

Terminal Evaluation Review form, GEF Evaluation Office, APR 2014

1. Project Data

Summary project data			
GEF project ID		78	
GEF Agency project ID		4176	
GEF Replenishment Phase		Pilot Phase	
Lead GEF Agency (include all for joint projects)		World Bank	
Project name		Wildlife and Protected Areas Conservation	
Country/Countries		Lao PDR	
Region		EAP	
Focal area		Biodiversity	
Operational Program or Strategic Priorities/Objectives		OP-3: Forest Ecosystems	
Executing agencies involved		National Office for Nature Conservation and Watershed Management (Department of Forestry)	
NGOs/CBOs involvement		Secondary executing agency	
Private sector involvement		One of the beneficiaries	
CEO Endorsement (FSP) /Approval date (MSP)		05/01/91	
Effectiveness date / project start		01/10/95	
Expected date of project completion (at start)		09/30/99	
Actual date of project completion		09/30/00	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding		
	Co-financing		
GEF Project Grant		5.000	4.460
Co-financing	IA own		
	Government	0.200	0.540
	Other multi- /bi-laterals		7.880
	Private sector		
	NGOs/CSOs		
Total GEF funding		5.000	4.460
Total Co-financing		0.200	8.420
Total project funding (GEF grant(s) + co-financing)		5.200	12.880
Terminal evaluation/review information			
TE completion date		06/21/01	
TE submission date		06/21/01	
Author of TE		N/A	
TER completion date		10/17/14	
TER prepared by		Sean Nelson	
TER peer review by (if GEF EO review)		Joshua Schneck	

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF EO Review
Project Outcomes	N/R	U	N/R	MU
Sustainability of Outcomes	N/R	U	N/R	U
M&E Design	N/R	N/R	N/R	U
M&E Implementation	N/R	N/R	N/R	U/A
Quality of Implementation	N/R	S	N/R	MU
Quality of Execution	N/R	U	N/R	U/A
Quality of the Terminal Evaluation Report	-	-	N/R	MU

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The project's GEO was to protect Laotian forestry biodiversity. According to the Project Document (PD), the Lao PDR had seen forest cover drop from 16 million ha in 1940 to 11 million ha in 1981, representing a forest cover drop from 70 percent of the country's land area to 48 percent. This was largely due to logging and wood use, much of which was illegal. 12 percent of the total land area had been turned into 18 National Biodiversity Conservation Areas (NBCA).

3.2 Development Objectives of the project:

The primary DO was to assist the Laotian government in creating a resource management system that would allow for both sustainable resource use and forest conservation. As of the PD's writing, wood products made up 54 of Laotian exports, 80 percent of its energy consumption and 15 percent of GDP. Wood products were an instrumental part of the Laotian economy, but deforestation had made wood use in the country unsustainable. The project had the following immediate objectives according to the PD:

- 1) Protected Area Management
- 2) Technical Assistance and Conservation Training
- 3) Environmental Monitoring and Evaluation
- 4) Creation of a Conservation Trust Fund

It should be noted that the immediate objectives laid out in the PD and the Staff Appraisal Report (SAR) were inconsistent. The TE states that "the original project design was poorly structured and internally inconsistent" (TE, p. 3). The TE thus examines the following outputs based on the SAR:

- 1) Implementation of Forest Policy Reforms
- 2) Field Program Implementation (Forest Inventory & Management Planning)

- 3) Field Program Implementation (Management and Protection Program – Village Forestry Development)
- 4) Field Program Implementation (Forest Management and Protection)
- 5) Field Program Implementation (Protected Areas Management)
- 6) Human Resources Development
- 7) Technical Assistance

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

The GEF project, the Wildlife and Protected Areas Conservation Project, was originally a sub-component of an overarching IDA project, the Forest Management and Conservation Project.. Following the 1994 Staff Appraisal Report, the GEF project “was incorporated into the overall IDA project,” (TE, p. 2) though the TE does not provide details on what this meant.

