

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		99	
GEF Agency project ID		P004014	
GEF Replenishment Phase		GEF - 1	
Lead GEF Agency (include all for joint projects)		World Bank	
Project name		Kerinci Seblat Integrated Conservation and Development Project	
Country/Countries		Indonesia	
Region		Asia	
Focal area		Biodiversity	
Operational Program or Strategic Priorities/Objectives		OP3	
Executing agencies involved		3 GOI executing agencies – PHKA, BANGDA, BPK – and nine Kabupatens.	
NGOs/CBOs involvement		WWF - through consultation	
Private sector involvement		Not involved	
CEO Endorsement (FSP) /Approval date (MSP)		January 1996	
Effectiveness date / project start		August 1996	
Expected date of project completion (at start)		September 2002	
Actual date of project completion		December 2002	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding	.9	.9
	Co-financing		
GEF Project Grant		15.02	8.27 (from IEG review)
Co-financing	IA/EA own		
	Government		
	Other*		
Total GEF funding		15.92	9.17
Total Co-financing		30.95	10.55
Total project funding (GEF grant(s) + co-financing)		46.87	19.72
Terminal evaluation/review information			
TE completion date		June 2003	
TE submission date			
Author of TE			
Original GEF IEO TER (2004) preparer		Robert Varlet	
Original GEF IEO TER (2004) reviewer		Antonio Del Monaco	
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	MU	U	U	U
Sustainability of Outcomes	-	U	U	MU
M&E Design	-	-	-	MU
M&E Implementation	U	-	-	U
Quality of Implementation	-	U	U	U
Quality of Execution	U	U	U	U
Quality of the Terminal Evaluation Report	-	-	S	MS

3. Project Objectives

3.1 Global Environmental Objectives of the project:

As stated in the project document, the global environmental objective of the project is to secure the globally significant biodiversity of the Kerinci-Seblat National Park (KSNP) and stop further habitat fragmentation by improving park protection and management, and by promoting sustainable management and the maintenance of permanent forest cover in the remaining buffer zone concession areas. The KSNP is the largest conservation area in Sumatra, straddling the four provinces of West Sumatra, Jambi, Bengkulu, and South Sumatra, and with an area of nearly 1 million ha. The park and its adjacent forests have been internationally recognized as one of the most important conservation areas in Southeast Asia (IUCN Review of the Protected Areas System in the Indomalayan Realm, 1986 (PD, pg 2)). The park harbors some of the last viable populations of endangered mammals including Sumatran tiger, clouded leopard, and Asian elephant.

3.2 Development Objectives of the project:

The project seeks to secure the biodiversity of KSNP and stop further habitat fragmentation by pursuing a two-pronged approach consisting of stabilizing the park boundary and protecting biodiversity through the provision of alternative livelihood options to communities living next to the park. The project also seeks to develop an integrated conservation and development model that would be replicated and applied to other parks in Indonesia's protected area system, and elsewhere in Asia, that focuses on reconciling regional and district development interest with those of conservation.

At CEO endorsement stage, the project had four components:

1. *Park Management* – this component supported (a) legal establishment of the park; (b) mobilization of the park staff; (c) implementation of a park management plan; (d) reinforcement of park protection and management; (e) the effective protection of ecosystems and endangered species; (f) the establishment of an effective M&E system; and (g) the establishment of facilities for recreation and education.
2. *Area and Village Development* – this component was to improve land-use planning, land-use rights and community resource management in and around 134 villages adjoining the KSNP in order to take pressure off the KSNP. The strategy employed was a negotiated Village

Conservation Agreement (VCA) in which villagers agreed to a planned resource development compatible with conservation. In return, villagers received Village Conservation Grants (VCGs) and de facto recognition of land use in the park.

3. *Integrating Biodiversity in forest Concession Management* – This component included: (a) training for concessionaires and forest staff; (b) independent auditing of logging operations; (c) accessing and identifying biodiversity within production areas; and (d) community forestry activities.
4. *Monitoring and Evaluation* – This component was to support the above three components by providing a system to: (a) monitor the integrity of the park at the landscape level; (b) monitor and evaluate forest management in the neighboring concessions; (c) analyze the impact of rural development activities; and (d) provide appropriate tools for monitoring encroachment, poaching and other development impacts.

