

**Government of Georgia
Ministry of Environment Protection
Agency for Protected Areas**

UNDP/GEF

**“CATALYZING FINANCIAL SUSTAINABILITY OF
GEORGIA’S PROTECTED AREAS SYSTEM” PROJECT
UNDP project ID# 3957**

TERMINAL EVALUATION REPORT

**FINAL REPORT
DATED 12 SEPTEMBER 2012**

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Throughout this evaluation, we have aimed at documenting the extensive commitments, efforts and work done by all those involved in the project implementation, specifically the Project Manager, APA, UNDP and the two contractors: ECFDC/GCCW and NACRES; and how all these efforts can benefit protected areas in Georgia as a whole as the Project results are handed over to the Project partners.

This Project has been a major learning experience and an intensive process as expressed by many involved in it, drafting the evaluation report was by no means less intensive and challenging.

We hope that this report can contribute to the on-going efforts for PAs management and financial sustainability in Georgia.

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List of Acronyms

APA	Agency for Protected Areas
CEO	Chief Executive Officer
CPATF	Caucasus Protected Areas Trust Fund
CNF	Caucasus Nature Fund
CO	Country Office
ECFDC	European Consulting for Developing Countries
FFI	Flora and Fauna International
CBD	Convention on Biological Diversity
GCCW	Georgian Centre for the Conservation of Wildlife
GEF	Global Environmental Facility
GIZ	German International Cooperation (previously GTZ)
IUCN	International Union for the Conservation of Nature
PRF	Project Results Framework
MoEP	Ministry of Environment Protection
METT	Management Effectiveness Tracking Tool
MSP	Medium-sized Project
MTE	Mid-Term Evaluation
NACRES	Noah's Ark Centre for the Recovery of Endangered Species (Centre for Biodiversity Conservation and Research)
NEX	National Execution (of a project)
PA	Protected Areas
PEB	Project executive is the Project Executive Board
PMU	Project Management Unit
PPP	Public Private Partnership
RAPPAM	Rapid Assessment and Prioritization of Protected Areas Management
RCU	regional Coordination Unit
RFP	Request for Proposals
TE	Terminal Evaluation
TJS	Transboundary Joint Secretariat
ToRs	Terms of Reference
UNDP	United Nations Development Programme
USDoI	United States Department of Interior
WWF	World Wide Fund for Nature

Executive summary

This Terminal Evaluation (TE) has been conducted as part of the Monitoring and Evaluation plan of the UNDP/GEF Project: “Catalyzing Financial Sustainability of Georgia’s Protected Areas System”, and will be referred to as the “Project” in the scope of this report. The TE mission to Georgia was conducted from 11-18 June 2012. Extensive consultations with the project partners were also conducted prior and following the mission to ensure a good understanding of the project’s results; leading to the submission of the TE report on the date of this report.

Project Summary Table

As per GEF’s requirements for TE, the Project Summary Table is provided below:

Project Title: Catalyzing Financial Sustainability of Georgia’s Protected Area System				
GEF Project ID:			At endorsement (Million US\$)	At completion (Million US\$)
UNDP Project ID:	3957	GEF financing:	0.797	0.797
Country:	Georgia	IA/EA own:	0.190	0.205
Region:	Europe and CIS	Government:	10.384	9.499
Focal Area:	Biodiversity	Other:	1.895	2.672
Operational Program:	SO1, SP1	Total co-financing:	12.469	12.376
Executing Agency:	UNDP	Total Project Cost:	25.735	25.549
Other Partners involved:		Prodoc Signature (date project began):	May 2009	
		(Operational) Closing Date:	Proposed: June 2012	Actual: August 2012

Brief description of the project

The Project supports Georgia’s efforts for biodiversity conservation through the development and management of its network of Protected Areas (PAs). The Parliament of Georgia adopted the law on Protected Areas System in 1996, putting the PAs network under a firm legal footing. Georgia now has a system of protected areas covering about 482,842 ha of land or 7 % of the country’s territory and is targeting to increase this coverage to 17% by 2020. Although there is a strong commitment of the Government of Georgia to allocate funds to PAs, reflected in the positive trend of PA budget, existing financing falls far short of the amount required for effective management of the existing protected areas, the 2008 government contribution is still only 34% of the estimated optimum level of funding needed to cover operational and investments costs for the PAs network. There is clearly a need for finding new financial resources to supplement existing funding for PAs and developing the capacity at the systemic, institutional and individual level for planning, developing and implementing a sustainable finance plan for the PAs.

The Project Objective is to strengthen the financial sustainability of the protected area system and its legal foundation; the project has set to achieve the following outcomes:

- i. Enabling legal and policy environment for sustainable PAs financing*
- ii. Capacity development for more cost-effective PA management*
- iii. Testing site-level revenue generation mechanisms*

The Project Document was signed in May 2009 for the duration of three years. The Project is implemented by the UNDP Country Office (UNDP CO) and executed by the Ministry of Environment Protection (MoEP) through the Agency for Protected Areas (APA) with a Project Management Unit (PMU) directly contracted by UNDP. The Project executive is the Project Executive Board (PEB) comprised of the key Project’s partners (UNDP, APA, WB and MoEP). The Project budget is US\$ 14,418,836 of which US\$ 685,000 is the GEF Grant and US\$190,420 is provided by the Implementing Agency (UNDP CO). The remaining financing is provided by the Government of Georgia (in kind contribution of US\$ 11,648,000) and other donors (in kind contribution of US\$ 1,895,416).

Rating Table

As per UNDP and GEF's requirements for TE, the Terminal Evaluation Rating Table is provided below:

Terminal Evaluation's Rating Project Performance		
Criteria	Comments	TE Rating
Monitoring and Evaluation: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall quality of M&E	(rate 6 pt. scale)	MS
M&E design at project start up	(rate 6 pt. scale)	S
M&E Plan Implementation	(rate 6 pt. scale)	MS
IA & EA Execution: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall Quality of Project Implementation/Execution	(rate 6 pt. scale)	MS
Implementing Agency Execution	(rate 6 pt. scale)	MS
Executing Agency Execution	(rate 6 pt. scale)	MS
Outcomes: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall Quality of Project Outcomes	(rate 6 pt. scale)	S
Relevance: relevant (R) or not relevant (NR)	(rate 2pt. scale)	R
Effectiveness	(rate 6 pt. scale)	S
Efficiency	(rate 6 pt. scale)	MS
Sustainability: Likely (L); Moderately Likely (ML); Moderately Unlikely (MU); Unlikely (U)		
Overall likelihood of risks to Sustainability	(rate 4pt. scale)	L
Financial resources	(rate 4pt. scale)	L
Socio-economic	(rate 4pt. scale)	L
Institutional framework and governance	(rate 4pt. scale)	L
Environmental	(rate 4pt. scale)	L
Impact: Significant (S), Minimal (M), Negligible (N)		
Environmental Status Improvement	(rate 3 pt. scale)	M
Environmental Stress Reduction	(rate 3 pt. scale)	M
Progress towards stress/status change	(rate 3 pt. scale)	S
Overall Project Results	(rate 6 pt. scale)	S

Main conclusions, recommendations and lessons learned

Corrective actions for the design, implementation, monitoring and evaluation of the project

This section of the TE report recapitulates the different structural challenges and gaps identified at the level of the project design, implementation and M&E and proposes corrective actions which could be used in future initiatives. The main corrective actions proposed include the following:

i. Risks and assumptions to be included in the project design

Several risks have not been taken into account in project design, and should be noted for future related initiatives, these include:

- risks related to the achievement of the legal reform planned through the project, especially with regards to issues which require a major policy decision such as decentralization of financial management of PAs;
- risks related to the capacity of APA to lead an ambitious policy and institutional reform in light of its recent creation;
- risks related to the feasibility of updating management plans and developing business plans in the limited timeframe of the project.

ii. Ensuring stakeholders' participation in project design and implementation

As indicated in different sections of the TE, the main stakeholders involved in project design as well as in project implementation are limited to APA and to the PAs administrations. The TE has confirmed APA's ability to mobilize

and cooperate with many international and national NGOs as well as donors. Several on-going initiatives related to strengthening the PAs system in Georgia were identified as part of the overall project configuration (and were considered as project's cofinancing). However, the TE notes that the Project failed to create close linkages to other concerned Ministries/departments.

iii. Supporting a strong basis for adaptive management in project implementation

Detailed analysis related to limited adaptive management in the use of the M&E system as well as in the implementation approach of the project has been provided in different sections of the report. The main aspects which should be taken into account in future initiatives include the following:

- The composition of the PEB should include other members than the implementing partners, i.e. APA and UNDP in this case. The different functions of the PEB have been slightly merged in the case of this project, the executive and beneficiary role were both held by APA, while the supplier and assurance roles were taken by UNDP. This has prevented the PEB from adopting an appropriate decision making process.
- A clear definition in the roles and responsibilities of the Project manager and that of the Project Director should be made.
- The TE has documented lack of response to the recommendations of the Inception Workshop and the MTE, some of which could have significantly improved the implementation of the project.

iv. Provision of necessary strategic oversight and technical support

Limited technical support within the project has led to weak quality assurance for the review of technical reports, especially where disagreements between the technical providers (the contractors) and the client (APA) has occurred. Calling upon an independent external expert could have also supported the need to ensure technical coherence and strategic oversight in the implementation of the Project.

v. Disconnecting the implementation of project activities from APA's policy processes

Extensive delays in the clearance and validation of deliverables has been a continuous hurdle for the development and progress of project activities. This has added an extensive layer of pressure on APA, UNDP, the PMU and the contractors and has delayed project activities. In this context, a separation between the implementation of project activities and the implementation of policy process should have been clearly defined, in order to allow the progress in the implementation of project activities without undermining the policy process required for the official approval of guidelines and regulations at the level of APA.

vi. Adoption of relevant monitoring and evaluation system and impact indicators

In order to measure its achievements, the project set forth two types of indicators:

- Methodological tools for the measurement of improvements in the PA system management, such as the Financial Sustainability Scorecard, the METT and the Capacity Assessment Scorecard
- Process indicators related to the achievement of project outcomes such as Approved legal-regulatory framework and Number of updated PA management plans that include business plans.

Although the mix of indicators can be considered as comprehensive and strategic, especially for establishing a monitoring strategy for the PA system as a whole, it can also be argued that in the duration of 3 years and with the limited project budget available, it does not provide an accurate measurement of the impact of the project. Some response indicators (such as threat reduction on Tusheti's biodiversity) and process indicators (such as extent and coverage of training activities) could have provided needed measurement of project's results.

Actions to follow up or reinforce initial benefits from the project

The main actions recommended in order to sustain the Project's results are the following:

Action 1. Consolidate training material and ensure necessary follow up with host institution for establishing a capacity building programme for PAs and ensure its sustainability

An extensive training programme has been developed and delivered by the Project covering important topics for PAs management and financial sustainability. Although the training programme has been elaborated in close consultation with Ilia University (as selected host institution for training), efforts should be deployed to ensure that a training programme on PAs management and financing is activated at the earliest and the momentum created by the Project is captured by Ilia University. The TE has also documented the training activities conducted by the

Project in Tusheti PA which are also relevant to all PAs in Georgia. It is also important to ensure that the experience generated through these trainings is captured and sustained by the training host institution which will be working closely with APA.

Action 2. Ensure necessary quality review and finalization of draft Business Plans developed by the project

Despite extensive sectoral studies which have been developed through both contractors, at the national level and at the level of Tusheti PA, the ultimate objective of the project to provide business plans for at least 3 PAs (including Tusheti) was not fully achieved during the project life. It would be important for APA, with the support of its partners, to meet its commitments to ensure quality review and finalization of the business plans developed and their integration in the management plans of the respective PAs.

It is also important for APA to officially validate the standard formats for PA business plans for IUCN PAs Category I and Category II, based on the experience for the development of business plans and officially promulgate the guidelines, in a way to allow future programmes involved with strengthening the PAs system to use them as a basis for development of other business plans in Georgia.

Action 3. Publishing of technical reports and ensuing outreach to available information

Although the Project has produced several publication and communication tools, none of the technical reports are available for public use or have been published on the internet. It would be very important to ensure that the key reports are published on APA's website or other information networks to ensure their benefits are shared with all concerned potential users.

Action 4. APA should continue the project's momentum and recommendations with regards to donor's coordination and decentralization of financial responsibilities to PAs' level

The 10-years investment plan has raised the issue of donor coordination as an essential aspect of the financial sustainability of PAs and recommended two options for donor coordination. It is important to implement the recommendations of this investment plan as donor coordination is essential to optimize available resources for PAs and ensure the long-term financial sustainability of PAs. A high-level policy process should also be triggered at the earliest to initiate decentralization of management and fiscal responsibilities at PAs level.

Best and worst practices in addressing issues relating to relevance, performance and success

The following lessons could be captured as part of the project's experience and in the planning of future UNDP/GEF or other initiatives related to PAs system management and sustainability.

Lesson 1. Implementation arrangements should be carefully considered by UNDP as part of NEx modalities in future cooperation with APA

The implementation modalities followed by APA, as the Implementing Partner, have reflected several limitations in the implementation of the Project. As the implementing agency, UNDP should ensure in future UNDP partnerships with APA that the NEx modalities can reflect necessary conditions for ensuring a high level of adaptive management within the project, whereby results should be clarified and deadlines for the validation of these results are respected. UNDP should also ensure that risks are properly identified and that necessary measures for risks mitigation are taken.

Lesson 2. Informing the development of business plans for PAs in Georgia from the experience in developing management plans

An overview of the experience in management plans development and a summary of the status of management plans are given in this section in order to inform the technical and policy process which can be expected in the development of business plans. As the Project's experience has not allowed maturing the process of developing business plans due to delays in these activities, the project can use the experience in developing Management Plans in Georgia as guidance for business plans development. For this purpose, it is important for APA to collaborate with the different partners in finalizing the Project's business plan APA should also lead in parallel the necessary policy reform needed for formalizing business plans guidelines, without delaying this process as in the case of the management plans development.