The original immediate objectives turned out to be overly ambitious and lacked sufficient resources to achieve project goals, though the TE is unclear which specific resources (financial backing, personnel, etc.) in particular were lacking. Following the 1996 Supervision Mission, the project was modified. The project would now focus on “community-based forest management and biodiversity conservation, the latter being based on integration of conservation and development (ICAD) efforts” (quoted in TE, p. 2). The project also now had only 2 immediate objectives that were smaller in scale. These were:

- 1) Creating a pilot community-focused forest management system
- 2) Feasibility studies of regarding combining communities’ socioeconomic development with biodiversity conservation

According to the TE, “the project's focus was sharpened and its structure was tightened, but the project's original claim for effective involvement in policy and legal development and influencing sustainable forest management at the national level was practically lost” (TE, p. 2). However, the World Bank Executive Directors were not informed of the changes because project staff believed the project’s DOs had not changed in the long-term, but instead that the project’s forestry reforms would simply take place on a longer timeline. At the time, it was believed this project was simply the first phase of a 10-15 year process of Bank/GEF support for forestry in the Lao PDR.

4. GEF EO 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
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This project is relevant to the GEF under OP-3: Forest ecosystems. In addition, the Laotian government had recently made forestry reform a priority. The government had spent the 2 years leading up to the PD’s development creating a forestry policy reform program. The Prime Minister in late 1993 issued Prime Minister’s Decree No. 169: Management and Use of Forests and Forest Land to support these reform efforts. The Prime Minister had also established the 18 National Biodiversity Conservation Areas through Prime Minister’s Decree No. 164.

4.2 Effectiveness	Rating: Moderately Unsatisfactory
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Note: This document rates project effectiveness slightly higher than the TE does, which rated project outcomes as “Unsatisfactory.” This is due to the success of the Field Program Implementation (Management and Protection Program – Village Forestry Development) component and the relative success of the Technical Assistance component.

Summary: The project was unsuccessful in achieving several initial project goals, such as helping to influence legislation, promoting the use of forest management plans and forest surveillance and protection plans nationwide and creating a replicable Integrated Conservation Area Development (ICAD) model. The project’s national-level goals overall ended in failure. Around the time of the TE’s writing, a joint World Bank-SIDA-Finnish government report stated that “Lao production forestry, one of the country’s few potential sources of sustainable economic growth, is in disarray” (quoted in TE, p. 4). The project was more successful in creating a forest village model according to the project’s revised objectives. In addition, it helped to develop infrastructure within National Biodiversity Conservation Areas (NBCA) to promote local development. Overall, the project’s ambitions were loftier than its achievements.

1) Implementation of Forest Policy Reforms **Unsatisfactory**

The original project design envisioned this component leading to 2 new laws – a Land Law and a Forestry Law – as well as Prime Minister’s Forestry Decree proposing sustainable wood use incentives. However, the design did not actually lay out any steps the project staff would take to help achieve these goals.

While the project team produced several reports and proposed regulations for a Forestry Law, including feasibility studies linking forest protection to local sustainable socioeconomic growth, the government did not use these materials when drafting new laws and regulations. The Laotian government adopted a Forestry Law in 1996, along with a Prime Minister's Decree in 1999, but these were later rolled back as the Prime Minister issued further Orders.

2) Field Program Implementation (Forest Inventory & Management Planning) **Unsatisfactory**

The project was originally intended to reorganize the Department of Forest's Forest Inventory and Planning Unit. The Unit would then "commence forest resource assessment and land and forest allocation, demarcation of permanent forest estate, and preparation of forest management plans" (TE, p. 5) across the country. However, only 2 sites have seen management plans and inventories undertaken. These are model village forestry sites in Savannakhet and Khammouane provinces that have a combined forest cover of 300,000 ha. 145,000 ha have seen improved management and 100,000 ha of forest cover is now governed by sustainable forest management plans.

