United Nations Environment Program

Terminal Evaluation of Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico

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Project summary table

GEF project ID:	3183	**IMIS number:**	GFL 2328 2712 4B60
Focal Area(s):	Biodiversity	**GEF OP #:**	1
GEF Strategic Priority/Objective:	BD2	**GEF approval date:**	16 July 2010
UNEP approval date:	25 October 2010	**First Disbursement:**	26 November 2010
Actual start date:	15 November 2010	**Planned duration:**	36 months
Intended completion date:	February, 2014 (after adjustment)	**Actual or Expected completion date:**	May 31, 2014
Project Type:	FSP	**GEF Allocation:**	US$ 1'484,044
PPG GEF cost:	US$ 70,000	PPG co-financing*:	US$ 115,357
Expected MSP/FSP Co-financing:	US$ 5'902,275	**Total Cost:**	US$ 7'571,676
Mid-term review/eval. (planned date):	October 2012	**Terminal Evaluation (actual date):**	September 2014
Mid-term review/eval. (actual date):	January 2013	**No. of revisions:**	1
Date of last Steering Committee meeting:	10 September 2014	**Date of last Revision:**	December 2012
Disbursement as of 30 June 2014:	US$ 1'335,639.60	**Date of financial closure:**	30 September 2014
Date of Completion:	31 December 2014	**Actual expenditures reported as of 30 June 2014:**	US$ 1'381,103
Total co-financing realized as of 30 June 2014:	US$ 7.8 M (initial estimate)	**Actual expenditures entered in IMIS as of 30 June 2014:**	
Leveraged financing:	US$ 19.2 M (initial estimate)		

Executive Summary

Introduction

This document presents the report of the Terminal Evaluation of the UNEP/GEF project "Mainstreaming the Conservation of Ecosystem Services and Biodiversity at the sub-watershed scale in Chiapas, Mexico: (ECOSECHAS)". This project was executed from October 2010 to now. The objective/goal of this evaluation is to assess project-performance and determine possible outcomes and impacts considering their sustainability. Conservation International (CI) was the lead executing agency of the project and it was executed in partnership with the National Commission of Natural Protected Areas (CONANP), the Secretary of Environment and Natural History of the State of Chiapas (SEMAHN), its Subsecretary of Forest Development (SEDEFOR), the National Water Commission (CONAGUA), and the National Forestry Commission (CONAFOR). CI formed a Project Management Unit, which holds office at CONAGUA in Tapachula. The Implementing Agency for the project is the United Nations Environment Programme (UNEP).

A. Main findings

The overall project performance was rated as satisfactory. It was designed in line with the developing priorities, approach and on ongoing initiatives of governmental environmental agencies. The project achieved practically all planned outputs, was successful at outcome level, and has made considerable progress towards the project objective. Although there has been consistent work done with a considerable amount of watershed committees, municipalities and state agencies; it is too early to claim that biodiversity (BD) and ecosystem services (ES) considerations are mainstreamed into regional and local policies and plans.

The main reason for partial achievement of the project objective is that the implementation period was short, which did not allow for typically time-consuming policy development processes. Other factors are the lack of the willingness to continue to strengthen several watershed committees (WSC), as well as the continued low priority to support sustainable land use vs. incentives for unsustainable land use by other sectors (agriculture, economy).

In spite of the short period of effective implementation (particularly considering that the project suffered from important start-up problems), a certain level of impact has already been achieved. The restoration activities and new area under payment for ecosystem schemes directly positively impacted over 50,000 hectares and increased capacities for sustainable production. The knowledge base has been developed and a monitoring system has been accepted, although actual monitoring of biodiversity and ecosystem services has not taken place yet. Watershed committees, protected areas and municipalities have been strengthened and have developed positive programs and plans, but few are actually under implementation. More people have access to the CONAFOR PES mechanism and the mechanism itself has been strengthened, but additional PES mechanisms (market based) remain at a study level. Finally, market access for sustainable products has been achieved and has positively impacted the economy of over 41 land user groups through additional income for their produce. However, this is still at low scale and through relatively fragile enterprises. All this initial success will achieve impact when the policies and plans are implemented, land users will continue to have access to public conservation efforts and sustainable production becomes profitable. It is then expected that many more producers will join existing mechanisms. Consequently, BD conservation, provision of ES, and effectively supported and monitored mechanisms can be guaranteed by both the society and by the institutions. However, this will require a strong commitment by the partner organizations that are responsible for environmental management in the project area. These should not only consolidate program outcomes, but it should also reach out to other sectors to promote integration of BD and ES considerations in agriculture, economy, tourism, and several other fundamental aspects.

Up-scaling and replication of project experiences within the project area was positive, while replication in other regions and up-scaling to the national level has been limited. There has not been many opportunities or a sustained strategies to promote the Chiapas experience at a federal level, nor has there been an exchange of experiences with other regions.

After a drastic restructuring of budget and planning after the first year, the implementation of the remainder of the project has been conspicuously effective, particularly considering the relatively low budget and small project management unit (PMU). A key factor for the final success of the project was the high performance of

the current project director. There has been a generally positive working atmosphere, passionate members, and a strong commitment from several key people in PMU and the project steering committee (PSC). The good atmosphere among the members of PSC and technical advisory committee (TAC) was a factor that determined that these bodies did much more than strictly indicated by their ToR. This consisted of proactive guidance to the direction, outreach and monitoring of the project. The fluent collaboration between key representatives of the partner agencies triggered effective inter-institutional collaborative agreements at a state level. This created an enabling environment for ECOSECHAS outcomes and these will later find a constant support if the existing personal commitment of key staff continues. However, if the effective collaboration is not translated into institution-wide commitment in the medium term, sustainability will be at risk.

B. Main conclusions

The project was highly relevant and consistent with environmental issues at regional, national and international level. The applied approach (connecting BD conservation with watershed management) is very relevant in this area, highly vulnerable to the effects of hurricanes and impacts of climate change.

The project strategic design was good (which had achievable objectives), but the original operative project design was relatively weak: budget and time planning were short, while the amount of activities and budget items were overly detailed. This was part of the reasons for start-up problems, which kept putting pressure on the project implementation.

The project objective has been partly achieved. There have been several good examples of increased inclusion of BD conservation and ES considerations at a sub-watershed level and in local and regional decision-making, but it is too soon to consider that BD and ES considerations are 'mainstreamed', especially at the level of most WSC. The reason for this incomplete/inconclusive achievement of the project objective is the short duration of project implementation and unstable situation of several WSC.

Although the project contributed to the overall goal of improved BD conservation in Mexico, this could have been better: there were few systematization and replication activities implemented (mostly by CI and UNEP) and uptake at central level by federal agencies of project approaches and experiences was relatively low.

The initial success has a good likelihood of achieving the desired impact, but this will require a continued strong commitment by the partner organizations that are responsible for environmental management in the project area. There seem to be enough continued and fresh financial resources to sustain the continuation of the project.

According to data made available for the terminal evaluation, approx. 30% more co-financing has been achieved than planned (7.8 M$ total). In addition, leveraged financing (funds beyond those committed to the project itself at the time of approval - that are mobilized later as a direct result of the project) amounts approx. 20 M$.

Summarized ratings table

Criterion	**Rating**
A. Strategic relevance	**Highly Satisfactory**
B. Achievement of outputs	**Satisfactory**
C. Effectiveness: Attainment of project objectives and results	**Satisfactory**
1. Achievement of direct outcomes	Satisfactory
2. Likelihood of impact	Satisfactory
3. Achievement of project goal and planned objectives	Moderately Satisfactory
D. Sustainability and replication	**Likely**
1. Financial	Highly Likely
2. Socio-political	Likely

3. Institutional framework	Likely
4. Environmental	Highly Likely
5. Catalytic role and replication	Moderately Satisfactory
E. Efficiency	**Highly Satisfactory**
F. Factors affecting project performance	
1. Preparation and readiness	Moderately Satisfactory
2. Project implementation and management	Highly Satisfactory
3. Stakeholders participation and public awareness	Satisfactory
4. Country ownership and driven-ness	Highly Satisfactory
5. Financial planning (a) and management (b)	Moderately Unsatisfactory (a) Highly Satisfactory (b)
6. UNEP supervision and backstopping	Satisfactory
7. Monitoring and evaluation	Satisfactory
a. M&E Design	Satisfactory
b. Budgeting and funding for M&E activities	Moderately Satisfactory
c. M&E Plan Implementation	Highly Satisfactory
Overall project rating	Satisfactory

Main lessons

Focusing on one rather unstable multi-stakeholder platform (WSC) increased vulnerability of the project. Therefore, involving various platforms (in this project done as a response to recommendations made by the medium term revision) proved to be a good mitigation strategy for staff turnover and changing policy priorities of municipalities and CONAGUA.

Institutional changes should be included as a risk in the project design and appropriate mitigation strategies should be defined.

Projects aiming at influencing policies, by default should include a communication strategy directed to the population in general with the goal to increase general awareness. This is necessary to create an broad social basis required to sustain policy decisions.

A well-functioning PSC requires a continuous participation of committed people. If this is the case, the PSC can sustain an important platform for inter-institutional coordination and planning, going beyond the strict mandate of project governance.

Replication within the project area was positively influenced by (i) a good and transparent institutional collaboration, (ii) numerous opportunities to bring people into contact and (iii) the fact that there were many good experiences developed within the project.

Although good work was done by particularly CI and CONANP in order to achieve good progress towards the development of local enterprises and market access for sustainable produce, CONANP is not the best positioned agency to support market development. In general, both private and public agencies from the economic sector should be included earlier in the process.

If the planning of the budget and timing for a project is based on opportunistic principles such as the availability of cofinancing or RAF rather than on a well-studied balance between the demand of outputs and costs of activities, the result will bring a great number of challenges at execution level.

The final goal of this kind of full-size GEF project (to influence policies in different sectors) is very unlikely to be reached in a three-year period.

The widely available and increasing national investments in environmental issues in Mexico, imply that follow-up activities to ensure sustainability of actions and future impact should be searched initially in the national budget, and international funds should be strictly complementary.

Main recommendations

To project partners (probably PSC members): Decisions to be made on a way forward to ensure the continuity of inter-institutional collaboration promoting the consolidation of project outcomes before the end of 2014.

To UNEP and CI: Most outcomes have been achieved, but the project objective was not completely achieved and the project contributed only partially to the overall goal. UNEP and CI, both with national offices in Mexico, are well positioned to provide a follow-up of the positive outcomes of the project and an achievement of project goals as main responsible agencies for the project.

To CI and project partners: After project closure, the weakest producer groups must receive continued external support in order to avoid a fading away of their incipient experience and enthusiasm.

To project partners (particularly state governmental agencies, regional divisions of federal agencies, and CI): Actively select young professionals that have been trained by the project for future vacancies in order to maintain existing expertise in Chiapas.

To UNEP: Lessons should be learnt from this local experience and they should be a fundamental input for the national Green Economy strategy, which is currently being promoted by UNEP.

Abbreviations

BD	Biodiversity
CI	Conservation International
COFOSECH	Sustainable Forestry Commission of Chiapas State/*Comisión Forestal Sustentable del Estado de Chiapas* (now: SEDEFOR)
CONABIO	Comisión Nacional para el Conocimiento y Uso de la Biodiversidad
CONAFOR	National Forestry Commission*/Comisión Nacional Forestal*
CONAGUA	National Water Commission/*Comisión Nacional del Agua*
CONANP	National Commission of Natural Protected Areas/*Comisión Nacional de Áreas Nacionales Protegidas*
CONIDER	*Consultorias Integrales para el Desarrollo Rural Sustentable A.C.*
COP	Conference of the Parties
ECOSECHAS	Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico
ECOSUR	*El Colegio de la Frontera Sur* (regional research institute)
ES	Ecosystem Service(s)
FONCET	El Triunfo Conservation Fund/*Fondo de Conservacion El Triunfo, A.C.*
GEF	Global Environment Facility
GESE	State Group on Ecosystem Services/*Grupo Estatal de Servicios Ecosistémicos*
IHN	Natural History Institute/*Instituto de Historia Natural* (now: SENAHM)
INIFAP	National Institute for Forestry, Agricultural and Animal Husbandry Research/*Instituto Nacional de Investigaciones Forestales, Agrícolas y Pecuarias*
IRBIO	Institute for Productive Reconversion and Bioenergy/*Instituto de Reconversión Productiva y Bioenergéticos* (Chiapas)
NGO	Non-Governmental Organization
PA	Protected Area
PES	Payment for Ecosystem Services
PIF	Project Identification Form
PMU	Project Management Unit
PSC	Project Steering Committee
RAF	Resource Allocation Framework (GEF)
SEDEFOR	Subsecretary of Forest Development/*Subsecretaría de Desarrollo Forestal (Chiapas)*
SEMARNAT	Secretary for the Environment and Natural Resources (National) *Secetaria de Medio Ambiente y Recursos Naturales (Nacional)*
SENAHM	Secretary of Environment and Natural History */Secretaria de Medio Ambiente e Historia Natural (Chiapas)*
SEYBA	*Sociedad, Ecologia y Bio-Ambiente A.C.*
SO	Strategic Objective (GEF)
SP	Strategic Program (GEF)
TAC	Technical Advisory Committee
TEEB	The Economics of Ecosystems and Biodiversity
TNC	The Nature Conservancy
ToC	Theory of Change
UNACH	Chiapas Autonomous University*/Universidad Autónoma de Chiapas*
UNEP	United Nations Environment Program
UNFCCC	United Nations Framework Convention on Climate Change
WSC	Watershed Committee(s)

I. Introduction

1. This document presents the report of the Terminal Evaluation of the UNEP/GEF project "Mainstreaming the Conservation of Ecosystem Services and Biodiversity at the sub-watershed scale in Chiapas, Mexico" (ECOSECHAS)". The main objectives of this evaluation are to assess project performance and to determine outcomes and impacts stemming from the project, including their sustainability. The evaluation occurred over the entire project execution period (from October 2010 to present; and administratively to be completed on September 30th 2014). The total costs of the project were budgeted at US$ 7,571,676, from which GEF contributed US$ 1,484,044. Conservation International (CI) had a lead executing role in the project having been executed in partnership with the National Commission of Natural Protected Areas (CONANP), the Secretary of Environment, Natural History of the State of Chiapas (SEMAHN) and its Subsecretary of Forest Development (SEDEFOR), the National Water Commission (CONAGUA), and the National Forestry Commission (CONAFOR). CI formed a Project Management Unit, which holds office at CONAGUA in Tapachula. The Implementing Agency for the project is the United Nations Environment Programme (UNEP).

II. The Evaluation

2. In line with the UNEP Evaluation Policy, the UNEP Evaluation Manual and the Guidelines for GEF Agencies in Conducting Terminal Evaluations, the Terminal Evaluation of the Project is being undertaken immediately before completion of the project in order to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results in order to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge-sharing through results and lessons learned among UNEP, the GEF and their executing partners – CI and national partners in particular. Terms of reference of the evaluation are included in Annex 5 to this report.

3. The evaluation was executed between the July- October period during 2014, by an external evaluator, Robert Hofstede (hereafter referred to as "the evaluator"; biosketch in Annex 1). In July, an inception report was developed, containing a thorough review of the project context and its project design quality; a proposal for a reconstructed Theory of Change for the project, the evaluation framework and a tentative evaluation schedule (Annex 6). During inception, initial conversations with the project coordinator (David Olvera) and the UNEP task manager (Robert Erath) were meant to plan for the data gathering of the evaluation. Fieldwork for data-gathering was undertaken from September 7th to September 14th in Chiapas, Mexico.

4. In the inception report, an evaluation framework was presented as a matrix of detailed evaluation questions, indicators and sources of verification. In general, the questions were distilled from the ToR for this evaluation and arranged around the evaluation criteria. The evaluator included additional questions, specifically under the criteria for effectiveness and efficiency (to reflect upon the reconstructed ToC and intermediate states. Several other evaluation questions from the ToR were adapted to the specific context of the project. Possible indicators from the project results framework were included, and when these were not available, the evaluator proposed new indicators.

5. Evaluation indicators have been analyzed using the project's own reporting mechanism (PIR and half year reports) and have been validated through a revision of both documents and products, and through interviews with project staff, partners, beneficiaries and key stakeholders. During the fieldwork process, the evaluator used semi-structured interviews, which included questions of the evaluation matrix. Over 30 interviews were taken among a representation of project staff, partners, and stakeholders. Findings (especially if based on perceptions) were cross-checked during different interviews with lead executing agency and implementing agency staff. Consulted documents are presented in Annex 2.

6. During the fieldwork process, the evaluator visited the office of the Project Management Unit (PMU) in the city of Tapachula and interviewed project staff, local partners (CONANP staff, Chiapas National University - UNACH, voluntary monitors) and land users from the area of the Tacaná biosphere reserve. He visited the Encrucijada Biosphere Reserve and La Frailescana Protected Area to meet park managers (CONANP), land users and directors of watershed committees. In the city of Tuxtla Gutiérrez, the evaluator

observed a joint meeting of the project Steering Committee and Technical committee and proceeded to interview many of its participants. Finally, the evaluator assisted a gastronomic fair organized by the project to stimulate market contacts of producers (land users participating in sustainable production or responsible fisheries). During most of the week, the evaluator was accompanied by the project director together with UNEP staff (Task Manager and consultant), which provided ample opportunities to cross- check initial findings. The total list of interviewed persons is in Annex 3.

7. The limitations of this evaluation are mostly time-related. During six effective days of data-gathering in Mexico, only a sample of project partners and beneficiaries could be interviewed and only two short visits could be made to the actual area of implementation in the field. Therefore, direct observations were complemented by information provided in project progress reports and valuable personal descriptions from project partners. Time was also too short to actually consult bookkeeping or subcontracting arrangements, therefore, the general impression was complemented by interviews with project staff and partners and with financial and audit reports. However, in general, the evaluator judges that the evaluation was applied on a representative enough sample of project partners and the consulted information was enough to develop sustained findings.

III. The Project

A. PROJECT CONTEXT

8. The ten sub-watersheds where the project activities were planned to take place, are located in the Sierra-Costa region of Chiapas; most of them are on the slope facing the Pacific, while others are on the side of the Grijalva-Usumacinta basin that drains into the Gulf of Mexico, i.e., into the Atlantic. The Sierra Madre de Chiapas, its watersheds and lowlands are of global importance for biodiversity conservation. At the same time, nearly 25% of all of Mexico´s electricity is generated in Chiapas. Due to its geographical position and diversity, the region is highly exposed and sensitive to natural disasters such as flooding and hurricanes. The original vegetation in the flat coastal plains and foothills has now been replaced in most parts, by agricultural land. Agricultural systems are little diversified, with a predominance of extensive cattle breeding. Since the 1990s, certain restraints on further land-use change were created by the formation of several protected areas (PA), especially in the moist and pine-oak forest zones of the Sierra Madre and the lagoon-mangrove areas on the coast.

9. In 2000, CONAGUA (the National Water Commission) installed the Watershed Council of the Coast of Chiapas. Up to 2005, local watershed committees (WSC) were created at sub-watershed level in the rivers Grijalva, Usumacinta, Zanatenco, Lagartero, Coapa, and Coatán. In 2003, the watershed committee of the higher parts of the Cuxtepeques River sub-watershed on the Grijalva side was installed. Three more WSC were being formed at the time of project preparation in the sub-watersheds of the Cahoacán, Huehuetán and Huixtla Rivers. The WSC are considered as auxiliary institutions of the Watershed Councils. The committees are composed of representatives of federal, state and municipal institutions, communities, water users (producer's organizations), NGOs and universities. The mayor of the respective municipality is its coordinator. The function of the WSC is to improve the general conditions of the sub-watershed area within their jurisdiction, specifically water supply and quality, and to mitigate effects of natural phenomena.

10. The livelihoods of the communities in the Sierra-Costa region depend largely on cattle grazing, maize cultivation in slash-and-burn systems, shade coffee production, timber and non-timber harvesting, and fishing. Land use changes due to deforestation. The subsequent destruction, degradation and fragmentation of habitats has been the principal cause of biodiversity loss and decline of ecosystem services in the Sierra-Costa region of Chiapas. Land use change, as a major threat to biodiversity, has taken two forms in the Sierra: deforestation with the purpose of agricultural land use (advance of the agricultural frontier); and conversion of certain agricultural land uses to others that less biodiversity friendly. Other important threats to biodiversity and ecosystem conservation in the Sierra Madre of Chiapas are: ill-planned land use practices; unsustainable logging and wood harvesting for domestic use; hunting and collecting of animals and plants, especially of endangered species; introduction of exotic species; urbanization and infrastructure works (roads, dams); household sewage and urban waste water; energy production, mining and quarrying; forest fires and storms accompanied by excessive rainfall (hurricanes), which cause landslides and floods among others.

11. Root causes for the threats to BD relate to factors affecting decision-making on land use. In the Sierra Madre of Chiapas, like in Mexico in general, these decisions are taken in the majority of cases by private landowners or possessors (tenants) of community land, called *ejidatarios* or *comuneros*. Their land use decisions or choices are determined principally by: (1) Economic incentives for ES and BD (friendly land use decisions) and knowledge about them; (2) community rules for the use and management of natural resources (especially forests); (3) governmental plans (norms and regulations on land use including enforcement mechanisms); (4) awareness (knowledge) by land users, watershed committees and policy-makers of the impacts of land use decisions on individual and collective benefits from ecosystem services and biodiversity.

12. The project rationale focuses on the four mentioned root causes, particularly (a) knowledge generation, (b) mainstreaming BD and ES values in local planning and policies, and (c) increasing access by land users to economic incentive programs. In the context at the start of the project, governmental regulations for land use planning and Natural Resource Management (NRM) were not effective and will continue to fail as long as they are not coherently accompanied by other measures such as strong enforcement mechanisms, economic incentives, and awareness-raising. Public policies and programs designed to stimulate biodiversity-friendly land-use decisions in the region are often weak in demonstrating the (long-term) economic advantages of such choices for land users. The PES mechanisms existing at the start of the project had several flaws and access by land users to these programs was significantly lower than it could be. Finally, there were still many knowledge gaps on links between land use (decisions) and biodiversity/ecosystem services regarding the specific conditions of the Sierra-Costa region. This context was also determined by widespread poverty and marginality that gives inhabitants little choice but to exploit natural resources in an unsustainable way. The probability that they would adopt sustainable land uses in the region will continue to be low if these practices do not contribute palpably to improving their livelihood.

13. According to the original project document the principal barriers to biodiversity and ecosystem conservation in the Sierra Madre of Chiapas are related to: knowledge gaps on biodiversity and ecosystem services, as well as their links with land use systems; lack of tools that watershed committees and other decision-makers can use to integrate such knowledge into land use decisions; absence or weakness of economic incentives for BD friendly land use decisions and agricultural practices, as a result of market conditions and deficient public development and conservation policies; community dynamics not favorable to BD and ES conservation; weak or missing government regulations on land use; and effects of climate change (hurricanes, land use change, wildfires). The project focused on addressing the knowledge gaps and the lack of economic incentives as the principal barriers to overcome, but also, it took into account the other root causes and barriers in its assumptions and its risk-management measures.

B. OBJECTIVES AND COMPONENTS

14. The objective of the project was to mainstream biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-Costa region of Chiapas, Mexico. The project objective was intended as a contribution to the conservation of ecosystem services (ES) and biodiversity (BD) with global significance resulting in the following project outcomes (i) developing the knowledge base for ES appraisal and their interaction with land use among key stakeholders at the sub-watershed level; (ii) integrating ES and BD considerations into land use policies, planning and promotion activities by WSC, and communicating them to municipal, state and federal agencies improving policy coordination and facilitating replication; (iii) increasing access by land users to public and private payment for ES (PES) mechanisms (carbon, watershed services, biodiversity) to provide funding and incentive instruments for the implementation of land use practices and strategies that conserve ES and BD values and improve local livelihoods

15. In order to achieve these outcomes, the project developed methods, tools and protocols for assessment and monitoring of ES, BD, and land use data. These were meant for use by WSC, key government agencies, NGO partners and universities. On the basis of these instruments, the project supported local monitoring and research on status, dynamics and benefits of ecosystem services and interrelationships between land use, ES, BD and livelihoods across 10 target sub-watersheds (finally amounting up to 13), including the identification of factors influencing individual and collective land use decisions by land owners and *ejidatarios*. Furthermore, the project executed training programs for WSC members, other policy-makers and land users in able to enable them to mainstream ecosystem services and biodiversity considerations into natural

resources management policies and plans coordinated by key stakeholders at the sub-watershed level. Based on such coordinated sub-watershed development planning, sustainable production practices in agriculture, livestock farming and forestry that conserve ES and BD, as well as local restoration and soil conservation projects, were introduced or strengthened in the target sub-watersheds. Recommendations were developed to incorporate ES and BD considerations into sectoral development and restoration policies and regulations of key government, non-government and public-private agencies, and to improve coordination among these agencies with regard to the promotion of sustainable land uses at the sub-watershed level.

16. The project provided training and technical assistance on preparing projects that qualify for government-funded PES programs and contributed to the strengthening of CONAFOR's PES program (initiated through GEF funding) by focusing on the development of market-based schemes (an incentive-based mechanism for technicians' certification and an integrated approach to watershed management at the community level). The project also supported end-users and their organizations and actors supporting such initiatives (NGOs, sub-watershed and other government extensionists, technical advisors) in order to increase marketing capacities for different market-based PES mechanisms and sustainable products.

C. TARGET AREAS/GROUPS

17. The target area is a total of 13 subwatersheds in the Sierra-Costa region of Chiapas, covering the continental divide: the Sierra Madre. The Sierra-Costa region in total covers about 17500 km^2. There are four Biosphere Reserves in the zone: La Sepultura, El Triunfo, La Encrucijada y Volcán Tacaná; as well as the Area for the Protection of Natural Resources (APRN) La Frailescana; and three state-managed reserves: El Gancho-Murillo, El Cabildo-Amatal y Pico El Loro-Paxtal. Altogether, 690,959 ha or nearly 40% of the whole Sierra-Costa region, is now under some form of protection.

18. The project principally targeted local farmers that are in direct contact with the natural resources of the forests and coastal ecosystems. Currently, some 27,000 inhabitants, distributed in about 760 human settlements, live in the polygons of the four Biosphere reserves in the higher parts of the Sierra Madre. Population is highly dispersed, especially in the interior of the Sierra, pushing the agricultural frontier to remote and often vulnerable sites. Poverty levels are high in comparison with other parts of the country. Most of those who would benefit from improved access to Payments for Ecosystem Services (PES) schemes under the project are intended to be *ejidatarios* with use rights on only 5-10 ha of relatively poor land, often in mountainous zones; these *ejidatarios* are land users, not owners, and they are mostly poor or extremely poor.

19. Apart from the final beneficiaries, the *ejidatarios*, the project focused on the WSC as the main beneficiary of the tools, knowledge and technical support. Through the WSC, the local municipalities and other stakeholders participating in the committees benefitted from the project. Through close coordination with the PA management, associated stakeholder groups (PA Advisory Councils) are target groups as well. Additionally, several public-private bodies that are relevant for local and regional development policies and are associated to specific activities of the project, are the Planning Committee for Municipal Development (COPLADEM) and the Municipal Councils for Sustainable Rural Development (CMDRS).

20. The project is aimed at working closely together with state and national agencies for natural resource management. Particularly CONANP, CONAGUA, CONAFOR, SEMAHN and SEDEFOR, who are target groups for technical collaboration and policy development activities supported by the project. Local, national and international NGOs, and research institutions consisted a target group for coordination and co-execution of project activities, knowledge sharing and up-scaling and replication of good practice. Finally, the private sector (especially buyers of BD friendly-land use products) has become an important target group for the market development activities under component 3.

D. MILESTONES/KEY DATES IN PROJECT DESIGN AND IMPLEMENTATION

21. The PIF of the project was approved on December 12th, 2008, and was awarded a PPG grant in March, 2009. The project was endorsed by GEF CEO on July 16, 2010. Implementation started on November 15th 2010 and was planned to continue for 36 months (up to November 2013). After encountering initial start-up problems, in 2012, a thorough budget review was presented and a new expected completion date (February 2014) was approved by the steering committee. The MTR was originally scheduled for October 2012 and was

completed by February 2013. The project was completed in June 2014 (some activities to be continued until December 2014, including administrative closure). On September 10th , 2014 (during the evaluation mission), the last meeting of Project Steering Committee and Technical Advisory Committee was held.

E. IMPLEMENTATION ARRANGEMENTS

22. The Implementing Agency for the project is the United Nations Environment Programme (UNEP). In this capacity, UNEP has had overall responsibility for the implementation of the project, project oversight, and co-ordination with other GEF projects. During the entire implementation of the project, the person with the position as regional focal point for GEF biodiversity and land degradation for Latin America was the project task manager at UNEP, and he represented the organization in the project Steering Committee.

23. The lead Executing Agency for the project is Conservation International (CI). CI's Mexico office, originally hosted the Project Management Unit (PMU) in its offices in Tuxtla Gutierrez. In 2012, CI's main office moved to México DF and the PMU was placed in Tapachula (closer to most of the field activities) in a space provided by CONAGUA. During most of the project implementation, the PMU was composed of a Capacity Building Advisor/ Project Director, a Technical Assistant and a Project Administrative assistant (in Tuxtla). During the first months of implementation, the PMU benefitted from an Institutional Advisor. The PMU received continuous technical and administrative support from CI country director and head of administration as well as occasional, targeted technical support from other CI personnel in Mexico and elsewhere. The PMU was responsible for day-to-day implementation of all project activities, either directly or through management of sub-grants, and for coordination of all activities among the project implementing partners and other institutions. The PMU also supported Steering Committee meetings and other project governance activities and managed project finances.

24. The project established a Steering Committee (PSC) composed of CONANP, CI, IHN (now SEMAHN), COFOSECH (now SEDEFOR), CONAGUA and CONAFOR as executing partners, and UNEP as GEF implementing agency. The formal representative of each executing partner was the institution's general director in the state of Chiapas or corresponding region, although they generally nominated a representative to attend PSC meetings. The steering committee was chaired by CI and (when possible) met every three months. Its principal functions were to approve work plans, provide strategic guidance and oversight to project implementing organizations, review progress and evaluation reports, discuss problems or strategic issues that arose during implementation, and provide support for the necessary inter-institutional coordination and contributions to project activities. The PSC was intended to maintain continuous exchange of information among its members by electronic means, and additional ad hoc steering committee meetings were convened via telephone conference or other means, if necessary. A Technical Advisory Committee (TAC) was established to provide technical, scientific and policy advice to the project, both to the PSC and the PMU. In principle, it would meet as necessary (at least quarterly) but in practice, they met mostly jointly with or back-to-back with PSC. It is composed of technical level representatives of the same institutions that compose PSC with additional organizations on invitation (mostly subcontractors, involved in the execution of project components).