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

The project’s GEOs and DOs were not revised, however, there were changes to the project’s scope and design. The number of villages under component 2 was reduced from 134 to 75. Several new activities were added, included anti illegal logging activities at the district level, integrated village planning and awareness in three focal areas, and the preparation of technical briefs supporting transfer of high biodiversity areas in adjacent forest concessions.

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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As stated in the project document, the project is well aligned with both GEF and GOI priorities. The project was approved within the framework of Operational Program -3 of the GEF, which addresses biodiversity relevant concerns of forest ecosystems. For GOI, the project has been identified as a national priority in the Indonesia Biodiversity Strategy and Action Plan of 1993. Moreover, the GOI was committed to testing the project’s integrated conservation and development approach, using the Kerinci park as a pilot program for possible replication elsewhere in Indonesia (TE, pg 5). For the GEF, the project’s relevance to the GEF’s biodiversity objectives is supported by the park having been declared a

Heritage Site of the Association of Southeast Asian Nations and recognized as an area of globally significant biodiversity. The park is the largest conservation area in Sumatra and the surrounding hill and lowland forests support one of the largest and most important tracts of tropical forest ecosystems within Southeast Asia. The area is under significant threats from land conversion/agricultural expansion, mining, poaching, and other activities (TE, pg 5).

4.2 Effectiveness	Rating: Unsatisfactory
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Neither the conservation or development objectives of the project were achieved to any substantial degree. Some project activities were curtailed (see below), principally due to poor coordination and collaboration between different offices within the Ministry of Forestry and between other project executing partners (project never developed a working project steering committee – see below). As such, effectiveness is rated Unsatisfactory – in line with ratings from the ICR and IEG review. At the same time, the project was successful in advancing legal conservation protections to some extent, and in increasing the capacity of park management. Achievements under the four project components are detailed below:

1. *Park Management* – The KSNP park was legally established as a National Park in 2000 – the first National park in Indonesia to be so designated. However, disputes over park boundaries continue both with local communities and with surrounding forest concessionaires, and agricultural encroachment continues, even in high profile, easily-monitored parts of the park. Thus, the overall impression from the evidence presented in the TE is that this park has much of the characteristics of a “paper park,” and that real conservation remains very much a work in progress. Other achievements under this project component include strengthening of KSNP management through increased staffing and technical assistance in areas such as surveying and GIS. Some civil works were funded under the project, including guard posts, extension centers, and watch towers, but these were found to be of poor quality and not well maintained (TE, pg 8).
2. *Area and Village Development* – Achievement under this objective was very limited. At CEO endorsement, this component was expected to account for over half of project costs, however, less than a quarter of expected funds were disbursed. The principle mode of engagement has been through the negotiation of Village Conservation Agreements (VCAs) with targeted communities that were expected to link conservation with development (see section 3.2 above). Seventy-two VCAs were signed (down from an original target of 134), and three were subsequently dropped due to continued logging and other violations. When accounting for other issues, TE states that VCA achievement (effective VCAs) is as best 50% (TE, pg 10). Moreover, follow on activities have been very modest, due in part to unclear legal status of VCAs and an inefficient funds flow and management system (see below). While there were no direct indicators linking conservation with VCAs, an analysis of forest loss described in the TE finds no linkage between development investments stemming from the projects VCAs/VCGs (grants), and conservation of biodiversity and forest cover (TE, pg 6).

3. *Integrating Biodiversity in forest Concession Management* – Only 2 of the 4 planned activities under this component (biodiversity surveys and independent auditing of logging operations) were undertaken. Given the increased pressures from illegal logging and lawlessness following the political change and economic crisis of 1998, training of forest concessionaires and community forestry was deemed to be irrelevant. Biodiversity surveying showed high conservation value in surrounding concessions, but there has been no effective follow-up. Auditing of logging operations mostly confirmed what was already known – that logging continues to be unsustainable and with frequent violations of concessionaires’ agreements. No action has been taken in response to any of these violations.
4. *Monitoring and Evaluation* – Improvements in the monitoring of the park at the land-scape level were made under this component, with acquisition of GIS data and some training in GIS for park staff (3 staff members were trained in GIS). However, the GIS system appears of little use for day to day management of the park. To date, it is used principally for printing basic field maps (TE, pg 13).