1. Introduction

1.1 Purpose of the evaluation

As per UNDP's guidance for initiating and implementing terminal project evaluations of UNDP supported projects that have received grant financing from the Global Environmental Facility (GEF)⁴, this Terminal Evaluations (TE) has the following complementary purposes:

- To promote accountability and transparency, and to assess and disclose the extent of project accomplishments.
- To synthesize lessons that can help to improve the selection, design and implementation of future GEF financed UNDP activities.
- To provide feedback on issues that are recurrent across the UNDP portfolio and need attention and on improvements regarding previously identified issues.
- To contribute to the overall assessment of results in achieving GEF strategic objectives aimed at global environmental benefit.
- To gauge the extent of project convergence with other UN and UNDP priorities, including harmonization with other UN Development Assistance Framework (UNDAF) and UNDP Country Programme Action Plan (CPAP) outcomes and outputs.

The guidance is designed to enhance compliance with both UNDP and GEF evaluation policies and procedural requirements, which are consistent and mutually reinforcing, and use common standards⁵. The guidance also responds to GEF requirements to ensure that Terminal Evaluations of GEF-financed projects should include ratings of project's relevance, effectiveness, efficiency, monitoring and evaluation implementation as well as sustainability of results (outputs and outcomes).

By adopting "UNDP's guidance for Conducting Terminal Evaluations of UNDP-Supported GEF-Financed Projects", this Terminal Evaluation responds to both UNDP and GEF requirements for Terminal Evaluations.

1.2 Scope & Methodology

This TE has been conducted as part of the Monitoring and Evaluation plan UNDP/GEF Project: "Catalyzing Financial Sustainability of Georgia's Protected Areas System", and will be referred to as the "Project" in the scope of this report. The M&E plan in the CEO endorsement/Approval document indicate that *"An independent Final Evaluation will take place 3 months prior to the final project review by the PEB and will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities"*.

The ToRs for this evaluation were provided by the UNDP-CO and are attached in Annex 1 of the report. However, following consultation with the UNDP-CO and the UNDP-GEF RCU, it was agreed to align this TE report with the latest UNDP guidance as indicated in Section 1.1 above. Accordingly, this TE report is slightly divergent from the ToRs, mainly with respect to the table of content and the rating table which are both aligned with UNDP and GEF requirements for TE evaluations.

The evaluation team is composed of the Team Leader, Dr. Lamia Mansour, International Consultant and Team Member, Ms. Ketik Skhireli, National Consultant. A duration of 20 working days was allocated to each consultant to conduct this TE. A mission to Georgia was conducted from 11-18 June 2012. Extensive consultations with the

⁴ Guidance for Conducting Terminal Evaluations of UNDP-Supported GEF-Financed Projects. Evaluation Office, UNDP. 2012

⁵The United Nations Evaluation Group (UNEG) norms and standards. <http://www.uneval.org>

project partners were also conducted prior and following the mission to ensure a good understanding of the project's results; leading to the submission of the draft TE report, review and finalization on the date of this report.

The TE was conducted through the following methodological approach:

- i. An initial review of project documentation provided by the project manager was conducted prior to the mission from 5-10 June 2012.
- ii. A mission to Georgia was conducted from 11-18 June 2012, and provided necessary meetings and interviews with key stakeholders and included a 2-days field visit. The mission met on several occasions with the concerned project partners, mainly APA, UNDP-CO and UNDP/RCU, allowing a common understanding of the project's strategy, dynamics and results. The mission also met with a large number of representatives of stakeholder groups which are directly involved in the project or which have a leading role in PA management and financing in Georgia. These included the following institutions: the project Contractors, namely GCCW, ECFDC and NACRES; Ilia State University and Caucasus University; International Organisations, namely WWF, IUCN, TJS; the Local Municipality of Akhmeta District; Tusheti PA Administration; CBOs and NGOs in Akhmeta District, namely "Tusheti Guide" and Tusheti PA Friends' Association. The itinerary of the evaluation mission and list of persons interviewed are attached in Annex 2 and 3 of this report.
- iii. Additional data collection and analysis was conducted following the mission to Georgia and required additional time for the identification of the available deliverables at the level of the project and the different stages in which they exist. This is specifically relevant to this project as the main results of the different components of the project include reports which have been submitted in draft form, in final form, in English and in Georgian. It should be noted that this includes an extensive number of reports which were important to identify accurately. Moreover, a triangulation process has been conducted between the different partners of the project in order to verify the process as well as the outcomes at the level of each component. Based on this phase, a full list of documentation of the project was established (Annex 4), and a Consolidated Table of Achievements at the level of the Objective and Outcomes (Tables 10-13 below) was also established and validated by the project's partners.
- iv. Drafting of the Terminal Evaluation report based on the results of the interviews and the additional data collection conducted following the evaluation mission.
- v. The draft TE report was revised by the project partners in view of its finalization by the evaluation team.

All together, it can be considered that the duration of the TE mission was sufficient to ensure necessary interactions with the project's partners; however, the overall timing allocated to the TE was not sufficient given the complexity of the project design and of its implementation set up as well as in light of the extensive amount of documentation produced by the project.

1.3 Structure of the evaluation report

The TE report is structured in line with UNDP's guidance and covers the following Sections:

- Project description and development context
- Findings
 - Project Design / Formulation
 - Project Implementation
 - Project Results
- Conclusions, Recommendations & Lessons
- Annexes

2. Project description and development context

2.1 Project start and duration

As per the project's document⁶, the project duration was planned for 3 years, starting project signature in May 2009 until June 2012. The Project was officially closed in June 2012 and a 2-months extension was given to the PMU in order to complete remaining Project activities such as preparation of the PIR, preparation of the terminal report and completing the disbursement of the project resources. The key timelines which are planned or expected for project implementation are shown in Table 1 below.

Table 1. Key timelines planned or expected for project implementation

Key project's milestones	Date
Project Document Signature date	29May2009
Date of First Disbursement	12 June 2009
Original Planned Closing Date	30 June 2012
Expected Closing Date	30 August 2012

2.2. Problems that the project sought to address

Georgia holds the major part of the region's biodiversity with almost all Caucasus ecosystems and habitats represented and a high number of globally threatened species. Georgia is recognized as holding an important reservoir of biodiversity based on the richness of species, and level of endemism recorded. The biomes of Georgia are: forests, sub-alpine zone, alpine zone, subnival zone, nival zone and the semi-deserts, steppe and arid light woodlands of the east. Three Caucasus endemic bird species (Caucasian Black Grouse, Caucasian Snow Cock and Caucasian Chiffchaff) occur in Georgia, which is a unique fact for the European continent⁷.

Georgia's biodiversity has come under severe threats following the breakup of the Soviet Union with the economic collapse and the decline of the rule of law and order that accompanied it. The main threats to Georgia's globally significant biodiversity are: (i) habitat degradation and fragmentation caused by illegal logging timber trade, overgrazing and water pollution; (ii) poaching and illegal wildlife trade; (iii) overfishing; and (iv) infrastructure development.

Georgia's main strategy for biodiversity conservation is the development and management of its network of protected areas. The Parliament of Georgia adopted the law on Protected Areas System in 1996, putting the PA network under a firm legal footing. Georgia now has a system of protected areas covering about 482,842 ha of land or 7 % of the country's territory. Although there is a strong commitment of the Government of Georgia to allocate funds to PAs, reflected in the positive trend of PA budget, existing financing falls far short of the amount required for effective management of the existing protected areas, the 2008 government contribution is still only 34% of the estimated optimum level of funding needed to cover operational and investments costs for the PA network. There is clearly a need for finding new financial resources to supplement existing funding for PAs and developing the capacity at the systemic, institutional and individual level for planning, developing and implementing a sustainable finance plan for the PAS.

The Government of Georgia has requested financial assistance from the GEF to cover the incremental costs associated with creating the enabling environment for achieving financial sustainability of the Protected Areas System which in time will enable the expansion of the system and address the barriers which are hampering current efforts and which include legal, regulatory and policy barriers; weak institutional and individual capacities as well as know-how barriers.

⁶Request for CEO Endorsement/Approval. 2009

⁷Request for CEO Endorsement/Approval. 2009

2.3 Immediate and development objectives of the project

The Project Objective is to strengthen the financial sustainability of the protected area system and its legal foundation. This will be achieved through three outcomes which include (i) the development of a sustainable financing plan and promotion of necessary legal/policy/regulatory reform; (ii) the development of capacities needed to implement the financing plan; (iii) field demonstration and testing of new financial tools and of new public/private partnerships.

The long-term solution of the project is that the Protected Area System of Georgia is able to secure stable and long-term financial resources, allocate them in a timely manner and appropriate form, cover the full costs of protected areas and ensure that the protected areas are managed effectively and efficiently.

The Global environmental benefits of the project are based on the fact that the Caucasus has been recognized as a globally significant 'biodiversity hotspot' based on the richness of species and level of endemism recorded. Almost 100% of Georgia's threatened and globally important species are concentrated in the protected areas of Georgia, while all protected areas in Georgia are under-funded. The project will create the enabling conditions for PAs, and will result in increases in the sustainable financing and more effective management of the PA network of Georgia. Biodiversity conservation will be enhanced on the 495,892 ha of land in the PA network that makes up 7 % of the country's territory and Georgia's ability to expand the network will be strengthened. The Tusheti field demonstration site, which has globally significant biodiversity, will enjoy greater protection because of this project. Two of the three species of Caucasian endemic birds, the Caucasian black grouse (*Tetrao mlokosiewiczi*) and Caucasian snow cock (*Tetraogalus caspius*) are found at Tusheti. Tusheti also includes one of the Caucasian endemic mammals, the east Caucasian Tur (*Capra caucasica*), which is considered as a vulnerable species on the IUCN Red List. The project will develop incentives for the local population in order to address major threats on the biodiversity including the poaching of the Tur and encourage them to abandon this practice.

The main stakeholders identified by the project are the Ministry of Environment Protection, APA and the PAs administrations; a brief reference is made in the CEO Endorsement to other stakeholders such as the Department of Tourism. This is further described in "Section 3.1.3 Planned stakeholders' participation".

2.4 Expected Results

The Project has set to achieve the following results at the level of each component and has adopted the following indicators at the level of the project objective and components:

Project Objective: To improve the financial sustainability of the protected area system in Georgia.

Indicators:

- Improved financial sustainability of PAs measured by the Financial Sustainability score Card (FSC)
- Improved management effectiveness of the 35 PAs (381,969.76 ha) as measured by RAPPAM tool

Component 1: Enabling legal and policy environment for sustainable PAs financing, through:

- i. PA Network Sustainable Financing Plan (PNSFP) adopted by Government.
- ii. Amendments to existing PA legislation, including sub-laws and regulation adopted, to facilitate implementation and enforcement of the PNSFP.

Indicators:

- Existence of legal-regulatory framework supportive to financial sustainability of PAs
- Improved funding of 35 PAs of Georgia covering 381,969 ha

Component 2: Capacity development for more cost-effective PA management

- i. Training programme on PA financing for APA up and running, whereby a host institution for the training programme is selected, training materials are in place and national specialists are capacitated to conduct the trainings on their own.

- ii. Internal APA policies and standards improved and APA staff from headquarters and 23 regional offices trained in PA financing.

Indicators:

- Number of approved PA management plans that include business plans completed by professionals trained in business planning by the project
- Level of systemic, institutional and individual capacities of PAs agencies for PAs management as measured by capacity assessment score card

Component 3: Testing site-level revenue generation mechanisms

- i. Business planning approach model tested at Tusheti PA through the participatory development of a business plan developed and integrated in the management plan of the PA.
- ii. Tourism and other NRM based concessions piloted in Tusheti PA.

Indicators:

- Management Effectiveness Tracking Tool (METT) Scorecard of the Tusheti PA field demonstration site
- Amount of PA-based revenues in dollar values for Tusheti PA
- Number of NRM or tourism-based public-private partnerships and/or concessions established

3. Findings

3.1 Project Design/Formulation

3.1.1 Analysis of Project Results Framework

The project strategy has considered this project as a platform for creating an enabling environment for achieving financial sustainability of the Protected Areas System which in time will enable the expansion of the PA system. The project strategy has therefore addressed the barriers hampering current efforts of PA system and which include legal and policy barriers, institutional and individual capacity needs and know-how barriers.

The Project Results Framework (PRF) has set forth ambitious outcomes and outputs within the proposed timeframe, budget and in light of the prevailing barriers identified by the project. The TE has documented in the Table 2 below the outputs which could not be achieved, based on the analysis of the PRF in Section 3.3.1 below; all of which confirm the challenging and ambitious scope of this project.

While it is reasonable not to be able to achieve some of the project outputs, especially those related to the official approval of laws and regulation, the monitoring system has not allowed the project to capture the progress in the delivery of the project results; as most indicators reflect the overall status of PAs which is beyond the project scope both in terms of concrete interventions at the level of these PAs as well as in terms of sufficient timelines to produce tangible impacts. In order to measure its achievements, the project set forth two types of indicators:

- i. Methodological tools for the measurement of improvements in the PA system management, including:
 - Financial Sustainability Score Card (FSC)
 - Rapid Assessment and Prioritization of Protected Areas Management (RAPAM) for 35 PAs
 - Capacity Assessment Scorecard
 - Management Effectiveness Tracking Tool (METT)
- iii. Process indicators related to the achievement of project outcomes including:
 - Approved legal-regulatory framework supportive to financial sustainability of PAs
 - Improved funding of 35 PAs of Georgia
 - Number of updated PA management plans that include business plans
 - Amount of PA-based revenues in dollar values for Tusheti PA
 - Established NRM or tourism-based PPP and/or concessions for Tusheti PA

Although the mix of indicators can be considered as comprehensive and strategic, especially for establishing a monitoring strategy for the PA system as a whole, it can also be argued that in the duration of 3 years and with the limited project budget available, it does not provide an accurate measurement of the impact of the project,

especially with regards to global biodiversity conservation benefits.

It should be noted that at the MTR's recommendations have addressed the need to rationalize a number of indicators which resulted in the modifications of the targets of two indicators as follows:

- RAPPAM improvements for 17 PAs instead of 35 PAs
- The legal-regulatory framework supportive to financial sustainability of PAs is "Submitted to the Parliament for Approval" instead of "Approved" by end of the project

It should also be clarified in this context that the number of of PA Administrations in Georgia is 19 while the number of PAs is 68, as such 68 Protected areas are grouped into 19 PA Administrations; as Javakheti PA and Machakhela NP have been added to the existing 17 PA administrations in 2011-2012.