F. PROJECT FINANCING

25. The total costs of the project were budgeted at US$ 7,571,676, of which GEF contributed US$ 1,484,044. The expected co financing was US$ 5,902,275. A complete overview of project financing (to date) is in Annex 4.

G. PROJECT PARTNERS

26. The project is the product of a partnership between CONANP, IHN (now SEMAHN) and CI, based on their common interest and experience in the development of ecosystem service approaches to biodiversity conservation. The partnership is strengthened by the inclusion of CONAGUA, CONAFOR and COFOSECH (now SEDEFOR within SEMAHN) and their competencies in watershed management and forest restoration, which has contributed to the definition of project results and activities.

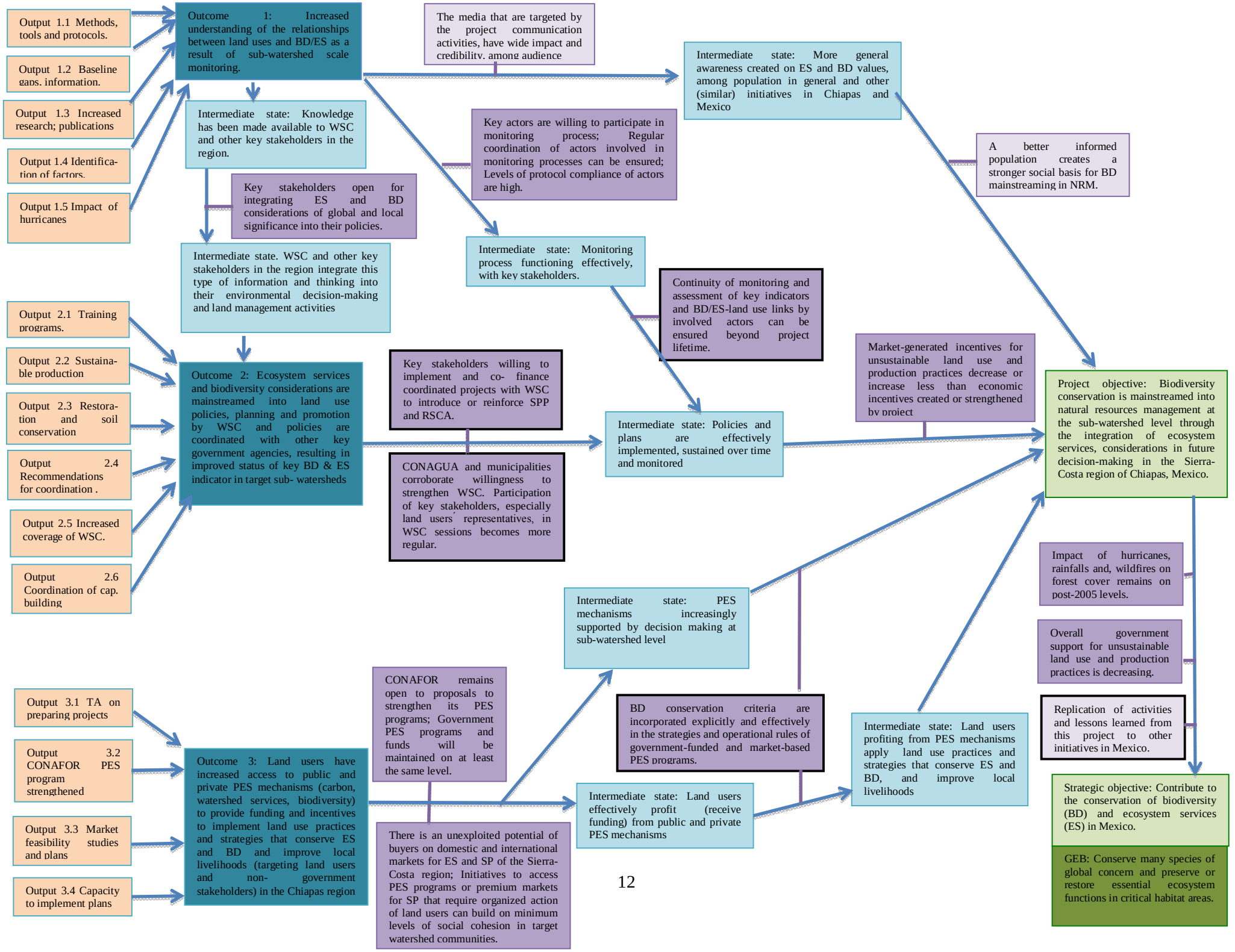
H. CHANGES IN DESIGN DURING IMPLEMENTATION

27. Plagued by several delays in its first year, the PSC of the project considered its implementation to be ineffective. Consequently, in late 2011, the lead executing agency replaced the project director; a decision that was endorsed by PSC. In 2012, the project went through a major budget revision that enabled it to recuperate and progress substantially toward its objective in a more cost-effective and cost-efficient manner. The original work plan and budget were divided among dozens of individual activities that made it unwieldy and difficult to implement. The budget revision succeeded in consolidating similar activities, provided for fewer but larger subcontracting arrangements, herewith allowing more cost-effective implementation toward the project's objective (see conclusions MTR report: "...the project has accommodated its activities and interventions in a positive way to make up for the time lost, and is well on its way to accomplishing its targets.")

I. RECONSTRUCTED THEORY OF CHANGE OF THE PROJECT

28. During the inception phase and based on the project documentation, the evaluator reconstructed the Theory of Change (ToC), that implicitly underlays the project. This reconstruction was done using the GEF Evaluation Office's approach to assess the likelihood of impact that builds on the concepts of Theory of Change / causal chains / impact pathways. To do so, the evaluator identified the project's intended impacts (project objective, strategic objective and GEB), reviewed the project's logical framework (outputs to outcomes and objectives, including stated assumptions), and analyzed and modeled the project's outcomes-impact pathways.

29. In this reconstructed ToC (see diagram below), a particular effort is placed on identifying impact pathways, implying the transformation of outputs (light brown boxes) to outcomes (blue) to impacts (green) via intermediate states. Project outcomes are the direct intended results stemming from the outputs, while Intermediate states (light blue) are the transitional conditions between the project's direct outcomes and the intended impact. In this exercise, the consultant identified the intermediate states. To identify likelihood of desired impact, the assumptions and drivers that underpin the transformation from outcomes over intermediate states to objectives, should be analyzed. Drivers are the significant external factors that, if present, are expected to contribute to the realization of the intended impacts and can be influenced by the project partners; assumptions are those external factors largely beyond the control of the project. For the present exercise most drivers and assumptions were taken from the project Logical Framework (purple), complemented with others, identified by the consultant (light purple). At inception stage, it was not fully possible to assess whether an external factor can be influenced by the project. After the evaluation, the distinction could be made between drivers (which the project or the project partners have certain degree of influence or control; solid black border) and assumptions (beyond control of the project or project partners; no black border). For the full reconstructed theory of change and a detailed description of all impact pathways, see inception report (Annex 6)


Output 1.1 Methods, tools and protocols.
Output 1.2 Baseline gaps. information.
Output 1.3 Increased research; publications
Output 1.4 Identification of factors.
Output 1.5 Impact of hurricanes
Outcome 1: Increased understanding of the relationships between land uses and BD/ES as a result of sub-watershed scale monitoring.
The media that are targeted by the project communication activities, have wide impact and credibility, among audience
Intermediate state: More general awareness created on ES and BD values, among population in general and other (similar) initiatives in Chiapas and Mexico
A better informed population creates a stronger social basis for BD mainstreaming in NRM.
Intermediate state: Knowledge has been made available to WSC and other key stakeholders in the region.
Key actors are willing to participate in monitoring process; Regular coordination of actors involved in monitoring processes can be ensured; Levels of protocol compliance of actors are high.
Key stakeholders open for integrating ES and BD considerations of global and local significance into their policies.
Intermediate state. WSC and other key stakeholders in the region integrate this type of information and thinking into their environmental decision-making and land management activities
Intermediate state: Monitoring process functioning effectively, with key stakeholders.
Continuity of monitoring and assessment of key indicators and BD/ES-land use links by involved actors can be ensured beyond project lifetime.
Output 2.1 Training programs.
Output 2.2 Sustainable production
Output 2.3 Restoration and soil conservation
Output 2.4 Recommendations for coordination .
Output 2.5 Increased coverage of WSC.
Output 2.6 Coordination of cap. building
Outcome 2: Ecosystem services and biodiversity considerations are mainstreamed into land use policies, planning and promotion by WSC and policies are coordinated with other key government agencies, resulting in improved status of key BD & ES indicator in target sub- watersheds
Key stakeholders willing to implement and co- finance coordinated projects with WSC to introduce or reinforce SPP and RSCA.
CONAGUA and municipalities corroborate willingness to strengthen WSC. Participation of key stakeholders, especially land users´ representatives, in WSC sessions becomes more regular.
Intermediate state: Policies and plans are effectively implemented, sustained over time and monitored
Market-generated incentives for unsustainable land use and production practices decrease or increase less than economic incentives created or strengthened by project
Project objective: Biodiversity conservation is mainstreamed into natural resources management at the sub-watershed level through the integration of ecosystem services, considerations in future decision-making in the Sierra-Costa region of Chiapas, Mexico.
Impact of hurricanes, rainfalls and, wildfires on forest cover remains on post-2005 levels.
Overall government support for unsustainable land use and production practices is decreasing.
Replication of activities and lessons learned from this project to other initiatives in Mexico.
Intermediate state: PES mechanisms increasingly supported by decision making at sub-watershed level
Output 3.1 TA on preparing projects
Output 3.2 CONAFOR PES program strengthened
Output 3.3 Market feasibility studies and plans
Output 3.4 Capacity to implement plans
Outcome 3: Land users have increased access to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives to implement land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and non- government stakeholders) in the Chiapas region
CONAFOR remains open to proposals to strengthen its PES programs; Government PES programs and funds will be maintained on at least the same level.
BD conservation criteria are incorporated explicitly and effectively in the strategies and operational rules of government-funded and market-based PES programs.
Intermediate state: Land users effectively profit (receive funding) from public and private PES mechanisms
Intermediate state: Land users profiting from PES mechanisms apply land use practices and strategies that conserve ES and BD, and improve local livelihoods
There is an unexploited potential of buyers on domestic and international markets for ES and SP of the Sierra-Costa region; Initiatives to access PES programs or premium markets for SP that require organized action of land users can build on minimum levels of social cohesion in target watershed communities.
Strategic objective: Contribute to the conservation of biodiversity (BD) and ecosystem services (ES) in Mexico.
GEB: Conserve many species of global concern and preserve or restore essential ecosystem functions in critical habitat areas.

IV. Evaluation Findings (according to evaluation questions presented in inception report)

A. STRATEGIC RELEVANCE

Were the objectives and implementation strategies consistent with: i) Sub-regional environmental issues and needs; ii) the UNEP mandate and policies at the time of design and implementation; and iii) the GEF Biodiversity focal area, strategic priorities and operational program(s)?

30. The strategic relevance of the project was high, both at the start as well as during the entire implementation period of the project. The project was consistent with sub-regional environmental issues, especially because it supports BD conservation in the Sierra Madre, which is an important part of the Mesoamerican biological corridor spanning from Mexico to Panama. This corridor is an important biodiversity hotspot and has been prioritized in regional and national conservation policies[1]. CONABIO has identified sustainable productive systems as one of the main tools for conservation in biological corridors. Proof of this, is the development of a new full size GEF project (Sustainable Production Systems and Biodiversity Project; 4207, World Bank), which is focusing on this issue and will be implemented in Chiapas (among others). The project area is considered highly vulnerable for natural disasters, particularly for hurricanes and tropical storms. Major events took place in 1998 (Mitch) and 2005 (Stan) and these have led to the awareness that conservation of natural vegetation in the mountain-coast area is one of the main tools that should be used in order to reduce disaster risks. Finally, land use change and ill planned land use are identified as key drivers of BD loss in the region[2]. Knowledge gaps, lack of mainstreaming of BD and ES values in local planning, and lack of access to financial incentives are important barriers, which are addressed by this project.

31. The project results contribute to UNEP's expected accomplishments and programmatic objectives of the Ecosystem Management program, particularly (though not solely) through the accomplishment of its objective (c): Services and benefits derived from ecosystems are integrated with development planning and accounting, particularly in relation to wider landscapes and seascapes and the implementation of biodiversity and ecosystem related Multilateral Environmental Agreements [3]. This is fully in line with the project's main objective.

32. The alignment of the project with GEF biodiversity focal area Strategic Programs 4 and 5 of Strategic Objective 2 (SO2) are well explained in the MTR. One of the primary goals of the BD focal area is the maintenance of ecosystem goods and services that biodiversity provides to society. The focus of SO2 is "to support country efforts to integrate biodiversity considerations into sectors that fall outside the environment sector". At the time of project finalization, BD and ES considerations were (partly) mainstreamed in several watershed committees and productive sectors, particularly through BD friendly products. Especially during the final year of the project implementation, much effort has been done to create market access for land users that produce coffee, cocoa, honey etc., in a sustainable way (SP 5) and, this has not only triggered attention of private sector consumers, but also of the State Secretary of Economy. Through a well designed BD-ES monitoring system and targeted studies (component 1), the project has increased the knowledge base on the value of BD and ES as related to production and livelihoods in the Sierra-Costa region and made this available to local, subnational and national policy makers (SP4).

Were project objectives realistic, given the time and budget allocated to the project, the baseline situation and the institutional context in which the project was to operate?

33. The design of the project objective as such was realistic given the institutional context, but time was too short to allow for completion of the objective. Budget was short as well, especially in comparison to similar projects, but the management was very efficient and used available funds optimally (paragraph 68). The project was relatively effective at outcome level and has made considerable progress towards the project objective, but the objective as such is not fully achieved (section of effectiveness). Although there has been consistent work done with a considerable amount of WSC, municipalities and state agencies, it is too early to claim that BD and ES considerations are mainstreamed. There is a good potential to reach this, but the project

[1] http://www.biodiversidad.gob.mx/corredor/corredorbiomeso1.html

[2] Plascencia Vargas, H. and Cortina Villar, H.S. (2009) *Procesos de poblamiento y deforestación en las áreas naturales protegidas de La Sepultura, El Triunfo y La Frailescana, Chiapas*, Conservation International Mexico, A. C. and ECOSUR

[3] UNEP. Biennial programme of work and budget for 2014–2015ul

implementation period was too short to fully achieve this under project control. Added to this is the fact that the project suffered from delay during the first year of implementation, leaving only two years to achieve outcomes. And although the no-cost extensions at the end of the project (paragraph 73) mostly made up for this initial delay, it is noted that policy changes are typically time consuming and three years seems too short, independently of the efficiency of implementation.

Did the (political, environmental, social, institutional) context change during project implementation and how did the project adapt to this?

Are there any social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts?[4]

34. The project context has changed in a few aspects, principally related to the institutional setting. There have been governmental changes at all levels and several institutes that were important project partners have changed their structure twice. COFOSECH became IRBIO and later SEDEFOR. During this change, it moved from the rural development sector to the environment sector (now SEMAHN). IHN was first included in the Secretary of Environment and Housing (SEMAVIH) and later became the Secretary of Environment and Natural History (SEMAHN). Especially, the changes of COFOSECH affected the project because (a) it was the main partner for the implementation of forest policy and programs in Chiapas, along with CONAFOR and (b) in the project design was included as an important source of co-financing for the project. Changes in this institution from a relatively autonomous commission, which was fully dedicated to forest-related issues, into an institute dedicated to rural development and land rehabilitation, threatened the final availability and destination of these resources.

35. Other institutional changes related to the changes in high-level management of the partner institutions *(e.i.* CONANP, CONAFOR, CONAGUA, SENAHM) and municipalities after subsequent elections. This implied some different approaches towards environmental policies in these institutions. According to interviewed WSC directors and PSC members, especially the CONAGUA management, implied less emphasis to support watershed committees, which affected the functioning of several of them. Also several municipalities, which changed twice during project implementation, did not continue initial support to the watershed committees, which caused further weakening or starting from scratch with new WSC participants. On the other hand, some WSC (partly under formation at the time of project design) have consolidated and strengthened (in part, but not solely, as a result of project activities) which is a positive development in the context.

36. These institutional changes (very common in the Latin-American context, though less so in Mexico) were not foreseen in the project risk mitigation strategy, but the PMU applied an adaptive management approach to reduce the risk. Immediately after the changes, the project director visited the new authorities to present the project and show the advantages for the concerned institutions. In many cases, this has been successful and the change in structure or management was actually used as an opportunity to strengthen the project's engagement with municipalities and governmental institutions. In other cases, it did not provide the intended effect (particularly at the level of some municipalities). An important factor in maintaining a certain level of continuity in the changing institutional context was the continuation of participation in PSC, which provided continuity at governance level of the project (paragraph 58, 61).

37. Ongoing interest in financial incentive mechanisms for ES and BD-friendly land use has increased, especially thanks to the global attention for carbon mitigation. After CoP16 in Cancun (2010), Mexico has become one for the frontrunners in REDD+ issues, and several initiatives focus on the South; their most forest rich region[5]. The government-supported ES mechanisms have been strengthened (including CONAFOR) and new initiatives (e.g. Sustainable Cattle and Climate Change Network in Chiapas and Starbucks/CFE) provide additional opportunities.

38. During project implementation, other stakeholders were identified to have important (existing and new) initiatives in the region and the project has included these in the wider array of project stakeholders.

[4] This question was included in the sustainability and replication section of the inception report but in the development of the report considered more appropriate in the strategic relevance section because the main political factor that affected the project performance were the institutional changes (context change).

[5] http://theredddesk.org/countries/mexico

These include FONCET, TNC, IUCN, as well as state institutions such as Secretariats of Tourism and Economy, and federal governments entities such as PROMEXICO, FIRA and *Financiera Rural.*

The rating for the criterion 'strategic relevance' is 'highly satisfactory'.

B. ACHIEVEMENT OF OUTPUTS

Was the project successful in producing the programmed outputs, both in quantity and quality, as well as their usefulness and timeliness?

39. All outputs of component 1 have been well achieved in terms of quantity and quality. Some products have been delivered later than planned. Although this has not affected overall project performance, it did not allow for adequate implementation and follow-up of the outputs during project implementation. The published monitoring protocol (output 1.1) is considered of outstanding quality by academics and local monitors alike. The project developed a simple though thorough tool to measure and monitor BD and ES indicators, and several dozens of persons (voluntary monitors associated to PA, staff of WSC, local NGO, PA staff etc.) were trained to use the tools. Base-line indicators (output 1.2) have been positively assessed through inventory studies and mapping of BD, water and land use in ten watersheds. For the relation on status, dynamics and benefits of ES and interrelations with livelihoods, an opportunistic approach was chosen through targeted studies on aspects relevant to the project goals. This provided specific information responding to the demand of the project rather than providing a broad overview of the general relationship of SE with livelihoods (output 1.3). For output 1.4 (factors influencing individual and collective land use decisions by land owner) a general approach was chosen, by committing one comprehensive study that did provide a general overview plus local cases in most of the watersheds. Finally, a specific study focused on lessons learnt from past hurricanes (output 1.5). Although it was delivered later than planned, it was well received and communicated in relevant fora.

40. The outputs of component 2 also have been achieved, although not all products were as originally planned. This, however, did not drastically influence the achievement of the outcome but rather contributed to it. There has been an important amount of training programs for WSC members and other key actors with over 400 participants (output 2.1). These programs focused on monitoring and certification for SE payment schemes rather than strictly on the issue described in the output (mainstreaming ES & BD considerations into natural resources management). This was justified, because it is in line with the actual demand of stakeholders, the lack of fluent organizations of many WSC and, according to its author, the fact that the tool for policy development (developed in output 2.4) was ready at a late stage and no specific training was included on this.

41. Output 2.2 (sustainable production practices promoted and applied) was well delivered, not only through support of ECOSECHAS (guided by a series of well communicated instruction leaflets) but also because other programs (coordinated by CONANP, TNC, IUCN) have ongoing efforts on this theme in the same areas of influence. Therefore, ECOSECHAS put more attention to providing complementary skills, particularly related to market access, also related to outcome 3. In fact, after restructuring the project after one year, parts of the implementation of components 2 and 3 were combined resulting in output 2.2 contributing more directly to outcome 3. The evaluator considers this partial change in the reconstructed ToC a just approach and interviewed land users considered the support by ECOSECHAS, in coordination with other projects, as highly satisfactory. However, and in spite of the good progress, market specialists consulted during this evaluation stated that the mandate of CONANP as a PA management agency implies it is not the best positioned agency to provide support to commercial activities and commercial partners (both public and private), which should have been approached earlier. Achievement of output 2.3 (restoration and soil conservation) was higher than planned. According to project progress reports, US$ 455,000 for 118 restoration and soil conservation initiatives pilot activities, impacting 42,547 has, were implemented. This was in part due to well-planned arrangements with partner organizations (particularly SEDEFOR and CONAFOR) and shows the alignment of ECOSECHAS' approaches with the State forest policy.

42. Output 2.4 (recommendations developed, communicated and monitored to incorporate ES and BD into sectoral development and restoration policies and regulations) was achieved in terms of the development of recommendations, through the publication of manual presenting or integrating ES and BD considerations into economic lessons development and sector policies. This manual, which is of good quality while simple

enough to be understandable by wide stakeholder groups, was ready at a late stage of the project and could not be used for training of wide communication. The other aspect of the outcome (improve coordination among agencies) has been well achieved thanks to the fluent communication in PSC and TAC, which has lead to joint programming of several sectorial policies. The coverage of actively working WSC (output 2.5) and the coordination of training activities for WSC and other stakeholders (output 2.6), effectively increased. The project finally worked in 13 basins, 9 of which have a formally established committee. According to the project director and interviewed CONAGUA and WSC representatives, four of these really implement an effective watershed management plan while the others have several challenges in their functioning (including some that functioned well before municipal elections). The evaluator considers this an acceptable level of achievement, considering external factors (support to WSC by CONAGUA and municipalities) that are mostly beyond the control of the project. In addition, even the WSC that are not functioning optimally, there is frequent coordination with other stakeholders (all WSC have al least two member institutions from beyond the environmental sector). Capacity building activities were well-coordinated with other stakeholders; in several occasions, participation from others institutions was larger than participation from WSC members.

43. The first two outputs of component 3 are related to the government PES program (output 3.1: training and technical assistance to prepare projects that qualify for CONAFOR PES program and output 3.2: support to strengthen this program). These have been achieved and considered satisfactory, according to the number of people that received training (150) and the technicians of WSC that were certified by CONAFOR (12). The project provided good quality data to CONAFOR for the selection of areas and beneficiaries; these were in part (approx. 50%) adopted by CONAFOR. The project was particularly successful in providing market access skills (market studies, capacities for market access and development of business plans) for products of BD friendly land use (output 3.2). This has increased actual market access, though not yet influenced market based PES systems. As part of output 3.4 (increased capacity to implement marketing plans for different market-based PES mechanisms and sustainable products) a detailed feasibility study was presented on access of land users to market based PES systems. This study has a high academic quality, but is not readily applicable and it was presented so late in the project, that its implementation will depend on appropriation by project partners. Specific market access studies for sustainable products to premium markets were well-executed and resulted in tangible outputs in terms of sales and business agreements (with Mexico DC fish market buyers for fish delivery, with restaurants and delicatessen shops in Tuxtla Gutiérrez and San Cristobal for cheese and honey, with a national restaurant chain for coffee, etc.).

The rating for the criterion 'achievement of outputs' is 'satisfactory'.

C. EFFECTIVENESS: ATTAINMENT OF OBJECTIVES AND PLANNED RESULTS

> *How and to what extent did the project succeed in mainstreaming biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-Costa region of Chiapas, Mexico?*

44. The project objective has been partly achieved. There have been several good examples of increased inclusion of BD conservation and ES considerations at sub-watershed level and in local and regional decision-making, but it is too soon to consider that BD and ES considerations are 'mainstreamed'. WSC have been strengthened; 9 have added members from sectors other than the environment sector and at least four WSC and three municipalities have systematically included BD considerations in basin plans. This is slightly lower than the planned target level of the indicator. Also, the amount of municipalities that included WSC in their formal structure is slightly less than targeted (6 vs. 8). The reason for incomplete achievement of this aspect of the project objective is the duration of project implementation (too short to mainstream considerations in more WSC -paragraph 33) and changes at institutional level (beyond control of the project affecting support to WSC; paragraphs 34, 35). On the other hand, the project has provided a remarkably well-functioning institutional platform between the main environmentally related state and the federal institutions in order to deal with BD and ES issues in the Sierra-Coast region of Chiapas. In consequence, several coordination agreements have been established between these organizations, and many more than originally targeted (15 vs. 6) co-financing agreements for ES and BD friendly projects in the project area. These agreements include agreements in process with agencies beyond the environment sector (tourism, economy) at State and federal level. In addition, the project is managed to provide BD and ES considerations in the State Development Plan of Chiapas (under development). However, although several WSC management plans are under

implementation, some municipalities support their WSC, and some public agencies have positively developed projects and plans. There is not yet a legal mechanism or policy tool that mainstreams BD and ES. The State Development Plan has this opportunity, but it has not been implemented yet. CONAGUA and most municipalities do not provide enough support to WSC to effectively implement basin management plans. Feasibility studies of PES mechanisms have been identified by the project, but the partners have not taken them up yet. Possibly, this might happen in the near future but this would require some kind of follow-up from project partners beyond project implementation.

The rating for the criterion 'achievement of project goal and planned objectives' is 'moderately satisfactory'.

To what extent is the project contributing to the overall goal of increasing biodiversity and ecosystem services conservation in Mexico?

45. The project certainly contributed, to a certain degree, to the overall goal. By including federal agencies (CONANP, CONAGUA, CONAFOR) these have not only strengthened their actions in Chiapas; but, they have also included capacities that can be applied in other states. The relationship of WSC with PAs and strengthening of market access for land users living in or around PA is an important capacity for CONANP at a national level. Generated experience on how to include BD in basin management plans and how to link this management to potential ES compensation schemes is an important added value of the project for CONAGUA as a federal institution. The way ECOSECHAS supported the forest programs of CONAFOR (both their PES mechanisms and restoration activities) provides a model for CONAFOR in other states. Several organizations partnering with the project have national programs (CI, IUCN, TNC) through which lessons learnt in ECOSECHAS can be applied at other scales. Finally, the direct experiences with sustainable land use practices attaining market access form an example for many other areas in Mexico and neighboring countries with similar conditions. However, interviewed representatives from the federal agencies all admitted that uptake of the positive experiences in ECOSECHAS by their central offices at federal level has been scanty (paragraph 64), which limited the contribution of the project to overall biodiversity conservation in Mexico.

To what extent was the project successful in developing the knowledge base for ES appraisal and their interaction with land uses among key stakeholders at the sub-watershed level?

46. This part of outcome 1 (developing knowledge base of ES and impact of land uses) has been achieved satisfactorily. The monitoring tool developed by ECOSECHAS is of good quality and easy use. It has been formally adopted by CONANP and CONAFOR in Chiapas. Over 400 people have been trained in its use and the project gave monitoring kits (instruments) to WSC and PA management. The lead organization that developed the tool (UNACH) has developed base line information and supports the development of ongoing monitoring. No specific studies were developed on the relation of land use and ES, but preliminary information on causes for land use changes has been identified during the project and the impact on ES should become available during the monitoring process. The evaluator considers that it was justified to have put more emphasis on the monitoring tool rather than on (more academic and better known) impact of land use on ES.

To what extent is the developed knowledge base leading to increased understanding by monitoring institutions of the relationships between land uses and biodiversity/ecosystems as a result of sub-watershed scale monitoring?

To what extent has knowledge been made available to WSC and other key stakeholders in the region?

47. Thanks to the involvement of many persons of different institutions, both in the development and in training on application of the monitoring tool, this part of outcome 1 has been a successful part of the project. The knowledge has been disseminated in a series of trainings with over 400 participants and direct follow up activities (support field implementation) with several WSC, PA management and municipalities. Understanding of land use and ES indicators has not been strengthened only at WSC scale, but also at PA, municipality and state level. Involvement of different academic institutions (UNACH, UNICACH, ECOSUR) has strengthened local research and monitoring capacities, and created champions within these institutions who, according to one of the interviewed researchers, will continue to develop the tools and support monitoring after project closure, with own means.

Is more general awareness created on ES and BD values, among population in general and other (similar) initiatives in Chiapas and Mexico?

48. Most knowledge products of the project targeted the direct beneficiaries of the project (land users, WSC, staff of participating institutions) and relatively little communication was directed to the population of Chiapas in general. In the reconstructed ToC, this stands as an important intermediate state between outcome 1 and the project objective, assuming that more general public awareness creates a social basis for BD mainstreaming in public policies. Some activities were undertaken in order to inform wider public about the project activities and results, but communication activities to create awareness among the general audience were not part of the project. Products like the ECOSECHAS website are well-evaluated and useful to make project knowledge and products available to the general public, but they are targeted at a technical level to persons within the sector. Indirectly, the project did create awareness among population in general, through strengthened public agencies and key NGO's within the sector. However, the lack of activity in this impact pathway might be one of the reasons that contribute to the project objective failing to be fully achieved.

To what extent did the project contribute to the mainstreaming of ecosystem services and biodiversity into land use policies, planning and to the promotion by watershed committees and policy coordination with other key government agencies?

Are policies and plans effectively implemented, is there evidence suggesting that they will be sustained over time and monitored?

49. Outcome 2 is similar to the project objective, limiting the contribution of the project to mainstreaming in current land use policies and planning. The achievement level is similar to the overall project objective (paragraph 44): much progress has been made including BD and ES consideration in management plans of several WSC (7 according to project reports, but only four actually implementing management plans, according to interviews). Key stakeholder institutions have validated, and at least partially adopted many tools (e.g. monitoring, priority areas for restoration and PES schemes). But actual mainstreaming is still in process. The outreach to the tourism and economy sector (for application of *"Marca Chiapas"* on sustainable products) has been positive and has a high potential for the future, but at the time of project closure, it was only at an initial stage. Therefore, the intermediate state in the impact pathway from outcome 1 to project objective (policies and plans effectively implemented and evidence shows that they will be sustained over time whilst being monitored) was not too relevant: few policies were actually influenced directly, but those that have been influenced (e.g. WSC management plans, sectorial/institutional policies of CONAFOR, SEDEFOR) have been implemented (half of WSC plans, recommendations to CONAFOR PES implementation were adopted and implemented partly, recommendation for restoration areas was followed-up well).

To what extent was the project successful in providing the required training and capacity building to local stakeholders and to ensure that it would benefit local partners on the long term as opposed to being quickly dispersed as a result of high rotational rates of staff?

Is the established BD and ES monitoring process functioning effectively, with key stakeholders?

