 18.70 | 24.17** |
| IA | World Bank | <u>Dates</u> | | |
| Partners involved: Nacional Financiera (NAFIN; executing agency), National Forestry Council (CONAF), Secretary of Environment and Natural Resources (SEMARNAT), National Commission for Information and Use of Biodiversity (CANABIO), National Council for Natural Protected Areas (CONANP) | Effectiveness/ Prodoc Signature (i.e. date project began) | | As per PIRs: 06/06/2001 As per TE: 08/15/2001 | |
| | Closing Date | Proposed: 06/30/2008 | Actual: 06/30/2008 | |
| Prepared by: Luisa Lema | Reviewed by: | Duration between effectiveness date and original closing (in months): 83 months | Duration between effectiveness date and actual closing (in months): 83 months | Difference between original and actual closing (in months): 0 months |
| Author of TE: Francis V. Fragano, Team Leader | | TE completion date: April 2009 | TE submission date to GEF EO: April 2009 | Difference between TE completion and submission date (in months): 0 |

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

** Note that the total project cost reported in the TE, which is included in the table above, does not correspond to the addition of the amounts reported per source of funding. It does correspond to the addition of costs per component.

2. SUMMARY OF PROJECT RATINGS AND KEY FINDINGS

Please refer to document GEF Office of Evaluation Guidelines for terminal evaluation reviews for further definitions of the ratings.

| Performance Dimension | Last PIR | IA Terminal Evaluation | IA Evaluation Office evaluations or reviews | GEF EO |
|---------------------------------|----------|-------------------------|---|--------|
| 2.1a Project outcomes | S | S | S | S |
| 2.1b Sustainability of Outcomes | N/A | Low or negligible risks | Low or negligible risks | L |

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|--|-----|-----|-------------|----|
| 2.1c Monitoring and evaluation | S | S | Substantial | MS |
| 2.1d Quality of implementation and Execution | NA | S | S | S |
| 2.1e Quality of the evaluation report | N/A | N/A | S | S |

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| 2.2 Should the terminal evaluation report for this project be considered a good practice? Why? No. The terminal evaluation provides a comprehensive description of project implementation and outputs as well as a fair assessment of outcomes and sustainability. It however fails to provide sufficient information on the removal of project components and does not provide a baseline for indicators. |
| 2.3 Are there any evaluation findings that require follow-up, such as corruption, reallocation of GEF funds, mismanagement, etc.? There are not irregular management issues reported for the project. |

3. PROJECT OBJECTIVES

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|---|---------------------------------------|---------------------------|----------------------------|
| 3.1 Project Objectives | | | |
| a. What were the Global Environmental Objectives of the project? Were there any changes during implementation? | | | |
| There are different versions of the global objective in the PAD: | | | |
| <ul style="list-style-type: none"> • Section A, Par 1: “The objective of the project is to conserve areas of high biodiversity by strengthening and promoting community conservation initiatives on communally owned lands in areas of high biodiversity in a priority set of ecological zones in the states of Oaxaca, Michoacan and Guerrero, building on the positive cultural values and traditional management practices that these communities have developed over a long period in relationship to the resources in these ecological zones.” • Section A, Par 4: “The global objective of the project is to conserve some of the most unique and biologically diverse areas of Mexico, along with testing a model that may be applicable to indigenous reserves and other communally-owned land in other parts of Latin America.” • In Annex 1: “<i>To achieve more effective biodiversity conservation in the states of Oaxaca, Michoacán, and Guerrero by strengthening the capacity of indigenous and ejido communities to manage and protect their biological and cultural resources based on traditional values and practices.</i>” • In Annex 4: “The objective of the project is to strengthen or promote community conservation initiatives on communally owned lands in areas of high biodiversity in a priority set of ecological zones in the states of Oaxaca, Michoacan and Guerrero, building on the positive cultural values and traditional management practices that these communities have developed over a long period in relationship to the resources in these ecological zones.” | | | |
| The version in Annex 1 (<i>italic</i>) was conserved in PIRs and remained unchanged during the project. | | | |
| b. What were the Development Objectives of the project? Were there any changes during implementation? (describe and insert tick in appropriate box below, if yes at what level was the change approved (GEFSEC, IA or EA)?) | | | |
| Development Objectives, as presented in the PAD, are: “Performance Indicators (Objectives): | | | |
| <ol style="list-style-type: none"> 1. Total area under legally recognized community conservation in different ecozones in the project area, and total adjacent area under sustainable use. 2. Number of organizationally advanced communities (Categories 3 and 4) with active conservation (and integrated resource use) on legally recognized communally owned land of high biodiversity in Oaxaca, Michoacán and Guerrero. 3. Number of incipient communities (Categories 1 and 2) with increased capacity and willingness to engage in conservation activities. 4. Institutional framework at state level to channel resources to communities for their conservation initiatives, and to support inter-community networking and collaboration on shared conservation goals.” | | | |
| Additional Key Performance Indicators were established in the Project Design Summary, but not referred to as objectives (Annex 1 of PAD). Both sets are inconsistently used in PIRs, while the TE only used the latter set. | | | |
| Overall Environmental Objectives | Project Development Objectives | Project Components | Any other (specify) |