Table 2. Project Outcomes and outputs and status at TE

Components/Outcomes	Achieved Outputs	Unachieved outputs
Component 1: Enabling legal and policy environment for sustainable PAs financing		
<i>PA Network Sustainable Financing Plan (PNSFP) adopted</i>	PNSFP prepared and approved by APA; and includes economic values of PA resources and ecosystem functions assessed; diversity of revenue sources stipulated, specifically supporting tourism development and engagement of private sector and communities; a box of instruments to raise cost-effectiveness at site-level; roles and responsibilities of institutions streamlined; 5-year budgeted action plan.	PNSFP is approved by Government.
<i>Amendment to existing PA legislation, including sub-laws and regulation adopted, to facilitate implementation and enforcement of the PNSFP</i>	Adopted laws include: a) revenue generation opportunities allowed for each type of PA e) tourism and natural resource use based concessions at PAs g) standard formats for PA business plans for IUCN Category I and II, with guidance for site managers prepared	Laws which have not been adopted include: b) retention of raised income by PAs and permission for its reinvestment into site management; c) resource user fees at PAs and procedures for their collection and retention by sites; d) delegation (in full or in part) of PA management to private companies, NGOs, local community groups thus "legally" recognizing public-private-partnership" models for PAs f) linking the PA law with the Law on State Budget, thus ensuring better accuracy and predictability of central budget allocations to PAs; g) setting of standard formats for PA business plans for IUCN Category I and II, with guidance for site managers to be adopted by Government
Component 2: Capacity development for more cost-effective PA management		
<i>(i) Training programme on PA financing for APA up and running</i>	- curriculum developed, with focus on (a) business planning, (b) economic valuation of PAs, (c) PA-based tourism, (d) marketing and public awareness strategies. - Host institution for the training	- professors identified and trained by international specialists and leading national specialists capacitated to conduct the trainings on their own

	programme selected	
(ii) <i>Internal APA policies and standards improved and APA staff from headquarters and 23 regional offices trained in PA financing</i>	<ul style="list-style-type: none"> - recommendations to improve APA's internal policies and standards are developed - training sessions held for 23 PA managers - programme adjusted according to feedback from first training sessions 	<ul style="list-style-type: none"> - Number of updated management plans and newly developed business plans; - institutional and financial sustainability of courses ensured through a fixed-term agreement with a host institution and funding developed within academic and/or other existing training institutions
Component 3: Testing site-level revenue generation mechanisms		
(i) <i>Business planning approach model tested at Tusheti</i>	<ul style="list-style-type: none"> - participatory cross- sectoral platform in place engaging local people; - economic potential of biodiversity products and services assessed; - roles and responsibilities defined, together with salary and bonus tables, for Park personnel and local people, including functions of monitoring, patrolling and enforcing compliance 	<ul style="list-style-type: none"> - business plan developed and integrated in the management plan of the park; -tourism entrance fee system and wildlife viewing regimes defined in detail in the business plan, together with other promising income generation mechanisms
ii) <i>Tourism and other NRM based concessions piloted in Tusheti PA</i>	<ul style="list-style-type: none"> - size of the area, protection and management regime defined for the “managed reserve” portion of the Tusheti PA which will be given out for concession (aiming at tourism and regulated wildlife viewing development) - basic training and infrastructure support delivered to local communities, private entrepreneurs and park personnel to facilitate implementation of income-generation activities. 	<ul style="list-style-type: none"> - legal and procedural arrangements (including on revenue-sharing) for the PPP to manage the “managed reserve” finalized and agreed by park and local communities

3.1.2 Assumptions and risks

Regarding identification of risks and risks mitigation strategy, the project design has not identified any major risks which might affect the proper achievement of the project's results.

Only one moderate risk is indicated in the CEO Endorsement: “*Staff turnover and major change in the structure of the Ministry of Environment, including PA territorial units*”. The mitigation plan for addressing this risk is: “*Continuous monitoring of risk status shared with the project Board. Appropriate risk management actions will be developed by the project and agreed upon with the project board. Improved internal personnel management policies will create greater incentives for the best personnel remain with APA*”.

While some staff changes did occur within APA, especially at the level of the position of “Project Director” from APA, this had only minor impacts on the Project as a whole; APA has sustained its continuous support to the Project which is confirmed through the continuation of the PEB meetings and the continuous presence of APA within the PEB. Ramifications of staff changes can be noted in this context with regards to the decision making process within the Project, as a change in the “Project Director” could lead to a delay in the decision making process within the Project; however this is considered as a management issue rather than as a risk issue.

On the other hand, the risks which have been witnessed by the project during its implementation have not been considered as part of the Project's Risks and Risks Mitigation Strategy and can be considered as a major oversight in the project risk strategy. The TE considers the main risks related to the Project's achievement include the following:

- Achievement of the legal reform planned through the Project in light of the limited timeframe and the lack of strong political will within APA for the decentralization of financial management at the level of the PAs administrations.
- Capacity of APA to lead an ambitious policy and institutional reform in light of its recent creation. Although the project document clearly indicates that the “*Department of Protected Areas (DPA) was replaced in January 2008 by the newly created parastatal Agency for Protected Areas (APA), under the oversight of the Ministry of Environment. APA is just now developing its own internal management policies and systems*”, no measures are taken to address potential risks emanating from this issue.

3.1.3 Lessons from other relevant projects incorporated into project design

Although the project document refers to the on-going initiatives related to PA management and to the extensive momentum in place for strengthening the PA system, it is not clear how the project design takes into account lessons from these projects. The project document specifically indicates that : “*The project has integrated lessons learned from PA management planning of the recently completed WB/GEF Georgia Protected Areas Development Project, which targeted the improved management effectiveness of four individual protected areas in Georgia*”⁸, however, it is not clear which lessons are integrated in the project design.

This is a major gap in the project formulation and does not allow the project to capture the experience and lessons from this important WB/GEF Protected Areas Development Project, which was implemented from 2003-2008 with a total budget of US\$ 30.30 million. This is specifically relevant given the complementarities which should have been integrated in the project design given that the main components of the WB/GEF Protected Areas Development Project were the following:

- i. support the development of a detailed plan for biodiversity and forest conservation in the Central Caucasus region and support corridor conservation planning in Eastern Georgia.
- ii. establish protected areas management, build awareness of biodiversity conservation, provide training on protected areas management planning and enhance business planning;
- iii. reorganize and strengthen the Department of Protected Areas, including training in technical and administrative management of protected areas.

In this respect, key issues are raised by the TE which were not addressed in the project formulation process:

- i. how can the Project promulgate laws and regulations in 3 years, including guidelines for business plans, at a time when guidelines for management plans were not available at the date of project design in 2009, despite a major focus by the WB/GEF project and several other donors on developing the management plans for several PAs in Georgia,
- ii. how can the Project update management plans and develop business plans in 3 years when the trend for the development and the official approval of management plans has required several years (2003-2006 in the case of WB/GEF).
- iii. Although some assumptions could be made at project design with regards to lessons learned from previous experience in management plans which would speed up the process of the project (e.g. the preparation of the management plan of Borjomi-Kharagauli National Park took only 17 months), guidelines for management plans were only made available in August 2011 and guidelines for business plans were available in November 2011, less than one year prior to the closure of the project.

The TE considers that the lessons from on-going experience of APA with the support of national and international NGOs as well as international organization has not been taken into account in project design and has contributed to the weakness of its overall strategy.

3.1.4 Planned stakeholders’ participation

The CEO Endorsement has focused its assessment of the barriers at the systemic, institutional and know-how levels of the individual protected areas as well as APA headquarters. Although various donor activities related to the PA

⁸Page 19 of the Request for CEO Endorsement/Approval. 2009

system are mentioned in the project document, the main stakeholders identified by the project document are limited to the Ministry of Environmental Protection (MoEP), APA and to the PAs administrations; the project document didn't not include a full-fledged stakeholders' analysis nor an institutional needs assessment.

It should be noted that a brief reference is made in the CEO Endorsement to the following stakeholders:

- Department of Tourism, which has recently completed a new National Tourism Strategy that touches on PA-based tourism.
- A new training institute has just been established with United States Department of Interior (USDoI) funding in MoEP. A university is working with MoEP to develop training courses for PA rangers.

However, limited details are provided regarding other institutions involved in the PA system and modalities in which the project will coordinate with them.

This issue has been raised during the project MTE, which recommended an institutional mapping at the national level as well as the Tusheti PA level⁹. Although this would have been an important exercise for positioning the project and the PA system as a whole within the larger national institutional configuration, it is not clear to the TE if this exercise would have been sufficient to ensure closer cooperation with key stakeholders. Concrete collaboration with key stakeholders would require involvement in the planning and implementation of the project, including considering their membership at the PEB level.

3.1.5 Replication approach

The Project document has included a replication strategy summarized as follows: *“Under the first two components of the project, the interventions are designed to remove systemic and institutional barriers hampering the financial sustainability of the protected area system and as such are applicable for the entire system. The pilot feature of the third component, reflected in testing tourism and/or NRM based concessions at Tusheti demonstration site has the potential of being replicated”*.

The TE confirms that the replication approach of the Project's design as a whole is strategic and can ensure replication of the project results in Georgia and elsewhere. Special considerations for replication have taken into account on-going initiatives as will be shown in the Section 3.1.7 below, specifically with regards to building upon on-going efforts for establishing a training programme and planned management planning activities on which the project can build upon.

However, a radical adaptation of the PRF would have been required to align the Project's resources with the expected results and focus the Project's efforts on the means for the attainment of the results to avoid a situation whereby the key results of the Project would not be met by the Project and to allow needed time for internalizing the project's experience. The TE considers that the main aspects which required a closer focus by the Project and thus prioritization by the Project's partners throughout the implementation include the following:

- Prioritize and reduce the number of legal modifications which can be promoted through the project and could be feasible to present to the Government for approval.
- Focus on the implementation of a sustainability strategy for the capacity development programme in a way it can achieve the Project's expected results of establishing a system whereby *“leading national specialists capacitated to conduct the trainings on their own”*.
- Focus on the development of high quality business plans which can be *“integrated in the management plan of the park”* in order to ensure that the Project's process for business planning is tested and is adhered to in the pilot PAs.

3.1.6 UNDP's comparative advantage

UNDP has built an extensive experience in PAs management including financial sustainability of PAs across several countries and is therefore well positioned to implement such a project.

⁹ Page 11-12 of the Report of the Project Mid-Term Evaluation. April 2011

However, the project document has not included as part of its design the necessary elements for building upon the global and national assets of UNDP in order to inform the strategy and implementation approach of this Project. As such, the UNDP-Georgia Country Programme and the different portfolios of the UNDP CO are not reflected in the project design; UNDP-Georgia's experience in implementing biodiversity projects is also lacking in the project design.

UNDP's comparative advantage is spelled out in the project document through the complementary which this Project will ensure with the other UNDP/GEF project for "Ensuring Sufficiency and Predictability of Revenues for the Georgia's Protected Areas System" and with which close linkages should be sought to ensure legal, institutional and financial benefits for the PAs system in Georgia as a whole. In this context, the project document clarifies the following: *"The proposed project is part of a two-pronged approach of the Government of Georgia to the GEF, which aims on the one hand to put in place policies, capacities and innovative site-specific revenue generation approaches (the present project) and on the other hand to support a financial instrument to cover any long-term funding gap for the majority of the system (i.e. the Georgia-dedicated sinking fund of the Caucasus Protected Area Fund)"*¹⁰.

These two complementary UNDP/GEF projects have been planned jointly as a strategic response by UNDP to strengthen the protected areas management in Georgia¹¹.

The UNDP/GEF project for "Ensuring Sufficiency and Predictability of Revenues for the Georgia's Protected Areas System" had not been fully designed at the time of development of this Project, yet the project idea was there and aimed at increasing financial sustainability of the protected areas system through the following:

- Ensure stable revenue sources for the protected areas, and
- Improve business planning and cost-effectiveness of site management.

This complementary UNDP/GEF project is implemented in close cooperation with the Agency of Protected Areas of Georgia (APA) and the CPAF -now the Caucasus Nature Fund (CNF)- in cooperation with KfW, Transboundary Joint Secretariat (TJS) and the Bank of Georgia.

UNDP's strategic cooperation with APA and other key stakeholders and donors concerned with PAs in Georgia has positioned UNDP as a key partner of APA in strengthening protected areas management. This will be further sustained through the coming up UNDP/GEF project "Georgia's PAs: Increased public involvement for sustainable use and nature conservation in the Adjara region".

3.1.7 Linkages between the project and other interventions within the sector

The project document has referred to several on-going initiatives related to strengthening the PAs system in Georgia and has identified them as part of the overall project configuration (since they are considered as project co-financing). These initiatives are supported by different donors and are implemented mainly by NGOs in close collaboration with APA and include the following:

- BP/Eurasia Partnership Foundation covering awareness raising, education and site-specific activities targeting ecotourism, natural resources and protected areas.
- WWF/Mava as part of a project of capacity building, PA management effectiveness, institutional and legal gap analysis, PA financial needs assessment and development and funding level plans.
- EU/FFI-NACRES in 2009-2011 covering overgrazing in Vashlovani and Tusheti PAs and system-level interventions (legal-regulatory frameworks) and some minor institutional and individual level capacity development activities.
- IUCN's project "On the final straight to 2010 Promoting Countdown 2010 in the South Caucasus and beyond".

The Project has also referred to other related initiatives which could be built upon including:

¹⁰Page 22 of the CEO Endorsement/Approval. 2009

¹¹Marika Shotadze, Former UNDP's Energy and Environment Team Leader, personal communication

- the training centre being supported under the USDOJ /ITAP “Georgia Protected Areas Support Project”.
- the BMZ/KfW Caucasus Nature Conservation Programme.
- KfW, CI and WWF initiative on Caucasus Protected Area Trust Fund (CPATF) by assisting with the establishment of the legal and institutional framework conducive to financial sustainability of protected area systems, development of guidelines for the business planning, and demonstrating new sources of revenue generation.
- the GIZ project in the area of development of biodiversity product-based value chains.

Linkages between this Project and other interventions constitute a major driver behind the Project’s strategy for ensuring long-term benefits which can be obtained by Georgia’s PAs system from the CNF. The CNF is considered as an important multi-donor mechanism for financing long-term recurrent costs of priority protected areas in Georgia. Accordingly, the Project strategy aims at establishing the systemic and institutional framework conducive to financial sustainability, to access the CNF’s funding, and allow PAs to fulfil its conditions, which are the following:

- i. the government already covers 50% of the management costs of the respective protected area, based on a set of criteria which will be fulfilled by the PA;
- ii. the PA has or is in the process of developing a management plan and a business plan; and
- iii. the government submits a grant proposal to the CNF.