3) Field Program Implementation (Management and Protection Program – Village Forestry Development) **Satisfactory**

This output focused on creating a village model, along with a training program. Government officials and villagers received a combined 26,000 person-days of training. The training program focused on village organizing, participatory forest management and village development. Villagers have founded Village Forestry Core Groups, 33 of which have evolved into Village Forestry Associations (VFA). The VFAs have helped to develop forest management plans. After that, many have entered into 50-year contracts with provincial authorities enacting these forest management plans. Another 60 villages have created 10-year land use plans. According to the TE, this output "constitutes one of the best examples of community forestry worldwide" (TE, p. 5). A second province has started instituting this model on the local level. However, the central government has been reluctant to support this model due to their disapproval of providing villages with direct incentives for sustainable resource use.

4) Field Program Implementation (Forest Management and Protection) **Unsatisfactory**

This component originally aimed to create a national surveillance and protection system for Laotian forests. In addition, this component also included identifying environmentally vulnerable areas and implementing conservation measures. However, the central government has taken no action on this component. The project was only able to implement it in villages where the project operated during its pilot phase.

5) Field Program Implementation (Protected Areas Management) **Moderately Unsatisfactory**

This component covered carrying out NBCA management plans. The overall goal was to create an ICAD model for replication. Project work was carried out in 4 target NBCAs according to a 5-year plan, which was extended for an additional year.

According to the TE, this component never recuperated after a delayed start. A replicable ICAD never came into existence. The TE attributes this to “due to delays in fielding, funding problems and complexities of socio-economic issues in the conservation areas” (TE, p. 6). However, this component did manage to accomplish a good deal of on-the-ground development results. The borders of each NBCA saw construction of field bases, schools, water systems and irrigation systems, along with carrying out public health initiatives. The Phou Hin Boun and Xe Pian NBCAs developed management strategies for the future. The Xi Pian NBCA also created a biodiversity monitoring system.

6) Human Resources Development Moderately Unsatisfactory

This component was originally supposed to produce a national training program, but this did not come to pass. With this said, the model forest village component and the NBCA management component together did train a large number of people. The project also created a Village Forestry Handbook and a Village Forestry Training Manual.

7) Technical Assistance Moderately Satisfactory

This component fielded 2 different technical assistance teams. One was a forest management team and the other was a model forest village team. Both teams experienced initial delays due to having to replace both teams’ Chief Technical Advisers (CTA). While the training program overall was successful, the NBCA component had to contract out some training work to NGOs, which saw long payment delays. The technical assistance team tasked with creating the forest village model was successful, but the team assigned creating an ICAD model was less successful.

4.3 Efficiency	Rating: Moderately Unsatisfactory
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Summary: The project experienced delays in setting up the NBCA component and carrying out the Technical Assistance component, but delays were only a deciding factor for the NBCA component. The project deadline was extended for a year after the MTR due to revising the project after its first year. The project does not appear to have suffered any financial mismanagement, but failed to take advantage of the full amount of co-financing allocated to this project.

Delays: The NBCA management component experienced delays from which it never recovered. Laotian government foot-dragging on providing funding caused delays to this component. The technical assistance teams both had to replace their CTAs, which also caused delays, but does not appear to have affected project results. The government also enacted reforms on a longer timeline than expected.

Financial Management: Initially, the project sent in audit reports and dispersed counterpart funding slowly. However, Bank training and an improved record keeping system helped to improve financial reporting performance. The TE does not state any problems with the project’s financial management. The project came in under budget (US\$12.88 million versus an appraisal estimate of US\$20.20 million). However, the project was unable to use only about 30 percent of its promised IDA funding due to local coordination problems and local capacity issues.

4.4 Sustainability	Rating: Unlikely
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Summary: Funding for continuing project activities was unlikely due to Laotian government reluctance to embrace the project's approach. Government policies and regulations that had supported sustainable forestry use had been rolled back. The project's experiences and staff had not been mainstreamed into existing institutions. In addition, the World Bank had been interested in follow-up forestry projects building off of this model, but the Laotian government was clear they found this project's approach risky, slow and expensive.

