

Terminal Evaluation Report

April 2012

version: REV3



UNDP/GEF: The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework “CaspEco”

GEF Project ID: 3620
UNDP PMIS ID: 4058
Executing Agency: UNOPS

GEF Focal Area: International Waters
Waterbody-Based Operation Program, No. 8

Countries: Republic of Azerbaijan, Islamic Republic of Iran,
Republic of Kazakhstan, Russian Federation, Turkmenistan

TE Prepared by: James Lenoci

Table of Contents

Executive Summary	i
Acronyms and Abbreviations	vi
Acknowledgements	viii
1. Introduction	1
1.1. Purpose of the Evaluation	1
1.2. Methodology and Structure of the Evaluation	1
1.3. Rating Criteria	2
1.4. Ethics	2
1.5. Terminal Evaluation Activities	2
1.6. Limitations	3
1.7. Terminal Evaluator	3
2. The Project and Its Development Context	4
2.1. Project Identification	4
2.2. Project Budget and Duration	4
2.3. Problems Addressed and Project Formulation	5
2.4. Immediate and Development Objectives of the Project	7
2.5. Main Stakeholders	7
2.6. Results Expected	8
3. Project Performance	8
3.1. Project Results	8
3.2. Effectiveness* (Objective and Outcomes Analysis)	10
3.3. Relevance*	21
3.4. Efficiency	21
3.5. Sustainability*	22
3.6. Catalytic Role	24
3.7. Country Ownership	26
3.8. Mainstreaming	27
4. Processes Affecting Attainment of Project Results	28
4.1. Project Design	28
4.2. Assumptions and Risks	28
4.3. Implementation Approach*	30
4.4. Stakeholder Involvement*	31
4.5. Financial Planning and Co-Financing	33
4.6. Monitoring & Evaluation* (M&E)	34
4.7. Management Arrangements, Coordination, and Operational Issues	35
4.8. Lessons from Other Projects	36
4.9. Linkages with Other Interventions and Effective Partnership Arrangements	37
5. Conclusions, Recommendations, and Lessons	39
6. Annexes	43
6.1. Annex 1: References	43
6.2. Annex 2: Terms of Reference for Terminal Evaluation	44
6.3. Annex 3: Evaluation Consultant Code of Conduct Agreement Form	55
6.4. Annex 4: List of Documents Reviewed	56
6.5. Annex 5: Itinerary of Field Visit	59
6.6. Annex 6: List of Survey Questions	60
6.7. Annex 7: List of Stakeholders Surveyed	62
6.8. Annex 8: Project Framework (Budget and Actual Cost Breakdown)	66
6.9. Annex 9: Co-Financing	67

EXECUTIVE SUMMARY

PROJECT OVERVIEW

The subject project, entitled “The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Framework” (hereinafter referred to as “the Project”) is the third GEF supported International Waters activity in the Caspian Sea region. The Caspian Environment Programme was carried out in two phases between 1998 and 2007: Phase I, Addressing Transboundary Environmental Issues in the Caspian Environment Programme; Phase II, Towards a Convention and Action Programme for the Protection of the Caspian Sea Environment.

The development goal of the Project is: *The sustainable use and conservation of the Caspian Sea’s bioresources*; and the Project Objective is phrased as follows: *The five littoral States of the Caspian Sea strengthen regional governance and apply new thinking to the sustainable management and conservation of the Caspian Sea’s biological resources*.

PURPOSE AND METHODOLOGY OF THE EVALUATION

In accordance with UNDP guidelines for GEF projects, the objectives of the terminal evaluation were to assess the relevance, effectiveness, and performance of the project in the achievement of its objectives; to assess the impact and sustainability of the project results, including the contribution to capacity development of local community and organizations; and to identify/document lessons learned and make recommendations that might improve design and implementation of other UNDP projects. The aim of the evaluation was to be as objective as possible in rating project performance, relying on stakeholder feedback and analysis of strategic framework indicators against project results.

PROJECT RESULTS

Question 1: Has the Project effectively catalyzed multi-state cooperation in the management of the Caspian Sea ecosystem?

Rating: Satisfactory

Arguably, the main objective of the Project was to facilitate multi-state cooperation as an absolute pre-requisite to effective ecosystem management. Without multi-national cooperation, most, if not all, conservation efforts by one state can be easily negated by unregulated actions of another. Subsequently, no technical solutions to address ecosystem problems in the Caspian can be implemented to positive result without improved political/enforcement through regional cooperation.

The Tehran Convention processes were significantly strengthened through the facilitation offered by the mobilized Project resources. Four protocols have been written and deliberated, one has been signed and adopted, and the other three are expected to be signed at the next conference of the parties in December 2012. Although the protocols have not been ratified by the end of the Project, the progress made in the midst of challenging political conditions is impressive. The littoral states have agreed to a strategic convention action program (SCAP), and each country has contributed to financial sustainability.

Question 2: Has the Project effectively supported foundational capacity building for ecosystem-based management of transboundary Caspian Sea bioresources?

Rating: Moderately Satisfactory

Important collaboration and training of key regional experts in both environmental and fisheries management was achieved through the activities of the Project, and a demonstration, scale-able ecosystem model was established to support ecosystem management decision making. Although the model was limited in geographic coverage and also there are some concerns regarding data reliability, development of this decision-supporting tool is considered a success. While political commitment and demonstrated institutional capacity has not been achieved in the transboundary context, the results of the fisheries studies and pilot projects, the extensive training and capacity building activities, and the habitat conservation assessments have provided important groundwork for pointing the way forward for sustainable ecosystem management.

Question 3: Has the Project effectively contributed to long-term monitoring of the Caspian Sea Ecosystem?

Rating: Moderately Satisfactory

The Project was successful in facilitating development of a joint ecosystem monitoring program. This is an important first step in providing a mechanism for monitoring and evaluation of long-term changes in the ecosystem. Regional adoption of a unified monitoring system did not happen during the timeframe of the Project, but institutional credibility and enhanced sustainability of the program will be achieved if endorsed at the next conference of the parties of the Tehran Convention, scheduled to be held at the end of 2012. The draft Caspian Information Centre was presented at the COP III and an update is also slated to be presented at the upcoming conference of the parties; this system will provide a solid platform to support the monitoring program among a wide stakeholder community.

MAJOR ACHIEVEMENTS AND STRENGTHS

It is well recognized that political borders are ignored by ecosystems. The Tehran Convention is not only the first post-Soviet environmental agreement between the littoral states, it is the ONLY agreement signed by all five countries. In a strange turn of events, concern for the environment is stimulating better regional cooperation, as opposed to the other way around.

Another noteworthy Project strength is the promotion of ecosystem-based management as opposed to the traditional fishery management strategies. The data shows that a decade of quotas and intensive hatchling release has not brought the fishery back. The problem is simply more complicated than that and this Project provided meaningful foundational capacity building that will help guide sustainable bioresources management in the future.

A significant portion of GEF funds provided for the Project went to producing Global Environmental Benefits (GEB). These took the form of multi-state cooperation, future biodiversity conservation, and long-term monitoring of the ecosystem. Specifically, strengthening of the Tehran Convention and capacity building for EBM approaches would clearly not have been achieved without GEF funding. The incremental costs for attainment of these global environmental benefits provided by GEF were supported by significant parallel

funding and co-financing from the littoral states. Parallel financing most likely exceeded project expectations.

The Matched Small Grants Programme and Micro Environmental Grants Programme were successfully implemented. Grants were extended to projects in each of the 5 littoral States, and the funded activities were relevant for increasing awareness and contributing to improved bioresources conservation. The total money spent on this outcome was nearly 20% more than the budgeted amount, but as some activities were not implemented as planned, reallocating funds into this outcome was sensible, as the effectiveness was high and these grass-roots efforts provide good opportunities for sustainability.

The developed ecosystem monitoring program is an important step towards sustainable regional long-term monitoring of the Caspian ecosystem. The State of Environment 2010 report prepared by the UNEP/GRID-Arendal is recognized as an important achievement and a solid platform for further development of regional monitoring activities and electronic data collection and sharing systems.

The Project also produced positive opportunities for catalytic intervention and/or replication. The two fisheries pilot projects provided effective demonstration, and there are opportunities at both sites for continued information dissemination after Project closure. Completion of the management plans for the Kura River Delta protected area and the Seals Special Protected Areas in Kazakhstan are important accomplishments, and provides solid mechanisms for ensuring that these areas are sustainably managed and offers replication opportunities in the other littoral states. There is also a high potential for replication through regional expertise that was enhanced by substantive training.

WEAKNESSES

Two primary design weaknesses were identified. Firstly, the time scale needed to achieve sustained regional cooperation and optimal ecosystem management is much longer than the planning horizon needed to urgently implement actions to revive critical and specific ecosystem damage. It is understood that the traditional fishery management systems using quotas and releasing hatchlings are not improving stock levels. A better holistic approach like EBM is clearly needed, but in the short immediate term, more proactive and pragmatic solutions are called for to reverse or at least halt further decline. Project outcomes should have better represented these short-term concerns.

The second major design weakness is the disproportionate focus on ecosystem science as opposed to the human behavior causing the problems. Overfishing is the single activity that has driven commercial fishing species to critically endangered levels, which in turn has degraded the ecosystem as a whole, and consequently has hampered the ability of the commercial stock to rebound using traditional management strategies. Meaningful cooperation is essential with those stakeholders whose livelihoods depend on those extractions, legal or illegal. Their motivations and alternative economic opportunities sufficient to change current extraction patterns need to be presented and developed. The Project design was flawed by not integrating more participation by the economic actors ultimately being regulated, including commercial and individual fishing concerns, caviar traders, seal hunters, and those who can develop alternative incomes such as regional investment banks, multi-nationals, investment/sector specific donor programs, etc.

There were significant delays (more than one year) in implementing some of the Project activities, particularly under Component 1. These delays, caused partly by prolonged nomination of national fisheries experts, unfavorably affected both the performance and sustainability of the intended outcomes. Some of the Project impediments, for example, unwillingness on the part of the countries to proceed with habitat conservation without agreement on the legal status of the Caspian, were known at inception. The inception meeting seemed to ineffectively address the known challenges at that time (e.g., the legal status), and some of the key adaptive management decisions were not made until the September 2010 Steering Committee meeting, which took place approximately 18 months after Project inception.

Much of the information produced by the Project is being incorporated in the NCAPs for the littoral states, but there are no specific mechanisms in place for facilitating continuation of some of the activities started under the Project, e.g., further development of an EBM model for the Caspian.

While a robust progress reporting structure was in place (APR/PIR), the system did not seem to have been used as intended. Information was introduced to these reports by the PMCU, UNDP-CO, and UNDP-RCU, but there did not seem to be a consolidation of the reported progress in the form of a management response to the Project team.

Allocation of responsibility among PMCU, IA, and EA was not clear in all aspects, for example with respect to tracking of co-financing. Following the mid-term evaluation, a responsibility matrix was introduced which improved understanding among the Project team with respect to roles and responsibilities.

LESSONS AND RECOMMENDATIONS

Changes in ecosystem management strategies take a long time to realize. The ecosystem-based fisheries management approach is relatively new, and for many emerging market countries, the challenge of implementing EBM techniques is even greater due to limited capacities and capabilities. Strategic framework indicators should have taken this more into account, i.e., performance metrics should be achievable under the timeframe and intrinsic constraints of a project.

Also, clearly there are different socioeconomic pressures as well as developed resource management capacities among the five littoral states. Metrics should not be restricted to "one size fits all", but rather some could be custom tailored for each country in order to manage expectations and focus resources appropriately; in some country more remedial actions might be warranted, and in others, more advanced building upon the results obtained to date.

Delays caused by governmental turnover, political instability, commercial factors, etc. are inevitable for such a Project. These delays are beyond the control of the Project and the people steering the implementation. That is why the flow of funding should follow milestones, not activities. If the people involved with implementation are obliged to produce something under artificial timelines that do not represent the reality on the ground, then the result will be a focus on outputs rather than outcomes.

For other GEF funded projects, it would be advisable to prepare organizational charts indicating the roles/responsibilities and financing of project coordination positions. In the CaspEco project, coordination was provided from several sources, including the national focal points, national project coordinator officers, coastal advisors, national liaison coordination officers, etc. It is important to show that there are no duplication of coordination efforts and how costs are distributed.

A significant amount of good science was realized through the Project activities, but there was limited consolidation of the results by the end of the Project. Several stakeholders pointed out that value would be added by condensing the results into a master plan that could be used as a platform for follow-up activities. In this context, stakeholders overwhelmingly stressed the need for further international donor support, to help facilitate continued transboundary collaboration.

Stakeholder feedback was generally positive regarding the proposed Bridging Project and the next phase of potential GEF funding (Supporting the implementation of the Teheran Convention, strengthen regional cooperation and adaptation to the Impacts of Climate Change in the Caspian with Emphasis on Water Level Fluctuations). Water level fluctuations and climate change effects are concerns for each of the littoral states, and stakeholders also stressed the need of further stewardship for some of the issues addressed by GEF funding, e.g., invasive species, integrated environmental monitoring and scientific knowledge of the Caspian ecosystem.

Another common feedback indicated by the surveyed stakeholders was the need for future donor financing for the implementation phase of the TC protocols. In fact, while the draft protocols have been finalized and are pending approval at the COP IV in December 2012, ratification will not likely happen without implementation financing secured and agreed upon.

ACRONYMS AND ABBREVIATIONS

APR/PIR	Annual Project Report and Project Implementation Review
AZ	Republic of Azerbaijan
CAB	Commission on Aquatic Bioresources (for the Caspian Sea)
CIC	Caspian Information Centre
CISS	CISS Caspian International Seal Survey
CMPA	Coastal Marine Protected Areas
COP	Conference of the Parties
CP	Country Programme
DI	Darwin Initiative
EA	Executing Agency (UNOPs)
EBM	Ecosystem-based Management
EBRD	European Bank for Reconstruction and Development
EEA	European Environment Agency
EFH	Essential Fish Habitat
EMP	Ecosystem Monitoring Programme
EwE	Ecopath with Ecosim ecological modeling software
ERA	Ecological Risk Assessment
FAO	Food and Agriculture Organization
FBE	Fisheries and Bioresources Expert
GRID	Global Resource Information Database
GEF	Global Environment Facility
GloBallast	GEF-UNDP-IMO Global Ballast Water Management Programme
IA	Implementing Agency (UNDP)
IAEA	International Atomic Energy Agency
IfIs	International Funding Institutions
IMO	International Maritime Organization
IR	Islamic Republic of Iran
IUU	Illegal, unreported and unregulated fishing
KZ	Republic of Kazakhstan
LBSA	Land-based sources and activities of pollution
M&E	Monitoring and Evaluation

NFP	National Focal Point
NCAP	National Caspian Action Plan
NPCOs	National Project Coordination Officers
NSCAP	National Strategic Convention Action Plan
OU	Out posted Unit (of the Tehran Convention Interim Secretariat)
OSIR	Oil Spill Incidence Response
OSPRI	Oil Spill Preparedness Regional Initiative
PA	Protected Area(s)
PIMS	Project Information Management System
PNC	Project National Coordinator(s)
PTS/POPs	Persistent Toxic Substances/Persistent Organic Pollutants
QA	Quality Assured
RF	Russian Federation
SAP	Strategic Action Programme
SCAP	Strategic Convention Action Programme
SC	Steering Committee (of the project)
SPACE	Special Protected Areas of the Caspian Ecosystem
SSPA	Seal Special Protected Area
TA	Technical Assistance
TBD	To Be Determined
TC	Tehran Convention
TCIS	Tehran Convention Interim Secretariat
TCPS	Tehran Convention Permanent Secretariat
TDA	Transboundary Diagnostic Analysis
TK	Turkmenistan
UEMP	Unified Ecosystem Monitoring Program
UNDP-CO	UNDP Country Office
UNDP-RCU	UNDP Regional Coordinating Unit (Bratislava)
UNEG	United Nations Evaluation Group
WB	World Bank

ACKNOWLEDGEMENTS

The evaluator would like to acknowledge the information provided by IA, EA, and PMCU/TCIS stakeholders, specifically Dr. Vladimir Mamaev, Regional Technical Advisor with UNDP-GEF, Katrin Lichtenberg, senior portfolio manager (EMO IWC) with UNOPS, Dr. Frederik Schlingemann, Senior Advisor to the TCIS, with the UNEP Regional Office for Europe, and Dr. Parvin Farshchi, Chief Technical Advisor with the PMCU.

Thanks is also extended to the PMCU staff, who explained key implementation details and provided valuable Project control and status information.

Special recognition goes out to the National Project Coordination Officers in each of the five countries: Mr. Rasim Sattarzadeh of Azerbaijan, Ms. Farnaz Shoaie of the Islamic Republic of Iran, Mr. Serik Akhmetov of Kazakhstan (who also arranged meetings and interviews during the terminal evaluation field visit), Ms. Tatiana Butylina of the Russian Federation, and Ms. Gozel Orazdurdyeva of Turkmenistan.

Finally, appreciation is extended to all of the surveyed Project stakeholders who spent valuable time in responding to the evaluation questionnaire and also patiently participated in telephone and Skype interviews.

1. INTRODUCTION

- 1) The subject project, entitled “The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Framework” (hereinafter referred to as “the Project”) is the third GEF supported International Waters activity in the Caspian Sea region. The Caspian Environment Programme was carried out in two phases between 1998 and 2007: Phase I, Addressing Transboundary Environmental Issues in the Caspian Environment Programme; Phase II, Towards a Convention and Action Programme for the Protection of the Caspian Sea Environment.

1.1. Purpose of the Evaluation

- 2) As specified in the Terms of Reference for the terminal evaluation (see Annex 2), the objectives were as follows:
 - To assess the relevance, effectiveness, and performance of the project in the achievement of its objectives;
 - To assess the impact and sustainability of the project results, including the contribution to capacity development of local community and organizations;
 - To identify/document lessons learned and make recommendations that might improve design and implementation of other UNDP projects.

1.2. Methodology and Structure of the Evaluation

- 3) The terminal evaluation was carried out in accordance with UNDP and GEF Monitoring and Evaluation policies and guidance (UNDP 2011). The goal of the terminal evaluation process was to take into account the views of all relevant stakeholders.
- 4) Consistent with GEF policies for terminal evaluations, assessment of project performance focused on outcomes. The following criteria were used in evaluating Project outcomes:
 - Relevance: Were the Project’s outcomes consistent with the focal areas/operational program strategies and country priorities?
 - Effectiveness: Are the actual Project outcomes commensurate with the original or modified Project objectives?
 - Efficiency: Was the Project cost effective? Was the Project compliance with incremental cost criteria and in securing co-funding? Was Project implementation delayed, and, if it was, did that affect cost effectiveness?
- 5) Relevance and effectiveness were considered the critical criteria, and the overall rating of outcomes could not be higher than the lowest rating on relevance and effectiveness.
- 6) The risks to sustainability of Project outcomes were also rated. The following aspects of risks to sustainability were assessed: financial risks, socio-political risks, institutional framework and governance risks, and environmental risks. All risks aspects of sustainability were considered critical, so the overall ratings could not be higher than the lowest rated aspect.

- 7) Project performance was also evaluated in terms of catalytic and/or replication effects, country ownership, and mainstreaming.
- 8) The terminal evaluation also assessed whether the Project met the minimum monitoring & evaluation (M&E) requirements for project design, implementation, and sufficiency of funding. The overall rating of this component of the Project was based solely on implementation of the M&E plans.
- 9) Other processes affecting attainment of Project results were also evaluated, including Project design, assumptions & risks, implementation approach, stakeholder involvement, financial planning and co-financing, management arrangements, lessons from other projects, and effective partnerships.
- 10) Finally, the terminal evaluation closes with an outline of the conclusions drawn and a summary of lessons and recommendations that could be applicable to other GEF and UNDP interventions.

1.3. Rating Criteria

- 11) Project performance was rated according to the 6-point GEF scale, ranging from High Satisfactory (no shortcomings) to Highly Unsatisfactory (severe shortcomings). The Project results were compared against the strategic framework indicators, but also were evaluated with respect to the challenges of operating under politically unstable circumstances. As some of the performance metrics (indicators) were not fully commensurate with aim of the particular outcomes, the overall development goal was also considered with rating performance.
- 12) In the context of GEF guidelines, sustainability is generally considered to be the likelihood for continued benefits after GEF funding ends. Sustainability was rated according to a 5-point scale, ranging from Likely (negligible risks to sustainability, with key outcomes expected to continue into the foreseeable future) to Highly Unlikely (expectation that few if any outputs or activities will continue after project closure).