Other important outputs include the halting of several proposed road expansions and mining development in the park during project implementation. However, the sustainability of these interventions following project closure is uncertain. In addition, TE notes that partnerships and networking between local governments, NGOs, and researchers have been strengthened, and there is now a forum established by the project - the IPCC, Inter-Provincial Coordination Committee – to resolve issues concerning the potential development of regional development on the park. Again, the sustainability of this body is uncertain.

4.3 Efficiency	Rating: Unsatisfactory
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As detailed in the TE, the project suffered from poor management and oversight, as well as a theory of change did not hold in practice, and these issues played a significant role in limiting the achievements of the project. TE notes that during project development, following calls for increased participation and local ownership, project design was changed, becoming overly complex, and increasing the number of executing agencies. During project implementation, in part due to this complexity in design, a breakdown in the integrated nature of the project occurred, with each agency developing its own sub project, and a national project steering committee that rarely functioned (TE, pg 6). No single agency played the role of project integrator. Other factors included poor funds flow throughout the project, with regular delays in budget disbursements, and very poor coordination and collaboration between the executing agencies, and even between different departments within the Ministry of Forestry (TE, pg 19). Finally, TE notes that lack of proper management in funds disbursal identified in Bank supervision missions resulted in “potentially corrupt and fraudulent expenditures” (TE, pg 20).

While some of the project’s incremental achievements (legal recognition of the park, improvements in park management and increased stakeholder awareness of conservation value), are likely to continue after the project, sustainability as measured by effective conservation of the park’s biodiversity and sustained improvements in development outcomes faces significant uncertainty. Sustainability is further described along the following four dimensions:

- *Financial Sustainability (MU)*- TE states that the KSNP park is in the process of building strong partnerships with local government and other agencies including tourism departments. These include identifications of new partnerships and projects that could contribute financial support to KSNP. In addition, there is a special forestry budget that KSNP may be able to access now that it is one of 9 identified priority parks. However, none of these funds have yet to be approved or have materialized thus far.
- *Institutional Sustainability (MU)* – Lack of effective coordination and institutional alignment among agencies and local government has plagued the project throughout its implementation. TE states that the IPCC now has a permanent secretariat established in Jambi, to help promote better integration between regional development activities and park management and planning. However, no local or central institutions have made any serious effort to date at enforcement of logging and other relevant laws. Also, whether trained staff at the park will stay following project closure is uncertain (TE, pg 16).
- *Socio-Political sustainability (MU)* – No evidence is presented in the TE that would indicate that there is strong local or national support for addressing the real threats to conservation of KSNP. TE does note that there is now a “core group of dedicated and motivated park staff”, and that the KSNP is strengthening links to kabupatens and provincial government and NGOs through information sharing, resources and training opportunities (TE, pg 16).
- *Environmental sustainability (MU)* – Environmental threats to the parks diversity continue to pose significant concerns for the sustainability of the park’s biodiversity. These stem from habitat loss that threatens to reduce the viability of populations of endangered species within the park’s boundaries, as well as continued threat of road expansions, mining, and agricultural expansion.

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?

TE provides very little information regarding the gap between loans/grants provided (\$34.8 million) and used (\$15.7 million), except to say that \$9 million in loans was cancelled due to currency devaluation. Similarly, of the \$11.8 million in co-financing expected at CEO endorsement from the GOI, only \$3.1

million (26%) materialized, and the TE provides little information on why, except to suggest it was linked to the economic crisis in Indonesia in 1998 that devalued the rupiah, and the change in national government. Co-financing is not however mentioned as a key factor in the limited achievement of the project, as there were significant funds unused at the time of project closure. Other factors included lack of effective governance and enforcement and poor project design and execution were found to be more significant determinants in 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?

The project was extended by three months, although no explanation of why is given in the TE. More significant were delays in funds flow experienced throughout the project that are identified in the TE as being a serious constraint. VCAs were seen as having created expectations of funding that were largely unfulfilled, possibly lessening support for the project's objectives. Delays were principally due to lack of effective project management and coordination of a very complex and spread out project.

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:

Country ownership appears to have been low throughout the project. This is particularly apparent in the lack of will to prosecute violators for illegal logging or agricultural expansion. Other factors, particularly the fall of the Suharto government and the financial crisis appear to have consumed the attention of policymakers. On the other hand, at the local level, TE reports that provincial governments and Kabupatens increased support for law enforcement, with some Kabupatens issuing local regulations banning illegal sawmills, and the four provinces and nine Kabupatens issuing a joint declaration supporting the park. Finally, the province of Jambi has established a permanent secretariat to continue to run the IPCC. Whether these developments lead to lasting conservation outcomes remains to be seen.

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: Moderately Unsatisfactory
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PD does specify a budget for M&E activities and indicates that WWF has collected baseline data in a number of the villages (PD, pg 61). However, the key performance indicators, shown in Annex 1 of the TE, were poorly chosen and do not cover key aspects of the project including the Area and Village component that covered more than half of expected project expenditures, as well as overall project delivery and coordination processes. PD devotes one page to discussing M&E, and simply states that the M&E system will support the different project components by, for example, “developing capacities for analyzing the impact of rural development activities both on the Park and on the local communities in the buffer zone around the Park and by assessing the project’s effectiveness in enhancing the socio-economic conditions of local people” (PD, pg 54). No timetable is presented for completing critical M&E components, no clear delineation of who is responsible for the various M&E components to be undertaken by the different executing Agencies (PD states that “each of the agencies with a responsibility for implementing components of the project will also be strengthened with a “subset” of the overall monitoring system” – without ever defining what the “subset” is (PD, pg 54)), and no clear guidance on how M&E findings are expected to be shared and facilitate adaptive management.

6.2 M&E Implementation	Rating: Unsatisfactory
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The TE provides little information on M&E implementation. However, PIRs were undertaken and appear to be of good quality, a MTR (not found on PMIS), as well as biodiversity surveys of surrounding forest concessions and monitoring of VCA status. There is however no evidence provided that the M&E system provided useful inputs to project management for key project aspects including construction of civil works (which were assessed in TE as being of poor quality and poorly maintained), awareness raising, and, perhaps most importantly, a robust monitoring system for funds disbursements through VCGs. TE notes that lack of proper management in funds disbursement identified in Bank supervision missions resulted in “potentially corrupt and fraudulent expenditures” (TE, pg 20). TE also notes that Bank could have made better use of the MTR to restructure the village component, which did not occur (TE, pg 17). Little follow-up seems to have occurred from any of the project’s audits and field assessments done under the project’s third component. The IEG’s assessment of project M&E is as follows: “The key performance indicators...have been poorly chosen in relation to the expected outcomes and impacts of the project, an unfortunate omission given that an entire project component was invested in monitoring and evaluation.” (IEG review, section 9).

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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TE rates overall quality of project implementation as unsatisfactory, noting the faults in the projects design (overly complex, poor M&E system, lack of accountability and analysis of executing agency management structure and budget processes, and false theory of change), as well as failure to revise the project in a substantive way – particularly the village development component – following the MTR (TE, pg 17). Regarding the theory of change, the project was premised on the assumption that poverty and the lack of alternative livelihoods were driving deforestation and land conversion in the park and surrounding buffer zones. However, TE found that the primary drivers of deforestation in the project’s focal area were poorly regulated and illegal logging activities that were not addressed in any direct way by the project’s activities. The failure to set up effective financial controls over VCG disbursements and the extensive delays in funds flow should have also been addressed by the Bank.

7.2 Quality of Project Execution	Rating: Unsatisfactory
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Quality of project execution is rated as unsatisfactory due to the numerous issues detailed in the TE including poor coordination and ownership of the project, lack of effective M&E implementation, and delays in funds flow and other project activities that limited project achievements. Project execution was carried out by 3 GOI agencies – PHKA, BANGDA, BPK – with additional inputs from nine Kabupatens. TE notes that while the project did establish a national project steering committee under BAPPENAS, this rarely functioned and no one agency took on the role of project leader/integrator (TE, pg 6). Little to no follow up appears to have occurred from any of the project’s auditing and surveying done under the third component (Integrating Biodiversity in forest Concession Management). TE also notes the poor quality and upkeep of the civil works financed under the project.

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.

