

# IMPLEMENTATION COMPLETION MEMORANDUM (ICM)

*Revised Template version 5/18/06*

## A. BASIC TRUST FUND INFORMATION

*Most basic information should be automatically linked to SAP TF Master Data and IBTF*

TF Name: Grasslands and Savannas of the Southern Cone of South America: Initiatives for their Conservation Project (P091659)

TF Number: TF96757

Task Team Leader Name/TF Managing Unit: Marcelo H. Acerbi, LCSEN

TF Amount (*as committed by donors*): USD 900,000

Recipient of TF funds: Argentine Republic - *Aves Argentinas & Fundación Vida Silvestre Argentina*

Type of TF: *Free-standing*

Single/Multi Donor: Single Donor

Donor(s) Name(s): GEF

TF Program Source Code: P092289-Global Environment Facility

Purpose of TF: Co-financing

TF Approval/IBTF Clearance Date: GEF CED Approval: December 08, 2009. CMU Approval: April 23, 2010.

TF Activation Date: July 11, 2010.

TF Closing Date(s): September 30, 2013

Date of ICM Submission to TFO:

Cost and Financing Table:

Project Components	GEF Financing		Co-Financing		Total (\$) c=a+ b
	(\$ a	%	(\$ b	%	
1. Development of a responsible production model for the Argentine Pampas grasslands	90,000	39	138,943	61	228,943
2. Validation and demonstration of responsible production model	450,000	31	999,044	69	1,449,044
3. Sharing the responsible production model with a wider audience (nationally and regionally)	180,000	19	763,970	81	943,970
4. Building the responsible production model into policy and regulatory frameworks	90,000	52	83,455	48	173,455
5. Project Management	90,000	44	114,630	56	204,630
	<b>900,000</b>		<b>2,100,042</b>		<b>3,000,042</b>

## **B. TRUST FUND DEVELOPMENT OBJECTIVES AND DESIGN**

### 1. Original (and Revised) Trust Fund Development Objectives

The project's development objective was to assist the Government of Argentina in its efforts to develop, disseminate, and promote biodiversity conservation by mainstreaming it with cattle grazing systems in Argentina's highly valuable grassland areas. This original PDO was not changed.

### 2. Original (and Revised) Trust Fund Activities/Components

There were four Project's components that - along with their associated outcomes, outputs and activities - contributed to achieving the project outcomes and objectives. The four components show the sequence of the interventions promoted by the Project.. They were as follows:

#### **Component 1: Developing a responsible production model that combines grassland conservation with cattle-ranching.**

Establishing the Responsible Production Model

#### **Component 2: Refining the model at pilot sites and strengthening it through the development of a "natural grasslands beef" certification scheme.**

(a) Implementating the Responsible Production Model and adapting it to four pilot sites (Buenos Aires, Corrientes, Entre Ríos and Santa Fe); and (b) strengthening the Responsible Production Model through a natural grasslands beef certification scheme.

#### **Component 3: Building individual- and institutional-level capacity in order to implement the model.**

Disseminating the Responsible Production Model and creating the capacity of the sector to implement the model in Argentina's territory.

#### **Component 4: Creating sectorial policy and regulatory frameworks that encourage model buy-in.**

a) Incorporating the Responsible Production Model into Argentina's national and provincial policy and regulatory frameworks as well as into its business plans for the livestock sector; (b) developing a cross-sectorial strategy for the conservation and sustainable use of Pampas grasslands biodiversity; and (c) carrying out an outreach and awareness campaign emphasizing biodiversity conservation as social responsibility in agribusiness; and environmental health as a determinant of human health.

#### **Component 5: Project management.**

Organization and implementation of the Project's activities including, inter alia, the management of staff, support for the other four components, the management of stakeholder relations, the management of project finances, and the provision of assistance for the functioning of the Project's Steering Committee.

This design was left unchanged during the Project's execution phase.

### 3. Outcome Indicators

The following are the key outcome indicators defined at the PDO level:

- \* Responsible production model applied to 10,000 hectares.
- \* 1,000 hectares under certified cattle-ranching practices that meet biodiversity standards.
- \* At least one national policy regulating the cattle industry which includes measures to conserve and sustainably use biodiversity.
- \* Responsible production model developed and tested with 16 producers. RPM disseminated among more than 400 producers.
- \* Biodiversity conservation fully integrated into site-specific grassland management regimes.

