

GEF IEO Terminal Evaluation Review form (retrofitting of APR2004 cohort)

This form is for retrofitting of the TERs prepared for APR2004. While several topics covered in this form had already been covered in the earlier form, this revised form adds several other performance and impact related concerns.

1. Project Data

Summary project data			
GEF project ID		79	
GEF Agency project ID		P004403	
GEF Replenishment Phase		Pilot Phase	
Lead GEF Agency (include all for joint projects)		World Bank	
Project name		Conservation of Priority Protected Areas	
Country/Countries		Philippines	
Region		Asia	
Focal area		Biodiversity	
Operational Program or Strategic Priorities/Objectives		STRM	
Executing agencies involved		GOP Department of Environment and Natural Resources (DENR); and NGOs for Integrated Protected Areas Incorporated (NIPA)	
NGOs/CBOs involvement		NIPA was a co-executing agency for the project	
Private sector involvement		Not involved	
CEO Endorsement (FSP) /Approval date (MSP)		May 1994	
Effectiveness date / project start		October 1994	
Expected date of project completion (at start)		June 2002	
Actual date of project completion		June 2002	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding		
	Co-financing		
GEF Project Grant		20	14.228
Co-financing	IA/EA own		
	Government	2.86	
	Other*		
Total GEF funding		20	14.228
Total Co-financing		2.86	2.422 (from IEG review)
Total project funding (GEF grant(s) + co-financing)		22.86	16.65
Terminal evaluation/review information			
TE completion date		May 2004	
TE submission date			
Author of TE			
Original GEF IEO TER (2004) preparer		Siham Mohamedahmed	
Original GEF IEO TER (2004) reviewer		Lee Alexander Risby	
Revised TER (2014) completion date		May 2014	
Revised TER (2014) prepared by		Joshua Schneck	
TER GEF IEO peer review (2014)		Neeraj Negi	

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

2. Summary of Project Ratings

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

3. Project Objectives

3.1 Global Environmental Objectives of the project:

According to the Project Document (PD), the GEOs of the project are the protection of ten sites in the Philippines containing globally significant biodiversity.

3.2 Development Objectives of the project:

As stated in the PD (PD, pg 3), the project had the following development objectives:

- Protect ten areas of high biodiversity;
- Improve the Department of Environment and Natural Resources (DENR) Protected Areas (PA) management capabilities;
- Incorporate local communities and NGOs into the PA management structure;
- Confirm the tenure of indigenous cultural communities and long-established residents of PAs;
- Establish a permanent funding mechanism for PA management and development; and
- Develop sustainable forms of livelihood consistent with biodiversity protection.

These objectives were to be achieved through the following four project components:

1. *Site Development* (25% of total cost) – including access roads/trails in PAs, buildings and staff;
2. *Resource Management* (10% of total cost) – included establishment of community-based and NGO-supported PA management structure, development of management plans, mapping, boundary demarcation, and habitat restoration;
3. *Socio-Economic Management* (49% of total cost) – development of non-destructive livelihood projects in buffer zones and multiple use areas as well as community consultation and training, population census, registration, and tenure delineation; and
4. *National Coordination, Monitoring and Technical Assistance* (16% of total cost) – including NGO-based project coordination, monitoring of project implementation, trends in biodiversity inventories and assessment of management impacts, and technical assistance to individual PAs and DENR's Protected Areas and Wildlife Bureau (PAWB).

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

The mid-term review in June 1998 resulted in reformulation of project components but without changing any of the project objectives. Project components were recast so as to be in-line with the overall objectives. The five resulting components were (no new cost breakdown is provided in TE or MTR):

1. Protected Area Planning and Management;
2. Biodiversity Conservation;
3. Tenurial Security;
4. Livelihood Systems; and
5. Project Management and Coordination.

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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The project is well-aligned with both GEF and National priorities. According to the PD, the project supports the GOP's policies for design and development of a protected area system for conservation of the nation's biodiversity riches. The project's ten protected areas were selected through studies involving both DENR and local NGOs. Moreover, a congressional resolution was passed in 1989 mandating that the GOP define and develop a National Integrated Protected Areas System. Subsequently, Congress passed and the President signed into law legislation providing a "secure foundation consistent with international standards for protected area designation and management" (PD, pg 1). The GEF project is a full-scale demonstration of management approaches endorsed by the new legislation. For the GEF, the project's focus on conserving globally-significant biodiversity under high threat, through the use of a pioneering and participatory approach is well-aligned with GEF strategic objectives.