1.4. Ethics

- 13) The terminal evaluation was conducted in accordance with the UNEG Ethical Guidelines for Evaluators, and the terminal evaluator has signed the Evaluation Consultant Code of Conduct Agreement form (see Annex 3). In particular, the evaluator ensures the anonymity and confidentiality of individuals who were interviewed and surveyed. In respect to the UN Declaration of Human Rights, results were presented in a manner that clearly respects stakeholders' dignity and self-worth.

1.5. Terminal Evaluation Activities

- 14) The terminal evaluation was carried out during a period of 20 days from 2012 March through the end of April. The main activities of the evaluation included the following:
 - A desk study was made of Project documents and reports (see Annex 4), including the Project Document, Steering Committee Meeting minutes, inception and final

reports of the different working groups, Tehran Convention Conference of Parties meeting minutes, and Project budget and financial reports.

- The terminal evaluator participated at the 2012 March 16 Steering Committee meeting in Moscow.
- A week-long visit to the Project management (PMCU) office in Astana, Republic of Kazakhstan from 2012 April 16 through the 20th was carried out (see Annex 5). Personal interviews were held with the PMCU project manager and staff, national project coordination officer for the Republic of Kazakhstan, representatives of the UNDP-CO, and representatives of the Republic of Kazakhstan Ministry of Foreign Affairs, Ministry of Environment, and Ministry of Agriculture (both the Fisheries and Forestry-Hunting Committees).
- Survey questionnaires were sent to the stakeholders prior to the telephone/Skype interviews (see Annex 6). Telephone and Skype interviews were held with Project stakeholders from each of the 5 littoral States, UNDP, UNOPs, UNEP (TCIS), regional and international consultants who worked on the Project, as well as representatives from NGOs and private sector organizations (see Annex 7).

1.6. Limitations

- 15) Limited Time and Budget: A total of 20 days has been allocated for the terminal evaluation, and time and budget constraints precluded visiting each of the 5 participating countries. Only one of the 5 countries (Republic of Kazakhstan) was visited.
- 16) Transboundary context: There are a significant number of stakeholders, and moreover, the project covers territory in 5 countries, making it necessary to work in a transboundary context.
- 17) Stakeholder feedback: As time was of limited, some stakeholders did not respond in time to the survey.

1.7. Terminal Evaluator

- 18) The terminal evaluation was carried out by Mr. James Lenoci, an independent environmental expert, based in Budapest, having 25 years of experience managing a variety of projects in Central and Eastern Europe, CIS, United States, Africa, and Asia. Professional experience includes international water projects (including the Black Sea and Danube basin GEF projects), design and management of waste disposal facilities, environmental compliance and due diligence, and management of complex environmental remediation.

2. THE PROJECT AND ITS DEVELOPMENT CONTEXT

2.1. Project Identification

19) Project identification information is summarized below.

GEF Project ID:	3620
UNDP PMIS ID:	4058
Countries:	Republic of Azerbaijan, Islamic Republic of Iran, Republic of Kazakhstan, Russian Federation, Turkmenistan
Project Title:	The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework
Implementing Agency:	UNDP (United Nations Development Programme)
Executing Agency	UNOPS (United Nations Office for Project Services)

2.2. Project Budget and Duration

20) Project budget and key dates are as follows:

GEF Grant	5,000, 000 USD
Project Development	300,000 USD
Project Implementation	4,700,000 USD
Total Expected Co-Financing	42,643,000 USD
CEO endorsement/approval	January 08, 2009
Agency approval date	April 24, 2008
Implementation start date	March 2009
Mid-term evaluation date	December 2010
Project completion date	May 2012
Terminal evaluation date	April 2012
Expected Project closing date	May 31, 2012

2.3. Problems Addressed and Project Formulation

21) As indicated in the excerpt below from the Project Document, cumulative effects of human activities have led to the weakened resilience of the Caspian ecosystem.

30. The Caspian Sea's ecosystem resilience has been diminished over time due to the cumulative effects of human development. This includes the separation of the Caspian's fish from their spawning rivers through the dewatering of some rivers and the damming of others; intensive hatchery programs operating with insufficient numbers of brood stock; the introduction of an invasive species of jellyfish that has modified the appearance of the system and most likely its function, including its trophic relationships; the input of POPs/PTS from agricultural activities and chronic, low-level pollution from oil exploration over time. The cumulative effects of all of this are manifested most clearly in the dramatic depletion of the Caspian's priority fisheries of sturgeon, herring, sprat and kilka.

22) The main thrust of the Project was to devise and implement a strategy to stop and then reverse the negative impact of human development on this precious ecosystem. This is in essence a human activity control problem; i.e., anthropogenic causes are responsible for fisheries depletion, declines in seal populations, introduction of invasive species, and water quality degradation. The impact of these activities throughout the ecosystem is wide and complex, and sometimes to devastating effect.

23) The expectation of this project is that if humans are the cause, then improved knowledge and cooperation are critical in resolving the problems. The formulation of the Project is broken down exactly along these lines:

Component 1: Strengthening Regional Capacity for Ecosystem-based Management of Aquatic Bioresources in the Caspian Sea.

Component 2: Strengthened Regional Environmental Governance

24) Component 1 addresses the need to increase the knowledge base and regional capacity with respect to the issue of over-harvesting of bioresources, and the impacts of over-fishing on the degradation of the ecosystem at large, and in turn, the impact of a degraded ecosystem on the sustainability of fish stocks. Taking this mutually re-enforcing feedback loop together is the essence of the ecosystem-based management promoted in this project. There is no question that the Caspian Sea needs an ecosystem-based management approach.

25) The Caspian Sea represents 90% of the global sturgeon biomass. According to the IUCN, the *Huso huso* and the other species (*A. gueldenstaedtii*, *A. persicus*, *A. stellatus*, and *A. nudiventris*) are "Critically Endangered" with population trends all decreasing (IUCN 2012). The most valued of all the sturgeon, *Huso huso* may already be on a path of no return. Global fisheries statistics show that for *Huso huso* there has been a 93% decline in catch from 1992 (520 tons) to 2007 (33 tons) (FAO 2009).

26) The number of Beluga annually entering the Volga dropped from 26,000 (1961-65) to 2,800 (1998-2002), a decline of 89% in 33 years (Khodorevskaya et al. 2009), and only 2,500 migrated up Ural in 2002 (Pikitch et al. 2005). This is further underscored by the fact that despite intensive restocking in the Caspian (91% of each generation is estimated to come from hatchery stock), the annual catch in the northern Caspian Sea has fallen (IUCN

2012). The agreed upon quota of Beluga catch for all the Caspian Sea was 99.8 tones - this quota was not reached. While Beluga used to make up 11% of the catch, recent data showed that trawl surveys did not exceed 31 specimens per year (Khodoresvkaya et al. 2009). Despite traditional fisheries management using intensive augmentation of hatchery fish and severe quotas, the Beluga population is not only not responding, but drastically falling. This is true for all five sturgeon species (other fish species including the Caspian Salmon, kilka, and three species of herring are also endangered). The next category on the IUCN scale is extinction. Some new ideas or approaches or commitment levels by the littoral states are needed to have even a chance to save these species in their wild form in their natural habitat.

- 27) It would be easy to stop here and say the main problem is ecosystem denigration from over-harvesting, pollution, toxins, etc. But that's not it. The real problem is human behavior, specifically in regards to sturgeon and caviar. Most optimal control models reach steady states as stock levels reduce, catch level of effort rises against a downward sloping demand curve - as prices rise reflecting scarcity, less is demanded. This equilibrium depends on a downward sloping demand curve, i.e., demand must curtail as prices rise, reducing returns to the fisherman. But this, unfortunately, is not the case with the high-end Beluga caviar. In this strange case, like many cases of luxury wildlife products, there is a Veblen Effect; i.e., there is signal to a group of conspicuous consumers that the higher the price, the better a product is and demand is not curtailed but increased or stays the same (Veblen 1899). Instead of a "harvest" of Caspian sturgeon, we have a sturgeon mining operation, where the rising costs are happily borne by a particular group of consumers; these are the people in the market segment paying 16,000 USD/kg for Beluga caviar. There is no equilibrium harvest rate; rather the illegal poachers will simply continue mining until the fish are gone.
- 28) In a connected event, the IUCN has also placed the Caspian Sea Seal on the endangered list. Seal population size exceeded one million in the 1930s, when more than 100,000 seals (of all age classes) were killed annually. Numbers of reproducing females have decreased from about 117,000 to between 20,000 and 8,000 over the past three generations, which indicates a decline of more than 70%. Recent surveys suggest that this decline has not ceased, but is on-going. The distribution of the Caspian Seal in a completely closed ecosystem, from which individuals cannot disperse, makes it vulnerable to some or all of the many threats it currently faces. Major pan-Caspian changes such as reduction in stocks of prey fish (due to over-fishing and the jelly-fish *Mnemiopsis*) and reduction in the seal's breeding habitat and loss/degradation of other habitat features threaten the species' viability. Current and future large-scale mortalities due to hunting, fisheries operations and disease (such as CDV) will likely continue to drive the current population decline. Caspian Seals qualify for listing as Endangered under IUCN criteria (Caspian Seal Project 2012).
- 29) According to the Caspian Seal Conservation and Management Plan (SCAMP), the most acute problem is overharvesting and the first and foremost conservation measure to be taken is to stop all deliberate killing of Caspian seals. Zero kill is the goal. Some good management practices have been implemented, for example, in Iran, where fishing by-catch is the major cause of seal deaths, a system has been put in place where fisherman detain seals in tanks instead of killing them. But, overall, implementation of the management plan has been unsuccessful.

30) Component 2 of this Project was designed to foster the collective will to further strengthen regional environmental governance among the 5 littoral states. The Tehran Convention had made good progress in providing a platform for transboundary collaboration, and became the first legally binding agreement ratified by the Caspian states in 2006. The Project resources under this component would be directed to facilitate further development of the TC processes and help bring the convention closer to financial sustainability.

2.4. Immediate and Development Objectives of the Project

31) The development goal of the Project is: The sustainable use and conservation of the Caspian Sea's bioresources. This goal would be achieved through the Project objective phrased as follows: The five littoral States of the Caspian Sea strengthen regional governance and apply new thinking to the sustainable management and conservation of the Caspian Sea's biological resources.

2.5. Main Stakeholders

32) The stakeholders of the Project and the health of the Caspian Sea ecosystem stretch across the entire physical and economic dimension of the region. In fact, there is little that impacts the ecosystem that does not affect the regional economic actors. The question of who are the main stakeholders is open to debate, especially for a project of this scale. Without question, there are large economic actors which have significant or potential impact on the ecosystem. The economic actors with the greatest impact including the following:

- Coastal communities/populations
- Oil and Gas Producers
- Related Oil and Gas Support Services
- Shipping Companies
- Commercial Fishing and Trading Companies and Individuals - Legal and Illegal
- Subsistence fishing
- Coastal Development Companies
- Upstream Municipal, Industrial, and Agricultural Polluters
- Tourism

33) Governmental actors with greatest stake are those generally responsible for monitoring and controlling the behavior of the economic actors named above. These include

- Ministries of Fisheries
- Ministries of the Environment
- Ministries of Energy
- Ministries of Agriculture
- Ministries of Trade
- Ministries of Foreign Affairs
- Ministries of Economic Development
- Ministries of Justice - Legal System, Rule of Law
- Agencies responsible for Social Welfare
- Agencies responsible for Poverty Reduction
- Enforcement Agencies - Port Authorities, Wildlife Police, Criminal Police

- Coastal and Riparian Community Development Agencies

34) In addition, there are NGOs involved in improving ecosystem and sustainable livelihoods. On the international scale, the main multilateral agencies include:

- TCIS
- UNDP
- UNEP
- FAO
- IMO
- IAEA

35) The purpose of listing all these stakeholders is to grasp the wide number of stakeholders that impact or are impacted by changes in the health of the Caspian Sea ecosystem. What is clear that stakeholders fall into two basic categories: (1) those who engage in activities that degrade or potentially degrade the ecosystem in some way, and (2) those who try to regulate, mitigate, or manage that degradation, in other words the regulator and the regulated. What is also clear from decades of environmental regulation, to achieve sustainability, stakeholder representation from both the regulator and the regulated is essential.

2.6. Results Expected

36) The results expected from the Project can be summarized as follows:

- i. Sustainable, multi-state cooperation in the management of the Caspian Sea ecosystem
- ii. Increased foundational capacity for ecosystem-based management of transboundary Caspian Sea bioresources.
- iii. Unified long-term monitoring of the Caspian Sea ecosystem.

3. PROJECT PERFORMANCE

3.1. Project Results

37) Question 1: Has the Project effectively catalyzed multi-state cooperation in the management of the Caspian Sea ecosystem?

Rating: Satisfactory

Arguably, the main objective of the Project was to facilitate multi-state cooperation as an absolute pre-requisite to effective ecosystem management. Without multi-national cooperation, most, if not all, conservation efforts by one state can be easily negated by unregulated actions of another. Subsequently, no technical solutions to address ecosystem problems in the Caspian can be implemented to positive result without improved political/enforcement through regional cooperation.

The Tehran Convention processes were significantly strengthened through the facilitation offered by the mobilized Project resources. Four protocols have been written and deliberated, one has been signed and adopted, and the other three are expected to be signed at the next conference of the parties in December 2012. Although the protocols have not been ratified by

the end of the Project, the progress made in the midst of challenging political conditions is impressive. The littoral states have agreed to a strategic convention action program (SCAP), and each country has contributed to financial sustainability.

38) Question 2: Has the Project effectively supported foundational capacity building for ecosystem-based management of transboundary Caspian Sea bioresources?

Rating: Moderately Satisfactory

Important collaboration and training of key regional experts in both environmental and fisheries management was achieved through the activities of the Project, and a demonstration, scale-able ecosystem model was established to support ecosystem management decision making. Although the model was limited in geographic coverage and also there are some concerns regarding data reliability, development of this decision-supporting tool is considered a success. While demonstrated institutional capacity has not been achieved in the transboundary context, the results of the fisheries studies and pilot projects, the extensive training and capacity building activities, and the habitat conservation assessments have provided important groundwork for pointing the way forward for sustainable ecosystem management.

39) Question 3: Has the Project effectively contributed to long-term monitoring of the Caspian Sea Ecosystem?

Rating: Moderately Satisfactory

The Project was successful in facilitating development of a joint ecosystem monitoring program. This is an important first step in providing a mechanism for monitoring and evaluation of long-term changes in the ecosystem. Regional adoption of a unified monitoring system did not happen during the timeframe of the Project, but institutional credibility and enhanced sustainability of the program will be achieved if endorsed at the next conference of the parties of the Tehran Convention, scheduled to be held at the end of 2012. The draft Caspian Information Centre was presented at the COP III and an update is also slated to be presented at the upcoming conference of the parties; this system will provide a solid platform to support the monitoring program among a wide stakeholder community.

3.2. Effectiveness* (Objective and Outcomes Analysis)

40) The effectiveness of Project performance is evaluated below, through analysis of the design and results of the objective and outcomes.

OBJECTIVE: To support littoral states' efforts to restore depleted fisheries in the Caspian Sea and to fully operationalize and make sustainable the Caspian's regional environmental governance framework.

Strategic Results Framework Indicators:

1. Tehran Convention Strategic Convention Action Plan (SCAP) approved and adopted by end of project.
2. National Strategic Convention Action Plans (NSCAPs) approved and adopted by end of project.
3. Financial stability of Tehran Convention Secretariat (TSC); annual contributions of 72,000 USD by end of year 1.
4. Strengthened institutional status of Caspian Aquatic Bioresources Commission (CAB); legal status obtained under TC umbrella.
5. At least four protocols to TC ratified by all 5 countries by end of project.
6. At least one additional MPA (marine protected area) in Caspian by end of project.
7. At least 6 essential fish habitats (EFHs) property assessed and mapped by year 3 of project.

Logic/Strategy/Indicators:

The first three indicators are considered reasonable, and for the most part in accordance with SMART criteria (UNDP 2011); these metrics are specific, measurable, achievable, relevant, and time-bound. The achievability of the other four indicators is more unlikely. Difficulties in effective engagement with the CAB were experienced during CEP-II, and it was a bit unrealistic to expect this degree of progress by the end of the Project. Ratification of at least four protocols by end of Project was also improbable, although the pace progress of the TC processes shortly after the convention went into force in 2006 was quite fast. The last two indicators were somehow linked to reaching an agreement regarding the legal status of the Caspian marine territories which, again, was unlikely within the relatively short timeframe of the Project.

The indicators developed for the Project objective did not include any reference to foundational capacity building for EBM approaches in the Caspian which was the main aims under Component 1. Also, engagement with key private sector stakeholders, such as caviar traders, was not represented in the performance metrics of the Project.

Assessment of Results:

The overall Project effectiveness is rated as **moderately satisfactory**.

The facilitation by Project resources in advancing the TC processes and achievement of financial sustainability was impressive under challenging political circumstances of the Caspian, even though the protocols have not yet been approved or ratified by the end of the Project.

Some positive inroads were made with respect to collaboration with CAB, but far from productive engagement toward mutually beneficial goals. Some of the Project activities associated with MPAs and EFHs were postponed due to the lack of agreement on legal status; however, adaptive management to these changed circumstances was insufficient in modifying the strategic framework of the Project and redirecting resources to relevant and achievable results.

Component 1, Outcome 1: Ecosystem-based management (EBM) has begun to be adopted and practiced by the Caspian States

Outputs and Activities	Strategic Results Framework Indicators:
<p>Output 1. New analytical models and decision support tools for EBM</p> <p>Activity 1. Case Study: Link biodiversity conservation and fishery production objectives to advance EBM in the Caspian Sea</p>	<ol style="list-style-type: none"> 1. New stock assessment methodology recommended (or endorsed) by CAB and all five countries using the methodology by end of project. 2. Ecosystem modeling tools and supporting data for bioresources conservation and management used by at least five users by end of year 1. 3. 30% improvement in knowledge of key technical aspects of ecosystem based bioresources management by end of project. In addition, at least 15 people trained in bio-economic modeling, 15 people trained in ecosystem management, and 15 people trained in ecological monitoring and risk assessment by end of project. 4. Signed memorandum of understanding between the TCIS and CAB by end of year 1, and at least three joint activities or actions by end of project. 5. Five national institutions using the unified environmental monitoring system by the end of year 2. 6. At least 4 ecological risk assessments done by Caspian states based upon environmental monitoring data.
<p>Output 2. Unified Environmental Monitoring Program operational and data utilized</p> <p>Activity 1. Develop unified, integrated, and affordable Caspian ecosystem monitoring program (EMP) among all five Caspian countries</p> <p>Activity 2. Conduct Ecological Risk Assessment Training</p>	
<p>Output 3. Capacity building for bioresource governance and management</p> <p>Activity 1. Strengthening regional bioresources management effectiveness and institutional capacity</p>	

Approved Budget: 730,000 USD (28% of total budget for Component 1)

Actual Spent at End of Project: 803,590 USD (32% of total spent for Component 1)

Logic/Strategy/Indicators:

Important exogenous factors influencing EBM, such as agreeing upon marine territories, could take years to resolve, so the key word “begun” in the phrasing of the outcome captures reasonable expectations. The outputs and activities under this outcome were extensive, and certain assumptions were made regarding success of collaboration with the CAB and transboundary adoption of both EBM principles and unified monitoring strategies. Knowing at the onset of the Project that collaboration with the CAB had been challenging, the indicator of having a signed memorandum after year 1 seems to have been an over-estimation. Similarly, with regard to the unified monitoring system, an indicator aiming to achieve adoption of a transboundary monitoring program might have been a more reasonable target, as the time involved in realizing implementation in each of the five countries will not only require agreement on national legislation and also with respect to funding.

Assessment of Results:

The effectiveness of this outcome is rated **moderately satisfactory**. The work completed under this outcome was successful in developing a draft ecosystem monitoring program (EMP) which awaits approval at the TC COP-4 meeting at the end of 2012. This is an important step towards sustainable regional long-term monitoring of the Caspian ecosystem. EBM management tools, such as the ECOPATH model, were introduced and extensive training was provided to regional experts. Due to delays in implementing the work under the modeling activity, data quality, and the time and budget constraints, only the northern reaches of the Caspian were represented in the developed model. The main result was the demonstration of EBM modeling tools, and developing a scale-able model that could be a platform for subsequent transboundary collaboration. As some of the EBM outputs were completed near the end of the Project and considering that there was no specific exit strategy developed, the sustainability of the outcome is moderately unlikely, i.e., there is limited expectation that the initiated EBM activities will continue after project closure.