The project’s sustainability is assessed according the following 4 risk factors.

Environmental: Unable to Assess

The TE includes no information on environmental risks to project sustainability.

Sociopolitical: Unlikely

The government had backtracked from making sustainable forest use a priority to a secondary issue, even rolling back policy progress made during the project. In addition, the government was actively exploring other forest management options beyond this project’s model. The Laotian government disliked the emphasis the project placed on creating local incentives and allocating the financial benefits to the neighboring villages managing the forests. Instead, the government was showing a preference for placing forest management directly in government institutions. The TE notes that with regard to “NBCA management, the current protected area personnel are unlikely to command sufficient respect or resources in the provincial GOL [(Government of Laos)] hierarchy” (TE, p. 8). The government had not decided as of the TE's writing over what to do with the NBCA villages.

Financial: Unlikely

The project village model showed it was economically sustainable, able to pay off its fees and taxes, while still generating a profit for the villages. However, the Laotian government showed at the time of the TE's writing showed no interest in continuing to fund project activities or expand the project village model. In fact, the government was actively pursuing other models. No transition arrangements had been set up to allow for continuing funding. Provincial governments had inadequate revenue to guarantee future funding. The one continuing source of funding was from the Finnish government to the project model villages, but this was only for 12 months. Donor support for the NBCA projects was ending, while continuing funding did not seem to be materializing.

Institutional: Unlikely

Despite recommendations in 1999 that the project should prepare for phasing out and transitional arrangements, this was never accomplished by the project's closing. Neither the project team nor processes had been mainstreamed into existing Laotian institutions.

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?

Laotian government co-financing was lower than expected and was released slowly due to the Asian financial crisis. The TE claims that “the impact of this external factor cannot be considered as a significant hindrance, which has caused the outcome of the project implementation” (TE, 7). However, the TE also claims that the “the NBCA program suffered constantly because of funding problems” (TE, p. 10) and was only able to get off the ground due to bilateral aid (presumably Finnish government aid). Laotian government co-financing came out to US\$540,000, compared to an initial estimate of US\$1.04 million following the project design's overhaul. This was still higher than the US\$200,000 mentioned in the PD.

The Finnish government contributed an estimated US\$5.38 million (though the Finnish government had not yet provided exact figures as of the TE's writing), which was slightly lower than the US\$5.59 promised at appraisal when first revamping the project. The project also received US\$2.5 million in IDA funding that was not part of the plan in the PD, which likely came about when the various projects were combined, but the TE does not make this explicit. This came out to only about 30 percent of planned IDA financing, which was originally expected to be US\$8.7 million. IDA funding was to go towards project villages to finance socioeconomic development (project equipment, development activities, etc.) at a rate of about US\$10,000 a village. The TE notes the project failed to use its full amount of IDA funding was lower than expected due to “due to inadequate coordination between the project support to village development and annual district development programs, the limited absorptive capacity of both the villages and the government agencies, and the reduction in the number of villages” (TE, p. 8).

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 NBCA management component experienced delays from which it never recovered. Laotian government foot-dragging on providing funding also caused delays to this component, which thus required other funding sources to get started. The technical assistance teams both had to replace their CTAs, which also caused delays, but this appears to not have affected the project's results.

The government also enacted reforms on a longer timeline than expected. (These were later rolled back.) However, the government did not consult the project's studies when enacting reforms, so this cannot be attributed largely to this project.

The project received a 1-year extension following the Mid-Term Review's (MTR) recommendation that one be granted.

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 government was reluctant to support the model forest village program due to its disapproval of granting villages direct incentives for sustainable resource use. As a result, the central government has not been enthusiastic to replicate this model, though it has been adopted on the ground in a second province. The Laotian government also had not yet decided how to move forward with the NBCA villages despite the fact that these areas comprised 12.8 percent of the country's land area.