50. According to the amount and diversity of participants[6] of the training courses (on monitoring, land use, market access) and the satisfaction levels of various of these participants that have been interviewed for the present evaluation, the project was highly successful in providing the required training and capacity building to local stakeholders. According to the interviewed participants, approximately half the target groups actually implemented their acquired knowledge in their daily practice. By focusing on local land users (partnering with different institutions) and staff rather than management staff, the project adequately applied a strategy to overcome dispersion associated to high rotational rates of staff. BD and ES monitoring systems are in place, but not yet implemented (paragraph 39). This is probably due to the short period of project implementation and start up problems (particularly with the original subcontracting arrangement for the monitoring tool).

To what extent did the project increase access by land users to public and private PES mechanisms (carbon, watershed services, biodiversity) in order to provide funding and incentives for the implementation of land use practices and strategies that conserve ecosystem services and biodiversity and improve local livelihoods?

[6] Over 400, including WSC members, local land users, BD monitors, students, NGO and GO staff

To what extent did the project put in place adequate measure to ensure increased access to PES mechanisms in the long term, including the time after the end of the project?

51. Outcome 3 has been largely achieved. An area of 12,000 hectares and 1003 land users were added to the CONAFOR PES scheme. This is almost double the target value for the indicator on the area (7500 hectares) but a lower amount of beneficiaries (3500 target). In part, this was due to the final decision of CONAFOR to adapt only part of the area and beneficiaries suggested by ECOSECHAS. 150 land users and 300 hectares accessed private PES (carbon sequestration and other mechanisms like Scolel'te[7]). This is lower than targeted (3750 has and 215 land users, resp.), which might be caused by an over-optimistic estimation of the development of the private PES schemes at inception of the project. Although the targeted amount of land users accessing PES schemes was not achieved, additional effect was created through 24 certified field technicians, covering 50 different communities. This created local capacity, which can be of good use when the marketing plan and study to access different markets for water, biodiversity and carbon (output 3.4) will be implemented by project partners in the future. This capacity, and the strengthened general capacity and collaboration among the different key institutions, is an adequate measure to ensure increased access to PES mechanisms in the long term.

52. The portion of outcome 3 about access to premium markets for BD friendly production has been better achieved than foreseen. A total of 138 land user groups have received training in sustainable production practices and introduction to premium markets. 41 land user groups with several hundreds of individual members have received some degree of access to these markets for products like shade coffee, cocoa, honey, vegetables, handicrafts, responsible fishing, ecotourism and natural cosmetics. This is much higher than the targeted number in the Prodoc results framework (15 land user organizations). The market access consists of a formalization of producer enterprises and their administration, an improved production of processes and presentation, fairs to present produce and attain business contacts and an initial development of business plans. According to the interviews with producers, observations in the field, and at one of the business fairs, the evaluator could see evidence of a great enthusiasm (both among producers as interested buyers) and increased business awareness, but still (due to the early stage of the process) an initial level of professionalism and limited capacity to continue with a stand-alone market development. Several producer groups, e.g. cheese and fish producers in La Encrucijada, are well-equipped and have the capacity and continued support to increase their value chain and market. Others, e.g. coffee and cheese producers in La Frailescana, will need continued support from other partners to avoid that their incipient experience will fade away.

Do land users profiting from PES mechanisms apply land use practices and strategies that conserve ES and BD and improve local livelihoods?

53. This intermediate state in one of the impact pathways in the reconstructed ToC is achieved considering that access to CONAFOR PES mechanism is accompanied by market access for sustainable produce (most land user groups that are supported with sustainable production and access to premium markets, also participate in CONAFOR PES schemes or conservation agreements with CONANP). PES schemes include an obligation to conserve BD and stimulate ES, which can be considered as a limitation for land users (paragraph 11). Incentives through market access for BD and ES-friendly products overcome this barrier. Interviews with beneficiaries of these aspects of the project show that although not all land users can actually name how their sustainable production systems support BD and ES, all of them have increased in environmental awareness and are highly committed to a clean production process and forest conservation. It is too soon to estimate if the increased market access will actually improve likelihoods. Interviewed persons who, during the last year, have received additional income through their participation in the project ranging from approx. US$ 50 to over US$ 500, consider this as "a welcome addition with potential to increase, but not yet enough to make the efforts self-sustainable".

The rating of the criterion 'achievement of direct outcomes' is 'satisfactory'.

What is the overall likelihood of impact?

54. In spite of the short period of effective implementation, the project already achieved a certain level of impact. The restoration activities and new area under PES schemes directly positively impacted over 50,000 has and increased capacities for sustainable production and market access impacted the economy of over 41

[7] http://ambio.org.mx/scolelte/

land user groups. Furthermore, the project has triggered promising processes that will contribute to the project objective in a satisfactory manner, but at this stage, are too incipient to ensure impact in terms of actual and measurable BD conservation purposes, ES provision or livelihood improvement. The knowledge base is developed and a monitoring system has been accepted, but actual monitoring of BD and ES does not yet take place. WSC, PA and municipalities have been strengthened and have been supported to develop programs and plans, but few are actually in implementation stage. More people have access to CONAFOR PES mechanism itself is strengthened, but additional mechanisms (market based) remain at the level of a study. Finally, market access for sustainable produce is achieved, but still at low scale and through relatively fragile enterprises. All this initial success will achieve impact when the policies and plans are implemented, land users continue to have access to public conservation efforts and sustainable production has become more profitable. It is then expected that many more producers will join existing mechanisms. Consequently, BD conservation and provision of ES can be guaranteed by society and effectively supported and monitored by the institutions. This, however, will require a strong commitment from the partner organizations that are responsible for environmental management in the project area. These should not only consolidate program outcomes, but also reach out to other sectors to promote the integration of BD and ES considerations in agriculture, economy, tourism, etc. The project managed to create a good inter-institutional collaboration, which is the best indication for likelihood of impact. However, a structure is needed that continues to provide the space for this inter-institutional collaboration; a space that was guaranteed until now by ECOSECHAS. Emerging networks exist (e.g. the Sierra Madre group or the State Group on Ecosystem Services (GESE), which can be strengthened. Ideas of SEMAHN representatives to create a State Environmental Council or other formal coordination mechanism at ecorregional level are worth to explore.

The rating for the criterion 'likelihood of impact' is 'satisfactory'.

To what extent has the project built on the initial achievements to obtain its overall objective through on-the-ground, measurable interventions planned for 2013/2014?

55. The last period of project implementation, from MTR to present, has been crucial for the achievement of outcomes. While the MTR concluded that there was a solid base, most interventions still had to show success. However, the project effectively implemented MTR recommendations and, more important, the restructured operation accepted in late 2012, has led to an impressive fast and solid progress towards achievement of nearly all of project outputs and almost complete achievement of outcomes.

Did the main project assumptions hold?

56. Several assumptions did hold, particularly the ones related to the willingness of land users and institutions to collaborate in monitoring systems (related to outcome 1), the willingness of several local, state and national agencies to include BD and ES considerations in policies and programs (related to outcome 2) and the openness of CONAFOR to strengthen PES programs (related to outcome 3). The assumption that key stakeholders are willing to co-finance projects (related to outcome 2) has been higher than expected. The study done by the project on feasibility for PES confirmed an unexploited potential, and market studies and produce fairs showed a large and previously unknown demand for sustainable products (assumption related to output 3). A driver (partly under control of the project partners) that did not hold was the willingness to continue to strengthen several WSC and regularity of participation of WSC (related to outcome 2). The assumption of the priority to support a more sustainable land use vs. incentives for unsustainable land use (eg. oilpalm, mining), is not the case at state or national level (related to outcome 2 and project objective). These issues, the incomplete adoption of BD and ES considerations in other sectors, unstable WSC, lack of interest by certain agencies and continued incentives for other, less BD and ES friendly land uses, are important reasons why BD and ES considerations are not yet fully mainstreamed in policies in spite of good progress towards individual sectorial projects, plans and coordination.

57. One of the risk factors that affected the context was the occurrence for new hurricanes (Barbara) that did affect the region. Paradoxically, the larger awareness on hurricane risk has positively impacted the project because of larger commitment to forest conservation and, particularly, watershed management, as was confirmed by interviews with land users. In part, the large support to restoration activities was related to disaster risk-reduction strategies.

The overall rating for the criterion 'effectiveness - attainment of project objectives and results' is 'satisfactory.

D. SUSTAINABILITY AND REPLICATION

Socio-political sustainability: Is the level of ownership by the main national and regional stakeholders sufficient to allow for the project results to be sustained?

Are there sufficient government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programs, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?

58. Ownership by the key organizations at regional (state) level is evidenced by a continuous and proactive participation of the project partner organizations in PSC and TAC. Various people directly involved with the project emphasized the value of having a group of committed people in the different institutions who represent their institution in PSC and TAC meetings. A key institution that did not participate from the start (CONAFOR) was invited during project implementation and has been actively participating ever since. The meetings of these governance bodies have been very effective, with decision support and technical advice going beyond the usual role of such bodies in a project. This strongly supported ownership at important levels of the institutions sustains a group of champions that allow for continuity of project results. Institution-wide ownership was less evident, especially among the federal institutions and there is little evidence of national uptake of the project results. The State agencies, several municipalities and the individual PA management did show high ownership and have actively contributed (with own means and financing) to project execution. All these organizations should have a leading role in ensuring a successful sustainability of results.

59. The increase in general awareness about environmental issues in Mexico, particularly for climate change issues (paragraph 37) and disaster risk (about hurricanes) created a positive change in the political context. It was translated into increased budget and support of environmental programs in the State. In part as a result of the project, CONAFOR has continued to increase its PES mechanism and strongly increased its concurrent funding mechanism, which are associated to the Sierra-Coast region. Furthermore, support for restoration activities has strongly increased. Several implementation agreements between key stakeholder organizations are in place, such as CONAGUA with municipalities to support WSC, CONANP with several WSC and municipalities, and CONAFOR with SEDEFOR for PES and restoration. According to the interviewed representatives from these organizations, the implementation of these collaboration agreements at technical level is smooth, as long as there is a good collegial atmosphere and strong sense of personal commitment. At an institutional level; the agreements are often slower to implement due to bureaucratic burden or changes in management staff. This implies that the effective collaborative agreements that have created an enabling environment for ECOSECHAS or the agreements that were triggered by the project, will find continued support when the existing personal commitments of key staff continues. However, if this is not translated into an institution-wide commitment in a medium term, sustainability will be at risk.

The rating for the criterion 'socio-political sustainability' is 'likely'

Financial sustainability: What is the likelihood that adequate financial resources will be or will become available to continue implementation the programs, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?

60. During recent years, overall availability of financial resources for nature conservation, natural resource management, restoration and sustainable production projects in the project area have steadily increased and are likely to keep increasing (paragraph 37, 59). In part, this has been a direct result of the project (e.g. application of CONAFOR concurrent funding and part of additional PES funds in project area). Other funding (e.g. new GEF project on sustainable production with CONABIO, continued funding through IUCN/Helvetas binational watersheds) are associated, but not directly influenced by the project. Because of these initiatives, co-financing to the project has been much larger than originally planned (paragraph 83), proving not only more general uptake of the priorities and approaches of the project but also, a larger general investment in environmental issues in Chiapas. Most of the co-financing sources of the project (incl CONAFOR PES mechanism and concurrent funding, CONANP (PROCODES and FANP) will continue after project completion and aim to function at long term with apparently securely available national funds. This implies that a transition economy like Mexico can become less dependent on external funding and attain sustainability

with its own funds. New projects (e.g. CONABIO GEF project on sustainable production and value chains) can build on ECOSECHAS results. Partners in the execution of the project activities (e.g. UNACH, Ambio, IUCN) have expressed their intention to continue to implement their activities (monitoring, support to sustainable production activities, support to WSC) with existing and new external funding. These funds should allow to continue implementation of most of the programs and plans, including monitoring support, institutional coordination, restoration, sustainable production, and access to markets as well as part of the PES mechanisms. The development of new market based PES schemes and the financial support to WSC is less secure, therefore this security should be provided by CONAGUA and the municipalities, but these have shown to be unstable (paragraph 44). The lack of certainty for these funds might threaten future implementation of management plans in certain WSC and the uptake of the feasibility studies on new PES schemes.

The overall rating for the criterion 'financial sustainability' is 'likely'

Institutional sustainability: To what extent is the sustenance of the results and onward progress towards impact dependent on issues relating to institutional frameworks and governance?

How robust are the institutional achievements such as governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. required to sustaining project results and to lead those to impact on human behavior and environmental resources?

61. Future impact of the project depends fully on the effectiveness of coordination frameworks between public environmental agencies (paragraph 54). There is a good expectation of continued positive institutional collaboration. According to interviewed representatives of the public agencies, one of the most important achievements of the projects was the positive working arrangement triggered by PSC and TAC (paragraph 58). These governance bodies were not only highly functional for project oversight and decision-making, but also provided space for collaboration agreements beyond the direct issues related to the project. Many of the members of PSC have experience in working within one or several of the other agencies. For instance, the SEDEFOR representative is the former director of CI; the SENAHM delegate used to work with CONANP, COFOSECH and IUCN and the project director is a former water council director at CONAGUA. This situation helped mutual understanding and continuity. It also is the key to robustness of institutional arrangements: when these champions continue to be involved, there is a good level of technical coordination and collaboration as well as an active lobby towards higher echelons within their organizations. Although according to the members of PSC and TAC, this dynamic proved more important than formal collaboration agreements or legal authorities, a strategy should be developed to continue the work with this group after project finalization (paragraph 54).

The overall rating for the criterion 'institutional sustainability' is 'likely'

Environmental sustainability: Are there any project outputs or higher-level results that are likely to affect the environment, which, in turn, might affect sustainability of project benefits? Are there any foreseeable negative environmental impacts that may occur as the project results are being up-scaled?

62. At inception stage, it was determined that project outputs will likely all have a positive environmental effect. During the evaluation, no ill-planned incentive schemes that promote (perversely) inadequate land use and might cause deforestation were identified. Support to productive activities (especially activities that are known to have a high potential impact on BD and ES, such as cattle ranching and fisheries) bear the risk that higher profitability can stimulate expansion of these activities with negative consequences. The strategy of combining support to land users with sustainable production, access to premium markets for BD and ES friendly produce and PES schemes or conservation agreements with CONANP (paragraph 53) mitigates the risk that eventual negative environmental impacts that may occur as the project results are being up-scaled.

The overall rating for the criterion 'environmental sustainability' is 'highly likely'

Are lessons and experiences coming out of the project that are replicated or scaled up? What are the factors that may influence replication and scaling up of project experiences and lessons?

63. Up-scaling and replication of project experiences within the project area was positive. A good example is the formal adoption of the monitoring tool by CONANP, so many more PA related voluntary monitors than originally planned were included in the courses, and by CONAFOR, who now demands the ECOSECHAS monitoring for new projects under the concurrent funds scheme. Another is the La Encrucijada PA management, who admitted that the good experiences with some WSC in their area were applied to other WSC that did not directly participate in ECOSECHAS. Furthermore, the fact that in the end, three more WSC were included in the project, is an example of replication within project area. Finally, replication of positive experiences of the project with sustainable production and market access has been immediately picked up by similar efforts supported by CONANP's PROCODES. Therefore, CONANP might become a lead institution and continue supporting ECOSECHAS land users groups, as well as many other groups in the region.

64. Replication and up-scaling to other areas and to the national level has been limited. Representatives of three federal project partners (CONAFOR, CONAGUA, CONANP) admitted that there have not been many opportunities to promote the Chiapas experience at federal level, or to exchange experiences with other regions (paragraph 45). Although some national-level decision makers have shown interest and were informed about the good practice in Chiapas, there are no examples of direct uptake at national level or replication, through these agencies, in other states. There seems to be a structural breach of direct communication between the federal-level coordination and the local implementation of projects in all these institutions, which limits uptake of good experiences elsewhere or at higher scales. At NGO level the replication and up-scaling effort is more positive; particularly CI and IUCN directly have applied lessons from ECOSECHAS in their work in other programs within and outside the area (e.g. bilateral project on Tacaná watersheds of IUCN, co-programming with Starbucks and JP Morgan projects and inclusion of ECOSECHAS project partners in the proposal for "paisajes que alimenten el alma"[8] of CI). Also, thanks to recent functional exchange of experiences with other GEF projects in Mexico (notably Mixteca in Oaxaca), UNEP is triggering up-scaling of experiences from ECOSECHAS. UNEP'S Mexico office is working on a systematization of lessons from different projects to explore how these could be communicated to the federal government and form an input to environmental, social and economic policies.

65. The evaluator considers that the positive factors that have influenced replication (at local and regional level) are (i) a good and transparent institutional collaboration, (ii) many opportunities to to bring people into contact (training courses, fairs, field visits), and (iii) the simple fact that there are many good experiences developed by the project. Negative factors that have influenced replication (at national level, or other states) are lack of vertical communication in federal agencies, lack of a strategic communication strategy to promote the lessons learnt or the approaches taken, and time: it might be too soon to expect replication of a local experience that is still in full development of its lessons learnt.

The rating for the criterion 'catalytic role and replication' is 'moderately satisfactory'. The overall rating for the criterion 'sustainability and replication' is 'likely'

E. EFFICIENCY

Did the project build adequately on existing institutions, lessons of other initiatives and ongoing projects?

66. The project was designed in line with the developing priorities and approach of governmental environmental agencies. According to the interviewed persons who have been part of the development of the project, the concept was developed in line with several governmental programs and plans, and the project built on ongoing initiatives. The early basis was developed over ten years ago, when CONANP developed an eco-regional approach (among others, supported by GEF-WB PA-system support projects) and prioritized three eco-regions (Sierra Madre being one of them). This coincided with the adoption of the ecosystem approach, resulting in the development of the concept of combining watershed management with territorial (eco-regional) management. UNEP was selected by CONANP as the GEF implementing agency because of their competitive advantage in both ecosystem approach and green economy development fields. Support was sought from CI to provide the projects with their experiences, among others, PES schemes and market

[8] http://www.conservation.org/global/mexico/Documents/Paisaje-de-Alimento-Triptico.pdf

development. Other governmental environmental agencies (state and federal) were invited to become part of the project, which was accepted by all except one (CONAFOR) who joined-in a later stage.

67. During the first year of implementation, the project had difficulty defining its niche and getting activities started (paragraph 21, 55 and MTR report). After restructuring, the project actively sought collaboration with existing projects in the region and adequately complemented these. An example is the work of TNC on sustainable animal husbandry, which was complemented by ECOSECHAS with support to market access for farmers; something similar was done with RARE who supported sustainable fisheries. CONANP promoted other BD friendly land use systems, but these were poorly connected among them, with other initiatives and other regions. ECOSECHAS provided the necessary communication and (highly appreciated) exchange of experiences between user groups of different ongoing projects, both from government and NGO. The evaluator considers that the project's focus to strengthen the governmental PES schemes (both by supporting the program as such as well as supporting potential beneficiaries) was an apt way to build on and complement existing programs and institutions.

Were financial means enough to deliver project outputs?

68. The project budget was limited in relation to the ambition of the goals. Similar GEF projects (with a broad project area, different field sites, several project partners and work in various sectors) normally have a total budget of more than 10 M$, and a GEF grant of approx. 5 M$, compared to only 7M$ and 1.5M$, respectively for the ECOSECHAS project. Nevertheless, the achievement of outputs was evaluated positively which implies that the financial means were surprisingly enough. This has three reasons (i) a high efficiency of implementation of activities (particularly after the restructuring of budget that, by combining individual activities and bundling subcontracts, highly improved value for money); (ii) a higher-than-expected co-financing (paragraph 83) for many activities that actually formed part of project implementation (e.g. support from CI -JP Morgan and Starbucks projects- to PES studies); and (iii) concrete own investments from land user groups; who paid several activities (travel costs, transport of produce, etc.) from their own means through which many activities were done at low costs.

69. Although funds proved to be enough to achieve the project outputs, with more budget its achievement might have been even better. According to the interviewed persons involved in the project design, the budget was not defined based on a well-studied balance between the demand of outputs and costs of activities; but, rather on a negotiation process that took place, where several governmental agencies could not provide enough co-financing, leading to a scaling down of the GEF budget of in order to ensure a good balance between GEF and co funding. Later, it turned out that this negotiation process was ill-informed, because through co-programming much more co-financing could be committed, but by then, the amount had already been reserved in Mexico's RAF.

Were human resources adequate (number, skills)?

Did the team and partners perceive an efficient working atmosphere?

Was the project management unit (incl project director, TA, Institutional advisor) adequate? (skills, leadership, coordination) (Factors affecting performance).

70. Human resources were limited (related to the limited budget). Although during the first year, PMU was larger and benefitted from an external advisor, efficiency was low (paragraph 21, 55). Once the project budget and operation became restructured, the PMU consists practically of one single person in charge of technical and strategic coordination, plus a part time administrative assistant. However, through creative use of consultancies and student internships, in practice the PMU was broadened with a nearly full time technical assistant to the project director and several persons providing back up to field activities. The evaluator commends this creative use of human resources available in the setting of the project because it not only an increased project efficiency, but also it created important project management capacities among students and young professionals.

71. Members of PMU, PSC and TAC all highlight the positive working atmosphere and the passion and high commitment of several key people (among which the project director and several of the PSC members). The good atmosphere among the members of PSC and TAC was a factor, which determined that these bodies did much more than strictly indicated by their ToR. They provided proactive support to the direction, outreach and monitoring of the project.

72. A key factor for the final success of the project was the performance of the actual project director. He took over the general management of the project in a challenging condition: the initial project director was removed from that position because of strong underperformance of the project, the project had various consultancies who were committed but not delivering, and the entire senior staff (country director and operations director) at CI had changed. However, within six months, the new director had developed a new vision, stopped the ill-planned consultancies and restructured the whole project in collaboration with the operations director at CI and the task manager at UNEP. This restructuring was key for the achievement of project outcomes. In addition, the project director proved to be a passionate motivator of colleagues in the project, he was well received and highly approachable by land user groups, had enough technical knowledge to support academic-level studies, and was skilled enough to facilitate PSC meetings and high-level presentations and negotiations.

How was the operational execution vs. original planning (budget and time wise)?

73. In practice, the restructuring of the project budget and operations in 2012 (paragraph 21, 55) implied an extension of 6 month (to mid 2014) and a later than planned execution of various activities. During the last stage of the project, additional delays were caused by late delivery of several subcontracts (principally for organization of communication products, PES study) and a no cost extension was granted until December 31st 2014. However, the lead executing agency was planning to close books by 30 September 2014. Because the implementation time of the project was short, considering the ambition of the goals, the evaluator considers the longer implementation period as positive. Although the project restructuring proved to be crucial to achieve a positive project performance, it also implied late delivery of several project activities. This has led to several products (eg. monitoring tool, policy manual) being delivered quite late in the project, not allowing for due application of said tools.

What have been the main reasons for delay/changes in implementation?

74. The main delay in implementation was caused in the first year, related to underperformance of the project director (caused among others by his physical distance from the main project areas and assignment of additional tasks by his host organization) and a too complex implementation scheme (too many individual activities). This has been effectively corrected and lost time even compensated, but it did lead to a 6-month delay. Later delays were caused by a late delivery of final products of subcontractors.

The overall rating of the criterion 'efficiency' was considered 'highly satisfactory'.

F. FACTORS AFFECTING PERFORMANCE

Preparation and readiness: Was the project well designed and prepared? Was the project implementation structure ready to start at day 1 (staff, counterpart resources, infrastructure, inter-institutional arrangements)?

75. The project design was evaluated in detail during inception (see project design quality assessment in inception report); overall rating was satisfactory. The project structure as such was basically ready at start (give or take a month) but it proved not to be the ideal implementation structure and had to be changed after one year (see MTR report).

The rating for the criterion 'preparation and readiness' is 'satisfactory'.

Project implementation and management: Were implementation mechanisms effective in delivering project outputs and outcomes? Were pertinent adaptations made to the approaches originally proposed?

Have there been operational and political / institutional problems and constraints that influenced the effective implementation of the project, and how have the project partners tried to overcome these problems?

Was project management by CI and CI backstopping effective?

76. After adequate adjustment of the project budget and operative structure (paragraphs 21, 55, 65) and MRT report), the implementation mechanisms proved to be effective and efficient. Institutional changes challenged the project implementation but were adequately overcome through adaptive management (paragraphs 34, 35, 36 and 44).

77. CI management and backstopping has various aspects: (i) administrative and operative support to the PMU (ii) collaboration (including co-financing) with other CI projects in Mexico and (iii) technical support from thematic specialists from the CI network worldwide. Aspect (i) was considered highly satisfactory by PMU, UNEP and project partners. The PMU felt a continuous and adequate support from its organization, especially the guidance of the CI country director and her ability to provide policy contacts at national level and among other sectors. Administrative processes were correct, timely and thorough. Technical evaluation of reports and products was done by the Direction of CI Mexico and validated by CI in Washington before sending to UNEP. This was considered a fast and efficient process. Although project director and director of operations of CI Mexico mention a very detailed administrative evaluation process (normally triggering much more questions than technical reports), they also agreed that this detailed control process form an indication of high quality.

78. Collaboration with other projects in Mexico (aspect ii) was good; several activities of the project were directly built on the CI experience (BD studies, PES feasibility) and a few were directly supported/co-financed by CI projects in the country. Here, it should be mentioned that CI in Mexico has a smaller program than in other (comparable) countries in South America, like Brazil or Colombia, and traditionally focused on Chiapas. Finally, at the moment of ECOSECHAS approval, CI suffered from the global economic crisis (see MTR report) and it was expected that the Mexico office might close. According to staff that worked at CI in that period, ECOSECHAS was an important reason for the survival of CI in Mexico. This history explains why delivering a good project in Chiapas is of key importance for CI in Mexico. Support from CI globally to ECOSECHAS was more ad-hoc. According to CI staff in Mexico, there has been some technical support (particularly related to studies and financial mechanisms) especially when requested from Chiapas. This was considered helpful. However, as with similar organizations, support effort from other offices and/or cost centers have to be budgeted separately or being paid for from the project budget.

Project implementation and management: did the Project Steering Committee provide adequate oversight, institutional coordination and information exchange?

Was the Technical Committee an important communication platform for facilitating coordination between governmental and non-governmental actors in the project area?

How did project director and partners respond to indications from PSC and TAC?

79. Functioning of PSC and TAC was one of the key factors for success of the project (paragraph 58). PSC and TAC mostly met together, which provided a logical and welcome overlap between decision-making (PSC) and technical advisory (TAC) roles. Because of the collegial atmosphere, there have never been issues or conflicts related to this overlap in role; rather TAC has welcomed the contribution of PSC members to technical support. Because of good functioning of PSC, more than strictly required decisions were put in hands of PSC (selection of consultants, approval of products, etc.), which provided a good level of ownership of the project among partner institutions. According to CI staff, the fact that all decisions were consulted with PSC caused a certain delay in approval of products and reporting but "that was a price we were happy to pay for the good governance". The good contributions to the project by PSC and TAC and the continuous communication with PMU ensured that all indications were well responded. Communication from PSC and TAC within their own organizations (particularly federal institutions) has been less than hoped for (paragraphs 45, 62). Within state government partners, this was much less the case: PSC members not only managed to trigger interest and collaboration within SENAHM but also managed to establish contact and initiate collaboration with other sectors (economy, tourism, rural development). TAC did include occasionally NGO and other stakeholders from the region, but mostly on occasion of presenting results from specific studies etc. This aspect (wider communication from TAC to civil society organizations) could have been improved.

The rating for the criterion 'project implementation and management' is 'highly satisfactory'.

Stakeholder participation and public awareness: what was the achieved degree and effectiveness of collaboration and interactions between the various project partners and stakeholders during design and implementation of the project?

How did the results of the project promote participation of stakeholders in decision making?

What was the degree and effectiveness of public awareness activities, undertaken during the course of implementation of the project?

80. Stakeholder participation and collaboration during project design and initial stage of the project implementation are adequately evaluated in MTR report and inception report. The collaboration between project partners was very good but the relationship of these organizations with local stakeholders was variable. CONANP has well-established strategies that directly involve local stakeholders (land users) and ECOSECHAS initially profited from this strategy and later, contributed to this good relationship. CONAFOR/SEDEFOR works directly with local stakeholders as beneficiaries of their programs. ECOSECHAS contributed to this by including more beneficiaries. CONAGUA has a more indirect relationship to local land users (via WSC) and establishing interactions with CONAGUA depends on functioning of WSC, which was variable. A positive interaction between the project, land users and partner institutions was the inclusion of technicians of the institutions in training events to land users, which improved mutual collaboration at personal level. Increased knowledge and monitoring capacity and and strengthen WSC are outcomes that promoted participations of stakeholders in decision-making (paragraphs 46, 49 and 50). Relatively little communication was directed to the population in general (paragraphs 48).

The rating for the criterion 'stakeholder participation and public awareness' is 'satisfactory'.

Country ownership and driven-ness: In how far have the national partners assumed responsibility for the project and provided adequate support to project execution, including the degree of cooperation received from the various public institutions involved in the project and the timeliness of provision of counter-part funding to project activities?

How responsive were the national partners to CI coordination and guidance, and to UNEP supervision?

81. National partners initiated and have been directing the project from its early design and during its entire implementation (paragraph 66, 79) and effectively contributed with committed counter-part funding (paragraph 83). Interviewed national partners, particularly members of PSC and TAC, commended CI coordination and UNEP supervision. CI has been notably present through the national director, not only as chair of the PSC meetings but also in various project activities (presentations, produce fairs). The capacity of CI Mexico to reach out at national level stakeholders was frequently mentioned. Subcontractors (NGO, Universities) agreed that CI was efficient in preparing contracts and conducting administrative processes ("when funds were late, it was normally an internal problem; CI was never late"). Local stakeholders hardly identified CI as lead executing agency: the branding of ECOSECHAS as a project resulted in the fact that most people did not exactly know who was participating. Backstopping from CI at national or international level was not visible to project partners or subcontractors; this seems to have been mostly an internally managed issue. Overall, project partners positively assessed the role of UNEP and CI as Implementing Agency and Lead Executing Agency for this GEF grant.

The rating for the criterion 'country ownership and driven-ness' is 'highly satisfactory'.

Financial planning and management: how were actual project costs by activities compared to budget?

How well are standards (clarity, transparency, audit etc.) of financial and operational (staff recruitment, evaluation, secondary conditions) planning, management and reporting applied, to ensure that sufficient and timely financial resources were available to the project and its partners?

82. Planning was poor; resources were short in relation to ambition level, and the original planning was too detailed (paragraph 68). However, financial management during implementation was efficient and correct. Formal indicators (financial progress reports and audit reports) were all delivered timely, are correct and

audits did not include any negative remarks. The evaluator validated the administrative processes and its monitoring and control and found this thorough and correct. The evaluator agrees with PMU members that financial control within CI is highly detailed, but this guaranteed a high standard and has not resulted in delays in reporting. As far as the evaluator could perceive, good standards of operational planning and management were applied. Staff and consultants were selected through transparent competitive processes, and decisions were normally taken by the PSC. According to interviewed stakeholder organizations, planning was participatory, searching complementarity with ongoing initiatives. Subcontractors confirm the good practice in financial and operational management, planning and reporting.

