GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
			Review date:	02/09/2010
GEF Project ID:	887		at endorsement (Million US$)	at completion (Million US$)
IA/EA Project ID:	PIMS 2189	**GEF financing:**	6.73	6.73
Project Name:	Biodiversity Conservation in the Sierra Gorda Biosphere Reserve.	IA/EA own:	-	
Country:	Mexico	Government:	11.13	36.33
		Other*:	2.8	5.42
		Total Cofinancing	13.93	41.75
Operational Program:	BD 3 and 4	**Total Project Cost:**	20.66	48.48
IA	UNDP	Dates		
Partners involved:	SEMARNAP-CONANP (National Commission of Protected Areas) and the NGO Grupo Ecologico Sierra Gorda (GESG)	Effectiveness/ Prodoc Signature (i.e. date project began)		07/19/2001
		Closing Date	Proposed: 12/31/2007	Actual: 08/29/2009
Prepared by: Ines Angulo	Reviewed by:	Duration between effectiveness date and original closing (in months): 77	Duration between effectiveness date and actual closing (in months): 97	Difference between original and actual closing (in months): 20
Author of TE: Clemencia Vela César Plaza Pablo Muench		TE completion date: June 2009	TE submission date to GEF EO: September 2009	Difference between TE completion and submission date (in months): 3

* 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 AND KEY FINDINGS

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

Performance Dimension	Last PIR	IA Terminal Evaluation	IA Evaluation Office evaluations or reviews	GEF EO
2.1a Project outcomes	S	S	-	S
2.1b Sustainability of Outcomes	**N/A**	-	-	ML
2.1c Monitoring and evaluation	**-**	S	-	S
2.1d Quality of implementation and Execution	**NA**	**NA**	NA	S
2.1e Quality of the evaluation report	**N/A**	**N/A**	-	HS

2.2 Should the terminal evaluation report for this project be considered a good practice? Why?
Yes. This TE is complete and comprehensive. It provides all necessary information backed up with convincing evidence.

2.3 Are there any evaluation findings that require follow-up, such as corruption, reallocation of GEF funds, mismanagement, etc.?
No

3. PROJECT OBJECTIVES

3.1 Project Objectives

a. What were the Global Environmental Objectives of the project? Were there any changes during implementation?

The project appraisal document describes the GEO as "Ensure the conservation and sustainable use of globally important biodiversity in the 11 core protected areas of the Sierra Gorda Biosphere Reserve (RBSG)".

There were no changes during implementation.

b. What were the Development Objectives of the project? Were there any changes during implementation? (describe and insert tick in appropriate box below, if yes at what level was the change approved (GEFSEC, IA or EA)?)

According to the project appraisal document, there were two main DO: "1) long-term RBSG conservation management, established and monitored through joint collaborative action by the relevant actors involved; and 2) long-term conservation of natural resources integrated as an objective in planning and managing the sustainable development programmes in the RBSG region that embodies four Mexican states (San Luis Potosí, Querétaro, Guanajuato and Hidalgo)".

In order to achieve these objectives, the following outcomes were identified:

1. Adaptive and participatory planning and management to conserve the RBSG is operationalized.
2. The necessary RBSG infrastructure is strengthened.
3. Policy, ecological and socioeconomic baseline assessments and impact monitoring provide a scientific basis for adaptive management.
4. Sustainable use management models as well as alternative productive activities are developed and replicated.
5. An awareness campaign launched in the RBSG region to impart conservation values to the actors and the communities involved.
6. Environmental management frameworks adapted to accommodate conservation needs.

There were no changes of project objectives during implementation

Overall Environmental Objectives	Project Development Objectives	Project Components	Any other (specify)
			The logical framework, and in particular certain key indicators were adjusted several times during the course of the project to better reflect the socioeconomic reality on the project site and to adapt to operational and logistical realities on the ground. Only the changes made after 2003 had the approval of UNDP.

c. If yes, tick applicable reasons for the change (in global environmental objectives and/or development objectives)

Original objectives not sufficiently articulated	Exogenous conditions changed, due to which a change in objectives was needed	Project was restructured because original objectives were over ambitious	Project was restructured because of lack of progress	Any other (specify)
X		X		

4. GEF EVALUATION OFFICE ASSESSMENT OF OUTCOMES AND SUSTAINABILITY

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

a. Relevance **Rating: S**

This project forms part of the initial pipeline that has been submitted to the GEF as part of the Programmatic Framework for biodiversity conservation in Mexico.
The project also fell within the goals of the Sierra Gorda Biosphere Reserve Management Plan published in 1999.