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: Unsatisfactory
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The project design lacked a clear M&E design and process. For instance, the PD does not provide a clear M&E schedule of when the MTR, PIRs, etc. would be carried out. In addition, it also lacked clear and achievable indicators. To give one example, the PD states that the biological indicators “will include critical processes and species” (PD, Annex 4, p. 27) without defining what these “critical processes and species” are or what types of numbers would be used (sightings, population estimates, habitats, etc.). This was supposed to reflect a flexible project design, but this flexible approach had to be changed after it proved unrealistic in practice. The PD also lacked dedicated funding to M&E.

6.2 M&E Implementation	Rating: Unable to Assess
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The TE rated M&E implementation as satisfactory, but provides little information beyond stating that “Bank's supervision was satisfactory and systematic” and that “the Bank maintained close coordination with the co-financiers and carried out joint supervision missions, including the Mid-Term Review” (TE, p. 9). The TE lacks enough detailed information to properly assess M&E implementation.

7. Assessment of project implementation and execution

Quality of Implementation includes the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to execution agencies throughout project implementation. Quality of Execution covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances, the focus is upon factors that are largely

within the control of the respective implementing and executing agency(s). A six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess.

Please justify ratings in the space below each box.

7.1 Quality of Project Implementation	Rating: Moderately Unsatisfactory
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The initial project design was unrealistic and needed several project components better defined, such as the M&E system. Although the SAR mentioned project risks, it had no recommendations over how to overcome those risks. The World Bank, the Laotian government and the co-financiers jointly approved the project's revision. While changing much of the project's design was a positive step, the fact that World Bank was not informed of these changes is also problematic. The experience of this project created distance between the Laotian government and the World Bank over each organization's assessment over the future of the Laotian forestry sector.

On the positive side, the TE rates World Bank project supervision as "Satisfactory." The MTR and other M&E processes were carried out in close coordination with project co-financiers. However, the TE provides little detailed information on the quality of the MTR.

7.2 Quality of Project Execution	Rating: Unable to Assess
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The TE does not directly state the extent of work carried out on the second revised output mentioned in section 3.3 of this document. As a result, it is not clear the extent of work carried out on all revised project components, so the quality of project execution cannot be properly assessed.

The Forest Department maintained consistent staffing throughout the project's life, including keeping on the same project director. It also provided office space. No work was carried out on the Field Program Implementation (Forest Management and Protection) component. The Laotian government was slow to enact forestry reforms, which it later rolled back. This put the Laotian forestry sector in an ambiguous legal space during project execution.

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.

The TE makes no mention of environmental changes attributed to this project.

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 project's forest village model “demonstrated that it is capable of paying all management and production costs and government royalties and taxes (US\$75-140/ha/annum) and still generate significant income for village development (US\$1 3-24/ha/annum” (TE, p. 7). Central government revenue from these villages is annually US\$16-30/ha higher than in the “without project scenario (TE, p. 7). VFAs have signed 50-year contracts with provincial authorities allowing project model villages to manage their own forest resources (TE, p. 5).

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 project provided over 26,000 person-hours of training through the model forest village component. Staff and villagers for the NBCA component also received training, though this was less than for the model forest village, but this is not quantified in the TE. In addition, the project also produced the Village Forestry Handbook and Village Forestry Training Manual (TE, pp. 5-6).

b) Governance

The VFAs have allowed the model forest villages to manage their own forest resources using approved management plans. However, the government has been inconsistent regarding forestry regulation and policies, including rolling back reforms it had made during the project. The government also ignored the project's reports when enacting reforms (TE, pp. 4-5).

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 experience of this project appears to have opened up distance between the World Bank and the Laotian government over how to best approach sustainable forest resource management. For instance, the Laotian government disapproves of the project's emphasis on ensuring that local villages received the direct financial incentives to use forest resources sustainably (TE, p. 5).

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 forest village model from Output 3 has been replicated in a second province. The government was reluctant to support the model forest village program due to its disapproval of granting villages direct incentives for sustainable resource use. As a result, the central government has not been enthusiastic to replicate this model, though it has been adopted on the ground in a second province (TE, p. 5).