Financial planning and management: to what extent has co-financing materialized as expected at project approval?

What resources has the project leveraged since inception and how have these resources contributed to the project's ultimate objective.

83. CI contracted a specific study to identify and quantify exactly all leveraged funding and all contributions, both in-kind and in-cash, to the project. At the moment of the terminal evaluation, this process was still ongoing. Therefore, an incomplety draft overview of co-financing and leveraged financing could be provided to the evaluator (Annex 4) and the abovementioned evaluation questions could be answered only in general terms. According to the preliminary data provided to the evaluator, more co-financing has been achieved than planned, but it cannot be yet ensured how much of this is in kind financing or leveraged financing. At the time of the MTR, CI was reported to have co-financed 1.3 M$, particularly through supporting targeted studies. According to CI operations, possibly no additional disbursements were made, leaving CI's contribution somewhat lower than planned. CONANP contribution, originally planned as 1.6 M$ in cash and 0.9 M$ in kind, seems to have grown to 2.6 M$ in cash and 0.8 M$ in kind. These resources directly contributed to activities in component 1 (studies, monitoring) and component 2 (sustainable production and marketing). SEDEFOR's estimated contribution (originally planned at 1.6 M$ as contribution from COFOSECH) was 1.8 M$ (not specified if in cash or in kind) and all contributed to component 2 (restoration). SEMAHN's estimated contribution (150 k$, of which 10% in cash) finally amounted to 717 k$ in cash and 60 k$ in kind, mostly contributing to component 1 (specific baseline studies). These organizations together (the original project partners) contributed with 7.6 M$ co-financing, which is 33% more than originally planned (5.9 M$) and probably following the same balance of in cash and in kind payments. Finally, additional co-financing was provided from subcontractors for a total of 242 k$, providing a total amount of co-financing of approx. 7.8 M$. Since CONAFOR was not included as a project partner at the start of the project, there was no co-financing committed by them. However, the preliminary calculations show a high amount of funding in the area (19.2 M$). These funds are probably leveraged funding, including all concurrent funds (component 2) and PES funding dedicated to the beneficiaries of the project (component 3).

The rating for the criterion 'financial planning and management' is 'moderately unsatisfactory' for planning but 'highly satisfactory for management during implementation.

UNEP supervision and backstopping: what was the effectiveness of supervision and administrative and financial support provided by UNEP?

84. CI general and operative management considered UNEP's supervision and administrative support as very efficient and smooth. Report-elaboration was well supported; approval was fast and disbursements timely. The direct and continuous support from the task manager and administrative assistance from the ROLAC office in Panamá (sometimes revising reports even before internal validation within CI took place) was highly appreciated by the project director. UNEP's supervising role was tangible to project partners through the position of the UNEP task manager. His presence in several crucial moments, his ongoing support to PSC and PMU, his good approachability and personal enthusiasm was well-perceived by project partners. UNEP supervision was perceived only at administrative and operative level; few people and nobody outside the circle of PMU, PSC and TAC, could mention an added value of UNEP at strategy level, according to their institutional mission (e.g. ecosystem approach, green economy, contact with other GEF projects). No additional specific technical support, through UNEP thematic experts, was provided directly to the project PMU. In total, the evaluator considers that UNEP support was adequate: highly efficient and effective at the level of operative and financial support and strategic decision-making. Technical support was limited but

within the agencies' financial capacities, given the relatively small size of the GEF contribution and therefore limited resources for UNEP.

The rating for the criterion 'UNEP supervision and backstopping ' is 'satisfactory'

Monitoring and evaluation: did the project have an adequate M&E design? Was the M&E plan implemented effectively? Were GEF tracking tools duely completed?

85. The design of the M&E plan was evaluated during inception and considered satisfactory, although available budget seemed (and effectively proved to be) short (inception report, assessment of quality of project design). During project implementation, base-line information on indicators was produced effectively. The M&E plan was implemented through timely, detailed and correct annual project reports and Progress Implementation Review (PIR) reports, including well-justified ratings. Information provided by the M&E system was used to adapt the implementation of certain activities, in close coordination with PSC. PIR were used to present and report on these changes. The MTR was executed according to plan and the recommendations adequately followed up by a management response and continued reporting. GEF tracking tools were duely completed at mid term. Information for tracking tools at project completion has not been submitted yet.

The overall rating for the criterion 'monitoring and evaluation' is 'satisfactory'

G. COMPLEMENTARITY WITH UNEP STRATEGIES AND PROGRAMMES

86. The planned project results contributed to UNEP's expected accomplishments and programmatic objectives of the Ecosystem Management program, particularly through the accomplishment of its objective (c): services and benefits derived from ecosystems are integrated with development planning and accounting. This was partly achieved by Component 1 (BD and ES monitoring system included in state plans and tools), Component 2 (40 000 has restoration activities, BD and ES considerations fully included in watershed planning of at least four well sub-watersheds, inclusion in state development plan and projected forest legislation), and fully achieved through the accomplishments of component 3 (strengthened PES mechanisms, feasibility studies of other PES mechanisms). In addition, the project intended to apply the ecosystem approach (particularly the combination of watershed management with PA management and disaster-risk reduction; inclusion of population as a key factor in ecosystem management), and important lessons were learned. The project also contributed (even more than originally planned) to aspects of green economy promotion and TEEB principles. Especially components 2-3 achieved an interesting output through market access, development of local enterprises and connection of environmental project results (on sustainable production) with economic sectors (private and public). Currently, UNEP is identifying lessons from this project and others in order to identify how to replicate and upscale positive experiences in green economy and policy impact. Finally, UNEP planned to connect this GEF project with other GEF projects in Mexico as well as worldwide. According to the project director, this was done mostly through the supervision provided by the task manager and less so through direct contact with other projects. The latter (exchange of experiences with other GEF projects in the region) took place incidentally, during the last stage of the project.

V. Conclusions and Recommendations

A. CONCLUSIONS

87. The project was highly relevant and consistent with environmental issues at regional, national and international level, especially because it supports biodiversity conservation pf this important portion of the Mesoamerican biological corridor. It was built on previously existing processes and experiences. The applied approach (connecting BD conservation with watershed management) is very relevant in this area, highly vulnerable to the effects of hurricanes and impacts of climate change. This strategic relevance only increased during project execution due to increased attention for climate change and disaster risk reduction (paragraphs 30, 57 and 59).

88. The project sought collaboration with existing projects in the region and adequately complemented these; particularly providing market access plans and capacities to ongoing field-based sustainable production initiatives (paragraph 67).

89. The project strategic design was good (which had achievable objectives), but the original operative project design was relatively weak: budget and time planning were short, while the amount of activities and budget items were overly detailed. This was part of the reasons for start-up problems, which kept putting pressure on the project implementation (paragraph 33, 68, 69).

90. The project did well in achieving its planned outputs, many of these of high quality (e.g. the monitoring tools) and several attaining higher indicator values than planned (e.g. number of people trained; area benefitting from restoration and PES schemes). Only a few were partially achieved (e.g. improved coordination of institutions additional PES feasibility and coverage of actively working WSC) and mostly due to lack of time or institutional changes (paragraph 39-43).

91. Project outcomes are mostly achieved; they did not yet attain full achievement of the targeted indicator values. The project developed a good baseline and monitoring scheme, but actual monitoring is not yet in place. It supported many tangible examples of sustainable production and restoration and based on this, managed to include some BD and ES considerations in local plans and programs. However, it is too soon to conclude if actual mainstreaming in policies is taking place. Finally, the project successfully supported existing PES mechanisms and premium markets for BD friendly produce, but still, little can be anticipated about the future sustainability of these mechanisms (paragraphs 46-53).

92. The project objective has been partly achieved. There have been several good examples of increased inclusion of BD conservation and ES considerations at a sub-watershed level and in local and regional decision-making, but it is too soon to consider that BD and ES considerations are 'mainstreamed', especially at the level of most WSC. The reason for this incomplete/inconclusive achievement of the project objective is the short duration of project implementation and unstable situation of several WSC (paragraph 33, 34 and 44).

93. The project has provided a remarkably well-functioning institutional platform at technical level, between the main environmentally related state and federal institutions to deal with BD and ES issues in the Sierra-Coast region of Chiapas. This has triggered several coordination agreements between these organizations and many more than originally targeted (15 vs. 6) co-financing agreements for ES and BD friendly projects in the project area (paragraph 44).

94. Although the project contributed to the overall goal of improved BD conservation in Mexico, this could have been better: there were few systematization and replication activities implemented (mostly by CI and UNEP) and uptake at central level by federal agencies of project approaches and experiences was relatively low (paragraphs 45, 64).

95. By achieving (practically all) outputs of high quality, the project has created the elements required to achieve a positive impact on BD and ES conservation and improvement of livelihoods. This initial success has a good likelihood of achieving the desired impact, but this will require a continued strong commitment by the partner organizations that are responsible for environmental management in the project area. There seem to be enough continued and fresh financial resources to sustain the continuation of project (paragraphs 54, 60, 61, 62).

96. The good working atmosphere and continued membership of key persons in PSC and TAC, ensured that project governance has been very effective, with decision support and technical advice going far beyond the usual role of such bodies in a project (paragraphs 58, 62).

97. The efficiency of the project greatly improved after restructuring operations and budget, mostly due to a feasible new workplan, excellent project direction, good backstopping from CI and UNEP, and valuable support from PSC and TAC (paragraphs 68, 70, 72, 73, 74).

98. According to data made available for the terminal evaluation, approx. 30% more co-financing has been achieved than planned (7.8 M$ total). Probably an additional 20 M$ was leveraged funding for concurrent funds and PES (paragraph 83).

B. Overall ratings table

Criterion	Summary Assessment	Rating
A. Strategic relevance	Project design was considered HS (see inception report). During implementation, relevance even increased to adequate complementariness with other programs and adaptive management after institutional changes.	Highly Satisfactory (HS)
B. Achievement of outputs	Outputs of component 1 have been all well achieved. Outputs of component 2 have all been well achieved, though not all according to planning. Some outputs of component 3 have not achieved yet.	Satisfactory (S)
C. Effectiveness: Attainment of project objectives and results		S
1. Achievement of direct outcomes	Outcomes 1 and 3 are satisfactory achieved, outcome 2 moderately satisfactory achieved: although several good indications are present, it is too soon to expect mainstreaming of BD and ES in plans and projects.	S
2. Likelihood of impact	Project already achieved some impact and created positive conditions to ensure future impact. This, however, depends on future commitments of partner institutions.	S
3. Achievement of project goal and planned objectives	Partly. There have been several good examples of increased inclusion of BD conservation and ES considerations at sub-watershed level and in local and regional decision-making, but it is too soon to consider that BD and ES considerations are 'mainstreamed'.	Moderately Satisfactory (MS)
D. Sustainability and replication		Likely (L)
1. Financial	Sources of co-financing for the project continue on long term. Many new resources have become available (esp. CONAFOR).	Highly Likely (HL)
2. Socio-political	Although several institutional changed and these changes might continue, there is a growing general awareness among population and institutions and this will likely result in an increase of socio-political support to the goals of ECOSECHAS.	L
3. Institutional framework	Good expectation of continued positive institutional collaboration. A strategy should be developed to continue to work with the group of partner institutions.	L
4. Environmental	The project area continues to be an area of key importance for global biodiversity conservation and is increasingly recognized for disaster risk reduction and its role in climate change mitigation. This scenario, combined with good practice in project management, will provide an enabling setting for more environmental projects in the area.	HL
5. Catalytic role and replication	Satisfactory catalytic role within project area, much less so at national level.	MS
E. Efficiency	Especially after the start up problems in the first year, the project was highly efficient considering the limited time and financial resources.	HS
F. Factors affecting project performance		
1. Preparation and readiness	The structure as such was basically ready at start but it	S

	proved not to be the ideal implementation structure and had to be changed after one year. Quality of design (see inception report) was rated satisfactory.	
2. Project implementation and management	Project management has been outstanding and collaboration with other projects/initiatives positive.	HS
3. Stakeholders participation and public awareness	Key stakeholders participated very positively, both at level of institutions and land users. Public awareness was marginally attended (no strategic communication to public in general).	S
4. Country ownership and driven-ness	Project was developed by govt. agencies and these continue to participate actively in project decision-making.	HS
5. Financial planning (a) and management (b)	Planning was poor; resources were short in relation to ambition level and original planning was too detailed. Management was highly satisfactory; budget restructuring and final planning worked well enough to ensure a successful achievement of outcomes.	Moderately Unsatisfactory (a) -HS (b)
6. UNEP supervision and backstopping	Positively perceived role of task manager, efficient and adequate administrative backstopping, occasional technical backstopping.	S
7. Monitoring and evaluation		S
a. M&E Design	Although there was no ToC presented at project development (was not a requirement of GEF/UNEP), most elements are clearly included, as well as assumptions, SMART indicators and means of verification.	S
b. Budgeting and funding for M&E activities	Short; co-financing was required	MS
c. M&E Plan Implementation	All activities executed according to plan. Adequate, correct and timely reporting	HS
Overall project rating	Outputs well achieved, outcomes and project goal partly achieved due to the short implementation period of the project. However, likelihood of impact is relatively high as well as sustainability. Efficiency was outstanding in the last two years, high ownership by key persons in institutional network, and positive contribution of public agencies to project implementation.	S

B. LESSONS LEARNED

99. Focusing on one rather unstable multi-stakeholder platform (WSC) increased vulnerability of the project. Adding other platforms (in this project done as a response to recommendations made by the medium term revision) proved to be a good mitigation strategy for staff turnover and changing policy priorities of municipalities and CONAGUA (paragraphs 35, 42, 44).

100. Apparently negative changes in context can have positive effects, if adaptive management is well applied. The occurrence of hurricane Barbara was well used by the project to increase the awareness for BD and ES monitoring; institutional changes in some cases were used to renew and strengthen collaboration with new authorities (paragraphs 36, 39, 57).

101. Projects aiming at influencing policies, by default should include a communication strategy directed to the population in general with the goal to increase general awareness. This is necessary to create an broad social basis required to sustain policy decisions (paragraph 48).

102. Institutional changes should be included as a risk in the project design and appropriate mitigation strategies should be defined (paragraph 36).

103. Focusing on local land users (partnering with different institutions) and staff rather than management staff, is an adequate strategy to overcome dispersion associated to high rotational rates of staff (paragraph 50).

104. A well-functioning PSC requires a continuous participation of committed people. If this is the case, the PSC can sustain a main platform for inter-institutional coordination and planning, going beyond the strict mandate of project governance. In this project a well-functioning PSC was created through directed selection of government agency staff who were responsible for project formulation and inception (paragraphs 58, 79).

105. Ownership by public agencies of the project was achieved in part through a well functioning TAC and PSC. However, more ownership by (local) organizations (NGO, Academy), implementing important complementary projects, can be increased by actively including them in TAC (paragraph 78).

106. In case there are technically high capable people in PSC, organizing joint TAC and PSC meetings can improve direct involvement of governance bodies with project operation and governance (paragraph 79).

107. Replication within the project area was positively influenced by (i) a good and transparent institutional collaboration, (ii) numerous opportunities to bring people into contact and (iii) the fact that there were many good experiences developed within the project (paragraphs 63, 65).

108. Even when land users have a different production system, geographical setting and institutional support, exchange of experiences between different communities always leads to mutual learning and higher motivation (paragraph 67).

109. Although good work was done particularly by CI and CONANP in order to achieve good progress towards formation of local enterprises and market access for sustainable produce, CONANP is not the best positioned agency to support market development. In general, agencies from economic sector (both private and public) need to be included earlier in the process (paragraph 41).

110. If the planning of the budget and timing for a project is based on opportunistic principles such as the availability of cofinancing or RAF rather than on a well-studied balance between the demand of outputs and costs of activities, the result will bring a great number of challenges at execution level (paragraph 69).

111. The final goal of this kind of full-size GEF project (to influence policies in different sectors) is very unlikely to reach in a three-year period (paragraphs 33, 44, 73).

112. The widely available and increasing national investments in environmental issues in Mexico, imply that follow-up activities to ensure sustainability of actions and future impact should be searched initially in the national budget, and international funds should be strictly complementary (paragraph 60).

113. The presence of UNEP's task manager in several crucial moments in project implementation, his ongoing support to PSC and PMU, his good approachability and personal enthusiasm were key to achieve a positive perception among national partners of UNEP's backstopping role (paragraph 84).

114. International organizations with various programs around the globe tend to work with various cost centers and physically seperate divisions. Hence, if a project like ECOSECHAS wants to benefit from the wealth of knowledge available within these organizations, a specific budget should be allocated to cover for the time of thematic specialists which are not directly involved with the project (paragraphs 77, 84).

C. RECOMMENDATIONS

115. *To project partners:* The project managed to create a very good inter-institutional collaboration, which is a crucial ingredient to ensure consolidation of project outcomes. However, a structure is needed so that it continues to provide the space for this; a space that was guaranteed until now by ECOSECHAS. Project partners (probably PSC members) should make decisions on a way forward to ensure the continuity of inter-institutional collaboration promoting the consolidation of project outcomes before the end of 2014. Emerging networks exist (e.g. the Sierra Madre group or the State Group on Ecosystem Services (GESE), which can be strengthened. A State Environmental Council or other formal coordination mechanism at ecorregional level are worth exploring (paragraphs 54, 61, 91).

116. *To UNEP and CI:* Most outcomes have been achieved, but the project objective was not completely achieved and the project contributed only partially to the overall goal. The lack of complete achievement of

project objective and more contribution to overall goal resulted in time constraints (too soon to expect mainstreaming at different levels) and replication and up-scaling (paragraph 44, 45, 92,93). UNEP and CI, both with national offices in Mexico, are well positioned to provide a follow-up of the positive outcomes of the project and an achievement of project goals, as main responsible agencies for the project. It is recommended that they develop activities for 2015, including (a) support of the continuation of inter-institutional platform, (b) lobby for mainstreaming BD and ES in sectorial policies at regional and federal level, (c) development of projects that provide space for replication and up scaling, and support follow-up to PES feasibility studies (paragraph 43), and (e) communicate project results and lessons learned of the present project (paragraphs 43, 44, 45, 92,93, 112).

117. *To CI and project partners:* The project has successfully supported a large series of land-user groups to improve sustainable production and stimulate market access. The developed communal enterprises are still at an initial level of professionalism and limited capacity in order to continue stand-alone market development. After project closure, project partners that had direct interaction with these groups (particularly CONANP and CI) must ensure provision of continued external support in order to avoid a fading away of their incipient experience and enthusiasm (paragraph 52).

118. *To CI and UNEP:* The effect of the project was high, especially considering the limited time and budget available. It is therefore recommendable to develop (within one year after project closure) a detailed systematization of strategic approaches, model for governance and operational implementation to communicate the lessons learnt to other similar projects.

119. *To UNEP and CI:* The project intended to apply the ecosystem approach (particularly the combination of watershed management with PA management and disaster risk reduction; inclusion of population as a key factor in ecosystem management) and in addition to the general systematization, it is recommended to extract the specific lessons learned on this aspect (paragraph 83).

120. *To project partners:* thanks to the involvement of a large amount of people from the region (particularly local universities) through internships and short consultancies with PMU and subcontracting agencies, the project left a legacy of young professionals, trained in a well executed project with direct relevance for conservation and development in the region. It is recommended that after project closure, project partners (particularly state governmental agencies, regional divisions of federal agencies, and CI) actively select these persons for project and institutional vacancies, to maintain expertise in Chiapas (paragraph 70).

121. *To UNEP:* The project contributed (even more than originally planned) to aspects of green economy promotion and TEEB principles. It is recommended that lessons learnt from this local experience should form an important input into the national Green Economy strategy, currently promoted by UNEP. To actively promote this kind of uptake of good practice at larger scales, UNEP and main project partners have ample opportunities to: (a) mainstream project approach in partner agencies at national (federal) level, (b) promote platforms to include BD and ES considerations in other sectors (agriculture, economy, tourism), (c) strengthen the small scale, BD and ES friendly production is such a manner that it becomes visible as an economic sector which provides fiscal revenues, (d) develop support programs that develop BD and ES friendly production at national level through a reaching out to national and international credit agencies, and (e) support development of a legal and regulative framework that incentivizes this sector in a long term time framework (paragraphs 83, 84).

ANNEX 1. BIOSKETCH OF EVALUATOR

Robert Hofstede is an accomplished conservation program evaluator based in Quito, Ecuador. He is well acquainted with civil society organizations in Latin America, especially regarding conservation, protected areas management, forestry, climate change and integrated land management. He brings subject matter expertise in a variety of fields, including payment for environmental services, large-scale planning and knowledge dissemination. He has worked extensively as a consultant for several international organizations on sustainable development, environmental management, and climate change; focusing on project and program development and evaluation and environmental studies.

During his professional career, Mr. Hofstede directed the South America regional program for the International Union for the Conservation of Nature (IUCN), which provided him with experience at the continent and global level in program development and assessment, policy advocacy and high-level diplomacy. He also worked in international management positions at CONDESAN (CGIAR) and developed an international research and training program at the University of Amsterdam. Trained as a tropical ecologist, his academic background includes many aspects of agronomy, forestry and geography.

ANNEX 2. LIST OF CONSULTED DOCUMENTS

- BYAAC. Audit report FY2013 (October 2013)
- Conservation International. UNEP GEF PIR Fiscal Years 2011, 2012, 2013
- ECOSECHAS. Review and action to be taken on the recommendations of the Mid-Term Review of the GEF project in Chiapas.
- Tinney Rivera. Mid term review report (February 2013)
- UNEP. Biennial programme of work and budget for 2014–2015
- UNEP. Project Document Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico (May 2010)
- UNEP. Request for CEO endorsement (May 2010)
- UNEP. Terms of Reference for the terminal evaluation of the project "Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico"
- Work plan revision (2012)
- Project progress reports (PIR and Half Year Reports)
- Updated implementation plan for the recommendations of the Mid-Term Evaluation
- Project Terminal Report (draft)
- Final financial statements (expenses and co-financing - draft)
- GEF and UNEP strategic papers related to programmatic areas of the project
- GEF Tracking Tool (mid term)
- Products produced by the project (research publications, monitoring protocol, feasibility study on PES, manuals for sustainable production)

ANNEX 3. LIST OF PEOPLE INTERVIEWED

Project Team - Executing agency (CI)

David Olvera	Project director 2011-present - dolvera@conservation.org
Maeli Faviel	Project assistance on several issues (stakeholder involvement, systematization) elba.faviel@gmail.com
Abril Aguilar	Project assistance on several issues (Policy development, Market access) aguila.espinoza@gmail.com
Tatiana Ramos	Country Director (Mexico) tramos@conservation.org
Mauricio Sánchez	Director of Operations (Mexico) msanchez@conservation.org

Implementing agency (UNEP)

Robert Erath	Task Manager robert.erath@pnuma.org
Mónica Torres	Consultant monica.torres.unepmx@gmail.com

Partner agencies

CONANP

Francisco Javier Jiménez	Director Tacaná Reserve fjimenez@conanp.gob.mx
Edmundo Aguilar	Director Encrucijada Reserve eaguilar@conanp.gob.mx
José Valdevinos	Subdirector la Frailescana Area
Sonia Nañez	Director la Frailescana Area snanez@conanp.gob.mx
Joaquín Zebadúa	Regional Director, PSC member jzebadua@conanp.gob.mx

SENAHM

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Ricardo Hernández	Director SEDEFOR (PSC member) ricardoh739@gmail.com
Verónica Gutiérrez	Technician SEDEFOR (TAC member) bioveros@hotmail.com

CONAFOR

Jorge Cruz	Coordinator department of production and productivity (PSC member) jcruzl@conafor.gob.mx

CONAGUA

José Luis Arellano	PSC member jose.arellanoa@conagua.gob.mx

Subcontracted agencies

Edgar Tobar	UNACH edgar.tovar@unach.mx
Moisés Gallegos Ser	Integral gildamunoa@gmail.com

Local partners/beneficiaries

Pedro Gálvez	Coffee producer, Tacaná area
Emelda Pérez	Natural cosmetics producer, Tacaná area
Delfino Vásquez	Cocoa producer, Tacaná area
Vicente Pérez Matías	Voluntary Monitor; Tacaná region
Luis Manuel Farrera	Head of San Nicolás watershed committee
Román Sánchez	Fisherman, Encrucijada area
Adriana Gordillo Torres	Honey producer, Encrucijada area
Benjamín Morales Mendez	Cheese producer, Encrucijada area
Ariel Vargas Gomez	Head of El Tablón watershed)
Alfredo Velásquez	Honey producer, Frailescana area
Eloida Aguilar	Cheese and honey producer, Frailescana area
David Camas	Cheese and honey producer, Frailescana area
Betty Hernández	Coffee producer, Frailescana area
Cristóbal González	Coffee producer, Frailescana area.

Additional stakeholders

Ing. Abelardo Amaya Enderle	**Director Organismo de Cuenca Frontera Sur**	**Comisión Nacional del Agua**	**raul.saavedra@conagua.gob.mx**
Biól. Juan Carlos Castro	**Director RB "El Triunfo"**	**Comisión Nacional de Áreas Naturales Protegidas**	**jcastro@conanp.gob.mx**
Biól. Alexser Vázquez Vázquez	Director RB "La Sepultura"	Comisión Nacional de Áreas Naturales Protegidas	**avazquez@conanp.go.mx**
Ing. Maria Odetta Cervantes Bieletto	Subdirectora RBVTA	Comisión Nacional de Áreas Naturales Protegidas	**ocervantes@conanp.gob.mx**
Ing. Francisco Fernando Couiño Coutiño	Gerente Estatal en Chiapas	Comisión Nacional Forestal	**mjuarez@conafor.gob.mx**
Ing. Elba Maeli Faviel Cortez	Consultant	CI Mexico	**elba.faviel@gmail.com**
Dr. Isaías López Hernández	Director de Programación	Comisión Nacional del Agua	**isaias.lopezb@conagua.com.mx**

ANNEX 4. PROJECT FINANCING

(All figures in US$, as of 30 June 2014[9])

Category	Original budget	Cumulative expenditures	Unspent balance
PERSONNEL	619.340	553.832	65.509
Project personnel	*239.759*	*238.460*	*1.299*
Consultants	*256.380*	*191.607*	*64.773*
Logistical Support	*22.017*	*20.235*	*1.781*
Travel	*101.185*	*103.529*	*-2.345*
SUB-CONTRACTS	520.585	496.426	24.158
TRAINING	51.669	83.502	-31.832
EQUIPMENT	22.976	20.324	2.653
MISCELLANEOUS (incl audit)	246.090	218.636	27.454
SUBTOTAL	*1'460.661*	*1'372.720*	*87.941*
UNEP PARTICIPATION COSTS	23.383	8.383	15.000
GRAND TOTAL	**1'484.044**	**1'381.103**	**102.941**

CO-FINANCING

	Planned (project document)			Realized (estimate at 30 June 2014)		
Source	Total	In cash	In kind	Total	In cash	In kind
CI	1,741,299	1,741,299	0	1,329,306	1,329,306	
CONANP	2,449,812	1,564,812	885,000	3,364,681	2,571,413	793,268
SEMAHN	150,000	15,000	135,000	777,663	717,059	60,604
SEDEFOR	1,561,164	256,644	1,304,520	1,834,432		
CONAGUA	0			307,692		
SEYBA	0			19,462		
CONIDER S.C	0			14,751		
Pronatura Sur A.C	0			20,608		
INIFAP	0			53,654		
UNICACH	0			68,459		
UNACH	0			42,400		
Kibeltik A.C	0			22,508		
Total	**5,902,275**	**3,577,755**	**2,324,520**	**7,855,615**		

[9] Data provided by CI Mexico office

ANNEX 5. TERMS OF REFERENCE FOR THE TERMINAL EVALUATION

TERMS OF REFERENCE[10]

Terminal Evaluation of the UNEP/GEF project

"Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico**"**

i) PROJECT BACKGROUND AND OVERVIEW

Project General Information

Table 1. Project summary

GEF project ID:	3183	**IMIS number:**	GFL 2328 2712 4B60
Focal Area(s):	BD 2 SP 4 SP 5 To mainstream biodiversity in production landscapes/seascapes and sectors	**GEF OP #:**	
GEF Strategic Priority/Objective:	Ecosystem Management	**GEF approval date:**	16 July 2010
UNEP approval date:	25 October 2010	**First Disbursement:**	26 November 2010
Actual start date:	15 November 2010	**Planned duration:**	36 months
Intended completion date:	October, 2013	**Actual or Expected completion date:**	September 2014
Project Type:	FSP	**GEF Allocation:**	US$ 1,484,044
PDF GEF cost:		**PDF co-financing*:**	
Expected MSP/FSP Co-financing:	US$ 5,902,275	**Total Cost:**	US$ 7,571,676
Mid-term review/eval. (planned date):	October 2012	**Terminal Evaluation (actual date):**	
Mid-term review/eval. (actual date):	February 2013	**No. of revisions:**	1
Date of last Steering Committee meeting:	11 June 2013	**Date of last Revision:**	28 November 2012
Disbursement as of 30 June 2013:	US$ 1,083,561.69	**Date of financial closure:**	
Date of Completion:		**Actual expenditures reported as of 30 June 2013:**	US$ 756,676
Total co-financing realized as of 30 June 2013:	US$ 6,490,282	**Actual expenditures entered in IMIS as of 30 June 2013:**	US$376,223.97
Leveraged financing:	US$527,608		

[10] TOR version of Sep-13

Project rationale

1. The sub-watersheds where the project activities take place are located in the Sierra-Costa region of Chiapas; most of them are on the slope facing the Pacific, while some others are on the side of the Grijalva- Usumacinta basin which drains into the Gulf of Mexico, i.e., into the Atlantic. The Costa and the Grijalva- Usumacinta watersheds are separated by the Continental Divide, formed in this part of Mexico by the Sierra Madre of Chiapas, a mountain range extending 280 km from the Guatemalan border in the southeast to the Isthmus of Tehuantepec in the northwest.

2. The Sierra Madre de Chiapas, its watersheds and lowlands are of global importance for biodiversity conservation. The region falls into the Mesoamerican biodiversity hotspot, which holds between 7 and 10 % of all known life forms.

3. Many creeks and small rivers descend from the Sierra Madre to the coastal plains, forming the 24 sub-watersheds of the Costa of Chiapas. On the north-eastern side of the Sierra, 18 sub-watersheds drain into the Grijalva River, feeding the Grijalva River hydroelectric complex, the largest in Mexico with six hydroelectric plants, among them La Angostura, Chicoasén and Malpaso. Nearly 25% of all of Mexico´s electricity is generated in Chiapas. Due to the steep slope of the mountains on the Pacific side, waters descend rapidly. Floods are frequent during the rainy season, especially from August to November, affecting human settlements, means of communication (roads and bridges) and agricultural areas.

4. The original vegetation in the flat coastal plains and foothills is now replaced in most parts by agricultural land. Agricultural systems are little diversified, with a predominance of extensive cattle breeding, both on the Pacific and Atlantic side. Since the 1990s, certain restraints on further land use change were created by the formation of several protected areas, especially in the moist and pine-oak forest zones of the Sierra Madre and the lagoon-mangrove areas on the coast.