| | | | | |
|---|---|---|---|---|
| | X | | | X The composition of the National and State Committees changed, to allow for the participation of additional federal agencies. |
| c. If yes, tick applicable reasons for the change (in global environmental objectives and/or development objectives) | | | | |
| Original objectives not sufficiently articulated | Exogenous conditions changed, due to which a change in objectives was needed | Project was restructured because original objectives were over ambitious | Project was restructured because of lack of progress | Any other (specify) |
| X | | | | - Changes in institutional landscape and improvement of stakeholder representation |

4. GEF EVALUATION OFFICE ASSESSMENT OF OUTCOMES AND SUSTAINABILITY

4.1.1 Outcomes (Relevance can receive either a satisfactory rating or a unsatisfactory rating. For effectiveness and cost efficiency a six point scale 6= HS to 1 = HU will be used)

| | |
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| a. Relevance | Rating: S |
| <p>The outcomes of the project were relevant to GEF Operational Programs 4 and 3, which aim at the conservation and sustainable use of the biological resources in mountain and forest ecosystems, respectively. The project strategy was aligned with Mexico's Country Assistance Strategy (both the 1999 –at time of appraisal-, and 2008 –at project closing-versions), by contributing to social sustainability, sustainable growth, effective public governance, poverty reduction and biodiversity conservation. The project was also aligned with the country's National Biodiversity Strategy (developed under the guidance of the CBD), covering all its four priority action areas, which include protection of biodiversity rich ecosystems, sustainable use of biological resources, expansion of knowledge base related to biodiversity, and promotion of green market/valuation of biological resources. This National Biodiversity Strategy also recognizes the importance and supports the strengthening of traditional indigenous and community conservation practices, especially in rural/mountainous regions in South-Central Mexico.</p> <p>The project supported the implementation of the country's Forestry Law, which provides the legal framework for indigenous community and <i>ejido</i> management of forests. Importantly, the project built on the achievements of two programs:</p> <ul style="list-style-type: none"> - PRODEFOR: a sustainable forestry management sinking trust fund for private producers, <i>ejidos</i> and indigenous communities in forest-rich states willing to provide counterpart financing. - PROCYMAF: a pilot forestry management project to test community forestry mechanisms financed by the World Bank. | |
| b. Effectiveness | Rating: S |
| <p>The project achieved or exceeded expectations for most of the planned outputs. This success was reportedly largely due to the experience gained through the implementation of the World Bank's project PROCYMAF (in its first phase). The project supported on-going efforts of indigenous communities and <i>ejidos</i> to establish permanent conservation areas and cooperative networks; and allowed for the creation of bodies that promote and help finance community conservation initiatives over the long-term. The 'green ventures' sub component, was dropped by the implementing agency, in agreement with the executing partners. It is not clear why this decision was taken; however, this, according to the terminal evaluation, had only a small effect on the project because of the good performance of other sub project ventures.</p> <p>The key outputs of the project include:</p> <ul style="list-style-type: none"> - 166,776 ha (target: 150,000 ha) under community conservation, and 156,206 ha (target: 150,000 ha) of complementary area put under sustainable use. - 64 organizationally advanced communities (Categories 3 and 4. See note in 3.1.b) with active conservation on communally owned, highly biodiverse land (target: 70). - 77 incipient communities (Categories 1 and 2. See note in 3.1.b) with increased capacity and willingness to engage in conservation activities, by carrying out conservation activities, biodiversity studies, institutional strengthening and productive investment in biodiversity. | |