A common stock assessment methodology was not developed, as planned. This was a rather ambitious

goal to complete within the relatively short timeframe of the Project and the intrinsic transboundary political challenges among the littoral States. Not too many inroads were made with the CAB, but an indirect dialogue was established and it seems that the CAB is starting to evaluate issues, such as IUU, that were highlighted in the Project as the leading cause of sturgeon and other fisheries depletion. Forming an early and sustained collaboration with FAO might have helped increase likelihood for further advancing these dialogues; FAO has the resources and knowledge base to act as an intermediary between the CAB and the TCIS, with the aim at forming a more sustainable regional fisheries management agreement.

The amount of money spent on this outcome was approximately 15% more than the budgeted figure. Some resources were directed into this component from Outcome 4, as some of those activities were postponed. Some of the increased cost is reportedly attributed to an under-estimation of national consultant fees and meeting costs in the Project design.

Component 1, Outcome 2: Invasive Species Introduction Mitigated	
<p>Outputs and Activities:</p> <p>Output 4: Recommendations for regional management of ballast water to control invasive species traffic among the Caspian and the Black and Baltic seas.</p> <p>Activity 1. Establish a Caspian-wide Task Force comprising of two representatives from Ministries of Transport, Environment, and Fisheries in each country.</p> <p>Output 5: Regional collaborative process focusing on <i>Mnemiopsis</i> control.</p> <p>Activity 1. Assist the Tehran Convention to refine recommendations for Invasive Species Management in the Caspian Sea in line with the TC protocol on biodiversity.</p>	<p>Strategic Results Framework Indicators:</p> <ol style="list-style-type: none"> 1. Regional action plan on invasive species control and prevention endorsed by the TC and the Russian Ministry of Transportation by end of project. 2. No decrease/increase in the number of ships passing the Volga-Don canal with all necessary ballast water paperwork.

Approved Budget: **281,000 USD** (11% of total budget for Component 1)

Actual Spent at End of Project: **197,551 USD** (8% of total spent for Component 1)

Logic/Strategy/Indicators:

International cooperation on commercial shipping practices requires much stronger enforcement capability that can be developed in the scope of this project, and mitigating the introduction of invasive species is an unrealistic outcome expectation from a project with funding and timing of this scale. A more realistic outcome might have been improving the cooperation with commercial shipping concerns to initiate dialog, develop a regulatory framework, and to implement pilot projects to develop effectual working relationships between the regulators and regulated stakeholders.

The outputs and activities that were developed for this outcome do not include sufficient private sector stakeholder involvement, e.g., from commercial shipping, fishing, and oil & gas companies that would have been necessary to achieve the strategic framework indicators.

The process of controlling and/or mitigating invasive species would have likely benefited with more focus on socioeconomic issues in Project design.

Assessment of Results

The effectiveness of this outcome is rated as **moderately satisfactory**. The activity regarding development of a regional ballast water management action plan was delayed, following a Steering Committee decision during the 2010 September meeting. A presentation of the regional strategy is slated for the TC COP-4 meeting later in 2012; the original schedule was COP 3, held in 2011 August. IMO contact was rekindled and this is an important multilateral partnership that increases the chance

for sustainability of this outcome. Much of the work under this activity will be completed after the Project closes, thus jeopardizing organizational support over the remaining implementation period.

The other activity under this outcome was scientific study of *Mnemiopsis* which was a follow-up of some of the work completed under the CEP I and II projects. Interviewed stakeholders indicated that the scientific studies added value with respect to causes, but no consensus has been reached regarding control of invasive species in the Caspian.

This issue of invasive species was also addressed during the CEP I-II projects, but agreement on how to move forward was not reached. Regional consensus will likely only be achieved once the Annex on Invasive Species to the Protocol on Biodiversity Conservation will be agreed upon by the contracting states.

The money spent on this outcome was approximately 70% of the budgeted amount. IMO has provided some co-funding that was not earmarked in the co-financing plan, so there should be sufficient funds to complete the regional strategy by the COP IV meeting at the end of the year.

Component 1, Outcome 3: Caspian stakeholders implement policies & measures to increase reproductive success of Caspian's diadromous fish species

<u>Outputs and Activities:</u>	<u>Strategic Results Framework Indicators:</u>
<p>Output 6. Pilots to improve existing hatcheries efficiency including location consideration, culture Techniques</p> <p>Activity 1. Provide technical recommendations for Caspian salmon hatchery on Iran's Caspian coast</p> <p>Activity 2. Clarify the problem of genetic variability and viability within remaining populations of priority Caspian fish species and initiate work to conserve and sustainably utilize the genetic variability of sturgeon stocks</p>	<ol style="list-style-type: none"> 1. Two hatcheries adopting improved efficiency and more biodiversity-friendly practices by end of project. 2. Strategy for maintaining genetic robustness in support of fisheries resilience endorsed by CAB, and implementation of the strategy begins in year 2. 3. Number of hectares of land (not defined) and km of rivers (not defined) under improved natural spawning habitat management practices by end of project. 4. Number of hectares of wetlands (not defined) with improved flooding regimes on the Volga by the end of the project. 5. At least one fish passage improved around dams in a Caspian river to enable sturgeon to pass upstream of the dam to other spawning grounds.
<p>Output 7. Pilot demonstrations to identify, rehabilitate and/or expand access to natural spawning grounds</p> <p>Activity 1. Conduct a Caspian-wide inventory of the natural spawning ground habitat for Caspian sturgeon and Caspian salmon below and above dams</p> <p>Activity 2. Assess and develop recommendations on how to improve the quality of wetlands / spawning grounds during the spring-summer floods and on the establishment of buffer/quiet zones around the most valuable natural spawning grounds</p> <p>Activity 3. Assess fish passages/fish ladders on five dams on the Caspian's main tributary rivers and best practice experience worldwide with the introduction of fish ladders and the improvement in recruitment</p> <p>Activity 4. Develop and implement pilot project to modify a fish passage facility to increase the efficiency and effectiveness and return on investment.</p>	

Approved Budget: 632,000 USD (24% of total budget for Component 1)

Actual Spent at End of Project: 674,783 USD (26% of total spent for Component 1)

Logic/Strategy/Indicators:

The phrasing of the outcome, particularly "to increase reproductive success" is a reasonable expectation, but the timeframe required to achieve measurable results is longer than the duration of the Project. The activities and performance metrics assigned to this outcome, also, do not fully match the interpreted essence of the outcome. Specifically, introduction of policies (fisheries governance) is

under-represented in the activities, which are mostly pilot studies and scientific surveys.

Implementing improved natural habitat management practices and upgrading at least one fish passage seem to have been unrealistic, given the time frame of the Project and also the lack of information regarding the causative factors behind fisheries depletion at the onset.

Assessment of Results:

The effectiveness of this outcome was rated as **moderately satisfactory**. The pilot projects under Output 6 were well received, both significantly increased the regional knowledge base, and the gene bank project helps to ensure genetic diversity of key species in the Caspian. However, a strategy for maintaining genetic robustness (one of the main performance metrics) was not endorsed by the CAB or by other stakeholders.

The surveys and assessments completed under the activities of Output 7 (*Pilot demonstrations to identify, rehabilitate and/or expand access to natural spawning grounds*) were successful in (1) facilitating regional collaboration among fisheries experts, with assistance from international consultants; (2) providing more clarification on the reasons behind the depleted fisheries in the Caspian; and (3) indicating what interventions could be taken to increase reproductive success of the ecosystem's diadromous fish species. Some of the assumptions made in Project design, such as the availability of upstream spawning habitats were rejected, and IUU was highlighted as the main cause of depleted fisheries. This is a good example of adaptive management.

Due to delays in implementation of these activities, for example, through prolonged nominations of national fisheries experts, the deliverables were completed near the end of the Project, and thus insufficient time was available for the stakeholders to provide meaningful feedback. Also due to the fact that the activities were completed near the end of the Project, there was limited opportunity to consolidate the results. The sustainability of the activities under this outcome is there rated as moderately unlikely, i.e., some further international donor support and coordination is needed to further steward the efforts made.

The money spent under this outcome was approximately 7% more than the budgeted amount for the associated activities. The strategic framework indicators were generally not fulfilled, but the Project was successful in fostering transboundary collaboration among fisheries experts, provided important professional corroboration for the need to focus on IUU in addressing fisheries depletion, and furthermore developed country baselines reports, conducted field surveys, developed fish population model emphasizing on the socio economic benefit of enhanced fish connectivity, and developed five fish passages rehabilitation plans (one for each country).

Component 1, Outcome 4: Stakeholders apply regional, circum-Caspian approach to habitat conservation in the Caspian

Outputs and Activities:

Output 8. Circum-Caspian network of "special protected areas, wildlife habitats and essential fish habitats for Caspian ecosystem" (SPACE).

Activity 1. Establish the SPACE network

Activity 2: Demonstrate results-based state-of-the-art management plan for the Kura River Delta protected area

Strategic Results Framework Indicators:

1. At least 25,000 hectares of additional coastal area under increased protection by end of project.
2. At least two circum-Caspian collaborative coastal surveys conducted among those priority areas in the SPACE network by end of project.
3. At least 5 queries/month and regular blog postings among CSPA staff around Caspian over existing baseline levels (baseline is no regular communication).

Approved Budget: 425,000 USD (16% of total budget for Component 1)

Actual Spent at End of Project: 197,565 USD (8% of total spent for Component 1)

Logic/Strategy/Indicators:

The aim of this outcome also falls under ecosystem-based management, so the activities might have been better integrated with Outcome 1, thus increasing synergy and collaboration among the experts and other stakeholders. As the difficulties in reaching agreement on the legal status of the marine territories was known at the time of Project development, the activities could have, for example, dealt socio-political barriers affecting moving forward with habitat conservation in the Caspian region.

Assessment of Results:

A Steering Committee decision in 2010 September was taken to postpone some of the activities under this outcome until the TC biodiversity protocol is adopted.

Completion of the management plan for the Kura River Delta protected area is an important accomplishment, and provides a solid mechanism for ensuring that this area is sustainably managed and offers replication opportunities both within AZ and in the other littoral states.

The work completed in preparing the SSPA was of high quality and well received, even though countries were reluctant to establish protected areas, as envisioned.

The money spent with this outcome was less than half the budget amount. Resources were understandably allocated from the uncompleted activities mostly to Outcomes 1 and 5 under Component 1.

Component 1, Outcome 5: Coastal communities increase participation and contribute measurably to improved bioresources conservation in the Caspian

Outputs and Activities:

Output 9. Matched Small Grants Programme (MSGP)

Strategic Results Framework Indicators:

1. 6-8 projects financed by end of project that result in measurable support for bolstering the resilience of the Caspian Sea social and ecological system in the form of (a) improved transboundary public participation, (b) increased employment & reduced stress in terms of the number of former fishers employed by aquaculture, and (c) increased awareness among target groups.

Approved Budget: 519,000 USD (20% of total budget for Component 1)

Actual Spent at End of Project: 673,263 USD (26% of total spent for Component 1)

Logic/Strategy/Indicators:

The logic and strategic framework of this outcome is reasonable and measurable.

Assessment of Results:

The effectiveness rating for this outcome is **satisfactory**. A total of 11 grants were issued under the Matched Small Grants Programme (MSGP) and 19 the Micro Environmental Grants Programme (MEG), exceeding the performance metric for this outcome of 6-8 financed projects. Grants were extended to projects in each of the 5 littoral States, and the funded activities were relevant for increasing awareness and contributing to improved bioresources conservation.

The Project team simplified the application procedures, as compared to the higher dollar amount grants issued in the CEP I and II projects, and this increased participation. Applicants, for example, were allowed to submit in any regional language. Some of the interviewed stakeholders claimed that financial reporting requirements were too complicated, not commensurate with the value of the grants.

The total amount of money spent on this outcome (approx. 635,000 USD) was nearly 20% more than in the original budget. As some activities were not implemented as planned, reallocating funds into this

outcome was sensible, as the effectiveness was high and these grass-roots efforts provide good opportunities for sustainability. In addition to the capacity building that was realized with the organizations who were successful in obtaining grants, the Project compiled all other proposals and distributed them to UNDP country offices and potential financing agencies.

Component 2, Outcome 1: Institutional setting of Tehran Convention (TC) is fully operational and sustainable

Outputs and Activities:

Output 1. National and regional level coordination and institutional support to the Tehran Convention and its Protocols

Activity 1. Establish national coordination and implementation structures for the implementation of the Convention and its protocols, including the CaspEco project

Activity 2. Establish an Tehran Convention Interim Secretariat (TCIS) Outposted Unit (OU) for area specific regional cooperation in each littoral country

Activity 3. Generate adequate financial support by the Caspian littoral states for the administration of the Convention and its Protocols, and promote regional negotiations on the location of the TCPS

Activity 4: Provide advisory services to the national protocol ratification process, and assist in establishing regional protocol management structures

Activity 5: Finalize draft protocols, promote preparation of protocol implementation plans, and develop new protocols

Activity 6: Monitor and evaluate progress and organize and report to ordinary and extraordinary COPs

Strategic Results Framework Indicators:

1. TCS budget reflects financial contributions up to date from all littoral countries; 72,000 USD per country per year by year 2.
2. Agreement reached on the location of the permanent Secretariat in the Caspian region.
3. Four protocols approved and ratified by all 5 countries by end of year 3.
4. Total of 4 (AZ, IR, KZ, RU) inter-ministerial Caspian committees established by project inception (TM formed a committee in 2007).

Approved Budget: **436,000 USD** (26% of total budget for Component 2)

Actual Spent at End of Project: **561,042 USD** (34% of total spent for Component 2)

Logic/Strategy/Indicators:

The performance metrics are mostly in accordance with SMART criteria, but the achievability of the indicators within the timeframe of the Project seems to be an over-estimation, given the political challenges in the region, both in a transboundary context and within-country.

Assessment of Results:

The effectiveness of this outcome is rated as **satisfactory**. Although the permanent secretariat has not yet been agreed upon, there is widespread consensus regarding the importance of the Tehran Convention and its protocols in ensuring the sustainability of the Project outcomes and other ecosystem improvements within the Caspian Sea region.

Funding by the 5 littoral countries (72,000 USD per year per country) has materialized, which is an important step toward sustainable functionality of the secretariat, however this contribution is recognized as modest and insufficient for ensuring effective operation in the future.

The Aktau Protocol (oil spill response) has been approved by all five littoral countries. The other three protocols have been deliberated and are in a final state, awaiting discussion and expected approval at the COP-4 at the end of 2012. One of the performance metrics under this outcome was to have 4 protocols approved and ratified by the end of the Project. Although good progress has been made on the 4 protocols, only 1 is approved and none are ratified by the end of Project. Several stakeholders indicated concern regarding institutional capacity and financial commitment for implementation of the protocols once they are ratified, and stressed the importance, in their opinion, of having continued

international support to help usher the protocols to a sustainable point.

The money spent on this outcome was approx. 30% more than the budgeted amount. Considering the relevance of the activities under this outcome and the high level of country drivenness, it seems to have been sensible to reallocate some funds from other activities into further advancing the TC processes.

Component 2, Outcome 2: Coordination and synergy with other Caspian projects and activities	
<p>Outputs and Activities:</p> <p>Output 2. Convention Executive structure, donor coordination and thematic partnerships established and in operation</p> <p>Activity 1. Support the establishment and operation of a Convention Executive body that will include representatives from the Parties, international partners, relevant donors and relevant IFIs.</p> <p>Activity 2. Initiate thematic partnerships and joint programmes in support of the Convention and protocol implementation</p> <p>Output 3. Partnerships with private sector, including an effective process /mechanism to promote identification and financing of investment projects in the region.</p>	<p>Strategic Results Framework Indicators:</p> <p>1. At least one partnership between TC and donor community.</p>

Approved Budget: **213,000 USD** (13% of total budget for Component 2)

Actual Spent at End of Project: **203,184 USD** (12% of total spent for Component 2)

Logic/Strategy/Indicators:

The one indicator for this outcome should have been more specific, for example, indicating the intent of the partnership, the relevance was also not clear in the phrasing of the metric, nor was it time-bound.

Capacity for developing projects to a point where they are bankable is known to be weak throughout the CIS countries, so aiming to establish private sector partnerships for financing investment projects might have been premature. Rather, capacity building of regional project development skills might have been more useful metric over the relatively short Project duration.

Assessment of Results:

The effectiveness rating of this outcome is **moderately satisfactory**.

Thematic partnerships (e.g., with the FAO, OSPRI, WB, EU, IMO, IAEA) were further nurtured during the Project, building upon relationships dating to the beginning of GEF and EU funding activities in the region. Participation by some multilateral agencies, notably the FAO, was lower than anticipated. More proactive involvement by these key stakeholders could boost the likelihood for sustainability of some of the Project outcomes, and provide an increased level of credibility to the wider stakeholder community.

The level of engagement with the investment community, e.g., with EBRD and other IfIs, was disappointing. The one investor forum was considered by some stakeholders as unsuccessful, mostly due to a lack of projects.

Implementation of the activities under this outcome has been modest, partly as result of the decision by the countries to delay formation of an inter-sessional Executive body.

With respect to the oil & gas sector, a few international companies active in the region, including BP and ENI, have been involved in the Project. These stakeholders have been observers at many of the Project meetings and have provided some co-funding of certain Project activities, e.g., BP has provided a 150,000 USD contract to GRID-Arendal for the Caspian Information Centre (CIC) activity, and ENI provided co-funding for fish spawning grounds surveys and invasive species related activities. Implementation of some of the Project outcomes, e.g., the Aktau Protocol on oil spill response, will

require considerable buy-in from private sector stakeholders, and more strategic partnerships with both national and international oil & gas companies will be important.

Component 2, Outcome 3: Littoral States implement strategic convention action programme (SCAP) as adopted by the COP-II at regional level and approve and implement NSCAP at national/sub-national level

<u>Outputs and Activities:</u>	<u>Strategic Results Framework Indicators:</u>
<p>Output 4. Updated knowledge-based and enforceable SCAP and NSCAPs developed, initiated, and monitored for enforcement</p> <p>Activity 1. Develop standard reporting formats for the primary types of technical (quantitative) data and programmatic (qualitative) data required under each protocol</p> <p>Activity 2. Develop NSCAPs to facilitate national-level implementation of the Tehran Convention and its Protocols</p> <p>Activity 3. Assist countries upon request to strengthen their national capacity for the implementation of the Convention and its protocols</p>	<ol style="list-style-type: none"> 1. SCAP endorsed by COP-II, and implementation of SCAP begins in year 1 of the Project. 2. Four NSCAPs with country-specific protocol implementation strategy under implementation.
<p>Output 5. Effective regional M&E framework</p> <p>Activity 1. Develop regional M&E framework to track implementation of regionally agreed measures (Protocols, CAP, NCAP) using a suite of measurable indicators, including the GEF 4 SP-1 Indicators</p>	

Approved Budget: 364,000 USD (22% of total budget for Component 2)

Actual Spent at End of Project: 247,954 USD (15% of total spent for Component 2)

Logic/Strategy/Indicators:

The performance metrics for this outcome are reasonable. An additional indicator regarding consensus on regional M&E framework might have helped more focus of resources on this aspect.

Assessment of Results:

The effectiveness of this outcome is rated as **moderately satisfactory**.

The SCAP is being implemented through the Biennial Plan of Work (POW) of the TC (2009-2010, 2010-2011 and 2011-2012). The final drafts of the NCAPs for each of the five countries are prepared by the end of the Project, and are ready for endorsement at the COP-44 planned at the end of 2012.

Protocol implementation guidelines and monitoring & evaluation guidelines have not yet been developed, because the TC protocols have not yet been ratified and the NCAPs are not yet endorsed.

Considering that implementation of the TC protocols and the NCAPs did not start within the timeframe of the Project, it seems sensible to have allocated some of the funds from this outcome into other activities, such as Outcome 1 (Institutional setting of TC is fully operational and sustainable); money spent on this outcome was less than 70% of the amount budgeted. However, interviewed stakeholders indicated a clear need for intermediary assistance for the forthcoming implementation phase of TC protocols.

Component 2, Outcome 4: Enhanced stakeholder's engagement in the TC process and improved public access to information on the status of the Caspian Sea environment

<u>Outputs and Activities:</u>	<u>Strategic Results Framework Indicators:</u>
<p>Output 6. Creation of solid regional NGO partnerships engaged in the implementation of the Tehran Convention and its protocols</p> <p>Activity 1. Align and streamline the existing CEP public participation strategy (PPS) to better support the requirements of the Convention and its protocols</p> <p>Activity 2. Creation of Caspian "Virtual Partnerships"</p> <p>Activity 3. Regional NGO meetings</p>	<ol style="list-style-type: none"> 1. Caspian Information Centre (CIC) established and operational by end of year 1. 2. Increasing levels of website hits made by Caspian states stakeholders' accessing CIC. 3. At least 100 copies of State of the Caspian Sea Environment report in English and Russian distributed to 40 institutions by end of project, and at least 10 downloads by end of project of pdf/country/year.
<p>Output 7. Data/information sharing web-based Caspian Information Centre (CIC) incorporating Caspian environment status data</p> <p>Activity 1. Enhance data and information sharing through the establishment of a web-based CIC, incorporating available environment status data</p> <p>Activity 2. Prepare the biennial report on the state of the environment of the Caspian Sea and a Biodiversity Atlas for the Caspian</p>	<ol style="list-style-type: none"> 4. At least 15 NGO activities supported by project by end of project, including NGO forum, matched small grants. 5. At least 10 organizations and partners involved in the functioning "Friends of Caspian Sea" network.

