

**FINAL EVALUATION OF THE “INCENTIVES FOR THE CONSERVATION OF
GLOBAL IMPORTANCE ECOSYSTEM SERVICES” PROJECT. UNDP ARG/10/G49 –
UNEP 4B85 ”.**

Final Evaluation Report

GEF	3920
UNDP ID	73521
UNEP ID	4B85
Evaluated Period	September 2014 – November 2017
Evaluation Dates	October – November 2017
Country	Argentina
Area of interest	Energy and Environment Management for Sustainable Development
Operational Program	OP4
Executing Agency	Ministry of Environment and Sustainable Development (MAyDS, for its Spanish acronym)
Other partners involved	National Institute of Agricultural Technology (INTA, for its Spanish acronym); Misiones, Chaco, Entre Ríos y Formosa provinces.
Evaluating Team	<p>Engineer Diego Quishpe MSc.</p> <p>Lcdo. Emilio Menvielle MSc.</p>

DECEMBER 2017

Contains the Final Evaluation Report Draft, English version

Executive Summary

Synoptic Table of the Project

Project title:		Incentives for the Conservation of Global Importance Ecosystem Services		
Identification of the GEF project:	3920		<i>at the time of approval (millions of USD)</i>	<i>at the time of completion (millions of USD)</i>
Project identification:	UNDP: 73521 UNEP: 4B85	GEF financing:	2,905,000.00	2,721,739.45
Country:	Argentina	IA and EA own:	UNDP 1,917,876.0 UNEP 987,124.0	1,776,374.00 945,392.45
Region:	Latin America and the Caribbean	Government:	8,062,372	6,500,000.00
Area of interest:	Energy and Environment Management for Sustainable Development	Other:		
		NGO	746,652.00	0.00
		UNDP	150,000.00	***
Operating program:	OP4	Total co-financing:	8,959,024.00	6,500,000.00
Executing Agency:	Secretariat of Environmental Policy, Climate Change and Sustainable Development (SPACCyDS, for its Spanish acronym), Ministry of Environment and Sustainable Development (MAyDS)	Total project expenditure:	11,864,024.00	9,221,739.45
Other partners involved:	National Institute of Agricultural Technology (INTA); Government of the provinces of Chaco, Formosa, Entre Ríos and Misiones	Signing of the project document (project start date):		02/18/2011
		Closing date (Operational):	Proposed: 12/31/2014	Actual: 12/31/2017

Project description

The “Incentives for the Conservation of Global Importance Ecosystem Services” project has the support of the United Nations Development Programme (UNDP) and United Nations Environmental Programme (UNEP) as the Global Environment Facility (GEF) implementing agencies; the Secretary of Environmental Policy, Climate Change and Sustainable Development of the Ministry of Environment and Sustainable Development of the Nation (MAyDS, for its Spanish acronym) as executing entity, and the National Institute of Agricultural Technology (INTA, for its Spanish acronym) as implementation partner (Prodoc *[project document]* 2010). The project was initially planned to be executed from December 2010 to December 2014; however, the project’s effective start-up was in May 2011 and with a formal extension until December 2017 at no cost for the finalization.

The goal of the project is the protection of the natural ecosystems of Argentina through the sustainable management and use of ecosystem services, the objective being to overcome the barriers identified through the testing of mechanisms for the payment for ecosystem services (PES), their replication at scales that ensure in the long term, the protection of the natural ecosystems of Argentina and the environmental services provided through them.

In the design of the project it has been planned that, during the execution, assistance will be provided to integrate the environmental services in the decision-making with the final objective of promoting the conservation of habitats for species of global and national importance, the sustainable management of the lands and the reduction of GHG emissions to the atmosphere.

The project had to achieve this through four outcomes that are detailed below:

- (i) Extend the knowledge base on ecosystem services with models and tools that facilitate decision-making regarding compensation for different land uses;
- (ii) Expand the know-how on the effective operational configurations to optimize the benefits from the current and future ES incentives and will be reinforced through field demonstrations of the different PES schemes;
- (iii) Strengthen provincial capacities in order to scale or extend the PES pilot schemes and bring them to the scale of the landscapes;
- (iv) Implement a favorable framework to scale or extend the PESs geographically to all of Argentina and thematically to other PES schemes.

The final evaluation of the project is framed within the policies of the GEF and the agencies (UNDP/UNEP) and establishes that all projects will be evaluated upon their execution. For the final evaluation (FE), the GEF policy establishes an analysis that includes, as a minimum, obtaining of the results and the proposed direct

effects, and the probability that, once the project ends, its direct effects are sustainable. This process must be carried out during a period of 6 months before or after the project's operational closure. Among the aspects included in this evaluation are the design and formulation of the project, the monitoring and evaluation, the execution period, and the general progress in achieving the results. The evaluation focuses on key criteria: relevance, sustainability, efficiency, effectiveness and results/impact. Additionally, aspects such as gender, synergies and lessons learned during the execution thereof were reviewed.

According to the Mid-Term Review (MTR), *“the project had a complicated start (where institutional arrangements were adjusted) that implied delays in the planned activities”*; to the Final Evaluation, a new implementation proposal in the provinces (post MTR) implied a new learning curve, which increased the accumulated delay, mainly the implementation of the PES mechanisms and its comparison to other mechanisms. However, the other results of the project, such as instruments for defining the carbon, biodiversity and water resources baselines (the latter in the province of Misiones), capacity building process (articulation/appropriation), and knowledge management (training), achieved solid foundations, which constitute the contribution to the country for the incorporation of the Payment for Environmental Services concept, and the management of landscapes for the conservation of ecosystems from a current approach is pending, for being the implementation of PES in the provinces in a premature phase to reach agreements that allow the evaluation of the true impact of what the project has proposed and to look for sustainability mechanisms that facilitate the replication in the Argentine territory.

To date, approximately 95% of the project has been executed (93% UNDP with USD \$ 1,776,347.00, and 96% UNEP with USD \$ 945,392.45), and co-financing has been received for approximately USD \$ 6,500,000.00 (USD), equivalent to 75% of the commitments defined in the project document.

The evaluated project has ambitious characteristics; it involves two implementation agencies (UNDP-UNEP), two national governmental institutions (MAyDS-INTA), four provinces and their institutions (Formosa, Chaco, Misiones, Entre Ríos), four pilot sites, three ecosystem service schemes, and a wide range of local beneficiaries. This translates into a proposal that implies having a national impact with local interventions.

In the MTR, out of scope aspects regarding the project's time and resources were identified, and modifications that would allow to “clarify indicators” were suggested, but this recommendation could not be properly formalized in the project structure. This perhaps constitutes the determining element, so that in the Final Evaluation it is necessary to review the progress of ambitious goals that, even though they had relevant results in general, the topic of comparison of PES schemes has a pending path that requires the design of a consensual exit strategy, agreed upon with the provincial actors to determine, in the short term, the benefits, or not, of the theme that the project addressed.

Rating of the evaluation.

A summary table with the main findings and ratings of the Final Evaluation is presented below:

Table 1. Brief summary of the evaluation's outcomes.

Project performance rating		
Criteria	Rating	Comments
1. Monitoring and Evaluation: Very Satisfactory (MS), Satisfactory (S), Somewhat Satisfactory (AS), Somewhat Unsatisfactory (AI), Unsatisfactory (I), Very Unsatisfactory (MI)		
Overall quality of M&E	Satisfactory	In general, the design was good. Difficulties were detected in the execution process of the plan and in the monitoring of indicators being executed in the closing phase of the project.
M&E design at the beginning of the project	Satisfactory	Given the implementation difficulties that arose in each of the provinces during the development of the project, good adaptive capacity was demonstrated, which allowed evident progress.
M&E plan execution	Somewhat Satisfactory	Multiple delays and inconveniences were detected that compromised the effectiveness of the execution of the project.
2. Execution of IA and EA: Very Satisfactory (MS), Satisfactory (S), Somewhat Satisfactory (AS), Somewhat Unsatisfactory (AI), Unsatisfactory (I), Very Unsatisfactory (MI)		
Overall quality of the application and execution of the project	Satisfactory	The developments at provincial level show an important commitment on the part of the producers as well as provincial technical agencies, which ensures the continuity of the activities programmed in the PES concept.
Execution of the enforcement agency	Very Satisfactory	It was demonstrated that the application agencies have solid experience in the application of GEF projects; the role of UNDP should be highlighted as it has supported UNEP in administrative and monitoring terms. There is a broad portfolio of relevant actors in the development of the project, which favored its implementation at the governmental and territorial levels, with which the application agencies interact in a positive manner.
Execution of the executing agency	Satisfactory	Solid articulation mechanisms and actions were evidenced, fundamental decision making in the implementation of the project at provincial and municipal level. In terms of their competences, MAYDS and INTA have fulfilled an appropriate role within the project's subject; it is still pending to define post-closure roles in issues still under execution.
3. Evaluation of the results: Very satisfactory (MS), Satisfactory (S), Somewhat satisfactory (AS), Somewhat unsatisfactory (AI), Unsatisfactory (I), Very Unsatisfactory (MI)		
Overall quality of project results	Somewhat Satisfactory	Outcome 2 of the process of implementation of PES systems suffered significant delays during the duration of the project, which required the implementation of corrective actions by the executing agency and provincial governments. The benefits or otherwise of these actions cannot be evaluated at the moment. However, satisfactory progress is observed in the other results of the project and in the insertion of the PES concept in the national and local work agenda.
Relevance: relevant (R) or not relevant (NR)	Relevant	The project is considered Relevant, both at institutional and territorial levels, including the UNEP and UNDP agencies. The commitment identified by the producers and local organizations ensures the continuity and development of actions for the implementation of PES systems.
Effectiveness	Somewhat Satisfactory	The main obstacle in determining the effectiveness, translated into achieving the project's objective, resulted from the delay it suffered during its implementation, so that several products-results presented to the evaluators were still in the development and implementation process.
Efficiency	Satisfactory	The ambitious territorial objective of the project negatively affected the concretion of the indicators. However the actions and the use of technical and administrative resources were efficient. The non-formalization of the recommendations of the mid-term review limits a better criterion in this section.
4. Sustainability: Likely (P), Somewhat Likely (AP), Somewhat Unlikely (AI), Unlikely (I).		
Overall likelihood of risks to sustainability:	Somewhat Likely	An important commitment of producers and local governments was detected, which on the one hand implies a favorable scenario for the sustainability of the project, although on

		the other, it is limited to low territorial levels.
Financial resources	Somewhat Likely	It was detected that the national and provincial governmental capacities to finance the initiatives are limited, even when they are also conceived in the context of other budgets coming from different environmental protection funds.
Socioeconomic	Somewhat Likely	It is considered that the continuity of the activities related to the project is somewhat likely, depending on the role assumed by the provinces and the commitment of local actors in the implementation and follow-up.
Institutional framework and governance	Somewhat Likely	Although normative laws promoting the implementation of the project were detected, they were not generated as a consequence of the same, but are pre-existing. This normative body must be complemented with specific aspects related to the measurement of ecosystem services and payment mechanisms for these benefits.
Environmental	Likely	The greatest probability of project continuity is found in the intervention sites themselves. It is recommended to plan a strategy in order to scale the project from local efforts to regional scale.
Impact: Considerable (C), Minimal (M), Negligible (I)		
Improvement of environmental status	Minimum	Due to the technical and operational specificities of the project, it is not possible to monitor the actual impact at this instance. Evidence of improvements in productive systems was detected, but the systematization of specific environmental baseline studies and the monitoring of environmental improvement on intervened sites with management strategies still remains to be done.
Reduction of environmental stress	Minimum	Although the territorial objective of the project is ambitious, at the time of the evaluation, the application capacity at territorial level was limited to pilot sites, so the impact of the project on the reduction of environmental stress is minimal.
Progress towards the change of stress and state	Minimum	The instance of development of the project during the visit to the sites does not allow the detection of signs of relevant social and environmental changes. Based on the interviews held with local authorities, it is understood that the design of the pilot sites is limited to specific initiatives over an impact on the design of public policies.
Overall results of the project	Somewhat Satisfactory	It is necessary to complete the process of interpretative analysis of the results generated by the evaluators, which depend on the actions of project closure, which coincides with the closing of the Final Evaluation. A clear statement regarding the effectiveness and impact of the project has not yet been finalized.

Ratings by result:

Table 2. Summary of project's outcomes ratings

Outcome	Rating
1. To expand the knowledge on environmental services, using tools and models that facilitate decision-making on the correct use of land.	Very Satisfactory
2. To expand technical knowledge to optimize the benefits of payments for current and future environmental services (PES) through field demonstrations.	Somewhat Unsatisfactory
3. To expand provincial capacities so that these can extend pilot PES schemes to landscape scale.	Satisfactory
4. To generate a favorable framework for the extension of PES to all of Argentina and to other PES schemes.	Somewhat Satisfactory

Summary of conclusions, recommendations and lessons

In conclusion, it can be established that the evaluated Project has managed to position the issue of incentives for conservation at the national, provincial and local level (relevance), it has made important decisions in terms of improving the presence in the territory and the use of available resources (efficiency), it has promoted processes that are expected to continue after the closure delimiting the provinces with a scope limited to their respective jurisdictions (sustainability). The results show satisfactory progress in the outcomes 1 and 3, the outcome 4 being in the process of obtaining evidence, with minor and limited progress the outcome 2, which implies a barrier in the present evaluation to evaluate the impact of PES mechanisms in the state of conservation of global and national importance ecosystems. This situation determines the definition of a “consensual exit strategy” that addresses the monitoring of the mechanisms that, in the closing phase of the project, have been achieved or are being achieved by the provinces, for which the formal elements of operability, “Letter of agreements,” would allow this purpose.

The concept of the project, “to conserve is good business,” offered replication processes, for which the pilot cases and the “learning by doing” criterion called for action and articulation for the conservation of ecosystem services. In the evaluation, it was possible to evidence interesting topics that require a later systematization, such as the inclusion of the criteria of ecosystem services in the agendas of several national institutions, as well as local ones, which also translates into reaching consensus among actors who have historically had different visions in Argentina, to preserve versus to produce. In the context of the project, this is remarkable and denotes national ownership of the subject.

In the particularities described, foreign and recurrent issues in the projects, such as the rotation of authorities, result in a loss of institutional memory. This issue has not been alien to the project, and although it has evident national ownership, it is necessary in the formulation of the post-project exit strategy that the concept (communication) and monitoring of the actions (impact) is maintained, and to tend towards the escalation in the provinces of the concept of conservation of ecosystem services. This strategy constitutes the substantive recommendation in the present evaluation.

Likewise, it is important to consider the intrinsic value of the governance bodies defined in the GEF projects, such as the management committees at their different levels, as well as control and management points such as start-up workshops, mid-term reviews and final evaluations. On these it is recommended “to formalize the performance of these instances” and to have the social-operative ability for them to be valid throughout the life of the project, as they constitute information for external readers that will allow processes of knowledge systematization and management, and particularly to support the orientation of the day to day towards the achievement of the goals set.

Table of Contents

Executive Summary	Error! Bookmark not defined.
Abbreviations	Error! Bookmark not defined.
1 Introduction.....	1
1.1 Purpose of the evaluation.....	Error! Bookmark not defined.
1.2 Evaluation scope and methodology.....	Error! Bookmark not defined.
1.3 Structure of the Final Evaluation Report (D).....	Error! Bookmark not defined.
2 The project and its development context.....	Error! Bookmark not defined.
2.1 Project start and duration	Error! Bookmark not defined.
2.2 Problems the project intended to address	Error! Bookmark not defined.
2.3 Project's immediate and development objectives.....	Error! Bookmark not defined.
2.4 Established reference indicators	Error! Bookmark not defined.
2.5 Main actors.....	Error! Bookmark not defined.
2.6 Expected outcomes.....	Error! Bookmark not defined.
2.7 Evaluation context	Error! Bookmark not defined.
2.8 Costs and financing	Error! Bookmark not defined.
2.9 Significant changes from start of execution	Error! Bookmark not defined.
3 Findings.....	Error! Bookmark not defined.
3.1 Project's design and formulation	Error! Bookmark not defined.
3.1.1 Logical Framework Analysis (AML) and Results Framework Analysis (project's logic and strategy; indicators)	Error! Bookmark not defined.
3.1.2 Assumptions and Risks	Error! Bookmark not defined.
3.1.3 Lessons from other relevant projects incorporated into the project design	Error! Bookmark not defined.
3.1.4 Planned participation of interested parties.....	Error! Bookmark not defined.
3.1.5 Repetition approach.....	Error! Bookmark not defined.
3.1.6 Comparative Advantage of UNDP and UNEP.	Error! Bookmark not defined.
3.1.7 Links between the project and other interventions within the sector	Error! Bookmark not defined.
3.1.8 Management provisions	Error! Bookmark not defined.
3.2 Execution of the project.....	Error! Bookmark not defined.

3.2.1	Adaptive management (changes in project design and project results during executions)	Error! Bookmark not defined.
3.2.2	Partnership agreements (with relevant actors involved in the country)	Error! Bookmark not defined.
3.2.3	Feedback of M&E activities used for adaptive management	Error! Bookmark not defined.
3.2.4	Monitoring and Evaluation: Design of input and execution *	Error! Bookmark not defined.
3.2.5	Coordination of implementation and execution of UNDP/UNEP and partners for execution and operational issues *	Error! Bookmark not defined.
3.3	Projects Outcomes	Error! Bookmark not defined.
3.3.1	General results (achievement of objectives)	Error! Bookmark not defined.
3.3.2	Relevance*	32
3.3.3	Effectiveness and efficiency *	Error! Bookmark not defined.
3.3.4	National Implication	Error! Bookmark not defined.
3.3.5	Integration	Error! Bookmark not defined.
3.3.6	Sustainability *	Error! Bookmark not defined.
3.3.7	Impact*	37
4	Conclusions, recommendations and lessons	Error! Bookmark not defined.
4.1.1	Corrective measures for project design, execution and M&E	Error! Bookmark not defined.
4.1.2	Actions to reinforce the project's initial benefits	Error! Bookmark not defined.
4.1.3	Proposals for future directions that accentuate the main objectives	Error! Bookmark not defined.
4.1.4	Best and worst practices to address issues related to relevance, performance and success	Error! Bookmark not defined.
5	Annexes	Error! Bookmark not defined.