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 following are taken from the "Lessons Learned" section of the TE:

Project Design

- Project targets need to be realistic and clear with functional linkages to project components. The project's timeline and resources need to be considered when writing project goals to make sure they are realistic. Institutional, administrative and financial arrangements have to be consistent when designing projects that have multiple donors and are trying to reform an entire sector.

Policy and Institutional Reform

- Project designers need to fully take home country policy into account. The government accepting Bank funds must be willing to change policies based on the project's experience. Stakeholder engagement is necessary to ensure local stakeholders are committed to project

models and results. Dialogue must be ongoing between the Bank and the national government. If a project only results in a model that will not be scaled up or mainstreamed, the project is unlikely to be successful.

Participatory Forest Management

- Both local villages and the central government benefit from placing forest management at the local/village level. This allows for a more efficient collection of taxes, fees and royalties, a high level of forest management and local rural socioeconomic development.

ICAD of Protected Areas

- Local people's needs, not just biodiversity needs, have to be addressed and understood. Initially, the focus should be on stakeholder engagement through small-scale ICAD initiatives than getting ICAD schemes academically correct. ICAD requires a flexible, process-oriented style of execution, which was lost due to the NBCA component's inflexibility.

9.2 Briefly describe the recommendations given in the terminal evaluation.

While the TE lacks a dedicated Recommendations section, the following can be inferred from the TE's body and "Lessons Learned" section:

- The Laotian government should mainstream the project's forest village model to other provinces due to its effectiveness, including guaranteeing funding.
- The Laotian government should focus on re-affirming the importance of sustainable forest use in its policies and regulations.
- The World Bank should pursue follow-up sustainable forestry projects in the Lao PDR building off of this project's forest village model.

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 EO 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?	It is not clear why the TE focuses on analyzing the outputs from the SAR as opposed to devoting the TE's attention to the 2 revised outputs. 1 of the revised outputs has its own dedicated section, but evidence and discussion of the second revised output is instead scant and scattered throughout the TE. This likely reflects the inconsistency between project planning documents.	MU
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The TE's discussion of the output's results is clear and appears evidence-based. However, the TE also is a bit extreme in its ratings of different project outputs, swinging widely from "HS" to "HU" ratings. In addition, little mention is made in the TE of Laotian forest biodiversity, the protection of which was part of the whole point of this project in the first place.	MS
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE addresses numerous concerns over project sustainability. The TE also notes that the the project lacked a clear exit strategy despite the MTR's recommendation that the project create one.	S
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned are evidence-based and highlight many problems faced throughout this project. However, it also overlooks the fact that the project's guiding documents were not consistent over what the project outputs and objectives even were. These inconsistencies led to problems with project execution and with inconsistencies within the TE itself. It also does not directly address the failure to inform World Bank Executive Directors of changes to the project. There is also a contradiction between complaining that the project design was too flexible to be realistic, but then complaining that the NCBA component was too inflexible.	MU
Does the report include the actual project costs (total and per activity) and actual co-financing used?	These are included in Annex 2, "Project Costs and Financing." However, this section breaks project costs down into different components than the TE's body examined, making it difficult to match up the TE's description of project components with the budget line items provided. It is also unclear which appraisal estimates it is using, which is important considering how many revisions this project's design underwent.	MU
Assess the quality of the report's evaluation of project M&E systems:	The TE only devotes part of a small paragraph to discussing the M&E system, along with a few scattered references to the MTR. This is despite glaring problems with the M&E design in the PD.	U
Overall TE Rating		MU

Overall TE rating: $(0.3 * (3+4)) + (0.1 * (5+3+3+2)) = 2.1 + 1.3 = 3.4 = \text{Moderately Unsatisfactory}$

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

World Bank/Sida/Ministry of Foreign Affairs, Government of Finland. Lao PDR-Production Forestry Policy, Status and Issues for Dialogue Vol.1 and 2 June 11, 2001. World Bank: Washington.