Approved Budget: 457,000 USD (27% of total budget for Component 2)

Actual Spent at End of Project: 401,170 USD (24% of total spent for Component 2)

Logic/Strategy/Indicators:

The strategic framework indicators for this outcome are largely consistent with SMART criteria. The second indicator, regarding website hits, is not specific enough or time-bound. The relevance of this metric is also unclear. Similarly, the effectiveness of dissemination of the State of the Caspian Sea Environment Report is not adequately represented in indicator No. 3.

Assessment of Results:

The effectiveness of this outcome is rated as **moderately satisfactory**.

The NGO regional network is robust and there were timely stakeholder meetings during the Project implementation phase to bolster both national and transboundary collaboration. The Caspian Stakeholder Databank is functional on the Project website and will be transferred to the Caspian Information Centre (CIC), which will increase the likelihood for sustainability of this tool.

Due largely to prolonged contractual negotiations for co-funding of the CIC activity, the development of the CIC effectively started in early 2012, near the end of the Project. Efforts are underway to ensure that all available data are incorporated into the system. A draft version of the CIC is planned to be presented at the COP IV at the end of 2012, so it is critical that an efficient data handover takes place before Project closure. The draft CIC was presented and endorsed at the COP III, and it is expected to be near completion by the COP IV.

The State of Environment 2010 report prepared by the UNEP/GRID-Arendal is recognized as an important achievement and a solid platform for further development of regional monitoring activities and electronic data collection and sharing systems. Each of the five littoral countries provided review comments of the draft report, and modifications were made to the extent practicable within the budget and time constraints.

Component 2, Outcome 5: Adaptive management of the CaspEco project	
<u>Outputs and Activities:</u> Output 8. Project Coordination & Management Unit (PCMU) Activity 1: Support to establish the PCMU in Astana including office equipment, provision of capacity building training Activity 2: Transfer of CEP-SAP project assets in Tehran to new PCMU venue in Astana	<u>Strategic Results Framework Indicators:</u> No indicators formulated.
Output 9. Adaptive management process Activity 1. Conduct annual Steering Committee (SC) Meetings, regular monitoring, & participate in each GEF Biennial International Waters Conference (IWC)	

Approved Budget: **218,000 USD** (13% of total budget for Component 2)

Actual Spent at End of Project: **239,485 USD** (14% of total spent for Component 2)

Assessment of Results:

The effectiveness of this outcome is rated as **moderately satisfactory**.

The PMCU was efficiently moved from Tehran to Astana. In addition to moving the Project office, the CTA was changed near the beginning of the implementation period. The assembled PMCU staff, including the new CTA, received training on IA and EA procedures. Allocation of responsibility among PMCU, IA, and EA was not clear in all aspects, for example with respect to tracking of co-financing. Following the mid-term evaluation, a responsibility matrix was introduced which improved understanding among the Project team with respect to roles and responsibilities.

During the first year of the Project, there was seemingly a general lack of engagement by country stakeholders with respect to Component 1 activities; this was manifested, for example, through the delays in nominating national fisheries experts and unwillingness on the part of the CAB to collaborate as envisioned in the Project design. There was clear country ownership for Component 2 activities, and possibly a reluctance to push for changes in Component 1 because of concern of jeopardizing the progress under Component 2. Adaptive management improved following the Steering Committee meeting held in September 2010 and the mid-term evaluation, but the delays in the first stage of the Project affected both the performance (less time was available to complete the activities) and sustainability of the Component 1 activities.

3.3. Relevance*

- 41) The overall rating of relevance of Project outcomes is **satisfactory**.
- 42) The state of the bioresources in the Caspian ecosystem remains stressed at the end of the Project, in fact, there is evidence that fisheries have continued to decline and no substantive advances have been made with respect to seal conservation. In this context, the objective of the Project remains quite relevant.
- 43) Project outcomes are fully consistent with the GEF5 International Waters Strategy. The Project has effectively promoted collective management of the Caspian ecosystem, through further facilitating the functioning of the Tehran Convention, the only legal transboundary agreement among the littoral states. The Project also supported foundational capacity building in ecosystem-based management (EBM) approaches, which are accordant with best practices for responsible fisheries stewardship. Although more time will be needed for the Caspian countries to adopt EBM strategies, the Project contributed to a collaborative framework for steering regional decision makers.
- 44) Promotion of EBM principles is also in line with spirit of international collaboration policies, such as those of UN Convention on Biological Diversity. There is yet a regional consensus on biodiversity conservation and management, partly hampered by the legal status of the Caspian marine territory but also through conflicting national priorities and inefficient institutional framework and weak governance.

3.4. Efficiency

- 45) A significant portion of GEF funds provided for the Project went to producing Global Environmental Benefits (GEB). These took the form of multi-state cooperation, future biodiversity conservation, and long-term monitoring of the ecosystem. Specifically, strengthening of the Tehran Convention and capacity building for EBM approaches would clearly not have been achieved without GEF funding. The incremental costs for attainment of these global environmental benefits provided by GEF were supported by significant parallel funding and co-financing from the littoral states. Parallel financing most likely exceeded project expectations.

Stakeholder Feedback

"Without CaspEco the Tehran Convention process - major platform for ongoing exchange and cooperation – would have advanced much less."

- 46) The overall cost effectiveness of the Component 1 results was unfavorably affected by the delays experienced in implementation. This was largely due to the consequential risks to the sustainability of the outcomes. There are limited mechanisms in place at the end of the Project that would ensure continued development of the activities implemented under this component. The EMP work is fairly cost effective, as the likelihood for sustainability is enhanced by the custodianship by the TCIS and country drivenness. The funds extended for the small grants programs seems to have been money well spent, as participation and dissemination of information was high. Again, sustainability of the initiatives will require further facilitation, possibly through the GEF small grants programme or other regional and national initiatives.

- 47) The TC achieved financial sustainability with the help of the mobilized GEF resources, and important thematic partnerships were forged that could potentially lead to continued synergies in the future, thus contributing to the cost-effectiveness of the Project.
- 48) The financial contribution of the GEF grant represented only a fraction of the money spent on parallel funded investments in the Caspian countries, thus it can be argued that the Project has been cost-effective in promoting transboundary good governance and providing foundational capacity building, helping to leverage subsequent interventions in the region.

3.5. Sustainability*

Overall Rating

Note: In the context of GEF guidelines, sustainability is generally considered to be the likelihood for continued benefits after GEF funding ends.

- 49) The likelihood of sustainability of Project outcomes is different for the two components. Although the activities under Component 1 of the Project have contributed to the advancement of EBM knowledge among regional experts and have provided a limited scale ecosystem model, there is little evidence at the end of the Project of transboundary or national mechanisms or structures to ensure the sustainability of this outcome. In general, sustainable fisheries management requires solid institutional framework and good governance, both of which are still lacking. Similarly, efforts aimed at strengthening circum-Caspian habitat conservation were mostly unsuccessful, largely hampered by the on-going negotiations regarding the legal status of the Caspian marine territories. Overall, the sustainability of the outcomes under Component 1 is rated as **moderately unlikely**.
- 50) As the littoral States appear committed to the Tehran Convention processes, there is an inherent greater chance for sustainability of the outcomes under Component 2. However, there is still no agreement on a location for a permanent secretariat and current financial contributions by the countries are sustainable but modest (72,000 USD per year). The overall sustainability of the outcomes under Component 2 is rated as **moderately likely**.

Financial Risks

- 51) There is moderate financial risk that sustainability of outcomes will be impeded after Project closure. The sustainability rating for this aspect: **moderately likely**.
- 52) Financial risks were pointed out for several of the Project outcomes. For example, adoption of a unified monitoring system would represent some additional costs for countries as compared to current monitoring efforts. Regarding invasive species control, there are potentially significant financial demands, e.g., for controlling and enforcing ballast water in the region. Financial risks are also clearly one of the reasons behind the lack of substantial progress on increasing protected conservation areas, e.g., for the Caspian seal. Not only are increased habitat enforcement activities a concern, but also restrictions on granting access for commercial exploitation, such as oil & gas exploration and production, could affect economic development and consequential tax revenue.

Stakeholder Feedback:

"Mitigation of Invasive Species Introduction would require i) huge investment in transportation (shipping), and ii) regulatory measures"

- 53) In terms of fisheries management, there are of course financial risks connected to implementation of catch/harvest restrictions or moratoriums; such as buyback of fishing permits or compensation of local communities with alternate revenue streams.
- 54) Several of the surveyed stakeholders indicated concern over the financial burden involved in implementation of the Tehran Convention protocols. With respect to the approved Aktau Protocol (*oil spill response*), stakeholders generally stressed that some of the costs for facilities and equipment could rightly be passed onto the active oil & gas companies, but increase enforcement requirements would require funding from public sources.

Stakeholder Feedback:

"The main result of the project for our country has been moving forward with respect to the TC protocols. However, implementing protocols has not started and this will require some external financing"

There are also certain externalities, such as oil price fluctuations, that implicitly have financial risks, by affecting local commitment and priorities of governmental authorities.

Socio-Economic Risks

- 55) Socio-economic and political risks were highlighted for nearly each of the Project outcomes. The sustainability rating for this aspect: **moderately unlikely**.
- 56) The delay in reaching an agreement on the legal status of Caspian marine territory is due largely to political deliberations, and this has directly affected advancement of agreements on issues related to biodiversity conservation and fisheries management.
- 57) Socio-economic factors, such as alternate livelihoods and employment, are key factors with respect to implementation of fisheries management interventions, for example, the proposed sturgeon fishing moratorium.
- 58) Pressures from industrial and commercial development, such as oil & gas exploration and production, commercial fishing and hunting, and expansion of recreational facilities are often in conflict with ecosystem management goals. Socio-economic factors are currently not fully incorporated in balancing economic development with good ecosystem management practice.

Institutional Framework and Governance Risks

- 59) Continued development of institutional framework and governance requires. Further progress on the TC processes, including approving, ratifying, and implementing the protocols will require considerable institutional commitment and good governance. Without further international backing, the efficient functioning of the TC is unlikely, at least over the medium term. The sustainability rating for this aspect: **moderately unlikely**

Stakeholder Feedback:

"Speed and success of implementing the Strategic Convention Action Programme, however are not guaranteed, and will depend on internal political situation and the further regional cooperation and external support"

"Institutional risks are moderately high because formal agreement among littoral states over exploitation controls will invariably be difficult to negotiate. However, acknowledgement among states of the need to control exploitation is a major step

forward towards achieving agreement”

“Main risks are misunderstanding and not knowing basics of ecosystem-based approach to management by the state executors, leading to resentment of legislation changes necessary to implement this approach”

- 60) Uneven distribution of authority among governmental organizations in the region limits the likelihood for effective governance for tackling ecosystem management challenges that require inter-ministerial collaboration. Turnover of both elected and appointed governmental officials is also a major impeding factor in realizing sustainable ecosystem management.

Stakeholder Feedback:

“... the institutional framework in the littoral states is unsustainable with respect to managing the Caspian issues. For example, there is unclear sharing of responsibilities between the Min of Env and Min responsible for fisheries ...”

“Without any doubt fisheries problems and concerns are very broad and in most of the cases solving of them need a lot of cooperation and coordination among many organization and ministries in each country”

Environmental Risks

- 61) The TC has made considerable progress towards mitigating environmental risks through approval of the Aktau protocol (oil spill response) and expected approval of the LBSA protocol. However, ratification and implementation of these protocols will require further international facilitation, for this reason the sustainability of this aspect is rated as **moderately likely**.
- 62) The Project has productively contributed to the knowledge base of Caspian ecosystem, but some stakeholders indicated that the overall ecological resilience remains largely unknown and uncertain. With intense development of oil & gas production capacity and other economic development pressures, a significant disturbance, e.g., from a major oil spill, could lead to severe system damage.

Potential climate change impacts, e.g., desertification or inundation effects of fluctuating water levels pose environmental risks both in the short-term (e.g., preventing incidents within the oil & gas sector, e.g., through unpredictable shifting ice movements) and long-term (e.g., through loss of coastal zone habitats).

3.6. Catalytic Role

- 63) Benefitting partly from some interventions that started during the previous two GEF funded Caspian environmental programs (CEP I and II) and effective stakeholder participation and information dissemination, the catalytic role of the Project was fairly successful.

Scaling Up

- 64) There are on-going interventions in each of the Caspian countries that are consistent with the approaches promoted through the Project, but in general it seems too early to indicate a scaling up of regional/national strategies that are widely accepted or legally binding. Interviewed stakeholders, from each of the 5 littoral states, did indicate that national

Caspian monitoring efforts are being re-evaluated as a direct consequence of the deliberations of the EMP activity.

Stakeholder Feedback:

"It is too early to say whether the Project has had a catalytic effect in our country."

Replication

- 65) Substantial training (ecosystem based management, fish stock assessment methodology, ecological risk assessment, ECOPATH modeling, sampling ballast water for invasive species, etc.) has provided a significant amount of foundational capacity building among key regional stakeholders, and there is a high potential for replication of expertise these people gained for other interventions.
- 66) One of the interviewed NGO stakeholders indicated that the Aarhus center established in one of the Caspian coastal zone communities, largely as a result of collaboration initiated during the stakeholder meetings organized by the Project, has sparked a good deal of interest from other regions for similar centers.
- 67) Replication possibilities were pointed in the Project document focused on sharing knowledge with other projects aiming to adopt ecosystem-based bioresources management approaches and those striving to implement a region driven framework convention and governance process. With respect to these goals, the experience on the Project highlights the challenge and time required for fostering acceptance and expertise on EBM strategies.

Stakeholder Feedback:

"A second anticipated challenge in replicating the experience is generating sufficient support at the fishing community level for proposed interventions"

Demonstration

- 68) The two pilot projects (establishment of a sturgeon gene bank, and conservation and restoration of Caspian Trout stocks) completed in the Islamic Republic of Iran under Outcome 3 of Component 1 were well received and the sites were visited by fisheries and environmental experts from each of the 5 littoral countries. These pilot projects provided effective demonstration, and there are opportunities at both sites for continued information dissemination after project closure.
- 69) Completion of the management plan for the Kura River Delta protected area is an important accomplishment, and provides a solid mechanism for ensuring that this area is sustainably managed and offers replication opportunities both within AZ and in the other littoral states.
- 70) The establishment of a Caspian Seal Rehabilitation and Research Centre (through national funding), also in the Islamic Republic of Iran, is a positive demonstration of conservation efforts in the region and provides an attractive mechanism for public awareness.

Production of Public Good

- 71) The successful Match Small Grants Program produced catalytic results in several local communities in each of the five littoral countries. Some of the facilitated endeavors included the following:

- a. Republic of Azerbaijan. Pilot farm for alternative production of marketable fish and fowl, providing catalysis for new jobs and alleviating poverty.
- b. Islamic Republic of Iran. Installation of solar heating systems at two university campuses, promoting renewable energy alternatives and reduction of illegal tree cutting.
- c. Republic of Kazakhstan. Promotion and preservation of indigenous desert wood plants, preserving local biodiversity and fostering knowledge of the importance of native vegetation in protecting against desertification effects.
- d. Russian Federation. Pilot project for implementation of a new technology for neutralizing drilling waste from oil & gas activities, aiming to reduce environmental impact and to produce inert by-product that could be marketed for use in road construction, etc.
- e. Turkmenistan. Demonstration project for development of organic fertilizer, promoting environmental friendly agricultural activities

3.7. Country Ownership

- 72) Overall, country ownership on the Project was fairly good. Key governmental stakeholders were actively engaged in many of the Project activities. Establishment of an inter-ministerial mechanism in the littoral states to deal more effectively with Caspian issues was, however, unsuccessful, except for Turkmenistan, where such a commission was formed in 2007.
- 73) According to interviewed country representatives both parallel and in-kind co-funding was realized, although the Project accounts were inadequately maintained to verify whether or not co-financing did indeed materialize as expected.
- 74) Country ownership for the outcomes of Component 2 was high, as the underlying goal of this component of the Project was to further strengthen the Tehran Convention processes. Government representatives from each of the 5 littoral States have been actively involved, and thus it can be said that the outcomes under Component 2 are largely driven by the countries.
- 75) Country ownership and drivenness for Component 1 were lower than for Component 2. The ecosystem-based management activities completed under Component 1 largely involved technical practitioners from the region, and also representatives from governmental bodies, including the ministries of environmental and fisheries. There was insufficient time for attaining adoption of EBM practices by the littoral States; this will require not only wider dissemination of technical results, but also significant institutional buy-in and more farsighted governance.
- 76) Although the Project activities have contributed to an increased knowledge of the Caspian ecosystem, the countries seem unprepared to reach agreement on transboundary bioresources management, particularly when the legal status of the marine territories remains undecided.
- 77) There was some collaboration with industrial associations, particularly with the international oil & gas sector, but very little outreach was made to other key industries,

such as fishing companies, seafood traders, and commercial shipping companies. Fishing companies and seafood traders were indicated in the Project Identification Form, but were not emphasized in the Project Document (design).

- 78) Based upon interviews held during the terminal evaluation, representatives from each of the countries recognize the threat of invasive species in the Caspian, but country ownership of this topic will require considerable socio-economic deliberation.
- 79) The Project has assisted in achievement of some positive advances in habitat conservation, such as the Kura River Delta management plan and the preparation of the seals special protection area management plan. But, there has been frustratingly little evidence for country drivenness for regional ecosystem conservation efforts, largely hampered by the lack of a settlement regarding the legal regime of the Caspian marine territories.

3.8. Mainstreaming

- 80) Considerable outreach was made to local coastal communities through the MSGP and MEG programs. Some of the issued grants provided catalysis for increasing employment in these typically impoverished areas. Furthermore, these programs helped to improve natural resource awareness and management, e.g., through the well-attended Caspian Day activities in each of the littoral countries.
- 81) The NCAPs of all Caspian Countries are in line with the Strategic Convention Action Plan and in line with implementation of the Tehran Convention and its protocols.
- 82) As field visits during the terminal evaluation were limited to Kazakhstan, representatives of the UNDP-CO were interviewed to evaluate how Project objectives conform to the agreed priorities agreed in the Country Action Programme for 2010-2015 between the United Nations Development Programme and the Government of the Republic of Kazakhstan. Synergies were noted in Programme Component 2: Environmental Sustainability, with respect to enhancing capacity for integrated and sustainable natural resource management, assisting in compliance with the UN Convention on Biodiversity, and providing key support and assistance in management and conservation of biological resources; and Programme Component 3: Effective Governance, by supporting development of implementation capacity of public administration, and enhancing capacities of local governments.
- 83) The TC has been the beneficiary of substantial co-funding support by the EU for improved governance issues, and these aspects are integrated into the operation of the convention processes and collaboration with the littoral states.
- 84) With regard to gender issues, there was extensive representation of women among the PMCU, including the project manager, national project coordination roles, key regional stakeholders, national and international consultants, and within both the executing and implementing agencies.

4. PROCESSES AFFECTING ATTAINMENT OF PROJECT RESULTS

4.1. Project Design

85) The logical framework laid out in the Project development phase was clear; however, there were some shortcomings that were outlined above in the outcomes analysis in Section 3.2 and summarized below.

- a. The time scale needed to achieve sustained regional cooperation and optimal ecosystem management is much longer than the planning horizon needed to urgently implement actions to revive critical/specific ecosystem damage. Project outcomes should have better represented these short-term concerns.
- b. Among the activities under Component 1, there was a disproportionate emphasis on ecosystem scientific studies and limited focus on socio-economic analyses;

Stakeholder Feedback:

“... the socio economic parameters are unclear in the project document and have not been dealt with ... The Caspian coastal states have different social and economic conditions, for this reason if no attention is given to theses parameters, it is not possible to develop and implement any successful projects...”

- c. Some of the performance metrics (indicators) were not consistent with SMART criteria. In several cases, the achievability of the indicators under the timeframe and constraints of the Project was unrealistic. Others were not time-bound, and the relevance of some was unclear with respect to the overall objective of the Project;
- d. Some of the surveyed stakeholders commented on how there were too many activities under Component 1, particularly considering that there were significant delays during the first half of the Project;
- e. Timelines should have been linked more to outcomes than to activities, thus enabling more effective adaptive management when external conditions change;
- f. Another significant shortcoming of the Project design was the insufficient integration of some of the key private sector stakeholders, such as commercial fishing companies, caviar exporters, etc.