The Outcomes Indicators at the PDO level were not changed during execution of the Project.

The Output Indicators agreed in the project proposal, at the component level, were as follows:

0. Number of hectares which use the responsible production model
1. Number of hectares under certified cattle-ranching practices that meet biodiversity standards
2. The degree to which policies regulating cattle industry include measures to conserve and sustainably use Biodiversity
3. New responsible production model developed and widely disseminated
4. Improved biodiversity conservation value of grasslands managed using the responsible production model
5. Up-to-date assessment of conservation status of Argentine Pampas grasslands
6. Number of "natural grassland beef" experiences (from within and outside of the region) reviewed and lessons learned made available.
7. Quantified biodiversity value of different grassland management regimes/practices
8. Number of properties with detailed grassland management plans following responsible production model
9. Number of producers and technical staff that receive training in best practices/implementation of management plans
10. Number of hectares of appropriate habitat available for target species
11. Number of hectares of restored natural grasslands (as opposed to other uses)
12. Condition of grassland habitats
13. Number of existing and potential markets identified for "natural grasslands" beef
14. Internationally recognized minimum standards for certification of "natural grassland beef"
15. Market value of "natural grassland" (including that under the certification scheme)
16. Number of pilot scheme experiences readily available for consultation
17. A training center and a training program established and in frequent use
18. Number of producers trained
19. Number of neighboring communities and landowners who receive information on activities at pilot sites

20. Number of producer associations promoting responsible production model
21. Number of extension agencies promoting responsible production model
22. Number of education and awareness tools produced and distributed
23. Number of agricultural fairs at which responsible production model is presented (as part of roadshow)
24. Pilot site producers receive specific recognition from local community regarding environmental benefits
25. Number of producers from other countries that have learnt from pilot experiences
26. Number of national and provincial agricultural policies and plans that incorporate responsible production
27. Number of landowners and rural producers who recognize the benefits of biodiversity conservation in their production plans
28. Extent of media coverage of the responsible production model and pilot site experiences

#### 4. Other Significant Changes in Trust Fund Design

No significant changes were introduced in the Project's design, scope, scale, or implementation arrangements during the implementation phase. Only minor adjustments were made to the Project's schedule and grant funding allocation.

Pursuant to a letter from the recipient, dated February 8, 2012 the proceeds were reallocated as follows:

**Table of Reallocation of Grant Proceeds**

<u>Category of Expenditure*</u>	<u>Amount of the Grant Allocated (expressed in USD)</u>		<u>Percentage of Expenditures to be Financed (inclusive of Taxes)*</u>
	Current	Revised	
(1) Good and Non-Consultants services	305,933	283,633	100%
(2) Consultant services	416,267	444,267	100%
(3) Training and Workshops	87,800	82,100	100%
(4) Operating Costs	90,000	90,000	100%
<b>TOTAL AMOUNT</b>	<b>900,000</b>	<b>900,000</b>	
*=No changes			

Following a letter from the recipient, dated June 6, 2013, the contributions from Aves Argentinas to Fundación Vida Silvestre Argentina were reduced in the following way:

Category of Expenditure	Amount originally allocated	Reduction	Revised amount
(1) <i>Goods and Non-consultant services</i>	USD 115.000,00		USD 115.000,00
(2) <i>Consultant services</i>	USD 95.948,00		USD 95.948,00
(3) <i>Training and Workshops</i>	USD 17.000,00		USD 17.000,00
(4) <i>Operating Costs</i>	USD 21.669,00	USD 6.030,72	USD 15.638,28

Total amount to be administered by FVSA:	USD 249.617,00	USD 6.030,72	USD 243.586,28
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Pursuant to a letter from the recipient, dated March 22, 2013 the Grant was extended from May 31, 2013 to September 30, 2013.

## C. OUTCOME

### 1. Relevance of TF Objectives, Design and Implementation

The Republic of Argentina is the second largest country in South America, and the Pampas region is the source of Argentina's agricultural wealth (the country is one of the world's major agricultural producers). In 2010, agricultural output accounted for 3.7 percent of GDP, and around 40 percent of all exports in 2013. Crops of particular importance include soybean, sunflower seeds, maize and wheat. Cattle-raising is also a major industry, although it is mostly for domestic consumption.