3.1.8 Management arrangements

The Project has identified clear and efficient implementation arrangements. The project is executed by the Agency for Protected Areas (APA). APA will assign a National Project Director (NPD) responsible for implementation of the project as well as for the achievement of the overall project outputs. A Project Management Unit (PMU) will be created and will be composed of a Project Manager (PM) and an Assistant. The PMU will be in charge of project day-to-day management.

The Project Executive Board (PEB) will direct the project and will be the ultimate decision-maker for it. APA through its National Project Director will assume the Executive Role in the Board. The representative of the Division of Biodiversity Protection under the Department of Integrated Environmental Management¹², MoEP as well as the director of Tusheti National Park as a direct beneficiary of the Pilot project will represent the Senior User in the PEB. UNDP will represent the senior supplier role and will be supported by the other major project co-financier donors. The Regional Technical Advisor for Biodiversity at the UNDP Bratislava Regional Center and UNDP Program Associate will play the Project Assurance role.

Financial procedures were also established based on the assessment of best approaches for adopting NEx modalities; whereby payments will be performed primarily through direct payments. Although it is not the preferable option, this was the most appropriate modality, given the very short history of APA as an independent agency, having no experience for implementation of UNDP-GEF projects. However, this procedure would not undermine the accountability of the project and may increase its overall efficiency and transparency.

3.2 Project Implementation

3.2.1 Adaptive management

The main issue which has influenced the most the project’s implementation and could be considered as an important adaptive management decision is the subcontracting of the project activities. As early as the Inception Workshop (October 2009), and with the approval of the PEB (First PEB meeting in October 2009), it was decided to redesign the project budget in a way to enable subcontracting of the planned activities under Outcomes 1 and 2 to companies from the local, international or NGOs market, instead of calling upon individual consultants.

¹²Page 23 of the CEO Endorsement/Approval. 2009

This decision was made due to the fact that an extensive number of individual consultants are required in order to respond to the project objectives. The project document indicates that 13 different national consultants and 7 international consultants are required for the provision of needed technical assistance under Outcomes 1 and 2.

The PEB has accordingly decided to cluster the individual consultant's resources under Outcomes 1 and 2 in the form of contractual services and issue one contract for both Outcomes 1 and 2. Outcome 3 was already planned as a large contract in the initial project design. These modifications have led to 2 large contracts, one contract covering Outcomes 1 and 2 and another contract covering Outcome 3; as shown in Table 3 below.

Table 3. Modifications of project budget for GEF resources

Outcome	Budget Line	Planned	Revised
Outcome 1	Int. Consultant	106,000	50,000
	Local consultant	34,750	11,950
	Contractual services	15,000	93,800
Outcome 2	Local consultants	44,000	0
	Contractual services	13,700	0
	Contractual services	38,000	95,700
Outcome 3	Int. Consultant	0	10,500
	Local consultant	0	4,000
	Contractual services	422,550	408,050

Although in principle this could be considered as sound management and technical decision, the practical ramifications of this decision has only moved the problem of the ambitious project expectations to the level of the contractors, as the two contracts have included the same number of consultants and studies required in the scope of the project document as proposed in the initial project design.

Accordingly, the deliverables under the first contract: "Development of Protected Areas sustainable financial plan and capacity of APA for cost-effective PA management" included 23 different studies and reports, while those under the second contract: "Testing site-level revenue generation mechanisms in Tusheti PA" included around 14 reports and studies; the deliverable are listed in Table 4 below. The deliverables reflected the specific activities and sub-activities indicated in the project document; there was no clear visibility of the building block of the project's strategy. It should also be noted that the timeframe for the implementation of the contracts were set for 18 months in the case of the first contract and 24 months in the case of the second contract, which further tightened the timelines which were already very tight for this type of project.

By adopting this extensive number of deliverables, the project team (PMU, APA and UNDP) lost sight of the project strategy and a race for the submission of reports and studies started from the date of signature of the contracts; causing extensive pressure on contractors as well as on the project team, as each report required the same level of production, reviewing, revision, resubmission, ... not to mention translation requirements.

Table 4. Deliverables planned under each contract

Development of Protected Areas sustainable financial plan and capacity of APA for cost-effective PA management	Testing site-level revenue generation mechanisms in Tusheti PA
<p>The contractor shall provide the PMU and the APA with the following deliverables:</p> <p>1. Monitoring and evaluation plan of the service including performance indicators and targets for review and approval;</p>	<p>The contractor shall provide PMU and APA with the following deliverables:</p> <p>1. Monitoring and evaluation plan of the service including performance indicators for review and approval</p>

<p>2. Status reports, including:</p> <ul style="list-style-type: none"> - Monthly status reports within 1 week of month end. - Quarterly financial and narrative reports within 2 week of quarter end - Terminal report <p>3. Task reports, on:</p> <ul style="list-style-type: none"> - Development of PAS sustainable financial plan - Facilitation of approval of PAS sustainable financial plan - Development of a package of legal-regulatory changes - Facilitation of adoption of legal-regulatory changes - Development of a standard format for business planning - Training of trainers - Training of APA staff in business planning and development of business plans - Economic valuation of Tusheti PAS complex <p>4. Economic valuation of PAS network</p> <p>5. Economic valuation of Tusheti PA complex</p> <p>6. Sustainable Finance Plan for PAs management</p> <p>7. Legal-regulatory changes to PAs related legislation</p> <p>8. Guidelines and standard format for business planning</p> <p>9. Training course/curriculum for training of trainers</p> <p>10. Sustainability strategy for training course</p> <p>11. Recommendations on APA internal policies and standard</p> <p>12. Up to three business plans developed by APA staff under the consultant's guidance</p> <p>Monitoring and evaluation plan and status reports should be submitted in English, all other deliverables both in Georgian and English languages.</p>	<p>2. Status reports, including:</p> <ul style="list-style-type: none"> - Monthly status reports within 1 week of month end - Quarterly financial and narrative reports within 2 week of quarter end - Terminal report <p>3. Task reports, on:</p> <ul style="list-style-type: none"> - Update of management plan - Development of Business Plan - Reclassification of the NP - Development of a sub-plan for tourism development and marketing - Trainings - Workshops - Development and implementation of patrolling strategies - Design and facilitation of establishment of tourism and/or natural resource management-based concessions - Design and application of improved entrance fees - Ecological monitoring - Assessment of access to the site - Etc. <p>4. Updated management plan for Tusheti PA</p> <p>5. Business Plan for Tusheti PA</p> <p>Monitoring and evaluation plan and status reports should be submitted in English, all other deliverables both in Georgian and English languages.</p>
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Limited further changes to the project design's can be noted during the implementation of the project. This is discussed in detail the Sections 3.2.4 and Section 3.2.5 of the report as it reflects a trend of limited level of adaptive management within the project as follows:

- Under "Section 3.2.4 Monitoring and evaluation: design at entry and implementation", the TE has identified the following aspects which could have been used as a basis for adaptive management:
 - Using the Annual budget planning as a indicator of the status of project delivery
 - Capturing and implementing recommendations of the inception workshop
 - Capturing and implementing recommendations of the Mid-Term Review
- Under "Section 3.2.5 UNDP and Implementing Partner implementation/execution" the TE has identified the following aspects which could have been used as a basis for adaptive management:
 - Delayed project initiation and need for project extension
 - Identification of essential deliverables and non-essential deliverables

The TE can also note that based on the MTR's recommendations, the PEB has endorsed the modification of the targets of two indicators which are the following:

- For the Indicator "Improved management effectiveness of the 35 PAs (381,969.76 ha) as measured by RAPPAM tool", the target number of PAs was reduced from 35 to 17.

- For the indicator “Existence of legal-regulatory framework supportive to financial sustainability of PAs”, the target has been modified from the need to ensure “Approval” to “Submission to Parliament for approval” of the Legal-regulatory framework identified in the project design.

While this has reflected some level of adaptation and responsiveness of the Project’s partners and the PEB in specific to the recommendations of the MTR’s and hence to the Monitoring and Evaluation system in place, these changes have not affected the Project’s strategy and have remained short from responding to the Project’s need for addressing its ambitious scope and the extensive level of expected results of the Project.

3.2.2 Partnership arrangements

The TE can confirm that APA has been able to mobilize and cooperate with many international and national NGOs as well as donors. A positive and productive partnership has been established and is evolving between very active NGOs involved in the PAs system in Georgia and APA. This has been concretized both in terms of the willingness of APA to call upon national and international NGOs for the implementation of the Project’s activities as well as in soliciting NGOs to attend meetings and share project’s deliverable with them.

Positive cooperation and partnerships with the local municipality in Akhmeta (which has jurisdiction for Tusheti PL) could also be observed in the scope of the TE. The Municipality of Akhmeta is positive with regards to the Tusheti administration, despite limited concrete cooperation in planning and implementation of the project’s activities could be noted during the discussions with the municipality (Refer to Annex 5); such as the cooperation in the Tusheti yearly festival. In fact, the municipality is aiming at developing a management plan for the Tusheti Protected Landscape; in parallel of the efforts of the Tusheti PA Administration for developing the management plan of the Tusheti PA. It should be noted that the project for developing this management plan for Tusheti PL is the result of APA’s and Tusheti PA administration’s efforts.

Limited interactions and partnerships with other concerned Ministries/departments could also be observed in the scope of the TE. While the collaboration with other concerned Ministries/departments has been undertaken directly through APA and consultation meetings have been held in the scope of the discussion of some of the project’s reports, the TE cannot indicate any formal partnership beyond the Memorandum of Agreement with Ilia State University for cooperation in training activities, and which remains without a clear implementation plan.

3.2.3 Project Finance and expenditure trends

Project expenditures have been aligned with the planned allocations at the level of each outcome; the rates of the planned and effected expenditures at the level of each outcome have been respected and no variations are observed (refer to Table 5 below). The TE notes that the delivery of the project has witnessed a slow uptake in the first 2 years of the project, which is linked to the establishment of the PMU and the initiation of the contracts with the consulting firms. The project expenditures were activated in 2011 and 2012, with the initiation of the contractors’ activities. The total amount of the GEF resources is expected to be spent by August 2012. It should however be noted, that at the time of the writing of the TE report, the expenditures foreseen in 2012 are mainly booked and have not been effected to date, as the contractors still have to submit final reports in order to allow the payment of their instalments. However, it is expected that the final reports will be submitted by August 2012 at the latest (time of closure of the PMU), and the expenditures will effected by then.

Table 5. GEF resources expenditures by component over the duration of the project from 2009 till 2012

Outcome	Total Planned	% Planned	Expenditures 2009	Expenditures 2010	Expenditures 2011	Expenditures 2012	Total Expenditures 2009-2012	% Expenditures by component
Outcome 1	155,750	22.7	947	262	35,228	122,977	159,415	23.1
Outcome 2	95,700	14.0		9,898	5,539	113,731	129,168	18.7
Outcome 3	422,550	61.7		130,100	189,824	65,517	385,441	55.8
Project management	11,000	1.6	967	464	1,864	7,706	11,000	1.6

Total	685,000		1,914	142,734	234,465	311,942	691,056	
% expenditures			0.3	20.7	33.9	45.1	100.0	

The rates of cofinancing and their sources were also similar to what was initially planned in the project document. The actual total cofinancing is estimated to be US\$ 12.376 million, as compared to a planned target of US\$ 12.469 million.

The sources of cofinancing are detailed in Annex 6 of this report and include the following committed resources:

- UNDP : US\$ 205,000 (in cash contribution)
- Government of Georgia: US\$ 9.499million (equivalent to APA's budget over four years of the project from 2009-2012)
- Other sources: US\$ 2.672 million (includes funding from BP/Eurasia Partnership Foundation, WWF/Mava, EU/FFI-NACRES , IUCN and CNF).

It should be noted that additional \$777,233 of cofinancing was added as Project cofinancing as part of the final effected figures and constitutes the contribution provided by CNF for several PAs starting in 2011 and 2012.

3.2.4 Monitoring and evaluation: design at entry and implementation (*)

The project design has included a comprehensive and detailed M&E plan which has been implemented rigorously by the project PMU.

The M&E plan has included the following activities:

- Inception workshop, implemented in October 2009
- Mid-Term Evaluation, conducted in February 2011
- Rapid Assessment and Prioritization of PA Management (RAPPAM) at project initiation in 2009 and at project completion in 2012, conducted by the same expert, Ms. Ekaterine Kakabadze.
- Management Effectiveness Tracking Tool for Tusheti Protected Area at Project Mid-Term in January 2011 and at Project Completion in May 2012
- Financial Sustainability Scorecard at Project Completion in May 2012
- Project Implementation Review/Annual Progress Reports for 2010 and 2011
- Annual work plans for 2009, 2010, 2011 and 2012

The project also held its PEB meetings on a regular basis, whereby 10 meetings of the PEB were held during the lifetime of the project, which constitutes an extensive investment of time and efforts on behalf of the PEB. However, the main dysfunctioning in the project from a management point of view and thus from the M&E level, is that the composition of the PEB has reflected mainly the implementing partners, i.e. APA and UNDP, as the other members of the PEB were the following:

- Tusheti PA Administration is an APA employee,
- the project manager is a UNDP employee,
- the representative of the MoEP did not attend any PEB meeting and the replacement of the MoEP representative was not considered,
- a representatives of TJS (representing the Caucasus Nature Fund)has attended the PEB meetings and constituted the link between the Project and the CNF
- a representative of the World Bank has attended the meetings, although the World Bank does not have an on-going programme related to PAs in specific or environmental management in general in Georgia.

As such, the different functions of the PEB has been slightly merged, the executive and beneficiary role were both held by APA, while the supplier and assurance roles were taken by UNDP. The PEB has from this point not been able to balance the demand of the project with the responsibilities of the PEB members.

This dysfunctioning in the management arrangement has led to lack of proper use of the extensive M&E system that has been established and implemented by the project. Some clear and concrete signs are given in this section for

indicative purposes; the overall assessment can be captured in “Section 3.3.1. Overall Results” which uses the agreed M&E system within the PRF as a basis for monitoring project results. The main examples which merit to be indicated are the following:

i. Using the Annual budget planning as an indicator of the status of project delivery

Annual budget planning is a clear indicator of proper operational planning and execution of project activities. Annual work plan reflects an operational strategy and action plan which is then used as a basis for project execution. In the case of this project, radical variation between the planned and the effected budget are found, throughout the lifetime of the project. Although this has slightly improved on the 3rd year of the project, the fact that until 2011 50% difference between the planned budget and the effected budget is a clear indication of lack of clear strategy and operational capacity of project implementation (refer to Table 6 below). Another indicator is that 45% of the total project budget will be disbursed in 2012.

Table 6. Annual budget planning and effected expenditures of GEF resources

Yearly budget	2009	2010	2011	2012
Planned budget	42,052	526,000	497,585	309,072
Effected budget	1,914	142,734	234,465	311,942
Budget difference	40,138	383,266	263,120	-2,870
% difference	95.4	72.9	52.9	-0.9

ii. Capturing and implementing recommendations of the inception workshop

As reported earlier, the inception workshop has been used as an opportunity to modify the project budget. However, some substantive issues were raised at this workshop addressing the project strategy risks which have not been captured by the project implementing agencies; these included key issues related to the possibility of the project to develop and adopt legal-regulatory changes. More specifically, the meeting questioned: *“the issue of testing innovative financial tools in Tusheti. Specifically, it was noted that if existing legal environment does not allow for using such mechanisms and tools then employing these tools even at the pilot level would be impossible”*.

As a response to this main issue which is at the heart of the strategy and challenges facing a legal and institutional reform process, it was underlined that even within existing framework various tools could be employed that would increase revenue streams in Tusheti and that the project will also work at the system level to create a favourable environment for enhanced financial management of protected areas.

Despite these questions, no action was taken to reduce the high expectations of the project with regards to the legal framework which aims to develop and adopted an ambitious legal reform within the duration of this project.

iii. Capturing and implementing recommendations of the Mid-Term Review

The MTR came at an opportune timing of project implementation, whereby the work of the contractors had already initiated and the project could take some concrete action to respond to its challenges. Two main recommendations are referred to in this section although the TE considers that all the recommendations of the MTE were relevant and have contributed to broaden the scope and the discussion of the project. However, in terms of M&E, the MTR did address two key structural aspects of the project which were affecting its delivery and these are:

- Consolidation of component 1 and 2 deliverables into a limited number of key deliverables not exceeding four main deliverables, given the technical nature and size of the project, and the relative small amount of input available to the consultant team. The 23 deliverables can effectively be consolidated into fewer deliverables...
- The PEB should develop an implementation plan. The PEB dedicates considerable time to discussing how the various recommendations emanating from the reports are implemented. A “business as usual approach” is simply not enough because these reports throw up some significant challenges to APA and the protected areas system, in particular; how to build the financial planning capacity within APA.

Although these recommendations have been discussed at the level of the PEB and the PEB agreed to implement them, the action taken to respond to these recommendations and remediate a critical situation which is reflected in the MTR has not responded to the level of recommendations:

- Only a couple of task reports were consolidated within other reports, thus reducing the number of deliverables from 23 to 18, which is far below the structural recommendation of MTR to reach 4 main

deliverables for the contract under outcomes 1 and 2. This recommendation could also be applicable to the contract under Outcome 3, which was also requested to produce an excessive number of reports, however, neither APA nor UNDP considered it relevant at that time. In June 2012, an Action Plan for APA was prepared to identify modalities for implementing core findings of the Project¹³. The Action Plan has mainly focused on follow-up of the deliverables produced under the Project; e.g. for the management plans it refers to CNF as a source that would ensure their implementation. The Action Plan also makes recommendations for some follow-up actions with regard to the regulatory and legislative changes, however these are totally dependent of APA's readiness to decentralize, which is not likely to happen in the short-term. Some recommendations concerning introduction of entrance fees and revenue generation mechanisms are also provided, although they are not very well defined. Although this responds to the MTR's recommendations, to indicate an action plan for the implementation of the recommendations which are available in this large number of reports produced by the Project, *"as these report have a limited shelf-life beyond which they will need to be carried out again if they are to be relevant"*¹⁴, this action plan comes at the end of the Project's duration and will not be of use to the PEB's dynamics.

Based on the above, "Monitoring and evaluation: design at entry and implementation" is rated as Moderately Satisfactory.

3.2.5 UNDP and Implementing Partner implementation/execution(*)

UNDP and its implementing partner, APA, have considered this Project as a priority project and have deployed extensive time and efforts to support its implementation. However, several issues have impeded the proper implementation of the project and both institutions were not able to take necessary measures to address them, either due to change of staff (both within UNDP and APA), limited adaptive management and limited technical quality control within the project. Table 7 below summarises the key timelines which marked the project implementation and which will be used as a basis for assessing the implementation approach of the project in this section of the report.

Table 7. Key timelines of project implementation

Key project's milestones	Date
Project Document Signature date	May 2009
Date of First Disbursement	June 2009
Inception workshop	October 2009
Tendering process for the two contracts start	December 2009
Recruitment of the two contractors	May 2010
MTR mission	February 2011
TE mission	June 2012
Original Planned Closing Date	June 2012
Expected Closing Date	August 2012
Planned date of financial closure in Atlas	December 2012

i. Delayed project initiation and need for project extension

The main implementation issue is the delay in the initiation of the project activities, which was due to the tendering process for the recruitment of the two contractors under the project. Accordingly, the effective starting date of project activities can be considered as May 2010, date of the recruitment of the two contractors, and not May 2009. An extension of the project duration by 6 months or 1 year would have allowed the project to complete its activities and ensure their sustainability.

¹³Action Plan for the Agency of Protected Areas to implement core findings of the UNDP/GEF project "Catalyzing Financial Sustainability of Georgia's Protected Areas System" in practices; 11 June 2012.APA/UNDP.

¹⁴Page 29 of of the Report of the Project Mid-Term Evaluation. April 2011

However, the MTR has included as its first recommendation to extend the project duration “*not less than six months*”¹⁵, this extension was considered as unnecessary by the PEB¹⁶, the PEB has agreed that the project will only require to be extended by 2-3 months to complete its activities. This decision was largely influenced by the assumption that no financial resources can be allocated for project management in case of a considerable extension and the understanding of the PEB that the project results can be achieved in the planned timelines. Both assumptions could have been discussed in depth at the level of the PEB and UNDP following the MTR, and solutions could have been identified had this been raised in a more strategic manner.

At the time of the TE, the decision to close the project by August 2012 was already taken and acted upon. Although the TE considers that an extra time would have been very beneficial for wrapping up the results of the project and consolidating its impact, the decision to close the project can be considered acceptable given the commitment of the different partners to the project’s results and their follow up.

ii. Identification of essential deliverables and non-essential deliverables

All together, and until July 2012, the project would have produced at least 36 technical reports, under Outcomes 1, 2 and 3, as documented in the List of Documents in Annex 4. While a prioritization exercise would have been needed at the MTR to shed the light on the strategy to be adopted to reduce the number of deliverables and agree which reports can be considered as chapter or sub-chapter of the main deliverables, the following analysis can contribute to UNDP and APA’s reflexions for the continuation of the efforts which have been deployed in an extensive manner to date during the review and validation of the different reports. This analysis also indicates the confusion between the implementation process of project activities and the policy process at APA’s level which has been confused throughout the implementation of the project and which have significantly delayed the progress of some key deliverables within the project.

A. Implementation of Outcome 1 and 2 (produced under the contract with ECFDC/GCCW)

Despite a complex relation between the contractors (ECFDC/GCCW) and the implementing partners (UNDP/APA), the deliverables under this contract have been all fulfilled (refer to Table 8 below and to List of Documents in Annex 4).

High levels of tension were created between the implementing partners and the contractors due to the following main reasons:

- the poor quality of the initial reports delivered by the contractor. For example, in the case of Economic Valuation Report on Tusheti PA Complex, the first draft was considered as irrelevant by APA, whereby major parts were copied from previous works of the author, mainly from his works about South American experience¹⁷.
- the poor quality of the translation of the reports into Georgian.
- the delay in provision of revised versions of the commented reports by the contractor. In some occasions, it took the contractor more than 3 months to provide a response after receipt of APA’s comments.
- the disappearance of the contractor for 6 months during the implementation of the project.

According to APA, major delays in the project delivery were essentially provoked because of the “on-shelf” kind of initial reports submitted by ECFDC/GCCW to APA. APA considered that the most dramatic effect on the project was the 6-months’ disappearance of ECFDC in 2011.

On the other hand, the contractor has considered that the comments of APA didn’t address relevant technical aspects and that several rounds of comments have been provided irrespective of the deadlines and the fact that new comments were made on previously revised version. This has also caused a major financial burden on the contractor for the provision of translation services of the report for each round.

¹⁵Page 25 of Report of the Project Mid-Term Evaluation. April 2011

¹⁶Minutes of meetings of the Project Executive Board. 6th Meeting, March 25, 2011

¹⁷Comments communicated by APA on 29 August 2012.

The TE cannot confirm the concerns of the implementing partners regarding the technical quality of the deliverables produced by the contractor (as most of them have already been finalized at the time of the TE). This is a case which would have required quality assurance through qualified technical expertise or change of the contractor and its replacement by a trustworthy technical resource.

In this context, the TE notes that UNDP has sustained an extensive discussion (through the Project Manager and through the UNDP-CO), and highlighted the importance of providing comments to move the Project forward. It also notes the implementing partners' views that this extensive review process triggered by the Project through the exchange and discussion of the key issues can be considered as an important learning process.

However, this situation has resulted in an extensive delay in the validation of the deliverables by APA (refer to Table 8 below), which are linked to the finalization and clearance of some reports and led to limited timelines for the implementation of the reports' recommendations.

The most significant delays which affected the progress of the project are those related to the guidelines for business plans (submitted in December 2010 and approved by APA in November 2011) and the training needs assessment (submitted in September 2010 and approved by APA in October 2011). These two delayed deliverables had a negative effect on the project as both the delivery of the training programme as well as the development of the business plans were delayed as a consequence, and the consolidation of the project's results was affected in this respect and should have been considered as a priority for clearing and using as a basis for the implementation of other activities within the project.

Table 8. Key deliverables under Outcome 1 and 2 (produced by ECFDC/GCCW)

Deliverables	Submission Date	Finalization Date
PA NETWORK SUSTAINABLE FINANCING PLAN (PNSFP)		
Economic Valuation Report on Tusheti PA Complex	December 2011	July 2012
PAs Sustainable Financial Plan	February 2012	March 2012
AMENDMENT TO EXISTING PA LEGISLATION		
Package of legal-regulatory changes	December 2011	May 2012
Standard format for business planning	December 2010	November 2011
CAPACITIES FOR MORE COST-EFFECTIVE PA MANAGEMENT		
Training needs assessment and selection of host institution	September 2010	October 2011
Training curricula in environmental economics, economic valuation, business planning, PA-based tourism marketing and public awareness raising.	March/April 2012	June 2012
Training of Trainers curricula in business and management planning, PA-based tourism marketing, public awareness raising and sustainability strategy.	May 2012	June 2012
Support to the Business Plans to be developed for 3 PAs (excluding Tusheti PA)	June and July 2012	

B. Implementation of Outcome 3 (produced under the contract with NACRES)

NACRES has benefited from its physical presence in Georgia and from solid and long-term cooperation with APA and succeeded in progressing in the implementation of its activities, despite significant delays in the progress of the implementation of the activities which also affected the progress of the work at the level of this outcome. NACRES has also succeeded to submit all expected deliverables for the exception of the Business Plan for Tusheti PA complex, whereby only the draft version is available at the closure of the project (refer to Table 9 below and to List of Documents in Annex 4).

NACRES has also faced extensive delays in the delivery of its work which has affected the overall progress of the project, although these were different to those witnessed by ECFDC/GCCW. In this context, the TE report indicates as follows the reasons for the delays of the key deliverables expected by NACRES, in order to document the process and to inform the future continuation of efforts by the different partners:

- NACRES has initiated the development of the management plan process following a participatory approach from January till September 2011, based on an agreement from APA to follow IUCN's guidelines. In August 2011, APA issued new guidelines for management planning and requested all partners, including NACRES to follow the new guidelines. By then, NACRES had already committed its resources for the management planning process, and could only commit additional resources at its own expenses to revise the management plan according to new guidelines in February 2012.
- This incidence has prevented NACRES from proceeding with the business plan development until officially approved guidelines are available. As the business plan guidelines were only available in November 2011, and due to additional delays in the approval of the consultant recruited by NACRES for the development of the business plan, the development of the business plan was only initiated in January 2012 and a draft was submitted in July 2012.
- NACRES has conducted an in-depth assessment in Tusheti PA for the reclassification of the PA and was submitted in July 2011 in view of its approval as an official document. However, the official amendments for the reclassification of Tusheti PA were approved in parallel based on previous work done 2 years ago through a desk-top survey.

Table 9. Key deliverables under Outcome 3 (produced by NACRES)

Deliverables	Submission Date	Finalization Date
RECLASSIFICATION OF THE NATIONAL PARK		
Task Report on Assessment of Tusheti PA Reclassification.	June, 2010	July 2010
Report on Reclassification of Tusheti Protected Areas.	May, 2011	July 2011
UPDATE MANAGEMENT PLAN FOR TUSHETI		
Updated management plan for Tusheti PA complex.	September 2011	May 2012 (in Georgian). July 2012 (in English).
DEVELOP BUSINESS PLAN		
Business Plan for Tusheti PA complex	July 2012	

Based on the above, the implementation/execution by UNDP and its Implementing Partner, APA, are rated as Moderately Satisfactory.

3.3 Project Results

3.3.1 Overall results (*)

This section provides a measurement of the status of the project as part of the TE and tracks the indicators, the baseline and the target established in the PRF and indicates a rating at the level of the objective and the outcomes.

The overall rating of the project results is Satisfactory (S) and is based on the rating of the project objective and outcomes which are indicated in the sections below.

i. Overall results at the level of the objective

Table 10 below provides an assessment of the results at the level of the objective.

The indicators used at this level are the Financial Sustainability scorecard and the RAPPAM. Although the Financial Sustainability ScoreCard (FSC) confirms overall improvements, it should however be noted that this assessment is based on a APA's end-of-year financial reports and not individual PAs as financial reports for individual PAs are not available due to the centralized financial management system for financial accounting at the level of APA. Regarding the Overall Effectiveness of PAs which was measured through the RAPPAM, the end of project status didn't show projected improvements, the total score dropped from 397 to 273, while the overall management effectiveness of individual PAs confirm that only 8 out of 17 PAs have improved and not by 50% as projected.

Table 10. Matrix for rating the project results at the level of its objective

Project Strategy	Objectively verifiable indicators	Baseline in 2008	2012 End of project target	2012 End of project status	Rating
Objective: To improve the financial sustainability of the protected area system in Georgia.	Improved financial sustainability of PAs measured by financial sustainability score card: - improved legal-regulatory and institutional frameworks - improved business planning and tools for cost-effective management - improved availability and utilization of tools for revenue generation	Total score: 26.5% - 52 / 196 38.5% - 30/78 27.4% - 17/61 8.7% - 5/57	Total score: 50% - 98/196 61.5%-50/78 37.7%-23/61 43.9% - 25/57	Total score: 39%-88 / 225 44% - 42/95 36%- 21/59 27% - 25/71	S
	Improved management effectiveness of the 35 PAs (381,969.76 ha) as measured by RAPPAM tool	Overall PA system-level management effectiveness: 1. PA system-level design:180 2. PA policies: 107 3. Policy environment: 110 Overall management effectiveness of individual PAS is measured for 17PAs	By the end of the project Overall Management Effectiveness Scores for 17 PAs improved by at least 50%	Overall PA system-level management effectiveness: 1. PA system-level design: 84 2. PA policies: 109 3. Policy environment: 80 Overall management effectiveness of individual PAS measured for 17 PAs confirm that only 8 improved but not by 50%	MS

ii. Overall results at the level of Outcome 1

Table 11 below provides an assessment of the results at the level of Outcome 1.

With regards to legal-regulatory framework supportive to financial sustainability of PAs, the project planned to develop draft of laws or amendments to the law ready to be submitted to the Parliament for approval which included the following:

- a) Revenue generation opportunities allowed for each type of PA;
- b) Retention of raised income by PAs and permission for its reinvestment into site management;
- c) Resource user fees at PAs and procedures for their collection and retention by sites;
- d) Delegation (in full or in part) of PA management to private companies, NGOs, local community groups thus “legally” recognizing public-private-partnership” models for PAs;
- e) Tourism and natural resource use based concessions at PAs;
- f) Linking the PA law with the Law on State Budget, thus ensuring better accuracy and predictability of central budget allocations to PAs;
- g) Setting of standard formats for PA business plans for IUCN Category I and II, with guidance for site

However, the project has witnessed delays in developing legal modifications, and the “Draft legal report” was prepared by the project and submitted to APA in May 2012 covering the following legal proposals:

- a) Diversification of PAs governance types and delegation of management functions to other governmental institutions
- b) Modification of the functions of the scientific-advisory board for best administration of PAs.
- c) Definition of PAs categories in line with IUCN guidelines.
- d) Application of new regulations around the PA
- e) Legalization of additional sources of revenues such as to allow APA to issue the permit for temporal infrastructure placement in PAs, etc

In addition, the project has also developed the following legal/regulatory frameworks:

- Draft report on zoning and reclassification of Tusheti PA submitted to APA in 2011.
- Business Planning guidelines were approved by APA in November 2011 but not have not been approved by Ministerial decree to date
- Legal proposals for concessions in Tusheti PA covering tourism and other nature resource were use submitted to APA in June 2012 (in Georgian)

It should be noted that during the lifetime of the project, APA has developed two regulations independently of the Project’s activities; both of these regulations were approved by Government as follows:

- Legal modifications for establishing concessions for private operators of visitors centers approved in 2011
- MP guidelines approved by MoEP order No. 39 issued in 22 August 2011

With regards to improved funding of PAs to respond to their needs, the project has established the “10-years Investment Plan for PAs”, it has also conducted several studies and assessment for the mobilization of resources for improving the financial sustainability of PAs.

In addition to the project activities, an enabling environment in promoting the sustainability of PAs in Georgia, including the financial sustainability of PAs, the following aspects can be noted in this respect:

- APA’s budget in 2008 was \$2,596,000 and in 2011 is decreased to \$2,323,353 due to the reduction of the currency value. The estimated financing needs for *basic* management costs (operational and investments) are \$5,714,000. Accordingly, 40% of total PAs needs are covered by state budget.
- APAs financial reports show an increase of revenues from PAs from \$50,000 in 2008 to \$261,537 in 2011. The main sources are tourism entrance fees, recreational related fees (camping, fishing permits etc) and income from concessions. This constitutes 5% of total PAs needs.
- CNF has initiated funding of 50% of the budget for several PAs starting 2011; this will cover the needs of several PAs over a duration of 3 years. The sustainability of this funding is currently under discussion.
- Several other donors are initiating PAs funding in Georgia. Committed funds are equivalent to \$11.4 million as indicated in the 10-years investment plan.

Table 11. Matrix for rating the project results at the level of Outcome 1

Project Strategy	Objectively verifiable indicators	Baseline in 2008	2012 End of project target	2012 End of project status	Rating
Outcome 1: Sustainable Financing Plan for Georgia's protected area system.	Existence of legal-regulatory framework supportive to financial sustainability of PAs	Legal framework is not supportive – it requires all revenues from PAs to go to the central budget; it doesn't provide for co-management.	Legal-regulatory framework: - allows for all after taxes revenues from concession to be retained in PAS; - lays the basis for co-management partnerships between APA and local resource users for NRM in PA	Approved regulations include: - Legal modifications for establishing concessions for private operators of visitors centers approved in 2011 - MP guidelines approved by MoE order No. 39 issued in 22 August 211 The project developed several draft legal proposals to support financial sustainability of PAs	S
	Improved funding of 35 PAs of Georgia covering 381,969 ha	Currently only 34.0% of PAS funding needs - optimal management costs and investments are being met, largely through government funding;	Funding sources will be identified for covering the remaining 47% funding needs. Potential funding options to be considered: Tourism concessions awarded to private sector, increased tourist entry fees, CNF funding, donations	The 10-years investment plan for PAs was prepared by the project in 2012. The plan projects that \$46.4 million will be mobilized in 10 years; i.e. the mobilization of \$4.6 million/year, with \$2.3 million from State funds and the rest from donors. This will allow PAs to improve financial needs for the next 10 years.	S

iii. Overall results at the level of Outcome 2

Table 12 below provides an assessment of the results at the level of Outcome 2.

With regards to the target of achieving “At least 3 PA with updated management plans, each including a business plan, completed by project-trained professionals”, the project has faced major delays.

At the time of the TE, none of the business plans were available, although the following can be noted:

- An up-dated management plan for Tusheti PA was elaborated under the Project’s activities by NACRES in May 2012, but it was not legally approved. As such, the PA administration cannot use the management as a basis for monitoring and enforcement needs within the PA.
- A draft business plan for Tusheti PA has been submitted in July 2012. This is still to be reviewed and approved by APA and the PA administration and integrated as part of the management plan of Tusheti.
- In parallel to the Project’s activities (outside the Project’s configuration and of its cofinancing), updated management plans for Borjomi Kharagauli NP have been elaborated through WWF and CNF funding, moreover management plans are underway for Vashlovani NP through GIZ funding and Javakheti NP through KfW funding.
- Draft business plans for 3 PAs with an updated management plan (Borjomi Kharagauli NP) and where a management plan is underway (Vashlovani NP and Javakheti NP) were developed in June 2012 by students from Caucasus University trained by the project. In this context, the TE considers that a 5-days training on business planning and economic valuation for university students does not allow these students to deliver quality and professional business plans.

Concerning the 5-days of training on BP development and economic valuation that were delivered by the project in March 2012, interviewed participants confirmed to the TE their satisfaction of training levels, but indicated that this does NOT allow them to be considered as professionals in business plans development. However, it is expected that once the business plans will be available, they will be reviewed by APA staff trained by the project in business planning. It is also expected that TJS will support the review and finalization of the business plans.

With regards to capacity development, although the Capacity assessment scorecard reflects an overall increase of scores, the TE notes that the outputs of this component have not been fully met:

- Although the “Host Institution” for the training programme (Ilia State University) was selected in 2010 and the curricula for the training programme delivered by the Project through the contractors were developed in 2012, the TE considers that the host institution was not fully capacitated to conduct the trainings on its own. Only 2 lecturers from Ilia State University have participated to the training programme, while close cooperation in the development and the delivery of the training programme would be needed to ensure hands-on experience of University lecturers to support their future implementation of these trainings. It should also be noted that the Project’s efforts have aligned the training material with APA’s requirements but did not take into account the host requirements for the standardization and certification of proposed trainings.
- Training sessions were provided to all PA managers and key APA staff. However, the project didn’t establish training programme which can allow participants to develop on their own management plans and business plan; nor did the project provide a system for the provision of continuous support by the host training institution.

Table 12. Matrix for rating the project results at the level of Outcome 2

Project Strategy	Objectively verifiable indicators	Baseline in 2008	2012 End of project target	2012 End of project status	Rating
Outcome 2: Improved institutional effectiveness of protected area institutions in sustainable financing	Number of approved PA management plans that include business plans completed by professionals trained in business planning by the project	6 PAs have management plans – all are out of date 0 PA have business plans	At least 3 PA with updated management plans, each including a business plan, completed by project-trained professionals	- Up-dated management plan for Tusheti PA elaborated in May 2012. - Business plan for Tusheti PA expected in July 2012. - Business plans for 3 PAs with existing management plans to be developed in June 2012 by students from Caucasus University trained by the project.	MS
	Level of systemic, institutional and individual capacities of PAs agencies for PAs management as measured by capacity assessment score card	Total score (2008): - systemic: 43% -institutional: 42% -individual: 33% Scores at the different capacity functions are measured	Total score : -systemic: 80% -institutional: 80% -individual: 67% Scores at the different capacity functions show improvements	Total score (2012): -systemic: 77% -institutional: 73% -individual: 52% Scores at the different capacity functions show improvements	MS

iv. Overall results at the level of Outcome 3

Table 13 below provides an assessment of the results at the level of Outcome 3.

In this respect, the METT scorecards have reached the expected end of Project targets. As the METT is compiled by APA in close coordination with PA Administration (with the Project manager's support), this reflects a satisfactory appreciation by the implementing partners with regards to the improvements in the management efficiency of the Tusheti PA which were achieved by the Project.

Although this is a positive response obtained by the project, the TE would like to caution these results, given the short duration of the Project and the fact that it is difficult to reach tangible impacts of the Project activities in the near-term. This issue is specifically raised by the TE in light of the discussions with different stakeholders, specifically the PA administration (refer to Annex 5. Summary report of field visits) and key international agencies¹⁸ involved in PAs management in Georgia who confirmed that capacity development needs remain a priority for PAs management in Georgia. However, it should be noted that the TE was not able to conduct an in-depth discussion on the results of the METT with APA and the Tusheti PA administration and thus could not validate the results of the METT due to lack of time.

This issue will be further raised in Section 4 below with regards to the applicability of methodological monitoring tools such as the METT in the framework of limited project resources and duration.

With regards to increase of PA-based revenues, APA financial expenditure reports for Tusheti PA confirm the financial estimations obtained from Tusheti PA manager. Revenues from the Tusheti PA increased from no

¹⁸ Personal communication with Mr. Jaap Vermaat, Team leader, TJS and Ms. Darejan Kapanadze, Senior Environmental Specialist, The World Bank.

revenues at the project start to US\$10,000 in 2011. This includes around \$9000 from visitor center and \$1000 from camping and bicycles. In 2012, it is expected that the revenues will be sustained at the same level. This is however 50% below the target set by the project.

With regards to the establishment of NRM or tourism-based public-private partnerships and/or concessions, the project has supported the establishment of a new trail for wild-life observation for local guides in 2012 as PPP cooperation with Tusheti PA. A concession was also established for the management of the visitors' centers in 3 PAs including Tusheti in 2012 through APA. The report on the establishment of concessions with private sector tourism operators/investors includes recommendations for the development of business partnerships between APA and concessioners and recommendations about additional opportunities which could be given under concession at Tusheti PA.

Table 13. Matrix for rating the project results at the level of Outcome 3

Project Strategy	Objectively verifiable indicators	Baseline in 2008	2012 End of project target	2012 End of project status	Rating
Outcome 3: New financial mechanisms and public/private partnerships tested/demonstrated at pilot field site contributing to the improved financial sustainability	Management effectiveness of the Tusheti PAs field demonstration site (METT Scorecard)	56	70	75	S
	Amount of PA-based revenues in dollar values for Tusheti PA	2008 revenues: \$0 2009 expected revenues: \$10,412 (tourist service)	2011 revenues: at least \$20,824, 100% increase in Tusheti PA revenues compared to 2009 figures	Revenues from the Tusheti PA increased from no revenues at the project start to US\$10,000 in 2011. This includes around \$9000 from visitor center and \$1000 from camping and bicycles. In 2012, it is expected that the revenues will be sustained at the same level.	MS
	Number of NRM or tourism-based public-private partnerships and/or concessions established	Absence of any public-private partnerships and/or concessions in Tusheti PA complex	At least one public private partnership or concession on NRM/or tourism established	- 1 concession established for the management of the visitors centers in 3 PAs including Tusheti in 2012. - 1 new trail for wild-life observation established for local guides in 2012 as PPP cooperation with Tusheti PA	S

3.3.2 Relevance(*)

The Government of Georgia has committed to enlarge the coverage of the PAs from the current 7% in 2012 up to 17% by 2020. The PAs system is a highly evolving one, which is in its infancy in Georgia, with APA's establishment as recently as 2008, and a dynamic and progress in the declaration of new PAs, which increased from 40 to 64 in the past 7 years (refer to Tale 14 below).

In the current economic situation, and within the economic and administrative reform underway in Georgia, this project has accompanied Georgia's willingness to initiate a basis for a legal and an economic reform of the PAs system in Georgia.

It is important that this reform is sustained and complemented with the necessary governance and decentralization requirements of the PAs system, which have been already extensively covered in the MTR of this Project and which seem to be natural evolution within APA as confirmed by various partners met during the scope of this TE. The project has initiated the discussions and consultation for decentralization (through fiscal reform) but has not provided necessary timeline for acting upon such a complex issue. It could be considered that fiscal decentralization can be used as an entry point for decentralization of the PAs management system as a whole, and the project did respond to a national priority in this regards. However, decision for this should be done at the higher policy making level and accordingly the discussion should be held at the appropriate level.

As such, the TE considers this project relevant in the evolving context of the PAs system in specific and within biodiversity conservation efforts in Georgia as a whole.