4.2. Assumptions and Risks

86) The assumptions and risks outlined in the Project Document were generally well thought out and robust; however, some risks were underestimated and others were not considered.

87) The risk of poor intersectoral approach to bioresources management was fittingly rated as high, but the indicators developed for some of the Project outcomes assumed that intersectoral collaboration would be efficient. Considerable time will be required to achieve consensus on ecosystem-based management among sectors that have uneven levels of authority and conflicting interests in some cases.

88) The risk of not ratifying the TC protocols in a timely fashion was rated low-moderate. Considering that the TC only entered into force on 2006 August 6, rating this risk on the low

end of the scale in 2008, when the Project Document was prepared, was an underestimation but an understandable goal, given the initial progress made on the TC processes.

Stakeholder Feedback:

“Development of the protocols went very smoothly after the TC entered into force, and we all believed at that time that approval and ratification would also be achieved within the timeframe of the Project. Then political discussions began to slow down the process.”

- 89) The delay in approving the TC biodiversity protocol has impeded progress of some of the Project outcomes, particularly Outcome 4 under Component 1 (*Stakeholders apply regional, circum-Caspian approach to habitat conservation in the Caspian*). The issue of not reaching an agreement regarding the legal status of the Caspian was well known at the time of project development, and it seems that this risk should have been addressed in project design, i.e., through formulating habitat conservation efforts that had a higher chance of being implemented without agreement on the legal status, for example, possibly breaking down the biodiversity protocol into small parts.

Stakeholder Feedback:

“However I think some countries do not have enough interest to accept and ratify any protocols while there is no legal regime in the Caspian sea.”

“Marine based protective areas are very difficult (legal status, ice, etc.), but areas within coastal zones could be established.”

- 90) Similarly, the risk of poor access to data constraining project work was rated as moderately high, and assumed to be mitigated by building upon years of data collection during the CEP I and II projects. Much of the data required under the CaspEco Project, however, were bioresources related and new data sources.

- 91) Recruiting/contracting international and regional fisheries experts should have been flagged as a potential risk for delays, as some of the required specialists were not widely engaged in the CEP I and II activities and delays have been experienced on similar projects.

Stakeholder Feedback:

“Local consultant fees have increased significantly in recent years, and we had difficulties finding national experts that would carry out the specified tasks for the offered compensation.”

“Regarding the delays in the first half of the project, I am not surprised. Even for national UNDP projects, it takes 6 months or more to mobilize before actual implementation.”

- 92) Another major risk that was not considered is the high turnover rate among government officials. These changes can result in shifts of priority and funding levels, and updating new people on the overall processes takes time.

Stakeholder Feedback:

“There has been frequent replacement of Ministry of Environment officials, including the National Focal Point. Also, there was too long of a break between CEP-II and the CaspEco project.”

- 93) Certain intrinsic externalities should also have been considered at the time of project development. For example, escalation of political conflicts in the region should have also been included as a potential risk that could adversely affect transboundary negotiations. Another example is a risk for disinterest or decreased engagement if international oil prices sharply fall, as there would likely be a shift of priorities among the littoral states.

Stakeholder Feedback:

“There are intrinsic delays in the region itself, i.e., due to political issues.”

4.3. Implementation Approach*

- 94) The implementation approach is rated as **moderately satisfactory**. The Project managed to assemble qualified teams to execute the various activities under Components 1 and 2. This required effective organization and administration.
- 95) The main reason why this aspect is not rated higher is related to the consequences on Project effectiveness and sustainability by the delays experienced during the first year or so of implementation. Some of the Project impediments, for example, unwillingness on the part of the countries to proceed with habitat conservation without agreement on the legal status of the Caspian, were known at inception. The inception meeting seemed to ineffectively address the known challenges at that time (e.g., the legal status), and some of the key adaptive management decisions were not made until the September 2010 Steering Committee meeting, which took place approximately 18 months after Project inception.
- 96) Implementation of some of the Project outcomes was more focused on outputs than on the outcomes. Work plans and activities did not sufficiently incorporate strategic framework indicators; for example, some of the interviewed consultants were unaware of the indicators that were established for the outcomes that they were tasked to manage. This was partly a design shortcoming, as some of the identified indicators were not realistically achievable within the timeframe and budget of the Project; for example, establishing one additional marine protected area is likely only after the legal status of the Caspian is resolved.
- 97) Collaboration and synergy among the different activities under Component 1 measurably increased following the mid-term evaluation and the subsequent management responses that were implemented.
- 98) Based upon stakeholder surveys and interviews, there was a common grievance regarding unclear Project policies and procedures for review of Project documents. Stakeholders felt that they had insufficient time to provide feedback and effectively engage in adaptive management.

Stakeholder Feedback:

“We were not allowed sufficient time to provide feedback on Project reports or SC recommendations. Typically, we received recommendations a few days before the meeting, and there was insufficient time to review them. Also, insufficient time was allowed for recommendations at SC meetings. There were no agreed policies and procedures on sending documents, approval, etc.”

- 99) Several stakeholders commented that there unacceptable delays in nominating and recruiting both national and international experts. Some referenced complicated

administrative procedures, while others indicated that the allocated fees were underestimated and it was, hence, difficult to find consultants for some of the tasks.

- 100) There was also some dissatisfaction voiced regarding the quality of some of the national and international consultants. Typically it is difficult to please everyone on such a Project that requires input and collaboration from a large number of people. It is also important to keep in mind the relevant GEF policies regarding local and regional consultants (e.g., GEF 2000), particularly, that building national capacities is one of the priorities for such an initiative. From an implementation perspective, clearer policies and procedures regarding under-performing experts might have helped in avoiding some of the conflicts experienced.

4.4. Stakeholder Involvement*

Note: Stakeholder involvement was evaluated in terms of the quality and thoroughness of the stakeholder plan in the Project design, and also the level of stakeholder participation during the implementation phase.

- 101) Stakeholder involvement is rated as **moderately satisfactory**. The involved stakeholders were primarily representatives of governmental ministries and institutes of the 5 littoral States. Representatives from these bodies were actively involved in the Project, through working groups, regional meetings, and training events. By focusing on fisheries issues, the Project needed to reach out to governmental bodies responsible for bioresources management, and this proved difficult in some aspects. Some stakeholders indicated that it took more time than anticipated to forge connections in the fisheries sector, while others stated that involvement of more governmental institutions exposed the uneven share of authority and disproportionate inter-ministerial collaboration in most of the countries involved. Another challenge experienced was the difficulty in dealing with the high level of turnover of personnel in governmental and institutional organizations. Numerous stakeholders have changed out since 1998, when GEF funding was initiated.

Stakeholder Feedback:

“Our impression is that the project has kick-started a mechanism of broad communication and action oriented knowledge sharing which would not have happened without the project, fostering greater unity in the Region, and providing a forum for local stakeholders for discussion and mediation of broad issues related to regional sustainable development.”

“Consideration might be given to a follow-on project with a focus upon building the necessary institutional arrangements to more effectively manage these valuable but vulnerable fisheries resources.”

- 102) Commercial interests (e.g., fisheries) were more central in this project as compared to the first two phases of GEF funding (CEP I-II), and based upon stakeholder feedback and review of Project activities, the stakeholders who impact the ecosystem the most, e.g., commercial fishing enterprises, individual fishing operations, oil & gas companies, maritime shipping companies, and coastal communities depending on these sectors for their livelihood, were not actively involved. For example, the Project identification stage (PIF 2008), plans were indicted to encourage involvement of the private sector dealing with fish trade, in particular caviar trade, but these stakeholders were not engaged, in either through Project design or implementation.

Stakeholder Feedback:

“Unfortunately, the executing institutions were not properly considered when the project was designed. The main reason is that the major stakeholders of the CEP are the Ministries of Environment and the National Focal Points to the CEP from the Ministry of Environment. In this connection communication and cooperation with the fisheries Organization was not supportive and fruitful.”

“Withdrawal of a part of sea and rivers out of economic activities may lead to conflicts with local community.”

103) The results of the Project have stimulated high level intervention, for example, by demonstrating that depleted fisheries are largely due to over exploitation. This has helped initiate a proposal by the presidential commission of the Caspian littoral states to introduce a moratorium on sturgeon fishing. The Project was successful in initiating a dialogue with the CAB and the commission seems now receptive for collaboration on preparation of a fisheries treaty, but the level of engagement with CAB was not achieved as anticipated.

104) With respect to the oil & gas sector, a few international companies active in the region, including BP and ENI, have been involved in the Project. These stakeholders have been observers at many of the Project meetings and have provided some co-funding of certain Project activities, e.g., BP has provided funding for the Caspian Information Centre (CIC) activity, and ENI supported the financing of the spawning grounds survey. Implementation of some of the Project outcomes, e.g., the Aktau Protocol on oil spill response, will require considerable buy-in from private sector stakeholders, and more strategic partnerships with both national and international oil & gas companies will be important.

Stakeholder Feedback:

“In order to ensure the sustainability of the project, there is a need to initiate a project on Tehran convention implementation at the national level, probably with support of private sector.”

105) Thematic partnerships (e.g., with the FAO, OSPRI, WB, EU, IMO, IAEA) were further nurtured during the Project, building upon relationships dating to the beginning of GEF and EU funding activities in the region. Participation by some multilateral agencies, notably the FAO, was lower than anticipated. More proactive involvement by these key stakeholders could boost the likelihood for sustainability of some of the Project outcomes, and provide an increased level of credibility to the wider stakeholder community.

Stakeholder Feedback:

“The CASPECO project process has served to illustrate this and to foster trust and cooperation among the states. Building on these achievements through institutional support and coordination perhaps facilitated by a regional body such as FAO might therefore help to ensure the sustainability of the project outcomes and recommendations.”

106) The level of engagement with the investment community, e.g., with EBRD and other IfIs, was disappointing. Capacity for developing projects to a point where they are bankable is known to be weak throughout the CIS countries, so aiming to establish private sector partnerships for financing investment projects might have been premature. Rather,

capacity building of regional project development skills might have been more useful over the relatively short Project duration.

- 107) The ballast water management and invasive species control activities were significantly enhanced through facilitation and co-funding by the IMO. Additional stakeholder involvement, such as maritime organizations, port authorities, and shipping companies, will be necessary to ensure a viable regional invasive species strategy.
- 108) Participation by local NGOs seems to have been high, and interviews with some of the representatives of NGOs who participated in the Project implementation indicated that awareness among the coastal communities was greatly enhanced by the activities of the Project, e.g., through the small grants programs.
- 109) There was limited evidence of engagement with international NGOs, such as WWF. Synergies with on-going conservation efforts, for example, could have been investigated, and hence, sustainability of some of the Project outcomes might have been enhanced.
- 110) The Project did a satisfactory job in providing both written and oral information in both English and Russian languages, and thus dissemination of Project outputs among regional stakeholders was quite effective in this aspect.

4.5. Financial Planning and Co-Financing

- 111) The Project budget and expenditures are summarized in the Project Framework table provided in Annex 8. The total GEF grant was 5,000,000 USD, 300,000 USD of which was used for project development. Among the 4,700,000 USD implementation budget, 2,587,000 USD was allocated for Component 1 activities, 1,688,000 USD for Component 2, and 425,000 USD for project management.
- 112) During review of Project financial statements as part of the terminal evaluation, some technical Project costs were erroneously found allocated under PMCU overhead expenditures, rather than under the various activities according to the budget plan in the Project Document. This observation was discussed with UNOPS, and as management response, a note will be filed with the financial accounts to explain the oversight.
- 113) Available information regarding co-financing is summarized in the tables presented in Annex 9. The level of accountability regarding cofinancing was insufficient to independently evaluate whether cofunding materialized as planned. There seemed to have been a lack of understanding between the PMCU and the UNDP-RCU with respect to who is responsible for tracking the flow of co-funding.
- 114) The level of co-financing for project development exceeded expectations. According to the APR/PIR 2010 progress report, a total of 297,000 USD of co-funding was provided by the littoral country governments, compared to 270,000 USD expected. The GEF grant for project development was 300,000 USD, so a total of 597,000 USD was provided for this activity.
- 115) A considerable portion of the expected co-financing for Project implementation was contributions from the governments of the 5 littoral States, primarily in the form of parallel funding but also through cash and in-kind provisions. Governmental representatives were actively engaged throughout the Project, so clearly there were direct expenditures incurred. Based upon the APR/PIR 2010 progress report, through 2010 June 30 a total of 9,846,154

USD of the expected 32,000,000 USD in parallel government co-financing had materialized. Each of the countries has had significant on-going parallel interventions (representatives from each country presented current and planned projects at the SC meeting in Moscow on March 16, 2012) , and the expected level of this type of co-financing has likely exceeded expectations by the end of the Project.

- 116) In general, it seems that cofinancing from multilateral agencies partially materialized. Cofinancing from the FAO and IAEA were earmarked at 300,000 USD and 120,000 USD, respectively, for joint training and workshops; through 2010 June 30 (the workshops/trainings were held before this date), a total of 92,308 USD and 36,923 USD, respectively, were provided by these agencies. Approximately 30% of the 3,596,000 USD in in-kind co-financing from the EU had been provided through 2010 June 30. In-kind contributions from the WB and UNEP also were lower than expected amounts, through 2010 June 30.
- 117) Some of the indicated contributions from the private sector did materialize. BP provided the 150,000 USD expected at the time of project development for cofinancing development of the Caspian Information Centre (CIC). Due to prolonged contractual negotiations, this funding was provided much later than planned; the contract was signed in late 2011 and the work effectively started in early 2012. An additional 46,154 USD in in-kind contributions were provided by BP through 2010 June 30. Other private sector cofinancing, notably 700,000 USD from OSPRI, partially materialized; 215,385 USD in in-kind co-financing was provided through 2010 June 30, compared to the 700,000 USD expected over the entire project timeframe.
- 118) Some cofinancing was obtained from sources that were not identified in the Project Document. The IMO provided nearly 160,000 USD of co-funding for ballast water management activities (Outcome 2 under Component 1). Collaboration with the IMO was indicated in the Project Document, but there were no cofinancing commitments mentioned. Facilitation by the PMCU was critical in helping to secure IMO co-funding and organizing cooperation with the GloBallast Partnership Programme. The ballast water management activity started later than planned; national inputs are expected in 2012 May, a meeting is scheduled in 2012 July to discuss a regional strategy, and the strategy is to be presented to the COP IV in 2012 December. Although implementation of this activity will not fully benefit from the further organizational support by the PMCU, the IMO will be working with the TCIS to ensure the sustainability of this outcome.
- 119) Other cofinancing that was provided included an 86,000 USD contribution from Agip KCO to assist financing of the SSPA consultants, and more than 47,000 USD from the Maris funds to support the CASPINFO project, an EU FP7 funded program to strengthen Caspian Sea data management infrastructure. Both of these co-funding contributions materialized after Project implementation started.

4.6. Monitoring & Evaluation* (M&E)

- 120) The rating for M&E efforts during the Project is **moderately unsatisfactory**.
- 121) One of the major weaknesses of the CEP-II project was poor M&E. Presumably, because of this, the M&E plan and budget presented in the CaspEco Project Document were sound, and provided clear mechanisms on how and when monitoring and evaluation activities

would be carried out. Implementation, however, of the M&E activities did not seem to be sufficiently structured to enable effective and timely management adjustments.

- 122) The Project Inception Report could not be located for review during the terminal review process. The lack of an inception report is considered a major shortcoming; this should have documented the overall tone of the Project, clarified responsibilities, fine-tuned implementation activities and time lines, and provided the basis for adaptive management. The absence of an inception report is particularly disconcerting considering that first Project Steering Committee meeting was held in September 2010, approximately 18 months following the inception meeting.
- 123) The mid-term evaluation, completed at the end of 2010, was well received, and some stakeholders indicated that the pace of implementation of Project outputs significantly increased after the evaluation.
- 124) Tracking of cofinancing provided during the project implementation was not efficiently managed. For such international donor funded projects, it is critical to demonstrate whether or not expected co-funding materialized or not.
- 125) While a robust progress reporting structure was in place (APR/PIR), the system did not seem to have been used as intended. Information was introduced to these reports by the PMCU, UNDP-CO, and UNDP-RCU, but there did not seem to be a consolidation of the reported progress in the form of a management response to the Project team.

4.7. Management Arrangements, Coordination, and Operational Issues

- 126) Capitalizing on significant development in-roads gained during the first two phases of UNDP/GEF funding and global experiences, UNDP was well positioned to contribute to improving ecosystem governance and sustainable management in the Caspian Sea region.
- 127) Based on stakeholder interviews and review of Project progress reports and other documentation, IA and EA execution is rated as **satisfactory**. Transfer of the Project office from Tehran to Astana was efficiently carried out, and the PMCU was staffed with qualified personnel. A change in the CTA position near the beginning of the Project added to the challenges of mobilizing the Project following inception. In selecting the position of CTA, the UNOPS undertakes a comprehensive selection process including consultation and endorsement from the respective Governments.

Stakeholder Feedback:

"All necessary counterpart arrangements were in place at the time that project implementation actually started, which, due to the delay in recruiting the CTA was about half a year after project approval within UNDP."

"It will be important to ensure that the administration of the project is brought in line with the flexibility required for addressing and servicing activities which support the type of political process governing the protection of the marine environment of the Caspian Sea."

- 128) Allocation of responsibility among PMCU, IA, and EA was not clear in all aspects, for example with respect to tracking of co-financing. Following the mid-term evaluation, a responsibility matrix was introduced which improved understanding among the Project team with respect to roles and responsibilities.

129) There was limited evidence of active risk management during Project implementation. The 2010 APR/PIR report did not indicate any critical risks, and the 2011 progress report had no section regarding risks.

130) Although it is understandable that it was important to have the Project implementation unit based in the region (the PMCU was in Astana, KZ), there was a certain loss of continuity in sharing implementation duties with the TCIS, which is administered from Geneva. The efficiency of the Project, however, did not seem to be affected by this arrangement, as the PMCU and the TCIS constructively cooperated in the implementation of the Project.

Stakeholder Feedback:

"We are concerned regarding the sustainability of the TC without further international support. Firstly, having the interim secretariat in Geneva is not efficient. More importantly, the coordination of the processes, to date facilitated by the Project, would be lost."

131) Stakeholder feedback regarding PMCU staff was generally positive. The members were qualified and teamwork was open and efficient. The mid-term evaluation raised a concern regarding the high work load of the PMCU fisheries expert, as many of the Component 1 activities were implemented late and several concurrently.

Stakeholder Feedback:

From mid-term evaluation: *"However, given the likely workload of the Fisheries, Bioresources & Data Management Expert over the coming months, he would probably require some short-term support."*

132) The roles and reporting lines of coordination stakeholders, such as the national focal point, national project coordinator officer, coastal advisor, the national convention liaison officer, were not fully clear to the terminal evaluator. An organization chart would have helped more clearly indicate the multi-faceted coordination arrangements. .

4.8. Lessons from Other Projects

133) Certain lessons from the second phase of the Caspian Environmental Programme (CEP II) and the Black Sea Ecosystem Recovery Project (BSERP) are relevant for this Project and could have been more heeded both at development and implementation phases.

Second Phase of the Caspian Environmental Programme (CEP-II 2007)

- *The over-ambitious nature of the Project: too many activities were attempted, in a diverse range of fields, and often in sectors which require more resources (e.g. strengthening civil society) than were available to the Project.*
Comment: the same conclusion can be drawn for this Project. Component 1 might have been more successful if there were fewer activities, and more focus placed on key strategic outcomes.
- *There was low level of strategic reflection and adaptive management during implementation.*
Comment: Possibly in response to this lesson, a robust M&E plan was formulated for the

Project. However, the plan was not followed during Project implementation. Insufficient M&E was a weaknesses identified in the evaluation of the CaspEco Project.

- *The number and scope of the reports are very ambitious. Given the relatively limited funding and time available, it is important for a project like this to be very clear on the main intended purpose of each survey and main intended use of each report or action plan and focus on achieving and documenting the use of these documents by key stakeholders.*

Comment: There were a number of reports developed under Component 1 of the Project, and many of them were delivered near the end of the overall implementation timeframe. Without sufficient time for meaningful stakeholder review/feedback and limited direction on how the reports will be used for subsequent interventions, it is difficult to judge the value of the outputs.

Black Sea Ecosystem Recovery Project (BSERP 2008)

- *Future projects should avoid an overarching inter-ministerial expectation, but rather to include inter-ministerial coordination within actual planned project outputs and activities.*

Comment: Inter-ministerial coordination is a goal of the CaspEco project, but has been limited progress toward institutional buy-in by some of the littoral states.