5. In January 2000, CONAGUA (the National Water Commission) installed the Watershed Council of the Coast of Chiapas; in August 2000 followed the Watershed Council of the Rivers Grijalva and Usumacinta. In the coastal basin, four watershed committees for sub-watersheds (subcuencas) were created between 2002 and 2005: the watershed committees of the rivers Zanatenco (municipality of Tonalá), Lagartero (Arriaga), Coapa (Pijijiapan) and Coatán (Cacahoatán, Motozintla, Tapachula y Mazatán). On the Grijalva side, in 2003 the watershed committee of the higher parts of the Cuxtepeques River sub-watershed (municipality of La Concordia) was installed. Additionally, the creation of three more watershed committees was being prepared at the time of project preparation in the sub-watersheds of the Cahoacán, Huehuetán and Huixtla Rivers, all of them flowing into the most densely populated southeastern coastal plains of the region.

6. The watershed committees are considered auxiliary institutions of the Watershed Councils and are composed of representatives of federal, state and municipal institutions, communities, water users (producer's organizations), NGOs and universities. The mayor of the respective municipality is its coordinator. The function of the watershed committees is to improve the general conditions of the sub-watershed area within their jurisdiction, specifically water supply and quality, and also to mitigate effects of natural phenomena. The committees dispose of an office, a manager and a small technical team. One of their first tasks was to elaborate a general management plan for their sub-watersheds.

7. The livelihoods of the communities in the Sierra-Costa region depend largely on cattle grazing, maize cultivation in slash-and-burn systems, shade coffee production, timber and non-timber harvesting and fishing. Poverty levels are high in comparison with other parts of the country. Most of those who would benefit from improved access to Payments for Ecosystem Services (PES) schemes under the project are intended to be ejidatarios with use rights on only 5-10 ha of

relatively poor land, often in mountainous zones; these ejidatarios are land users, not owners, and most are poor or extremely poor.

Project objectives and components

8. The intervention logic of the project is that the adoption of environmentally friendly production practices as a result of expanded access to public and private PES mechanisms that incentivize biodiversity and ecosystem service conservation should bring about improvements in ecosystem health and functioning, and in the status of species of global conservation concern.

9. This project's **objective** is to mainstream biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-Costa region of Chiapas, Mexico. The **goal** to which the project intended to contribute is the conservation of biodiversity (BD) and ecosystem services (ES) in Mexico.

10. The project has three technical components: 1. Development of the knowledge base for appraisal of ES and their interactions with land uses among key stakeholders at the sub-watershed level. 2. Mainstreaming ES and BD into land use policies, planning and promotion by watershed committees and policy coordination with other key government agencies. 3. Increasing access by land users to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives for the implementation of land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and non-government stakeholders).

11. ***Component 1: Development of the knowledge base for appraisal of ES and BD***
The expected outcome of component 1 is an increased understanding of the relationships between land uses and BD/ES among monitoring institutions, watershed committees and land users as a result of sub-watershed scale assessment and monitoring of the following:
    a) The status of important ES and BD components and their indicators in the project area;
    b) The interdependence of land use patterns/policies and ES/BD status;
    c) ES benefits provided by different land use systems under varying levels of intensity;
    d) Factors influencing land use decisions by land users.

12. ***Component 2:*** **Mainstreaming ES and BD into land use policies at the sub-watershed level**
The expected outcome of component 2 is that ecosystem services and biodiversity considerations are
mainstreamed into land use policies, planning and promotion by watershed committees (WSC) and policies are coordinated with other key government agencies, resulting in improved status of key BD & ES indicators in target sub-watersheds. The achievement of this outcome will be measured by: 1. Number of target WSC that have systematically integrated ES and BD considerations into their land use policies and planning. 2. Number of other key institutions that have adopted project recommendations for integrating ES and BD considerations into their policies. 3. Number of WSC implementing coordinated plans with other institutions to introduce or reinforce sustainable production practices (SPP) and restoration & soil conservation activities (RSCA). 4. Improved status of key BD/ES indicators in these watersheds.

During the project preparation phase, 10 sub-watersheds were selected where the project would intervene, including seven sub-watersheds on the slopes facing the Pacific coast, and three sub-watersheds on the slopes facing the Grijalva-Usumacinta basin. The first criterion for selection was the existence of a watershed committee or its probable creation in the near future. Other criteria include overlap with one of the protected areas and high flooding risks and vulnerability.

Watershed committees, other governmental agencies (INIFAP, CONAFOR, COFOSECH, CONANP, UNICACH) and non-governmental organizations (Ambio, ProNatura) intended to implement reforestation, soil conservation and ecosystem restoration projects that specifically integrate BD and ES considerations in at least eight sub-watersheds

13. ***Component 3:*** **Increased access by land users to public and private PES mechanisms**
The outcome of component 3 is that land users have increased access to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives to implement land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and non-government stakeholders) in the Chiapas region.

The achievement of this outcome would be measured by: 1. The increase in area of land with high priority for ES and globally significant BD whose users access ES payments by a) government-funded and b) market-based programs and implement sustainable land use practices that contribute to improvements in the status of key biodiversity indicators of global significance. 2. Improvements in the status of key BD and ES indicators in areas with increased access to public and private PES mechanisms as a result of improved land use practices. 3. Number of additional land users (men and women) in target sub-watersheds with access to government PES programs. 4. Number of additional land users in target sub-watersheds with access to market-based PES programs. 5. Number of land users organizations in target sub-watersheds with access to premium markets for sustainable products.

Table 2. Project expected outcomes and outputs

Project Components	**Expected Outcomes**	**Expected Outputs**
1. Development of the knowledge base for ES appraisal and their interaction with land uses among key stakeholders at the sub-watershed level	Increased understanding (by monitoring institutions) of the relationships between land uses and BD/ES as a result of sub-watershed scale monitoring of: a) the status of important ES and BD components and their indicators in the project area; b) the interdependence of land use patterns & policies and ES/BD status; c) ES benefits provided by different land use systems under varying levels of intensity; d) factors influencing land use decisions by land users.	**Output 1.1:** Methods, tools and protocols for assessment and monitoring of ES, BD, and land use data and policies, for use by watershed committees, other key government agencies, NGO partners and universities **Output 1.2:** Baseline gaps addressed and project baseline information (database, maps) on key indicators completed **Output 1.3:** Increased local research and publications on status, dynamics and benefits of ecosystem services and interrelationships between land use, ES (especially water quality), biodiversity and livelihoods (including gender aspects) across sub-watersheds **Output 1.4:** Identification of factors influencing individual and collective land use decisions by land owners, *ejidatarios* and *comuneros* **Output 1.5:** Lessons learned about the impact of hurricanes Mitch (1998) and Stan (2005) on land use and water balances

2. Mainstreaming ecosystem services and biodiversity into land use policies, planning and promotion by watershed committees and policy coordination with other key government agencies	Ecosystem services and biodiversity considerations are mainstreamed into land use policies, planning and promotion by WSC and policies are coordinated with other key government agencies, resulting in improved status of key BD & ES indicator in target sub-watersheds	**Output 2.1** Training programs for key WSC members, other policymakers, extension agents and land users on mainstreaming ES & BD considerations into natural resources management policies and plans at the sub-watershed level **Output 2.2:** Sustainable production practices (SPP) in agriculture, livestock farming and forestry that conserve ES and BD are introduced and/or strengthened in at least seven sub-watersheds, improving the status of key BD and ES indicators **Output 2.3:** Restoration and soil conservation pilot activities (RSCA) demonstrating approaches that conserve ES and BD are implemented in at least eight sub-watersheds, improving the status of key biodiversity and ecosystem service indicators **Output 2.4:** Recommendations developed, communicated and monitored to incorporate ES and BD into sectoral development and restoration policies and regulations of key public and private agencies and to improve coordination among these agencies with regard to the promotion of sustainable land uses at the sub-watershed level **Output 2.5:** Increased coverage of actively working watershed committees in the Sierra- Costa region **Output 2.6:** Improved coordination of capacity building activities for watershed committees, land users and other stakeholders in the project region
3. Increasing access by land users to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives for the implementation of land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and nongovernment stakeholders)	Land users have increased access to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives to implement land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and nongovernment stakeholders) in the Chiapas region	**Output 3.1:** Training and technical assistance on preparing projects that qualify for government PES programs that conserve globally significant biodiversity **Output 3.2:** CONAFOR PES program strengthened by providing data for the selection of high risk areas in terms of ES and BD conservation; and adding elements for the development of market-based schemes, an incentive-based mechanism for technicians' certification and an integrated approach to sub-watershed management at the community level, thereby enhancing its effectiveness in conserving biodiversity and ecosystem services. **Output 3.3:** Market feasibility studies and marketing plans for market based PES mechanisms and sustainable products (premium markets) that, by definition, conserve BD and ES **Output 3.4:** Increased capacity to implement marketing plans

		for different market-based PES mechanisms and sustainable products is built among land users and their organizations, as well as among actors supporting them (NGOs, extension agents, technical advisors), and the area under certified production increases, with improvements in BD/ES indicator status

Executing Arrangements

14. The project is the product of a partnership between CONANP, IHN and CI, based on their common interest and experience in the development of ecosystem service approaches to biodiversity conservation. The partnership is strengthened by the inclusion of COFOSECH and CONAGUA and their competencies in forest restoration and watershed management, which has contributed to the definition of project results and activities.

15. The ***Implementing Agency*** for the project is the United Nations Environment Programme (UNEP). In this capacity, UNEP has had overall responsibility for the implementation of the project, project oversight, and co-ordination with other GEF projects.

16. The ***lead Executing Agency*** for the project is **Conservation International (CI)**. CI's Mexico office, located in Tuxtla Gutierrez, Chiapas, hosts the Project Management Unit (PMU), which is composed of a Capacity Building Advisor/ Project Director, a Project Administrative and Technical Assistant and, during the first months of implementation, benefitted from an Institutional Advisor. The PMU was intended to receive occasional, targeted technical support from other CI personnel. The PMU is responsible for day-to-day implementation of all project activities, either directly or through management of sub-grants, and for coordination of all activities among the project implementing partners and other institutions. It was intended to support PSC meetings and other activities and manage project finances.

17. The project established a Steering Committee (PSC) composed of CONANP, CI, IHN, COFOSECH and CONAGUA as executing partners, and UNEP as GEF implementing agency. The formal representative of each executing partner will be the institution's general director in the state of Chiapas or corresponding region, although they may nominate a representative to attend PSC meetings. The steering committee will be chaired by CI and meet quarterly. Its principal functions is to approve regular work plans, provide strategic guidance and oversight to project implementing organizations, review progress and evaluation reports, discuss problems or strategic issues that might be arising during implementation and provide support for the necessary inter-institutional coordination and contributions to project activities. The PSC was intended to maintain continuous exchange of information among its members by electronic means, and additional ad hoc steering committee meetings were meant to be convened via telephone conference or other means, if necessary.

18. A Technical Advisory Committee (TAC) was established to provide technical, scientific and policy advice to the project both to the Steering Committee and the Project Management Unit. It was planned that it would meet as necessary (at least quarterly) and would be composed of key stakeholder institutions.

19. The estimated project costs at design stage and associated funding sources are presented in Table 3. Table 4. presents an overview of estimated co-financing, including expected contributions from regional project partners.

Table 3. Estimated project cost

Financing Plan Summary for the project (US-$)

	Project Preparation	Project grant	Total	Agency fee	Total
GEF	70,000	1,484,044	1,554,044	148,500	1,485,000
Co-financing	105,970	5,902,275	6,008,245		4,850,000
Total	**175,970**	**7,386,319**	**7,562,289**	**148,500**	**6,335,000**

Table 4: Co-finance commitments by partner

Partner	Classification	Type		Total
		Cash	In kind	
Conservation International	NGO	1,741,299		1,741,299
CONANP	Nat'l Gov't	1,564,812	885,000	2,449,812
COFOSECH	State Gov't	256,644	1,304,520	1,561,164
IHN	State Gov't	15,000	135,000	150,000
Total		3,577,755	2,324,520	5,902,275

Implementation Issues

20. The MTR was originally scheduled for October 2012 and was completed by February 2013. The project initially suffered several delays. Consequently, initial consultancies were slow to start and to provide key outputs, such as baseline information. However, by the time of the MTR, the project had gone through a major budget revision that enabled it to recuperate and progress substantially toward its objective in a more cost-effective and cost-efficient manner. The MTR therefore concluded that the solid base created by the project during its first half was a good basis for the project to achieve its objective.

22. According to the MTR, it was important for the second part of the project to strengthen access to market-based instruments that reward the protection of ecosystem services under different land uses. The extent to which the project has been successful in achieving this objective appears to be of pivotal importance to assess the likelihood of impact and determine whether the project objective was achieved.

23. At the time of the MTR, it was noted that the project should start preparing an exit strategy, including the consolidation of the ECOSECHAS office, the inclusion of local non-governmental organisation which could support the deployment of the project outcomes and the positioning of the project at national level to increase the ownership level and the likelihood of replication. The extent to which the project was successful in achieving these results would seem to be strongly correlated to the likelihood of achieving long-term sustainability and replication.

ii) TERMS OF REFERENCE FOR THE EVALUATION

Objective and Scope of the Evaluation

In line with the UNEP Evaluation Policy[11], the UNEP Evaluation Manual[12] and the Guidelines for GEF Agencies in Conducting Terminal Evaluations[13], the Terminal Evaluation of the Project "Mainstreaming the

[11] http://www.unep.org/eou/StandardsPolicyandPractices/UNEPEvaluationPolicy/tabid/3050/language/en-US/Default.aspx

conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico" will be undertaken immediately before completion of the project to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP, the GEF and their executing partners – CI and national partners in particular. Therefore, the evaluation will identify lessons of operational relevance for future project formulation and implementation. It will focus on the following sets of **key questions**, based on the project's expected outcomes, which may be expanded by the consultants as deemed appropriate:

How and to what extent did the succeed in mainstreaming biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-Costa region of Chiapas, Mexico? To what extent is this contributing to the overall goal of increasing biodiversity and ecosystem services conservation in Mexico?

To what extent was the project successful in developing the knowledge base for ES appraisal and their interaction with land uses among key stakeholders at the sub-watershed level? To what extent is this leading to increased understanding by monitoring institutions of the relationships between land uses and biodiversity/ecosystems as a result of sub-watershed scale monitoring?

To what extent did the project contribute to the mainstreaming of ecosystem services and biodiversity into land use policies, planning and to the promotion by watershed committees and policy coordination with other key government agencies? To what extent was the project successful in providing the required training and capacity building to local stakeholders and to ensure that it would benefit local partners on the long term as opposed to be quickly dispersed as a result of high rotational rates of staff?

To what extent did the project increase access by land users to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives for the implementation of land use practices and strategies that conserve ecosystem services and biodiversity and improve local livelihoods? To what extent did the project put in place adequate measure to ensure increase access to PES mechanisms in the long term, including after the end of the project?

Overall Approach and Methods

The Terminal Evaluation of the Project "Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico" will be conducted by an independent consultant under the overall responsibility and management of the UNEP Evaluation Office (Nairobi) and the UNEP Task Manager at UNEP/DEPI (Panama).

It will be an in-depth evaluation using a participatory approach whereby key stakeholders are kept informed and consulted throughout the evaluation process. Both quantitative and qualitative evaluation methods will be used to determine project achievements against the expected outputs, outcomes and impacts.

The findings of the evaluation will be based on the following:

(a) A **desk review** of project documents and others including, but not limited to:

Relevant background documentation, inter alia UNEP and GEF policies, strategies and programmes pertaining to biodiversity and ecosystem services conservation and PES schemes at the time of the project's approval;

[12] http://www.unep.org/eou/StandardsPolicyandPractices/UNEPEvaluationManual/tabid/2314/language/en-US/Default.aspx

[13] http://www.thegef.org/gef/sites/thegef.org/files/documents/TE_guidelines7-31.pdf

Project design documents; Annual Work Plans and Budgets or equivalent, revisions to the logical framework and project financing;
Project reports such as progress and financial reports from the executing partners to the Project Management Unit (PMU) and from the PMU to UNEP; Steering Group meeting minutes; annual Project Implementation Reviews and relevant correspondence;
Documentation related to project outputs;
Relevant material published, e.g. in journals, books, at conferences or on the project web-site;
Notes from the Steering Committee meetings.

Interviews with:

UNEP Task Manager and Fund Management Officer and other relevant staff in UNEP related activities as necessary;
Interviews with project management and technical support including the current project team based in Chiapas and national partners, including the watershed committees and Steering Committee members;
Stakeholders involved with this project, including NGOs, regional and international organizations and institutes in the Mexico and regions relevant staff of GEF Secretariat;
Local ejidatarios who were intended beneficiaries of increased access to PES schemes;
Representatives of donor agencies and other organisations (if deemed necessary by the consultant).

Country visits. The evaluation consultant will travel to the region to interview local stakeholders and the project team.

Key Evaluation principles

Evaluation findings and judgements should be based on **sound evidence and analysis**, clearly documented in the evaluation report. Information will be triangulated (i.e. verified from different sources) to the extent possible, and when verification is not possible, the single source will be mentioned. Analysis leading to evaluative judgements should always be clearly spelled out.

The evaluation will assess the project with respect to **a minimum set of evaluation criteria** grouped in six categories: (1) Strategic Relevance; (2) Attainment of objectives and planned result, which comprises the assessment of outputs achieved, effectiveness and likelihood of impact; (3) Sustainability and replication; (4) Efficiency; (5) Factors and processes affecting project performance, including preparation and readiness, implementation and management, stakeholder participation and public awareness, country ownership and driven-ness, financial planning and management, UNEP supervision and backstopping, and project monitoring and evaluation; and (6) Complementarity with the UNEP strategies and programmes. The evaluation consultants can propose other evaluation criteria as deemed appropriate.

Ratings. All evaluation criteria will be rated on a six-point scale. However, complementarity of the project with the UNEP strategies and programmes is not rated. Annex 3 provides detailed guidance on how the different criteria should be rated and how ratings should be aggregated for the different evaluation criterion categories.

In attempting to attribute any outcomes and impacts to the project, the evaluators should consider the difference between *what has happened with and what would have happened without the project*. This implies that there should be consideration of the baseline conditions and trends in relation to the intended project outcomes and impacts. This also means that there should be plausible evidence to attribute such outcomes and impacts to the actions of the project. Sometimes, adequate information on baseline conditions and trends is lacking. In such cases this should be clearly highlighted by the evaluators, along with any simplifying assumptions that were taken to enable the evaluator to make informed judgements about project performance.

As this is a terminal evaluation, particular attention should be given to learning from the experience. Therefore, the "*Why?*" question should be at front of the consultants' minds all through the evaluation exercise. This means that the consultants needs to go beyond the assessment of "*what*" the project performance was, and make a serious effort to provide a deeper understanding of "*why*" the performance was as it was, i.e. of processes affecting attainment of project results (criteria under category 3). This should provide the basis for the lessons that can be drawn from the project. In fact, the usefulness of the evaluation will be determined to a large extent by the capacity of the consultants to explain "*why things happened*" as they happened and are likely to evolve in this or that direction, which goes well beyond the mere review of "*where things stand*" today.

Evaluation criteria

Strategic relevance

The evaluation will assess, in retrospect, whether the project's objectives and implementation strategies were consistent with: i) Sub-regional environmental issues and needs; ii) the UNEP mandate and policies at the time of design and implementation; and iii) the GEF Ecosystem Management focal area, strategic priorities and operational programme(s).

The evaluation will also assess whether the project objectives were realistic, given the time and budget allocated to the project, the baseline situation and the institutional context in which the project was to operate.

Achievement of Outputs

The evaluation will assess, for each component, the project's success in producing the programmed results as presented in Table 2 above, both in quantity and quality, as well as their usefulness and timeliness. Briefly explain the degree of success of the project in achieving its different outputs, cross-referencing as needed to more detailed explanations provided under Section F (which covers the processes affecting attainment of project objectives). The achievements under the regional and national demonstration projects will receive particular attention.

Effectiveness: Attainment of Objectives and Planned Results

The evaluation will assess the extent to which the project's objectives were effectively achieved or are expected to be achieved.

The evaluation will reconstruct the Theory of Change (ToC) of the project based on a review of project documentation and stakeholder interviews. The ToC of a project depicts the causal pathways from project outputs (goods and services delivered by the project) over outcomes (changes resulting from the use made by key stakeholders of project outputs) towards impact (changes in environmental benefits and living conditions). The ToC will also depict any intermediate changes required between project outcomes and impact, called intermediate states. The ToC further defines the external factors that influence change along the pathways, whether one result can lead to the next. These external factors are either drivers (when the project has a certain level of control) or assumptions (when the project has no control).

The assessment of effectiveness will be structured in three sub-sections:

(b) Evaluation of the **achievement of direct outcomes as defined in the reconstructed ToC**. These are the first-level outcomes expected to be achieved as an immediate result of project outputs.

Assessment of the **likelihood of impact** using a *Review of Outcomes to Impacts* (ROtI) approach as summarized in Annex 8 of the TORs. Appreciate to what extent the project has to date contributed, and is likely in the future to further contribute to changes in stakeholder

behaviour as a result of the project's direct outcomes, and the likelihood of those changes in turn leading to changes in the natural resource base, benefits derived from the environment and human living conditions.

Evaluation of the **achievement of the formal project overall objective, overall purpose, goals and component outcomes** using the project's own results statements as presented in original logframe and any later versions of the logframe. This sub-section will refer back where applicable to sub-sections (a) and (b) to avoid repetition in the report. To measure achievement, the evaluation will use as much as appropriate the indicators for achievement proposed in the Logical Framework Matrix (Logframe) of the project, adding other relevant indicators as appropriate. Briefly explain what factors affected the project's success in achieving its objectives, cross-referencing as needed to more detailed explanations provided under Section F.

There is an effectiveness question of specific interest which the evaluation should consider:

To what extent has the project built on the initial achievements to obtain its overall objective through on-the-ground, measurable interventions planned for 2013/2014?

Sustainability and replication

Sustainability is understood as the probability of continued long-term project-derived results and impacts after the external project funding and assistance ends. The evaluation will identify and assess the key conditions or factors that are likely to undermine or contribute to the persistence of benefits. Some of these factors might be direct results of the project while others will include contextual circumstances or developments that are not under control of the project but that may condition sustainability of benefits. The evaluation should ascertain to what extent follow-up work has been initiated and how project results will be sustained and enhanced over time. The reconstructed ToC will assist in the evaluation of sustainability.

Four aspects of sustainability will be addressed:

a) *Socio-political sustainability.* Are there any social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts? Is the level of ownership by the main national and regional stakeholders sufficient to allow for the project results to be sustained? Are there sufficient government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project? The MTE observed it seemed necessary to build stronger partnership with local partners and to raise the profile of the project at national level. A specific question would therefore address the extent to which the project was successful in ensuring long-term ownership.

b) *Financial resources.* To what extent are the continuation of project results and the eventual impact of the project dependent on continued financial support? What is the likelihood that adequate financial resources[14] will be or will become available to implement the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project? Are there any financial risks that may jeopardize sustenance of project results and onward progress towards impact?

c) *Institutional framework.* To what extent is the sustenance of the results and onward progress towards impact dependent on issues relating to institutional frameworks and governance? How robust are the institutional achievements such as governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. required to sustaining project results and to lead those to impact on human behaviour and environmental resources?

[14] Those resources can be from multiple sources, such as the public and private sectors, income generating activities, other development projects etc.

d) *Environmental sustainability.* Are there any environmental factors, positive or negative, that can influence the future flow of project benefits? Are there any project outputs or higher level results that are likely to affect the environment, which, in turn, might affect sustainability of project benefits? Are there any foreseeable negative environmental impacts that may occur as the project results are being up-scaled?

Catalytic role and replication. The *catalytic role* of GEF-funded interventions is embodied in their approach of supporting the creation of an enabling environment and of investing in pilot activities which are innovative and showing how new approaches can work. UNEP and the GEF also aim to support activities that upscale new approaches to a national, regional or global level, with a view to achieve sustainable global environmental benefits. The evaluation will assess the catalytic role played by this project, namely to what extent the project has:

(c) *catalyzed behavioural changes* in terms of use and application by the relevant stakeholders of: i) technologies and approaches show-cased by the demonstration projects; ii) strategic programmes and plans developed; and iii) assessment, monitoring and management systems established at national and regional level;

provided *incentives* (social, economic, market based, competencies etc.) to contribute to catalyzing changes in stakeholder behaviour;

contributed to *institutional changes.* An important aspect of the catalytic role of the project is its contribution to institutional uptake or mainstreaming of project-piloted approaches in the regional and national demonstration projects;

contributed to *policy changes* (on paper and in implementation of policy);

contributed to sustained follow-on financing (*catalytic financing*) from Governments, the GEF or other donors;

created opportunities for particular individuals or institutions ("*champions*") to catalyze change (without which the project would not have achieved all of its results).

Replication, in the context of GEF projects, is defined as lessons and experiences coming out of the project that are replicated (experiences are repeated and lessons applied in different geographic areas) or scaled up (experiences are repeated and lessons applied in the same geographic area but on a much larger scale and funded by other sources). The evaluation will assess the approach adopted by the project to promote replication effects and appreciate to what extent actual replication has already occurred or is likely to occur in the near future. What are the factors that may influence replication and scaling up of project experiences and lessons?

Efficiency

The evaluation will assess the cost-effectiveness and timeliness of project execution. It will describe any cost- or time-saving measures put in place in attempting to bring the project as far as possible in achieving its results within its programmed budget and (extended) time. It will also analyse how delays, if any, have affected project execution, costs and effectiveness. Wherever possible, costs and time over results ratios of the project will be compared with that of other similar interventions. The evaluation will give special attention to efforts by the project teams to make use of/build upon pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other initiatives, programmes and projects etc. to increase project efficiency all within the context of project execution.

The MTR noted that the project was initially plagued by several delays. Consequently, initial consultancies were slow at starting and providing key outputs, such as baseline information. However, by the time of this MTR, the project has gone through a major budget revision that has enabled it to recuperate and progress substantially toward its objective in a more cost-effective and cost-efficient manner. The terminal evaluation should assess whether the initial delays resulted or not in any negative impact on the achievement of the project outcomes.

Factors and processes affecting project performance

Preparation and readiness. This criterion focusses on the quality of project design and preparation. Were project stakeholders[15] adequately identified? Were the project's objectives and components clear, practicable and feasible within its timeframe? Were the capacities of executing agencies properly considered when the project was designed? Was the project document clear and realistic to enable effective and efficient implementation? Were the partnership arrangements properly identified and the roles and responsibilities negotiated prior to project implementation? Were counterpart resources (funding, staff, and facilities) and enabling legislation assured? Were adequate project management arrangements in place? Were lessons from other relevant projects properly incorporated in the project design? What factors influenced the quality-at-entry of the project design, choice of partners, allocation of financial resources etc.? Were GEF environmental and social safeguards considered when the project was designed[16]?

Project implementation and management. This includes an analysis of implementation approaches used by the project, its management framework, the project's adaptation to changing conditions (adaptive management), the performance of the implementation arrangements and partnerships, relevance of changes in project design, and overall performance of project management. The evaluation will:

(d) Ascertain to what extent the project implementation mechanisms outlined in the project document have been followed and were effective in delivering project outputs and outcomes. Were pertinent adaptations made to the approaches originally proposed?

Evaluate the effectiveness and efficiency of project management by CI and how well the management was able to adapt to changes during the life of the project.

Assess the role and performance of the units and committees established and the project execution arrangements at all levels.

Assess the extent to which project management as well as national partners responded to direction and guidance provided by the Steering Committees and UNEP supervision recommendations.

Identify operational and political / institutional problems and constraints that influenced the effective implementation of the project, and how the project partners tried to overcome these problems. How did the relationship between the project management team (CI) and the local partners develop?

Assess the extent to which MTR recommendations were followed in a timely manner.

Assess the extent to which the project implementation met GEF environmental and social safeguards requirements.

Stakeholder participation and public awareness. The term stakeholder should be considered in the broadest sense, encompassing project partners, government institutions, private interest groups, local communities etc. The TOC analysis should assist the evaluators in identifying the key stakeholders and their respective roles, capabilities and motivations in each step of the causal pathway from activities to achievement of outputs and outcomes to impact. The assessment will look at three related and often overlapping processes: (1) information dissemination between stakeholders, (2) consultation between stakeholders, and (3) active engagement of stakeholders in project decision making and activities. The evaluation will specifically assess:

(e) the approach(es) used to identify and engage stakeholders in project design and implementation. What were the strengths and weaknesses of these approaches with respect to the project's objectives and the stakeholders' motivations and capacities? What was the achieved degree and effectiveness of collaboration and interactions between the various project partners and stakeholders during design and implementation of the project?

[15] Stakeholders are the individuals, groups, institutions, or other bodies that have an interest or stake in the outcome of the project. The term also applies to those potentially adversely affected by the project.

[16] http://www.thegef.org/gef/node/4562

the degree and effectiveness of any public awareness activities that were undertaken during the course of implementation of the project; or that are built into the assessment methods so that public awareness can be raised at the time the assessments will be conducted;

how the results of the project (strategic programmes and plans, monitoring and management systems, sub-regional agreements etc.) promote participation of stakeholders in decision making.

Country ownership and driven-ness. The evaluation will assess the performance of national partners involved in the project, as relevant:

(f) In how far have the national partners assumed responsibility for the project and provided adequate support to project execution, including the degree of cooperation received from the various public institutions involved in the project and the timeliness of provision of counter-part funding to project activities?

To what extent has the national and regional political and institutional framework been conducive to project performance?

How responsive were the national partners to CI coordination and guidance, and to UNEP supervision?

Financial planning and management. Evaluation of financial planning requires assessment of the quality and effectiveness of financial planning and control of financial resources throughout the project's lifetime. The assessment will look at actual project costs by activities compared to budget (variances), financial management (including disbursement issues), and co-financing. The evaluation will:

(g) Verify the application of proper standards (clarity, transparency, audit etc.) and timeliness of financial planning, management and reporting to ensure that sufficient and timely financial resources were available to the project and its partners;

(h) Appreciate other administrative processes such as recruitment of staff, procurement of goods and services (including consultants), preparation and negotiation of cooperation agreements etc. to the extent that these might have influenced project performance;

Present to what extent co-financing has materialized as expected at project approval (see Table 1, 4 and 5). Report country co-financing to the project overall, and to support project activities at the national level in particular. The evaluation will provide a breakdown of final actual costs and co-financing for the different project components (see tables in Annex 4).

Describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective. Leveraged resources are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in-kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector.

Analyse the effects on project performance of irregularities (if any) in procurement, use of financial resources and human resource management, and the measures taken by CI or UNEP to prevent such irregularities in the future. Appreciate whether the measures taken were adequate.