The Argentine *Pampas* forms part of the larger *Pampas* grasslands of southern South America, covering an area of one million square kilometers in four MERCOSUR countries: Argentina, Brazil, Paraguay and Uruguay. They constitute not only a globally key area in terms of food production, but one of the richest areas of grassland biodiversity in the world. The Pampas also have strong cultural roots – as represented by the figure of the “gaucho” (a South American “cowboy”). Traditionally used for free-range cattle-ranching, the Pampas grasslands have largely been replaced by intensive agriculture (primarily cereal crops), and the area of natural grasslands remaining is fast dwindling.

The conservation status of three of the four ecoregions that make up the Pampas are considered “Critical/Endangered” by the World Wide Fund for Nature (WWF), while the fourth one is categorized as “Vulnerable”.

Modern agriculture, which has greatly expanded since the second half of the 20th Century on all suitable soils, has caused profound changes to the Pampas grasslands at both landscape and regional scales. The more recent expansion has been led by soybean cultivation. Formerly a marginal crop that represented less than 3 percent of the cultivated area in the early 1970s, soybean has become the main crop in Argentina, covering nearly 40 percent of the cultivated area (more than 14 million ha in 2003/2004). Among the consequences of the recent agricultural intensification in the Pampas are 1) the relocation of livestock (primarily cattle) to areas which are less suitable for field crops, and 2) an increase in the stocking rate, which cause severe changes to the structure and function of the landscape, as well as impacts on their provision of environmental services to the society.

Despite the traditional and cultural ties that many landowners have to cattle-ranching, market and political forces create pressure to convert land to crops: Existing beef production systems are no longer as profitable as crop cultivation. Even in those areas where extensive cattle-ranching is still practiced, poor management techniques (primarily overgrazing leading to soil erosion, but in some areas also frequent and poorly managed burning of the fields) imperil many species and ecosystem functions.

In order to address the challenges of integrating environmental concerns into use of natural grasslands, and recognizing the key role the Bank has played in the environment and natural resource sectors in Argentina, the GoA endorsed this Project beginning in 2010. The World Bank's extensive experience in implementing biodiversity, forestry, and natural resource management projects in Argentina, and its strong relationships with national and provincial authorities, gave it strong comparative advantages as an implementing agency. The proposed GEF project was aligned with the Country Partnership Strategy for the period 2010-2012 (Report No. 48476-AR).

The underlying assumption behind this project is that responsibly managed extensive cattle-ranching is potentially far less detrimental to grasslands than clearance for cultivation; and with the vast majority of the Pampas grasslands under private ownership and dedicated to agriculture, conservation of Pampas' biodiversity and environmental services is reliant on the integration of biodiversity conservation into agricultural practices in a way that is both biologically and economically viable and sustainable.

The mainstreaming of biodiversity conservation into cattle-ranching activities was thus chosen as the theory of change of this Project, assuming that current financial realities dictate a key need for new market-based instruments that provide cattle-ranchers with financial incentives to integrate biodiversity into their grassland management regimes, and that enable them to withstand pressures from market forces to convert their land to agricultural crops.

Thus, the Project was able to define a responsible grass-fed cattle production model that can be applied in different environments yielding favorable results.

It should be stressed that the Project took advantage of the magnitude and variety of scientific and technical background, as well as the human capital that exist in the country, in order to consolidate the proposed model. In this sense, the participation in the Project of professionals from various prestigious institutions (such as the Consejo Nacional de Investigaciones Científicas y Técnicas (CONICET), Faculty of Agronomy, University of Buenos Aires (UBA), School of Natural Sciences, UBA, the Faculties of Agricultural Sciences, National University of Litoral National University of Rosario National University of Lomas de Zamora) was key.

The Project was also consistently supported and/or co-funded by the National Government through the National Institute of Agricultural Technology (INTA), the National Parks Administration (APN) and the Environment and Sustainable Development National Secretariat (SAyDS). The engagement of their technical staff has been, without doubt, a major aspect of the project success.

The products and results that have been obtained are of paramount importance for the sustainable development of livestock/beef production in the region. They have already been made available to the public and private sectors and as a result their adoption can be already seen as part of different plans, business and agricultural policies.