4.2 Effectiveness	Rating: Moderately Satisfactory
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Project effectiveness has been mixed, with significant progress made in establishing protection mechanisms at the ten targeted PAs, improvements in the capacity of DENR to undertake biodiversity conservation programs, and increased community and NGO involvement at the PAs. Moreover, some progress in clarifying/improving indigenous people's tenure rights has been made, although this is now subject to legal delays. However, performance in developing sustainable livelihoods, to which roughly half of project funding was allocated, has been unsatisfactory, with minimal achievements. Because of the progress in advancing/securing GEF GEOs, effectiveness is rated as Moderately Satisfactory.

Progress under all 5 revised project components is as follows:

1. *Protected Area Planning and Management* – Legal steps to establish the PAs have been completed at 4 PAs, and progress along the remainder is ongoing. All ten PAs have management plans and implementation is ongoing. PA Management Boards have been established satisfactorily and are collaborating with relevant Local Government Units (LGUs). All ten sites have established Integrated Protected Areas Funds (IPAFs) which are collecting user fees and contributions. However, operation of IPAFs is a concern as communities are not confident that PAMBs will be able to withdraw funds from the IPAF when required due to complex operational arrangements, and for a majority of PAs there is not yet a solid mechanism to collect fees such that they provide sufficient self-funding of the parks.
2. *Biodiversity Conservation* – As reported in the TE, the DENR has limited funds for staffing of PAs. While a biodiversity monitoring system was established by a non-project Danish technical assistance grant, their system has been in place for too short a time to indicate any benefits from the GEF project. TE does report that significant progress has been made in improving relations and involvement of communities living in or around the PAs. Communities have been involved through the formation of volunteer brigades that receive formal deputation from DENR to patrol the PA in collaboration with DENR field staff. TE notes however that it is not clear whether this will continue without project funding and reduced DENR field staff.
3. *Tenurial Security* – Modest but important progress was made in strengthening the rights of indigenous peoples and local communities, while further progress has been stalled over legal process issues. Positive outcomes identified in the TE include: introduction of Community Based Resource Management Agreements for Protected Areas (CBRMA-PAs), participation of indigenous peoples in the PAMBs, volunteer action by indigenous peoples in the PA patrols, and passage of the Indigenous Peoples Rights Act in 1997.
4. *Livelihood Systems* – Performance under this component has been highly unsatisfactory, with both design weaknesses and poor implementation largely to blame. Development of a program faces considerable delays, and financing of projects only began in late 1998. Difficulties included the remoteness of many of the project locations and the inexperience of NIPA as well as “deficient procurement and financial management (TE, pg 7). TE reports that 331 livelihood projects were under implementation at project's close – a seemingly huge number that suggests a lack of focus and understanding of what activities were most likely to succeed. TE notes that only 50% of funds for livelihood activities have been disbursed. Overall, there is little to show for the effort.

5. *Project Management and Coordination* – According to the TE, management and coordination arrangements were very weak and the strong implementation partnership that was expected to develop between DENR and NIPA never materialized. At the same time, TE notes that at the local level (PA level), coordination and cooperation between DENR and NGOs has been satisfactory. Financing reporting and management information systems have been very weak, despite repeated attempts to develop an adequate M&E system. Financial procurement problems are under review by a special government investigative committee composed of the Departments of Justice, Finance and DENR.

4.3 Efficiency	Rating: Unsatisfactory
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Efficiency is rated as unsatisfactory on the basis of project management and coordination issues that are seen as strongly affecting the minimal progress in achievement along the project’s sustainable livelihoods component. Issues cited in the TE include failure to establish a working relationship between DNER and NIPA, substantial delays in designing the livelihoods program, and substantial problems in fiduciary management of the project (note the ongoing investigative review of financial procurement issues). Reviews have identified excessive overhead charges on consultant fees, expenditures not consistent with project objectives, excessive expenditures on unfinished works and other serious issues (TE, pg 7). Moreover, despite repeated attempts to develop an adequate M&E system, one never materialized. The failures of the project management are particularly salient given that much of the political will and local support for the project’s objectives appears to have been present, and contributed to the project’s success in other areas.