- *The GEF small grants program should be used as a mechanism to continue providing support to local NGOs and building on previous public awareness efforts.*

Comment: This is a relevant recommendation for the CaspEco Project also. Some of the interviewed stakeholders indicated that the eligibility criteria and co-financing requirements of the GEF small grants program might be restrictive for some of the NGOs that participated in the matched and micro small grants activities of the CaspEco Project.

- Future GEF projects will encounter a similar debate as the BSERP regarding hiring Country Team leaders. This can constitute a major cost factor for multi-country projects. What is typically expected as a co-financing cost born by the partner countries becomes an administrative cost to the project – thereby reducing available funds for demonstration projects and other technical assistance.

Comment: The costs for country coordination positions were borne by the Project, either through overhead or allocated to activities. Positions included coastal advisor, national project coordination officer, national convention liaison officer, and national information officer.

4.9. Linkages with Other Interventions and Effective Partnership Arrangements

134) There was limited evidence of synergies with other GEF-funded initiatives in the region. This seems to be partly due to timing, for example, the GEF Kazakhstan wetlands conservation project facilitated a government-approved nature reserve in 2009, the same year the CaspEco started implementation (however, it is important to point out that this project was leveraged from the results of the CEP-II project). The lower Volga biodiversity project was a national program (Russian Federation), and thus there was little collaboration with the transboundary focused CaspEco project.

135) The Project did serve as a coordination node for the GloBallast initiative. Engagement with the IMO started late and much of the work on this topic will be implemented following

Project closure, but solid groundwork was made with the help of the Project organizational mechanisms.

- 136) There were a number of effective thematic partnerships, including with OSPRI on development of the TC oil spill response protocol, with the EU on promoting good governance (mainstreaming), and with UNEP on preparation of the TC LBSA protocol and on some PTS/POPs projects in the region. The FAO was involved early on, with some sponsored training workshops, but a sustained partnership was not maintained over the duration of the Project. The weak partnership with FAO is a shortcoming, as sustainability of the capacity building with respect to fisheries management could have been enhanced with the existing structures and experience that the FAO can bring.
- 137) Partnership with the EBRD and other IfIs did not materialize as planned. There was one investor forum held during the Project implementation period, but a general lack of projects was a bit disappointing, according to some of the interviewed stakeholders.

5. CONCLUSIONS, RECOMMENDATIONS, AND LESSONS

Rating Project Performance

Aspect		Comments
Monitoring and Evaluation		The M&E plan was sound and robust. Lack of an inception report is a major shortcoming, as adaptive management was essentially implemented after 18 months from Project inception.
Overall quality of M&E	Moderately Unsatisfactory	
M&E design at project start up	Satisfactory	
M&E plan implementation	Moderately Unsatisfactory	
IA & EA Execution		Allocation of responsibilities was unclear for some aspects (e.g., tracking co-financing) in the beginning. Introduction of a responsibility matrix clarified roles and responsibilities among the project team.
Overall quality of project implementation/execution	Satisfactory	
Implementing agency execution	Satisfactory	
Executing agency execution	Satisfactory	
Outcomes		Incremental support gained through the achieved outcomes was high, i.e., progress on TC and regional EBM capacity would have been much lower without GEF funding. Delays in implementation of some activities unfavorably affected both performance and efficiency.
Overall quality of project outcomes	Moderately Satisfactory	
Relevance	Satisfactory	
Effectiveness	Moderately Satisfactory	
Efficiency	Moderately Satisfactory	
Catalytic Role		The Project had a significant catalytic effect, awareness building and local initiative financing through the small grants activities. The pilot fisheries projects were demonstration of good practice, and capacity building (e.g., through training) increases opportunities for replication.
Production of public good	Yes	
Demonstration	Yes	
Replication	Yes	
Scaling up	Too early to evaluate	
Sustainability*		The TC processes are largely country driven and sustainability for the convention is moderately likely. Political roadblocks, e.g., regarding the legal regime, and inefficient institutional framework and weak governance undermine these efforts.
Overall sustainability	Moderately Unlikely	
Financial resources	Moderately Likely	
Socio-economic	Moderately Unlikely	
Institutional framework/governance	Moderately Unlikely	
Environmental	Moderately Likely	
Overall Project Results: Moderately Satisfactory		

* In the context of GEF guidelines, sustainability is generally considered to be the likelihood for continued benefits after GEF funding ends.

Major Achievements and Strengths

- 138) It is well recognized that political borders are ignored by ecosystems. The Tehran Convention is not only the first post-Soviet environmental agreement between the littoral states, it is the **ONLY** agreement signed by all five countries. In a strange turn of events, concern for the environment is stimulating better regional cooperation, as opposed to the other way around.
- 139) Another noteworthy Project strength is the promotion of ecosystem-based management as opposed to the traditional fishery management strategies. The data shows that a decade of quotas and intensive hatchling release has not brought the fishery back. The problem is simply more complicated than that and this Project provided meaningful foundational capacity building that will help guide sustainable bioresources management in the future.
- 140) A significant portion of GEF funds provided for the Project went to producing Global Environmental Benefits (GEB). These took the form of multi-state cooperation, future biodiversity conservation, and long-term monitoring of the ecosystem. Specifically, strengthening of the Tehran Convention and capacity building for EBM approaches would clearly not have been achieved without GEF funding. The incremental costs for attainment of these global environmental benefits provided by GEF were supported by significant parallel funding and co-financing from the littoral states. Parallel financing most likely exceeded project expectations.
- 141) The Matched Small Grants Programme and Micro Environmental Grants Programme were successfully implemented. Grants were extended to projects in each of the 5 littoral States, and the funded activities were relevant for increasing awareness and contributing to improved bioresources conservation. The total money spent on this outcome was nearly 20% more than the budgeted amount, but as some activities were not implemented as planned, reallocating funds into this outcome was sensible, as the effectiveness was high and these grass-roots efforts provide good opportunities for sustainability.
- 142) The developed ecosystem monitoring program is an important step towards sustainable regional long-term monitoring of the Caspian ecosystem. The State of Environment 2010 report prepared by the UNEP/GRID-Arendal is recognized as an important achievement and a solid platform for further development of regional monitoring activities and electronic data collection and sharing systems.
- 143) The Project also produced positive opportunities for catalytic intervention and/or replication. The two fisheries pilot projects provided effective demonstration, and there are opportunities at both sites for continued information dissemination after Project closure. Completion of the management plans for the Kura River Delta protected area and the Seals Special Protected Areas in Kazakhstan are important accomplishments, and provides solid mechanisms for ensuring that these areas are sustainably managed and offers replication opportunities in the other littoral states. There is also a high potential for replication through regional expertise that was enhanced by substantive training.

Weaknesses

- 144) Two primary design weaknesses were identified. Firstly, the time scale needed to achieve sustained regional cooperation and optimal ecosystem management is much longer

than the planning horizon needed to urgently implement actions to revive critical and specific ecosystem damage. It is understood that the traditional fishery management systems using quotas and releasing hatchlings are not improving stock levels. A better holistic approach like EBM is clearly needed, but in the short immediate term, more proactive and pragmatic solutions are called for to reverse or at least halt further decline. Project outcomes should have better represented these short-term concerns.

- 145) The second major design weakness is the disproportionate focus on ecosystem science as opposed to the human behavior causing the problems. Overfishing is the single activity that has driven commercial fishing species to critically endangered levels, which in turn has degraded the ecosystem as a whole, and consequently has hampered the ability of the commercial stock to rebound using traditional management strategies. Meaningful cooperation is essential with those stakeholders whose livelihoods depend on those extractions, legal or illegal. Their motivations and alternative economic opportunities sufficient to change current extraction patterns need to be presented and developed. The Project design was flawed by not integrating more participation by the economic actors ultimately being regulated, including commercial and individual fishing concerns, caviar traders, seal hunters, and those who can develop alternative incomes such as regional investment banks, multi-nationals, investment/sector specific donor programs, etc.
- 146) There were significant delays (more than one year) in implementing some of the Project activities, particularly under Component 1. These delays unfavorably affected both the performance and sustainability of the intended outcomes. Some of the Project impediments, for example, unwillingness on the part of the countries to proceed with habitat conservation without agreement on the legal status of the Caspian, were known at inception. The inception meeting seemed to ineffectively address the known challenges at that time (e.g., the legal status), and some of the key adaptive management decisions were not made until the September 2010 Steering Committee meeting, which took place approximately 18 months after Project inception
- 147) Much of the information produced by the Project is being incorporated in the NCAPs for the littoral states, but there are no specific mechanisms in place for facilitating continuation of some of the activities started under the Project, e.g., further development of a EBM model for the Caspian.
- 148) While a robust progress reporting structure was in place (APR/PIR), the system did not seem to have been used as intended. Information was introduced to these reports by the PMCU, UNDP-CO, and UNDP-RCU, but there did not seem to be a consolidation of the reported progress in the form of a management response to the Project team.

Lessons and Recommendations

- 149) Changes in ecosystem management strategies take a long time to realize. The ecosystem-based fisheries management approach is relatively new, and for many emerging market countries, the challenge of implementing EBM techniques is even greater due to limited capacities and capabilities. Strategic framework indicators should have taken this more into account, i.e., performance metrics should be achievable under the timeframe and intrinsic constraints of a project.

- 150) Also, clearly there are different socioeconomic pressures as well as developed resource management capacities among the five different littoral states. Metrics should not be restricted to "one size fits all", but rather some could be custom tailored for each country in order to manage expectations and focus resources appropriately; in some country more remedial actions might be warranted, and in others, more advanced building upon the results obtained to date.
- 151) Delays caused by governmental turnover, political instability, commercial factors, etc. are inevitable for such a Project. These delays are beyond the control of the Project and the people steering the implementation. That is why the flow of funding should follow milestones, not activities. If the people involved with implementation are obliged to produce something under artificial timelines that do not represent the reality on the ground, then the result will be a focus on outputs rather than outcomes.
- 152) For other GEF funded projects, it would be advisable to prepare organizational charts indicating the roles/responsibilities and financing of project coordination positions. In the CaspEco project, coordination was provided from several sources, including the national focal points, national project coordinator officers, coastal advisors, national liaison coordination officers, etc. It is important to show that there are no duplication of coordination efforts and how costs are distributed.
- 153) A significant amount of good science was realized through the Project activities, but there was limited consolidation of the results by the end of the Project. Several stakeholders pointed out that value would be added by condensing the results into a master plan that could be used as a platform for follow-up activities. In this context, stakeholders overwhelming stressed the need for further international donor support, to help facilitate continued transboundary collaboration.
- 154) Stakeholder feedback was generally positive regarding the proposed Bridging Project and the next phase of potential GEF funding (Supporting the implementation of the Teheran Convention, strengthen regional cooperation and adaptation to the Impacts of Climate Change in the Caspian with Emphasis on Water Level Fluctuations). Water level fluctuations and climate change effects are concerns for each of the littoral states, and stakeholders also stressed the need of further stewardship for some of the issues addressed by GEF funding, e.g., invasive species, integrated environmental monitoring and scientific knowledge of the Caspian ecosystem..
- 155) Another common feedback indicated by the surveyed stakeholders was the need for future donor financing for the implementation phase of the TC protocols. In fact, while the draft protocols have been finalized and are pending approval at the COP-4 in December 2012, ratification will not likely happen without implementation financing secured and agreed upon.

6. ANNEXES

6.1. Annex 1: References

BSERP, Final Evaluation, Black Sea Ecosystem Recovery Project PIMS Number: 3065, 23 June 2008

Caspian Seal Project 2012, <http://www.caspianseal.org/info>

CEP-II, Final Evaluation Report, Towards a Convention and Action Programme for the Protection of the Caspian Sea Environment, October 2007.

FAO 2009. <http://www.iucnredlist.org/apps/redlist/details/10269/0>

GEF, Information on Policies and Criteria Applied by the Implementing Agencies in Involving Local and Regional Consultants, GEF/C.15/Int. 11, Apr 12, 2000.

IUCN 2012, International Union for Conservation of Nature and Natural Resources, Red List of Endangered Species, <http://www.iucnredlist.org>

Khodoresvkaya et al. 2009 <http://www.iucnredlist.org/apps/redlist/details/10269/0>

MSC 2012, Marine Stewardship Council, Certified Sustainable Seafood, <http://www.msc.org/about-us/standards>

Pikitch et al. 2005 <http://www.iucnredlist.org/apps/redlist/details/10269/0>

UNDP, UNDP Evaluation Guidance for GEF-Funded Projects, Version for External Evaluators (Final Draft, March 17th, 2011).

Veblen, T. B., The Theory of the Leisure Class. An Economic Study of Institutions, London, Macmillan Publishers, 1899.

6.2. Annex 2: Terms of Reference for Terminal Evaluation

TERMS OF REFERENCE (Individual Contractor Agreement)

Title:	Consultant for Independent Evaluation
Project:	CASPECO/ 69845
Duty station:	Home based with travel to project
Section/Unit:	EMO IWC
Contract/Level:	International - Specialist ICA, Level 3
Duration:	14/03/2012 through 29-04-2012
Supervisor:	Senior Portfolio Manager, Ms. Katrin Lichtenberg

1. General Background

(Brief description of the national, sector-specific or other relevant context in which the individual contractor will operate)

I. INTRODUCTION

In accordance with UNDP/GEF M&E policies and procedures, all regular and medium-sized projects supported by the GEF should undergo a final evaluation upon completion of implementation.

The Final Evaluation is intended to assess the relevance, performance and success of the project. It looks at signs of potential impact and sustainability of results, including the contribution to capacity development and the achievement of global and national environmental goals. The Final Evaluation also identifies/documents lessons learned and makes recommendations that project partners and stakeholders might use to improve the design and implementation of other related projects and programs.

The evaluation is to be undertaken in accordance with the “GEF Monitoring and Evaluation Policy” (see <http://thegef.org/MonitoringandEvaluation/MEPoliciesProcedures/mepoliciesprocedures.html>).

This Final Evaluation is initiated by UNDP Bratislava Regional Centre as the GEF Implementing Agency for this project and it aims to provide managers with a comprehensive overall assessment of the project and with a strategy for replicating the results. It also provides the basis for learning and accountability for managers and stakeholders.

The Monitoring and Evaluation (M&E) policy at the project level in UNDP/GEF has four objectives: i) to monitor and evaluate results and impacts; ii) to provide a basis for decision making on necessary amendments and improvements; iii) to promote accountability for resource use; and iii) to document, provide feedback on, and disseminate lessons learned. A mix of tools is used to ensure effective project M&E. These might be applied continuously throughout the lifetime of the project – e.g. periodic monitoring of indicators -, or as specific time-bound exercises such as mid-term reviews, audit reports and independent evaluations. The project team and UNDP are responsible for completing monitoring activities under these objectives.

The selected evaluation contractor shall execute a project terminal evaluation to ensure this project's performance in achieving its objectives as laid out in its UNDP project document, as well as its Operational Work Plan documentation. This evaluation will report on the CaspEco Project's performance monitoring, evaluation, reporting, and dissemination requirements as mandated by the GEF and UNDP.

II. PROJECT BACKGROUND

The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework "CaspEco Project" builds upon a solid foundation of regional cooperation for Caspian environmental conservation put in place by the five Caspian states and the Caspian Environment Program over a period of more than 10 years with substantial catalytic support from the Global Environment Facility (GEF). Building on these achievements this project's objective is to strengthen regional environmental governance and apply new thinking to the sustainable management and conservation of the Caspian's bioresources.

The project supports the littoral states' efforts to halt the decline in bioresources and to restore depleted fisheries in the Caspian Sea, through the implementation of agreed actions defined in the Caspian Strategic Action Plan (SAP), and to fully operationalize and make the Caspian Sea's regional environmental governance mechanism sustainable.

The Main Project Objective is that the five littoral States of the Caspian Sea strengthen regional governance and apply new thinking to the sustainable management and conservation of the Caspian Sea's biological resources.

In line with the new GEF priorities, the major focus of GEF involvement will be to assist the countries to agree on the political commitments made to ecosystem-based joint action on sustainable fisheries and bioresources and introduce institutions and reforms to catalyze implementation of policies reducing over-fishing and benefiting communities. There are two main components of the project: 1) Ecosystem based management of aquatic bioresources; and 2) Strengthened regional environmental governance.

The key outcomes sought under the two main components are: 1) Improved ecosystem-based aquatic bioresources management; Invasive species mitigation; Implemented policies & measures to increase reproductive success of Caspian's diadromous fish species; Application of circum-Caspian approach to habitat conservation; Coastal communities participate in and contribute measurably to improved bioresources conservation; and 2) Operational and sustainable Tehran Convention institutions; Coordination and synergy with other projects and activities including effective donor coordination and engagement; Implementation of Strategic Convention Action Plan (SCAP) at regional level and NSCAP at national/sub-national level; Enhanced stakeholders' engagement in the Tehran Convention process and

More information is available at <www.caspianenvironment.org>

Beneficiary Countries

The following are the beneficiary countries of the project:

- Azerbaijan
- I.R. of Iran
- Kazakhstan
- Russian Federation

- Turkmenistan

The project will work with a wide range of local, national and international stakeholders in the region to identify and evaluate the “best”, most appropriate practices and demonstrate that such practices can be cost-effectively and appropriately replicated in a similar projects in the region.

2. Purpose and Scope of Assignment

(Concise and detailed description of activities, tasks and responsibilities to be undertaken, including expected travel, if applicable)

I. INTRODUCTION

In accordance with UNDP/GEF M&E policies and procedures, all regular and medium-sized projects supported by the GEF should undergo a final evaluation upon completion of implementation.

The Final Evaluation is intended to assess the relevance, performance and success of the project. It looks at signs of potential impact and sustainability of results, including the contribution to capacity development and the achievement of global and national environmental goals. The Final Evaluation also identifies/documents lessons learned and makes recommendations that project partners and stakeholders might use to improve the design and implementation of other related projects and programs.

The evaluation is to be undertaken in accordance with the “GEF Monitoring and Evaluation Policy”(see: <http://thegef.org/MonitoringandEvaluation/MEPoliciesProcedures/mepoliciesprocedures.html>)

This Final Evaluation is initiated by UNDP Bratislava Regional Centre as the GEF Implementing Agency for this project and it aims to provide managers with a comprehensive overall assessment of the project and with a strategy for replicating the results. It also provides the basis for learning and accountability for managers and stakeholders.

The Monitoring and Evaluation (M&E) policy at the project level in UNDP/GEF has four objectives: i) to monitor and evaluate results and impacts; ii) to provide a basis for decision making on necessary amendments and improvements; iii) to promote accountability for resource use; and iii) to document, provide feedback on, and disseminate lessons learned. A mix of tools is used to ensure effective project M&E. These might be applied continuously throughout the lifetime of the project – e.g. periodic monitoring of indicators -, or as specific time-bound exercises such as mid-term reviews, audit reports and independent evaluations. The project team and UNDP are responsible for completing monitoring activities under these objectives.

The selected evaluation contractor shall execute a project terminal evaluation to ensure this project’s performance in achieving its objectives as laid out in its UNDP project document, as well as its Operational Work Plan documentation. This evaluation will report on the CaspEco Project’s performance monitoring, evaluation, reporting, and dissemination requirements as mandated by the GEF and UNDP.

II. PROJECT BACKGROUND

The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework “CaspEco Project” builds upon a solid foundation of regional cooperation for Caspian environmental conservation put in place by the five Caspian states and the Caspian Environment Program over a period of more than 10 years with substantial catalytic support from the Global Environment Facility (GEF). Building on these achievements this project’s objective is to strengthen regional environmental governance and apply new thinking to the sustainable management and conservation of the Caspian’s bioresources.

The project supports the littoral states' efforts to halt the decline in bioresources and to restore depleted fisheries in the Caspian Sea, through the implementation of agreed actions defined in the Caspian Strategic Action Plan (SAP), and to fully operationalize and make the Caspian Sea’s regional environmental governance mechanism sustainable.

The Main Project Objective is that the five littoral States of the Caspian Sea strengthen regional governance and apply new thinking to the sustainable management and conservation of the Caspian Sea’s biological resources.

In line with the new GEF priorities, the major focus of GEF involvement will be to assist the countries to agree on the political commitments made to ecosystem-based joint action on sustainable fisheries and bioresources and introduce institutions and reforms to catalyze implementation of policies reducing over-fishing and benefiting communities. There are two main components of the project: 1) Ecosystem based management of aquatic bioresources; and 2) Strengthened regional environmental governance.