b. Effectiveness	Rating: S
This was a very complex project with a long list of activities and achievements. Information included in the TE indicates that in general the project was successful in reaching the key outcomes identified in the project appraisal document, and efficiently applying adaptive management practices when needed. In particular the project has achieved important results around four key intervention areas: (i) Participatory planning and management of the SGBR: Application of an innovative and successful model of co-management, including the establishment of a Technical Advisory Commissions, and sub-commissions that ensured the participation of relevant stakeholders (ii) Alternative financial schemes: Notable progress in the implementation of payment schemes for environmental services, water and biodiversity in large areas of the Reserve and buffer zone, which, as reported by the project, has generated positive impacts on the conservation and recovery of various ecosystems and species, and sets the foundation for developing a conservation economy in the region. To date, about 100 owners have joined the program with an area of approximately 10,461 ha for protection of biodiversity and 22,397 ha for hydrological conservation. (iii) Sustainable production: the project increased annual income of participating families with a total of approximately 12 million pesos in 2007 (U.S. $ 1'200,000 to an average change of 10 pesos per dollar is equivalent to an average of U.S. $214 per person per year, or $18 per month) excluding temporary government employment programs. (iv) Environmental education and awareness-: the GESG implemented a variety of activities such as design, production and printing of educational materials, radio broadcasting, murals, posters and leaflets with environmental issues, to reach 18,000 students in 172 schools and 110 communities in the five municipalities in the RBSG and their buffer zones. Also the creation of the Sierra Gorda Earth Center which is now a reference for capacity development, sharing and implementing environmental and financial lessons learnt and best practices to other PAs. In terms of natural resource management it is worth mentioning that the project team successfully managed to implement a wide range of activities including the purchase of land for conservation purposes; the establishment of ecotourism programs and enterprises in the buffer areas of the reserve; protection of strategic watersheds; development of eco-friendly small scale agricultural practices, carbon finance schemes, payment for environmental services; and sustainable forest management.	

c. Efficiency (cost-effectiveness)	Rating: S
The project was managed in a cost-effective way, and the team ensured the participation and involvement of various stakeholders, many of which collaborated with the project on a volunteer basis. GESG leaders facilitated the formation of partnerships with many private sector organizations nationwide and also with international donor institutions. Because of these partnerships, GESG managed to triple the project co-finance resources and obtain the advice pro bono experts. An extension of the project was recommended by the evaluators of the first phase of the project due to the success of the Grupo Ecologico in obtaining additional co-financing. A revised budget for extending the project through August 2009 with a revised schedule for utilizing GEF funds was developed and approved by the project Steering Committee.	

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

While the success of this initiative in reducing biodiversity pressures and improving biodiversity status can only really be evaluated in the long term, there are some clear signs that the project has managed to reduce some of the major threats that were identified during the design phase of the project. There is evidence that wildlife populations are recovering in the Reserve, a sign of improved conservation status (based on camera trap studies show the presence of keystone species such as the jaguar and anecdotal reports from reserve residents of increases in wildlife populations). Illegal logging has been reduced compared to baseline values. New conservation areas have been created (six small private reserves within the SGBR were established and assistance via training and advising was provided to a new federal reserve that was established) and the forested surface around the area of influence of the protected areas was increased (as shown by satellite imagery studies of forest cover and fragmentation).

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of **risks** to sustainability of project outcomes and impacts based on the information presented in the TE. Use a four point scale (4= Likely (no or negligible risk); 3= Moderately Likely (low risk); 2= Moderately Unlikely (substantial risks) to 1= Unlikely (High risk)). The ratings should be given taking into account both the probability of a risk materializing and the anticipated magnitude of its effect on the continuance of project benefits.

a. Financial resources	Rating: L
One of the main outcomes achieved by the project was the capacity developed in the search of innovative financial mechanisms, as well as the efficient leverage of additional resources that have allowed for the continuity of activities beyond the project's closure. In terms of alternative financial mechanisms it is worth highlighting the successful and strategic alliance that the project managed to establish with CONAFOR for the implementation of a program for payment for environmental services (water) in the reserve and its area of influence in the Xilitla Municipality (over 14 000 hectares of forest land were included in this program). It is also worth mentioning that the project has been successful in generating additional co-funding for this initiative.	