4.4 Sustainability	Rating: Moderately Unlikely
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Sustainability is rated as moderately unlikely, largely due to financial uncertainty that threatens to undermine much of the project’s successes at the ten PAs and in sustaining improvements in capacity at DNER as well. Sustainability is further detailed along the following four dimensions:

- **Environmental sustainability – (ML)** While the TE does not discuss sustainability from an environmental perspective, it can be assumed that there are no threats to the sustainability of outcomes stemming from environmental concerns that were not present at the project’s outset (long-term threats from climate change for example), or that have been increased due to some project component. While environmental threats on park resources are not likely to be eliminated even if PAs were completely successful in stopping degradation within park boundaries, they do not constitute a significant threat to project sustainability.

- **Financial sustainability – (MU)** Financial uncertainty constitute the biggest potential threat to sustainability of project outcomes. At project close, TE identifies uncertainty regarding adequacy of DENR budgets to continue work on park development, management and protection. At the local level, TE notes that PA sustainability will depend upon whether Protected Area Management Boards find additional revenue sources or find innovative means of sustain operations such as promoting volunteerism among local communities. The situation regarding collection of user fees at PAs varies. At some, there has been accumulation of funds into the IPAFs, at others there is still a need to develop and/or apply mechanism for collections. Moreover, in some cases, communities are reluctant to pay money into the IPAF account as 25% of funds is immediately lost to the central fund, as well as uncertainly on how easy it will be to get disbursements from the IPAF in the future. Finally, the original PD anticipated significant return flows into the IPAFs from livelihood activities, but given the small number of projects financed, and the minimal progress, funds from these activities are unlikely to be significant.
- **Socio-political – (ML)** On the positive side, community and NGO involvement at PA sites has been enhanced. Among the ways in which communities have been involved is through the formation of volunteer brigades that received formal deputation from DENR to patrol the PA in collaboration with DENR field staff. Moreover, PAMBs have become a useful forum for indigenous persons to become involved in the PA decision-making process, and the support/progress in clarifying tenurial concerns also contributes to project sustainability. On the other hand, government commitment to the project appears to have been moderate as judged by the limited funding made available to th PAWB, compared with the rest of DENR (TE, pg 10).
- **Institutional – (ML)** At project closure, 4 PAs were protected by Acts and another 5 bills were under deliberation by congress. Draft Implementing Rules and Regulations have been prepared for the four PAs protected by Acts. At the same time, further action is required to support the passing of legislation for the remaining 6 PAs to draw up and employ the rules and regulations.

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?

Realized co-financing is \$1.13 million, which is around 40% of expected co-financing. Co-financing was to come from the GOP, and was to finance 75% of the costs of PA establishment. While the 1997-98 East Asia financing crisis, as well as the two changes in Government in 1998 and late 2000 are reported to have been key factors in the under materialization of co-financing, it's not clear from the TE whether or not the lack of budget releases by DENR to the project's PAWB was due to the lack of materialized co-financing, or due to a more general, government-wide reluctance to fund DENR at pre-financing crisis levels. TE does state that DENR was slow to provide adequate staffing for both the PCR and the project sites, and some of this is likely connected to limited co-financing. However, considering that PA establishment has been one of the more successful project components, the extent to which materialization of co-financing has affected project outcomes and sustainability is assessed to be

minimal overall. For this project factors such as project implementation and execution were more significant with respect to achievement of project outcomes and sustainability.

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?

While the project was started and closed at the expected dates, internally, several project components experienced significant delays. Chief among these were the project's livelihoods components – draft guidelines for which were only produced after two years from project start. These guidelines were found to be unacceptable to the Land Bank of the Philippines and to other Retail Financial Institutions, requiring further amendment and another delay of one year. Moreover, neither DENR nor NIPA were successful in developing a working M&E system. These failures contributed to the project's minimal success in the livelihood's component, as well as serious problems with fiduciary management. The failure of the project to deliver on the sustainable livelihoods component may also affect project's sustainability, as little as been done to reduce pressures on parks from surrounding communities.