- Project State Committees with participation in community governments, state governments, and NGOs. The terminal evaluation presumes that this dynamic provides an institutional framework at state level to channel resources to communities for their conservation initiatives.
- Contributions to facilitate market development and access through community products and services.
- Operational community-driven committees, transferring knowledge and resources to communities (state participation is secured, and states are contributing to long-term sustainability).
- 248 land use plans developed in community lands (target: 300).
- 152 communities engaged in community-to-community knowledge exchange (target: 150).
- 78 community conservation areas delimited, integrated in community by-laws, and under improved conservation (target: 70).
- A total of 489 subprojects supporting community sustainable practices.
- Information system designed and available online, and monitoring system in place in 12 communities.
- Project methodologies and staff incorporated into federal bodies.
- Protected area law reformed to recognize community conservation areas at national level.

Several project indicators surpassed the expected level, and every project indicator reached a significant percentage of accomplishment.

Notwithstanding the successful delivery of outputs, delays in the implementation of biological monitoring affected the capacity to track the environmental benefits of the project, and to provide information that could contribute to adaptive management.

c. Efficiency (cost-effectiveness)

Rating: MS

The project had a slow start. While some components had significant delays or ended up being dropped, most of the activities begun to pick up three years into implementation. In spite of the delays in the implementation, the project delivered all expected outcomes within the planned budget and timeframe. The results not only met or exceeded all indicator targets, but also resulted in an unexpected social and institutional support.

There were significant delays with the implementation of the biological monitoring and evaluation, largely due to the resistance from communities to be monitored by external parties. The communities were later on included in the monitoring process, and the system was established proving to be an efficient tool.

The ‘green ventures’ sub component, which was to account for 0.63 USD million from the GEF grant, i.e. about 8 percent of the total GEF grant, was dropped by the implementing agency after discussions with the project partners. Although the cause of the removal of the component is not reported, delays in project inception certainly influenced the its implementation. However, this, according to the terminal evaluation, had only a small effect on the overall achievements of the project.

The terminal evaluation provides quantitative data to support the cost-effectiveness of the project. It assessed project efficiency using several hypothetical economic scenarios. The project was found to have a Net Present Value of 4.3 million USD, and an Economic Rate of Return of 26.9% under a payment for ecosystem services scenario, where the area declared as protected area during this project received 34.23 USD/ha (a value reported as paid by an existing program in the country). The terminal evaluation also estimated future financial impacts based on the assumption of economic revenue from the some of the productive community projects supported; this resulted in Financial Rates of Return between 12.5% and 23.4%, depending on the economic activity.

Lastly, the final cost of providing a sustainable management plan guided by the project was estimated to be 49 USD/ha. This value is high when compared to the 3 USD/ha invested by Mexico’s protected area authority for bringing an area under conservation, but similar to the 43 USD/ha found in a previous GEF-funded project in Argentina.

4.1.2 Impacts: summarize the achieved intended or unintended impacts of the project.

According to the terminal evaluation, “the Global Environmental Objective of achieving more effective biodiversity conservation in the states of Oaxaca, Michoacán, and Guerrero by strengthening the capacity of indigenous and *ejido* communities to manage and protect their biological and cultural resources based on traditional values and practices was fully achieved.” However, the evaluator considers that it is too early to determine the real contributions of the project to biodiversity conservation, given the short timeframe and the absence of long-term monitoring data. Through this project, the percentage of areas under community conservation in the target biomes increased from 8% to 20%, and half of it went through land-use planning. This is *per se* a remarkable impact, but the effectiveness of the implementation of the planning is still unknown and will be critical for delivering actual conservation impacts.