TE states that threats to the KSNP from illegal logging, agricultural expansion, mining, and other factors have not diminished, and may have even increased. TE does state that the rate of forest loss in KSNP over the six year project implementation period was around 0.3%, where as other national parks lost nearly 2% over the same time period. However, there is no attempt to do a more robust analysis that

distinguishes the factors that may underlie differences in deforestation rates, and whether any of this is due to this project. In addition, the rate of forest loss outside the park is quite high, suggesting that the park has simply displaced much of the deforestation to surrounding areas – many of which were found to be of very high biodiversity value through the work of surveys commissioned under this project. Illegal logging and a general lack of effective law enforcement and governance are the main factors in the project's limited success in establishing the basis for real conservation in KSNP and surrounding area. The project was successful in halting, at least temporarily, several road expansions, although the effect of this, and whether it is sustainable, is unclear.

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.

Two surveys examining some aspects of socioeconomic change were undertaken by the project. The results, as reported in the TE, are as follows:

- *Results of Socio-Economic Study (Andalus University)*: This study was carried out by a survey of fifteen ICDP and non-ICDP villages, and concluded that: (a) villagers know about the park and are aware of its importance; (b) villagers resent the unilateral establishment of park boundaries that were often inconsistent with traditional land-use practices; (c) any change in socio-economic practices will be very slow; (d) project intervention and the establishment of the park are both seen as being externally driven despite beneficiary consultation and facilitation; and (e) the VCGs caused jealousy both within and between communities, and aggrieved groups or individuals are likely to resist conservation initiatives.
- *Beneficiary Survey (Nielsen)*: A Bank-financed beneficiary survey carried out in February 2003; interviews were carried out with 286 respondents in seven ICDP villages and seven non-ICDP villages. Of interest is that in ICDP villages the distribution of benefits from the project was uneven, with 49 per cent saying that they received direct benefits, another 40 per cent saying that they received indirect benefits and 11 per cent saying that they were unaware of any benefits. Some 37 per cent reported a complaint of unequal benefits. This corroborates the findings of the socio-economic survey of jealousy resulting from distribution of benefits. Only about 5 per cent of ICDP respondents considered that improvement in their standard of living was directly due to the project. The survey commentary says that the benefits are smaller than the estimation error (in other words, inconclusive). Again, this corroborates the findings of the M&E ICR Report. The survey reported that only 48 per cent of non-ICDP respondents were aware of the existence of the National Park. This seems consistent with complaints of ICDP villagers that activities violating the VCA were carried out by non-ICDP people. Surprisingly, only 54 per cent of ICDP villagers were aware of facilitator activity in the village since the facilitator is supposed to live either in the village or in one nearby. This is consistent with the findings of the socio-economic survey which questioned the effectiveness of facilitation. The survey report

concludes that 89 per cent of ICDP beneficiaries value the program and considered that it should be continued when both economic development and conservation are considered.

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 – TE notes improvements in park staffing, some park facilities, as well as GIS training has providing park management and some Agency staff with new skills and information, and created a small local constituency for conservation. TE states that GIS capability will allow for identification of hot-spots for encroachment and management decisions, however, it’s not clear how redundant any of this capability given the large amount of information available free of charge online (ex. WRI forest mapping, google earth, etc.).

b) Governance – TE notes that a park management plan has been prepared and is now being used as the basis for preparation of annual work plans. Law enforcement is essentially non-existent in much of the park and surrounding concessions, as evidenced by the frequent violations cited in the TE in even high-profile, easily monitored areas, and no consequences for violators. The park has been legally gazetted, and should be eligible to receive some designated funding from the GOI for national priority parks when and if this funding is approved. TE states that the IPCC now has a permanent secretariat established in Jambi, to help promote better integration between regional development activities and park management and planning. Whether or not any of the 69 VCAs signed as a result of this project will have any lasting effect post project is unknown as the legal status of VCAs is not clear (not recognized through any official laws), and a survey commissioned by WWF finds that “following the disappearance of monitoring, facilitation, and technical services with project closure, non-compliance can be expected to rise sharply” (TE, pg 29). Compliance with VCAs during project implementation was assessed at around 50%, with this figure likely high due to under-estimating of cheating (TE, pg 29).

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.