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:

Two changes of Government, in 1998 and late 2000, occurred during implementation. TE notes that these changes of government had an unsettling effect on the project, as with each change, the senior departmental civil servants were replaced, with consequent "alterations in government commitment to the project and relations between DENR and NIPA." (TE, pg 10). Moreover, TE assesses Government commitment to the project throughout implementation to have been only moderate, as evidenced by the limited funding made available to PAWB compared to the rest of DENR. Due to these budget restrictions – particularly during the financial crises in 1997-98 – lack of budget releases by DENR disrupted the project's implementation (TE, pg 10).

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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Full development of the project's M&E system was as task left to NIPA during project implementation. In hindsight, given the inexperience of the NIPA as well as the complexity of monitoring and coordinating

project activities across ten separate areas in remote locations, the project’s M&E system should have been much more developed in the PD, prior to project implementation. A separate budget line in the PD provided for project M&E, although there is no further delineation of funding for specific M&E components, nor a clear timetable for when M&E components were to be done (other than provisions for a MTR), nor clear explication of who is responsible for M&E implementation. M&E is described as being part of the project’s fourth component (National Coordination, Monitoring and Technical Assistance). PD states that NIPA would draft a monitoring plan for the project, for the approval of PAWB, following principles proposed by the Bank (PD, pg 20). A functioning M&E plan never materialized, and this contributed significantly to problems with the project’s procurement procedures, adhering to expenditure targets, and realization of project outcomes.

6.2 M&E Implementation	Rating: Unsatisfactory
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TE states that a working M&E system never materialized (TE pg 7. This had serious ramifications regarding fiduciary management, and monitoring of project activities. Biological monitoring has been facilitated by a non-project technical assistance from the Dutch government. At the local level, monitoring of project activities appears to have been somewhat adequate, although this varies from site to site. The failure of the project to develop a proper M&E system lies with both the Bank and executing agencies (see below).

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: Unsatisfactory
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Implementation of the project was unsatisfactory, with deficiencies identified in the TE both project design and supervision. Regarding project design, the principle failing was to rely upon an inexperienced and untested consortium of local NGOs to not only implement critical project components, but also design them as well. This includes the project’s livelihoods component and the project’s M&E system – both of which faced major shortcomings that were never adequately resolved. Moreover, during project implementation, TE notes that “based on earlier Bank experience of livelihood projects not being feasible until the zonal delineation of the PAs had been completed, necessary urgency was not given to

preparing for the Livelihood Systems component and in particular to pressing for NIPA to come up with suitable guidelines” (TE, pg 12). TE further notes that the MTR failed to result in a major modification/restructuring of the project to deal with project issues, except to cancel \$2million of the GEF funding for the Livelihood System component (a further \$2.48 million GEF funding was cancelled at a later date). Quality of the supervision was apparently strong regarding the technical aspects of park management and biodiversity conservation, but weak in regards to procurement and financial expertise. Staff with these kind of expertise only started to become involved in 1998 – four years after grant approval. Finally, supervision failed to pick up procurement and financial issues as project monitoring ratings gave a false sense of security in early project years (TE, pg 12).

7.2 Quality of Project Execution	Rating: Unsatisfactory
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Quality of project execution was unsatisfactory, with performance of NIPA highly unsatisfactory, while that of the DENR marginally unsatisfactory. As noted above, NIPA failed to establish good financial management and procurement internal control mechanisms, and coordination between DENR and NIPA was inadequate, with both parties working largely independent of the other. A working project M&E system never developed, as specified in the PD. Many PA sites had no bookkeeping whatsoever to account for project expenditures. There were serious issues concerning potential financial mismanagement that were under review by a special investigative panel at the point of project completion. TE notes that at the local level, there are a number of good examples of good management by local NGOs working in concert with DENR. DENR’s performance was considerably stronger than NIPAs, although they had the comparatively simpler task of working with their own personnel on more defined project tasks. Some factors hindering project performance were indeed outside of the control of the executing Agencies – these included the 1995 floods and landslides in Mindanao and Negros, the 1997-98 East Asian Financial crisis, the return of the El Nino in 1998, and changes in Government in 1998 and 2000. Moreover, some fo the project sites have been affected by various forms of civil disturbance and insurgency (TE, pg 9).