List of Illustrations

Ilustración 1. Concept of the Final Evaluation methodology	3
Ilustración 2. Allocation of funds according to the outcome and the period. (UNDP).....	13
Ilustración 3. Allocation of funds according to outcome and period. (UNEP).....	14
Ilustración 4. Original organization chart for the PES project.....	22

List of Tables

Table 1. Brief summary of the evaluation's outcomes.	v
Table 2. Summary of project's outcomes ratings	vi
Table 3. GEF project evaluation criteria - UNDP	2
Table 4. Project Financing Sources	13
Table 5. Expenditure by Outcome (UNDP)	14
Table 6. Cash Advance Statement (UNEP)	15
Table 7. Risks identified within the project design	18
Table 8. Monitoring and Evaluation Ratings	27
Table 9. Detail of IA and EA ratings	29
Table 10. PIR ratings on the progress of the 2012-2017 objective	31
Table 11. PIR ratings on the progress of the implementation 2012-2017	31
Table 12. Rating of outcomes using key drivers	32
Table 13. General classification of sustainability dimensions	37

Abbreviations

APR	Annual Project Review
CDP	Project Executive Committee
CELO	Cooperativa Eléctrica Limitada de Oberá [<i>Oberá Electrical Limited Cooperative</i>]
COFEMA	Federal Environmental Council
CL	Local Committee
EF	Final Evaluation
GEF	Global Environment Facility
HACT	Harmonized Cash Transfer
INTA	National Institute of Agricultural Technology
MAYDS	Ministry of Environment and Sustainable Development of the Nation
METT	Protected Areas Management Effectiveness Matrix
M&E	Monitoring and Evaluation
MREyC	Ministry of Foreign Affairs and Worship
PIMS	GEF Projects Information Management System in UNDP
PIR	Project Implementation Report
UNDP	United Nations Development Program
UNEP	UN Environment Program
POA	Annual Operating Plan
PPG	Project preparation phase within the GEF cycle
PRODOC	Project document
PES	Payment for Ecosystem Services
RMT	Project's Mid-Term Review
SAYDS	Secretary of Secretariat of Environment and Sustainable Development

ES	Ecosystem Services
TdR	Terms of reference
UBA	University of Buenos Aires
APR	Annual Project Review
CDP	Project Management Committee
CELO	Cooperativa Eléctrica Limitada de Oberá
COFEMA	Federal Council for the Environment
CL	Local Committee
EF	Final Evaluation
GEF	Global Environment Facility (GEF)
HACT	Harmonized Cash Transfer
INTA	National Institute of Agricultural Technology
MAYDS	Ministry of Environment and Sustainable Development of the Nation
METT	Protective Area Management Effectiveness Matrix
M&E	Monitoring and Evaluation
MREyC	Ministry of Foreign Affairs and Worship
PIMS	Information Management System GEF projects in UNDP
PIR	Project Implementation Report
UNDP	United Nations Development Program
UNEP	UN Environment
POA	Annual Operating Plan
PPG	Project preparation phase within the GEF cycle
PRODOC	Project document
PES	Payment for Ecosystem Services
RMT	Mid-Term Review of the project
SAYDS	Secretariat of Environment and Sustainable Development
SE	Ecosystem Services
TdR	Terms of reference
UBA	University of Buenos Aires

1 Introduction

1.1 Purpose of the evaluation

The purpose of the Final Evaluation is to appreciate the achievement of the objectives and results established in the Project Document through key evaluation criteria (Table 3) based on Relevance, Effectiveness, Efficiency, Results, and Sustainability of the actions implemented by the project; additionally, during its development, the EF identifies the global purposes of:

- Promoting responsibility and transparency, and evaluating and disclosing the extent of project achievements.
- Summarizing lessons that can help improving the selection, design and implementation of future UNDP activities funded by the GEF.
- Providing feedback on issues that are recurrent in the UNDP portfolio and that need attention, and on improvements to previously identified issues.
- Contributing to the general evaluation of the results regarding the achievement of the strategic objectives of the GEF aimed at the benefit of the global environment.
- Measuring the extent of project convergence with other UN and UNDP priorities, including harmonization with other results and performance of the United Nations Development Assistance Framework (UNDAF) and the Country Program Action Plan (CPAP) of UNDP.
- Transmitting results, conclusions and recommendations to cooperation entities, executing agencies, those responsible for the implemented policy and the actors involved, in order to provide tools and judgments to make decisions that allow current actions to be adjusted and improve future actions.

As indicated above, the evaluation sought to respond and demonstrate key criteria for the execution of the project, based on standardized elements that allow the communication of results to an external audience and that benefit future interventions. The basic criteria used will be used in the different sections of this Final Evaluation report. The key evaluation criteria are summarized in the following table:

Table 3. GEF projects evaluation criteria - UNDP

1. Relevance
<ul style="list-style-type: none"> • The extent to which an activity adapts to local and national development priorities and organizational policies, including changes over time. • The extent to which the project is in accordance with the GEF operational programs or with the strategic priorities based on which the project was financed. • Note: In retrospect, the issue of relevance often becomes a question regarding whether (or not) the objectives of an intervention or its design are still appropriate given changing circumstances.
2. Effectiveness
<ul style="list-style-type: none"> • The extent to which an objective was achieved or the probability that it will be achieved.
3. Efficiency
<ul style="list-style-type: none"> • The extent to which the results were delivered with the least expensive resources possible. Also called profitability based on costs or effectiveness.
4. Impact/Results
<ul style="list-style-type: none"> • The positive and negative changes, foreseen and unforeseen, and the effects produced by a development intervention. • In GEF terms, the results include the direct performance of the project, from short to medium term, and the longer-term impact, including benefits to the global environment, repetition effects, and other local effects.
5. Sustainability
<ul style="list-style-type: none"> • The likely ability of an intervention to continue to provide benefits for a period after its completion. • The project must be environmentally sustainable, as well as financially and socially sustainable.

Source: 2010 Guide for conducting final evaluations of projects supported by UNDP and financed by the GEF.

1.2 Evaluation scope and methodology

The scope of the evaluation covers the period from September 2014 to November 2017. The evaluation was carried out according to the methodology established in the GEF-TE Guide and follows the structure established therein (Figure 1). The evaluation included a participatory consultation approach, review of documentary evidence, which guaranteed an approach towards the government counterpart, the UNDP offices in Argentina, Regional UNDP/UNEP for LAC, the project team and other relevant groups. Methodologically,

the available information was triangulated (documentary, key actors and field visits) for the definition of evaluation qualifications.

The methodological elements were focused on certain evaluation objectives (Illustration 1, table 2), depending on the diversity of groups of institutional actors, which play a role, whether in management and implementation, in the provision of services or as PES beneficiaries. In other words, the planned methodological strategies served to collect information in key evaluation areas following the following scheme.

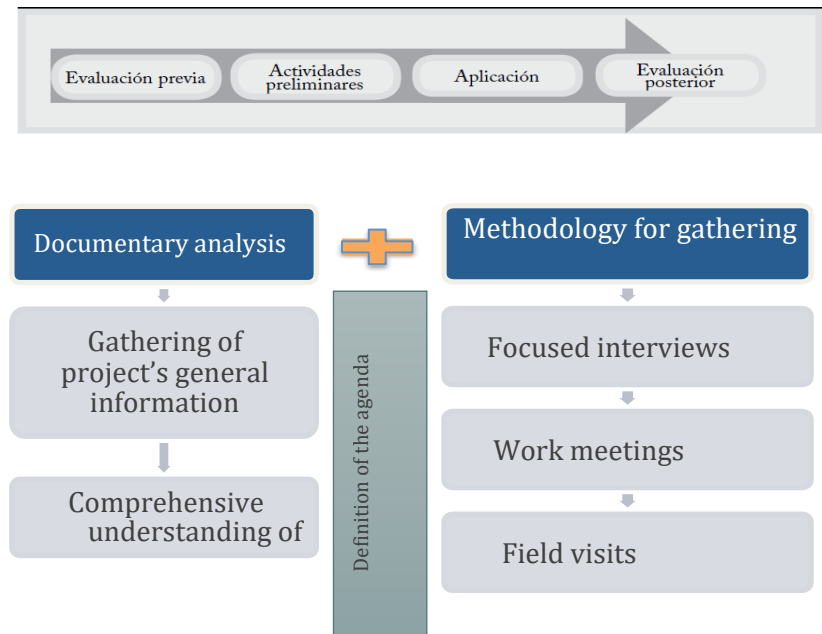


Illustration 1. Concept of the Final Evaluation methodology

a. Definition of work agenda: A work agenda was defined with the project team, which considered the key actors and institutions identified in the reference terms. Based on the definition of key actors, a field work program and the mission schedule were structured. On-site field work was concentrated in the city of Buenos Aires, with visits to the different intervention provinces (Chaco, Misiones and Entre Ríos) that took place from October 30 to November 15, 2017 (Annex 8).

b. Documentary review: On the basis of information available in the project (check list) and in the UNDP Evaluation Resource Center, with the help of the project team, the evaluators contrasted the data and information collected, which allowed measuring the rating of the project, recommendations and lessons learned during the execution of the same. Additionally, an update will be made on the information reported in

the annual PIR progress report, which will allow for external actors to receive information on the progress made during the final months of the project execution (Annex 9).

c. Interviews, focus groups: We used a model of semi-structured interviews based on institutional and individual actors and their role in the project, considering their relationship with the evaluation areas. Initially, there was a base of identified actors in the terms of reference. However, due to the participatory nature of the (FE), actors were identified and interviewed as it advanced with the support of the project team.

The results of the interviews were used to answer key questions on the project evaluation, and to triangulate the information obtained from the PIRs and the reports generated by the project team.

d. Visits to project activities execution sites: Within the work plan, field visits to project sites have also been planned in three provinces where actions are being implemented (Annex 8). Basically, visits to certain areas were included, which will allow direct visualization of the PES impacts at a local level in accordance with the strategies established in the Prodoc. In addition, these spaces served to exchange information relevant to the evaluation and record the projects beneficiaries' perspective. The visits were made in the provinces of Chaco, Misiones and Entre Ríos, which are the beneficiaries-implementers of the PES scheme and part of the Management Committee. No field visit was made to Formosa province. Information regarding this territory was supplemented with interviews conducted during the closing workshop of the Chaco initiative.

f. Analysis of results and systematization of conclusions and recommendations: Two key work meetings were held, a first one online took place on October 24, which dealt with methodological issues, work schedule, agenda and inputs required for the EF. A second one to present the main findings after the field visit, which took place on November 14, and receive feedback from the interest group. Finally, the team will intervene in a timely manner at the Management Committee meeting to be held on December 5 of this year.

After the field mission, the evaluation team systematized the information collected and structured the report according to the terms of the GEF Final Evaluation Application Guide. The evaluation team was made up of an international evaluator and a national evaluator whose signed Agreement Forms are presented in Annex 5.

1.3 Structure of the Final Evaluation Report

In accordance with the Project Evaluation Guide (GEFTE), the evaluation team reviewed and rated the quality of the project execution. The rating elements were (1) the project's key aspects, which include effectiveness and efficiency, (2) the project's sustainability, (3) the project's relevance, and (4) the project's impact/results. The rating was based on the scales established in the guide, which are detailed in table 2 of this document.

The Final Evaluation report consists of 5 chapters, starting with the project's general information (cover page), followed by the Executive Summary where a summary of the project is found (synoptic table), general rating of the project and results, the main findings, recommendations and conclusions, section that ends with the abbreviations.

The following subjects are presented in the chapters of the report: Chapter 1, Introduction, which includes the purpose, scope and objectives of the evaluation work, as well as the methodology used and the structure of the report; Chapter 2, Project description and development context, which focuses on the analysis of the country's development context regarding the problem addressed by this project and the way to deal with it. The expected deadlines for the project execution, immediate objectives, expected results, and key indicators are detailed, as well as the coordination arrangements that include the key actors involved; Chapter 3 is formed by the findings of the evaluation, covering the design, execution, results obtained and sustainability; Chapter 4, Conclusions, recommendations and lessons, the rating of the project can be found here; Chapter 5 corresponds to Annexes with information supporting what was stated in the report.

The FE has used the analysis key criteria or evaluation criteria groups. An analysis regarding the sustainability of the project's results, lessons learned and barriers during the project execution process, as inputs to allow national actors and future projects in the subject to learn, was also made.

2 The project and its development context

2.1 Project start and duration

According to the Prodoc, the project was initially planned to be executed from December 2010 to December 2014 with a four years' duration. However, the effective start of the project took place in May 2011 (start-up workshop), with the Mid-Term Review being carried out in September 2014, in which an approximate 50% advance is mentioned, after which four formal extension requests without cost have been requested, which implies the formal and operative closure of the project took place in December 2017. To date, the advance of activities is approximately 75% and budget execution of 95%.

2.2 Problems the project intended to address

The conversion of natural ecosystems to vast areas of cultivation and pastures (a constant practice since the mid-twentieth century in Argentina) has created a threat to the conservation of the integrity of eco-regions of global importance on the Argentine territory. On a large scale, this affects the provision of environmental or ecosystem services, which are vital for the long-term sustainability of the project.

The reasons why the negative impacts of production on environmental services have been ignored in the decision processes are several:

- Gaps in knowledge regarding the value of environmental services generated by ecosystems,
- Weaknesses in institutional and operational capacity to effectively encourage the conservation of environmental services,
- Planning, policies and legal barriers,

- Lack of awareness regarding environmental services.

The project seeks to contribute to stop the conversion of global importance ecosystems threatened by the expansion of the agricultural sector. Argentina is one of the main food producers, and despite its large size, 80% of the area is occupied by agriculture and livestock. Even so, the expansion of agricultural activities, such as the production of soybeans for export and livestock for national consumption and export, continues and threatens the conservation of biodiversity.

This expansion affects not only the ecosystems but also the services they produce and, consequently, human development. This situation reduces future economic opportunities, for example soil erosion reduces productivity. The continued provision of ecosystem services depends on successful regulation that maintains the integrity of ecosystems.

While it is true that there are advances in promoting more environmentally friendly production schemes (Forests Law and Soils Law), there is a consensus that adequate compensation is required for significant changes in land use, and for landowners to show an interest in maintaining the production of ecosystem services, there must be a monetary recognition, a real incentive for the conservation of ecosystems, which requires institutions with clear roles in the framework of their competences, so that the concept can be executed, something that the project has left as a contribution for future replicas, the findings of which are detailed in this report.

2.3 Project's immediate and development objectives

The goal of the project is the protection of Argentina's natural ecosystems through sustainable management and use of ecosystem services. The project's objective is to test mechanisms for the payment of ecosystem services and the development of systems allowing their replication at scales that ensure the protection of Argentina's natural ecosystems and the environmental services provided through said ecosystems in the long term.

The project provides assistance to integrate environmental services in decision-making with the ultimate goal of promoting the conservation of habitats for species of global and national importance, sustainable land management, and the reduction of GHG emissions to the atmosphere. At the same time, it is expected that rural areas inhabitants can diversify their production, introducing new modalities (both forestry, and for soil protection). In some cases, it will allow expanding the income sources portfolio, while in others it will contribute to the maintenance of natural capital. In all cases, this will reduce the economic risk associated with the deterioration of natural resources.

2.4 Established reference indicators

The project indicators contain a portfolio of key indicators (key drivers) defining the results framework. These reflect the achievements. Those defined in the project design (Prodoc) and its evaluation in the Effectiveness and Efficiency section are the following:

Outcome 1: To extend the knowledge base on ecosystem services with models and tools that facilitate decision-making regarding compensation for different land uses	Goal at the end of the project (Prodoc)
1.3 Number of decision makers and technical staff of the SAyDS (currently, MAyDS) and INTA with SE strengthened capacities, and comparisons between SE/land uses	For Year 2 of the Project, at least 25% of the personnel of the SAyDS substantive areas (currently, MAyDS) and of INTA regional units will be duly involved in the project

Outcome 2: To expand the technical knowledge (know-how) on effective operational configurations to optimize the benefits from the current and future SA incentives, and it will be reinforced through field demonstrations of the different PES schemes	Goal at the end of the project (Prodoc)
2.1. PES schemes and monitoring mechanism designed and validated with provincial authorities and local actors	For Year 1 of the Project, 3 PES schemes within the framework of government incentives (Chaco, Formosa and Entre Ríos) and 1 classic PES scheme (Misiones)
2.3. % of surface owners interested in participating in PES schemes that sign legally binding contracts	At least 75% for Year 4 of the project
2.4. % of audits performed over time and in accordance with audit procedures	At least 80% annually between Years 3 and 4 of the Project
2.5. % of producers that remain within the PES scheme.	At least 75% for Year 4 of the Project
6. % of producers who have expressed their agreement with the design and implementation of PES schemes	At least 75% for Year 4 of the project.
7. Costs and benefits of evaluated PES schemes	For Year 4 of the Project, sequestration costs per ton of coal versus sequestration costs per ton of coal in the alternative

Outcome 3: To strengthen provincial capacities to scale or extend PES pilot schemes and take them into landscape scale	Goal at the end of the project (Prodoc)
3. 1. Number of surface owners willing to prepare management plans in order to participate in the PES scheme proposed by the Project within the framework of the Forest and Soil Laws.	For Year 4 of the Project, at least 100 producers in Chaco, Formosa and Entre Ríos.
3.2 Number of pilot provinces that adjust their regulatory frameworks in order to allow the extension or escalation of PES at provincial level.	For Year 4 of the Project, Misiones and Entre Ríos

3.3. Number of additional hectares in the pilot provinces where PES schemes can be extended or scaled	For Year 4 of the Project, at least 2.5 million hectares in Entre Rios; 4.5 million in Formosa. Misiones to be determined once the project has started
---	--

Outcome 4: To implement a favorable framework to scale or extend the PES geographically to all of Argentina, and thematically to other PES schemes	Goal at the end of the project (Prodoc)
4.1. Program of diffusion addressed to all the spectrum of actors interested in PES (sellers, buyers and provincial governments responsible for supervision and monitoring), developed and validated.	For Year 3 of the Project, dissemination program developed
4.4. Number of potential hectares identified for PES application	For Year 4 of the Project, 4.5 million hectares

Most of the proposed indicators are specific, measurable, achievable, relevant, and can be evaluated (Annex 8) with a SMART time frame. The implementation of the same produced mixed results, either due to the time frame (percentage of producers who expressed their agreement with the design and implementation of PES schemes), the difficulty on achieving the objectives set (costs and benefits of evaluated PES schemes, % of producers interested in participating in PES schemes who sign legal contracts), or the incidence of the study factor in the project implementation (number of dissemination events organized and participants).