TE states that socio-economic surveys commissioned for the project (see above) found that the presence of VCGs created some jealousy among community members as benefits were not distributed evenly. Moreover, VCAs created expectation of funding that was not always fulfilled, or at least not fulfilled in a timely manner, suggesting that project failings along this dimension may create resentment

on the part of stakeholder communities for the park and other project-linked interventions. Finally, the park itself, while not entirely the result of this project, may have displaced some logging and poaching to surrounding buffer areas. Surprisingly, the risk of leakage from project activities does not seem to have been addressed in the PD.

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.

TE provides no evidence of broader adoption of the projects integrated development and conservation model in Indonesia or elsewhere. On the one hand, the project was largely unsuccessful in achieving its environmental and developmental goals. On the other hand, it is probably too early to assess any impacts from the project, or know if they have been taken to scale in any appreciable way.

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.

TE provides the following lessons (TE, pg 18):

- Project design should be simple. The project was overly complex, with too many activities and institutions involved and no overall coordination. Moreover, the various institutions and different and sometimes conflicting agendas.
- The project design was based on the flawed assumption that poverty and the lack of alternative livelihoods were driving deforestation and agricultural encroachment into the park. While they might have been a contributing factor, they were not the main ones. The main causes of deforestation were continued expansion of logging (both legal and illegal) that was poorly regulated and not addressed by the project directly.
- Conservation work needs a longer time frame to be successful.
- The project could have benefitted from an institutional analysis of proposed executing agencies, including analysis of management structures, budget processes, and coordination between agencies.
- Activities need to be integrated in project design – they weren't here.
- Analyze the incentive structures for project stakeholders – where forests are under threat from outsiders, unenforceable covenants of uncertain value (VCAs) are unlikely to be successful.
- Conservation cannot work in a situation where there is no effective governance

- Ensure that technical assistance has ownership. This project seems to have devoted an inordinate amount of resources for technical assistance, with relatively little management or evaluation of its activities by the institutions responsible. “Technical assistance providers spent a lot of time on theoretical deliberations about management solutions, development of guidelines, etc. but were not held accountable for delivery of action and the achievement of impacts on the ground” (TE, pg 19).
- Project suffered from a lack of effective monitoring and accountability.

9.2 Briefly describe the recommendations given in the terminal evaluation.

TE offers the following recommendations that come from the partner executing agencies (TE, pg 25):

- The KSNP offices should be strengthened, including expansion of environmental education activities for children.
- There should be follow-up activities to address illegal logging in the Kabupatens.
- Funding alternatives should be explored for funding the VCG program following project closure.
- Three areas identified for repatriation in the park should be absorbed into KNCP.
- Continue the inter-Province and inter-District cooperation signed through a “Memorandum of Understanding” in Sungai Penuh, Kerinci District on February 27, 2002, for Protection, Security and Conservation of the KSNP.

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 does describe achievements under each outcome and preliminary estimation of some project impacts. However, very little information is provided about the quality and effectiveness of activities under the village and area development component – responsible for over half of anticipated project costs	MS
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	Report is internally consistent and ratings are substantiated. However, much more information should have been provided about the village and area component. Information from the socio-economic surveys was not well integrated into the narrative of the TE, and was instead only mentioned at the end. Also, report references annexes 10 and 11 but they are not provided in the report.	MU
To what extent does the report properly assess project sustainability and/or project exit strategy?	TE does a good job of assessing the threats to project sustainability, although more could have been said about environmental threats to sustainability (from CC for example or limited viability for endangered species given loss of habitat).	S
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons given are generally supported by the evidence presented but they are not comprehensive. Much more should have been provided on lessons to be derived from the VCA approach, given that this project was conceived as a pilot for this kind of approach.	MU
Does the report include the actual project costs (total and per activity) and actual co-financing used?	Report includes actual project costs and broken town per activity, as well as co-financing. However, more could have been said about the reasons for the large gap in provided and utilized funding.	MS
Assess the quality of the report's evaluation of project M&E systems:	Report does not adequately assess the project's M&E systems, including M&E design and implementation	U
Overall TE Rating		MS

Overall TE rating = (0.3*(4+3)) + (0.1*(5+3+4+2)) = 2.1+1.4 = 3.5 = MS

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