The contributions of the project in putting in place effective, decentralized mechanisms to actively engage communities

in biodiversity conservation and sustainable development are evident. By the end of the project, it was guaranteed that these mechanisms would be maintained at least in the short term. The project created a precedent for national policies regarding community conservation that were reflected in federal regulations and extended beyond the three states where the project took place.

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= Likely (no or negligible risk); 3= Moderately Likely (low risk); 2= Moderately Unlikely (substantial risks) to 1= Unlikely (High risk)). The ratings should be given taking into account both the probability of a risk materializing and the anticipated magnitude of its effect on the continuance of project benefits.

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| a. Financial resources | Rating: L |
| As per the terminal evaluation, in June 2008, the National Forestry Commission (CONAFOR) incorporated the project staff and approved six million Mexican pesos for the implementation of project-related activities. The state governments of Michoacán and Oaxaca also allocated two million Mexican pesos for the continuation of grants to communities. The terminal evaluation adds that the state governments agreed to allocate funds to project activities beyond 2008. Given the above, the non-implementation of the 'green ventures' revolving fund should not have a significant effect in the financial sustainability of the project. | |
| b. Socio political | Rating: L |
| The evidence shows no social risks that could destabilize the longevity of project outcomes; instead, it reveals an outstanding social support to its sustainability. From its inception, the project was implemented with all the social safeguards; its design was based on strengthening the social capital in the region, using traditional values and forms of organization of <i>ejidos</i> and communities as a means for sustainable land-use management. A beneficiary survey performed during the mid-term evaluation indicated a high level of satisfaction and appropriation with the project. Lastly, the cooperation of community representatives, academy, NGOs, service providers, and state governments in the State Committees laid a foundation of trust and collaboration that will help to sustain project outcomes. | |
| c. Institutional framework and governance | Rating: L |
| Both PIRs and terminal evaluation note the level of ownership at the state level, and the high likelihood for long-term sustainability of the institutional arrangements. The project management structure was designed so that the state level committees developed the capacity to be converted to civil associations or non-governmental organizations by the end of the project. The committees bring together communities, federal government, state government and academia. Although the official constitution of these groups as organizations did not happen, at the time when terminal evaluation was completed, the committees were functional and received state financial support. | |
| The support at the national level is also outstanding. In 2008, the National Forestry Commission (CONAFOR) integrated the project activities in its community forestry program, and hired or retained the staff that was engaged in the project. The agency also allocated funds for the operation of the program. Also, a 2007 national law regulating environmental protection gave legal recognition to voluntary conservation areas, which now undergo certification by the National Council for Natural Protected Areas (CONANP). According to the terminal evaluation "the level of commitments by the policymakers reflects their confidence in the [project] model and its effectiveness in promoting biodiversity conservation and its sustainable use." | |
| d. Environmental | Rating: L |
| There are no reported risks that could undermine the environmental benefits delivered by the project. The reservation of areas for conservation is likely to deliver benefits in the long-term. | |

4.3 Catalytic role

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| a.. Production of a public good |
| The project strengthened an approach to conservation that is now mainstreamed at the national level. A legislative reform used the project as a case study of the value and effectiveness of community-driven conservation. In 2007, Article 59 of the General Law on Ecological Equilibrium and Environmental Protection included recognition for voluntary conservation areas within community conservation schemes within the national protected areas system. At the time when the terminal evaluation was finalized, 6,000 ha of community protected areas had been certified by the National Council for Natural Protected Areas (CONANP), while additional 100,000 ha had been recognized in community by-laws. |
| b.. Demonstration |
| The project was used as a case study to draft a national regulation that recognizes voluntary conservation areas at the federal level. It was also presented as a successful case in international events and reviews. |