2.5 Main actors

Public and private sector actors as well as implementing agencies have been involved in the project. In the public sector, the Ministry of Environment and Sustainable Development (MAyDS) and the National Institute of Agricultural Technology (INTA) stand out as executing agencies and implementation partners, as well as the provinces as other implementation partners (post MTR). Through the articulation between these entities, the project aimed to eliminate traditional divisions between conservation and promotion, reaching an agreement between these two visions that includes institutions and agendas to 'promote the "to conserve is good business" paradigm, showing the benefits of various schemes under the concept that there is no absolute way in this subject, and that this results from the interaction of various political, social and environmental factors from each region, even more in the case of Argentina with federated states and their implications.

As evidenced in the last phase of the project, the provincial governments of Misiones, Chaco, Formosa and Entre Ríos, as well as the municipalities present in the pilot sites, have a particular role as beneficiary-executor, a strategy that aims to strengthen local capacities, have a presence in the territory, and show through "do-learn" an alternative of insertion of PES in the agenda of each province.

In the Mid-Term Review (RMT), actors of particular relevance were identified as the Provincial Committee for Conservation and Land Use in Entre Ríos, which includes the Agronomy Professionals Association, the School

of Agronomy of the University of Entre Ríos and others; the producers associations of Aldea Santamaría, the Association of Forest Producers and Rural Society, and the Association of Forest Producers of Chaco. Additionally, professional associations and universities, which at the time of the RMT could contribute with personnel and knowledge required for the establishment of PES schemes. These actors have been maintained and increased, as it is the case of the Electrical Cooperative CELO in the province of Misiones, the Directorate of Forests in Chaco and the University of Buenos Aires in Entre Ríos, which have maintained a commitment to work, but during the field interviews suggested that this type of project has an adequate management of “expectations;” in the case of the project that implies the Payment for Ecosystem Services from its title, it generates these assessments, which in the future should be addressed in other contexts, perhaps to use terms that have evolved within the subject such as assessment of ecosystem services and landscape management approach.

2.6 Expected Outcomes

The overall objective of this project is to overcome the barriers identified by means of testing mechanisms for the payment of ecosystem services and the development of systems that allow replication at scales that can ensure the protection of Argentina’s natural ecosystems in the long term, as well as the environmental services provided by these ecosystems. The project will assist in integrating ecosystem services into decision-making, with the ultimate goal of promoting habitat conservation for species of global and national importance, sustainable land management and reduction of GHG emissions to the atmosphere, which it intends to achieve through four outcomes:

Outcome 1: Expansion of the knowledge base on ecosystem services through models and tools to facilitate decision making regarding compensation for different land uses.

The project sought to improve the capacities of national institutions (MAyDS and INTA) and provincial institutions (Misiones, Entre Ríos, Chaco and Formosa) by increasing the level of understanding regarding changes in the responses and of ecosystem services values, its implementation (pilot) in four sites, the evaluation of available intra and inter-schema, and the translation of these findings into available tools for decision makers with an expectation of replication and national scale.

This would include the quantification of the services derived from different land uses within the pilot sites, the economic modeling and the generation of tools to monitor the expected change. These indexes will allow a quick comparison of the combined uses that will optimize the different ESs.

In this way, the project will contribute to close the knowledge gaps that hinder the adoption of PES schemes and, at the same time, it will help to achieve progress around the global knowledge that exists regarding the links between ES and the different uses of the soil. This outcome includes the following products:

- 1.1 Quantification of ES in four pilot sites that have different land uses;
- 1.2 Development of economic and environmental scenarios;

1.3 Development of compensation models; and

1.4 Development of MAYDS and INTA capacities for the design and implementation of PES schemes.

Outcome 2: The technical knowledge (know-how) on the effective operative configurations to optimize the benefits coming from current and future ES incentives will be extended and reinforced through demonstrations in the field of different PES schemes.

The project will design and test payment schemes with selected private surface owners in the four designated pilot sites (Chaco, Formosa, Entre Ríos and Misiones) to (i) promote the adoption of different land uses; (ii) determine the effectiveness and responsiveness of payment levels; (iii) design supervision and monitoring systems to ensure compliance with the rules and conditions of each payment mechanism, and (iv) develop the capacities of local governments to ensure the sustainability of the schemes.

In each of the sites, payments will be made in exchange for adopting land uses that provide ecosystem services: (a) in Chaco and Formosa, the federal government will make payments within the framework of the Native Forests Act No. 26331; (b) in Entre Ríos, the provincial government will reduce the real estate tax within the framework of the Law for Soil Conservation in declared zones, while (c) in Misiones, a subsidy will be generated for beneficiaries within an electricity consumption of 100-150 Kw/month within an integrated watershed management approach. Ideally, the different PES schemes would have been agreed between the national and provincial authorities and lessons learned (legal-technical and administrative) will be provided to overcome the identified barriers. In addition, the good practices in soil use tested within the different schemes will become lessons for replication and scaling or extension within the framework of Outcome 4. This will be done through the following indicators:

2.1. PES schemes and monitoring mechanism designed and validated with provincial authorities and local actors;

2.3. % of surface owners interested in participating in PES schemes that sign legally binding contracts;

2.4. % of audits carried out over time and in accordance with the audit procedures;

2.5. % of producers that remain within the PES scheme;

2.6. % of producers who have expressed their agreement with the design and implementation of PES schemes;

2.7. Costs and benefits of evaluated PES schemes.

Outcome 3: Strengthened provincial capacities to extend PES pilot schemes at landscape scale.

The development of long-term capacities to take pilot experiences to broader landscape levels in the provinces of Chaco, Formosa, Entre Ríos and Misiones will be sought, through the development of the capacities of key actors (those in charge of decisions making, technicians, SE providers, and professionals working in the SE and PES field), as well as the integration of mechanisms developed within the schemes of Entre Ríos and Misiones into the regulatory framework of both provinces. This outcome includes the following products:

3.1 Those responsible for decision making will be informed and trained about the relevance of SE, the use of soil and PES;

- 3.2 Technicians and auditors trained in the design and implementation of PES schemes;
- 3.3. Technical assistance programs will be developed in the use of soil; and
- 3.4 The regulatory frameworks of Misiones and Entre Rios will be duly adjusted to incorporate PES.

Outcome 4: 4: A favorable framework implemented for the geographical extension or scaling of PES to all Argentina and thematically to other PES schemes.

It will aim to strengthen a favorable environment that facilitates the extension at a national level through the dissemination of lessons learned and the exchange of experiences with other programs and ongoing SE and PES projects through the following indicators:

- 4.1. A developed and validated diffusion program addressed to all actors interested in PES (sellers, buyers and provincial governments responsible for supervision and monitoring).
- 4.2. Number of dissemination events organized and participants;
- 4.3. PES bill prepared and validated with key interested actors;
- 4.4. Number of potential hectares identified for PES application.

2.7 Evaluation context

This final evaluation is carried out after the project's Mid-Term Review, which was carried out in September 2014, executed one year before the originally scheduled closure (Prodoc). The RMT main conclusions marked the need to review the project indicators, as they were not clear or specific enough and their application and development did not allow to effectively measure the results achieved through the project's implementation. On this aspect, it was also observed that the project had no control over several of the indicators, and on repeated occasions, the implementation depended not on the project but on provincial governments and other actors the project could not replace.

In the Mid-Term Review, it was also recommended to hire a greater number of assistants to the project, as the proposed objectives would not be reached at the rate at which the actions were being implemented. On this section, we add the need to strengthen the monitoring and evaluation resources, which were not being applied to their full potential. This hindered the ability of the Project Coordinator to anticipate and address critical development aspects. To a great extent, the requested actions were executed and updated management responses to the RMT are presented as Annex 6 in this report. However, as mentioned, the substantial changes were not formalized in the project structure and its report, which leads to evaluate the project almost in its original structure conceived in 2010. The recommendations to contextualize the findings of the RMT with the final evaluation are listed below:

- Given that the PES schemes were in development, to extend the end date of the project 18 months, as the objectives set were not going to be reached by 2014, either due to the project's complexity itself, Argentina's administrative structure, and the incompatibility of the actors' agendas, among other unforeseen events.

- To increase efforts to promote political processes - laws and regulations - in the provinces. This recommendation arises as it was detected that the project's technical development advanced at a faster pace than the political and legal processes.
- To maximize the resources available from strategic partners.
- To materialize mechanisms for the exchange of experiences and knowledge between the different pilot sites, as an opportunity to generate synergies for the overall performance of the project was observed.
- To improve the project's identity, as there was a certain lack of coordination between the different pilot sites and lack of knowledge about the activities carried out in other sites.
- To increase the efforts towards the administration of public funds to local producers within the framework of the National Forest Law and the Conservation of Soil Law.
- To strengthen the dissemination of results and activities, ensuring that the project's actions reach the general population and do not limit themselves to an excessively technical area.
- To incorporate actors of relevant levels, complementing the capabilities of the INTA personnel with other strategic actors at provincial levels, in the decision-making processes within the different stages of the project.
- To improve the disclosure of activities and project planning for all pilot sites and for project management.
- To increase the level and frequency of communications related to the project.
- To document the process of the project, as numerous lessons learned were observed, which could be useful to other GEF initiatives not properly systematized.
- To support the Arroyo Ramón basin committee in the province of Misiones, as most of the work developed by this committee is not being included, because the protection of native forests is promoted over sustainable agricultural activities in this pilot site.

2.8 Costs and financing

According to the Prodoc, the total cost of the project was USD \$ US11,864,024.00, with the inclusion of the province of Misiones and the exit of Jujuy, which includes the counterpart commitment. The updated amount at the project's Final Evaluation is **USD \$ 11,021,372.00**, as shown in the following table. The funds provided by the GEF are executed through UNDP and UNEP, The Government of Argentina, through MAyDS and INTA, and provincial governments provide the co-financing and implementation in the territory. To date, close to 95% of the total has been executed.

Table 4. Project Financing Sources

Source	Total in USD\$
GEF	2,905,000.00
UNDP	1,917,876.00
UNEP	987,124.00
Co-financing	8,116,372.00
Government	7,966,372.00
ONGO	
UNDP	150,000.00
TOTAL USD\$	11,021,372

The original project budget detailed by result is presented in the following figures, for both UNDP and UNEP. The implementation is done under the NIM modality in line with the transparency and accountability standards of the UNDP/UNEP in the execution of projects. All expenses are duly documented and registered into the institutional platforms (ATLAS).

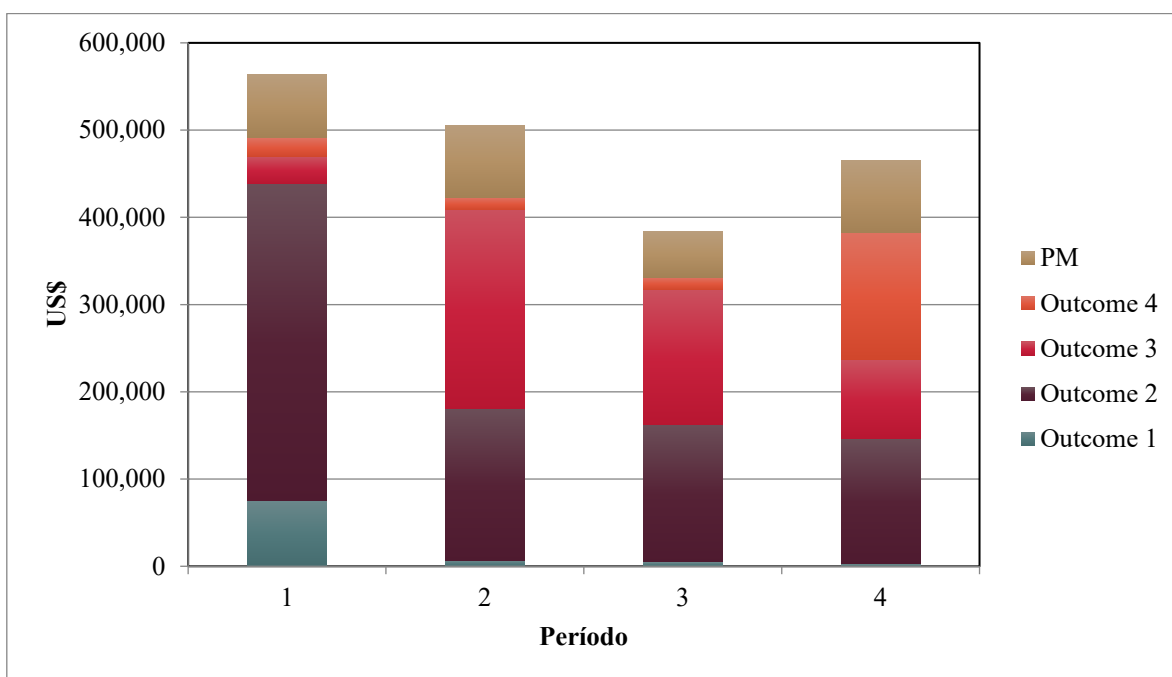


Illustration 2. Allocation of funds in accordance with the outcome and period. (UNDP)

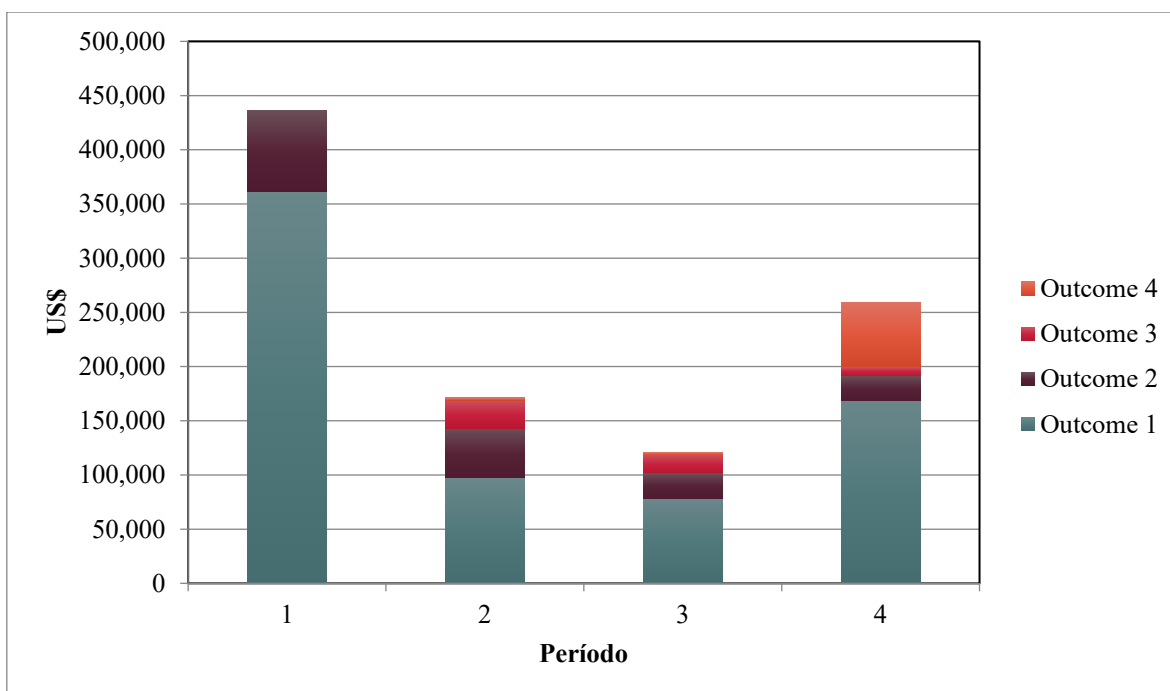


Illustration 3. Allocation of funds in accordance with outcome and period. (UNEP)

At the date of this final evaluation, a total of USD \$ 6,500,000.00 million of the co-financing has been invested in the project, or almost 75% of the total amount committed. Regarding the UNDP budget, a total of USD \$ 1,776,374.41, equivalent to 93% of its allocation, has been executed so far. In the case of UNEP, the total expenses at the EF of 2017 are of USD \$ 945,392.45, which represents 96%. The agencies have processes until the end of the year that project an execution of more than 97% of the total budgeted.

Table 5. Expenditure by Outcome (UNDP)

Results	Amount in USD\$
Outcome 1	57,550.21
Outcome 2	824,580.45
Outcome 3	505,563.57
Outcome 4	110,263.29
Project administration	278,389.89
Total	1,776,347.41

Table 6. Cash Advance Statement (UNEP)

Detail	Amount in USD\$
Cash advances made via UNDP	291,296.19
Direct Cash Advance to INTA from UNEP	654,096.26
Total balance of GEF approved budget to EF	945,392.45
New cash advance requested *	18,508.12
GEF approved budget not yet * requested	10,693.47
Direct Payment *	12,529.96
Total Budget to formal close	987,124.00

* Expenditure in process of execution

About the Annual Operational Plans, execution, roles and approval: As mentioned, the project has two phases in the implementation, the initial one with the leading role of INTA until the 2015 period, followed by the active participation of the provinces in the project closure phase. In this context, the approval of the planning tools is in accordance with the phases described and summarized in the following paragraphs:

Initial Phase of the Project 2011-2015: Once the project implementation agreements were signed with UNDP and UNEP, which established that the field activities would be the responsibility of INTA, the Letter of Agreement (CA) between the SSPyPA and the INTA were signed to establish the conditions of execution. In the 1st CA, the 1st POA was established, with activities and budget (Annexes 10, Letters of agreement). In order not to require annual updates of the CA to update the POA, the figure of "Letters of agreement Commission" was included in the CA, which would meet annually to review the activities carried out according to the previous POA and establish the activities for the following period. This worked as an Annex to the CA, and it was that annex that was updated annually. Therefore, the approval of planning tools in the period consists of an "original CA" and annual "CA Commission minutes".

To reach territory, and according to the general schedule of activities set out in the project document, the Project Coordinator annually prepared the Work Plan with the Technical Assistants of each Pilot Site, and with this, he prepared the technical POA, with which the Financial Administrative Coordinator of the project elaborated the financial part. These inputs were included in the CA Minutes.

Post-Midterm Review Phase 2015-closing: When in 2015 it was decided to share activities with the project's partner provinces and the CAs were signed with the provincial governments for the execution of activities related to the implementation of PES schemes in each one of the Pilot Sites and the extension of the Project until June 30, 2017, in August 2016 a programmatic and operational reformulation of the pending activities to be carried out by the INTA was approved, being the same reflected in a new POA, which spans from August 8, 2016 to June 30, 2017, approved by the Letters of agreement Commission in its fourth meeting (Annex 10) of August 8, 2016. This reformulation includes the corresponding budget adjustment until the end of the project.

From what has been described, it can be observed that the approval structure of planning tools had a multi-year modality, with control periods each year. In the closing phase, the activities to be implemented by the provinces are based on the formality of reporting by agreeing on a legal document, such as Letters of agreement. Although the Prodoc established at least two Directive meetings for the approval of POA, this formal structure has not been evidence as it was set out, but it has taken a day-to-day work structure that responds to the circumstances of the project, balances and results achieved, that can be considered an adaptive capacity strategy, but perhaps more complex than it was originally proposed.

2.9 Significant changes from the start of execution

Initially, in the implementation of the project by MArDS, INTA was associated with the development of technical tasks in the territory. The expected start date of the Project was December 2010, although the effective date was May 2011. In the original revision of the Project, it was established that the end date would be December 2014, with an initial duration of 4 years. After this period, an extension until December 2015 was requested and then, until December 2017. The determination to grant the beneficiary provinces a more relevant role took place from 2015 until the project's ending in 2017.

In 2015, Argentina held presidential elections whose results implied a change of political line in the government (the previous government had been in place since 2003). Although projects must be designed independently of the political context, the influence this exerts on the development and implementation of projects, both at a national and provincial and municipal levels, is important.

However, one of the most important changes in the development of the project took place before the presidential elections in the same year 2015, at which time a role of greater prominence than the one they had had until that moment was transferred to the participating provinces. From the identification of the risks in the concretion of the objectives of the project, in the mid-term review carried out in September 2014, recommendations were made so as to correct the applicability of the indicators as well as to achieve the impact of the project on its key actions. Specifically, it is recommended to include the provinces in a more proactive manner and to redefine the project execution strategy. As a consequence of this, the key actors (UNDP, MArDS and the provincial governments) subscribe by means of Letters of agreement the new strategy, in which the provincial governments assume a prevailing role in the implementation of the project, and INTA supporting this new project phase.

3 Findings

The findings of the final evaluation were the result of the verification and triangulation of the documentary information, interviews with key actors, and field visits to the different provinces, orienting the analysis towards the review of the outcomes obtained by the project, as well as the sustainability alternatives it propitiated. The findings have been analyzed by the evaluation team for the formulation of project ratings considering the key evaluation criteria.

In addition to what has been observed in the activities of the provinces of Misiones, Entre Ríos and Chaco, it should be mentioned that in this year's PIR document the different actions generated in the cumulative advance section are not documented, mainly in issues relating to monitoring of carbon, biodiversity and future work agreements that have been made by local actors and that undoubtedly constitute an important input for the closure phase and local ownership. This is attributable to the new version of the reporting platform that, even though it does include the "cumulative advancement" section in the generation of reports, it does not include the advances of past years. This constitutes a practical recommendation to other GEF projects to take advantage of the accumulated progress section to consolidate the activities in a way they can be understood by external readers, and to complement the information in the same way in the section advances of the period. With this background, this report includes an update on the information of the PIR prepared in June 2017 with the findings evidenced up to November of this year (annex 9).

3.1 Project's design and formulation

For the analysis of this section, interviews were carried out to become familiar with the context of the elaboration phase of the project's profile and the Prodoc, to know what were the initial expectations and the planned scope in the elaboration of the project document. In addition, the information of the Mid-Term Review was reviewed to get to know the assimilation of the project's objectives and goals, as well as the progress up to the middle of the period.

From this analysis, it is relevant to mention that, in the Mid-Term Review, elements that would hinder full compliance with the project's goals and objectives were identified. This should be analyzed in practical terms by reviewing the logical framework of the project. However, the suggested changes have not been duly informed and modified within the project's structure and that is why the final evaluation makes a progress analysis taking as reference the initial idea of the project, which, even though it is very ambitious as it does not include the changes of the RMT, maintains the ambitious scope of execution until the ending of the project.

In general, the original design and proposal is solid in conceptual terms, and has been widely adopted as a concept by the different levels of government from the national government to the provinces, and even the beneficiaries and local municipalities have included the concept of conservation and valuation of environmental services. However, the implementation and evaluation of the PES impact, which would be considered a complementary phase to the conceptual part, has not yet been established so that it can be reviewed by the evaluation team.

3.1.1 *Logical Framework Analysis (AML) and Results Framework Analysis (project's logic and strategy; indicators)*

During the design of the project, four outcomes that would allow the inclusion of PES criteria in the provinces and the scaling at a national level were defined. This set of results and their respective activities are the elements that were evaluated in the EF, and its successful implementation would improve the conservation of global and national importance ecosystems.

In a logical sequence, the results and their activities were framed in: starting the design of mechanisms (baseline on the SEs), followed by the implementation of the mechanisms and the monitoring of the change they produce in the state of conservation. In addition, a space for capacity building would be provided, and finally, this process would allow the generation of normative frameworks for the PES to be scaled and replicated at a national level.

This structure had to face and adapt the proposal before the federal regime governing the country and the provinces, the latter with the particularity of autonomy (federalism) regarding the political-administrative management, which includes environmental management within their jurisdictions. The advance of results is uneven due to this complexity, which was also evidenced in the RMT. On the one hand, there is a solid base in PES tools, (biodiversity, carbon) baseline, and conceptualization of the desired future within the PES framework (Outcome 1) that reflects a satisfactory progress. On the other hand, capacity building and institutional frameworks achieved a near-satisfactory progress (Outcomes 3 and 4). However, the component related to the implementation of the mechanisms “per se” and the comparison of schemes, as well as, the replication and escalation in accordance with the “learn-doing” approach showed minor advances (Somewhat Unsatisfactory).

The provinces, as a whole, have been executing PES mechanisms in the last year of the project, which limits the evaluation team to assess with certainty the impact generated, or that would be generated, by the proposed schemes for each territory, a situation that requires a consensual exit work and that must be supported in the strong national appropriation showed in the EF.

The generation of an exit strategy that will constitute a recommendation is in accordance with the provisions of the project document: “exit strategy,” item iii, *“in the Final Evaluation the impact of the different mechanisms could be compared, the determination of costs and benefits of PES schemes and, if possible, comparisons with the costs of conservation alternatives that generate similar volumes of ecosystem services,”* a situation that could not be analyzed during the Final Evaluation process.

3.1.2 Assumptions and risks

During the design of the project, six medium and low category risks were identified. However, during the execution and at the end, three risks exceeded a high level. Surely they are those that have limited the advance from conceptual design to implementation of PES itself. The risks that remain towards the ending of the project are:

Table 7. Risks identified within the project design

Risk identified in the design (Prodoc)	Comment to the EF
The SE measurement will be too complex to develop the compensation model within a timeframe that allows its application to test the payment system.	The tools developed for the definition of a baseline are valid and robust, the use by beneficiaries will require a process of accompanying until an effective process of approval, transfer and use by local actors is reached.
Payment schemes will not produce changes on the use of land due to a lack of buyers and/or small payments.	The impact of the PES scheme has a control period in the medium and long term, the project in its final phase has

	initiated the PES process so the actual assessment of changes in use of land cannot be evaluated upon the EF. It is mandatory to define exit and sustainability strategies so that the process initiated is monitored and reported within a period of at least five years.
Regulatory frameworks that incorporate SE/PES not approved during the cycle of the project.	<p>The characteristic of federal provinces in Argentina anticipated different schemes and progress in the PES issue, a situation that has been evidenced in the EF, and even more so, the issues of favorable regulatory frameworks for the escalation of PES are in the process of dialogue and approval.</p> <p>Three provinces are in the process of formalizing the regulations on this subject:</p> <p>Entre Rios promoted the first approval of the modification of the Conservation of Soils Law and a second instance (Senate) is pending for it to be made official.</p> <p>Chaco promoted the local resolution N°199/2015 Protocol for the implementation of PES through the National Fund under the law "Native Forests Conservation "N°26331.</p> <p>Misiones has managed to formalize the agreements so that the project's PES scheme participants have access to an electricity consumption subsidy equivalent to 100-150kw/month. There are agreements and they are regulated, which are the most significant advance on PES.</p>

3.1.3 Lessons from other relevant projects incorporated into the project design

The Payment for Ecosystem Services, from the project's conception in its design phase (PPG) in 2007, covered innovative concepts. At that time, very few initiatives addressed the issue. The importance of conservation and sustainable production that emerged in recent years has led the PES concept to evolve and be inserted into various initiatives within the region. We cite some cases that have arisen after the design of the project for a better context reference of the subject:

-UNEP leads the initiative Economics of Ecosystems and Biodiversity (TEEB), which inserts criteria for valuation of ecosystem services and working with nature.¹

-The Organization for Food and Agriculture (FAO) has included the SE subject in its work agenda; thus, the initiative of Payment for Environmental Services in Protected Areas in Latin America (FAO/OAPN)² plays an important role in balancing the productive aspect with the long-term sustainability of ecosystems.

¹ TEEB-UNEP initiative, available at: <http://www.ambiente.gob.ec/mae-y-pnuma-trabajan-en-la-implementacion-de-estudios-de-biodiversidad-y-servicios-ecosistemicos/>

-Other example involving different organizations, such as KFW, GIZ, under the concept of PES and conservation is the SocioBosque Ecuador Program, which promotes incentives for the conservation of native forest, which as part of a new vision, migrated the PES concept into an approach towards the management of landscapes and sustainable development.

It is evident that the concept addressed by the project is relevant for the country and the region. This has evolved to comprehensive concepts that are being widely used, and which points towards a paradigm shift and towards the concept of “to conserve is good business” or of creating a dialogue between the productive vision with the conservationist vision, situations that have not been foreign to the development of the project, which are reflected in the actions, institutional coordination and actions that have resulted from a consensus between the production or agriculture ministries and the environment portfolios in most cases.

3.1.4 *Planned participation of interested parties*

The MAYDS as executing counterpart and INTA as the implementation partner constitute the project's main actors, both formally (design) as well as in the roles they fulfilled during the execution of the project. The provinces, which from the outset have been part of the Management Committee, initially had a role that was less active in comparison with the current one, even though they are the final beneficiaries of the proposal. This situation was reversed post RMT, after which they assume a highly leading role for the implementation of PES, which implies enabling aspects for the reception of resources, actions within the territory, monitoring and sustainability, a set of roles not clearly defined in the Project Document design, which resulted from the circumstances and the need of applying the PES proposal to the territory. On the one hand, this constitutes a proactive adaptive management process and, on the other, a disparate effort outside the original planning to achieve the project's goals.

3.1.5 *Repetition approach*

The replication and scaling approach are defined with the execution of outcomes 2 and 4 of the project. In outcome 2, replication is favored through pilot cases and the “learning by doing” criterion, while in outcome 4, by generating favorable regulatory frameworks for PES, the proposal could be escalated at national level. However, the outcomes are the ones that have shown the slightest progress, that is to say, the movement from PES concept to implementation and its replication, has suffered a series of technical, administrative and political difficulties, even some difficulties outside the project's management. This calls for an analysis for each territory around the possibility of repetition:

² Payment for Environmental Services in Protected Areas in Latin America Initiative, available at: <http://www.fao.org/3/a-i0822s.pdf>

-In the case of the province of Misiones, a specific replication process is envisaged in the Arroyo Acaragua basin. In the province, the monitoring tools are part of the path created by INTA in the subjects of carbon and biodiversity, plus what the province executed regarding water management issues. The replication process seems positive if the integration of the described tools is maintained and strengthened. In the medium term, this PES mechanism can be evaluated with other schemes in execution.

-For the provinces of Chaco, and to a lesser extent, Formosa, by supporting their PES proposal in the Forest Law, the process of replication and escalation is likely, perhaps attributable to the project, but being defined under national regulations (Forest Law), its application could have impacts on the state of local ecosystems, which must be monitored. For this, the tools developed contribute to the subject.

-The province of Entre Ríos has supported its PES proposal on the Law for Soil Conservation. In this case, the replication and escalation are dependent on the availability of financial resources. The approval by the legislature of the province the amendment to the Soils Law No. 8318/89 is a positive element, which includes exempting or reducing the tax burden of rural property tax for producers who apply SE practices, which, if specifically approved by the reviewing legislative chamber, may present a greater probability of replication and escalation within the territory.

3.1.6 Comparative Advantage of UNDP and UNEP.

The UNDP as an implementing agency of cooperators such as GEF, Adaptation Fund, Green Climate Fund, and others, as well as the National State itself in the Native Forest Program, has shown solid experience in the execution of projects through standardized tools and functionalities of M&S (monitoring and follow up), an example of the evolution of the M&E (monitoring and evaluation) of GEF projects is the PIR reports, in the beginning projects had extensive editable report documents in Word / Excel, currently these are integrated in a completely functional online platform with defined roles and attributes. Similarly, the NIM national implementation mechanisms have been assimilated in a positive way. Therefore, UNDP's comparative advantage based on its experience is significant. This commentary of comparative advantage also includes the actions of UNEP that, using the presence and institutional structure of UNDP in Argentina, has allowed the effective execution of the project, so the province of Misiones, which is mostly supported by UNEP, has very relevant elements evidenced in the Final Evaluation.

The execution of future projects and of this particular one, could reach a much more significant level if the implementing agencies manage to generate mechanisms of coordination with the project units for the gathering of information about goals and achievements in semiannual periods prior to the PIR reports, in which one prevails the bottom up concept.

3.1.7 Links between the project and other interventions within the sector

The national appropriation by the MAyDS and the provinces is evident and constitutes a highly positive element, as the national environmental authority (MAyDS) hosts a broad portfolio of projects in which the PES concept has been inserted, or could be inserted, in a general way and exclusively considering international

cooperation projects. The Ministry is currently executing 25 projects, it will initiate 7 projects in the short term, it has 3 projects in the approval phase, and 12 additional initiatives are being formulated. This generates a very wide margin of application and continuity for the PES approach which is suggested to be taken upon by the Ministry to complement and strengthen the actions carried out and activities within the framework of the project. The details of the initiatives are presented in Annex 11.

3.1.8 Management Provisions

The administration of the project was carried out under the National Execution Modality (NIM), which has permitted a solid national appropriation, and which has allowed a close follow-up to the project's execution with the support of the UNDP Country and Regional Office, elements that can be observed in the different PIR annual reports.

Regarding the original structure of the project (figure 4), the FE is maintained and this can be understood as it is a project extension phase, the final period in which the important role of the Ministry and the provinces is evident, that requires balancing the efforts in the post-closure through an exit strategy that considers the reports to the letters of agreement, sustainability, monitoring and PES impact.

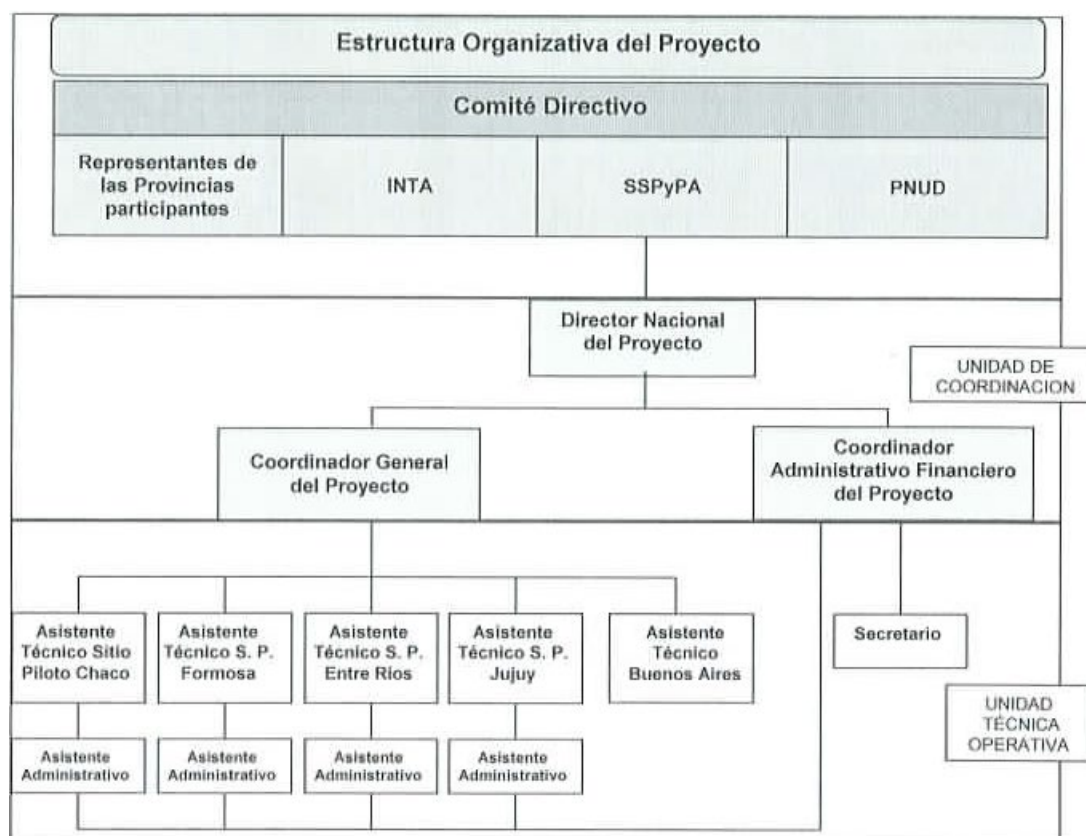


Illustration 4. Original organization chart for the PES project

Coordination instances: The Prodoc establishes that *the Project Management Committee (CDP) must meet at least twice a year: in March to approve the work plan and the annual budget, and in August to review the PIR annual report*. This situation has been partially evidenced in the present evaluation. It arises as a substantial recommendation to keep the different planning mechanisms in force within key terms. The same document (Prodoc) indicates that the CDP will be made up of MAYDS, INTA, representatives of the provinces, and UNDP. In practical terms, it would be made up of at least seven people from seven institutions with the agenda effort this amount entails.

Also, the Prodoc mentions the existence and role of Local Committees (CL) *constituted by the local institutions that will have a key role in the identification, articulation and implementation of the subject within the territory. This would have a positive effect as they would fulfill the role of beneficiaries and executors*. In the final evaluation, this instance or its operation has not been evidenced. However, in the interviews, it has been mentioned that they were very active at the beginning of the project, but over time, the relations wore out and their effectiveness decreased, creating a “day by day” work relationship, an important situation, but one that does not maintain documentary support for external readers.