UNEP supervision and backstopping. The purpose of supervision is to verify the quality and timeliness of project execution in terms of finances, administration and achievement of outputs and outcomes, in order to identify and recommend ways to deal with problems which arise during project execution. Such problems may be related to project management but may also involve technical/institutional substantive issues in which UNEP has a major contribution to make. The evaluators should assess the effectiveness of supervision and administrative and financial support provided by UNEP including:

(i) The adequacy of project supervision plans, inputs and processes;

The emphasis given to outcome monitoring (results-based project management);

The realism and candour of project reporting and ratings (i.e. are PIR ratings an accurate reflection of the project realities and risks);

The quality of documentation of project supervision activities; and
Financial, administrative and other fiduciary aspects of project implementation supervision.

Monitoring and evaluation. The evaluation will include an assessment of the quality, application and effectiveness of project monitoring and evaluation plans and tools, including an assessment of risk management based on the assumptions and risks identified in the project document. The evaluation will appreciate how information generated by the M&E system during project implementation was used to adapt and improve project execution, achievement of outcomes and ensuring sustainability. M&E is assessed on three levels:

(j) *M&E Design*. Projects should have sound M&E plans to monitor results and track progress towards achieving project objectives. An M&E plan should include a baseline (including data, methodology, etc.), SMART indicators and data analysis systems, and evaluation studies at specific times to assess results. The time frame for various M&E activities and standards for outputs should have been specified. The evaluators should use the following questions to help assess the M&E design aspects:

Quality of the project logframe (original and possible updates) as a planning and monitoring instrument; analyse, compare and verify correspondence between the original logframe in the Project Document, possible revised logframes and the logframe used in Project Implementation Review reports to report progress towards achieving project objectives;

SMART-ness of indicators: Are there specific indicators in the logframe for each of the project objectives? Are the indicators measurable, attainable (realistic) and relevant to the objectives? Are the indicators time-bound?

Adequacy of baseline information: To what extent has baseline information on performance indicators been collected and presented in a clear manner? Was the methodology for the baseline data collection explicit and reliable?

Arrangements for monitoring: Have the responsibilities for M&E activities been clearly defined? Were the data sources and data collection instruments appropriate? Was the frequency of various monitoring activities specified and adequate? In how far were project users involved in monitoring?

Arrangements for evaluation: Have specific targets been specified for project outputs? Has the desired level of achievement been specified for all indicators of objectives and outcomes? Were there adequate provisions in the legal instruments binding project partners to fully collaborate in evaluations?

Budgeting and funding for M&E activities: Determine whether support for M&E was budgeted adequately and was funded in a timely fashion during implementation.

M&E Plan Implementation. The evaluation will verify that:

the M&E system was operational and facilitated timely tracking of results and progress towards projects objectives throughout the project implementation period;

annual project reports and Progress Implementation Review (PIR) reports were complete, accurate and with well justified ratings;

the information provided by the M&E system was used during the project to improve project performance and to adapt to changing needs.

Use of GEF Tracking Tools. These are portfolio monitoring tools intended to roll up indicators from the individual project level to the portfolio level and track overall portfolio performance in focal areas. Each focal area has developed its own tracking tool[17] to meet its unique needs. Agencies are requested to fill out at CEO Endorsement (or CEO approval for MSPs) and submit these tools again for projects at mid-term and project completion. The evaluation will verify

[17] http://www.thegef.org/gef/tracking_tools

whether UNEP has duly completed the relevant tracking tool for this project, and whether the information provided is accurate.

Complementarities with UNEP strategies and programmes

UNEP aims to undertake GEF funded projects that are aligned with its own strategies. The evaluation should present a brief narrative on the following issues:

(k) *Linkage to UNEP's Expected Accomplishments and POW 2010-2011 and 2012-2013.* The UNEP MTS specifies desired results in six thematic focal areas. The desired results are termed Expected Accomplishments. Using the completed ToC/ROtI analysis, the evaluation should comment on whether the project makes a tangible contribution to any of the Expected Accomplishments specified in the UNEP MTS. The magnitude and extent of any contributions and the causal linkages should be fully described. Whilst it is recognised that UNEP GEF projects designed prior to the production of the UNEP Medium Term Strategy 2010-2013 (MTS)[18] would not necessarily be aligned with the Expected Accomplishments articulated in those documents, complementarities may still exist and it is still useful to know whether these projects remain aligned to the current MTS.

Alignment with the Bali Strategic Plan (BSP)[19]. The outcomes and achievements of the project should be briefly discussed in relation to the objectives of the UNEP BSP.

Gender. Ascertain to what extent project design, implementation and monitoring have taken into consideration: (i) possible gender inequalities in access to and the control over natural resources; (ii) specific vulnerabilities of women and children to environmental degradation or disasters; and (iii) the role of women in mitigating or adapting to environmental changes and engaging in environmental protection and rehabilitation. Appreciate whether the intervention is likely to have any lasting differential impacts on gender equality and the relationship between women and the environment. To what extent do unresolved gender inequalities affect sustainability of project benefits?

South-South Cooperation. This is regarded as the exchange of resources, technology, and knowledge between developing countries. Briefly describe any aspects of the project that could be considered as examples of South-South Cooperation.

The Consultants' Team

For this evaluation, the evaluation team will consist of one consultant. The consultant should have experience in project evaluation. A Master's degree or higher in the area of environmental sciences or a related field and at least 10 years' experience in environmental management, with a preference for specific expertise in the areas of biodiversity and ecosystem services conservation, particularly through PES schemes, is required. Highly desirable would be prior experience in PES at watershed and sub-watershed level and a working knowledge of the Spanish language.

By undersigning the service contract with UNEP/UNON, the consultant certifies that they have not been associated with the design and implementation of the project in any way which may jeopardize their independence and impartiality towards project achievements and project partner performance. In addition, they will not have any future interests (within six months after completion of the contract) with the project's executing or implementing units.

[18] http://www.unep.org/PDF/FinalMTSGCSS-X-8.pdf
[19] http://www.unep.org/GC/GC23/documents/GC23-6-add-1.pdf

Evaluation Deliverables and Review Procedures

The evaluation consultant will prepare an **inception report** (see Annex 2(a) of TORs for Inception Report outline) containing a thorough review of the project context, project design quality, a draft reconstructed Theory of Change of the project, the evaluation framework and a tentative evaluation schedule.

The review of design quality will cover the following aspects (see Annex 9 for the detailed project design assessment matrix):

Strategic relevance of the project
Preparation and readiness (see paragraph 25);
Financial planning (see paragraph 30);
M&E design (see paragraph 33(a));
Complementarities with UNEP strategies and programmes (see paragraph 34);
Sustainability considerations and measures planned to promote replication and upscaling (see paragraph 23).

The inception report will also present a draft, desk-based reconstructed Theory of Change of the project. It is vital to reconstruct the ToC *before* most of the data collection (review of reports, in-depth interviews, observations on the ground etc.) is done, because the ToC will define which direct outcomes, drivers and assumptions of the project need to be assessed and measured to allow adequate data collection for the evaluation of project effectiveness, likelihood of impact and sustainability.

The evaluation framework will present in further detail the evaluation questions under each criterion with their respective indicators and data sources. The evaluation framework should summarize the information available from project documentation against each of the main evaluation parameters. Any gaps in information should be identified and methods for additional data collection, verification and analysis should be specified.

The inception report will also present a tentative schedule for the overall evaluation process, including a draft programme for the country visit and tentative list of people/institutions to be interviewed.

The inception report will be submitted for review and approval by the Evaluation Office before the consultant travels to the project site.

The main evaluation report should be brief (no longer than 35 pages – excluding the executive summary and annexes), to the point and written in plain English. The evaluation team will deliver a high quality report in English by the end of the assignment. The team will also provide the executive summary and the conclusions, lessons learned and recommendations section in Spanish. The report will follow the annotated Table of Contents outlined in Annex 1. It must explain the purpose of the evaluation, exactly what was evaluated and the methods used (with their limitations). The report will present evidence-based and balanced findings, consequent conclusions, lessons and recommendations, which will be cross-referenced to each other. The report should be presented in a way that makes the information accessible and comprehensible. Any dissident views in response to evaluation findings will be appended in footnote or annex as appropriate. To avoid repetitions in the report, the authors will use numbered paragraphs and make cross-references where possible.

Review of the draft evaluation report. The evaluation team will submit the zero draft report latest two weeks after completing the field visit to the UNEP EO and revise the draft following the comments and suggestions made by the EO. Once a draft of adequate quality has been accepted, the EO will share this first draft report with the UNEP Task Manager, who will ensure that the report does not contain any blatant factual errors. The UNEP Task Manager will then forward the first draft report to the other project stakeholders, in particular CI and the national partners for review and comments. Stakeholders may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. It is also very important that stakeholders provide feedback on the proposed recommendations and lessons. Comments would be expected within two weeks after the draft report has been shared. Any comments or

responses to the draft report will be sent to the UNEP EO for collation. The EO will provide the comments to the evaluation team for consideration in preparing the final draft report.

The evaluation consultant will submit the final draft report no later than 2 weeks after reception of stakeholder comments. The consultant will prepare a **response to comments**, listing those comments not or only partially accepted by them that could therefore not or only partially be accommodated in the final report. They will explain why those comments have not or only partially been accepted, providing evidence as required. This response to comments will be shared by the EO with the interested stakeholders to ensure full transparency.

Submission of the final Terminal Evaluation report. The final report shall be submitted by Email to the Head of the Evaluation Office, who will share the report with the Director, UNEP/GEF Coordination Office and the UNEP/DEPI Task Manager. The Evaluation Office will also transmit the final report to the GEF Evaluation Office.

The final evaluation report will be published on the UNEP Evaluation Office web-site www.unep.org/eou. Subsequently, the report will be sent to the GEF Office of Evaluation for their review, appraisal and inclusion on the GEF website.

As per usual practice, the UNEP EO will prepare a **quality assessment** of the first draft and final draft report, which is a tool for providing structured feedback to the evaluation consultants. The quality of the report will be assessed and rated against the criteria specified in Annex 4.

The UNEP Evaluation Office will assess the ratings in the final evaluation report based on a careful review of the evidence collated by the evaluation consultant and the internal consistency of the report. Where there are differences of opinion between the evaluator and UNEP Evaluation Office on project ratings, both viewpoints will be clearly presented in the final report. The UNEP Evaluation Office ratings are the final ratings that will be submitted to the GEF Office of Evaluation.

Logistical arrangement

This Terminal Evaluation will be undertaken by an independent evaluation consultant contracted by the UNEP Evaluation Office. The consultant will work under the overall responsibility of the UNEP Evaluation Office and will consult with the EO on any procedural and methodological matters related to the evaluation. It is, however, the consultants' individual responsibility to arrange for their travel, visa, obtain documentary evidence, plan meetings with stakeholders, organize field visits (if any), and any other logistical matters related to the assignment. The UNEP Task Manager and CI will, where possible, provide logistical support (introductions, meetings, transport etc.) for the country visit, allowing the consultants to conduct the evaluation as efficiently and independently as possible.

Schedule of the evaluation (tentative)

Activity	Date (s)
Start of the evaluation	7 July 2014
Inception report	21 July 2014
Comments from Evaluation Office	28 July 2014
Field visits	4 – 8 August 2014
Zero Draft report	22 August 2014
Comments from Evaluation Office	29 August 2014
First draft report	5 September 2014
Comments from stakeholders	19 September 2014
Final report	3 October 2014

The consultant will be hired under an individual Special Service Agreement (SSA). There are two options for contract and payment: lumpsum or "fees only".

Lumpsum: The contract covers both fees and expenses such as travel, per diem (DSA) and incidental expenses which are estimated in advance. The consultants will receive an initial payment covering estimated expenses upon signature of the contract.

Fee only: The contract stipulates consultant fees only. Air tickets will be purchased by UNEP and 75% of the DSA for each authorised travel mission will be paid up front. Local in-country travel and communication costs will be reimbursed on the production of acceptable receipts. Terminal expenses and residual DSA entitlements (25%) will be paid after mission completion.

The payment schedule for both consultants will be linked to the acceptance of the key evaluation deliverables by the Evaluation Office:

Final inception report:	20 percent of agreed total fee
First draft main evaluation report:	40 percent of agreed total fee
Final main evaluation report:	40 percent of agreed total fee

In case the consultants are not able to provide the deliverables in accordance with these TORs, in line with the expected quality standards by the UNEP Evaluation Office, payment may be withheld at the discretion of the Head of the Evaluation Office until the consultants have improved the deliverables to meet UNEP's quality standards.

If the consultants fail to submit a satisfactory final product to UNEP in a timely manner, i.e. within one month after the end date of their contract, the Evaluation Office reserves the right to employ additional human resources to finalize the report, and to reduce the consultants' fees by an amount equal to the additional costs borne by the Evaluation Office to bring the report up to standard.

Submission of the final evaluation report:

The final report shall be submitted by email to:

Mr. Michael Spilsbury, Chief
UNEP Evaluation Office
Email: michael.spilsbury@unep.org

The Head of Evaluation will share the report with the following persons:

Brennan Van Dyke
Director
UNEP/ GEF Coordination Office
Email: brennan.vandyke@unep.org

Robert Erath
Task Manager – GEF
Biodiversity and Land Degradation
United Nations Environment Programme (UNEP) - Panama
Email: robert.erath@unep.org

Shakira Khawaja
Fund Management Officer
Division of Environmental Policy Implementation
United Nations Environment Programme (UNEP) - Nairobi
Email: Shakira.Khawaja@unep.org

The final evaluation report will be published on the UNEP Evaluation Office web-site **www.unep.org/eou** and may be printed in hard copy.

Annex 1. Annotated Table of Contents of the main evaluation deliverables

INCEPTION REPORT

Section	Notes	Data Sources	Max. number of pages
1. Introduction	Brief introduction to the project and evaluation.		1
2. Project background	Summarise the project context and rationale. How has the context of the project changed since project design?	Background information on context	3
3. Review of project design	Summary of project design strengths and weaknesses. Complete the Template for assessment of the quality of project design (Annex of the Terms of Reference).	Project document and revisions, MTE/MTR if any.	2 + completed matrix in annex of the inception report
4. Reconstructed Theory of Change	The Theory of Change should be reconstructed, based on project documentation. It shoudl be presented with one or more diagrams and explained with a narrative.	Project document narrative, logical framework and budget tables. Other project related documents.	2 pages of narrative + diagram(s)
5. Evaluation framework	The evaluation framework will contain: • Detailed evaluation questions (including new questions raised by review of project design and ToC analysis) and indicators • Data Sources It will be presented as a matrix, showing questions, indicators and data sources.	Review of all project documents.	5
6. Evaluation schedule	- Revised timeline for the overall evaluation (dates of travel and key evaluation milestones) - Tentative programme for the country visit	Discussion with project team on logistics.	2
7. Distribution of responsibilities among within the evaluation team	Distribution of roles and responsibilities among evaluation consultants (may be expanded in Annex)		1
6. Annexes	A- Completed matrix of the overall quality of project design B- List of individuals and documents consulted for the inception report C- List of documents and individuals to be consulted during the main evaluation phase		

MAIN REPORT

Project Identification Table	An updated version of the Table 1 (page 1) of these TORs
Executive Summary	Overview of the main findings, conclusions and recommendations of the evaluation. It should encapsulate the essence of the information contained in the report to facilitate dissemination and distillation of lessons. The main points for each evaluation parameter should be presented here (with a summary ratings table), as well as the most important lessons and recommendations. Maximum 4 pages.
I. Introduction	A very brief introduction, mentioning the name of evaluation and project, project duration, cost, implementing partners and objectives of the evaluation.
II. The Evaluation	Objectives, approach and limitations of the evaluation
III. The Project	
A. Context	Overview of the broader institutional and country context, in relation to the project's objectives, including changes during project implementation
B. Objectives and components	
C. Target areas/groups	
D. Milestones/key dates in project design and implementation	
E. Implementation arrangements	
F. Project financing	Estimated costs and funding sources
G. Project partners	
H. Changes in design during implementation	
I. Reconstructed Theory of Change of the project	
IV. Evaluation Findings	
A. Strategic relevance	This chapter is organized according to the evaluation criteria presented in section II.4 of the TORs and provides factual evidence relevant to the questions asked and sound analysis and interpretations of such evidence. This is the main substantive section of the report. Ratings are provided at the end of the assessment of each evaluation criterion.
B. Achievement of outputs	
C. Effectiveness: Attainment of project objectives and results i. Direct outcomes from reconstructed TOC ii. Likelihood of impact using RoTI and based on reconstructed TOC iii. Achievement of project goal and planned objectives	
D. Sustainability and replication	
E. Efficiency	
F. Factors affecting performance	
G. Complementarity with UNEP strategies and programmes	
V. Conclusions and Recommendations	

A. Conclusions	This section should summarize the main conclusions of the evaluation, told in a logical sequence from cause to effect. It is suggested to start with the positive achievements and a short explanation why these could be achieved, and, then, to present the less successful aspects of the project with a short explanation why. The conclusions section should end with the overall assessment of the project. Avoid presenting an "executive summary"-style conclusions section. Conclusions should be cross-referenced to the main text of the report (using the paragraph numbering). The overall ratings table should be inserted here (see Annex 2).
B. Lessons Learned	Lessons learned should be anchored in the conclusions of the evaluation. In fact, no lessons should appear which are not based upon an explicit finding of the evaluation. Lessons learned are rooted in real project experiences, i.e. based on good practices and successes which could be replicated or derived from problems encountered and mistakes made which should be avoided in the future. Lessons learned must have the potential for wider application and use. Lessons should briefly describe the context from which they are derived and specify the contexts in which they may be useful.
C. Recommendations	As for the lessons learned, all recommendations should be anchored in the conclusions of the report, with proper cross-referencing. Recommendations are actionable proposals on how to resolve concrete problems affecting the project or the sustainability of its results. They should be feasible to implement within the timeframe and resources available (including local capacities), specific in terms of who would do what and when, and set a measurable performance target. In some cases, it might be useful to propose options, and briefly analyse the pros and cons of each option. It is suggested, for each recommendation, to first briefly summarize the finding it is based upon with cross-reference to the section in the main report where the finding is elaborated in more detail. The recommendation is then stated after this summary of the finding.
Annexes	These may include additional material deemed relevant by the evaluator but must include: 1. Response to stakeholder comments received but not (fully) accepted by the evaluators 2. Evaluation TORs (without annexes) 3. Evaluation program, containing the names of locations visited and the names (or functions) and contacts (Email) of people met 4. Bibliography 5. Summary co-finance information and a statement of project expenditure by activity (See annex of these TORs) 6. Brief CVs of the consultants

Important note on report formatting

Reports should be submitted in Microsoft Word .doc or .docx format. Use of Styles (Headings etc.), page numbering and numbered paragraphs is compulsory from the very first draft report submitted.
Examples of UNEP GEF Terminal Evaluation Reports are available at www.unep.org/eou.

Annex 2. Evaluation Ratings

The evaluation will provide individual ratings for the evaluation criteria described in section II.4 of these TORs.

Most criteria will be rated on a six-point scale as follows: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU). Sustainability is rated from Highly Likely (HL) down to Highly Unlikely (HU).

In the conclusions section of the report, ratings will be presented together in a table, with a brief justification cross-referenced to the findings in the main body of the report.

Criterion	Summary Assessment	Rating
A. Strategic relevance		HS → HU
B. Achievement of outputs		HS → HU
C. Effectiveness: Attainment of project objectives and results		HS → HU
1. Achievement of direct outcomes		HS → HU
2. Likelihood of impact		HS → HU
3. Achievement of project goal and planned objectives		HS → HU
D. Sustainability and replication		HL → HU
1. Financial		HL → HU
2. Socio-political		HL → HU
3. Institutional framework		HL → HU
4. Environmental		HL → HU
5. Catalytic role and replication		HS → HU
E. Efficiency		HS → HU
F. Factors affecting project performance		
1. Preparation and readiness		HS → HU
2. Project implementation and management		HS → HU
3. Stakeholders participation and public awareness		HS → HU
4. Country ownership and driven-ness		HS → HU
5. Financial planning and management		HS → HU
6. UNEP supervision and backstopping		HS → HU
7. Monitoring and evaluation		HS → HU
a. M&E Design		HS → HU
b. Budgeting and funding for M&E activities		HS → HU
c. M&E pPlan Implementation		HS → HU
Overall project rating		HS → HU

Overall project rating. The overall project rating should consider parameters 'A-E' as being the most important with 'C' and 'D' in particular being very important.

Rating for effectiveness: Attainment of project objectives and results. An aggregated rating will be provided for the achievement of direct outcomes as determined in the reconstructed Theory of Change of the project, the likelihood of impact and the achievement of the formal project goal and objectives. This

aggregated rating is not a simple average of the separate ratings given to the evaluation sub-criteria, but an overall judgement of project effectiveness by the consultants.

Highly Satisfactory (HS): The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Satisfactory (S): The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Satisfactory (MS): The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Unsatisfactory (MU): The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Unsatisfactory (U) The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Highly Unsatisfactory (HU): The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Ratings on sustainability. According to the GEF Office of Evaluation, all the dimensions of sustainability are deemed critical. Therefore, the overall rating for sustainability will be the lowest rating on the separate dimensions.

On each of the dimensions of sustainability of the project outcomes will be rated as follows.

Highly Likely (HL): There are no risks affecting this dimension of sustainability.

Likely (L): There are very few risks affecting this dimension of sustainability.

Moderately Likely (ML): There are moderate risks that affect this dimension of sustainability.

Moderately Unlikely (MU): There are significant risks that affect this dimension of sustainability

Unlikely (U): There are severe risks that affect this dimension of sustainability.

Highly Unlikely (HU): There are very severe risks that affect this dimension of sustainability.

Ratings of monitoring and evaluation. The M&E system will be rated on M&E design, M&E plan implementation, and budgeting and funding for M&E activities (the latter sub-criterion is covered in the main report under M&E design). M&E plan implementation will be considered critical for the overall assessment of the M&E system. Thus, the overall rating for M&E will not be higher than the rating on M&E plan implementation.

Highly Satisfactory (HS): There were no shortcomings in the project M&E system.

Satisfactory(S): There were minor shortcomings in the project M&E system.

Moderately Satisfactory (MS): There were moderate shortcomings in the project M&E system.

Moderately Unsatisfactory (MU): There were significant shortcomings in the project M&E system.

Unsatisfactory (U): There were major shortcomings in the project M&E system.

Highly Unsatisfactory (HU): The Project had no M&E system.

Annex 3. Project costs and co-financing tables

Project Costs

Component/sub-component	Estimated cost at design	Actual Cost	Expenditure ratio (actual/planned)

Co-financing

Co financing (Type/Source)	IA own Financing (mill US$)		Government (mill US$)		Other* (mill US$)		Total (mill US$)		Total Disbursed (mill US$)
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	
– Grants									
– Loans									
– Credits									
– Equity investments									
– In-kind support									
– Other (*) - -									
Totals									

* This refers to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.

Annex 4. Quality Assessment of the Evaluation Report

All UNEP evaluation reports are subject to a quality assessment by the Evaluation Office. The quality assessment is used as a tool for providing structured feedback to the evaluation consultants. The quality of the draft evaluation report is assessed and rated against the following criteria:

Substantive report quality criteria	UNEP EO Comments	Draft Report Rating	Final Report Rating
A. Strategic relevance: *Does the report present a well-reasoned, complete and evidence-based assessment of strategic relevance of the intervention?*	Draft report: Final report:		
B. Achievement of outputs: *Does the report present a well-reasoned, complete and evidence-based assessment of outputs delivered by the intervention (including their quality)?*	Draft report: Final report:		
C. Presentation Theory of Change: Is the Theory of Change of the intervention clearly presented? Are causal pathways logical and complete (including drivers, assumptions and key actors)?	Draft report: Final report:		
D. Effectiveness - Attainment of project objectives and results: Does the report present a well-reasoned, complete and evidence-based assessment of the achievement of the relevant outcomes and project objectives?	Draft report: Final report:		
E. Sustainability and replication: Does the report present a well-reasoned and evidence-based assessment of sustainability of outcomes and replication / catalytic effects?	Draft report: Final report:		
F. Efficiency: Does the report present a well-reasoned, complete and evidence-based assessment of efficiency?	Draft report: Final report:		
G. Factors affecting project performance: Does the report present a well-reasoned, complete and evidence-based assessment of all factors affecting project performance? In particular, does the report include the actual project costs (total and per activity) and actual co-financing used; and an assessment of the quality of the project M&E system and its use for project management?	Draft report: Final report:		
H. Quality and utility of the recommendations: Are recommendations based on explicit evaluation findings? Do recommendations specify the actions necessary to correct existing conditions or improve operations ('who?' 'what?' 'where?' 'when?)'. Can they be implemented?	Draft report: Final report:		
I. Quality and utility of the lessons: Are lessons based on explicit evaluation findings? Do they suggest prescriptive action? Do they specify in which contexts they are applicable?	Draft report: Final report:		
Other report quality criteria			

J. Structure and clarity of the report: Does the report structure follow EO guidelines? Are all requested Annexes included?	Draft report: Final report:		
K. Evaluation methods and information sources: Are evaluation methods and information sources clearly described? Are data collection methods, the triangulation / verification approach, details of stakeholder consultations provided? Are the limitations of evaluation methods and information sources described?	Draft report: Final report:		
L. Quality of writing: Was the report well written? (clear English language and grammar)	Draft report: Final report:		
M. Report formatting: Does the report follow EO guidelines using headings, numbered paragraphs etc.	Draft report: Final report:		
	OVERALL REPORT QUALITY RATING	0.00	0.00

A number rating between 1 and 6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1.

Annex 5. Documentation list for the evaluation to be provided by the UNEP Task Manager

- Project design documents
- Project supervision plan, with associated budget
- Correspondence related to project
- Supervision mission reports
- Steering Committee meeting documents, including agendas, meeting minutes, and any summary reports
- Project progress reports, including financial reports submitted
- Cash advance requests documenting disbursements
- Annual Project Implementation Reports (PIRs)
- Management memos related to project
- Other documentation of supervision feedback on project outputs and processes (e.g. comments on draft progress reports, etc.).
- Project revision and extension documentation
- Updated implementation plan for the recommendations of the Mid-Term Evaluation
- Project Terminal Report (draft if final version not available)
- GEF Tracking Tool for the relevant focal area

Annex 6. Introduction to Theory of Change / Impact pathways, the ROtI Method and the ROtI Results Score sheet

Terminal evaluations of projects are conducted at, or shortly after, project completion. At this stage it is normally possible to assess the achievement of the project's outputs. However, the possibilities for evaluation of the project's outcomes are often more limited and the feasibility of assessing project **impacts** at this time is usually severely constrained. Full impacts often accrue only after considerable time-lags, and it is common for there to be a lack of long-term baseline and monitoring information to aid their evaluation. Consequently, substantial resources are often needed to support the extensive primary field data collection required for assessing impact and there are concomitant practical difficulties because project resources are seldom available to support the assessment of such impacts when they have accrued – often several years after completion of activities and closure of the project.

Despite these difficulties, it is possible to enhance the scope and depth of information available from Terminal Evaluations on the achievement of results through rigorous review of project progress along the pathways from outcome to impact. Such reviews identify the sequence of conditions and factors deemed necessary for project outcomes to yield impact and assess the current status of and future prospects for results. In evaluation literature these relationships can be variously described as 'Theories of Change', Impact 'Pathways', 'Results Chains', 'Intervention logic', and 'Causal Pathways' (to name only some!).

Theory of Change (ToC) / impact pathways

Figure 1 shows a generic impact pathway which links the standard elements of project logical frameworks in a graphical representation of causal linkages. When specified with more detail, for example including the key users of outputs, the processes (the arrows) that lead to outcomes and with details of performance indicators, analysis of impact pathways can be invaluable as a tool for both project planning and evaluation.

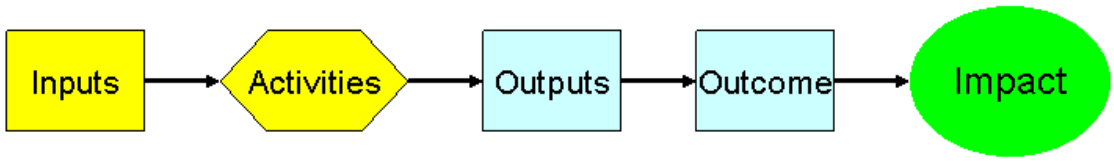


Figure 1. A generic results chain, which can also be termed an 'Impact Pathway' or Theory of Change.

The pathways summarise casual relationships and help identify or clarify the assumptions in the intervention logic of the project. For example, in the Figure 2 below the eventual impact depends upon the behaviour of the farmers in using the new agricultural techniques they have learnt from the training. The project design for the intervention might be based on the upper pathway assuming that the farmers can now meet their needs from more efficient management of a given area therefore reducing the need for an expansion of cultivated area and ultimately reducing pressure on nearby forest habitat, whereas the evidence gathered in the evaluation may in some locations follow the lower of the two pathways; the improved farming methods offer the possibility for increased profits and create an incentive for farmers to cultivate more land resulting in clearance or degradation of the nearby forest habitat.

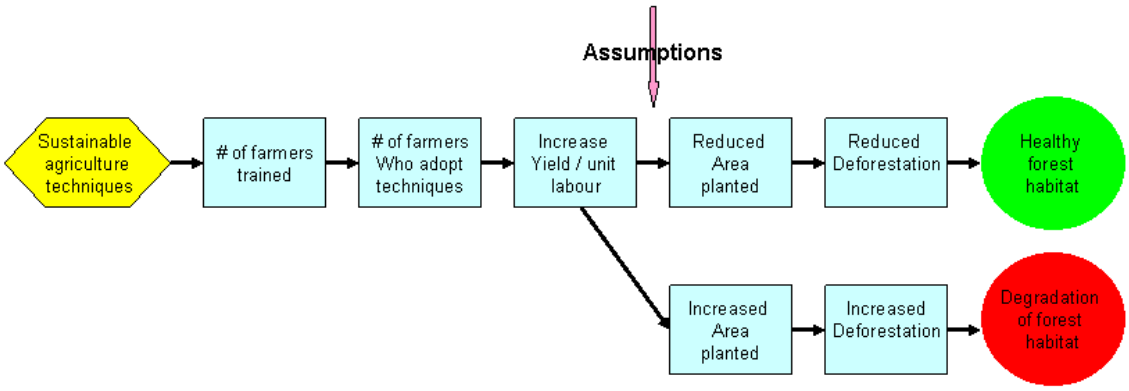


Figure 2. An impact pathway / TOC for a training intervention intended to aid forest conservation.