## 2. Achievement of TF Development Objective

The Project exceeded expectations on multiple fronts. Instead of developing a single “Responsible livestock production model”, five were developed ([http://ganaderiadepastizal.org.ar/files/0232-buenas\\_practicas\\_ganaderas.pdf](http://ganaderiadepastizal.org.ar/files/0232-buenas_practicas_ganaderas.pdf)), and they were tested not only with the 16 producers as originally planned, but with 21 (distributed among the four targeted Provinces), whose site-specific grassland management regimes fully integrated biodiversity conservation aspects. These “Responsible production models” were disseminated among more than twice the producers than originally envisaged. The result of which was the area in which a responsible production model was expected to be applied was exceeded by 484 percent, and the area in which cattle-ranching was expected to be certified on the basis of its adoption of biodiversity conservation standards was exceeded by 408 percent. Based on these Project’s development indicators it is considered highly satisfactory.

To crown the Project’s achievements, five months after the project closure, the first shipment of certified beef (labeled as “Carne del Pastizal” or “Grasslands Beef”) was exported to a supermarket in The Netherlands, and it was expected that the price of that meat would exceed the regular market reference by, at least, five percent. In that way, in addition to achieving the Project’s objectives, the cycle of the first pilot case based on the approach promoted by the Project was closed (i.e. the market incentive based better management practices promotion, combined with enhanced competitiveness for an environmentally friendly economic activity).

When it comes to the Project’s intention to influence national public policies regulating the cattle industry, the results achieved were only moderately satisfactory. Although the Project obtained the approval of the “Grasslands Beef” label by the relevant Provincial and National authorities, no policy regulating the cattle industry was modified, passed, or revoked at the national level. However, a consequence of the Project advocacy is that a number of policy proposals are currently under scrutiny by the National Authorities. Based on the aforementioned achievements, it is considered that major steps have been given in order to generate (a) an enabling environment for the mainstreaming of biodiversity conservation beyond the geographical and temporal scope of this Project, and (b) the technical capacity to replicate the Project’s pilot experiences both in other parts of Argentina, and at other grassland sites in the wider Pampas region (southern Brazil, southern Paraguay, and Uruguay).

Each one of the outputs indicators and associated achieved results are described below:

0. Number of hectares which use the responsible production model

**Target Value:** 10,000 hectares

**Results achieved:** 58,449 hectares apply practices recommended by the responsible production model.

1. Number of hectares under certified cattle-ranching practices that meet biodiversity standards

**Target Value:** 1,000 hectares

**Results achieved:** 22 properties summing up 64,505 hectares have entered into the certification program. 2 properties summing up 5,081 hectares have been already certified.

2. The degree to which policies regulating cattle industry include measures to conserve and sustainably use Biodiversity

**Target Value:** At least one national policy regulating cattle industry as well as provincial plans including measures to conserve and sustainably use biodiversity

**Results achieved:** Approval of the "Grasslands Beef" certification label was achieved at provincial (Santa Fe-ASSAL) and national level. However, no cattle industry regulation was modified or created.

3. New responsible production model developed and widely disseminated

**Target Value:** Model developed tested with 16 producers and disseminated among more than 400 producers.

**Results achieved:** 5 subtypes of an umbrella Responsible Production Model developed, and being piloted and tested with 21 producers. RPM disseminated among more than 889 people. 500+ received toolbox with the RPM management practices. 13,727 visits to Project's website.

4. Improved biodiversity conservation value of grasslands managed using the responsible production model

**Target Value:** Biodiversity conservation fully integrated into site-specific grassland management regimes

**Results achieved:** Biodiversity conservation fully integrated into the management plans agreed with the 21 producers mentioned before.

5. Up-to-date assessment of conservation status of Argentine Pampas grasslands

**Target Value:** Land-use trends to 2010, presented by province. Extent of natural grasslands/rangeland, presented by province. Protected areas coverage by habitat type and by province.

**Results achieved:** A regional analysis to evaluate the grasslands remnants was carried out. GIS per Pilot Site developed and completed for all properties.

6. Number of "natural grassland beef" experiences (from within and outside of the region) reviewed and lessons learned made available.

**Target Value:** Comprehensive review of all formal (documented) experiences made available to Pampas producers

**Results achieved:** Comprehensive literature review and experts consultation carried out. 9 experiences for Argentina, 5 for Uruguay and 1 for Brazil were compiled, analyzed and made available on the project's website.

7. Quantified biodiversity value of different grassland management regimes/practices

**Target Value:** Value of different practices to target biodiversity known and published.



**Results achieved:** Preliminary results of a quantitative study to evaluate the effects of the conservative management practices on biodiversity are available. Longer studies are needed for statistically conclusive results.