The key outcomes sought under the two main components are: 1) Improved ecosystem-based aquatic bioresources management; Invasive species mitigation; Implemented policies & measures to increase reproductive success of Caspian’s diadromous fish species; Application of circum-Caspian approach to habitat conservation; Coastal communities participate in and contribute measurably to improved bioresources conservation; and 2) Operational and sustainable Tehran Convention institutions; Coordination and synergy with other projects and activities including effective donor coordination and engagement; Implementation of Strategic Convention Action Plan (SCAP) at regional level and NSCAP at national/sub-national level; Enhanced stakeholders’ engagement in the Tehran Convention process and

More information is available at <www.caspianenvironment.org>

Beneficiary Countries

The following are the beneficiary countries of the project:

- Azerbaijan
- I.R. of Iran
- Kazakhstan
- Russian Federation
- Turkmenistan

The project will work with a wide range of local, national and international stakeholders in the region to identify and evaluate the “best”, most appropriate practices and demonstrate that such practices can be cost-effectively and appropriately replicated in a similar projects in the region.

Duties and Responsibilities

III. OBJECTIVES OF THE FINAL EVALUATION

The objective of the final evaluation is to enable UNDP, UNOPS and the Caspian littoral countries to assess the relevance, effectiveness, impact and sustainability of the CaspEco Project, playing a critical role in supporting accountability and institutional learning.

The evaluation will assess achievements of the project against its objectives, including a re-examination of the relevance of the objectives and project design. It will also identify factors that have facilitated or impeded the achievement of the objectives. While a thorough review of past actions is in itself very important, the evaluation is expected to lead to a detailed overview and concrete lessons learned for the future.

The evaluation will look at the gender balance, equity consideration and stakeholders' engagement, countries ownership, donors' coordination and sustainability of results and impacts.

The specific objectives of the final evaluation are as follows:

1. To assess the relevance, effectiveness and performance of the project in the achievement of its objectives.
2. To assess the impact and sustainability of the project results, including the contribution to capacity development of local community and organizations.
3. To identify/document lessons learned and make recommendations that might improve design and implementation of other UNDP projects.

The main stakeholders of the evaluation are the governments of the five littoral countries, in particular the national agencies in charge of environment, foreign affairs and bioresources management; Tehran Convention (Interim) Secretariat (TCIS); the Caspian coastal and fishing communities; Commission on Aquatic Bio-resources (CAB); private sector in particular the oil, transport and fishing industries; regional and national environmental NGOs and academic institutions, UNDP Country and Regional Offices and donors. To identify major stakeholders the evaluation may wish to consult the Stakeholders Analysis Report (available at www.caspianenvironment.org) that the previous phases of GEF supported have helped to produce and update.

The results of the final evaluation are especially valuable in the development of follow up activities that UNDP is considering in the area of regional environmental governance as individual projects or as part of ongoing projects and programmes.

The Evaluation Report will present recommendations and lessons of broader applicability for follow-up and future support of UNDP and/or the Governments, highlighting the best and worst practices in addressing issues relating to the evaluation scope.

IV. PRODUCTS EXPECTED FROM THE EVALUATION

The evaluator is expected to deliver the following three outputs:

1. A brief Inception Report to be discussed with the UNDP RTEA in Bratislava, UNOPS Portfolio Manager and Project Manager, which indicates how this TOR will be implemented and

includes specifics on the evaluation approach and a draft of the questionnaires to be used during the interviews.

2. A Draft Evaluation Report to be submitted to the UNDP RTE RTA in Bratislava, UNOPS Portfolio Manager and Project Manager, with copies also submitted to the interviewed government representatives and UNDP Country Office focal point.

3. A presentation of a preliminary evaluation/ findings at the SCM during 12-16 March 2012 in Moscow, Russia.

4. A comprehensive analytical Final Evaluation Report in English that should, at least, include the contents as indicated in Annex 1 of this TOR. The Final Evaluation Report will be a stand-alone document that substantiates its recommendations and conclusions. The report will have to provide complete evidence to support its findings/ratings. It will be reviewed by the UNDP CO, Project Team, UNOPS and UNDP RTA and then finalized.

The Report length shall not exceed 30 pages in total (excluding annexes), be submitted in hard copy and in electronic format, and follow the structure outlined in Annex 1, in line with required UNDP formats for final evaluations.

The evaluation report shall be reviewed according to the following process: once the draft report (Deliverable 2) has been submitted to UNDP RTERTA, UNOPS Portfolio Manager, Project Manager, and interviewed government representatives and UNDP Country Office focal point, these individuals will review it to check for errors and omissions of fact and to ensure the draft report covers all aspects set out in this TOR. The evaluator is required to take all comments into account and is required to include an 'audit trail' with the final report indicating how all comments received have (or have not) been addressed (Deliverable 4).

V. METHODOLOGY OF THE FINAL EVALUATION

Evaluation will begin with a thorough desk-study of the literature pertinent to its objectives. The literature, inter alia, will include the project PIF and Full Size Project Document, the Project Implementation Report (PIR), Quarterly Progress Reports as well technical reports produced by the project. The list of documentation to be reviewed is included in Annex 2 of this Terms of Reference

Simultaneously the views of the major stakeholders, TCIS, PMCU, other donors and the UNDP Bratislava and CCs as well as UNOPS will be sought through written and oral communications. Evaluation Reports on the previous phases of GEF/UNDP support to the Caspian will be of use at this stage. The consultant will receive an initial briefing from UNOPS and UNDP/GEF RTA at the beginning of the evaluation.

It is expected that the Consultant will provide an Inception Report at the end of this stage. The report will detail his/her understanding of what is to be evaluated and how this is to be done. The report will include a sample of questions he /she would propose to find answers to during the full-fledged evaluation as well as the criteria he/she will be using to assess and evaluate the work. The report will also include a proposed schedule of tasks, future activities, deliverables and timelines for the balance work.

The second stage of the exercise will be a visit to the region to dialogue with major players and stakeholders including the PMCU , UNDP COs, national governments, industry, NGOs and coastal and fisheries communities to the extent possible (in majority through teleconferences and

interviews). The Consultant will be invited to travel to Astana (Project Coordination and Management Unit) and Moscow where the project will have a Steering Committee Meeting in March 2012. During the visit he/she will have the opportunity to meet and dialogue with a high number of players and stakeholders and seek answers to his /her questions. He/she will also directly observe the project and the stakeholders in operation. The visit will provide the Consultant sufficient information and analysis to draft the Final Evaluation Report. The Consultant is expected to present and share his/her preliminary findings with the Steering Committee Members at the Steering Committee Meeting which is to be held in Moscow 12-16 March 2012.

The final stage of the exercise will be home-based. During this period the Consultant is required to draft the Final Report as outlined in Annex 1 in line with the GEF/UNDP reporting requirements and submit and finalize same in full consultation with the UNDP RTE in Bratislava and PMCU in their capacities as the Initiator and Manager of the Evaluation Exercise.

The [incumbent/personnel] is responsible to abide by security policies, administrative instructions, plans and procedures of the UN Security Management System and that of UNOPS.

VI. IMPLEMENTATION ARRANGEMENTS

The Consultant will directly report to UNDP Bratislava as the Initiator of the Evaluation. On management and administrative issues the consultant will report to UNOPS. Logistical support for the exercise including assembling of background documentation and mission to arrangements to the region will be provided by the PMCU of the CaspEco Project as the Manager of the Evaluation. Activities will be carried out in close collaboration with the UNDP CO Astana and UNDP COs in the region. PMCU will also provide when possible the information required by the consultant

Time-frame for the Final Evaluation

The evaluation will involve a level of effort of 20 days over a period of 1.5 months, according to the following calendar estimates:

1. Desk review of relevant documents: Approximately 6 days (targeted dates: include estimated dates, also: where does PSC fits in????)

- Review the project document and other relevant information about the project and previous phases of the project
- Review the overall development and Caspian environment situation of the countries
- Hold an initial telephone discussion with the UNDP RTE, UNOPS Portfolio Manager, Project Manager
- Prepare an Inception Report, including comments on the TOR, the evaluation methodology to be followed and questionnaires to be submitted on day 6 of the consultancy.

2. Draft Evaluation Report: Approximately 10 days

- Conduct interviews with key stakeholders
- Conduct interview with Project Manager and other related individuals (Includes travel to

Astana)

- Review all available materials with focused attention to project outcomes and outputs
- Draft final evaluation report in accordance with guidelines
- Telephone/skype review of major preliminary findings with UNDP RTE, UNOPS Portfolio Manager, Project Manager
- Complete the draft report and submit the draft report for comments and suggestions
- Deliver an oral presentation of the major findings to CaspEco SCM. Draft report is to be submitted to the UNDP Regional Technical Advisor, Mr. Vladimir Mamaev (e-mail: vladimir.mamaev@undp.org), UNOPS Senior Portfolio Manager, Ms. Katrin Lichtenberg (KatrinL@unops.org), CaspEco Project Manager, Ms. Parvin Farshchi (parvin_farshchi@caspeco.org), interviewed government representatives and UNDP Country Office focal point.

3. Final Evaluation Report: Approximately 4 days

- Revise the evaluation report to address comments received by major stakeholders
- Prepare an 'audit trail' with indicating how all comments received have (or have not) been addressed
- Submit the Final Evaluation Report to UNDP RTE, UNOPS Portfolio Manager, Project Manager.

VI. SCOPE OF THE EVALUATION

The scope of the final evaluation will cover all activities undertaken in the framework of the project. The evaluator will compare planned outputs of the project to actual outputs and assess the actual results to determine their contribution to the attainment of the project objectives. He/she will evaluate the efficiency of project management, including the delivery of outputs and activities in terms of quality, quantity, timeliness and cost efficiency.

The evaluation will comprise the following elements:

- I. Assess whether the project design is clear, logical and commensurate with the time and resources available.
- II. Evaluate the adequacy and relevance of the project activities and achievements by taking into account UNDP's adaptation discourse, sustainability goals, the specific project environment in the five Caspian littoral countries as well the overall experience, lessons learnt and best practices.
- III. Identify factors that influenced the project's progress and contributed to achieving or not achieving the intended outcomes.
- IV. Identify any programmatic and financial variance and/or adjustments made during the project period and an assessment of their appropriateness in terms of the overall objectives of the project.

- V. Review the effectiveness of the project implementation and the use of its financial resources, including adaptive management applied for the revision of the project implementation mechanisms and other actions to overcome the obstacles identified during the implementation of the project.
- VI. Assess how effectively the project incorporated equality and gender in its design and execution.
- VII. Estimate the impact, effectiveness level and sustainability of the project's activities, outputs and outcomes at the national level in the five countries and on the main stakeholders.
- VIII. Assess the project partnership strategy effectiveness and appropriateness.
- IX. Identify findings, best practices and lessons learned relevant for future programming or for similar initiatives elsewhere.
- X. Identify and provide recommendations that are practical, feasible and focused on actions and decisions to take. The recommendations should build from the evidence provided in the report. Recommendations on improvements that could be made in a potential phase IV of the project are sought.
- XI. Conclude with a comprehensive and balanced summary of the project, highlighting its strengths, weaknesses and outcomes. This conclusion should be well substantiated by the evidence and logically connected to the evaluation findings.
- XII. Provide recommendations for a follow-up GEF project in the region.

For items IX and X, the evaluator will be expected to give special attention to analyzing lessons and proposing recommendations on factors that contributed or hindered the attainment of project objectives, sustainability of project benefits, innovation, catalytic effect and replication, and project monitoring and evaluation. Wherever possible, the final evaluation report should include examples of good practices for other projects in a focal area, country or region.

The evaluation will rate the success of series of items in accordance with UNDP criteria given in Annex 1.

3. Monitoring and Progress Controls

(Clear description of measurable outputs, milestones, key performance indicators and/or reporting requirements which will enable performance monitoring)

OBJECTIVES OF THE FINAL EVALUATION

The objective of the final evaluation is to enable UNDP, UNOPS and the Caspian littoral countries to assess the relevance, effectiveness, impact and sustainability of the CaspEco Project, playing a critical role in supporting accountability and institutional learning.

The evaluation will assess achievements of the project against its objectives, including a re-examination of the relevance of the objectives and project design. It will also identify factors that have facilitated or impeded the achievement of the objectives. While a thorough review of past actions is in itself very important, the evaluation is expected to lead to a detailed overview and concrete lessons learned for the future.

The evaluation will look at the gender balance, equity consideration and stakeholders' engagement, countries ownership, donors' coordination and sustainability of results and impacts.

The specific objectives of the final evaluation are as follows:

1. To assess the relevance, effectiveness and performance of the project in the achievement of its objectives.
2. To assess the impact and sustainability of the project results, including the contribution to capacity development of local community and organizations.
3. To identify/document lessons learned and make recommendations that might improve design and implementation of other UNDP projects.

The main stakeholders of the evaluation are the governments of the five littoral countries, in particular the national agencies in charge of environment, foreign affairs and bioresources management; Tehran Convention (Interim) Secretariat (TCIS); the Caspian coastal and fishing communities; Commission on Aquatic Bio-resources (CAB); private sector in particular the oil, transport and fishing industries; regional and national environmental NGOs and academic institutions, UNDP Country and Regional Offices and donors. To identify major stakeholders the evaluation may wish to consult the Stakeholders Analysis Report (available at www.caspianenvironment.org) that the previous phases of GEF supported have helped to produce and update.

The results of the final evaluation are especially valuable in the development of follow up activities that UNDP is considering in the area of regional environmental governance as individual projects or as part of ongoing projects and programmes.

The Evaluation Report will present recommendations and lessons of broader applicability for follow-up and future support of UNDP and/or the Governments, highlighting the best and worst practices in addressing issues relating to the evaluation scope.

4. Qualifications and Experience

(List the required education, work experience, expertise and competencies of the individual contractor. The listed education and experience should correspond with the level at which the contract is offered.)

a. Education (Level and area of required and/or preferred education)

- Masters degree or equivalent in Environmental Science, Business or other relevant area

b. Work Experience

(List number of years and area of required work experience. Clearly distinguish between required experience and experience which could be an asset.)

- Minimum of 11 years relevant working experience, preferably as a fisheries expert or an environmental expert,
- Previous experience with evaluation of the GEF International Water Projects an asset

c. Key Competencies

(Technical knowledge, skills, managerial competencies or other personal competencies relevant to the performance of the assignment. Clearly distinguish between required and desired competencies)

- highly qualified independent Consultant - preferably a fisheries expert or an environmental expert fully familiar with GEF and UNDP/ UNOPS

- sufficient exposure to the issues, opportunities and challenges of the Caspian Sea alert to the cultural, political and social sensitivities of the region
- evaluation experience required
- the candidate should not have been involved in the design and implementation of the CaspEco and/or the other UNDP supported project related to the Caspian

Project Authority (Name/Title): Katrin Lichtenberg	Contract holder (Name/Title): James Lenoci
Signature _____ Date _____	Signature _____ Date _____

6.3. Annex 3: Evaluation Consultant Code of Conduct Agreement Form

United Nations Code of Conduct for Evaluations

1. Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded
2. Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.
3. Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and: respect people's right not to engage. Evaluators must respect people's right to provide information in confidence, and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals, and must balance an evaluation of management functions with this general principle.
4. Sometimes uncover evidence of wrongdoing while conducting evaluations. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.
5. Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.
6. Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/or oral presentation of study limitations, findings and recommendations.
7. Should reflect sound accounting procedures and be prudent in using the resources of the evaluation.

Name of Consultant: **James Lenoci**

I confirm that I will abide by the United Nations Code of Conduct for Evaluation outlined above.

Signed at Budapest on 2012 April 30.



6.4. Annex 4: List of Documents Reviewed

- Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Tehran Convention, 2003)
- Strategic Action Programme (SAP) for the Caspian Sea (updated 2006)
- Strategic Convention Action Programme, Tehran Convention, Draft (2008)
- TC IS Programme of Work, 2009-2010
- Project Identification Form (PIF), GEF Project ID 3620, The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework, 15 February 2008
- Project Document: *The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework* (CASPECO Project, 2009))
- UNOPS/UNEP Letter of Agreement (Inter-Agency Agreement, IAA) (2009)
 - Financial Report (31 Dec 2010)
 - Amendment No. 1 (27 May 2011)
- CaspEco Inception Meeting, Astana KZ, April 15-17, 2009, presentation slides (CaspEco 2009)
- Detailed Workplans (2009)
- Budgetary Information: (2009, 2010, 2011, 2012)
- National Report: I.R.Iran's Progress Report on Implementation of CaspEco Project
- Progress Report: Component I, Outcome 5 (MSGP and MEG)
- Minutes of MSGP Evaluation Meeting (December 2009, August 2010)
- Report of evaluation meeting on MEG programme (October 2009, May 2010)
- Progress Report and Recommendations for Discussion (Steering Committee Meeting, September 2010) (2010)
- Recommendations to Steering Committee (Steering Committee Meeting, September 2010) (2010)
- Steering Committee Minutes, September 2010 (2010)
- Various presentations to SC, September 2010 (2010)
- Project Implementation Report, APR/PIR (2010 June 30)
- Various WG Workplans, TOR, Project Workplans, Individual workplans.
- Quarterly reports, 2009, 2010.
- Mid-Term Evaluation, Final Report, D. Fenton (December 2010)
- Progress Report (March 2009-March 2012), Project Final Steering Committee Meeting, Moscow, Russian Federation (CaspEco, 16 March 2012)
- Regional Training Workshop on Sturgeon Hatchery Practices and Management, Atryau KZ 14-19, 2009 (FAO/WB/UNDP/GEF/FCK)
- Terms of Reference, Senior Ecosystem-based Management Consultant (2009)
- Terms of Reference for National Consultant for EMP Working Group (CaspEco)
- Terms of Reference for Lead Consultant for EMP Working Group (CaspEco)
- Terms of Reference for Lead Consultant International anadromous fish spawning ground identification, management & restoration expert (CaspEco)

- Minutes of the Meeting, First Regional Meeting of the working group on the Ecosystem-Based Bioresources Management (EBBM) Astana, Kazakhstan 18-19 June 2010 (CaspEco, 2010)
- Enhancing Connectivity: A Report on the Regional Meeting of the Working Groups on Inventory of Spawning Grounds and Fish Passage, Gianluigi Negroni, October 2010
- Enhancing Connective Inception Meeting Report, Ashley Hall, October 2010.
- Matched Small Grants Programme, Application Guidelines and Forms (2010)
- Matched Small Grants Programme, Implementation Manual (2010)
- Micro Environment Grants, Application Guidelines and Forms (2010)
- Strategy for Civil Society Engagement in the Caspian Sea Marine Environment (Public participation strategy). (TC/COP3/9). (2010)
- Unified Reporting Format for the Tehran Convention and Protocols by the interim Secretariat (September 2010)
- TC IS Programme of Work, 2011-2012 (Draft)
- Implementation of the Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Tehran Convention), Progress report by the interim Secretariat (September 2010)
- Study of the Economics of Bio-Resources Utilization in the Caspian, Elena Strukova, Oleg Guchgeldiyev (Draft) (2010)
- Country report on seals, Russian Federation (CaspEco, 2010)
- Country report on seals, Republic of Azerbaijan (CaspEco 2010)
- Report on Conservation of the Caspian seal in the Turkmen sector of the Caspian Sea and sites proposed for its regular monitoring, B. Berdivyev and S. Zakaryaeva (CaspEco 2010)
- Report of the EBBM WG meeting, Astana KZ, 11 - 12 June, 2011, together with the WGs on FP and SG, G. M. Daskalov (CaspEco 2011)
- Project Implementation Report, APR/PIR (2011 June 30)
- PROTOCOL ON REGIONAL PREPAREDNESS, RESPONSE AND CO-OPERATION IN COMBATING OIL POLLUTION INCIDENTS TO THE FRAMEWORK CONVENTION FOR THE PROTECTION OF THE MARINE ENVIRONMENT OF THE CASPIAN SEA ("TEHRAN CONVENTION"), Note by Interim Secretariat, TC/COP3/3/Edited (22 Jul 2011)
- PROTOCOL ON ENVIRONMENTAL IMPACT ASSESSMENT IN A TRANSBOUNDARY CONTEXT TO THE FRAMEWORK CONVENTION FOR THE PROTECTION OF THE MARINE ENVIRONMENT OF THE CASPIAN SEA ("TEHRAN CONVENTION"), Note by Interim Secretariat, TC/COP3/4/Edited (22 Jul 2011)
- PROTOCOL ON THE CONSERVATION OF BIOLOGICAL DIVERSITY TO THE FRAMEWORK CONVENTION FOR THE PROTECTION OF THE MARINE ENVIRONMENT OF THE CASPIAN SEA ("TEHRAN CONVENTION"), Note by Interim Secretariat, TC/COP3/5 (15 Aug 2011)
- PROTOCOL FOR THE PROTECTION OF THE CASPIAN SEA AGAINST POLLUTION FROM LAND BASED SOURCES AND ACTIVITIES TO THE FRAMEWORK CONVENTION FOR THE PROTECTION OF THE MARINE ENVIRONMENT OF THE CASPIAN SEA ("TEHRAN CONVENTION"), Note by Interim Secretariat, TC/COP3/6 (25 Mar 2011)
- Review of the existing Fisheries Agreement prepared under the auspices of the Commission on Aquatic Bioresources (CAB), G. Goldenman (CaspEco, July 2011)
- Overview of global experience on fisheries agreements, and recommendations for the Caspian region, G. Goldenman (CaspEco, July 2011)
- Caspeco project 2010-2011 – Creation of a network of seal special protected areas (SSPAs), Kazakhstan national report, Part1. Present status of the Caspian seal in Kazakhstan

- Caspeco project 2010-2011 – Creation of a network of seal special protected areas (SSPAs), Kazakhstan national report, Part 2. Coastal and sea areas recommended as SSPAs in Kazakhstan
- Seal Special Protected Network (SSPA), Final Report, University of Leeds (CaspEco, May 2011)
- Review of the status of invasive species with special focus on the most invasive species *Mnemiopsis leidyi* (A.Agassiz, 1865) and their effects on the Caspian ecosystem. Synthesis of national reports of Azerbaijan, Iran, Kazakhstan, the Russian Federation and Turkmenistan on invasive species, published sources and own data, T. Shiganova and P.P. Shirshov (CaspEco, 2011)
- Model predictions of socio-economic impacts of enhancing connectivity in major rivers, M. Kshatriya and A.S. Halls, Fish Pass Working Group (CaspEco, January 2011)
- Pilot ecosystem model (Ecopath/Ecospace) as a tool for EBBM in the Caspian, G. M. Daskalov (CaspEco, 2012)
- Overview of the Match Small Grants Program & Micro Environment Grants Program (CaspEco 2012)
- Inventory of Spawning Grounds in the Caspian Sea, Final Draft Report, G. Negroni and Working Group on Spawning Grounds (CaspEco, January 2012)
- Gene Pool Conservation of Sturgeon Species in the Sepidrud River, Iran, Final Draft Report, M. Pourkazemi (CaspEco, February 2012).
- Unified, Integrated, and Affordable Caspian Environment Monitoring Program (EMP) among Contracting Parties to the Tehran Convention, Final Draft Report, M.R. Sheikholeslami and EMP Working Group (CaspEco 2012)
- Regional Caspian Sea Ecosystem Review: Review of the Environment and Bioresources in the Caspian Sea Ecosystem 2000-2010 (CaspEco, 2012)
- Draft Final Report 'Enhancing Connectivity Project', A. S. Halls, MRAG Ltd. In association with ASL (CaspEco, February 2012)
- Steering Committee Minutes, March 2012 (CaspEco 2012)

6.5. Annex 5: Itinerary of Field Visit

A Field visit was made to the PMCU office in Astana, Kazakhstan from April 16 through the 20th.