Table 14. Evolution of the PAs network in Georgia¹⁹

Category	No of PAs in 2005	No of PAs in 2012
Nature reserves – IUCN Category I – managed for strict protection	21	14
National parks – IUCN category II – managed for conservation and recreation	4	10
Natural monuments – IUCN category III – managed for conservation of natural features	3	24
Managed reserves - IUCN category IV – preservation through active management	11	18
Protected landscapes – IUCN category V – managed for ecosystem restoration and conservation	1	2
Protected Area With Sustainable Use of Natural Resources		
Total	40 PA	68 PA

3.3.3 Effectiveness & Efficiency (*)

Project Effectiveness is rated as Satisfactory by the TE. This is confirmed based on the above assessments and the interviews that the project has catalyzed an extensive momentum for exchange and learning based on the multitude of sectoral studies and consultations. All contractors, APA staff, UNDP and the PMU have worked extensively and beyond their mandates to meet contractual commitments and project objectives.

However, Efficiency in the delivery of the project results is rated as Moderately Satisfactory by the TE as several limitations have been observed at the level of the project's efficiency, these include the following:

¹⁹ Figures updated by APA on 29 August 2012

i. Limited technical support for meeting some of the project's needs

The lack of focus on priority results is the result of weak project design but also of limited level of quality assurance during the lifetime of the project. This has affected the efficiency of the work and thus affected priority aspects of the project mainly with regards to the training component and the development of business plans.

Technical support within the project was required to strengthen the quality assurance in the review of technical reports, especially where disagreements between the technical providers (The contractors) and the client (APA) has occurred. Calling upon an independent external expert in some occasions could have reduced tension within the project and reduced extensive delays in adoption of project deliverables

ii. Limited experience to deal with contractors in project execution

The sections above have indicated dysfunctioning in the use of the M&E system as well as in the implementation approach of the project. More specifically, in the case of this project, calling upon contractors is done with the purpose of optimizing time and resources, as contractors are entrusted both the technical and managerial levels of the activities. In this case, APA has followed a micro-management approach in dealing with the contractors, and didn't delegate the management responsibility to the contractors. Several examples of such approach can be noted and include the selection of specific consultants working with the contractors, new rounds of comments not based on previous revisions and lack of prioritization in processing urgent issues. This implementation approach didn't allow an efficient basis for project implementation.

iii. Disconnecting the implementation of project activities from APA's policy processes

Extensive delays in the submission, review, clearance and validation of deliverables have been a continuous hurdle for the development and progress of project activities. This has added an extensive layer of pressure on the PMU, the contractors as well as APA and has delayed project activities. In this context, the separation between the implementation of project activities and the implementation of a policy process as part of the project, both of which APA is accountable for, has not been clearly defined.

In this context, several important opportunities have been provided by the project for advancing the policy process for PAs management in Georgia, including the adoption of guidelines for Management Plans and Business Plans for PAs. While it is important to adhere to needed national procedures and timelines for promoting such policies, this policy process should not hinder the progress of project activities. In the case of the project, the lack of approved guidelines for Management Plans and Business Plans has delayed the progress of important project activities and results (as presented in Table 15 below), and should have been dissociated from the outset.

Table 15. Examples for separation of project progress from policy process

Project activities	Policy process
Draft Management Plan submitted in September 2011 should be used as a basis for Business Plan development. However, the MP has to be revised based on MP guidelines issued in August 2011 and could only be finalized in May 2012.	The alignment of the Management Plan based on new MP guidelines issued in August 2011 should be considered as a new request to the contractor and outside the scope of the contract under the Project. This would allow the contractor to follow up its effort and APA to adhere to its guidelines.
Guidelines for Business Plan submitted in December 2010 should have been expedited swiftly to allow the project to use them as a basis for Business Plan development. However, these were only approved by APA in November 2012.	Official Approval of Business Plan guidelines by Government should be conducted in parallel with Project's activities and should allow APA to officially approve Business Plan guidelines for Georgia's PAs system.

3.3.4 Country Ownership

This Project has been fully integrated as part of APA's structures and activities and has accordingly constituted an important element for the progress of APA's efforts for the management and financial sustainability of PAs. The Project has also succeeded in establishing close cooperation with national NGOs, Universities and donors which are active in the field and ensured their involvement in the implementation of the Project.

It would be important to ensure the close involvement of key national institutions in future efforts for the continuation of project's results; these would include the Ministry of Environment Protection, the Department of Tourism and the Ministry of Finance.

3.3.5 Mainstreaming

A major effort has been initiated by the UNDP-CO following the MTR to mainstream the Project's strategy and efforts for PAs management within the relevant UNDP-CO portfolios , specifically the Democratic Governance Portfolio *“in view of brining an extra dimension to the project in line with the Country Programme and synergies between the objectives of this Project and UNDP's Country Programme as it relates to governance²⁰”*.

In this respect, the UNDP-CO actively supported cooperation between the two UNDP-CO portfolios (Energy and Environment and Democratic Governance) for identification of possible 'entry points' and linkages among their respective programmes for integrating PAs management concepts in existing or planned governance projects.

These efforts will be further sustained by the UNDP-CO through the coming up UNDP/GEF project: “Georgia's PAs: Increased public involvement for sustainable use and nature conservation in the Adjara region”, which will allow UNDP to respond to the UNDAF's priority in Georgia on democratic governance through increased involvement of civil society in governance issues and the decentralization of PA system management.

3.3.6 Sustainability (*)

i. Financial sustainability.

Georgia is currently at an opportune timing where financial resources are available in a strategic and with long-term perspectives which allows the project results to be pursued by UNDP as well as other international institutions and donors. Table 16 below summarizes the coming up initiatives related to strengthening the PAs system with APA and which will allow a continuation of efforts in this field. It should be noted that other programmes at the level of different Departments/Ministries, such as the Tourism Department and the concerned municipalities are also planned and can have a positive impact on strengthening the PAs system. As such, there are limited financial risks that may jeopardize the sustainability of project outcomes.

Table 16. Coming up initiatives related to strengthening the PAs system in Georgia

Donor	Scope of project	Budget	Duration
KfW/BMZ/GEF4	CNF aims at protecting and strengthening PAs in Caucasus through providing 50% of the operational costs to the PAs (mainly supporting infrastructure development, ecotourism development, management plan development)	€4.16 million	2011-2016
KfW	The project aims at supporting 4 PAs through the Eco-regional Nature Conservation Programme for the Southern Caucasus (ENCP), Phase III. Development of management plans for Algeti NP, Kazbegi NP, Kintrishi PAs, and Pshav-Khevsureti is part of the programme.	€8.25 million	2012-2016
EC	EC twinning aims at supporting 4 PAs through (a) improved management of protected areas by developing and adopting actual management plans; and (b) strengthening capacity within the protected areas system.	€1.1 million	2013-2014
GEF5	The project aims at supporting 1 PA through the establishment of Machakhela National Park	\$1.5 million	2013-2015

²⁰Management Response for the MTR of the UNDP/GEF Project – Catalyzing Financial Sustainability of Georgia's Protected Areas System. April 2011.

CzDA	The project aims at supporting 2 PAs through Renewable Energy for Remote Areas of Georgia – Solar Energy in Thusheti	€0.26	2012-2013
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ii. Socio-economic sustainability

This is at the heart of the project's objective and results, the level of stakeholder ownership (especially in the case of APA) is sufficient to allow for the project outcomes/benefits to be sustained. The project has also ensured that local stakeholders can identify their interest with those of the project's benefits; clear socio-economic benefits have been tested and promoted at the level of Tusheti and will allow the sustainability of the project's results on solid grounds. At the central level, the project has triggered a momentum for reflection on economic grounds which will be sustained by APA at the higher political level.

iii. Institutional framework and governance sustainability

The project has addressed the limited institutional capacities for the management and financial sustainability of the PAs system in Georgia. As such a training programme has been developed to allow PAs administrations and APA staff to prepare a sound basis for the management of PAs in Georgia. Although the training programme is not fully operational to date, however, a solid basis of conception and testing has been established and will allow APA to continue and sustain its development in order to achieve its results.

iv. Environmental sustainability

Environmental sustainability is an integral part of the Project's strategy and results; therefore the attainment of project results will directly strengthen environmental sustainability and the ecological resources of Georgia. The project has taken necessary measures to ensure that none of the project's activities can pose an environmental threat to the sustainability of project's outcomes. In-depth economic assessments have been closely complemented by necessary environmental assessment (including biodiversity monitoring), the basis of the project in promoting the financial sustainability of PAs has not overlooked the environmental sustainability of the proposed development activities.

Based on the above, Project's Sustainability is rated as Likely.

3.3.7 Impact (*)

Within its short timeframe of implementation (3 years), and even its shorter operational timeframe (2 years), it is not possible for the project to demonstrate measurable improvements in the ecological status or reductions of the pressure on the ecological systems.

However the TE notes that within the Tusheti PA demonstration site, necessary baseline information and system were established to allow the Tusheti PA Administration to be able to provide clear and tangible information on the impact of their conservation efforts, if the recommendations of the reports and assessments prepared by the Project are implemented.

The project has been able to establish a solid basis for informing on the status of the biodiversity and the ecosystem as a whole as well as the pressure and threats on the ecosystem in the Tusheti PA, the following key reports and studies can be noted in this respect:

- Biodiversity Assessment of Tusheti Protected Areas Complex
- Development of Law Enforcement Strategy
- Reclassification of Tusheti Protected Areas
- Development of community-based ecotourism/wildlife watching
- Development of local partnerships and capacity raising trainings
- Implementation of Biodiversity Monitoring
- Implementation of Law Enforcement Strategy
- Establishment of concessions with private sector tourism operators/investors

The above studies are culminated by the Updated management plan for Tusheti PA complex and the coming up Business Plan for Tusheti PA complex; which are working documents and can be used as a basis for assessing the

long-term impact of the conservation efforts on the Tusheti ecosystem in specific and can be further replicated in other PA sites in Georgia.

Based on the above, the Project's impact on "Environmental Status Improvement" and "Environmental Stress Reduction" is rated as Minimal, while the impact on "Progress towards stress/status change" is rated as Significant.

3.3.8 Ratings

As per UNDP and GEF TE guidelines, the TE ratings are consolidated in Table 17 below.

Table 17. Terminal Evaluation's Rating Project Performance		
Criteria	Comments	TE Rating
Monitoring and Evaluation: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall quality of M&E	(rate 6 pt. scale)	MS
M&E design at project start up	(rate 6 pt. scale)	S
M&E Plan Implementation	(rate 6 pt. scale)	MS
IA & EA Execution: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall Quality of Project Implementation/Execution	(rate 6 pt. scale)	MS
Implementing Agency Execution	(rate 6 pt. scale)	MS
Executing Agency Execution	(rate 6 pt. scale)	MS
Outcomes: Highly Satisfactory (HS), Satisfactory (S) Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU)		
Overall Quality of Project Outcomes	(rate 6 pt. scale)	S
Relevance: relevant (R) or not relevant (NR)	(rate 2pt. scale)	R
Effectiveness	(rate 6 pt. scale)	S
Efficiency	(rate 6 pt. scale)	MS
Sustainability: Likely (L); Moderately Likely (ML); Moderately Unlikely (MU); Unlikely (U)		
Overall likelihood of risks to Sustainability	(rate 4pt. scale)	L
Financial resources	(rate 4pt. scale)	L
Socio-economic	(rate 4pt. scale)	L
Institutional framework and governance	(rate 4pt. scale)	L
Environmental	(rate 4pt. scale)	L
Impact: Significant (S), Minimal (M), Negligible (N)		
Environmental Status Improvement	(rate 3 pt. scale)	M
Environmental Stress Reduction	(rate 3 pt. scale)	M
Progress towards stress/status change	(rate 3 pt. scale)	S
Overall Project Results	(rate 6 pt. scale)	S

4. Conclusions, Recommendations & Lessons

4.1 Corrective actions for the design, implementation, monitoring and evaluation of the project

This section recapitulates the different structural challenges or gaps identified at the level of the project design, implementation and M&E and proposes corrective actions which could be used in future initiatives.

vii. Risks and assumptions to be included in the project design

Several risks have not been taken into account in project design, and should be noted for future related initiatives, these include:

- (a) the risks related to the achievement of the legal reform planned through the project should be taken into consideration and dealt with at the highest political level, especially with regards to topics which require a policy decision such as decentralization of financial management at individual PAs' level;
- (b) the risks related to the capacity of APA to lead an ambitious policy and institutional reform in light of its recent creation should have been taken into consideration and necessary support provided to APA to allow it to respond to this project's requirements. The project has put extensive pressure on APA's resources which are already stretched out and it could have been more effective to provide necessary advisory services or other capacity support to APA to support it in achieving its role.
- (c) the risks related to the feasibility of updating management plans and developing business plans, including provision of training and technical support to national institutions and experts for conducting this work in the duration of 18 months.

viii. Ensuring stakeholders' participation in project design and implementation

As indicated in previous sections of the TE, the main stakeholders involved in project design as well as in project implementation are limited to APA and to the PAs administrations; the project document didn't not include a full-fledged stakeholders' analysis nor an institutional needs assessment.

This issue has been raised during the project MTE, which recommended an institutional mapping at the national level as well as the Tusheti PA level. Although this would have been an important exercise for positioning the project and the PA system as a whole within the larger national institutional configuration, it is not clear to the TE if this exercise would have been sufficient to ensure closer cooperation with key stakeholders. Concrete collaboration with key stakeholders would require involvement in the planning and implementation of the project, including considering their membership at the PEB level.

The TE has confirmed APA's ability to mobilize and cooperate with many international and national NGOs as well as donors. A positive and productive partnership has been established and is evolving between NGOs involved in the PAs system in Georgia and APA. This has been concretized both in terms of the willingness of APA to call upon national and international NGOs for the implementation of the Project's activities as well as in soliciting NGOs to attend meetings and share project's deliverable with them.

Several on-going initiatives related to strengthening the PAs system in Georgia were identified as part of the overall project configuration (since they are considered as project co-financing). However, the TE notes that Project failed to position the UNDP/GEF project "Ensuring Sufficiency and Predictability of Revenues for the Georgia's Protected Areas System" among those with which close linkages should be planned given the important complementarities between these two initiatives.