8. Assessment of Project Impacts

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.

No changes in environmental stress are noted in the TE. There was a change in the protections for areas of biological significance as a result of the project: legal steps to establish the PAs have been completed at 4 PAs, and progress along the remainder is ongoing. All ten PAs have management plans and implementation is ongoing. PA Management Boards have been established satisfactorily and are collaborating with relevant Local Government Units (LGUs). All ten sites have established Integrated

Protected Areas Funds (IPAFs) which are collecting user fees and contributions. However, operation of IPAFs may be uncertain as communities are not confident that PAMBs will be able to withdraw funds from the IPAF when required due to complex operational arrangements, and for a majority of PAs there is not yet a solid mechanism to collect fees such that they provide sufficient self-funding of the parks. Project achievements in regards to PAs might have been greater were it not for the 1997-98 East Asian Financial crisis, changes in Government in 1998 and 2000 (see below), and general poor performance of the Bank's supervision and project execution.

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.

No quantitative changes in human well-being are noted to have occurred as a result of the project. However, modest but important progress was made in strengthening the rights of indigenous peoples and local communities, while further progress has been stalled over legal process issues. Positive outcomes identified in the TE include: introduction of Community Based Resource Management Agreements for Protected Areas (CBRMA-PAs), participation of indigenous peoples in the PAMBs, volunteer action by indigenous peoples in the PA patrols, and passage of the Indigenous Peoples Rights Act in 1997. TE notes that the increase in sovereignty of Local Government Units (LGUs) as a result of the decentralization program put into effect under the Local Government Code influenced the conduct of field operations, and may have had an effect on the willingness of the GOP to give further recognition to indigenous peoples tenure claims.

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 – No clear statement of any increases in capacities at either DENR, or within NIPA is given in the TE. It is reasonable to assume some kind of benefit at the local level for those charged with PA management, as a result of the project. However, the extent to which this occurred is pure conjecture given the limited evidence provided in the TE.

b) Governance – as noted above there was a change in the protections for areas of biological significance as a result of the project: legal steps to establish the PAs have been completed at 4 PAs, and progress along the remainder is ongoing. All ten PAs have management plans and implementation is ongoing. PA Management Boards have been established satisfactorily and are collaborating with

relevant Local Government Units (LGUs). All ten sites have established Integrated Protected Areas Funds (IPAFs) which are collecting user fees and contributions. However, operation of IPAFs is a concern as communities are not confident that PAMBs will be able to withdraw funds from the IPAF when required due to complex operational arrangements, and for a majority of PAs there is not yet a solid mechanism to collect fees such that they provide sufficient self-funding of the parks. Project achievements in regards to PAs might have been greater were it not for the 1997-98 East Asian Financial crisis, changes in Government in 1998 and 2000 (see below), and general poor performance of the Bank's supervision and project execution. Moreover, modest but important progress was made in strengthening the rights of indigenous peoples and local communities, while further progress has been stalled over legal process issues. Positive outcomes identified in the TE include: introduction of Community Based Resource Management Agreements for Protected Areas (CBRMA-PAs), participation of indigenous peoples in the PAMBs, volunteer action by indigenous peoples in the PA patrols, and passage of the Indigenous Peoples Rights Act in 1997.

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.

No unintended impacts were noted in the TE.

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.

There is no evidence presented in the TE of any broader adoption of project initiatives by project's end. The only initiatives that could be considered novel were the livelihood components of the project, and these, as detailed above, were poorly implemented and largely ineffective. Thus there is little basis thus far to take this project component to scale.

9. Lessons and recommendations

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

The TE provides the following key lessons:

- The more difficult a project component, task, or objective, the greater the need for careful focus and clarity in description and operational arrangements to provide clear guidance and to remove any uncertainties over what is required.