The GEF Evaluation Office has recently developed an approach to assess the **likelihood of impact** that builds on the concepts of Theory of Change / causal chains / impact pathways. The method is known as Review of Outcomes to Impacts (ROtI)[20] and has three distinct stages:

a. Identifying the project's intended impacts

b. Review of the project's logical framework

c. Analysis and modelling of the project's outcomes-impact pathways: reconstruction of the project's Theory of Change

The **identification of the projects intended impacts** should be possible from the 'objectives' statements specified in the official project document. The second stage is to **review the project's logical framework** to assess whether the design of the project is consistent with, and appropriate for, the delivery of the intended impact. The method requires verification of the causal logic between the different hierarchical levels of the logical framework moving 'backwards' from impacts through outcomes to the outputs; the activities level is not formally considered in the ROtI method[21]. The aim of this stage is to develop an understanding of the causal logic of the project intervention and to identify the key 'impact pathways'. In reality such processes are often complex: they might involve multiple actors and decision-processes and are subject to time-lags, meaning that project impact often accrues long after the completion of project activities.

The third stage involves analysis of the 'impact pathways' that link project outcomes to impacts. The pathways are analysed in terms of the **'assumptions'** and **'drivers'** that underpin the processes involved in the transformation of outputs to outcomes to impacts via **intermediate states** (see Figure 3). **Project outcomes** are the direct intended results stemming from the outputs, and they are likely to occur either towards the end of the project or in the short term following project completion. **Intermediate states** are the transitional conditions between the project's direct outcomes and the intended impact. They are necessary changes expected to occur as a result of the project outcomes, that are expected, in turn, to result into impact. There may be more than one intermediate state between the immediate project outcome and the eventual impact.

Drivers are defined as the significant, external factors that if present are expected to contribute to the realization of the intended impacts and **can be influenced** by the project / project partners & stakeholders. **Assumptions** are the significant external factors that if present are expected to contribute to the realization of the intended impacts but are largely **beyond the control of the project** / project partners & stakeholders.

[20] GEF Evaluation Office (2009). ROtI: Review of Outcomes to Impacts Practitioners Handbook. http://www.gefweb.org/uploadedFiles/Evaluation_Office/OPS4/Roti%20Practitioners%20Handbook%2015%20June%202009.pdf

[21] Evaluation of the efficiency and effectiveness in the use of resources to generate outputs is already a major focus within UNEP Terminal Evaluations.

The drivers and assumptions are considered when assessing the likelihood of impact, sustainability and replication potential of the project.

Since project logical frameworks do not often provide comprehensive information on the processes by which project outputs yield outcomes and eventually lead, via 'intermediate states' to impacts, the impact pathways need to be carefully examined and the following questions addressed:

- Are there other causal pathways that would stem from the use of project outputs by other potential user groups?
- Is (each) impact pathway complete? Are there any missing intermediate states between project outcomes and impacts?
- Have the key drivers and assumptions been identified for each 'step' in the impact pathway.

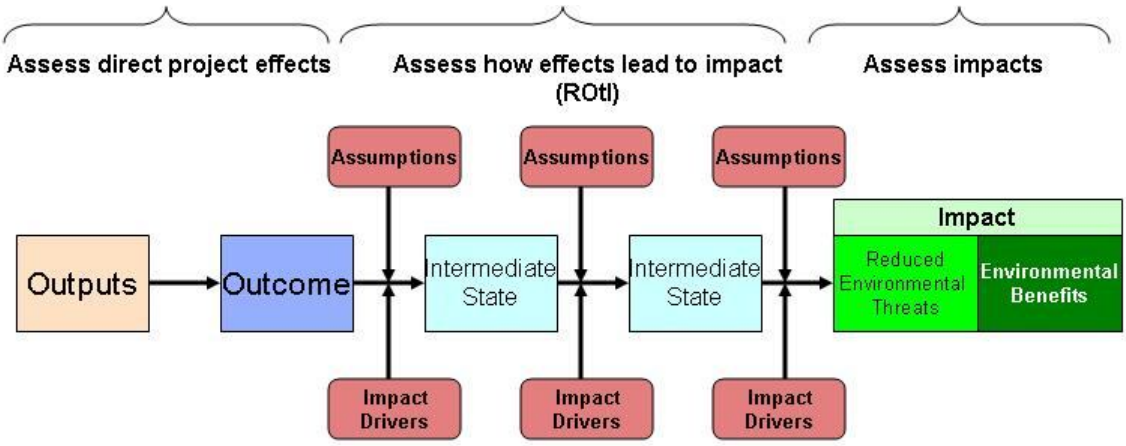


Figure 3. A schematic 'impact pathway' showing intermediate states, assumptions and impact drivers[22] (adapted from GEF EO 2009)

In ideal circumstances, the Theory of Change of the project is reconstructed by means of a group exercise, involving key project stakeholders. The evaluators then facilitate a collective discussion to develop a visual model of the impact pathways using cards and arrows taped on a wall. The component elements (outputs, outcomes, intermediate states, drivers, assumptions, intended impacts etc.) of the impact pathways are written on individual cards and arranged and discussed as a group activity. Figure 4 below shows the suggested sequence of the group discussions needed to develop the ToC for the project.

[22] The GEF frequently uses the term "impact drivers" to indicate drivers needed for outcomes to lead to impact. However, in UNEP it is preferred to use the more general term "drivers" because such external factors might also affect change processes occurring between outputs and outcomes.

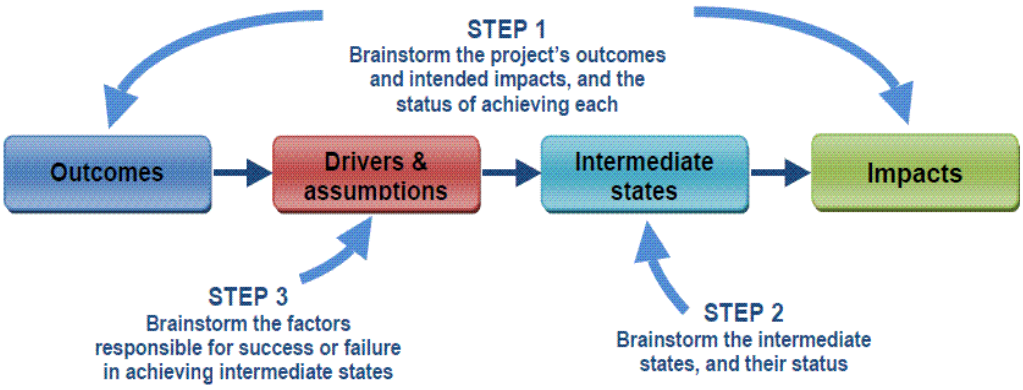


Figure 4. Suggested sequencing of group discussions (from GEF EO 2009)

In practice, there is seldom an opportunity for the evaluator to organise such a group exercise during the inception phase of the evaluation. The reconstruction of the project's Theory of Change can then be done in two stages. The evaluator first does a desk-based identification of the project's impact pathways, specifying the drivers and assumptions, during the inception phase of the evaluation, and then, during the main evaluation phase, (s)he discusses this understanding of the project logic during group discussions or the individual interviews with key project stakeholders.

Once the Theory of Change for the project is reconstructed, the evaluator can assess the design of the project intervention and collate evidence that will inform judgments on the extent and effectiveness of implementation, through the evaluation process. Performance judgments are made always noting that project contexts can change and that adaptive management is required during project implementation.

The Review of Outcomes towards Impact (ROtI) method requires ratings for outcomes achieved by the project and the progress made towards the 'intermediate states' at the time of the evaluation. According to the GEF guidance on the method; "*The rating system is intended to recognize project preparation and conceptualization that considers its own assumptions, and that seeks to remove barriers to future scaling up and out. Projects that are a part of a long-term process need not at all be "penalized" for not achieving impacts in the lifetime of the project: the system recognizes projects' forward thinking to eventual impacts, even if those impacts are eventually achieved by other partners and stakeholders, albeit with achievements based on present day, present project building blocks.*" For example, a project receiving an "AA" rating appears likely to deliver impacts, while for a project receiving a "DD" this would be very unlikely, due to low achievement in outcomes and the limited likelihood of achieving the intermediate states needed for eventual impact (see Table 1).

Table 1. Rating scale for outcomes and progress towards 'intermediate states'

Outcome Rating	**Rating on progress toward Intermediate States**
D: The project's intended outcomes were not delivered	D: No measures taken to move towards intermediate states.
C: The project's intended outcomes were delivered, but were not designed to feed into a continuing process after project funding	C: The measures designed to move towards intermediate states have started, but have not produced results.
B: The project's intended outcomes were delivered, and were designed to feed into a continuing process, but with no prior	B: The measures designed to move towards intermediate states have started and have produced results, which give no indication that they can progress towards the

allocation of responsibilities after project funding	intended long term impact.
A: The project's intended outcomes were delivered, and were designed to feed into a continuing process, with specific allocation of responsibilities after project funding.	A: The measures designed to move towards intermediate states have started and have produced results, which clearly indicate that they can progress towards the intended long term impact.

Thus a project will end up with a two letter rating e.g. AB, CD, BB etc. In addition the rating is given a '+' notation if there is evidence of impacts accruing within the life of the project. The possible rating permutations are then translated onto the usual six point rating scale used in all UNEP project evaluations in the following way.

Table 2. Shows how the ratings for 'achievement of outcomes' and 'progress towards intermediate states translate to ratings for the 'Overall likelihood of impact achievement' on a six point scale.

Highly Likely	Likely	Moderately Likely	Moderately Unlikely	Unlikely	Highly Unlikely
AA AB BA CA BB+ CB+ DA+ DB+	BB CB DA DB AC+ BC+	AC BC CC+ DC+	CC DC AD+ BD+	AD BD CD+ DD+	CD DD

In addition, projects that achieve documented changes in environmental status during the project's lifetime receive a positive impact rating, indicated by a "+". The overall likelihood of achieving impacts is shown in Table 11 below (a + score above moves the double letter rating up one space in the 6-point scale).

The ROtI method provides a basis for comparisons across projects through application of a rating system that can indicate the expected impact. However it should be noted that whilst this will provide a relative scoring for all projects assessed, it does not imply that the results from projects can necessarily be aggregated. Nevertheless, since the approach yields greater clarity in the 'results metrics' for a project, opportunities where aggregation of project results might be possible can more readily be identified.

Results rating of project entitled:							
Outputs	**Outcomes**	**Rating (D – A)**	**Intermediate states**	**Rating (D – A)**	**Impact (GEBs)**	**Rating (+)**	**Overall**
1.	1.		1.		1.		
2.	2.		2.		2.		
3.	3.		3.		3.		
	Rating justification:		**Rating justification:**		**Rating justification:**		

Scoring Guidelines

The achievement of **Outputs** is largely assumed. Outputs are such concrete things as training courses held, numbers of persons trained, studies conducted, networks established, websites developed, and many

others. Outputs reflect where and for what project funds were used. These were not rated: projects generally succeed in spending their funding.

Outcomes, on the other hand, are the first level of intended results stemming from the outputs. Not so much the number of persons trained; but how many persons who then demonstrated that they have gained the intended knowledge or skills. Not a study conducted; but one that could change the evolution or development of the project. Not so much a network of NGOs established; but that the network showed potential for functioning as intended. A sound outcome might be genuinely improved strategic planning in SLM stemming from workshops, training courses, and networking.

Examples

Funds were spent, outputs were produced, but nothing in terms of outcomes was achieved. People attended training courses but there is no evidence of increased capacity. A website was developed, but no one used it. (Score – D)

Outcomes achieved but are dead ends; no forward linkages to intermediate states in the future. People attended training courses, increased their capacities, but all left for other jobs shortly after; or were not given opportunities to apply their new skills. A website was developed and was used, but achieved little or nothing of what was intended because users had no resources or incentives to apply the tools and methods proposed on the website in their job. (Score – C)

Outcomes plus implicit linkages forward. Outcomes achieved and have *implicit forward linkages* to intermediate states and impacts. Collaboration as evidenced by meetings and decisions made among a loose network is documented that should lead to better planning. Improved capacity is in place and should lead to desired intermediate outcomes. Providing implicit linkages to intermediate states is probably the most common case when outcomes have been achieved. (Score - B)

Outcomes plus explicit linkages forward. Outcomes have *definite and explicit forward linkages* to intermediate states and impacts. An alternative energy project may result in solar panels installed that reduced reliance on local wood fuels, with the outcome quantified in terms of reduced C emissions. Explicit forward linkages are easy to recognize in being concrete, but are relatively uncommon. (Score A)

Intermediate states:

The **intermediate states** indicate achievements that lead to Global Environmental Benefits, especially if the potential for scaling up is established.

"Outcomes" scored C or D. If the outcomes above scored C or D, there is no need to continue forward to score intermediate states given that achievement of such is then not possible.

In spite of outcomes and implicit linkages, and follow-up actions, the project dead-ends. Although outcomes achieved have *implicit forward linkages* to intermediate states and impacts, the project dead-ends. Outcomes turn out to be insufficient to move the project towards intermediate states and to the eventual achievement of GEBs. Collaboration as evidenced by meetings and among participants in a network never progresses further. The implicit linkage based on follow-up never materializes. Although outcomes involve, for example, further participation and discussion, such actions do not take the project forward towards intended intermediate impacts. People have fun getting together and talking more, but nothing, based on the implicit forwards linkages, actually eventuates. **(Score = D)**

The measures designed to move towards intermediate states have started, but have not produced result, barriers and/or unmet assumptions may still exist. In spite of sound outputs and in spite of explicit forward linkages, there is limited possibility of intermediate state achievement due to barriers

not removed or unmet assumptions. This may be the fate of several policy related, capacity building, and networking projects: people work together, but fail to develop a way forward towards concrete results, or fail to successfully address inherent barriers. The project may increase ground cover and or carbon stocks, may reduce grazing or GHG emissions; and may have project level recommendations regarding scaling up; but barrier removal or the addressing of fatal assumptions means that scaling up remains limited and unlikely to be achieved at larger scales. Barriers can be policy and institutional limitations; (mis-) assumptions may have to do with markets or public – private sector relationships. **(Score = C)**

Barriers and assumptions are successfully addressed. Intermediate state(s) planned or conceived have feasible direct and explicit forward linkages to impact achievement; barriers and assumptions are successfully addressed. The project achieves measurable intermediate impacts, and works to scale up and out, but falls well short of scaling up to global levels such that achievement of GEBs still lies in doubt. **(Score = B)**

Scaling up and out over time is possible. Measurable intermediate state impacts achieved, scaling up to global levels and the achievement of GEBs appears to be well in reach over time. **(Score = A)**

Impact: Actual changes in environmental status

"Intermediate states" scored B to A.
Measurable impacts achieved at a globally significant level within the project life-span. . (Score = '+')

Template for the assessment of the Quality of Project Design – UNEP Evaluation Office September 2011

Relevance		Evaluation Comments	Prodoc reference
Are the intended results likely to contribute to UNEPs Expected Accomplishments and programmatic objectives?			
Does the project form a coherent part of a UNEP-approved programme framework?			
Is there complementarity with other UNEP projects, planned and ongoing, including those implemented under the GEF?			
Are the project's objectives and implementation strategies consistent with:	i) Sub-regional environmental issues and needs?		
	ii) the UNEP mandate and policies at the time of design and implementation?		
	iii) the relevant GEF focal areas, strategic priorities and operational programme(s)? (if appropriate)		
	iv) Stakeholder priorities and needs?		
Overall rating for Relevance			
Intended Results and Causality			
Are the objectives realistic?			
Are the causal pathways from project outputs [goods and services] through outcomes [changes in stakeholder behaviour] towards impacts clearly and convincingly described? Is there a clearly presented Theory of Change or intervention logic for the project?			
Is the timeframe realistic? What is the likelihood that the anticipated project outcomes can be achieved within the stated duration of the project?			
Are the activities designed within the project likely to produce their intended results			
Are activities appropriate to produce outputs?			
Are activities appropriate to drive change along the intended causal pathway(s)			
Are impact drivers, assumptions and the roles and capacities of key actors and stakeholders clearly described for each key causal pathway?			
Overall rating for Intended Results and causality			
Efficiency			
Are any cost- or time-saving measures proposed to bring the project to a successful conclusion within its programmed budget and timeframe?			
Does the project intend to make use of / build upon pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other			

initiatives, programmes and projects etc. to increase project efficiency?			
Overall rating for Efficiency			
Sustainability / Replication and Catalytic effects			
Does the project design present a strategy / approach to sustaining outcomes / benefits?			
Does the design identify the social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts? Does the design foresee sufficient activities to promote government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?			
If funding is required to sustain project outcomes and benefits, does the design propose adequate measures / mechanisms to secure this funding?			
Are there any financial risks that may jeopardize sustenance of project results and onward progress towards impact?			
Does the project design adequately describe the institutional frameworks, governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. required to sustain project results?			
Does the project design identify environmental factors, positive or negative, that can influence the future flow of project benefits? Are there any project outputs or higher level results that are likely to affect the environment, which, in turn, might affect sustainability of project benefits?			
Does the project design foresee adequate measures to catalyze behavioural changes in terms of use and application by the relevant stakeholders of (e.g.):	i) technologies and approaches show-cased by the demonstration projects;		
	ii) strategic programmes and plans developed		
	iii) assessment, monitoring and management systems established at a national and sub-regional level		
Does the project design foresee adequate measures to contribute to institutional changes? [An important aspect of the catalytic role of the project is its contribution to institutional uptake or mainstreaming of project-piloted approaches in any regional or national demonstration projects]			
Does the project design foresee adequate measures to contribute to policy changes (on paper and in			

implementation of policy)?		
Does the project design foresee adequate measures to contribute to sustain follow-on financing (catalytic financing) from Governments, the GEF or other donors?		
Does the project design foresee adequate measures to create opportunities for particular individuals or institutions ("champions") to catalyze change (without which the project would not achieve all of its results)?		
Are the planned activities likely to generate the level of ownership by the main national and regional stakeholders necessary to allow for the project results to be sustained?		
Overall rating for Sustainability / Replication and Catalytic effects		
Risk identification and Social Safeguards		
Are critical risks appropriately addressed?		
Are assumptions properly specified as factors affecting achievement of project results that are beyond the control of the project?		
Are potentially negative environmental, economic and social impacts of projects identified?		
Overall rating for Risk identification and Social Safeguards		
Governance and Supervision Arrangements		
Is the project governance model comprehensive, clear and appropriate?		
Are roles and responsibilities clearly defined?		
Are supervision / oversight arrangements clear and appropriate?		
Overall rating for Governance and Supervision Arrangements		
Management, Execution and Partnership Arrangements		
Have the capacities of partner been adequately assessed?		
Are the execution arrangements clear?		
Are the roles and responsibilities of internal and external partners properly specified?		
Overall rating for Management, Execution and Partnership Arrangements		
Financial Planning / budgeting		
Are there any obvious deficiencies in the budgets / financial planning		
Cost effectiveness of proposed resource utilization as described in project budgets and viability in respect of resource mobilization potential		
Financial and administrative arrangements including flows of funds are clearly described		
Overall rating for Financial Planning / budgeting		
Monitoring		
Does the logical framework:		

• capture the key elements in the Theory of Change for the project? • have 'SMART' indicators for outcomes and objectives? • have appropriate 'means of verification' • adequately identify assumptions		
Are the milestones and performance indicators appropriate and sufficient to foster management towards outcomes and higher level objectives?		
Is there baseline information in relation to key performance indicators?		
Has the method for the baseline data collection been explained?		
Has the desired level of achievement (targets) been specified for indicators of Outcomes and are targets based on a reasoned estimate of baseline??		
Has the time frame for monitoring activities been specified?		
Are the organisational arrangements for project level progress monitoring clearly specified		
Has a budget been allocated for monitoring project progress in implementation against outputs and outcomes?		
Overall, is the approach to monitoring progress and performance within the project adequate?		
Overall rating for Monitoring		
Evaluation		
Is there an adequate plan for evaluation?		
Has the time frame for Evaluation activities been specified?		
Is there an explicit budget provision for mid term review and terminal evaluation?		
Is the budget sufficient?		
Overall rating for Evaluation		

ANNEX 6. INCEPTION REPORT

INCEPTION REPORT
Terminal Evaluation of the UNEP/GEF project

"Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico**"**

Robert Hofstede
July 2014

1. Introduction

2. This document presents the inception report for the Terminal Evaluation (TE) of the UNEP/GEF project "mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico" (ECOSECHAS) containing a thorough review of the project context, project design quality, a draft reconstructed Theory of Change of the project, the evaluation framework and a tentative evaluation schedule.

3. In line with the UNEP Evaluation Policy, the UNEP Evaluation Manual and the Guidelines for GEF Agencies in Conducting Terminal Evaluations, the Terminal Evaluation of the Project is being undertaken immediately before completion of the project to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP, the GEF and their executing partners – CI and national partners in particular.

4. The **objective** of the project is to mainstream biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-Costa region of Chiapas, Mexico. The project objective intends to contribute to the conservation of ecosystem services (ES) and biodiversity (BD) with global significance, through the following project **outcomes** (i) developing the knowledge base for ES appraisal and their interaction with land use among key stakeholders at the sub-watershed level; (ii) integrating ES and biodiversity considerations into land use policies, planning and promotion activities by watershed committees, and communicating them to municipal, state and federal agencies improving policy coordination and facilitating replication; (iii) increasing access by land users to public and private ES payment (PES) mechanisms (carbon, watershed services, biodiversity) to provide funding and incentive instruments for the implementation of land use practices and strategies that conserve ES and BD values and improve local livelihoods

5. In order to achieve these outcomes, the project has developed methods, tools and protocols for assessment and monitoring of ES, BD, and land use data, for use by watershed committees, other key government agencies, NGO partners and universities. On the basis of these instruments, the project supported local monitoring and research on status, dynamics and benefits of ecosystem services and interrelationships between land use, ES, BD and livelihoods across 10 target sub-watersheds, including the identification of factors influencing individual and collective land use decisions by land owners and *ejidatarios*. Furthermore, the project executed training programs for watershed committee members, other policy-makers and land users to enable them to mainstream ecosystem services and biodiversity considerations into natural resources management policies and plans coordinated by key stakeholders at the sub-watershed level. Based on such coordinated sub-watershed development planning, sustainable production practices in agriculture, livestock farming and forestry that conserve ES and BD, as well as local restoration and soil conservation projects, were introduced or strengthened in the target sub-watersheds. Recommendations were developed to incorporate ES and BD into sectoral development and restoration policies and regulations of key government, non-government and public-private agencies, and to improve coordination among these agencies with regard to the promotion of sustainable land uses at the sub-watershed level

6. The project planned to provide training and technical assistance on preparing projects that qualify for government-funded PES programs and contributed to the strengthening of CONAFOR's PES program by focusing on the development of market-based schemes, an incentive-based mechanism for technicians' certification and an integrated approach to watershed management at the community level. The project also supported end-users and their organizations and actors supporting such initiatives (NGOs, sub-watershed and other government extensionists, technical advisors) to increase marketing capacities for different market-based PES mechanisms and sustainable products.

2. Project background

7. The ten sub-watersheds where the project activities take place are located in the Sierra-Costa region of Chiapas; most of them are on the slope facing the Pacific, while some others are on the side of the Grijalva-Usumacinta basin that drains into the Gulf of Mexico, i.e., into the Atlantic. The Sierra Madre de Chiapas, its watersheds and lowlands are of global importance for biodiversity conservation. Nearly 25% of all of Mexico´s electricity is generated in Chiapas. Due to its geographical position and diversity, the region is highly exposed and sensitive to natural disasters like flooding and hurricanes. The original vegetation in the flat coastal plains and foothills is now replaced in most parts by agricultural land. Agricultural systems are little diversified, with a predominance of extensive cattle breeding. Since the 1990s, certain restraints on further land use change were created by the formation of several protected areas, especially in the moist and pine-oak forest zones of the Sierra Madre and the lagoon-mangrove areas on the coast

8. In 2000, CONAGUA (the National Water Commission) installed the Watershed Council of the Coast of Chiapas. Up to 2005, watershed committees were created at subwatershed level in the rivers Grijalva, Usumacinta, Zanatenco, Lagartero, Coapa and Coatán. On the Grijalva side, in 2003 the watershed committee of the higher parts of the Cuxtepeques River sub-watershed was installed. Three more watershed committees were being formed at the time of project preparation in the sub-watersheds of the Cahoacán, Huehuetán and Huixtla Rivers. The watershed committees are considered auxiliary institutions of the Watershed Councils and are composed of representatives of federal, state and municipal institutions, communities, water users (producer's organizations), NGOs and universities. The mayor of the respective municipality is its coordinator. The function of the watershed committees is to improve the general conditions of the sub-watershed area within their jurisdiction, specifically water supply and quality, and also to mitigate effects of natural phenomena.

9. Currently, some 27,000 inhabitants, distributed in about 760 human settlements, live in the polygons of the four reserves in the higher parts of the Sierra Madre. Population is highly dispersed, especially in the interior of the Sierra, pushing the agricultural frontier to remote and often vulnerable sites. The livelihoods of the communities in the Sierra-Costa region depend largely on cattle grazing, maize cultivation in slash-and-burn systems, shade coffee production, timber and non-timber harvesting and fishing. Poverty levels are high in comparison with other parts of the country. Most of those who would benefit from improved access to Payments for Ecosystem Services (PES) schemes under the project are intended to be *ejidatarios* with use rights on only 5-10 ha of relatively poor land, often in mountainous zones; these *ejidatarios* are land users, not owners, and most are poor or extremely poor

10. Land use change due to deforestation, and the subsequent destruction, degradation and fragmentation of habitats, has been in the past the principal cause of biodiversity loss and decline of ecosystem services in the Sierra-Costa region of Chiapas. Land use change, as a major threat to biodiversity, has taken basically two forms in the Sierra: (a) deforestation with the purpose of agricultural land use (advance of the agricultural frontier); and, (b) conversion of certain agricultural land uses to others, which are less biodiversity friendly. Other principal threats to biodiversity and ecosystem conservation in the Sierra Madre of Chiapas are: ill-planned land use practices; unsustainable logging and wood harvesting for domestic use; hunting and collecting of animals and plants, especially of endangered species; introduction of exotic species; urbanization and infrastructure works (roads, dams); household sewage and urban waste water; energy production, mining and quarrying; forest fires and storms accompanied by excessive rainfall (hurricanes), which cause landslides and floods.

11. **Root causes** for this are complex and relate to factors affecting decision-making on land use. In the Sierra Madre de Chiapas, like in Mexico in general, these decisions are taken in the majority of cases by

private landowners or possessors (tenants) of community land, called *ejidatarios* or *comuneros.* Their land use decisions or choices are determined principally by: (1) Economic incentives for ES and BD- friendly land use decisions, and knowledge about them; (2) community rules for the use and management of natural resources, especially forests; (3) governmental plans, norms and regulations on land use, including enforcement mechanisms; (4) awareness (knowledge) by land users, watershed committees and policy-makers of the impacts of land use decisions on individual and collective benefits from ecosystem services and biodiversity

12. The project rationale focuses on the four mentioned root causes, particularly (a) knowledge generation, (b) mainstreaming BD and ES values in local planning and policies and (c) increasing access by land users to economic incentive programs. In the context at the start of the project, governmental regulations for land use planning and Natural Resource Management (NRM) were not effective as long as they are not coherently accompanied by other measures, principally strong enforcement mechanisms, economic incentives and awareness-raising. Public policies and programs designed to stimulate biodiversity-friendly land-use decisions in the region are often weak in demonstrating the (long-term) economic advantages of such choices for land users. The PES mechanisms existing at the start of the project, had several flaws and access by land users to these programs was significantly lower than it could be, for several reasons. Finally, there were still many knowledge gaps on links between land use (decisions) and biodiversity/ecosystem services regarding the specific conditions of the Sierra-Costa region. This context was also determined by widespread poverty and marginality that gives inhabitants little other choice than to exploit natural resources in an unsustainable way. The probability that they would adopt sustainable land uses and agricultural practices in the region was low if these do not contribute palpably to improving their livelihood

13. According to the original project document the principal barriers to biodiversity and ecosystem conservation in the Sierra Madre of Chiapas are related to: knowledge gaps on biodiversity and ecosystem services, as well as their links with land use systems; lack of tools that watershed committees and other decision-makers can use to integrate such knowledge into land use decisions; absence or weakness of economic incentives for BD friendly land use decisions and agricultural practices, as a result of market conditions and deficient public development and conservation policies; community dynamics not favorable to BD and ES conservation; weak or missing government regulations on land use; and effects of climate change (hurricanes, land use change, wildfires). The project focused on addressing the knowledge gaps and the lack of economic incentives as the principal barriers to overcome, but also took into account the other root causes and barriers in its assumptions and risk management measures.

14. The project **context has changed** in a few aspects, principally related to the institutional setting. There have been governmental changes at all levels and several institutes that are important project partners have changed their structure two times: COFOSECH became IRBIO and later SEDEFOR, and IHN became SEMAVIH and later SEMAHN. The project seems to have taken advantage of these changes by using them as opportunities to strengthen their engagement with municipalities and governmental institutions.

15. On the other hand, watershed committees (partly under formation at the time of project design) appear to have consolidated and strengthened (in part, but not solely, as a result of project activities) which would be a positive development in the context. Also, ongoing interest in financial incentive mechanisms for ES and BD friendly land use has increased, especially thanks to the global attention for carbon mitigation. The government supported ES mechanisms are strengthened and new initiatives (e.g. Sustainable Cattle and Climate Change Network in Chiapas and Starbucks/CFE) provide additional opportunities.

16. During project implementation, other stakeholders were identified to have important initiatives in the region and the project has included these in the wider array of project stakeholders. These include FONCET, TNC, IUCN, as well as state institutions such as Secretariats of Tourism and Economy, and federal governments entities such as PROMEXICO, FIRA and Financiera Rural.

17. A few external factors, identified as risks in the project document, actually have been taken place. According to the project PIRs, Hurricane Barbara (June 2013) and social disturbance around several hydroelectric and mining projects in the watersheds have complicated field activities. However, the project seems to have been dealing well through rescheduling activities

3. Review of project design

18. The project was well designed, presents a clear logic from activities to objectives and goals, and is accompanied by clearly stated assumptions, risk analysis, M&E plan and implementation arrangements (see Project Document). This provides a solid basis for project implementation and achievement of intended results. The design is realistic, efficient and provides enough opportunity for stakeholder involvement. Responses to comments by the GEF secretariat, council members and STAP review have been adequately addressed (see request for CEO approval). Also, information gathered during PPG stage has been well incorporated and clearly strengthened the project design.

19. The evaluator made an assessment of the **Quality of Design**, including detailed responses to most of the questions in the GEF template (see Annex 1: assessment of Quality of Project Design)

20. Overall **strengths** of project design are the background and situation analysis (relevance), intervention strategy (intended results and causality), risks and safeguards, monitoring and evaluation (all rated as satisfactory or highly satisfactory). Although there was no Theory of Change presented at the stage of project development, the evaluator could easily reconstruct the ToC and find most necessary elements in the project document.

21. The results framework is clear and detailed, includes SMART indicators, target values and means of verification. Several baseline data were not available at the start of the project, but methods to gather this information is clearly presented

22. Sustainability and replication, although rated as satisfactory, has a few **minor weak aspects** in design, because it is based on key assumptions of institutional uptake and continuity of governmental policies and plans, many of these out of control of the project.