8. Number of properties with detailed grassland management plans following responsible production model

**Target Value:** 16 properties

**Results achieved:** 21 properties (4 in Corrientes, 4 in Santa Fe, 4 in Entre Ríos and 9 in Buenos Aires Provinces) with detailed grassland management plans following responsible production model.

9. Number of producers and technical staff that receive training in best practices/implementation of management plans

**Target Value:** At least 16 producers and 32 technical staff receive training

**Results achieved:** 85 producers and 32 technical staff received training.

10. Number of hectares of appropriate habitat available for target species

**Target Value:** 50% increase over baseline level (0 has for Samborombon pilot site. Not determined for the other pilot sites)

**Results achieved:** 1,308has for San Javier pilot site, 30has for Samborombon pilot site, 995has for Gualeguaychu pilot site.

11. Number of hectares of restored natural grasslands (as opposed to other uses)

**Target Value:** Increase over baseline level (50 hectares for Gualeguaychu pilot site. 0 has for the other pilot sites)

**Results achieved:** 70has for San Javier pilot site, 160has for Gualeguaychu pilot site, 0has for Aguapey pilot site, and 4,195has for Samborombon pilot site.

12. Condition of grassland habitats

**Target Value:** Quantifiable net improvement of grassland habitats at each property measured in terms of soil condition, fertility, sward height, abundance of tussock-species, shrubs and exotic species

**Results achieved:** Although the improvements were not reported in quantitative terms, all the pilot sites are considered to have improved their grasslands conditions, now rated as “Very Good” for the San Javier, Gualeguaychu and Samborombon pilot sites, and rated as “Good” for the Aguapey pilot site.

13. Number of existing and potential markets identified for "natural grasslands" beef

**Target Value:** Information readily available to producers regarding all existing (international) markets.

**Results achieved:** Surveys have been conducted at national level, and meetings at international level have been held.

14. Internationally recognized minimum standards for certification of "natural grassland beef"

**Target Value:** Standards developed in-line with other international certification schemes and recognized by established certifying agency

**Results achieved:** The certification schemes developed were submitted to stakeholders of Uruguay and Brasil for consultation and validation. A european international broker of beef received and validated the "Grassland Beef" protocol.

15. Market value of "natural grassland" (including that under the certification scheme)

**Target Value:** Actual or likely future higher market value for "natural grasslands beef"; and likelihood of higher value still for certified production

**Results achieved:** A business plan for the local market was prepared and shared with the stakeholders. The first batch of certified beef (labeled as "Carne del Pastizal" or "Grasslands Beef") had been exported to a supermarket in The Netherlands, and it was expected that the price of that meat would exceed the regular market reference by 5 percent.

16. Number of pilot scheme experiences readily available for consultation

**Target Value:** Pilot schemes experiences systematically documented and available

**Results achieved:** 25 experiences under implementation are documented and being monitored. A comprehensive publication about the experiences is being developed.

17. A training center and a training program established and in frequent use

**Target Value:** Established training center and training courses

**Results achieved:** The training center of the National Park Campos del Tuyú had not been built by the Project's closure, so different facilities from INTA and the Lavalle Municipality were used to held different trainings for the local cattle ranchers

18. Number of producers trained

**Target Value:** 60 producers trained in responsible production.

**Results achieved:** 190 producers were trained in responsible production along the 4 pilot sites.

19. Number of neighboring communities and landowners who receive information on activities at pilot sites

**Target Value:** 500 producers

**Results achieved:** 481 producers , 132 technical staff, 13 NGOs and agricultural organizations, 61 companies.

20. Number of producer associations promoting responsible production model

**Target Value:** 4 producer associations

**Results achieved:** 5 producer associations (Progan, Soc. Rural de Islas del Ibicuy, Soc. Rural de Santo Tome, Soc. Rural de General Lavalle, Soc. Rural de Virasoro).

21. Number of extension agencies promoting responsible production model

**Target Value:** 4 extension agencies

**Results achieved:** 8 extension agencies promoting the responsible production model, including the National Parks Administration

22. Number of education and awareness tools produced and distributed

**Target Value:** 1,000 handbooks on grassland conservation and cattle production, 5,000 calendars, 2,000 DVDs, 1,000 educational packs, 1,000 catalogues

**Results achieved:** 4000 handbooks on grassland conservation and cattle production; more than 6.000 calendars; more than 3000 DVDs; 3.200 educational packs (Pampas y Campos Extension Kit)

23. Number of agricultural fairs at which responsible production model is presented (as part of roadshow)

**Target Value:** 6 agricultural fairs

**Results achieved:** Responsible production model presented in 8 agricultural fairs.

24. Pilot site producers receive specific recognition from local community regarding environmental benefits

**Target Value:** Local municipalities formally recognize broader environmental benefits provided by pilot sites.

**Results achieved:** The municipalities of San Javier, Virasoro and General Lavalle recognize the Project's activities and participants. No formal recognition was obtained from the Gualeguaychú municipality.