- Attention to technical aspects of a project, and strength of an agency or its performance in technical areas, is not enough. Successful project implementation also requires strength in management areas including in finance, procurement, monitoring and oversight.
- Entrusting the management of large flows of funds and procurement to a new agency without a track record is risky.
- Where implementation is to be the responsibility of a non-government agency, care needs to be taken not only in the choice of the agency, but also to ensure that the project design is appropriate for implementation by that agency. Where necessary, changes should be made to tailor the design to mitigate any foreseen weak points in implementing agency capabilities, and the agency needs to take steps to strengthen itself in areas where capacity is weak. An institutional analysis is desirable where institutions are untested, with recommendations incorporated in design and implementation.
- Investments in natural resources such as forestry, protected areas or watersheds tend to require continuous activity over an extended period of time. They do not lend themselves to being treated as projects and may best be conceived as programs which would ensure the longer-term support required. This program could have been presented as two or more projects, in order to give adequate control and allow for stocktaking and any necessary changes in project design between the various project phases.
- Credit schemes such as the project's Livelihood component, are typically quite difficult. Credit in remote areas is extremely difficult due to lack of RFIs and a lack of interest to provide small loans in remote areas. Projects or components which have a mix of both credit and grants are particularly difficult to operate.
- Benefits from a decentralized scheme for project implementation will be reduced if there is also centralized project management and decision making. A truly decentralized project design requires only minimal central coordination and support.
- Implementation which relies for reimbursement almost entirely on Statements of Expenditure (SOEs) for a large number of small expenditures in remote locations in ten project sites has inherent risks and requires operation of appropriate mitigating mechanisms including standard documentation, a strong oversight capacity and sampling for post review.
- Implementing agencies need to have personnel strong in financial management and procurement, or to train personnel and, as needed, hire technical assistance in these areas.
- Institutional development in PAs including provision of land tenure security, joint management through community based forest management agreements and PAMBs can provide a strong basis for increased community participation and empowerment. In particular this was valuable for IPs who became involved in conservation and PA management.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE provides the following recommendations:

- Technical assistance (TA) should not be confined to purely technical matters. CPPAP and the

supporting Danish grant included substantial TA for biodiversity monitoring and other technical areas, but this should have been paralleled by TA in managerial and financial/procurement support.

- An institutional capacity analysis of the proposed executing entity's strengths and weaknesses, especially in management, finance and procurement, should be undertaken and should inform the decision on choice of agency.
- All projects should have some formal mechanisms for coordination and oversight of the implementing agency and field activities.
- Care is required in project design to make sure that mechanisms are in place to ensure that as high a proportion as possible of project funds are delivered to the beneficiaries – rather than being absorbed in higher level institutional costs.
- A MTR is an opportunity to significantly restructure a project if that is required. The same should be done by any supervision mission that finds restructuring necessary.

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?	TE provides an assessment of relevant outcomes and impacts where possible, although more detail could have been provided on the project's livelihood's component. TE simply summarizes that impacts were minimal.	MS
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is internally consistent, evidence presented is complete and convincing. TE's ratings give additional weight to developmental objectives and less to achievement of GEOs, which explains much of the divergence in GEF TER and ICR overall outcome rating.	S
To what extent does the report properly assess project sustainability and/or project exit strategy?	Sustainability is properly assessed with key areas of uncertainty for project sustainability going forward highlighted.	S
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons are well supported by the evidence, clear, convincing, and comprehensive.	HS
Does the report include the actual project costs (total and per activity) and actual co-financing used?	Report does provide actual project costs at the macro-level, but not at the activity level. Much of this is likely limited by the project's well discussed failings in financial management, particularly for the project's livelihoods component.	MS
Assess the quality of the report's evaluation of project M&E systems:	More detail on the failings of the project to develop a functioning M&E system, and whether much of this could have been avoided through a more detailed PD M&E system is needed. Moreover, TE notes that project supervision ratings gave a false sense of security in early years, but does not elaborate on the cause of this inaccuracy.	MS
Overall TE Rating		S

Overall TE rating = $(0.3*(4+5))+(0.1*(5+6+4+4)) = 2.7 + 1.9 = 4.6 = S$

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