In the short term the SGBR administration requires continuing fiscal support to pay the salaries of trained personnel and to fund operating and maintenance costs. But the TE reports that first, the GESG has made savings that will allow for some time to supplement the void left by the termination of GEF resources to continue funding vital conservation activities. Second, GESG is actively seeking financial support from national and international donors (the GESG demonstrated in the past that it has a great ability to call for such assistance) and third, that the SGBR has established environmental services and has organized income-generating enterprises.

b. Socio political **Rating: L**

No socio political risks are mentioned in the TE.
The achievements of this project, as well as GESG's more than 20 years of operation in the Sierra Gorda Biosphere Reserve, constitute an example of how a locally-organized civil society can generate important processes of conservation with national and global impacts, and how a process of continuous environmental education can develop awareness towards environmental issues in the population. This work was initiated by GESG, and has been progressively incorporating, local authorities, social organizations, related public entities, some private entities and the UNDP.

c. Institutional framework and governance **Rating: L**

The project has been successful at developing the necessary capacity in village institutions as well as in municipalities. In particular the project has ensured that these actors have the requisite capacity and ability to consolidate and maintain creative and efficient partnerships thus ensuring local institutional sustainability.
Positive examples include: the agreement of coordination signed by 5 municipalities for the application of municipal regulations regarding the environment and prevention of illegal activities, and a change in authorization of municipal public works projects which now take into account environmental considerations.
The TE mentions that in order to maintain the good relation and coordination between SEMARNAT – CONANP and GESG it is necessary to establish clear rules of collaboration, and joint planning of actions to be undertaken with revenues coming from the Earth Center, Forest Sustainable Products and Sierra Gorda Services, and that clear rules be established for the processes of buying land with international donor funds.

d. Environmental **Rating: ML**

Installation of new power lines and towers within the Reserve by the Federal Electricity Commission that would destroy and fragment habitat and destroy scenic views. This project has been opposed by the National Commission of Natural Protected Areas as well as by local civil society organizations.
The TE also mentions the possible construction of a dam to supply water to the city state capital, highlighting that the project has provided alternatives to these initiatives to reduce the impact that could result in the area.

4.3 Catalytic role

a. Production of a public good
The project successfully developed and tested new technical tools and methodologies. For example, it developed tools to measure carbon capture and mathematical models designed to make annual projections for the type of planted forest, and have dabbled successfully in the voluntary carbon market worldwide. Equally successful has been the process of testing of the effectiveness and cost-effectiveness of different methodologies (that are relatively easy to implement) for measuring soil erosion in different localities of the Reserve and then applying corrective measures.
Additionally, the project designed and maintained two websites: www.ecosierragorda.org and www.vivasierragorda.org and linked the project to the page www.sierragorda.net.

b. Demonstration
The TE mentions some demonstration activities linked to the generation and promotion of sustainable livelihood activities. An example was the implementation of a pilot model of semi-housed intensive farming for the production of milk, cheese and derivatives.

c. Replication
Communities and civil society organizations in the neighboring state of Luis Potosí have shown interest to replicate the experience of Sierra Gorda, but the TE concludes that replicating this model may be difficult, considering that the Sierra Biosphere Reserve Gorda has very particular characteristics that are not common in other areas of Mexico.

d. Scaling up
No mention of scaling up activities.

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

a. Co-financing. To what extent was the reported cofinancing (or proposed cofinancing) essential to achievement of GEF objectives? Were components supported by cofinancing well integrated into the project? If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?

The project used U.S. $ 41.75 million co-financing funds, an amount that is far greater than originally planned ($ 13.9 million). The increase in co-financing, although reported as a major achievement; is not accounted by enhanced

achievements in terms of results. The TE did not analyze the actual use of these resources in relation to the original project formulation. The TE only deduced that there was general compliance to the original amount (U.S. $ 13.9) for co-financing agreement.
b. Delays. If there were delays in project implementation and completion, then what were the reasons for it? Did the delay affect the project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?
The TE found that the delays experienced during the start of the first phase of the project were largely due to disagreements over the lack of clarity of the original Logical Framework. The lack of agreement about the elements of the Logframe was because the proponents, in charge of execution, felt that the document reflected neither their original objectives nor the reality of the area because they had not participated in the design and had not been consulted. Eventually, consensus among all stakeholders was reached on the content, timing and extent of activities and sub activities of this document, but apparently, meant that some elements considered within the concept of incremental costs were disregarded.
c. Country Ownership. Assess the extent to which country ownership has affected project outcomes and sustainability? Describe the ways in which it affected outcomes and sustainability highlighting the causal links.
The original project idea emerged with a strong national ownership, proposed as a MSP, but UNDP-GEF in NY considered that it warranted being a proposal promoted large-scale preparation. Eventually an external consultant prepared the documentation; however, it is understood that because of the urgency to submit documentation to the GEF, the proponents / future implementers were not consulted and therefore ignored the technical scope, financial requirements and restrictions of GEF financing only incremental costs. This circumstance had a serious impact on project implementation and was largely the cause of the delay during the first two years of implementation, a situation that was exacerbated by difficulties in accepting the implications of compliance with GEF funds finance only incremental costs. During the course of project implementation, various governmental organizations, commissions and programs, and national education institutions and universities were involved and contributed to the success of the project. The fact that the project was able to include these partners in the implementation of the project, not only has a positive effect in its sustainability, but it is a clear indication that by the end there was a strong ownership at the country level.