25. Number of producers from other countries that have learnt from pilot experiences

**Target Value:** 40 producers

**Results achieved:** 39 producers were visiting and learning about RPM of different pilot sites, mainly during the Grassland Alliance VI Livestock Meeting celebrated in Santa Fe

26. Number of national and provincial agricultural policies and plans that incorporate responsible production

**Target Value:** Biodiversity conservation integrated within one national policy and at least two provincial sectoral (livestock) plans

**Results achieved:** Two proposals were developed and are under the scrutiny of the National Agriculture and Livestock Ministry, in order to evaluate the eventual official recognition and support to the scale-up of the sustainable grassland management model promoted by the Project.

27. Number of landowners and rural producers who recognize the benefits of biodiversity conservation in their production plans

**Target Value:** 40 landowners/producers incorporate benefits of biodiversity conservation in their production plans

**Results achieved:** 36 producers/landowners

28. Extent of media coverage of the responsible production model and pilot site experiences

**Target Value:** 20 newspaper stories, 20 radio interviews (national, local), 2 television programs, 10 articles in popular journals, 5 articles in agricultural journals

**Results achieved:** 39 newspaper stories, 7 radio interviews (national, local), 5 television program, 5 articles published in massive reach journals, 4 articles published in agricultural journals.

### 3. Efficiency

In terms of efficiency, the Project has been satisfactory.

A good level of physical and financial execution was achieved (almost 90 percent of financial execution). The ratio between operational costs and substantive expenditures was similar to the one originally approved by the donor, and the lifespan of the Project only had to be extended by 11 percent, compared to that originally planned. By and large, the design and delivery mechanisms have proven to be appropriate to achieve the Project's results.

### 4. Development Impacts, including those that are Unintended/Unrelated to TF Objectives

The Project successfully piloted an approach that integrates biodiversity conservation and livestock production. Thus, it's been practically shown that both elements can work together and create synergies. The commercial development of "Grasslands Beef" is challenging for an environmental NGO, or for anyone else with a traditional view of nature conservation. However, it has been proved that the concept of "Natural Grasslands" can communicate very positive values (nature, animal and plant health, etc.) for some groups of consumers and providers of high-end industries, so it can be a source of opportunities, particularly for the MERCOSUR region, when it comes to scaling-up the market-based incentives mechanism that was tested in this Project.

In this context, it is relevant to mention the contribution made by this Project to strengthen and consolidate an existing regional knowledge sharing platform called "Alianza del Pastizal", from which other resources are being mobilized, in part, building on some of the outputs and outcomes of this Project. For example, another initiative executed by Aves Argentinas and funded by the Inter American Development Bank is building on the responsible livestock production models and the beef certification scheme developed by this Project in order to create an incentives system to promote the conservation of natural grasslands in Paraguay, Uruguay, three Argentine provinces, and one Brazilian state.

### 5. Overall TF Outcome

Taking into account the Project's achieved results (which, as shown in previous sections, exceeded expectations on multiple fronts); having in mind their meaningful contribution to the Project's development objectives; and considering the efficiency levels achieved during the execution, the overall outcome can be rated as Highly Satisfactory (HS).

## **D. Risk to Development Outcome**

### **1. Follow-On Results and/or Investment Activities**

Identify and provide a description of the role played by this TF that led to those follow-up activities or investments checked below. (Check all that are applicable):

*Activity/Investment:*

☒ Recipient/Other Investment; \_\_\_\_\_ Grant Project/Program; \_\_\_\_\_ Bank Project;  
\_\_\_\_\_ IFC Financial Project/Activity

According to what was reported, although there are some very basic follow-on activities that are still being carried out by the co-executants (recipients), at the date of writing this report, they had not yet secured the resources nor the financial mechanisms to sustain in the long term, nor scale-up, their work and the Project's results. However, as mentioned in a previous section, some of the results of this Project constitute the basis for other parallel/supplementary interventions that are being carried out by Aves Argentinas with the support of the IDB.