3.2 Execution of the project

In this section, the execution of the project is reviewed regarding the results and activities, as well as the administrative arrangements for its execution.

3.2.1 Adaptive management (changes in project design and project results during execution)

From the documentary review, interviews with key actors and field visits, the evaluation team observed aspects of adaptive management executed during the life of the project, more strongly in the post Mid-Term Review phase, resulting in the Ministry and the provinces leading role, which had two consequences: greater national ownership and, at times, a new learning curve to implement the proposed mechanism.

Citing the Mid-Term Review of September 2014, in which a number of risks and indicators were identified, as well as the recommendations to overcome said barriers, which were executed and presented in an update report (Annex 9), there are three recommendations considered substantial by the evaluation team, which are detailed due to their importance and permanence regarding the EF:

- *Recommendation No. 1, RMT: Review Project Indicators*. This recommendation was issued to clarify the scope of certain indicators that are not within the project's management. Although in the management actions, the revision workshops have been carried out, they have not been formalized, and the original structure of the logical framework is maintained in the report documents (PIR). To mention a case, the indicator 1 of the Project Objective “Number of schemes and hectares under PES schemes in pilot areas” with the goal “By end of project 4 PES schemes covering 145,000 hectares” in the PIR and Final Evaluation remains unchanged.

Comment: The failure to formalize the changes suggested in the RMT is perhaps the most determining finding regarding efficiency, as the project oriented its work towards meeting goals that covered the design of PES;

however, for external readers, the project must reach the implementation of PES and the intra and inter evaluation mechanisms available to date.

- Recommendation No. 3, RMT: To extend the project's end date by 18 months. This recommendation was accepted and formalized. However, there is a fourth extension request mentioned in the PIR 2017, which affects the comment on the project's efficiency.

- Recommendation No. 10 RMT: To incorporate actors at a substantive level. This was understood, and after the RMT, the role of the Nation and the provinces is evidently strong and envisages greater sustainability possibilities. However, this process, which constitutes a clear case of adaptive capacity as mentioned, had to face a possibly valuable learning curve, but which, made within the extension of the project, has concentrated a great effort that has reduced the possibility of implementing an exit and sustainability strategy, element that constitutes a recommendation towards the actors involved.

Comment: Recommendation No. 10 to include the provinces more proactively generated a meeting of INTA, MAyDS and UNDP country and regional actors held on October 27, 2015, where an execution strategy was defined, which includes the participation of the provinces. This was formalized with the signing of Letters of agreement between August and September of 2015.

The Letters of agreements that will be detailed in the following item constitute the legal and administrative alternative for the provincial implementation of PES; they adapt to the laws that govern each province and are inherently complemented with the National Law of Native Forests No. 26331 (Chaco, Formosa), Law on Soil Conservation (Entre Ríos), and in the integrated management of water basins (Misiones).

3.2.2 Partnership agreements (with relevant actors involved in the country)

The levels of agreement and formalization for the execution of the project have had different development levels and are described below. There is a special consideration regarding Letters of agreement within this section:

- Letters of agreement, although these legal, administrative and technical instruments were conceived under a top-down logic to transfer economic resources that make possible to carry out actions within the PES process, at their beginning they had to overcome different administrative processes, which in turn are translated into different levels of development, particularly for each province, and which are described as follows:

In the province of Chaco, the Letter of Agreement signed between the Undersecretary of Planning and Environmental Policy (SPyPA) of the Ministry of Environment and Sustainable Development and the Ministry of Production of the province dates from September 15, 2015, and defines the intervention of the local actors in the execution of actions oriented to the achievement of the project's outcomes 2, 3 and 4, including a schedule, budgets and deadlines determined in the TDRs annexed to the agreement. This Letters of agreement has a scope regarding the activities that substantially refers to the political context that arose in 2015, to make modifications to the original proposal. In this sense, the new letter of agreement mainly ratifies

the actions of the outcomes 2 and 3, and excludes the activities of outcome 4. The two collected documents indicate that for this purpose, the amount of the commitment was USD \$ 300,000.00, and the final term of execution is January 2018.

As result of the interviews with the local actors of El Chaco, this section describes a tool that may be valid for future interventions and which constitutes a process of lessons learned: the start of the execution of the Letters of Agreements had a new administrative process with times that were different from those planned, and perhaps somewhat compromised for being one of the first cases with these characteristics. This process includes by regulation the approval of the local authorities and of different institutions within the province, which generated a search of alternatives to streamline the proposed mechanism. In this way, the province decides to use the North Public Trust, which belongs to the state, with management and transparency procedures according to national regulations. The use of this mechanism made it possible the execution in an agile way the allocations within the framework of the project, as well as the resources of the Forest Law, two elements that constitute a great part of the essence of the project.

For the case of the province of Formosa, the Letter of Agreement is configured under the same concept of transferring resources and implementing actions within the framework of PES. In this case, the amount was USD \$ 200,000.00, but the administrative and reporting subjects established within the framework of the letter of agreement have presented a considerable delay level, which has prevented the normal flow of funds and caused delays in disbursements of funds, a situation that needs to be managed considering the progress of the project in the province, the designed tools and the local expectations regarding the implementation of PES actions originated after a of formulation work. This must be analyzed and formalized in the closing strategy, which the project generates for the post-closure phase.

. In the province of Entre Ríos, the Letters of agreement of 09/10/2015 and its complement of 10/16/2015, guide the support for the execution of the project's outcome 3, which deals with institutional strengthening for the inclusion of PES. The amount defined under a work schedule amounts USD \$ 100,000.00.

From the interviews with the actors in the province and considering the state of the project, the possible beginning of an exit strategy can be observed, which, if carried out, constitutes a highly positive spontaneous action, as the local project managers, familiar with the situation and the progress of the project, require evidence of the PES effects to scale and achieve the approval in the second instance of the Law for Soil Conservation modification, which includes PES criteria. In the province and in the project execution framework and its letters of agreement, there are tools for monitoring carbon, biodiversity and water monitoring. Although it is not possible to evaluate at this time the sum of the mechanism, the actors have expressed actions for the continuity of the process, both in INTA-province technical terms, regulations terms (approval of the PES proposal in the Senate) and administrative terms (personal).

In the province of Misiones there are important and interesting findings regarding the PES that, if strengthened in the short term, constitute a valid example on the valuation and conservation of ecosystem services under

the territory's environmental and social conditions. Regarding the mechanism being developed, the inclusion of the CELO cooperative in the work scheme is relevant. Although the proposal does not imply a direct payment to the beneficiaries, it suggests the reduction, or the application of a subsidy, in electricity services, an aspect that can be measured and evaluated within the PES framework. This proposal, in terms of effectiveness in the use of resources and the likelihood of sustainability, presents the best conditions at the time of the EF. It appears as a recommendation the fact that the proposal and its actors integrate the carbon and biodiversity baseline developed by INTA, with the package of water resources baseline developed by them, which will enhance the proposal and improve the monitoring and evaluation aspects of the PES scheme.

3.2.3 *Feedback of M&E activities used for adaptive management*

It is considered that the feedback was not effective based on the fact that there was no specific strategy for it from the concept of the project. The annual reports are synthetic in general and it is considered that they did not provide enough feedback to the project's executing unit. Proof of this is the last PIR report, which would theoretically cover the accumulated progress, but this information was not observed in the same.

There were meetings of the Project Management Committee, but it is not evident whether they used the Local Committees defined in the Prodoc as input. For EF, the strongest feedback is the Mid-Term Evaluation and the field visits. The most relevant aspect of not having a feedback strategy is observed in the fact that the recommendations made in the RMT were not formalized in the reporting system, and in the interviews, where many of the actors participated during the RMT, but were not informed about the results or recommendations made. In practical terms, this translates into the loss of a valuable opportunity to better size the scope of the project at that time.

3.2.4 *Monitoring and Evaluation: Design of input and execution**

Regarding M&E activities, the Project includes a substantial change in response to the Mid-Term Review, regarding the role of the provincial actors, whose participation was limited to that of beneficiaries, even though they were part of the Management Committee. This situation changes substantially towards a more proactive role, in which the provinces become the executors of the PES mechanisms and which is formalized through Letter of Agreement described in the previous chapter.

From the RMT, the M&E is deepened as the management of the MAYDS, with the same fact of assuming from these dates both the Directorate and the Project Coordination as mentioned. The INTA, which to date had been in charge of the coordination, after the Mid-Term Review and of the observations made by the evaluation team, reduces its intervention and provides more support towards the conceptual basis of the PES. This set of situations, change of roles, activation of other roles, and letters of agreement, generates a temporary definition gap and a new learning curve for the application of the PES concept, which is perhaps a very valid process for local strengthening, but limited in time within the framework of the project.

Of the tools used for M&E: The annual reports, and especially the reports on Project Implementation and annual PIR, have permitted to analyze with thoroughness and rigor the advances regarding the outcomes and

the verification of indicators, as well as the detection of emerging problems. These tools are relevant in their sequential application, because they are useful for monitoring the project's progress and for contributing to the achievement of its results. If it is restrictive not to formalize the findings of the RMT into the project's achievable goals, in synthesis a valuable opportunity was lost to clarify and refine the indicators based on the reality of the project and the country's situation.

From the aforementioned and its two implementation phases, the overall comment on M&E is satisfactory, with the consideration of the national appropriation, which must necessarily include adaptation strategies to the context of rotational authorities for this and other projects, and which promote the maintenance of the institutional memory of the projects. The assumption of two learning curves derived from two implementation proposals limited the time necessary to reach the expected results. The decisions that were not defined in the design and the clarity of the roles for the execution determine a somewhat satisfactory comment of the M&E execution.

In terms of financial management, the monitoring and control has been effective, motivated by the use of standardized tools widely used in the region, such as the ATLAS system, spotscheck, HACT and substantial revisions. It still depends on the particularities described in the project to know whether with the creation of the Project Coordination Unit in the Ministry, this valuable experience is used and strengthened, or failing that, it will be ended upon the end of the project.

Table 8. Monitoring and Evaluation Ratings

Monitoring and Evaluation	Rating
M&E input design	Satisfactory
Execution of the M&E plan	Somehow Satisfactory
M&E	Satisfactory

3.2.5 Coordination of implementation and execution of UNDP/UNEP and partners for execution and operational issues*

The Final Evaluation agrees with the findings of the Mid-Term Review in considering that, during the formulation of the project, the comparative advantage of each of the implementation agencies (UNDP and UNEP) is presented very clearly, fundamentally because of the experience and corporate tools developed by the agencies for the execution of projects within the GEF portfolio, which are characterized by being standardized and replicable.

UNDP has played an important role in the execution of the project and more importance in outcomes 2, 3 and 4 in terms of support to achieve the milestones established by the project. It has also acted as a support for the action of UNEP in the country. In the Final Evaluation, the role of support to the country decisions for the execution of the project has been observed, as it was mentioned due to being an agency with experience and development of M&E corporate tools. The general qualification is very satisfactory, which translates into the fact of generating information for internal (decision makers) and external actors, as is the case of the evaluators.

In general terms, UNEP had the leadership role in Outcome 1, financial support and development of the concept in the province of Misiones. UNEP has experience in subjects such as management of landscape approach and valuation of ecosystem services, which were considered for the design and implementation of the project. Although it is not physically located in Argentina, its collaboration and coordination with UNDP has overcome this limitation and this is reflected in the execution impact. The role of the agency in administrative and technical terms regarding the project is considered satisfactory.

The Ministry of the Environment and Sustainable Development has had an active role during the execution of the project. Its participation in the post RMT phase is mainly highlighted, with decisions to reach the territory and the implementation of PES mechanisms, betting on the concept of “minimum budgets,” a concept that is included in the Native Forest Law and the Law for Soil Conservation, respecting the autonomy of each province, within the framework of Federated States in Argentina.

Due to its territorial characteristics and experience, INTA emerged as a relevant actor during the first phase of the PES mechanism. After the RMT, this important role diminishes, a fact that can be observed in the final results with differences in the support and accompaniment to the provinces. In general the support of INTA is very good, but it is necessary to highlight the field work in Chaco and Entre Ríos that exceeds the expectations regarding the transfer of traditional technology through a very committed approach to achieve the goals and expectations of the project and the beneficiaries, as the criteria of the evaluators indicates.

Comment: The operative relations between the leading institutions, UNDP, UNEP, the Government and INTA have been fluid but it is not evident, because of time constraints, whether they may be effective in terms of assessing the PES effects. As mentioned, the decisions taken at the evaluator’s discretion create an action gap at the end of 2015 until mid-2016, which coincides with political aspects unrelated to the project, but which do not necessarily generate this situation. It is from the elaboration of the Letters of Agreement that there is evidence of a new emergence of the project, with the limitation of being already in the extension phase. It is highly positive to the fact that different institutions, some with productive approaches (INTA), Provincial Ministries of Production/Agriculture, and other with conservation approaches (MAyDS), local Ministries of Environment, can analyze the daily actions and the insertion of this new criterion (PES) in their agendas. This link is precisely what promotes the cross-curricular dialogue, and that the project is transferred to the provinces upon the finalization of the same, but also to the beneficiaries, who in many cases refer to the subject with great solvency. The evaluation team was able to verify that the concepts of PES and conservation are inserted

in all the levels and actors with which they interacted, denoting the relevance and national appropriation of the topic.

Table 9. Detail of IA and EA ratings

Execution of the IA and EA	Rating
Quality of UNDP application	Very Satisfactory
Quality of application of UNEP	Satisfactory
Overall quality of IA Implementation Agencies	Very Satisfactory
Quality of execution: executing agency Ministry of Environment and Sustainable Development	Satisfactory
INTA: 2011-2014 (S); 2015-2017 (AS)	Satisfactory
Provinces: Misiones (MS); Entre Ríos (S), Chaco (S), Formosa (AS)	Satisfactory
Overall quality of EA executing agencies	Satisfactory

3.3 Project Outcomes

Below is the analysis of the outcomes of the project, based on the aforementioned aspects of planning and execution of the project.

3.3.1 General results (achievement of objectives)

The rating of the general outcome of the project is: Somewhat Satisfactory

In its areas of influence, the project has managed to position the issue of incentives for conservation at national, provincial and local levels (relevance); it has made important decisions in terms of improving the presence in the territory and the use of available resources (efficiency); it has promoted processes that are expected to continue after the ending of the project in at least three of four of the provinces intervened (sustainability). However, the available UNDP/UNEP/GEF corporate tools have not been used effectively. This detail allowed, in the year 2015, to dimension and modify certain activities/indicators identified in the RMT to clarify the actions. This detail has largely compromised the total achievement of the project objective (effectiveness), which entails the recommendation of post-project actions that solve the vacuum detected around the impact of the project and strengthen the sustainability of the PES concept that the project addressed.

Considering the two moments the project went through, one that starts with the development of conceptual instruments and tools that allow the definition of PES mechanisms, and another that should be the implementation and evaluation of those mechanisms, at the date of the Final Evaluation, the project has managed to consolidate the first in an effective way, while the second part (implementation – monitoring) presents different development levels that have been difficult to quantify in the EF, even during the extension period.

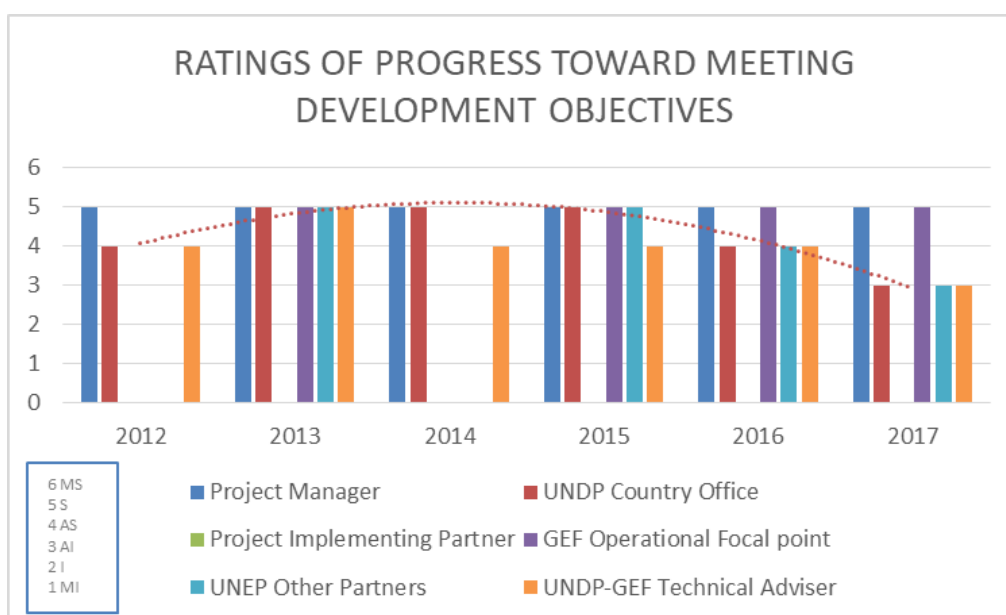
Regarding the aforementioned, the important inputs as contribution for the project are:

Good Practices Manual, carbon baseline, economic methodology, biodiversity baseline and baseline water resources (Misiones), to estimate the value of environmental services, key products for ongoing decision-making processes in the 4 provinces. However, the implementation and evaluation of “additionality” cannot be evaluated at the moment, which generates an uncertainty regarding what happens after the formal ending of the project.

The PIR annual reports record the ratings given on the progress of objectives and project’s implementation by the various actors from year to year. From the beginning of the report, it can be observed that the Implementation Agency (MAyDS) does not register comments and ratings. In the same way, there are years in which GEF focal point and UNEP do not register comments (2014). It is recommended to ensure the insertion of ratings by all actors. This process ensures an effective feedback process.