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

a. M&E design at Entry Rating (six point scale): U
The available project appraisal document did not include any description of an M&E system for the project, nor a Logframe with indicators. The TE found that lack of clarity and definition of project indicators included in the Logframe led to problems during implementation.
b. M&E plan Implementation Rating (six point scale): S
M&E played a very important role during implementation, since it provided the project team with data that was used as a basis for adaptive management. Initial problems with the definition of the Logframe and the identification of appropriate indicators to measure project success were solved by constant monitoring of implementation and follow-up of evaluation recommendations. The project also established and made good use of electronic information technologies during project implementation for monitoring. For example, for the recording of large species of fauna, especially jaguars, the project used cameras with thermal sensors; and it also developed a GIS methodology to calculate an index of fragmentation of forest patches within a radius of 5 km of the core zone of the protected area, from 2001 to 2007. In addition, the project implemented a system of monitoring and evaluation (SIMEPAR) to monitor projects financed in the area. This system is characterized by the participation of beneficiaries to confirm the progress, needs, generation of new products, organizational demands and requirements, and is applied annually to four ecotourism projects. A weakness of the M&E system was that reports (e.g. PIRs) provided only numerical information of the indicators of progress without background information to understand exactly what they meant or how they were obtained.
b.1 Was sufficient funding provided for M&E in the budget included in the project document? Unable to asses: the budget included in the available project appraisal document is not itemized by outcomes or activity.
b.2a Was sufficient and timely funding provided for M&E during project implementation? No mention of any shortage of funding related to the implementation of the M&E system.
b.2b To what extent did the project monitoring system provided real time feed back? Was the information that was provided used effectively? What factors affected the use of information provided by the project monitoring system? M&E played an important role in the adaptive management style of the project implementation. The TE highlights the fact that annual reports (PIRs) ratings have shown a performance improvement in almost all aspects of implementation and that project management has responded positively to suggestions or recommendations from regular assessments. For example, the mid-term evaluation rated as "less satisfactory" those outcomes relevant to the "development of alternative production practices compatible with biodiversity and its demonstration in the buffer zones and areas of

influence of the Reserve". However, near the closing of the project, it was precisely in these areas that in the past three years the project has closed gaps with initiatives that are giving increasingly satisfactory results.

b.3 Can the project M&E system (or an aspect of the project M&E system) be considered a good practice? If so, explain why.

Yes, the project introduced some innovative monitoring systems:
For example, the project developed the System of Social Return "SROI" to calculate the social return on investment in each of their productive projects implemented with the community, the profitability of the Earth Center, Eco-clubs, Community Education, Sanitation and Restoration of lands. The SROI has allowed the project to estimate the economic value of project investments in each of these activities (e.g., number of staff employed by the project, the salaries, materials, number of workshops offered, and number of hectares under different programs to buy, rent, or capture carbon). This tool was also used to calculate the economic value of voluntary contributions or training events, for example, the cost of materials and cost of the hours worked by teachers, adult volunteers and youth in various training programs such as school and Fiestas de la Tierra, sanitation, fire brigades and eco-clubs.

4.6 Assessment of Quality of Implementation and Execution

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

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

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

In general, the project design was of good quality, but it had some limitations of clarity and correlation between parts of the document that hindered implementation. Lack of consultation with the original project proponents (in charge of project execution) about the changes made during the approval process resulted in delays at the beginning of implementation. Agreement with the Mexican government was only reached several months after project approval by the GEF. In addition, the TE found that the project proposal approved by the GEF was too overambitious, and that while it may have appeared attractive to the GEF Council, in practice some of its components were unattainable.

Regarding supervision, the TE concludes that the continuous advice given by UNDP within the Steering Committee, and through the support provided to define planning tools helped ensure the proper course of the project. During the second project period, UNDP had a major role in implementation, providing a close and crucial support of guidance and technical assistance, which, when combined with the managerial capacity of the Coordinating Unit, were reflected in the success of results.

The choice of GESG as the EA was a main factor in the project success, since this NGO had been working in the area since 1987 and had an impressive list of accomplishments related to environmental issues.

c. Quality of Execution – for Executing Agencies[1] (rating on a 6 point scale) S

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

This project was nationally executed, with SEMARNAP-CONANP delegating its administration and coordination to GESG, through a memorandum of agreement.

According to the TE, it is clear that the project has counted on an extremely strong coordination unit led by a very dynamic and committed project manager. In addition, the project management capacities were efficiently strengthened through targeted training of current and additional central and local staff, expanded infrastructure and equipment, improved coordination through existing institutional frameworks and the development of long-term alternative funding sources and partnerships.
The EA also made correct use of adaptive management, such as the systematic development of comprehensive and realistic annual work plans and allowing changes in management arrangements to improve implementation.

In order to ensure operational sustainability, the project managed to strengthen a self-financing scheme based on a progressively increasing coverage of the reserve recurrent costs through service provision. On the downside the PIR mentioned that the national counterpart CONANP was not always in the position to provide the necessary support and guidance to this initiative. This situation improved by the end of the project since execution of the project itself, as well as the support from other project partners, substantially increased CONANPs capacity to ensure the sustainability of

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

SGBR .

5. LESSONS AND RECOMMENDATIONS

Assess the project lessons and recommendations as described in the TE

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

- The problems encountered at the start of project implementation stress the importance of adequate involvement and ownership of a project in its design phase, to be discussed fully with the proposing group and thus ensure proper goals and acceptance of the components financed by the GEF.
- Within the institutional framework the project had set the premise of "co-management" as a way of managing the reserve with the active participation of civil society represented by a local NGO. In addition, it prescribed that this model should be replicated in other units of the system of protected areas in the country. However, in Mexico, as in several other Latin American countries, the instance of "co-management" does not exist as a legal figure in the public sector. In practice what has been established successfully in the administration of the Conservation Project of Sierra Gorda, is a very particular management system, that is difficult to replicate in other areas with different characteristics.

b. Briefly describe the recommendations given in the terminal evaluation

For GEF:

- GEF should require a systematization of social, technical and methodological products developed during implementation to support enrichment activities funded by GEF.
- GEF should carefully consider replicating the model designated as "co-management" of the RBSG without having a solid understanding of the geographical, social, and political context of the area.
- It is necessary that GEF and its Implementing Agencies reach agreement on an expenses tracking methodology to perform cost analysis for results, otherwise, evaluators cannot have this kind of information to answer the questions relevant to this issue as requested by the ToR.

For UNDP:

- During the process of identifying, designing and preparing a project proposal and to facilitate implementation, monitoring and achievement of commitments to the GEF, is essential to ensure the ownership by executing agencies and potential beneficiaries. For this reason it is recommended that during the preparation and design consensus is achieved on the outcomes approach and final goals.
- Ensure that the executing agencies are familiar with the Official Records of commitments between the GEF and governments.
- After the signing of the document between the GEF and the Government and prior to the start of implementation, UNDP should organize an orientation workshop for key officials of the executing agency.
- Strengthen M&E systems and the establishment of a baseline objective, clear and simple indicators of both impact and process (products) and performance (achievements).

6. QUALITY OF THE TERMINAL EVALUATION REPORT

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

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

6.2 Quality of the terminal evaluation report	Ratings
a. To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	HS
b. To what extent the report is internally consistent, the evidence is complete/convincing and the IA ratings have been substantiated? Are there any major evidence gaps? TE is consistent and presents all necessary supporting evidence (and in the case were there are information gaps, it provides an explanation as of why)	HS
c. To what extent does the report properly assess project sustainability and /or a project exit strategy? Project risks and exit strategy are properly assessed	HS

d. To what extent are the lessons learned supported by the evidence presented and are they comprehensive? Lessons are supported by evidence. The TE also includes a long list of recommendations for each of the main partners.	S
e. Does the report include the actual project costs (total and per activity) and actual co-financing used? The TE provides a comprehensive analysis of the financial aspect of the project.	HS
f. Assess the quality of the reports evaluation of project M&E systems? The TE assesses the project M&E system in a detailed and convincing manner.	HS

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