Moreover, limited interactions and partnerships with the local municipality in Akhmeti and with other concerned Ministries/departments, including cooperation with the MoEP, was also noted in the scope of the TE and should be taken into account in future initiatives.

ix. Supporting a strong basis for adaptive management in project implementation

Detailed analysis related to limited adaptive management in the use of the M&E system as well as in the implementation approach of the project has been provided in previous sections of the report. The main aspects which should be taken into account include the following:

(a) the composition of the PEB should include other members than the implementing partners, i.e. APA and UNDP in this case. As the different functions of the PEB have been slightly merged in the case of this project, the executive and beneficiary role were both held by APA, while the supplier and assurance roles were taken by UNDP. This has prevented the PEB from responding to the needs of the project with regards to the decision making process.

(b) clear definition in the roles and responsibilities of the Project manager and that of the Project Director should be respected. Although in principle these roles were clear and complementary, in reality, the project manager had no level of decision making even if clearance has been already granted by the PEB for the execution of specific activities. This has caused extensive pressure on all project team (PMU/APA/UNDP) as well as the contractors.

(c) the inception workshop and MTR should be used as guiding benchmarks of the projects and should influence the overall strategy, the planning as well as the implementation of project's activities. The TE has documented lack of response to the Inception Workshop and MTR recommendation, some which could have significantly improved the implementation of the project.

x. Provision of necessary strategic oversight and technical support for meeting project objectives

The lack of focus on priority results in the project design was not addressed during project implementation due to limited technical support during the lifetime of the project. This has affected the efficiency of the work and thus affected the delivery priority results of the project, mainly the training component and the development of business plans. It has also added a heavy burden on the project implementing agencies in the review and validation of the extensive number of reports produced by the project which are at least 36 technical reports, under Outcomes 1, 2 and 3, as documented in the List of Documents in Annex 4.

The limited technical support within the project has also lead to the lack of quality assurance for the review of technical reports, especially where disagreements between the technical providers (the contractors) and the client (APA) has occurred. An independent external support could have reduced tension within the project and reduced extensive delays in adoption of project deliverables.

Technical support could have also supported the need to ensure technical coherence in the implementation of the activities among two contractors and avoiding overlap and duplication of work.

xi. Disconnecting the implementation of project activities from APA's policy processes

Extensive delays in the clearance and validation of deliverables has been a continuous hurdle for the development and progress of project activities. This has added an extensive layer of pressure on APA, UNDP, the PMU and the contractors and has delayed project activities.

In this context, the separation between the implementation of project activities and the implementation of policy process which APA is accountable for should have been clearly defined, in order to allow the progress in the implementation of project activities without undermining the policy process required for the official approval of guidelines and regulations at the level of APA.

xii. Adoption of relevant monitoring and evaluation system and impact indicators

In order to measure its achievements, the project set forth two types of indicators:

1. Methodological tools for the measurement of improvements in the PA system management, including:
 - Financial Sustainability Scorecard
 - RAPPAM tool
 - Capacity Assessment Scorecard
 - METT
2. Process indicators related to the achievement of project outcomes including:
 - Approved legal-regulatory framework supportive to financial sustainability of PAS
 - Improved funding of 35 PAs of Georgia
 - Number of updated PA management plans that include business plans
 - Amount of PA-based revenues in dollar values for Tusheti PA
 - Established NRM or tourism-based PPP and/or concessions for Tusheti PA

Although the mix of indicators can be considered as comprehensive and strategic, especially for establishing a monitoring strategy for the PA system as a whole, it can also be argued that in the duration of 3 years and with the limited project budget available, it does not provide an accurate measurement of the impact of the project, especially with regards to methodological tools such as the Financial Sustainability Scorecard and the METT.

Within the scope of this project, some additional response indicators (such as reduction of threat on Tusheti's biodiversity) and process indicators (such as extent and coverage of training activities) could have provided needed measurement of project's results.

4.2 Actions to follow up or reinforce initial benefits from the project

Action 1. Consolidate training material and ensure necessary follow up with host institution for establishing a capacity building programme for PAs and ensure its sustainability

An extensive training programme has been developed and delivered by ECFDC/GCCW in Business Planning and Economic Valuation, Tourism Marketing and Awareness Raising, and Training of Trainers and is documented in Table 18 below. Participants were provided with electronic as well as hard copies of various materials including:

- Guidelines on Business Planning
- Technical Presentations
- Examples of business plans from different countries
- Management plans of 3 PAs in Georgia
- Tusheti marketing plan
- Presentations about Georgian PAs
- Guidelines on PAs carrying capacity and ecotourism development
- Manual including guidelines for carrying out trainings and presentations

Although the training programme has been elaborated in close consultation with Ilia University staff who reviewed and commented the material, efforts should be deployed to ensure that the Training programme on PA financing for APA is activated at the earliest and the momentum created by the project is captured by Ilia University.

The current agreement between Ilia University and APA should be activated and necessary support should be mobilized through various available resources to ensure that specialized professors are identified and trained if needed in order to be able to respond to national needs and conduct the trainings on their own

The TE has also documented the training activities conducted in Tusheti through NACRES (refer to Table 18 below), and which included several topics including: Training in Fundraising for Community-based and Non-governmental Organizations, Training in Public Relation and Communication, Training in Tourism Management, On-the-job training in monitoring biodiversity, data collection and processing, GPS and map reading skills and Training in Wildlife Watching Tours. NACRES has also provided some documentations during these trainings, these included the following:

- A media relations hand-book for non-governmental organizations
- Guidelines for the Development of community-based ecotourism/wildlife watching.

It is also important to ensure that all references and documentation used by NACRES in the context of these trainings are made available to other PA Administrations and to the training host institution which will be working closely with APA.

Table 18. Summary of trainings provided by ECFDC/GCCW and NACRES through the project

Trainings delivered by ECFDC					
Title of training	Language of training	Date of training	Duration Of trainings	Nbr of participants	Main institutions of participants
Business planning and Economic Valuation	English (Georgian translation provided)	26-30 March	5 days	22	5 from Ilia State University (3 students, and 2 lecturers), 5 from Caucasus University (5 students), 16 from APA and PA administrations
Tourism Marketing and Awareness raising	Georgian (with some info in Russian)	17-20 April	4 days	22	16 from PA administrations (out of 16, only 2 from APA), 5 from Ilia State University, 1 from travel

					agency
Training of Trainers	Georgian	22, 23, 25 May	3 days	7	5 from APA and PA and 2 from Ilia State University
Trainings delivered by NACRES					
Title of training	Language of training	Date of training	Duration Of trainings	Nbr of participants	Main institutions of participants
Fundraising for Community-based and Non-governmental Organizations	Georgian	June 20, 2011	1	7	3 “Friends of Tusheti PA” and 4 Local guesthouse owners
Training in Public Relation and Communication	Georgian	June 29, 2011	1	10	6 “Friends of Tusheti PA”, 2 “Tusheti guide”, 1 Local guesthouse owner, and 1 Tusheti PA administration.
Tourism Management	Georgian	July 15, 2011	1	6	3 guesthouse owners, 2 Tusheti PA representatives, 1 “Tusheti guide”
On-the-job training in monitoring biodiversity On-the-job training in data collection and processing, GPS and map reading skills, etc	Georgian	June, August, September 2010 July, 2011 Sept, 2011	5 Field trips, up to 3 weeks each	11	5 TPA rangers, TPA resource specialist, 1 local guide, 5 students
Wildlife Watching Tour (WWT)	Georgian	Sep 10-15, 2011	5 days tour	26	11 students, 4 NGO, 8 Gov institutions, 3 others

Action 2. Ensure necessary quality review and finalization of draft Business Plans developed by the project

Despite extensive sectoral studies which have been developed through both contractors, at the national level and at the level of Tusheti PA, the ultimate objective of the project to provide business plans for at least 3 PAs (including Tusheti) was not fully delivered during the project life.

It would be important for APA, with the support of its partners, to meet its commitments to ensure quality review and finalization of the business plans developed and their integration in the management plans of the respective PAs.

It is also important for APA to officially validate the standard formats for PA business plans for IUCN Category I and II, based on the experience for the development of business plans and officially promulgate the guidelines, in a way to allow future programmes involved with strengthening the PAs system to use them as a basis for development of other business plans in Georgia.

Action 3. Publishing of technical reports and ensuring outreach to available information

Although the Project has produced some the publications and some communication material (refer to the list of Information materials produced by the project in Annex 4), none of the technical reports are available for public use or have been published on the internet.

It would be very important to ensure that the key reports are published on APA’s website or other information networks to ensure their benefits are shared with all concerned potential users.

Action 4. APA should continue the project’s momentum and recommendations with regards to donor’s coordination and decentralization of financial responsibilities to PAs’ level

The 10-years investment plan has raised the issue of donor coordination as an essential aspect of the financial sustainability of PAs as *“The investment’s plan funding will be highly dependent on donor funding in order to achieve its objectives”*²¹. The investment plan recommended two options:

- i. APA forms a Donor Liaison Committee comprising senior representatives from within the organisation and representatives from the donors. It is possible to include representatives of Tourism Agency and Ministry of Finance in this Committee. Regular meetings of this Committee would be held (quarterly, or two times per year) and the forum would provide the opportunity to review progress and report upwards to the Ministry with regard to any problems or new initiatives to be funded.
- ii. APA seeks the establishment of Business Development Unit, the donor coordination will be one of the functions of this Unit.

An active solution which provides necessary time and efforts for the implementation of this investment plan and donor coordination is essential to optimize current resources for PAs at this opportune timing for Georgia and ensure the long-term financial sustainability of PAs.

A high-level policy process should also be triggered at the earliest to initiate decentralization of management and fiscal responsibilities at PAs level. With the increasing number of PAs in Georgia and the increasing funding for the development of capacities of the individual PAs, an institutional and fiscal reform is needed to be able to mobilize professional and motivate staff within the PAs who can benefit from evolving situation and can have room for innovations. Fiscal responsibilities should be considered as an integral part of the roles and responsibilities of the PAs Administration who could be empowered for leading a well managed and effective PAs system.

4.3 Best and worst practices in addressing issues relating to relevance, performance and success

The following lessons could be captured as part of the project’s experience and in the planning of future UNDP/GEF or other initiatives related to PAs system management and sustainability.

Lesson 1. Implementation arrangements should be carefully considered by UNDP as part of NEx modalities in future cooperation with APA

The implementation modalities followed in by APA, as the Implementing Partner, have reflected several limitations at different levels:

- Limited appropriate focus on results and timelines
- Overlap in the roles and responsibilities of the management arrangements, specifically those of the PEB, the National Director and the Project manager
- Micro-management of the project’s processes, mainly with regards to contractual arrangements
- Limited risks management and mitigation of risks
- Limited use of the M&E system in place

As the implementing agency, UNDP should ensure in future UNDP partnerships with APA that the NEx modalities can reflect necessary conditions for ensuring a high level of adaptive management within the project, whereby results should be clarified and deadlines for the validation of these results are respected. UNDP should also ensure that risks are properly identified and that necessary measures for risks mitigation are taken.

Lesson 2. Informing the development of business plans for PAs in Georgia from the experience in developing management plans

Currently, only four out of 17 Administrative units of protected areas in Georgia have updated management plans (see Table19 for status of Management Plans for PAs). Thus, majority of PAs lacks strategic guiding document to follow proper management of PAs. PAs which do not have management plans are managed by temporary regulations of the Ministry of Environmental Protection.

PA Management planning in Georgia has a very short history and started in the late 90s after Georgia became independent. The first management plan was developed for the Borjomi-Kharagauli National Park (BKNP) with support of the WWF and German Government. The management plan for BKNP has been approved by the Georgian Government in 1995; however it became operational after amendments made by KfW mission site-visit in

²¹Page 14 of the “10-years rational investment plan”.APA/UNDP. March 2012

1998. This management plan has covered the period of 1998-2002; it was recently updated by WWF with funding from the German Government.

During 2003-2008, 6 more management plans were prepared under the World Bank/GEF project “Protected Areas Development Project and Integrated Coastal Management”. Management plans have been prepared. All were approved by the Ministerial Decree in 2006 or in 2008. However, most of them have now expired or will expire in 2013. Several other institutions have also supported PAs in the development of their management plans; however, none of these have been officially approved to date.

Since 2008, APA recognized the need to have guidelines for management planning which would help them to put all the management plans in a single unified format. In August 2011, officially approved guidelines for management plans were issued. The approved guidelines for management plans are still under debate by various national and international institutions as they frame management plans as legal documents rather than working documents; it might be needed to further revise them to align them with international standards.

If the experience of implementing management plans has informed the policy process for the adoption of official guidelines for management planning, it can be expected that guidelines for business plans will take several years to concretize. Unfortunately, the Project’s experience has not allowed a mature process for developing business plans to take place as this activity has been delayed due to several factors. Accordingly, the Project didn’t provide the necessary experience for the development and implementation of the foreseen business plans.

At this point, APA, in collaboration with the different partners supporting it in developing management plans and business plan, should provide a technical basis for establishing needed management plans and business plans, and lead in parallel the necessary policy reform needed for formalizing this process.

Table 19. Summary of status of Management Plans for PAs in Georgia

Protected Area	Institution involved Initial Status	Date of approval	Institution involved Latest developments
Borjomi-Kharagauli PA	WWF/KfW Expired in 2002.		WWF/CNF Revised available in 2012
Vashlovani PA	World Bank/GEF Expired in 2008.	Jan 26, 2006 Ministerial decree #48	GIZ Revised available in 2012
Lagodekhi PA	World Bank/GEF Expired in 2009.	Feb 1, 2006 Ministerial Decree #52	Was abolished in 2009 Ministerial decree #44
Kolkheti PA	World Bank/GEF In place until 2013.	Feb 1, 2006 Ministerial Decree #50	
Kobuleti PA	World Bank/GEF In place until 2013.	June 26, 2006 Ministerial decree #494	
Tusheti PA	World Bank/GEF Expired in 2008.	July 5, 2006 Ministerial decree 537	UNDP/GEF Revised available in 2012
Batsara-Babaneuri PA	World Bank/GEF Expired in 2010.	July 14, 2008 Ministerial decree 535	
Mtirala PA	In place until 2013.	May 4, 2009 Ministerial Decree #14	
Ktsia-Tabatskuri MR	IUCN Developed in 2007-2009		
Javakheti			BMZ/KFW Available in 2012

Annexes

- Annex 1. ToRs of the Terminal Evaluation
- Annex 2. Itinerary of the Terminal Evaluation
- Annex 3. List of persons interviewed
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