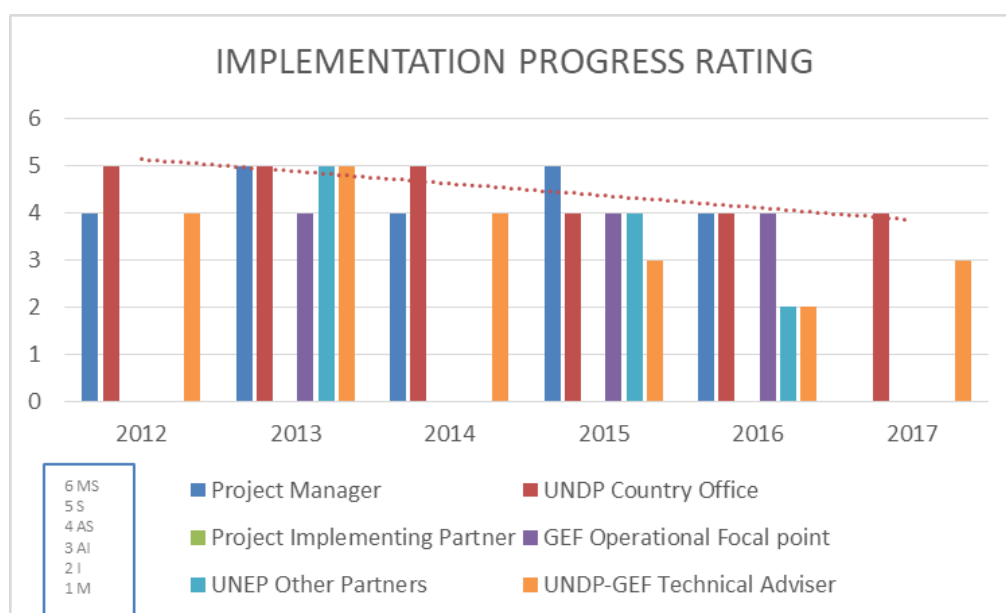
Regarding the progress in the development of objectives, a tendency can be observed throughout the project, which generated a learning curve, and with it, the results obtained in the post mid-term review phase, as mentioned in this report. The proposal to actively integrate generates a new learning curve, a situation that is ratified with the graph presented in the year 2017. The project ending cannot be observed in the increase in the development for the 2017-2018 period, a reason that motivates the definition of the ending and monitoring strategy to consolidate the project’s information.

Table 10. PIR rating on the progress of the 2012-2017 objective



The implementation progress according to the rating granted by the actors involved in the project shows a tendency towards the reduction. This is mainly due to the non-specification of the mechanisms and their evaluation. The graphic calls for attention to the actors, as the project could have undergone a turn in the RMT. However, the recommendations on the over-sizing of certain activities were not formalized, which at the end of the project is decisive over the overall vision of the project.

Table 11. PIR ratings on the progress of the implementation 2012-2017



3.3.2 Relevance *

The project was evaluated as **Relevant** for reasons described throughout the evaluation report. They are based on:

The national appropriation, translated into the Direction and Coordination of the project from the MArDS, the promotion of the concept of ecosystem services by INTA in its work agenda, the dialogue between productive and conservationist portfolios under the same object in the provinces, the creation of mechanisms that address the PES. The case of an energy subsidy of 100-150Kw/month in the province of Misiones should be highlighted, and above all, the solvency of PES management that local actors, farmers and beneficiaries showed in the evaluation team field visit.

Additionally, anchoring the proposal to National regulations, the Forest Law 26331 and Law for Soil Conservation, complements the country's vision for the management of natural resources and ecosystem services. Even though whether the strengthening of these laws can be attributed to the project cannot be determined, this is an input to make operative the laws regarding "learn-doing".

3.3.3 Effectiveness and efficiency *

Effectiveness and efficiency are evaluated based on the results expected from the Project Document. In this section, the key products (key drivers) of each outcome allowing the definition of the rating criteria are detailed. However, in Annex 9 the logical framework with its rating by indicator is attached:

Table 12. Rating of outcomes using key drivers

Outcome 1: To extend the knowledge base on ecosystem services with models and tools that facilitate decision-making regarding compensation for different land uses	Goal at the end of the project	Deliverables	Outcome 1 Rating: Very satisfying
1.3 Number of decision makers and SAyDS (current MArDS) and INTA technical staff with strengthened capacities in SE and comparisons between SE/land uses	For Year 2 of the Project, at least 25% of the personnel of the SAyDS substantive areas (currently, MArDS) and of INTA regional units will be duly involved in the project	<p>-In 2012: 30 decision makers and technical staff from INTA were directly involved in the project; 62 personnel have been trained on Carbon accounting in agricultural and forestry systems (INTA, SAyDS, provincial governments of Chaco, Formosa, Entre Rios and Jujuy).</p> <p>-In 2013: the last number added 40 technicians and decision makers from INTA's regional units, and around 10 technicians and decision makers from the SAyDS joined the group ((i.e., forests, soils, water, biodiversity, economics, GIS areas).</p> <p>-In 2014: the training to strengthen capacities and knowledge on SE and PES has continued (28 personnel from INTA, SAyDS and representatives from the provincial governments of Chaco, Formosa, Entre Rios and Misiones have been capacitated on "Land Use Change Modeller" and the computation of deforestation rates; 25 personnel from INTA and the government of Misiones trained on carbon accounting in agriculture and forestry systems and on biodiversity result interpretations; 20 personnel from SAyDS Forest Division was trained on different aspects of PES schemes design applied to forests).</p> <p>-In 2015, more than 75% of the substantive staff from SAyDS (about 15 personnel) and INTA (about 40 personnel) related to Project topics (i.e., forest, soils, water, biodiversity, economics, GIS, management plan formulation, PES</p>	

		<p>design and monitoring) are involved in the Project; in addition, training to strengthen capacities and knowledge on SE and PES has to continue to different audiences and decision-makers (25 decision-makers and technical staff from the Chaco and Formosa provincial government, 10 researchers from de regional university and 15 professionals from the private sector were trained on forest management plan design aimed at SE conservation and on SE importance in land planning; In Misiones, a course on "PES oriented to water services" was conducted to membership the Arroyo Ramon Watershed Committee (27 participants); in Entre Rios, two workshops on ES and PES design were offered to 25 personnel from INTA, the provincial government and the local university).</p> <p>-In 2016, training to strengthen capacities and knowledge on ES and PES to MAYS and INTA personnel has continued, with 20 staff from the Native Forest Division of the MAYS participated in a workshop on PES applied to native forests; 25 personnel from INTA and 12 from the provincial governments of Chaco and Formosa were trained on the application of the Forest Management Guidelines to conserve ES; 12 personnel from INTA, 8 from provincial government and 10 of the local universities were trained in Entre Rios on the importance of linear elements in the landscape for conserving biodiversity; 17 personnel from INTA, the provincial government and local farmer organizations participated in Misiones in two workshops on water services and good land use practices.</p> <p>-In 2017 continued the capacities on ES and trade-offs between ES and land uses were strengthened: i) in Chaco, different local actors took part in training on various topics of good land use practices, i.e.: natural and mega thermal pastures (10 local farmers, 4 personnel from INTA and 3 local professionals); the Implantation of pastures based on forest conservation and biodiversity (18 local farmers and 5 professionals; the Reforestation and enrichment of native forest (34 people, including local farmers and local professionals); ii) in Entre Rios, 10 staff members from MAYS, 13 from the provincial governments, 16 technical staff from INTA, 5 from the local universities and 12 from CONICET took part in a Workshop of Technical exchange of experiences and results between different projects, ONDTyD, GEF Chaco and GEF PES, with observations in the field of good practices aimed at mitigating and reducing soil erosion, water loss and degradation of natural resources; iii) in Misiones, training on Design and implementation of hydrological PES schemes and procedure for Monitoring and Certification of service providers (27 personnel from INTA, the provincial and municipal government and local professionals); iv) in Formosa, 53 people took part in a workshop on Land use oriented to native forest management (local farmers; personnel from the provincial governments –MPyA-; INTA; the Formosa University; local professionals of private activity; teachers and students of agricultural and agro technical technicians).</p>	
--	--	---	--

Outcome 2: To expand the technical knowledge (know-how) on effective operational configurations to optimize the benefits from the current and future SA incentives, and it will be reinforced through field demonstrations of the different PES schemes	Goal at the end of the project	Deliverables	Outcome 2 Rating: Somewhat Unsatisfactory
2.1. PES schemes and monitoring mechanism designed and validated with provincial authorities and local actors	For Year 1 of the Project, 3 PES schemes within the framework of government incentives (Chaco, Formosa and Entre Rios) and 1 classic PES scheme (Misiones)	<p>PES schemes for Entre Ríos, Misiones, Chaco and Formosa are under different levels of development, and three will be fully developed by the end of the project.</p> <p>In Chaco, farmers/producers have completed their management plans and are awaiting for the compensations which will be received once the governmental administrative processes are finalized.</p> <p>In Entre Rios, the bill incorporating the compensation for biodiversity and carbon ES into the body of the Provincial Law for Soil Conservation has been approved by the Chamber of Deputies of the Provincial Legislature and is under consideration by the Chamber of Senators. It is unclear whether the</p>	

		political process will be completed in time for payments to be made during the lifetime of the project but it is expected that payments will commence after the legal modifications are approved. In Misiones, the scheme was ready to be implemented with subsidy of 100-150kw/month, with key actors, such as the Cooperativa de Servicios de Obara (in charge of collecting and disbursing the payments). Formosa has substantial delays with the PES design.	
2.3. % of surface owners interested in participating in PES schemes that sign legally binding contracts	At least 75% for Year 4 of the project	In 2016: Number of landowners interested in participating in the PES schemes has changed in three of the four pilot sites due to different circumstances related to: i) payment delays (i.e., Chaco and Formosa) and ii) better information on targeting critical water recharging areas (in Misiones). Therefore, number of landowners effectively participating are: 25 in Chaco, 23 in Formosa, 30 in Entre Rios and 25 in Misiones. In 2017: Baseline still holds as agreement on land uses will be determined after PES schemes and management plans are implemented by landowners. Will be finished by the project end.	
2.4. % of audits performed over time and in accordance with audit procedures	At least 80% annually between Years 3 and 4 of the Project	In 2016 and 2017: Baseline still holds as auditing process will only start after PES implementation.	
2.5. % of producers that remain within the PES scheme.	At least 75% for Year 4 of the Project	In 2017: Landowners from Chaco and Formosa have had their management plans under implementation. In Misiones the landowners who protect the forest and BD will be receiving a benefit in their electricity bill. Finally, in Entre Rios landowners will adopt a new PES scheme considering BD within their management plans. Twenty-one landowners in Chaco and twelve in Formosa have their management plans presented to the local authorities and will start receiving compensation in the second half of 2017 or first half of 2018. Twenty-five farmers in Misiones have developed management plans and are eligible to receive payment. Thirty farmers in Entre Rios have developed a general watershed plan and are awaiting adoption by the provincial authorities of the new PES scheme; part of the river basin was declared as experimental area under the local law, this process includes 30 farmers.	
2.6. % of producers who have expressed their agreement with the design and implementation of PES schemes	At least 75% for Year 4 of the project.	The number of producers who have expressed their conformity with the design and preliminary implementation of the PES schemes will be defined at the end of the project through a survey.	
7. Costs and benefits of evaluated PES schemes	For Year 4 of the Project, sequestration costs per ton of coal versus sequestration costs per ton of coal in the alternative	Models to estimate costs of sequestration of t/C of the alternative using forest plantations have been developed under different scenarios (i.e., with or without purchasing of land, using different discount rates). Models to estimate investment costs of adopting the different land uses and practices to generate ES proposed by the project in the different pilot sites are being developed. Estimates for the costs of sequestration of t/C of the alternative using forest plantations varies between US\$ 17,47 and US\$ 29,97 (without purchasing land) and US\$ 29,71 and US\$ 43,64 (with purchasing land) depending on the considered discounting and exchanging rates.	

Outcome 3: To strengthen provincial capacities to scale or extend PES pilot schemes and take them into landscape scale	Goal at the end of the project	Deliverables	Outcome 3 Rating: Satisfactory
3.1. Number of surface owners willing to prepare management plans in order to participate in the PES scheme proposed by the Project within the framework of the Forest and Soil Laws.	For Year 4 of the Project, at least 100 producers in Chaco, Formosa and Entre Rios.	The total number of landowners interested in participating in the project were 105 in 2015, of which 58 have effectively participating until the end of 2017: Chaco: 17/17 Formosa: 5/13 Entre Rios: 30/30 Misiones: 6/20	
3.2 Number of pilot provinces that adjust their regulatory frameworks in order to allow the extension or escalation of PES at provincial level.	For Year 4 of the Project, Misiones and Entre Rios	The Government of E. Rios is processing a Draft Decree as a regulation of Provincial Laws 8318 and 10824, which recognizes the application of payment mechanisms for Environmental Services of Agroecosystems and establishes an Entrepreneurial Plan for the Generation of SA of Agroecosystems for the period 2018-2028 that considers the application of compensation for the	

		<p>generation of ES. It is also working on the analysis of the provincial situation of the systematization of soils to be able to carry out upscaling at the provincial level, with actions initiated in the Arroyo Feliciano Watershed, which covers 5 municipalities.</p> <p>In Misiones, a Provincial Water Quality Monitoring Network has been formed, with the participation of different provincial bodies responsible for water management (Ministerio de Salud; Min. Ecología y Recursos Naturales Renovables; Min. Industria; Subsecretaría de Obras y Servicios Públicos; Ente Prov. Regulador de Aguas y Cloacas; Instituto Misionero de Aguas y Saneamiento; Aguas Misioneras Sociedad del Estado; Min. De Hacienda y Finanzas, among others) to establish a standardized network based on an integrated management of water resources.</p> <p>The Government of the Chaco has published the Provision No. 299/15 of the Directorate of Forests, which approves the Protocol for the management plans for the payment of ES to producers of the Pilot Chaco Site. The same guidelines should bring together the Management Plans to be submitted by the other producers to access the benefits of Law 26.331.</p> <p>The province of Formosa linked the issue of ES to the application of Law 26.331 in the Province and to the Plan of Territorial Zoning of its native forests. The project was instrumental in bringing these issues to the forefront so that these more political processes would proceed.</p>	
3.3. Number of additional hectares in the pilot provinces where PES schemes can be extended or scaled	For Year 4 of the Project, at least 2.5 million hectares in Entre Rios; 4.5 million in Formosa. Misiones to be determined once the project has started	In Chaco steps are being taken by provincial authorities to upscale Project guidelines to 4.5 million ha. In Formosa, authorities have committed to upscale Project guidelines to 3.5 million ha. In Entre Rios, after the bill proposal to include compensation for carbon and biodiversity ES is passed, the PES scheme will be upscaled to 2.5 million ha. In Misiones, activities for replicating Project lessons directed to upscaling to two watersheds are underway (about 60,000 ha).	

Outcome 4: To implement a favorable framework to scale or extend the PES geographically to all of Argentina, and thematically to other PES schemes	Goal at the end of the project	Deliverables	Outcome 4 Rating: Somewhat Satisfactory
4.1. Program of diffusion addressed to all the spectrum of actors interested in PES (sellers, buyers and provincial governments responsible for supervision and monitoring), developed and validated.	For Year 3 of the Project, dissemination program developed	Programs targeting a whole range of PES actors fully implemented in the four pilot sites. Local producers have been part of every on the field action organized by the project, regardless of being part of the project or not. These workshops were also aimed at local authorities, service providers, producer associations, independent professionals, universities and agro technical schools.	
4.4. Number of potential hectares identified for PES application	For Year 4 of the Project, 4.5 million hectares	Number of hectares where PES schemes guidelines developed by the project are available for use: 7 million (Chaco 4.5 million; Entre Rios 2.5 million). Number of potential hectares where PES scheme in provinces with pilot sites could be applied: i) Misiones: 600,000 hectares; ii) Formosa: 3,5 million hectares.	

Effectiveness has a **Somewhat Satisfactory** comment.

Upon presentation of two moments of project's execution, which have been reported in the report, the conceptual part of the design of the mechanisms, with very relevant baseline information, complemented with tools for monitoring the ecosystem biophysical conditions is Satisfactory. The concretion of the PES mechanisms themselves, as well as their evaluation-comparison, could not be determined by the actors or by the evaluation team (Somewhat Unsatisfactory). Although some actors have stated that the project does not have the competence to carry out the payment for the ecosystem services, which is an institutional issue, the formulation and approval of the project includes developing, implementing, monitoring, and comparing the

mechanisms. In this sense, effectiveness is compromised by the aforementioned. It is concluded that a relevant fact was raised in the RMT, which is the redefinition and clarification of the scope of certain activities that were even recommended by the evaluator, but that were not formalized in due time, which motivates the Final Evaluation to verify the original design, being clear that many activities are broadly ambitious.

In general terms, efficiency is **Satisfactory**.

The use of financial, institutional and technical resources has enabled the execution of the project. The ability to use corporate (Satisfactory), financial (Satisfactory) and M&E (Somewhat Satisfactory) tools must be highlighted. In general, they give a very positive reference of the project management and actors. Three elements limit the criterion of very satisfactory in this section, and they are: failure to formalize the findings of the RMT, to make operative the committees defined in the Prodoc, and to maintain the extension of the project in a fourth formal order without costs. Although these aspects pose a limit, they do not go against the positive effects identified by the evaluation team around efficiency and daily work.

3.3.4 National Implication

The project is considered to have had a significant national implication (Satisfactory), particularly after the Mid-Term Review, in which spaces for decision making were created that allowed the activation of the active role of the provinces with the leadership of the MAYDS, the INTA support and the support from UNDP. Although the strategy responded to the period's conditions, the proposal shows a new learning curve that has positive and negative aspects around the context of the project.

The project and its concept undoubtedly contribute to the inclusion of PES criteria in the national – provincial agenda and activities. This effect could have had a greater implication if the evaluation of the benefits of the implementation of the PES proposed mechanism was possible, which would lead to the possibility to scale them at national level, a situation that cannot be determined at the time of the EF.

3.3.5 Integration

The complementarity between the actions of the PES project and the national law for the conservation of the native forest and the local law for the soil conservation show a position of integration that is consistent with national policies adaptable to the provinces.

By being executed by MAYDS, it maintains synergies with the portfolio of projects that point to country decisions on environmental management issues, including the conservation of ecosystems.

3.3.6 Sustainability *

The comment regarding sustainability of the concept addressed by the project is **Somewhat Likely**.

Regarding sustainability, due to the project's particularity and its intervention in four provinces, a specific analysis is required for each territory:

Misiones: From the documentary analysis, meetings with key actors and field visits, it can be concluded that the mechanism has a satisfactory progress. Although the impact issues require strong local participation after the project ending, the generation of agreements (Annex 10) foresees a very positive scenario, which will allow the PES mechanism of subsidies of 100-150Kw/month to be compared in the conservation of important ecosystems in the medium term. Additionally, a replication process is envisioned in the Arroyo Acaragua basin. The monitoring tools are part of the path created by INTA in the subjects of carbon and biodiversity, plus what the province executed regarding water management issues. The replication process will have positive elements that will allow the evaluation of the province's PES mechanism in the future together with other mechanisms being executed.

For the provinces of Chaco (Satisfactory) and to a lesser extent, Formosa (Somewhat Unsatisfactory), by supporting their PES proposal in the Forest Law, the process of replication and escalation is likely, perhaps not completely attributable to the project, but being normatively defined for the country, it has been proven that its application will have impacts on the state of local ecosystems,

The province of Entre Ríos (Somewhat Satisfactory) has supported its PES proposal on the Law for Soil Conservation. In this case, the sustainability depends fundamentally on the nation - province negotiations, both in terms of compliance with the Letters of Agreement, as well as of replication and scaling. The approval by the legislature of the province the amendment to the Soils Law No. 8318/89 is a positive element, which includes exempting or reducing the tax burden of rural property tax for producers who apply SE practices, which, if approved by the reviewing legislative chamber, may have a greater probability of being approved.

Table 13. General classification of sustainability dimensions

Sustainability dimensions	Classification
Financial resources	Somewhat Likely
Socio-politics	Somewhat Likely
Institutional framework and governance	Somewhat Likely
Environmental	Likely

3.3.7 *Impact **

The comment regarding the Impact of the project is **Minimal**

In the Final Evaluation, the impact aspects of the PES have not been determined in a concrete way, as the Letters of Agreement that constitute the legal and administrative tools for the execution in the provinces are currently being executed. In this stage, it is early even to determine the impact of the outcomes of the project. Only the inclusion of criteria that in turn would improve the conditions of the ecosystems can be estimated, but only as an assumption. However, if it is clear that the country, as a result of this project, has improved the

coordination and articulation in a cross-curricular manner for the use of the ecosystem services valuation criteria, as well as the dialogue between productive and conservationist visions for the formulation of strategies that benefit ecosystems and populations, considering an evaluation and the application of a landscape management approach at provincial and national scales.

4 Conclusions, recommendations and lessons

In conclusion, it can be established that the evaluated Project has managed to position the issue of incentives for conservation at the national, provincial and local levels (relevance); it has made transcendental decisions in order to improve the presence in the territory and the use of available resources (efficiency); and it has promoted processes that are expected to continue after its ending (sustainability). The results show satisfactory progress in outcomes 1, 3 and 4, but there are minor advances in the impact of the concept addressed and in outcome 2 regarding the implementation of PES mechanisms, a situation that determines the definition of an exit strategy that addresses the review of the impact of the mechanisms being implemented in the province. Overall, the project has an AS rating.

From the observed, opportunities for the development of a continuation can be foreseen. They require the participation of the actors in a post-closure phase of the project. If there were positive results despite the limitations the project faced, it is reasonable to think that the inertia now carried by the MAYDS, the INTA and the provinces will make an extension of the achievements possible.

4.1.1 *Corrective measures for project design, execution and M&E*

During the design of projects of this type, there is an observed tendency to set very ambitious goals, which is natural to generate attractive proposals to benefactors, but on the other hand very complex in the execution, projects - benefactors define control points that allow to direct actions. These are key points such as inception workshop, Mid-Term Review and Evaluation. Each one has a value that should be used by the projects. In this case, for example, the RMT identified actions that required impulse or modifications, especially in definitively complex goals, such as the monitoring of biological abundance or the implementation of the mechanisms themselves in a very short period of time. These moments must be used strategically to move the actions forward (on track). This should be considered in future projects when new initiatives of this kind are being developed.

4.1.2 *Actions to reinforce the project's initial benefits*

Local actors, mainly from the national counterpart, should work on an "exit strategy" proposal that includes the project's sustainability and impact. For this purpose, there is an advanced path with Letters of Agreement that define monitoring mechanisms. The strategy should tend to have a point of comparison between inter and intra-provincial mechanisms and with others that have characteristics of payments for environmental services. This strategy should be planned with a work period of 5 years, which is the scope of final evaluations.

The communication topics, which the project has developed and which constitute positive elements in the evaluation, should be integrated into the integral communication strategy. During the evaluation, it was detected that the Ministry of the Environment developed in 2017 a systemic approach regarding the communications aspect. The actors involved in the project must influence and manage actions so that the contributions developed by the project are inserted in the Ministry of the Environment's work agenda.

In general terms, the corporate tools for monitoring the project have been effective. It is necessary that UNDP promotes the institutionalized use in the project management. The PIR report case must be mentioned, which has not presented comments or ratings in several years, missing a valuable opportunity of feedback from the actors involved. This recommendation is general and applies to the GEF project portfolio.

The national counterpart, although it presents a high degree of appropriation, must initiate a process of advance-evolution in the topic of monitoring tools, management of results that have greater frequency of reporting above all and that act as an input for the PIR annual report, evaluations, and external actors in general. The use of these concepts will mitigate the effects derived from the rotation of personnel, technicians, authorities, seeking to maintain the institutional memory (knowledge management).

The processes of systematization and knowledge management should be promoted in the projects, planned in the design, and consider as information processes for external and internal actors, with a substantial reason for replication processes. The systematization of information in the project management, during and after the exhibition has gained strength, and in terms of the GEF project cycle, will allow for better inputs for Mid-Term Reviews, final evaluations and the transcendence of concepts that address the initiatives

In accordance with the findings of the mid-term review, it is recommended to consider the value of the key points in the GEF project management: start-up workshop, mid-term review and final evaluation. It is recommended that these activities have a greater role in the management of GEF projects. In the case of the start-up workshop, if necessary, have external actors that support the strategic planning and definition of objectives; in the mid-term review, to monitor progress and establish control points for the project's indicators based on the context and reality of the territory to promote actions improving the execution; final evaluations with recommendations that transcend to other levels. In general, the use of managerial responses that derive from each of these processes is recommended.

4.1.3 *Proposals for future directions that accentuate the main objectives*

The role of the management, advisory and local committees is key. For this reason, they are included in the project documents (Prodoc). The effective use of these instances of governance, which allow the documentation of valuable information for decision-making, direct actions and improving the interlocution of actors is recommended. It is recommended that UNDP establish mechanisms to promote the institutionalization and permanence of these stays, although there is a high turnover of authorities in the national counterparts. It was observed in the final evaluation that UNDP maintains a continuity of the assigned personnel, a positive element that must be used to transfer the knowledge to improve the projects' management.

The extensions of the projects constitute exceptional actions. Under this consideration, it is recommended that the UNDP review the projects that are in an extension phase to define exit strategies, as it has been observed in the present evaluation that the term extension works in a AH-DOC way and that if they are supported through exit strategies, they will have the desired impact and transcendence.

4.1.4 *Best and worst practices to address issues related to relevance, performance and success*

From the signing of the Acts in agreement with the provinces, these take on an active role of great relevance in the implementation of the project, achieving substantial technical results and mainly strengthening the concept of PES at a local level. This process was of essential importance in the results observed by the evaluation team during the visit to the pilot sites. This showed both the commitment of local authorities and the knowledge and interest in developing PES systems at a local level. Due to this, it is interpreted that with the signature of Letters of Agreement, a national appropriation of the project is achieved, which includes administrative organisms, technicians and producers. The interrelation and lateralization generated from this action foresees a positive projection regarding the development of PES models at different scales.

The execution of the letters of agreements implied the development of administrative and technical capacities by the provinces, with a great effort to fulfill the acquired commitments. The case of the province of Chaco must be mentioned, which due to the administrative delays typical of these processes, generated the alternative of the use of a State Trust, according to the interviews in which provincial actors indicated that the financial flow, with the due processes of accountability and transparency, was streamlined. The evaluators do not issue a comment on the matter, but they communicate these aspects so that faster alternatives are generated in future processes within the accountability framework that propitiates the desired impact in the territory.

The consensus reached by actors who generally have different views on the management of resources, a production and a conservationist vision, is a remarkable practice. This situation is particular to each province, but in general the same discourse regarding the conservation of ecosystem services is observed.

The evaluator consider a good practice the generation of information and actions that encourage the participation of local actors (bottom-up) and good relationships of learning by doing that developed in the field. The INTA's community management should be highlighted in the cases of Entre Ríos and Chaco. Likewise, the participation of the province and its technicians on Misiones are apt systematization and replication experiences.

5 Annexes

Annex 1: Consultancy Terms of Reference

Annex 2: List of people interviewed

INTERVIEWED ACTORS - UNDP PROJECT ARG10/G49 - UNEP 4B85			
PROVINCE	LAST NAME AND NAME	POSITION	FUNCTION IN THE PROJECT
MAyDS	Lic. Moreno, Diego Ignacio	Secretary. Secretary of Environmental Policy, Climate Change and Sustainable Development	National Director for the Project
	Ing. Heider, Jorge Andrés	Director. Directorate of Land Management, Soils and Fight against Desertification	National Project Coordinator
	Ing. Ftal. Heinrich, Rosa Inés	Technical Advisor - Secretary of Environmental Policy, Climate Change and Sustainable Development	Technical Adviser
	Accountant De la Serna, María Eugenia		Financial Accounting Administrative Coordinator
	Lic. Sayago, Jaqueline	Financial Administrative Assistant. Secretary of Environmental Policy, Climate Change and Sustainable Development	Secretary
	Mg. Sebastián Fermani	Coordinator. National Program for the Protection of Native Forests. Law 26,331 (UNDP 12/013)	Coordinator
CHACO	Ing. Tortarolo, Gabriel	Minister. Ministry of Production	Provincial Representative
	Dr. Olivares, Luciano	Undersecretary. Undersecretary of Natural Resources. Ministry of Production	Provincial Coordinator
	Dra. Ordenavia, María Noelia	Legal Adviser Ministry of Production	Adviser
	Ing. Morales, Antonio	Technician. A/C Forest Extension Department of the Forestry Department	Provincial Technical Team
FORMOSA	Lic. del Rosso, Franco	Coordinator of the Program of Biodiversity, Protected Areas and Climate Change. Ministry of Production and Environment	Provincial Coordinator
	Dra. Belfer, Laura	Adviser. Ministry of Production and Environment	Adviser
MISIONES	Dra. Derna, Verónica	Secretary Minister. Ministry of Ecology and Renewable Natural Resources	Provincial Representative

	Accountant Vancsik, Martha	Undersecretary of Ecology and Sustainable Development. Ministry of Ecology and Renewable Natural Resources	Provincial Referent
	Ing. Statkiewicz, Juan	Director. Directorate of Vital Resources. Ministry of Ecology and Renewable Natural Resources	Provincial Technical Team
	Paniagua, Oscar	Directorate of Vital Resources. Ministry of Ecology and Renewable Natural Resources	Provincial Technical Team
	Prof. Otiñano, Iván Gastón	Direction of Environmental Services. Undersecretary of Territorial Planning	Provincial Technical Team
	Ing. Harter, Ricardo	President. Msiones Sustentable Foundation	
	José Luis Marquez da Silva	Mayor. Campo Ramón	
	Dr. Pereyra Pigerl, Héctor Rafael	President of the Cooperativa Electricade Ltda. De Oberá (CELO)	
ENTRE RÍOS	Roberto Salvador Zabala	General and Coordination Director. Secretariat of Environment	
	Bioq. Paula, Luz Maria	Coordinator. International Projects Unit. Secretary of Environment	Provincial Referent
	Ing. Agr. Martín Rodolfo Barbieri	Secretary of Primary Production. Ministry of Production	
	Ing. Farall, Antonio	Adviser. Secretary of Environment. General Secretariat of the Government	Adviser
	Ing. Daniel Horacio Tomasini	Adviser. Secretary of Environment. General Secretariat of the Government	Adviser
	Dr. José Alberto Gobbi	Technical Coordinator. INTA	INTA Technical Coordinator
INTA	Ing. Fral. Pueyo, Dante	Technician - INTA Formosa	Technical Assistant - Formosa Pilot Site
	Ing. Agr. Sosa, Alberto	Technician - INTA Misiones	Technical Assistant - Misiones Pilot Site
	Ing. Agr. Sasal, María Carolina	Technique - INTA Entre Ríos	Collaborator of the AT-SP E Ríos
	Ing. Ftal. Atanasio, Marcos	Technician - INTA Chaco	Technical Assistant - Chaco Pilot Site
	Ing. Agr. Leonhardt, Edgardo	Head of Rural Extension Agency Pampa del Infierno. EEA INTA Sáenz Peña	Technical Reference for Departments Brown and Guemes
UNDP	Dra. Di Paola, Maria Eugenia	Coordinator of the Environment and Sustainable Development Area	

	Alexandra Fischer	Regional Technical Advisor, Biodiversity and Ecosystem Service - UNDP - Global Environmental Finance Unit - Regional Technical Centre for Latin America and the Caribbean - Panamá	
	Matias Mottet	Program Analyst of the Environment and Sustainable Development Area	
UNEP	Erath, Robert	Regional Focal Point for Latin America	Task Manager GEF

Annex 3: List of documents reviewed

- Project Document - PRODOC
- Preliminary report of the Mid-Term Evaluation
- Detailed original Work Plan of the project
- Annual Project Operating Plans
- Annual Project Reports to UNDP/UNEP
- Project Implementation Review PIR
- Quarterly Operational Reports QORs
- Relevant documentation available in relation to the project, its activities, outcomes and products
- Other relevant sources of information including the UNDP and FNAM evaluation policy
- Project Management Committee minutes and documents
- METT with MTR data
- Technical reports/studies
- Co-financing information
- Information on expenses per GEF results and resources
- Reports on the main courses and trainings carried out by the Project
- Minutes/Conclusions edited from the main workshops/seminars/meetings held by the project
- Notebooks, brochures, cards and other materials prepared by the Project
- Reports on the activities carried out at the pilot sites and in partner provinces
- Technical publications made by the project.
- RMT management response matrix
- Management audits and spotscheck
- Tools used for Monitoring & Evaluation
- Contacts of the Project Management Unit
- Letters of formal request without cost
- Mission agenda

Annex 4: Matrix of evaluation questions

Evaluation criteria - Questions	Indicators	Sources	Methodology
Relevance: How does the project relate to the main objectives of the GEF area of interest and to environmental and development priorities at a local, regional and national level?			
<ol style="list-style-type: none"> 1. To what extent are the intervention objectives of the project consistent with the requirements of the beneficiaries, the needs of the country, the global priorities and the policies of the partners and benefactors? 2. To what extent was the project adapted to local and national development priorities and to organizational policies, including changes over time? 3. To what extent does the project agree with the GEF operational programs or with the strategic priorities based on which the project was financed? 4. To what extent are the objectives of the intervention still adequate given the changes in the circumstances experienced in Argentina throughout the life of the project? 5. Have regulations or policies favorable for conservation and payments by SE been developed from the project, from the government counterparts' point of view? 6. Are you familiar with GEF's tools such as METT? 7. What practices developed by any of the activities have contributed or can contribute to strengthen other practices in the framework of the project? 8. Does the project complement other strategies or projects applied in the same territory and thematic area? 	<ul style="list-style-type: none"> • National plans for sustainable development incorporate the PES dimension. • Lessons learned from pilot projects incorporated into management activities and ecosystem conservation incentives 	<ul style="list-style-type: none"> • Project Documents • Interviews 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires
Effectiveness: To what extent have the results and expected objectives of the project been achieved?			
<ol style="list-style-type: none"> 9. To what extent were the objectives of the Project achieved? 10. To what extent were the expected results of the Project intervention achieved? 11. Were substantive institutional changes achieved that incorporate the project's expected results and objectives? 12. What were the internal and external factors that have influenced the achievement or not of the results? Have other unintended effects been achieved? 13. How have the instances which constitute the Project contributed to increasing the visibility of the actions? 14. What level of consensus have the institutions that have been involved achieved among themselves and with civil society, if you are familiar with them? 15. Are you familiar with the coordination spaces established for this project? In your opinion, have they worked? 	<ul style="list-style-type: none"> • Implemented pilot experiences • National/local plans incorporate PES. 	<ul style="list-style-type: none"> • Project Documents • Interviews • Field visit 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires • Direct observation
Efficiency: Was the project implemented efficiently in accordance with international and national regulations and standards?			
<ol style="list-style-type: none"> 16. Have resources been used appropriately? 17. To what extent were the project outputs achieved with these resources? 18. Have the budgets and schedules initially established in the document been observed? 19. Are possible co-financing sources identified, as well as leveraged and associated financing sources? 20. Are financial controls included? 21. Is due diligence shown in the management of funds, including periodic audits? 22. Is the existing equipment adequate for the management of the project at central, provincial, and local levels? 	<ul style="list-style-type: none"> • Financing structure • Co-financing data 	<ul style="list-style-type: none"> • Project Documents • Interviews 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires

23. In general, what is the cost-effectiveness relationship of the project in terms of the resources invested and the results achieved?			
Sustainability: To what extent are there financial, institutional, socioeconomic or environmental risks to sustain the long-term results of the project?			
24. To what extent has a sustainability-exit strategy been implemented or developed, including the development of capacities of national and local partners?	<ul style="list-style-type: none"> • Implemented or adopted regulations and policies • Sustainability strategy • Capacity development 	<ul style="list-style-type: none"> • Project Documents • Interviews • Field visit 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires • Direct Observation
25. To what extent will existing policies and regulatory frameworks support the sustainability of benefits?			
26. Are the beneficiaries committed to continue working on the project's objectives once it is completed?			
27. What has been the degree of participation and appropriation of the objectives and results by the beneficiary population in the different phases of the project?			
28. What has been the support and participation of the institutions involved?			
29. Has there been institutional strengthening?			
30. Will the institutions involved continue to support the project's results?			
31. Has there been any effect on community organization in general that can ensure sustainability?			
32. Are the costs for the maintenance and monitoring of the actions carried out appropriate to the local context? Is it possible that they are assumed by the key actors and beneficiaries?			
33. What national government institutions would take over the functions the project currently assumes? Is it already established?			
Impact: Are there indications that the project has contributed to reducing environmental stress or improving the ecological status, or that it has allowed progress towards these results? (conservation, adoption of SE)			
34. What impact has the project had regarding social, environmental and conservation terms?	<ul style="list-style-type: none"> • Implemented or adopted regulations and policies • Capacity development • Improvements in environmental quality (for example, reduction of erosion, etc.) 	<ul style="list-style-type: none"> • Project Documents • Field visit 	<ul style="list-style-type: none"> • Documentary Analysis • Direct Observation
35. What key results has the project generated (i.e., significant improvements in the state of natural resources, substantive progress in achieving these impacts)?			

Evaluation criteria - Questions	Indicators	Sources	Methodology
Relevance: How does the project relate to the main objectives of the GEF area of interest and to environmental and development priorities at a local, regional and national levels?			
36. To what extent are the project's intervention objectives consistent with the requirements of the beneficiaries, the needs of the country, the global priorities and the policies of the partners and benefactors?	<ul style="list-style-type: none"> • National plans for sustainable development incorporate the PES dimension. • Lessons learned from pilot projects incorporated into management activities and ecosystem conservation incentives 	<ul style="list-style-type: none"> • Project Documents • Interviews 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires
37. To what extent was the project adapted to local and national development priorities and organizational policies, including changes over time?			
38. To what extent does the project agree with the GEF operational programs or with the strategic priorities based			

<p>on which the project was financed?</p> <p>39. To what extent are the objectives of the intervention still adequate given the changes in the circumstances experienced in Argentina throughout the life of the project?</p> <p>40. Have regulations or policies favorable for conservation and payments by SE been developed from the project, from the government counterparts' point of view?</p> <p>41. Are you familiar with GEF's tools such as METT?</p> <p>42. What practices developed by any of the activities have contributed or can contribute to strengthen other practices within the framework of the project?</p> <p>43. Does the project complement other strategies or projects applied in the same territory and thematic area?</p>			
Effectiveness: To what extent have the results and expected objectives of the project been achieved?			
<p>44. To what extent were the objectives of the Project achieved?</p> <p>45. To what extent were the expected results of the Project intervention achieved?</p> <p>46. Were substantive institutional changes achieved that incorporate the project's expected results and objectives?</p> <p>47. What were the internal and external factors that have influenced the achievement or not of the results? Have other unintended effects been achieved?</p> <p>48. How have the instances which constitute the Project contributed to increasing the visibility of the actions?</p> <p>49. What level of consensus have the institutions that have been involved achieved among themselves and with civil society, if you are familiar with them?</p> <p>50. Are you familiar with the coordination spaces established for this project? In your opinion, have they worked?</p>	<ul style="list-style-type: none"> • Implemented pilot experiences • National/local plans incorporate PES. 	<ul style="list-style-type: none"> • Project Documents • Interviews • Field visit 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires • Direct Observation
Efficiency: Was the project implemented efficiently in accordance with international and national regulations and standards?			
<p>51. Have resources been used appropriately?</p> <p>52. To what extent were the project outputs achieved with these resources?</p> <p>53. Have the budgets and schedules initially established in the document been observed?</p> <p>54. Are possible co-financing sources identified, as well as leveraged and associated financing sources?</p> <p>55. Are financial controls included?</p> <p>56. Is due diligence shown in the management of funds, including periodic audits?</p> <p>57. Is the existing equipment adequate for the management of the project at central, provincial, and local levels?</p> <p>58. In general, what is the cost-effectiveness relationship of the project in terms of the resources invested and the results achieved?</p>	<ul style="list-style-type: none"> • Financing structure • Co-financing data 	<ul style="list-style-type: none"> • Project Documents • Interviews 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires
Sustainability: To what extent are there financial, institutional, socioeconomic or environmental risks to sustain the long-term results of the project?			
<p>59. To what extent has a sustainability-exit strategy been implemented or developed, including the development of capacities of national and local partners?</p> <p>60. To what extent will existing policies and regulatory frameworks support the sustainability of benefits?</p> <p>61. Are the beneficiaries committed to continue working on the project's objectives once it is completed?</p> <p>62. What has been the degree of participation and appropriation of the objectives and results by the beneficiary population in the different phases of the project?</p> <p>63. What has been the support and participation of the institutions involved?</p>	<ul style="list-style-type: none"> • Implemented or adopted regulations and policies • Sustainability strategy • Capacity development 	<ul style="list-style-type: none"> • Project Documents • Interviews • Field visit 	<ul style="list-style-type: none"> • Documentary Analysis • Questionnaires • Direct Observation

64. Has there been institutional strengthening?			
65. Will the institutions involved continue to support the project's results?			
66. Has there been any effect on community organization in general that can ensure sustainability?			
67. Are the costs for the maintenance and monitoring of the actions carried out appropriate to the local context? Is it possible that they are assumed by the key actors and beneficiaries?			
68. What national government institutions would take over the functions the project currently assumes? Is it already established?			
Impact: Are there indications that the project has contributed to reducing environmental stress or improving the ecological status, or that it has allowed progress towards these results? (conservation, adoption of SE)			
69. What impact has the project had regarding social, environmental and conservation terms ?	<ul style="list-style-type: none"> • Implemented or adopted regulations and policies 	<ul style="list-style-type: none"> • Project Documents 	<ul style="list-style-type: none"> • Documentary Analysis
70. What key results has the project generated (i.e., significant improvements in the state of natural resources, substantive progress in achieving these impacts)?	<ul style="list-style-type: none"> • Capacity development • Improvements in environmental quality (for example, reduction of erosion, etc.) 	<ul style="list-style-type: none"> • Field visit 	<ul style="list-style-type: none"> • Direct Observation

Source: Based on the evaluation matrix applied in Final Evaluations in the region GEF/UNDP 2010 Guide.

Annex 5: Evaluation consultant agreement form

Annex 6: Mid-Term Review Management Response Matrix

Recommendation	Management response	Key Actions
Review Project Indicators	A workshop will be held in March 2015 to revise, to adjust and to clarify project indicators. Participants of the workshop will be Ministry of Environment, INTA, project staff, UNDP and UNEP.	<p>Meetings were held during 2015 to revise indicators, particularly those related to PES design and ES monitoring. As letters of agreement were signed between the MAYDS/Project and the provincial government in 2015, indicators were latter revised.</p> <p>In a meeting held on 10/27/2015 maintained by Project staff with INTA and UNDP (local and Regional for LAC) to discuss the substantive revision of the project, it was established that the progress of activities carried out by the provinces (as other responsible parties) towards the Project objectives should be reviewed according to the Logical Framework Indicators, without mentioning the need for a revision of them.</p> <p>Once the adjustments to the implementation arrangements were achieved, Letter of agreements were signed with the partner Provinces (Aug/Set 2015) with the main objective of agreeing the PES scheme to be applied in each SP and streamlining the implementation of field activities that allow its implementation before the end of the project, planned in Dec/2015 (1st extension).</p> <p>The General Coordinator of the Project submitted his resignation on March 14, 2016. During the years of execution of the project, the participating institutions were not called to meetings for the purpose of discussing a new proposal for the Indicator Matrix.</p>
Hire additional assistants for project management	Additional staff is being hired stating in February 2015. They include a team of 2 people to support project management (on aspect related to monitoring and evaluation aspects) as well as additional field personnel in all pilot sites to carry out planned	Additional staff was hired until December 2015
Extend the project's end date	A request to extend the project to December 31, 2015 has already been filed by the PND	The project was extended accordingly: 1st extension until December 31, 2015; 2nd until June 30, 2017 and after, until December 31, 2017 for the closing of the activities in execution and financial

Recommendation	Management response	Key Actions
<p>Increase efforts to promote the political process in the provinces related to PES (laws and regulations).</p>	<p>Workshops to present Project's results and advances will be held in each pilot site in early 2015 with the aim to raise awareness on PES among policy makers. Additionally, the Project is working with the technical and political focal points in all pilot sites to lobby local authorities (both decision makers and law makers) to promote ES and PES. To do this, a series of workshops, meetings and field activities are being planned for early 2015 in all pilot sites.</p>	<p>Since 2015, several meetings were held with policy makers and focal points to raise awareness on project results in all four pilot sites. Details regarding PES design and implementation were discussed with all actors. In spite of changes in both focal points and government structures (i.e., Entre Ríos) at the end of 2015 due to the electoral process held that year, the Project continued to have great support from government to include its recommendations into policy initiatives.</p>
<p>Maximize the strategic partners available resources.</p>	<p>The Project considers both the Cooperative CELO in Oberá and the Government of Entre Ríos as strategic partners and works very closely to them. The PES schemes being developed in both pilot sites are based on the infrastructure provided by those strategic partners. In the case of the CELO, talks have been maintained to use its infrastructure to establish the payment fund (i.e., for collecting and disbursing the payments). On the same token, the Project is devising jointly with the government of Entre Ríos the PES scheme and using its existing structure to optimize resources.</p>	<p>From the signing of Letters of Agreement in 2015, each Province assumed the responsibility of coordinating the actions with the strategic institutions that will provide their infrastructure for the application of the PES scheme in their respective territory. In this sense, there is a joint work between the Ministry of Ecology and Renewable Natural Resources of Misiones and CELO to define the compensation model that is accessible to CELO and beneficial to the Province, which consists of a deduction of the energy rate for Producers associated with the project proportional to the area of native forest available on the farm.</p> <p>The initial model of PES scheme designed jointly with the government of Entre Ríos requires a modification of the text of the Soils Law to add the SE of C and BD to the existing soil conservation, which was treated and approved by the Chamber of Deputies of the province but it is still subject to the approval of the Chamber of Senators. Given the risk of loss of parliamentary status of the text of the amendment of the law until the project's closing date, the Province opted to use an alternative structure to optimize available resources, incorporating other institutional structures with competence in the area of work of the SP to work jointly with the Environment Secretariat (i.e. Production Secretariat of the Ministry of Production, Provincial Department of Roads, Directorate of Hydraulics), which will provide resources to producers associated with the project (i.e. technical assistance, machinery for systematization of terraces; construction of works to alleviate the runoff of water from the systematized areas without altering the existing infrastructure downstream, among other operations).</p> <p>To this end, the area of the pilot site was declared as an Area of</p>

Recommendation	Management response	Key Actions
		Conservation and Experimental Management (research/adaptation of technologies) and technical assistance is being provided to 30 producers to present their management plans to the provincial authorities in the framework of the Plan for Generation of SE of the Agroecosystems defined by the province for the period 2018-2028.
Carry out 'cross-learning' activities between the pilot sites	Not identified on the CRE UNDP website	From the beginning of the project, meetings were held between INTA technical teams of each SP; i.g. : 7-Nov-2013, workshop on Evaluation and analysis of data collected by each of the Work Teams of the Pilot Sites of Chaco and Formosa; 23-Jun-2011, meeting of technical teams of 3 SP in Colonia Benítez for planning activities according to Indicators and Logical Framework; 19-Oct-2011, meeting of the AT and AA of the 4 SP in Chaco SP for planning activities and financial, with joint preparation of the POA; 8 and 9-Nov-2011, meeting of technical teams of 3 SP in Colonia Benítez for planning activities 2012; 8 and 9-Mar-2012, Planning Workshop on "Carbon Monitoring" in Colonia Benítez, with the technical teams of all SP; 6-Aug-2013, meeting of 3 SP in the SP Chaco office for planning and monitoring the progress of the project and planning activities until the end of 2013; 28 to 30-Mar-2017, Workshop for the Exchange of Experiences and Lessons Learned in the framework of the implementation of the PES Project, in SP E. Ríos, together with the Sustainable Forest Management Project in the Transboundary Ecosystem of the Great American Chaco and its link with the National Observatory of Land Degradation and Desertification (ONDTyD), the SP E. Ríos, Chaco and Misiones participated; 7-Nov-2017, Project Closing Workshop in Chaco, with exchange of experiences between the different SP.
Improve the project's "brand" or identity	Although shared activities have been carried out in which team member participate from all pilot sites (such as, developing a common methodology for C and BD monitoring, among others), efforts will be made to share Project experiences among team members from different pilot sites through workshops to discuss results and lessons. However, the distinctive nature of each PES scheme sometimes precludes to have	Project experiences were exchanged through meetings among team members from the different pilot sites. Particularly on PES design, monitoring of ES and the discussion of technical approaches to land use management. Advance reports of each SP are available in which data of them are provided.

Recommendation	Management response	Key Actions
	the same approaches for the entire Project, situation that make give a false impression of lack of project identity.	
Increase efforts to direct public funds, allocated to the Native Forests Law and Law for Soil Conservation, to qualifying project participants	The project has already helped participating producers to develop and present management plans to be eligible to receive compensation in 2015 under the Native Forest Law in Chaco (27 plans have been presented) and Formosa (21 plans are being presented). On the same token, the project is helping producer in Entre Ríos to develop management plans to be eligible for compensation in 2015 under the Law for Soil Conservation (32 plans are being developed).	In Chaco, technical assistance has been provided to producers to adapt management plans to receive compensation for the PES scheme through the Native Forests Law, according to the Technical Guide for the design of Forest Management Plans established by the Provision of the Dir. Bosques N ° 172/15 (17 plans have been completed, of which 9 have already been approved and 8 are pending corrections required by Dir. Forests). In Formosa, 21 plans were submitted, of which the province approved 5. In Entre Ríos, the project is helping 30 producers to elaborate the management plans to be eligible to receive compensation from the Law for Soil Conservation (to be presented in the month of Nov/17)
Increase the broadcasting of results and public relations	A communication strategy is being devised to extend communication actions already in place to a wider audience. The strategy will include radio and TV programs, videos in Youtube, Facebook as well as printed materials. The communication strategy will be coordinated from the Communication Division of the SAyDS.	A communication strategy was implemented in all pilot sites to extend communication actions already in place to a wider audience. It includes radio and television programs, videos on YouTube, Facebook and printed materials (see links in "Project Links and Social Media" of the PIR 2017). From the MAyDS project information was included on the website, on the site "Observatory of Biodiversity (OBIO)"; said page has been readjusted since 2016 by the new management and currently the communication strategy is coordinated from the Ministry Communication Area, to which the news to be disseminated must be sent weekly. In addition, presentations are made on the project in various workshops organized by various areas of the MAyDS, such as INTA and the partner Provinces (see project records). Information on all projects is currently being incorporated on the Soil Conservation Observatory page (under development)
Incorporate interested actors at a substantive level	In all pilot sites, a technical focal point from the local governments participates in the planning and execution of Project activities in the field. Additionally, in all pilot sites Local Committees (LC) composed by local	The Provincial Governments of each Pilot Site have been included as "Other Responsible Party" within the Project document; with each province, the actions to be implemented in its territory were agreed

Recommendation	Management response	Key Actions
	<p>actors have been established. Although LCs maintain regular meetings (in which the Project informs plans and actions), the frequency of meetings will be increased.</p>	<p>upon, with a view to the early start-up of PES schemes; All this was reflected in a Letter of Agreement (CA) signed with each Province, in which resources and responsibilities are assigned for the execution of project activities. Each Province appoints a person responsible for the execution of the activities detailed in the CA and a contact reference for the follow-up of the same (see CA model). Based on this, each Province holds regular meetings with the beneficiary producers and with the executors of the works</p>
<p>Improve broadcasting of project activities and improve project planning for all pilot sites and the project's management</p>	<p>The Project maintains two planning events to develop and adjust AWP each year: one in February-March, the other in November-December. In those meeting participates the Project Coordinator and the Technical Assistant (TA) from each pilot sites. More detailed planning of activities at each pilot site is under the responsibility of each Technical Assistant, who held planning meetings quarterly involving the technical focal point for the local government.</p>	<p>In the framework of the CA-INTA technical and financial planning meetings have been held, responsibility of the Technical Assistant of each Pilot Site with its Technical team and with the Technical Coordinator of the CA-INTA to adjust the POA and develop a final Operational Plan , Jul 2014-Jun 2017, with the reformulation of pending activities of the CA (valid until Dec/17). At the reformulation meeting, the TAs of all the SPs and the technical and financial personnel of the Project participated and took place at the headquarters (MAYDS) on 09/28/2016. With the same tenor, working meetings were held with the referents of the CA-Provinces and their local technical teams, in order to establish a joint work schedule until the end of the project at Jun 30, 2017; made on 22 and 23/08/16 in Chaco; 26 and 9/27/16 in Misiones; 22 and 09/23/16 in Formosa and 25 and 10/26/16 in E. Rios.</p>
<p>Increase the level and frequency of the project's communications</p>	<p>Not defined in the RMT</p>	<p>Each SP submits a quarterly progress report to the Technical Coordinator of CA-INTA, who uploads them to the National Project Coordinator along with a Compiled Report of activities carried out. The partner Provinces present a report on the progress of activities and the presentation of expenses for each installment received within the framework of the CA, in accordance with the schedule of payments and reports detailed therein.</p>
<p>Document the "Project's Process."</p>	<p>A Dairy? will be kept to record lessons (i.e., technical, political) related to</p>	<p>The progress of the project in each Pilot Site is documented in a</p>

Recommendation	Management response	Key Actions
	the process of PES development in each pilot site	quarterly report presented by the Technical Coordinator of the CA-INTA to the National Project Coordinator.
Support the Ramón Arroyo Basin Committee, Misiones	All Project work in the Misiones Pilot site is coordinated with this strategic partner since they are a key actor to the success of the PES initiative in that pilot site. The Project is working with the WC to include in the land use planning of the Arroyo Ramón Watershed the protection of native forest such that funds from the Native Forest Protection Law could also be allocated.	The work in the SP Misiones is coordinated with the Province and this one with the CELO, institution that will implement the PES scheme in the Arroyo Ramón basin. Both parties are part of the A ° Ramón Basin Committee and are the spokespersons for the advances in the implementation of the trial with the other members of the Basin Committee (Comité de Cuenca).

Annex 7 Co-financing for projects supported by UNDP and financed by the GEF

Co-financing (type/sources)	Financing of the IA (millions of USD)		Government (millions of USD)		Other sources* (millions of USD)		Total financing (millions of USD)		Total disbursement (millions of USD)	
	Proposed	Real	Proposed	Real	Proposed	Real	Proposed	Real	Proposed	Real
Subsidies										
Loans										
Capital			8,062,372	6,500,000	746,652	0				
Help in kind	150,000	*								
Instruments without subsidy*										
Other kinds										

Total	150,000	*	8,062,372	6,500,000	746.652	0	8,959,024	6,500,000	2,905,000	2,721,739,45
-------	---------	---	-----------	-----------	---------	---	-----------	-----------	-----------	--------------

*Other sources refers to contributions made to the project from other multilateral organizations, bilateral cooperation and development agencies, NGOs, the private sector, etc. Specify each one and clarify the "Other sources" of co-financing when possible.

*Confirm and backup.

Annex 8. Work agenda

[illegible]