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| c.. Replication Project activities were incorporated in the regular activities of the National Forestry Commission (CONAFOR), which has national influence. |
| d.. Scaling up The General Law on Ecological Equilibrium and Environmental Protection included recognition for voluntary conservation areas within community conservation schemes within the national protected areas system. |

4.4 Assessment of processes and factors affecting attainment of project outcomes and sustainability.

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| a. Co-financing. To what extent was the reported cofinancing (or proposed cofinancing) essential to achievement of GEF objectives? Were components supported by cofinancing well integrated into the project? 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 it did, then in what ways and through what causal linkages? |
| Co-financing was well integrated into the project and played an essential role, importantly at the end of implementation when it guaranteed the continuation of activities beyond the end of the project. Co-financing also covered several management costs, including national coordination. It included 2008 federal support to project activities implemented through the National Forestry Commission (CONAFOR), beneficiary sub-project counterpart, this project’s and World Bank-funded PROCYMAF II eligible federal counterpart contributions for project states, IBRD investments under PROCYMAF II blended operation, and 2008 state support to community grants, amongst others. |
| b. 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 it did, then in what ways and through what causal linkages? |
| The project started as planned, in 2001. Nevertheless, implementation during the first years was slow and disbursements were low. The terminal evaluation explains that these delays were related to national and state elections early in the project implementation, the establishment of the relatively complex decentralized management structure, and the need to build trust amongst beneficiary communities. By 2003 the project was being implemented at the expected levels, except for the component on biological monitoring and evaluation, which was only implemented at the end of the project. The delays in biological monitoring did not affect the quality of the final product, but impeded the use of the data to provide feedback for project implementation. |
| c. 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 terminal evaluation points out the progressive commitment of the country to the project, and considered this commitment strong by the end of the project. The changes in government and the establishment of the National Forestry Commission (CONAFOR) affected the initial implementation of the project; however, the executing agency – NAFIN- stepped in and maintained the project viable during this unstable phase. The government engaged in the project at many levels, initially having the participation of several agencies in the management of the project, and later on with a clear commitment to its continuation. At the federal level, in 2008, the project activities and staff were incorporated into CONAFOR, which allocated 6,000,000 MXN to support community conservation in said fiscal year. At the state level, the States of Oaxaca and Michoacán had allocated 2,000,000 MXN each by the termination of the terminal evaluation for the continuation of project activities. |

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

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| a. M&E design at Entry Rating (six point scale): MS |
| A thorough M&E design was included in the project document. The document incorporated a set of outcome and output Indicators that were easy to measure. Development of a system to monitor the biological impacts of the project was one of the four components of the project. Also, to reflect on-going learning, the project planned for two reviews, a first one within the first two years, to review implementation mechanisms and adjust the criteria and procedures in the operational manual, and a second mid-term review in the fourth year, to allow for adjustments in targets and distribution of sub-grant activities. Sufficient funds were allocated for project M&E, and supervision responsibilities were explicitly given to both state and national coordinators. The project document does not include baseline data for indicators; neither does it include a plan to collect this data during the course of the project. |
| b. M&E plan Implementation Rating (six point scale): MU |
| Although the terminal evaluation considered the information provided by PIRs on indicators to be satisfactory, all indicators were not consistently tracked in the reports; most of the original indicators were not included in PIRs, and those that were reported vary from year to year. For those indicators included in the PIRs, the data provided was sufficient. The 2003 PIR reported on both this project and the World Bank-funded PROCYMAF project, making it hard to distinguish amongst the outcomes of each of them; the status of the indicators of this project was not assessed in said |

PIR. Relevant issues, such as delays in disbursements, complaints to the Inspection Panel, removal of the green ventures component, and late implementation of information system, were not sufficiently documented in the reports. In the PIRs, when including the performance ratings achieved in the previous PIR, the ratings do not coincide with those actually given in said reports. Also, the project seems to not have reacted quickly to some reported irregularities, such as the delays in biological monitoring implementation.

Only one mid-term review took place, instead of the two planned. The review was conducted in early 2006, and it assessed the project's progress as satisfactory, except for the delay with the biological monitoring and evaluation component, and for the uncertainty with the green ventures subproject investments. The review verified the formal establishment of community conservation and sustainably managed areas.