### **2. Replicability**

The adaptability of the responsible livestock production model developed (which combines standardized approaches with site specific tailor-made practices) would allow replicating these best practices in other Argentinean ecoregions, and other countries in the region, as well.

### **3. Overall Risk to Development Outcome**

The knowledge products generated by the Project (e.g. the experiences systematized in the handbooks on grassland conservation and cattle production) are highly likely to be sustained in the long term after the completion of the Project, as they have been widely disseminated and adopted, in different ways, by a wide range of stakeholders.

The results achieved in the field (e.g. the implementation of the "Responsible Production Models" in the four selected pilot sites, the related improvements in the grassland habitats, and the network of trained technicians and producers) are significantly likely to be sustained in the midterm, as the related practices have proven beneficial for the current land owners that applied them.

The "Grasslands Beef" certification scheme developed, is moderately likely to be sustained after completion of this Project, as it seems to be still rather dependent on the fundraising ability of the co-executants (i.e. the scale the scheme has reached is still not enough to self-sustain, and still needs the injection of external funds).

Finally, when it comes to the spaces created to influence the national and provincial agricultural policies and plans in order for them to incorporate the developed responsible production principles, the likelihood of sustainability after the Project completion seems to be pretty low, as the level of ownership from the governmental authorities as well as their formal institutional support was rather limited.

## **E. PERFORMANCE**

### **1. Bank**

The performance of the Bank's support to the Project has been rated as Highly Satisfactory (HS) by the recipients.

### **2. Recipient (for Recipient-executed TFs only)**

All the different aspects of the Recipient's implementation performance (Project management, Financial Management, Counterpart Funding, Procurement and Monitoring and Evaluation) have been rated as Satisfactory (S) along the project lifespan, with some eventual changes that were quickly addressed and corrected.

The Project complied reasonably well throughout its life with prescribed FM arrangements and Bank requirements, such as acceptable periodic Interim Financial Reports (IFR) and up to date accounting records. Those arrangements provided reasonable assurance that the trust funds were used for the intended purposes. Project transactions were also subject to the external oversight of a Private Audit Firm, whose audit reports submitted to the Bank, consistently showed unqualified audit opinions on the Project Basic Financial Statements, SOEs Statement and the Designated Account. There were no internal control weaknesses reported by the auditors. Final Audit Report for the project for the period ended on September 30, 2013 was timely received by the Bank; reviewed and found acceptable.

With regards to the Project's specific tasks that were expected from the recipient, generally speaking, the Public involvement was Highly Satisfactory (HS), the Safeguards implementation was Satisfactory (S), and the Government commitment was Moderately Satisfactory (MS). The Arrangements for Sustainability were considered Moderately Unsatisfactory (MU), however, it is still to be seen if the proceeds coming from the exports of certified beef can self-sustain the mechanism, or if supplementary resources are needed until the mechanism is up-scaled.

## **F. LESSONS LEARNED / RECOMMENDATIONS**

The independent evaluation of this Project has extracted a valuable set of lessons learned and generated recommendations of follow-on activities that might be very useful for those who might want to expand these lines of work in other sectors and/or regions. For example, it was concluded that, considering the length of the cattle-ranching business cycle, it would be better to design interventions no shorter than 6 years, in order to be able to thoroughly measure their impacts. In addition to that, it was suggested that the success of this kind of interventions is highly dependent on the technical knowledge, as well as the professional capacities locally available (in the field).

Finally, it was concluded that the interventions that are highly dependent on short term external financing (e.g. grant funded projects) face severe limitations when it comes to their ability to influence high level public policies, which requires longer terms.

## **G. ICM PROCESSING AND COMMENTS**

### **1. Preparation**

TTL at Approval: Marcelo H. Acerbi, LCSSEN

TTL at Closing: Marcelo H. Acerbi, LCSSEN

Comment of TTL at Closing:

Prepared by (if other than TTL): Pablo F. Herrera, LCSSEN

Date Submitted to Approving Manager: May 2, 2014

2. Approval

Manager:

Date Approved by Manager:

Manager's Comment:

3. TFO Evaluation of ICM Quality

TFO Reviewer:

TFO Rating on the Quality of ICM (*Satisfactory or Unsatisfactory*):

Comment and Justification for Rating Given by TFO: