

GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
GEF Project ID: 844		Review date: 1/23/07		
		<u>at endorsement</u> (Million US\$)		<u>at completion</u> (Million US\$)
IA/EA Project ID:	Project ID: PO58299 Grant No.: TF 023902	GEF financing:	0.727	0.727
Project Name:	Valdivian Forest Zone: Private- Public Mechanisms for Biodiversity Conservation	IA/EA own:		
Country:	Chile	Government:	0.059	0.059
		Other*:	0.231	0.289
		Total Cofinancing	0.29	0.348
Operational Program:	3	Total Project Cost:	1.016	1.074
IA	WB	<u>Dates</u>		
Partners involved:		Work Program date		Not applicable (MSP)
		CEO Endorsement		07/13/2000
		Effectiveness/ Prodoc Signature (i.e. date project began)		07/18/2000
		Closing Date	Proposed: 06/30/2004	Actual: 06/30/2004
Prepared by: Antonio del Mónico	Reviewed by: Aaron Zazueta	Duration between effectiveness date and original closing: 4 years	Duration between effectiveness date and actual closing: 4 years	Difference between original and actual closing: 0
Author of TE:		TE completion date: 6/30/04	TE submission date to GEF OME: 9/21/2005	Difference between TE completion and submission date: 15 months

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

2. SUMMARY OF PROJECT RATINGS

Please refer to document "GEF Office of Evaluation Guidelines for the verification and review of terminal evaluations" for further definitions of the ratings.

	Last PIR	IA Terminal Evaluation	Other IA evaluations if applicable (e.g. IEG)	GEF EO
2.1 Project outcomes		No rating	No rating	HS
2.2 Project sustainability	N/A	No rating	No rating	L
2.3 Monitoring and evaluation	N/A	No rating	No rating	S
2.4 Quality of the evaluation report	N/A	N/A	No rating	S

Should this terminal evaluation report be considered a good practice? Why? There are couple of areas of this report that can be considered good practice such as the lessons and the presentation of actual project costs (total and per activity) and actual co-financing used.

Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? There was some reallocation of funds as explained below in the section on cost-effectiveness but according to the TE, the project's financial reports were audited for three periods: August 2000–August 2001, September

2001–December 2002, and January 2003–December 2003. Each report was reviewed by the Bank’s financial management specialist and ultimately found acceptable.

3. PROJECT OBJECTIVES AND ACTUAL OUTCOMES

3.1 Project Objectives

- **What are the Global Environmental Objectives? Any changes during implementation?**

From the project brief: To enhance the conservation of the Valdivian temperate forests by increasing the private sector’s role in expanding the coverage, territorial distribution and ecological representation of this endangered ecosystem under protected area management. No changes according to TE.

- **What are the Development Objectives? Any changes during implementation?**

From the project brief: (i) promote the development of an institutional mechanism to facilitate better coordination and complementarity between private and public sector actions to conserve Biodiversity of the Valdivian rain forest in Region 10 ; (ii) improve the level of knowledge of the value of a private sector approach to the conservation of biodiversity among (Private Protected Area) PPA owners, associated professionals and technicians, and the public at large in the 10 Region; (iii) achieve a commitment from three existing PPA owners to participate in a more formal, technically sound approach to conservation management in compliance with SNAPSE criteria; (iv) use these three pilot areas as demonstration sites and other outreach efforts to generate interest among other private and corporate owners of land, characterized by high biodiversity ecosystems, in the creation of new PPAs and the improved management of existing PPAs; and (v) develop a body of experience and lessons learned derived from the private sector approach to biodiversity conservation, which would serve as a basis for the development of one or more PPA management models that could be replicated elsewhere in the country and region.

A few changes after the mid term review took place. According to the TE: First, it was agreed that the originally envisioned mixed public-private sector regional entity to be established under the project (component A) would be replaced by a not-for-profit private organization. Although the “public” component would not be part of the new organization, the strategic cooperation with the public sector would be an essential part of its new design. Second, the promotion program (component B) was redesigned at the operational level. As a result, the implementation of nonmonetary incentives to support PPAs was transferred to the Environmental Planning and Research Center (CIPMA), changing its focus to respond better to the needs of the target groups. According to the TE, none of these changes affected the project’s expected outcomes.