The implementation of the biological monitoring and evaluation component took place very late in the project. The terminal evaluation notes that these delays were justified on the resistance of communities to be monitored by external parties. The communities were later on included in the monitoring process, and technical contractors that were qualified to work with communities were hired. Having overcome the delays, the system established proved to be an efficient tool and, as per the terminal evaluation, was to be considered in the second phase of the World Bank-funded PROCYMAF. In spite its final quality, this component failed to provide real-time feedback for the project during implementation.

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

b.2a Was sufficient and timely funding provided for M&E during project implementation?
There is no evidence that delays or failures in M&E are due to insufficient or untimely funding.

b.2b To what extent did the project monitoring system provide real time feed back? Was the information that was provided used effectively? What factors affected the use of information provided by the project monitoring system?
The annual reports fell short in providing comments on implementation. In spite of the low ratings granted to the biological monitoring component in the PIRs, the component was only implemented at the end of the project, failing to provide real-time feedback that could be used for adaptive management. .

b.3 Can the project M&E system (or an aspect of the project M&E system) be considered a good practice? If so, explain why.
No.

4.6 Assessment of Quality of Implementation and Execution

a. Overall Quality of Implementation and Execution (on a six point scale): S

b. Overall Quality of Implementation – for IA (on a six point scale): S

Briefly describe and assess performance on issues such as quality of the project design, focus on results, adequacy of supervision inputs and processes, quality of risk management, candor and realism in supervision reporting, and suitability of the chosen executing agencies for project execution.

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The project was designed building on the lessons learned from the, then under implementation, World Bank-funded PROCYMAF. There was wide consultation with communities and organizations with similar experiences in the region that was incorporated in the several iterations of project design. Consequently, the project document was of good quality. The terminal evaluation notes that the risks were adequately assessed, including those resulting from the decentralized model adopted and from the lack of existent coordination between government and indigenous communities. The implementing agency chose a competitive executing agency that showed commitment and sufficient management capacity. Failures in M&E design include lack of baseline or a plan to collect it.

According to the terminal evaluation, the supervision team was qualified, and demonstrated a high degree of integrity. The project was referred to the Inspection Panel, but did not advance to full review as the panel found that the reported problems did not have a substantive basis and had been raised due to a project management dispute. The terminal evaluation found that the implementing agency was recognized for its commitment and flexibility, contributing to the highly participatory approach.

The evaluator finds that the ratings and comments provided through project reviews did not adequately reflect the delays and problems with implementation experienced by the project during the first years of implementation. The full set of indicators was not regularly tracked in PIRs. The project also failed to have a first mid-term review that was supposed to happen at the end of the first year.

c. Quality of Execution – for Executing Agencies¹ (rating on a 6 point scale): S

Briefly describe and assess performance on issues such as focus on results, adequacy of management inputs and processes, quality of risk management, and candor and realism in reporting by the executive agency.

The terminal evaluation highlights the key role of the National Financial Agency (NAFIN) in helping overcome the initial obstacles to efficient project implementation. NAFIN was able to maintain the viability of the project through the first years of implementation, when the project was affected by the change in government administrations and complex institutional arrangements amongst a number of governmental agencies, including a recently established National Forestry Commission (CONAFOR).

The actual execution at the local level involved coordination amongst indigenous communities, local authorities, civil society, federal, state and local actors in the development of operational plans, approval of subprojects, and implementation. The terminal evaluation notes that, while this increased the ownership and transparency of the work with a range of stakeholders, the local actors, who had to orchestrate the participation and maintain the focus on project objectives, carried the burden of implementation. Although NAFIN did not execute activities on the ground, its management from the top provided a good environment to make this a successful project.

The project failed to implement the ‘green ventures’ revolving fund component and to set in place a monitoring system that could inform adaptive management in a timely manner. However, the successful execution of the project delivered a model and platform for community conservation that will not only remain sustainable, but is being replicated in other parts of Mexico and adopted as an international case study.