Monday, April 16

- Personal meeting/interview with CTA at PMCU office
- Interview with representatives of the Ministry of Environment (KZ)
- Interview with representatives of the Fisheries Committee (KZ)

Tuesday, April 17

- Interview with representatives of the Ministry of Foreign Affairs
- Interview with representatives of the Forestry and Hunting Committee (KZ)
- Telephone interview with representative from Iran Fisheries Committee
- Continued interview with CTA

Wednesday, April 18

- Interview with KZ national focal point
- Interview with PMCU Financial and Administration Manager
- Review of financial statements
- Interview with PMCU Civil Society Participation Officer
- Continued interview with CTA

Thursday, April 19

- Interview with representatives of UNDP-CO (KZ)
- Telephone interview with NGO representative (KZ)
- Telephone interview with NGO representative (RU)
- Continued interview with CTA

Friday, April 20

- Telephone interview with AZ national focal point.
- Interview with PMCU Operations and Logistics Assistant
- Wrap-up interview with CTA

6.6. Annex 6: List of Survey Questions

Questions for All Stakeholders Surveyed:

COUNTRY OWNERSHIP
Was the project concept in line with the development priorities and plans of the participating countries?
Are project outcomes contributing to national development plans and priorities?
Were the relevant country representatives from government and civil society involved in the project?
Did the recipient government maintain its financial commitment to the project?
Have the governments of the participating countries approved policies or regulatory frameworks in line with the project's objectives?
STAKEHOLDER INVOLVEMENT
Did the project involve the relevant stakeholders through information sharing and consultation?
Did the project seek participation from stakeholders in:
Project design?
Project implementation?
Project monitoring & evaluation?
Did the project consult with and make use of the skills, experience, and knowledge of the appropriate government entities, NGOs, community groups, private sector entities, local governments, and academic institutions?
Were the relevant vulnerable groups and powerful supporters and opponents of the processes properly involved?
MONITORING OF LONG-TERM CHANGES
Did the project contribute to the establishment of a long-term monitoring system?
Is the system sustainable, that is, is it embedded in a proper institutional structure and does it have financing?
CATALYTIC ROLE
Explain how the project has had a catalytic or replication effect in the region or particular participating country or region.
SYNERGY WITH OTHER CASPIAN PROJECTS/PROGRAMS
Explain how synergies with other Caspian projects/programs were incorporated in the design and/or implementation of the project.
PARTICULAR ISSUES THAT AFFECTED PROJECT OUTCOMES
Are you aware of any particular issues that may have limited the effectiveness of Project outcomes?

Questions for GEF/UNDP, UNOPs, TCIS, and PMCU stakeholders:

PREPARATION AND READINESS
Were the project's objectives and components clear, practicable, and feasible within its time frame?
Were the capacities of the executing institution(s) and its counterparts properly considered when the project was designed?
Were lessons from other relevant projects properly incorporated in project design?
Were the partnership arrangements properly identified and roles and responsibilities negotiated prior to project approval?
Were counterpart resources, enabling legislation, and adequate project management arrangements in place at project entry?
FINANCIAL PLANNING
Did the project have the appropriate financial controls, including reporting and planning, that allowed management to make informed decisions regarding the budget and allowed for timely flow of funds?
Was there due diligence in the management of funds and financial audits?
Did promised co-financing materialize?
GEF AGENCY SUPERVISION AND BACKSTOPPING
Did GEF Agency staff identify problems in a timely fashion and accurately estimate their seriousness?
Did GEF Agency staff provide quality support and advice to the project, approve modifications in time, and restructure the project when needed?
Did the GEF Agency provide the right staffing levels, continuity, skill mix, and frequency of field visits for the project?
CO-FINANCING AND PROJECT OUTCOMES AND SUSTAINABILITY
If there was a difference in the level of expected co-financing and the co-financing actually realized, what were the reasons for the variance?
Did the extent of materialization of co-financing affect project outcomes and/or sustainability, and, if so, in what ways and through what causal linkages?
DELAYS AND PROJECT OUTCOMES AND SUSTAINABILITY
If there were delays in project implementation and completion, what were the reasons?
Did the delays affect project outcomes and/or sustainability, and, if so, in what ways and through what causal linkages?

6.7. Annex 7: List of Stakeholders Surveyed

Republic of Azerbaijan	
Ms. Konul Ahmadova Advisor Environmental Policy Division, Ministry of Ecology and Natural Resources Tel: + 994 12 4387073 E-mail: kahmadova@gmail.com	Skype interview on Apr 13
Mr. Rasim Sattarzadeh National Focal Point of the Republic of Azerbaijan E-mail: iscf_azerbaijan@azdata.net	Tel interview on Apr 20
Islamic Republic of Iran	
Dr. Jalil Zorrieh Cold Water Pilot Leader E-mail: Zorrieh@yahoo.com	Completed survey and sent by e-mail
Ms. Farnaz Shoaie Marine Pollution Officer National Convention Liaison Officer Marine Pollution Division Deputy Office for Marine Environment Department of the Environment Pardisan Nature Park, Hakim Highway, Tehran Tel: +98 21 88233148 E-mail: farnaz51@yahoo.com	Skype interview on Apr 11.
Mr. Reza Shahifar General Manager, Protection & Reconstruction of Marine Fish Resources Iran Fisheries Organization #250, Fatemi Ave. Tehran, Iran Tel: + 98 21 66943844 E-mail: r.shahifar@gmail.com ; rshfar@yahoo.com	Completed survey and Skype interview on Apr 17
Republic of Kazakhstan	
Mr. Serik Akhmedov National Focal Point National Convention Liaison Officer CaspEco Project 11/1 Orynbor St., Left bank of the Ishym River, "KAZHYDROMET" Building, 7 th floor 010000, Astana Tel: + 7 7172 79-83-18 (ext. 106) E-mail: serik.akhmetov@mail.ru	Completed survey, personal interview on Apr 18
Mr. Askar Akhmetov Head of the Department for multilateral cooperation of the Republic of Kazakhstan Ministry of Foreign Affairs, Astana	Personal interview on Apr 17
Ms. Aida Kantarbekova Second Secretary Directory of International and Legal Problems International and Legal Department Ministry of Foreign Affairs, Astana Tel: + 7701 3351066	Personal interview on Apr 17

E-mail: a.kantarbekova@mfa.kz	
Ms. Anara Bulzhunova Deputy Director of the Department of International Ecological Agreements and Conventions Ministry of Environment, Astana Tel: +7 701 999 2352 E-mail: anara_bulzhanova@eco.gov.kz	Personal interview on Apr 16
Mr. Nariman Zhunussov Acting Deputy Chairperson of the Fisheries Committee Ministry of Agriculture, Astana	Personal interview on Apr 16
Mr. Khairbek Mussabayev Deputy Chairman Forestry and Hunting Committee Ministry of Agriculture, Astana	Personal interview on Apr 17
Russian Federation	
Ms. Tatiana Butylina National Focal Point Deputy Director Centre for International Projects Tel: +7 499 165 6381 E-mail: okpd@eco-cip.ru	Filled in survey and responded by e-mail.
TURKMENISTAN	
Ms. Gurbangozel Orazdurdyeva CaspEco National Project Coordination Officer Ministry of Nature Protection Office 17, 15 Bitarap str., Ashgabad 744000 Tel.: + 993 12 35 73 41 E-mail: 1nfp-tm@online.tm ; gozel-tm07@mail.ru	Sent survey via e-mail on Apr 04 Telephone interview on Apr 13
Interim Secretariat to the Tehran Convention	
Mr. Frederik Schlingemann Senior Adviser UNEP Regional Office for Europe International Environment House 11-13 Chemin des Anémones 1219 Châtelaine, Geneva, Switzerland Tel.: + 4122 917 8159 E-mail: frits.schlingemann@unep.org	Completed survey and Skype interview on Apr 30
International, Regional, and National Consultants	
Mr. Valentin Yemelin GRID-Arendal Teaterplassen 3, 4836 Arendal, Norway Tel: +4747 644555 E-mail: Valentin.Yemelin@grida.no	Skype interview on Apr 23
Mr. Vincent Lalieu International Consultant GRID-Arendal Teaterplassen 3, 4836 Arendal, Norway Tel: +996-551165162 (Bishkek) E-mail: vincent@lalieu.com	Skype interview on Apr 23
Mr. Gianluigi Negroni CaspEco Project Fish Spawning Expert Coop Alveo scarl	Completed survey and returned by e-mail

Via Frassinago 15, 40123 Bologna, Italy Tel: + 39051 6448569 E-mail: gigineg@gmail.com	
Dr. Ashley Halls International Consultant on Fish Passages E-mail: ashleyhalls@btconnect.com	Completed survey and Skype interview on Apr 11
Dr. Mrigesh Kshatriya International Consultant on Fish Population Modeling E-mail: mrigesh.kshatriya@gmail.com	Completed survey and returned by e-mail.
Dr. Georgi Daskalov International consultant on Ecosystem based Bioresources Management E-mail: gmdaskalov@yahoo.co.uk	Completed survey and Skype interview on Apr 11
Mr. Reza Sheikholeslami Regional lead consultant on Environment Monitoring Program E-mail: reza.sheikholeslami@gmail.com	Completed survey and sent by e-mail
Dr. Sue Wilson International Lead consultant on Seals E-mail: suewilson@sealresearch.org	Completed survey and sent by e-mail
Mr. Serik Timirkhanov Lead National Consultant on Seals, Russia E-mail: stimirkhanov@mail.ru	Completed survey and sent by e-mail
UNDP	
Mr. Vladimir Mamaev Regional Technical Advisor, UNDP Europe and the CIS, Bratislava Regional Centre Grosslingova 35, 811 09 Bratislava, Slovak Republic Tel: + 4212 59337267 E-mail: vladimir.mamaev@undp.org	Skype interviews on Apr 3 and Apr 30
Mr. Stephen Tull UN Resident Coordinator and UNDP Resident Representative, UNDP Kazakhstan, Astana stephen.tull@undp.org	Personal meeting on Apr 19
Mr. Stanislav Kim Head of Energy and Environment Unit, UNDP Kazakhstan, Astana stanislav.kim@undp.org	Personal meeting on Apr 19
UNOPS	
Ms. Katrin Lichtenberg Senior Portfolio Manager, EMO IWC Copenhagen, Denmark Tel: + 45 3546 7623; +45 301 77623 E-mail: KatrinL@unops.org	Skype interview on Apr 25
"CaspEco" Project	
Ms. Parvin Farshchi Chief Technical Adviser / Project Manager Orynbor St. 11/1 Astana, Kazakhstan Tel. + 7 7172 79 83 20 (direct); +7 7172 79 83 07 (ext. 101) E-mail: parvin.farshchi@caspeco.org	Completed survey and personal meetings during the week of Apr 16-20
Mr. Elchin Mammadov	Completed survey and sent by e-mail

<p>Fisheries, Bioresources & Data Management Expert Orynbor St. 11/1 Astana, Kazakhstan Tel: + 77172 79-83-18 (ext. 109) E-mail: elchin_mamedov@caspeco.org</p>	
<p>Ms. Umit Kazhgalieva Financial and Administration Manager Caspeco Project Orynbor St. 11/1 Astana, Kazakhstan Tel: + 77172 798319 (ext. 102) E-mail: Umit_kazhgalieva@caspeco.org</p>	Personal interview on Apr 18
<p>Ms. Anara Ayaganova Operation and Logistics Assistant Caspeco Project Orynbor St. 11/1 Astana, Kazakhstan Tel: + 77172 798319 (ext. 102) E-mail: anara_ayaganova@caspeco.org</p>	Personal interview on Apr 20
<p>Ms. Zhanar Mautanova Civil Society Participation Officer Caspeco Project Orynbor St. 11/1 Astana, Kazakhstan Tel: + 77172 798318 (ext. 107) E-mail: zhanar_mautanova@caspeco.org</p>	Personal interview on Apr 18
International Partners	
<p>Mr. Fredrik Haag Chief technical Adviser GloBallast Partnerships Marine Environment Division International Maritime Organization 4 Albert Embankment, London SE1 7SR United Kingdom Tel: +44 0 20 74634161; +44 0 79 17797090 E-mail: fhaag@imo.org</p>	Skype interview on Apr 13
Business community	
<p>Mr. Sergio Chiarandini Head of Sustainable Development Projects Interface Agip KCO – Agip Kazakhstan North Caspian Operating Company NV HSE & Sustainable Development Department Studencheskaya 52, 060002 Atyrau, Kazakhstan Tel: + 7 3122 923901; + 7 701 9790637 E-mail: Sergio.chiarandini@agipkco.com</p>	Completed survey and Skype interview on Apr 25
NGOs	
<p>Ms. Nikar Rafikova Director Social Union “Mangistau oblast society on consumers rights protection” Astana, Kazakhstan Tel: +7(7292)43-98-00 e-mail: nikarr@mail.ru</p>	Telephone interview on Apr 19
<p>Mr. Alexey Zimenko Wild Nature Protection Center (charitable foundation)</p>	Skype interview on Apr 19

Astrakhan Oblast, Republic of Dagestan, Russian Federation tel: +7 (499) 124 71 78 e-mail: Alex.Zimenko@yandex.ru	
--	--

6.8. Annex 8: Project Framework (Budget and Actual Cost Breakdown)

Component		Activity Type	GEF Financing (in USD)					
			Approved	Actual				
Outcome	Output			2009	2010	2011	2012 est.	Total est.
Project Preparation			300,000					300,000
Project Implementation:								
Component 1								
1	1	1. EBBM	243,000	65,108	120,659	215,108	30,780	431,655
	2	2. EMP	289,000	40,309	58,296	81,034	7,552	187,191
	3	3. CAB cooperation	198,000	40,476	26,131	107,637	10,500	184,744
2	4	4. Ballast water	140,000	27,462	24,752	34,924	3,200	90,338
	5	5. Invasive species	141,000	27,462	24,752	51,299	3,700	107,213
3	6	6. Pilot projects	226,000	38,589	177,030	128,627	9,000	353,246
	7	7. Fish passage, spawning	406,000	27,462	95,104	193,571	5,400	321,537
4	8	8. SPACE, Kura, SSPA	425,000	51,479	50,446	87,640	8,000	197,565
5	9	9. MSGP, MEG	519,000	65,650	344,745	257,918	4,950	673,263
Total Component 1			2,587,000	383,997	921,915	1,157,758	83,082	2,546,752
Component 2								
1	10	10. TC and Protocols	436,000	317,921	127,891	100,230	15,000	561,042
2	11	11. TC Executive structure	135,000	23,836	43,301	47,609	13,700	128,446
	12	12. Private sector partnership	78,000	12,541	27,178	25,459	9,560	74,738
3	13	13. SCAP and NSCAPs	237,000	12,000	95,400	31,435	12,300	151,135
	14	14. M&E framework	127,000	19,252	37,880	31,687	8,000	96,819
4	15	15. NGO partnerships	211,000	14,668	129,110	25,590	4,007	173,375
	16	16. CIC	246,000	12,270	179,205	26,320	10,000	227,795
5	17	17. Adaptive management	218,000	108,207	120,083	11,195	0	239,485
Total Component 2			1,688,000	520,695	760,048	299,525	72,567	1,652,835
	18	18. PMCU	425,000	173,865	126,542	148,306	51,700	500,413
Total Implementation, Components 1 and 2:			4,700,000	1,078,557	1,808,505	1,605,589	207,349	4,700,000
Grand Total			5,000,000	1,078,557	1,808,505	1,605,589	207,349	5,000,000

Note: In this framework, chief technical advisor and national project coordination officer costs are allocated among activities consistent with the financial plan outlined in the Project Document. During review of Project financial statements as part of the terminal evaluation, these costs were found to have been mostly accounted under PMCU expenditures (line 18). This observation was discussed with UNOPs, and as management response, a note will be filed with the financial accounts to explain the oversight.

6.9. Annex 9: Co-Financing

Source of Cofinancing	Type	Project Preparation		Project Implementation		
		Expected	PIR 2010	Expected	PIR 2010	Project End
Government contributions:						
Republic of Azerbaijan	Parallel			3,000,000		Info unavailable
	Cash & In-kind		60,000	821,000	252,615	Info unavailable
Islamic Republic of Iran	Parallel			6,500,000		Info unavailable
	Cash & In-kind		65,000	876,000	269,538	Info unavailable
Republic of Kazakhstan	Parallel			7,000,000		Info unavailable
	Cash & In-kind		64,000	1,094,000	336,615	Info unavailable
Russian Federation	Parallel			8,000,000		Info unavailable
	Cash & In-kind		54,000	612,000	188,308	Info unavailable
Turkmenistan	Parallel			7,500,000		Info unavailable
	Cash & In-kind		54,000	839,000	258,154	Info unavailable
Total Government Parallel Funding:					9,846,154	Info unavailable
GEF Agency:						
UNDP	In-kind			500,000	153,846	Info unavailable
Bilateral and Multilateral Agencies:						
EU	In-kind			3,596,000	1,106,462	Info unavailable
FAO	In-kind			300,000	92,308	Info unavailable
WB	In-kind			830,000	255,385	Info unavailable
IAEA	In-kind			120,000	36,923	Info unavailable
UNEP	In-kind			205,000	63,077	Info unavailable
IMO	In-kind			0	0	158,835
Private Sector:						
British Petroleum	In-kind			150,000	46,154	196,154
OSPRI	In-kind			700,000	215,385	Info unavailable
NGO:						
AGIP-KCO	Cash			0	0	86,000
Other:						
Maris (CASPINFO)	In-kind			0	0	47,112
Total cofinancing		270,000	297,000	42,643,000	13,120,924	Info unavailable

Notes: Insufficient information was available to evaluate whether co-financing had materialized by the end of the Project.

“PIR 2010” represents information through 2010 June 30, obtained from the APR/PIR 2010 progress report.