3.2 Outcomes

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

According to the TE, all project objectives were met and performance indicators achieved. The TE indicates that the project created the first three certified PPAs in Chile, totaling 2,394 hectares (ha). An additional 14 PPAs, covering approximately 9,000 ha, received project-supported assistance. While these latter PPAs have yet to be certified, they all are potential candidates and need only to meet the certification criteria. The project significantly strengthened the role of the PPAs in Region 10 . First, to conserve biodiversity, the project gave PPAs greater visibility, social value, and recognition, in part, through demonstrating how many private protected areas already existed in the region. One hundred and fifty PPAs were registered through the project, far exceeding expectations. The project also contributed to major recognition of the important role that small and medium PPAs can play in regional conservation strategies, particularly within biological connectivity objectives on a landscape level.

Furthermore, the project developed significant new planning methods, and applied incentives for PPAs, providing substantive tools needed to improve the quality of conservation management in the region. Once developed and tested, these tools were made widely available to stakeholders through multiple publications and manuals.

The project also supported the creation of the first two organizations of landowners and managers of PPAs in Chile, both in Region 10 , which will allow better exchanges of resources and information.

The TE also indicates that the project institutionalized its experience and recommendations relevant to private sector conservation in Chile in two ways. First, it significantly influenced the formation of relevant regulations included in the Private Protected Areas Policy (Reglamento de Áreas Silvestres Protegidas Privadas), which gave official recognition and eligibility criteria to establish PPAs in Chile. Second, the project succeeded at getting special incentives for PPAs included in the government’s proposed Recuperation and Protection of Native Forests (Ley de Recuperación y Fomento del Bosque Nativo).

4. GEF EVALUATION OFFICE ASSESSMENT

4.1.1 Outcomes

A Relevance

Rating: HS

<p>In 1998, the national Environmental Policy for Sustainable Development, prepared by the National Commission for the Environment (CONAMA), recognized the importance and role of protected areas as the principal instrument for the conservation of biodiversity. Because of the increased loss of habitat and its biodiversity in Chile, the National Forest Service (CONAF) and the national scientific community at large, have recognized the need to further expand and broaden SNASPE, giving highest priority to the conservation of sites in the Valdivian temperate forest. They also agreed that achieving the needed expansion of protected areas (PA) far exceeded the current financial and managerial capacity of public entities alone, and that there is a need for increasing private-public cooperation in the conservation of the country's biodiversity. One such form of cooperation is to promote an increased role for the private sector in the creation and management of private protected areas (PPAs). Likewise, CONAF has begun to recognize the importance of a mixed private/public sector approach as illustrated in a recently initiated program promoting private investment in ecotourism development within selected national parks. Therefore, the proposed project is consistent with the country's biodiversity conservation priorities and initiatives in supporting interventions which will: (i) increase coordination and cooperation between the private and public sectors in biodiversity conservation efforts; (ii) promote an increased private sector role in creation and effective management of PAs; and (iii) improve management in existing PPAS of the Valdivian temperate rainforest in Region 10 .</p>	
B Effectiveness	Rating: HS
<p>The project was very effective since it achieved or exceeded its stated objectives and also the expected outcomes as described in the project document. A summary is provided above in section 3.2. on outcomes.</p>	
C Efficiency (cost-effectiveness)	Rating: S
<p>According to the TE, the project achieved or exceeded all of its expected outcomes on time and within budget. The project also achieved a number of unexpected outcomes. The most significant was its contribution to the preparation of 12 Land Development Plans for Conservation (LDPCs) and the creation of two PPA landowner associations. Regarding the LDPCs, due to landowner initiative, technical assistance (TA) was requested and taken a step further. The result was a useful product that required a much greater level of beneficiary input and time, including producing the baseline and land use zoning and preparing maps. Similarly, given the project's emphasis on providing assistance to the individual landowner as opposed to the creation of associations, the creation of the associations also was notable. Despite these achievements, three outcomes involved greater costs in terms of resources and/or time than initially envisioned. First, coordinating the promotion program and supervising and monitoring its activities during the first half of the project imposed large demands on staff time, so resources that could have been used for other purposes were diverted. Following the MTE, these demands were resolved through the redesign of the development program. The project then began to execute all PPA support activities directly, eliminating the need to supervise contractors. The second unforeseen demand on time and resources came from the higher than expected demand to certify the Demonstration Project Areas (DPAs) on behalf of CONAF and the efforts to do so. Delays were attributed primarily to problems in submitting the required management plans and the associated review and approval process. These delays were resolved by linking future disbursements associated with the execution of DPA management plans to meeting the commitments associated with acquiring their certification. The third costly activity was delay in publication of the Park Ranger Training Manual due to the higher than expected preparation, editing, and production costs.</p>	

4.1.2 Environmental Impacts

<p>According to the TE , one impact directly attributable to the project is the creation of the first three CONAF-certified PPAs in Chile, 2,394 hectares (ha) in aggregate.</p>
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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.

A Financial resources	Rating: ML
<p>The risk to financial sustainability of project outcomes is moderate. The TE mentions that the future of PPAs depends on their ability to obtain the resources necessary to consolidate existing working procedures and eventually to expand their range of actions and impact. In addition, the TE indicates that the future of the PPCh (Corporación Parques para Chile) also rests in part on securing financing to achieve its objectives and that this would depend on its success in marketing and selling specialized support services to owners interested in the creation of PPAs. This could be likely given a recent study conducted by the Non-Profit Enterprise and Self-Sustainability Team (NESsT), an organization with expertise in developing corporations that works in the civil-society sector, which indicated that prospects are favorable for PPCh to reach financial self-sustainability in three years.</p>	
B Socio political	Rating: ML

The risk to socio-political sustainability is also moderate because, although key aspects for socio-political sustainability seem to be going in the right direction, many of these are still under development or implementation and more work still remains to ensure sustainability as explained below.

At the regional level, the project supported the development of a strategic vision of the role of PPAs in promoting the conservation of biodiversity in Region 10. This vision was achieved through the project's contributions—in association with other NGOs, including WWF and the Fundación Senda Darwin consortium—to promote a vision of interconnectivity between conservation landscape units through the creation of a biological corridor between the coastal and Andes mountain ranges in the north of Region 10. This vision was incorporated in the Regional Strategy for Biodiversity Conservation for Region 10 and will serve as a road map for organized PPA landowners and managers in the province of Valdivia. Participating in the Corridor also will advance their respective initiatives and the achievement of conservation objectives.

A second regional element that will promote project sustainability was the creation of a regional entity, an outgrowth of the project's institutional component. The Corporación Parques para Chile (PPCh), is a not-for-profit, private organization whose legal enabling status is in the final stages of approval. Its primary mandate will be to facilitate the conservation in perpetuity of particularly valuable natural sites by supporting the creation of well-planned and managed PPAs. When connected to one another and to other public protected areas, these PPAs will benefit sustainable local development, promote responsible citizenship regarding the protection of biodiversity, and disseminate information on their own biological, social, and cultural assets.

A third regional element consisted of the establishment of two PPA landowner and manager organizations in Region 10. The first in the country, these organizations were created in the provinces of Valdivia (32 members) and Chiloé (32 members). These nascent organizations will play a fundamental role in the creation and coordination of future private conservation initiatives in Region 10 by multiplying the number of existing PPAs and supporting the definition of management standards that could serve as the basis for their future certification.

The PPA organizations in Valdivia and Chiloé have demonstrated a high level of commitment and capacity. For example, Asociación Gremial de Áreas Protegidas Privadas de Valdivia members have organized along three priority themes—ecotourism, ecological restoration, and sustainable management—and are developing and implementing a number of relevant projects. Nevertheless, in the shorter term, their future depends on strengthening their existing organizations, generating support, and continuing to incorporate key PPA stakeholders.

C Institutional framework and governance

Rating: L

The risks to institutional sustainability are relatively low. At a national level, the project has had a significant effect on shaping a new enabling institutional framework comprised of national PPA regulations, which were enacted through presidential decree in June 2003. These regulations will support existing PPAs and create new ones. The project's lessons and recommendations were incorporated in the new regulations with the accompanying incentives and procedures. Related to the enactment of new regulations, the project increased the institutional capacity of CONAF, the legal national entity responsible for declaring PPAs officially protected areas in Chile. This capacity growth was achieved primarily through CONAF's participation in project activities, particularly in the development and use of PPA eligibility assessment criteria and the assessment and assignment of appropriate management categories.

Specifically, at the field level, there is significant evidence that each of the three co-executing institutions in charge of its respective DPA has developed independent programs of work resulting in non-project-supported achievements. Elements of these work programs included basic and applied research, environmental restoration, environmental education, greater conservation integration with neighboring communities, information dissemination, and outreach to other PPAs. These activities and achievements indicate that these three PPAs likely will continue to play valuable demonstration roles following project completion.

Some potential PPA landowners have a negative image of CONAF and NATIONAL COMMISSION FOR THE ENVIRONMENT (CONAMA), which may create some resistance from the landowners of the evaluation and oversight roles that these institutions could have if the landowners joined the program.

D Environmental

Rating: L

There were no risks to environmental sustainability mentioned in the TE

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

A Financial resources

Rating: ML

B	Socio political	Rating: ML
C	Institutional framework and governance	Rating: L
D	Environmental	Rating: U/A

4.3 Catalytic role

<p>a. Production of a public good: The TE indicates that the project developed significant new planning methods, and applied incentives for PPAs, providing substantive tools needed to improve the quality of conservation management in the region. Once developed and tested, these tools were made widely available to stakeholders through multiple publications and manuals.</p>
<p>b. Demonstration: There is significant evidence that each of the three co-executing institutions in charge of its respective DPA has developed independent programs of work resulting in non-project-supported achievements. Elements of these work programs included basic and applied research, environmental restoration, environmental education, greater conservation integration with neighboring communities, information dissemination, and outreach to other PPAs. These activities and achievements indicate that these three PPAs likely will continue to play valuable demonstration roles following project completion.</p>
<p>c. Replication: The stakeholders most likely to replicate project achievements are the direct project beneficiaries. These consist of all types of landowners, predominately the medium- and smallholder. Replication already has been documented in non-project-supported field activities including trail construction, ecological restoration, and livestock and forest management practices. Moreover, in the last phases of the project, CIPMA received at least 10 requests for specialized support to manage PPAs not registered by the project. These PPAs ranged from 40 ha to 4,000 ha. Demand is estimated to grow based on the findings of a feasibility study. The study concluded that of the approximately 60 landowners and managers of PPAs not directly involved in the project, approximately 30 percent are interested in contracting some type of support services (TA for PPA analysis, conservation management plan preparation, preparation of ecotourism development plans, etc).</p>
<p>d. Scaling up</p>

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

<p>A. M&E design</p>	<p>Rating: S</p>
<p>The TE indicates that the M&E system was initially focused on progress reports on the expected outcomes under each component, but this approach turned out unworkable given the current work load and activities of CIPMA. The TE indicates that after the mid term review (18 months after project implementation), an evaluation was conducted by project component (the TE contains a table with the indicators by project component and levels of achievement). The TE indicates that for the Demonstration Protected areas (DPAs), the failure of the monitoring system was resolved successfully through monitoring guidelines developed specifically to evaluate the effectiveness of the DPAs in meeting their stated conservation objectives. This procedure was used during the project's initial phase (prior to the MTE), which made it useful in assessing the project's impact on effective conservation by each demonstration PPA.</p>	
<p>B. M&E plan Implementation</p>	<p>Rating: S</p>
<p>The midterm review allowed making some corrections in the monitoring system and other changes oriented to better focus the objectives as discussed under the objectives section above (changes during implementation). For example, the project monitoring approach ensured that the redesign of the project following the MTE, as well as the formulation of policy recommendations, had a positive impact on the national institutional framework for private conservation under discussion in Chile. Another example was that during the first year and a half, project management was centralized in Santiago. Although the financial and technical supervision of co-executed activities took place in Valdivia from the outset, centralized management restricted the power of the project coordinator to perform the necessary supervisory activities. This situation was resolved following the MTE by decentralizing project management responsibilities to Valdivia.</p>	
<p>C. M&E budgeted and properly funded</p>	<p>Rating: UA</p>
<p>No. There was no specific budget line item assigned to cover the costs of M&E activities in the budget tables of the TE.</p>	
<p>Can the project M&E system be considered a good practice? Yes from the perspective that it adapted in time to measure progress towards objectives but it should have been designed to do this before project implementation began.</p>	

4.5 Lessons

Project lessons as described in the TE

<p>What lessons mentioned in the TE that can be considered a good practice or approaches to avoid</p>
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and could have application for other GEF projects?
<ul style="list-style-type: none"> • <u>Participation in conservation</u>: Small- and medium-sized farmers, or campesinos, who often are dependent on subsistence economies, totaled approximately two-thirds of the registered landowners, for whom conservation appeared to be a significant activity and one that complements productive uses. Therefore, not only wealthy land owners but primarily small and medium-size farmers can have a considerable contribution to private land conservation. • <u>Incentives for participation</u>: In addition to financial incentives for conservation, the increased interest in program participation was driven by access to expert information about basic conservation concepts, as well as field training and technical assistance that involved support activities on their own lands. Also, an individual's sense of stewardship for the land appears to play an important role in the establishment of a PPA. Having a local manager allowed to have a continuous presence which encouraged more participation and ensured that field-based interventions accomplished their purpose of conserving biodiversity. • <u>Project and PPA Monitoring</u>. The application of a research-action approach (that is, a real-time applied research approach) was critical, first, to the timely analysis of the outcomes achieved. This approach also ensured that the redesign of the project following the MTE, as well as the formulation of policy recommendations, had a positive impact on the national institutional framework for private conservation under discussion in Chile. To be effective, monitoring PPAs requires the design of standardized procedures based on easily verifiable field indicators. Indicators should cover the range of PPA management dimensions, which include legal, conservation management, and community arrangements. • <u>Interinstitutional Arrangements</u>. The formula adopted to co-execute certain project components with partner institutions had both advantages and disadvantages. Some main advantages related to gaining access to the expertise of several institutions, including the inputs provided by the professionals who were on the co-executing teams. The formula's disadvantages related to the difficulties in establishing effective cooperation with institutions that considered the resources provided only as an additional source of funding and that failed to position themselves in the much broader context of the project objectives. For example, there were two main obstacles to effective inter-institutional collaboration. First, the time and energy required to coordinate the actions of the co-executing organizations were underestimated. Second, coordinating the representatives of the four co-executing organizations forming the PSC (three of which are based in Santiago) with the technical heads in charge of implementing the relevant cooperation agreements was difficult. As a result, the roles and responsibilities of the co-executing organizations and the PSC were redefined following the MTE, and the responsibilities of the PSC were reoriented to a monitoring and advisory role. • <u>Public-Private Partnerships in Biodiversity Conservation</u>. The successful cooperation accomplished with public agencies, such as CONAF and CONAMA, was critical to project success. In both cases, outcomes exceeded expectations and demonstrated that public-private partnerships for biodiversity conservation goals are possible. These successes can best be explained by the great level of consistency achieved between the practical experience gained through the project and the need for sound inputs required by the evolving institutional framework of private sector biodiversity conservation in Chile. Hence, the recommendations based on strong empirical support proved to be a valuable input to policy formulation by the public agencies concerned.

4.6 Quality of the evaluation report Provide a number rating 1-6 to each criteria based on: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, and Highly Unsatisfactory = 1. Please refer to document "GEF Office of Evaluation Guidelines for the verification and review of terminal evaluations" for further definitions of the ratings.

4.6.1 Comments on the summary of project ratings and terminal evaluation findings from other sources such as GEF EO field visits, etc.
None

4.6.2 Quality of terminal evaluation report	Ratings
A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? Yes.	S
B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? There were no inconsistencies found in the report and the evidence seemed complete and convincing. However, the TE provided no ratings.	MS
C. Does the report properly assess project sustainability and /or a project exit strategy? Yes, but it could have elaborated more on the issue of financial	S

sustainability in terms of whether the private land owner would continue to implement conservation and sustainable land management practices in the absence of the financial incentives provided during the project. In other words, where the productivity improvements significant enough for land owners to continue adopting (and replicating elsewhere) the practices promoted by the project?	
D. Are the lessons learned supported by the evidence presented and are they comprehensive? Yes, the TE presented a comprehensive set of lessons applicable to other conservation projects involving partnerships with private land owners.	HS
E. Does the report include the actual project costs (total and per activity) and actual co-financing used? Yes, the report presented a very detailed breakdown of the proposed and actual use of GEF and cofinancing funds per component and donor. The use of all funds were accounted for and the project's financial reports were audited for three periods: August 2000–August 2001, September 2001–December 2002, and January 2003–December 2003. Each report was reviewed by the Bank's financial management specialist and ultimately found acceptable.	HS
F. Does the report present an assessment of project M&E systems? Yes	S

4.7 Is a technical assessment of the project impacts described in the TE recommended? Please place an "X" in the appropriate box and explain below.

Yes: X	No:
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Explain: It would be interesting to see how the outcomes of the project in terms of larger areas under sustainable management increase

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

Project brief