5. LESSONS AND RECOMMENDATIONS

Assess the project lessons and recommendations as described in the TE

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

- Decentralized management models including multiple levels of governance are difficult to implement in the short-term, however they generate large gains from a governance point of view over the long-term.
- Community conservation projects can serve as a focal point for organization and breaking cycles of conflict within communities.
- When implemented through demand-driven approaches, projects place much of the burden on communities to prepare presentations, paperwork, and legal documents, sometimes demanding specialized technical assessments and assistance. Thus, demand-driven approaches are more effective when community organizational capacities are relatively high. When target communities have very limited capacity, the learning curve can be quite high, and delay implementation. Unless capacity is built amongst the less “developed” communities, through the same or parallel projects, the project may widen the distances between communities with less capacities and communities with more capacities, by favoring the further development of the latter.
- Market-based programs within conservation projects require specialized skills and service providers as well as adequate financial vehicles for these investments to become effective conservation tools. Studies to analyze markets should be carried out during preparation and implementation.

b. Briefly describe the recommendations given in the terminal evaluation

- The needs and capacities of communities vary within a very wide range. Project design should be generated to tailor capacity building based on a complete profile of community needs, and be more flexible time-wise in calls for proposals.
- Participatory monitoring and evaluation processes cannot be a “catch-all” process and should be utilized primarily as a means to provide feedback and understanding to communities and their natural resource management processes.

6. QUALITY OF THE TERMINAL EVALUATION REPORT

6.1 Comments on the summary of project ratings and terminal evaluation findings based on other information sources such as GEF EO field visits, other evaluations, etc.

The IEG ICR draws attention to supervision issues that were raised in the Inspection Panel case, which were not

¹ Executing Agencies for this section would mean those agencies that are executing the project in the field. For any given project this will exclude Executing Agencies that are implementing the project under expanded opportunities – for projects approved under the expanded opportunities procedure the respective executing agency will be treated as an implementing agency.

adequately reflected in the terminal evaluation, including that implementing agency supervision did not pick up on a lack of essential logistics for Oaxaca's coordinating unit to perform its duties, and that the implementing agency was not flexible regarding re-organizational issues.

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 terminal evaluations review for further definitions of the ratings. Please briefly explain each rating.

| 6.2 Quality of the terminal evaluation report | Ratings |
|---|----------------|
| <p>a. To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? The terminal evaluation provides a thorough analysis of project outputs, outcomes and impacts.</p> | HS |
| <p>b. To what extent the report is internally consistent, the evidence is complete/convincing and the IA ratings have been substantiated? Are there any major evidence gaps? The evaluation lacks baseline data and fails to report on the absence of the second year mid-term review. The terminal evaluation is not consistent when it reports on the green ventures component: on one hand it states that it was dropped (which is consistent with the PIRs), but on the other hand it provides a 100% achievement for the indicator of this component.</p> | MS |
| <p>c. To what extent does the report properly assess project sustainability and /or a project exit strategy? The terminal evaluation dedicates a good amount of information to describe project sustainability and viability of outcomes beyond the project.</p> | S |
| <p>d. To what extent are the lessons learned supported by the evidence presented and are they comprehensive? The terminal evaluation provides a good analysis of lessons learned, well supported with evidence.</p> | HS |
| <p>e. Does the report include the actual project costs (total and per activity) and actual co-financing used? The terminal evaluation includes project costs per activity and per source of funding. The addition of the amounts reported for sources of funding does not match the total amount reported. Sources of funds for about 20% of the total co-financing were not identified.</p> | MU |
| <p>f. Assess the quality of the reports evaluation of project M&E systems? The terminal evaluation provided a good analysis of quality at entry of M&E, however, it failed to report on the absence of a mid-term evaluation and diminished the impacts of the late implementation of the information system for biological monitoring. It overrated the implementation of the M&E component.</p> | MU |

7. SOURCES OF INFORMATION FOR THE PRERATATION OF THE TERMINAL EVALUATION REVIEW REPORT EXCLUDING PIRs, TERMINAL EVALUATIONS, PAD.