23. Project efficiency is rated moderately satisfactory, mostly because there were no clear measures for cost efficiency foreseen while project budget was not large and time of implementation was relatively short. This weakness became evident when the project suffered initial implementation problems that, nevertheless, seemed to have been overcome relatively easy (see MTR report).

24. The project implementation arrangements (Management, Execution and Partnership Arrangements) are also considered moderately satisfactory (with the exception of project governance, which is highly satisfactory). There is no clear analysis or justification of the partner selection (although there is no doubt CI is a capable and highly relevant institution, there is no clear explanation why CI is the lead executing agency or what added value they present over eventual other organizations) nor is there a clear distribution of roles and tasks with other organizations that participate in implementation. Sections 5 (implementation arrangements) and 6 (stakeholder involvement) of the project document present clear roles for CI and UNEP, and mentions possible roles for other agencies that participate in project implementation (CONANP, IHN, COFOSECH, CONAGUA, CONAFOR, IEA and SEMAVI), but using words like "engage" or "will play a role" without explaining how or what. There is no presentation of responsibilities associated to the results framework and no financial flow chart that could provide insight in the distribution of roles.

4. Reconstructed Theory of Change

25. Based on the project documentation, the evaluator reconstructed the Theory of Change, that implicitly underlays the project. This reconstruction was done using the GEF Evaluation Office's approach to assess the likelihood of impact that builds on the concepts of Theory of Change / causal chains / impact pathways. The method is known as **Review of Outcomes to Impacts** (ROtI). To do so, the evaluator identified the project's intended impacts (project objective, strategic objective and GEB), reviewed the project's logical framework (outputs to outcomes and objectives, including stated assumptions) and analyzed and modeled the project's outcomes-impact pathways.

26. In this reconstructed theory of change (see diagram below), a particular effort is placed on identifying **impact pathways**, implying the transformation of outputs (light brown boxes) to outcomes (blue) to impacts (green) via intermediate states. Project outcomes are the direct intended results stemming from the outputs, while Intermediate states (light blue) are the transitional conditions between the project's direct outcomes and the intended impact. In this exercise, the consultant identified the intermediate states. To identify likelihood of desired impact, the assumptions and drivers that underpin the transformation from outcomes over intermediate states to objectives, should be analyzed. Drivers are the significant external factors that if present

are expected to contribute to the realization of the intended impacts and can be influenced by the project partners; assumptions are those external factors largely beyond the control of the project. For the present exercise most assumptions were taken from the project Logical Framework (purple), complemented with some identified by the consultant (light purple). At interception stage, it is not fully possible to assess whether an external factor can be influenced by the project, so for now all are presented as assumptions.

27. Fully based on the logical framework, the ROtI exercise directly linked project outputs to the three outcomes, and defined six impact pathways identifying eight intermediate states between outcomes and objectives.

28. **Final impact - GEB:** From project objective to strategic objective and GEB. This pathway is the end-portion of all following pathways and describes how the project objective (mainstreaming BD and ES in NRM and decision making in Chiapas) contributes to the strategic objective (contributing to BD and ES conservation in Mexico and conserving species and ecosystems of global significance). To attain this transformation, it is assumed that overall government support for unsustainable land use and production practices is decreasing, there is effective replication of activities and lessons learned from this project to other initiatives in Mexico and that the impact of hurricanes, rainfalls and wildfires on forest cover remains on post-2005 levels

29. **Impact pathway 1 - Communication:** from outcome 1 to project objective. The outcome on increased knowledge is accompanied by a communication strategy that not only targets key stakeholders (impact pathway 2) but also, through media, other initiatives in Chiapas and Mexico and the population in general. To generate impact, an intermediate state "more general awareness is created on ES and BD values, among population in general and other (similar) initiatives in Chiapas and Mexico". Assumptions are that the targeted media have wide reach and good credibility and that a more informed population creates a stronger social basis for environmentally friendly policies.

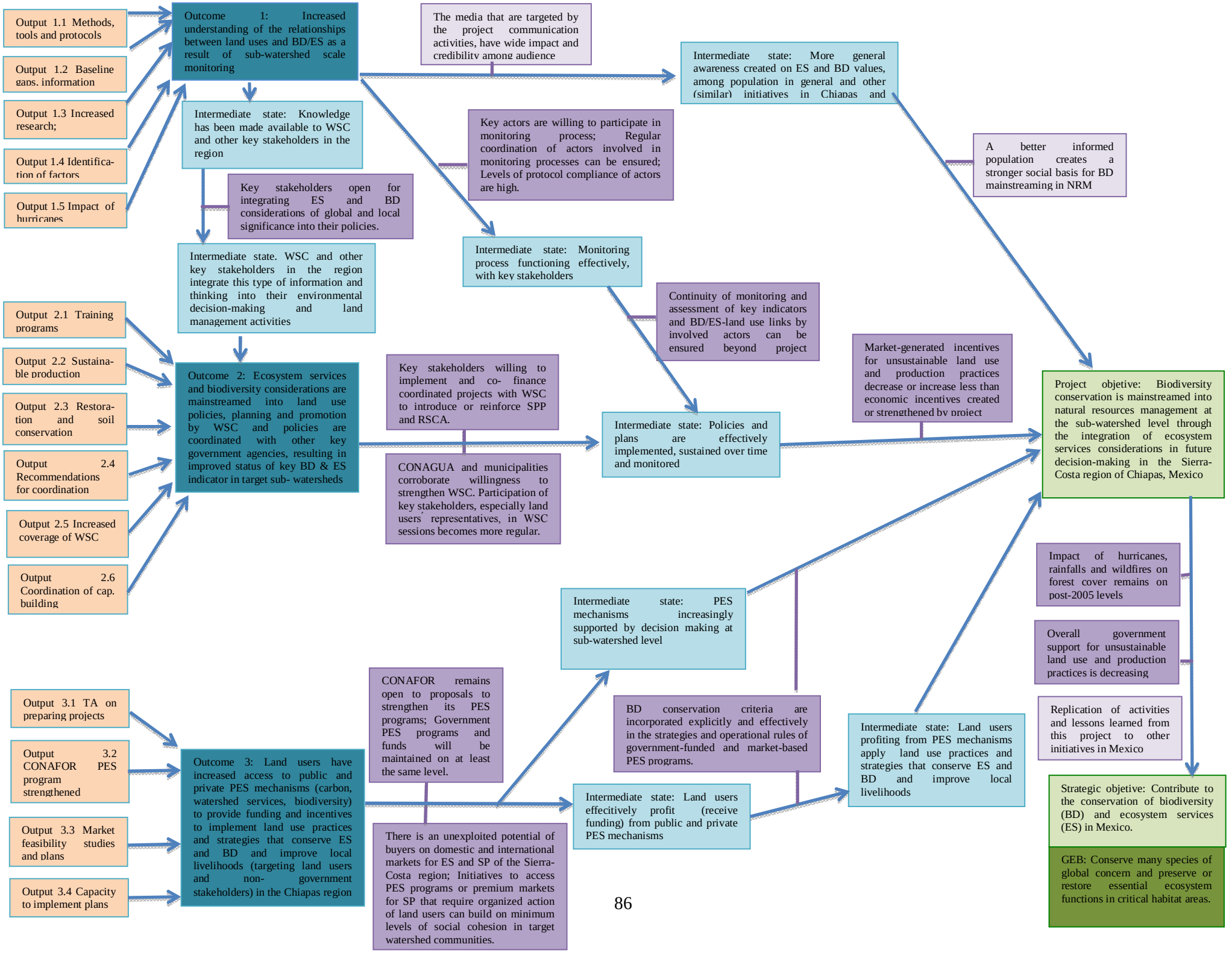
30. **Impact pathway 2 - Information for key stakeholders:** from outcome 1 via outcome 2 to project objective. The main impact pathway from the outcome on increased knowledge is via outcome 2 on mainstreaming BD and ES considerations in local policy and planning. Therefore, outcome 1 can be considered partially subsidiary to outcome 2. To ensure that the generated knowledge is mainstreamed in local policy and plans by key stakeholders (WCS, government agencies, two intermediate states are identified: the knowledge generated by academic institutions should be effectively made available to the key stakeholders and these stakeholders should consider this information in their thinking and decision making. This assumes that the key stakeholders are open to this information. The rest of the impact pathway follows impact pathway 3.

31. **Impact pathway 3 - mainstreaming BD and ES:** from outcome 2 to project objective. The transformation of the outcome on mainstreaming BD and ES considerations in local planning and policies to the project objective (BD mainstreamed in NRM at sub-watershed scale and integration of ES in decision making in Chiapas) requires an intermediate state that the policies and plans, supported by the project, are effectively implemented, sustained over time and monitored. This assumes that key stakeholders are willing to implement and co-finance coordinated projects with WSC to introduce or reinforce SPP and RSCA. It is also assumed that CONAGUA and municipalities corroborate willingness to strengthen WSC and that participation of key stakeholders, especially land users´ representatives, in WSC sessions becomes more regular. Finally, to transform the intermediate state to the project objective, it is assumed that market-generated incentives for unsustainable land use and production practices decrease or increase less than economic incentives created or strengthened by project.

32. **Impact pathway 4 - Monitoring:** from outcome 1 to project objective. Outcome 1 generates understanding of BD and ES's relation to land-use, among others to monitor policies and plans and therefore, supports the project objective via the same intermediate state of impact pathway 3 (policies and plans are effectively monitored) through another intermediate state that the monitoring process is functioning effectively, with the participation of key stakeholders. The transformation of outcome 1 to these two intermediate states assumes that actors are willing to participate in monitoring process; that regular coordination of actors involved in monitoring processes can be ensured and that levels of protocol compliance of actors are high. To ensure sustainability of the monitoring system, it is assumed that continuity of monitoring and assessment of key indicators and BD/ES-land use links by involved actors can be ensured beyond project lifetime.

33. **Impact pathway 5 - participation in PES mechanisms:** From outcome 3 to project objective. To transform the outcome on increased access of land users to participate in PES mechanisms to the project objective, two intermediate states are required. Firstly, the increased access to PES mechanisms should lead to an effective participation of land users in these schemes in the sense they receive funding. For this step, it is assumed that CONAFOR remains open to proposals to strengthen its PES programs and that government PES programs and funds will be maintained on at least the same level. It is also required that there is an unexploited potential of buyers on domestic and international markets for ES and SP of the Sierra-Costa region and that the initiatives to access PES programs or premium markets for SP can build on minimum levels of social cohesion in target watershed communities. Secondly, the intermediate state of increased participation in PES mechanisms will contribute to the project objective only if land users who profit from PES mechanisms, effectively apply land use practices and strategies that conserve ES and BD and improve local livelihoods. To ensure this, it is assumed that BD conservation criteria are incorporated explicitly and effectively in the strategies and operational rules of government-funded and market-based PES programs.

34. **Impact pathway 6 - strengthened PES mechanisms:** From outcome 3 to project objective. This impact pathway leads from increased access to PES mechanisms to mainstreaming BD and ES in NRM and decision making by strengthening the mechanisms as such. Therefore, an intermediate state is necessary where PES mechanisms are increasingly supported by decision making at sub-watershed level. In this impact pathway, the same assumptions hold as in impact pathway 5


Output 1.1 Methods, tools and protocols
Output 1.2 Baseline gaps, information
Output 1.3 Increased research;
Output 1.4 Identification of factors
Output 1.5 Impact of hurricanes
Outcome 1: Increased understanding of the relationships between land uses and BD/ES as a result of sub-watershed scale monitoring
The media that are targeted by the project communication activities, have wide impact and credibility among audience
Intermediate state: More general awareness created on ES and BD values, among population in general and other (similar) initiatives in Chiapas and
Intermediate state: Knowledge has been made available to WSC and other key stakeholders in the region
Key actors are willing to participate in monitoring process; Regular coordination of actors involved in monitoring processes can be ensured; Levels of protocol compliance of actors are high.
A better informed population creates a stronger social basis for BD mainstreaming in NRM
Key stakeholders open for integrating ES and BD considerations of global and local significance into their policies.
Intermediate state. WSC and other key stakeholders in the region integrate this type of information and thinking into their environmental decision-making and land management activities
Intermediate state: Monitoring process functioning effectively, with key stakeholders
Continuity of monitoring and assessment of key indicators and BD/ES-land use links by involved actors can be ensured beyond project
Output 2.1 Training programs
Output 2.2 Sustainable production
Output 2.3 Restoration and soil conservation
Output 2.4 Recommendations for coordination
Output 2.5 Increased coverage of WSC
Output 2.6 Coordination of cap. building
Outcome 2: Ecosystem services and biodiversity considerations are mainstreamed into land use policies, planning and promotion by WSC and policies are coordinated with other key government agencies, resulting in improved status of key BD & ES indicator in target sub- watersheds
Key stakeholders willing to implement and co- finance coordinated projects with WSC to introduce or reinforce SPP and RSCA.
CONAGUA and municipalities corroborate willingness to strengthen WSC. Participation of key stakeholders, especially land users´ representatives, in WSC sessions becomes more regular.
Intermediate state: Policies and plans are effectively implemented, sustained over time and monitored
Market-generated incentives for unsustainable land use and production practices decrease or increase less than economic incentives created or strengthened by project
Project objetive: Biodiversity conservation is mainstreamed into natural resources management at the sub-watershed level through the integration of ecosystem services considerations in future decision-making in the Sierra-Costa region of Chiapas, Mexico
Impact of hurricanes, rainfalls and wildfires on forest cover remains on post-2005 levels
Overall government support for unsustainable land use and production practices is decreasing
Replication of activities and lessons learned from this project to other initiatives in Mexico
Intermediate state: PES mechanisms increasingly supported by decision making at sub-watershed level
Output 3.1 TA on preparing projects
Output 3.2 CONAFOR PES program strengthened
Output 3.3 Market feasibility studies and plans
Output 3.4 Capacity to implement plans
Outcome 3: Land users have increased access to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives to implement land use practices and strategies that conserve ES and BD and improve local livelihoods (targeting land users and non- government stakeholders) in the Chiapas region
CONAFOR remains open to proposals to strengthen its PES programs; Government PES programs and funds will be maintained on at least the same level.
BD conservation criteria are incorporated explicitly and effectively in the strategies and operational rules of government-funded and market-based PES programs.
Intermediate state: Land users effectively profit (receive funding) from public and private PES mechanisms
Intermediate state: Land users profiting from PES mechanisms apply land use practices and strategies that conserve ES and BD and improve local livelihoods
There is an unexploited potential of buyers on domestic and international markets for ES and SP of the Sierra-Costa region; Initiatives to access PES programs or premium markets for SP that require organized action of land users can build on minimum levels of social cohesion in target watershed communities.
Strategic objetive: Contribute to the conservation of biodiversity (BD) and ecosystem services (ES) in Mexico.
GEB: Conserve many species of global concern and preserve or restore essential ecosystem functions in critical habitat areas.

5. Evaluation framework

35. Below, the evaluation framework is presented, as a matrix of detailed evaluation questions, indicator and sources of verification. In general, the questions are distilled from the ToR for this evaluation an arranged around the evaluation criteria. The main evaluation questions of the ToR are included unde effectiveness. The evaluator included additional questions, specifically under the criteria for effectiveness (t reflect the reconstructed ToC and intermediate states) and efficiency. Several other evaluation questions fron the ToR were adapted to the specific context of the project. Some questions/criteria of the ToR were no included in this evaluation matrix, because they have been dealt with during the current evaluation inceptio (e.g. design, preparation), imply redundancy (catalytic role, which is responded by project effectiveness; se rating table, pg 17/18 of present report) or will have to be answered by the evaluator taking into consideratio the evaluation process (e.g. M&E, GEF tracking tools). Where possible, indicators from the project result framework were included and where these were not available, the evaluator proposed new indicators.

36. All evaluation indicators will be analyzed using the project's own reporting mechanism, using as muc as possible quantitative and qualitative data, validated through revision of documents and products an through interviews with project staff, partners, beneficiaries and key stakeholders. In several cases, the rathe subjective "perception" will have to be used as an indicator, for instance for the adequacy of projec management, available resources, backstopping by UNEP etc. The evaluator will use semi-structure interviews around these questions through a wide representation of project staff, partners, and stakeholders Findings (especially on perceptions) will be cross-checked during different interviews.

EVALUATION CRITERIA	EVALUATION INDICATORS	MEANS OF VERIFICATION
Strategic relevance		
Were the objectives and implementation strategies were consistent with: i) Sub-regional environmental issues and needs; ii) the UNEP mandate and policies at the time of design and implementation; and iii) the GEF Ecosystem Management focal area, strategic priorities and operational program(s).	• Level of alignment with (contribution of results to) sub-regional environmental issues, UNEP mandate and policies at the time of design and implementation; and the GEF Ecosystem Management focal	• Comparison of project document and annual reports and policy and strategy papers of local-regional agencies, GEF and UNEP • Interviews with UNEP staff, project staff and governmental agencies
Were project objectives realistic, given the time and budget allocated to the project, the baseline situation and the institutional context in which the project was to operate	• Level of achievement of objectives (main evaluation questions)	• Analysis of factors of success of failure of project objectives • Interviews with UNEP and project staff
Did the (political, environmental, social, institutional) context change during project implementation and how did the project adapt to this?	• Reported adaptive management measures in response to changes in context	• Annual project implementation reports • Interviews with project staff and key stakeholders
Achievement of outputs		
Was the project successful in producing the programmed outputs, both in quantity and quality, as well as their usefulness and timeliness?	• Output level indicators of Results Framework	• Annual project implementation reports • Tangible products (publications, studies, etc.) • Interviews with program staff and partner organizations in implementation
Effectiveness: attainment of objectives and planned results		
How and to what extent did the project succeed in mainstreaming biodiversity conservation into natural resource management at the sub-watershed level through integrating ecosystem service considerations in the decision-making in the Sierra-	• The degree to which policies and regulations governing sectoral activities in- and outside the environment sector include measures to conserve and sustainably use biodiversity (further specified in project results	• Project management information system • Annual project implementation reports • Interviews with project beneficiaries • System (established by project) to monitor improvements in: a)

Costa region of Chiapas, Mexico?	framework)	mainstreaming ES and BD considerations in sector policies; b) institutional coordination of sub-watershed management policies and planning • Baseline studies and monitoring of key indicators of biodiversity and ecosystem health carried out in outputs 1.2 and 1.3
To what extent is the project contributing to the overall goal of increasing biodiversity and ecosystem services conservation in Mexico?	• Examples of uptake of project results at higher levels • Replication of project practices and lessons learned	• Annual project implementation reports • Interviews with higher level governmental agencies
To what extent was the project successful in developing the knowledge base for ES appraisal and their interaction with land uses among key stakeholders at the sub-watershed level?	• Information coverage on status & dynamics of key components of globally significant BD and ES in project area (further specified in Project Results Framework) • Information coverage on links between local land use patterns and policies, on the one hand, and ES/BD status (including their benefits), on the other, by representative studies for the project area	• Interviews with project executing agency staff and institutions that developed knowledge • Reports and published studies about key indicators of ES and BD status in the project area • Reports and published studies about links between land use and ES/BD status in the project area
To what extent is the developed knowledge base leading to increased understanding by monitoring institutions of the relationships between land uses and biodiversity/ecosystems as a result of sub-watershed scale monitoring?	• Factors influencing individual & collective land use decisions by land users (including understanding of interactions between land use and ES) are documented by comparative studies across sub-watersheds, land uses and land owner types	• Report on factors influencing land use decisions by land owners, *ejidatarios* and *comuneros* • Interviews with monitoring institutions and project beneficiaries
To what extent has knowledge been made available to WSC and other key stakeholders in the region?	• Quantity and quality of distribution of knowledge products (data, publications, workshops) to key stakeholders	• Interviews with key stakeholders • Project products (publications, data)
Is more general awareness created on ES and BD values, among population in general and other (similar) initiatives in Chiapas and Mexico?	• Quantity and quality of distribution of knowledge products (data, publications, workshops) to public in general	• Communication products • Random interviews with audience indirectly related to project
To what extent did the project contribute to the mainstreaming of ecosystem services and biodiversity into land use policies, planning and to the promotion by watershed committees and policy coordination with other key government agencies?	• N° of target WSC that have systematically integrated ES and BD considerations into their land use policies and planning • N° of other key institutions that have adopted project recommendations for integrating ES and BD considerations into their policies • N° of WSC implementing coordinated plans with other institutions to introduce or reinforce sustainable production practices (SPP) and restoration & soil conservation activities (RSCA) • Improved status of key BD/ES indicators in these watersheds (as monitored by output 1.3)	• Annual project implementation reports • Interviews with WSC members and other key institutions • Minutes of WSC sessions, Reports of WSC managers; • Written evidence of validation of recommendations by stakeholder institutions • Interviews with members of GESE (State Working Group of ES) • Inter- institutional plans to coordinate introduction and reinforcement of SPP and RSCA in sub-watersheds • Monitoring studies under output 1.3 (for indicator status)
To what extent was the project successful in providing the required training and capacity building to local	• N° of backstopping visits of capacity building advisor and other specialists to watershed committee	• Annual project implementation reports • Interviews with WSC members and

stakeholders and to ensure that it would benefit local partners on the long term as opposed to be quickly dispersed as a result of high rotational rates of staff?	meetings to help integrating ES and BD considerations into sub-watershed plans and activities • N° of institutions involved in coordinated capacity building activities for watershed committees, land users and other stakeholders in the project region • Data on staff turnover in relation to participants in capacity building	other key institutions • Reports on capacity building activities and follow up
Is the established monitoring process functioning effectively, with key stakeholders	• Number of monitoring activities, diversity of issues, data management and publications • Participation of key monitoring institutions	• Annual project implementation report • Reports on monitoring • Interviews with monitoring institutions
Are policies and plans effectively implemented, is there evidence suggesting that they will be sustained over time and monitored?	• Recommendations of project are actually included in policies and plans • Number of new policies and plans that include BD and ES considerations	• Documentation on policies and plans of WSC and governmental institutions • Interviews with WSC and governmental institutions • Project implementation reports
To what extent did the project increase access by land users to public and private PES mechanisms (carbon, watershed services, biodiversity) to provide funding and incentives for the implementation of land use practices and strategies that conserve ecosystem services and biodiversity and improve local livelihoods?	• Increase in area of land with high priority for ES and globally significant BD and number of LU that access ES payments by a) government-funded and b) market-based programs and implement sustainable land use practices that contribute to improvements in the status of key biodiversity indicators of global significance	• Interviews with CONAFOR, FONCET, Ambio • Interviews with PES Scheme and premium market beneficiaries • Annual project reports • CONAFOR data on annual results of PSA program • Reports from actors marketing BD and ES (carbon and other) credits (Ambio, FONCET, CONAFOR, etc.) • Information from land users' (LU) organizations and supporting actors (NGOs and others)
To what extent did the project put in place adequate measure to ensure increased access to PES mechanisms in the long term, including after the end of the project?	• CONAFOR has improved capacity to link PES beneficiaries in areas of high BD & ES value to ES buyers • Existence of incentive- based scheme for certification of ProArbol technical advisors where the quality of projects they develop is reflected in their certification by CONAFOR • Existence of additional government or market based PES mechanisms and premium markets • N° of land users' organizations of 1st and 2nd degree assisted by project to access market- based PES mechanisms and premium markets • N° of new partnerships (contracts) with buyers of PES instruments • N° of new partnerships (contracts) with buyers of sustainable products • Increase in capital for financing the collection and distribution (*acopio*) of sustainable products managed by land users' organizations	• Interviews with CONAFOR, FONCET, Ambio • Interviews with PES Scheme and premium market beneficiaries Report on process of developing proposal and final workshop with CONAFOR officials at the federal level • Report on incentive scheme; final workshop with CONAFOR officials at the federal level • Agreements with partners
Do land users profiting from PES mechanisms apply land use practices and strategies that conserve ES and	• BD and ES indicators of LU that profit form PES schemes and premium markets	• Visits to LU • Interviews with beneficiaries

BD and improve local livelihoods		• Studies on BD and ES indicators (output 1.3)
What is the overall likelihood of impact	• Level of mainstreaming of BD and ES in policies, plans and programs • Financial and operational sustainability of PES mechanisms and premium markets	• Annual project reports • Interviews with project staff, key stakeholders • Analysis of ROtI vs. project results
To what extent has the project built on the initial achievements to obtain its overall objective through on-the-ground, measurable interventions planned for 2013/2014	• Measures of adaptive management and inclusion of lessons learned during initial stage, in latest period of project implementation	• MTR report and management response • Interviews with project staff, key stakeholders • Annual project implementation reports
Did the main project assumptions hold?	• Level of compliance of assumptions	• Annual project implementation reports • Interviews with project staff, key stakeholders • Analysis of ROtI vs. project results
Sustainability and replication		
Are there any social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts?	• Key factors positively or negatively impact project results (in relation to stated assumptions)	• Interviews with project staff, key stakeholders • Annual project implementation reports
Is the level of ownership by the main national and regional stakeholders sufficient to allow for the project results to be sustained?	• Main national and regional stakeholders participate actively in implementation and replication of project activities and results	• Interviews with key stakeholders • Documentation of project activity implementation • Documentation on activities of key stakeholders
Are there sufficient government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programs, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?	• Number and content of inter-institutional agreements to execute and enforce programs, plans and other project results	• Execution and collaboration agreements • Interviews with key stakeholders
What is the likelihood that adequate financial resources will be or will become available to continue implementation the programs, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?	• Estimations on financial requirements • Estimations of future budget of key stakeholders	• Studies on financial sustainability • Documented estimations of future budget • Interviews with project staff and key stakeholders
To what extent is the sustenance of the results and onward progress towards impact dependent on issues relating to institutional frameworks and governance?	• Key institutional frameworks that may positively or negatively influence project results (in relation to stated assumptions)	• Analysis of existing institutional framework • Interviews with project staff and key stakeholders
How robust are the institutional achievements such as governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. required to sustaining project results and to lead those to impact on human behavior and environmental resources?	• Level of commitment, proved by formal agreements, included recommendations, declarations, of key stakeholders in governance structures that sustain project results	• Interview with key stakeholders • Documentation (agreements, declarations, meeting minutes) of governance systems
Are lessons and experiences coming out of the project that are replicated or scaled up? What are the factors that may influence replication and scaling	• Documented examples of replication or up-scaling	• Interviews with stakeholders at other levels or scales • Interviews with project staff • Reports and publications by other

up of project experiences and lessons?		institutions
Efficiency		
Did the project build adequately on existing institutions, lessons of other initiatives and ongoing projects?	• Level of inclusion of preexisting initiatives and institutions	• Project document • MTR report • Interviews with key stakeholders
Were financial means enough to deliver project outputs?	• Budget vs. outcome completion	• Financial reports of project (incl. audit reports) • Interviews with project staff
Were human resources adequate (number, skills)?	• Composition of project staff and involved key stakeholders	• Interviews with project staff and key stakeholders
Were material resources adequate?	• Personal perceptions	• Interviews with project staff
How was the operational execution vs. original planning (time wise)?	• Level of compliance with project planning / annual plans	• Annual project implementation reports • Interviews with project staff
How was the operational execution vs. original planning (budget wise)?	• Level of compliance with project financial planning / annual plans	• Annual project financial reports • Interviews with project staff
What have been the main reasons for delay/changes in implementation?	• List of reasons, validated by project staff	• Interviews with project staff
Did the team and partners perceive an efficient working atmosphere?	• Personal perceptions	• Interviews with project staff
Was adaptive management applied adequately?	• Measures taken to improve project implementation based on project monitoring and evaluation	• MTR report and management response • Interview with project staff and UNEP task manager
Factors and processes affecting project performance		
Was the project implementation structure ready to start at day 1 (staff, counterpart resources, infrastructure, inter-institutional arrangements)?	• Level of execution of project activities during first months	• Annual project implementation report • MTR report • Interviews with project staff
Was the project management unit (incl project director, TA, Institutional advisor) adequate? (skills, leadership, coordination)	• Level of satisfaction (among partners and project staff) of management	• Interviews with project staff and partner organizations
Was CI backstopping adequate?	• Documented backstopping activities by CI to project staff	• Meeting minutes • Products (joint publications, etc.) • Interviews with program staff and partners
Did the Project Steering Committee provide adequate oversight, institutional coordination and information exchange?	• Perception of functioning of PSC	• Meeting minutes • Interviews with PSC members
Was the Technical Committee an important communication platform for facilitating coordination between governmental and non-governmental actors in the project area?	• Perception of functioning of TC	• Meeting minutes • Interviews with TC members
How did project director and partners respond to indications from PSC and TC?	• Inclusion of indications in program management	• Annual project implementation reports • Interviews with PSC, TC members and project director
What was the achieved degree and effectiveness of collaboration and interactions between the various project partners and stakeholders during design and implementation of the project?	• Level of participation of project partners in project design and actual inclusion in project implementation arrangements	• PPG documents • Project document • Interviews with key stakeholders
What was the achieved degree and effectiveness of collaboration and	• Documented participation of stakeholders in project activities,	• Minutes of PSC and TC meetings • Interviews with key stakeholders

interactions between the various project partners and stakeholders during design and implementation of the project?	outputs and projects	• Annual project implementation reports • Project products
In how far have the national partners assumed responsibility for the project and provided adequate support to project execution, including the degree of cooperation received from the various public institutions involved in the project and the timeliness of provision of counter-part funding to project activities?	• Endorsement of project by governmental agencies • Provision of counter part funding	• Interviews with national partners, UNEP and project staff • Annual project implementation reports • Documented endorsements and co financing
How responsive were the national partners to CI coordination and guidance, and to UNEP supervision?	• Perception of responsiveness to CI coordination and guidance	• PSC meeting minutes • Interviews with PSC members and other key stakeholders
How well are standards (clarity, transparency, audit etc.) of financial and operational (staff recruitment, evaluation, secondary conditions) planning, management and reporting applied, to ensure that sufficient and timely financial resources were available to the project and its partners	• Quality of standards for financial and operative management	• Interviews with administrative staff • Financial reports and audit reports
To what extent has co-financing materialized as expected at project approval?	• Level of co-financing, related to original planning	• Financial reports of project • Interviews with project administrative staff and UNEP task manager
What resources has the project leveraged since inception and how have these resources contributed to the project's ultimate objective.	• Level of other leveraged resources by project partners	• Financial reports • Reports of other organizations • Interviews with project partners and other institutions
What was the effectiveness of supervision and administrative and financial support provided by UNEP	• Perception of effectiveness	• Interviews with UNEP staff and project director • Documented support (audits, communication, reports on visits, etc.)

6. Evaluation schedule

37. The evaluation time frame, which was tentatively presented in the ToR for this evaluation, is now adapted to the final dates agreed for the field visit (second week of September). This implied that the entire evaluation will have a delay of four weeks according to the original planning and, if comments are received in time, the final report will be ready by October 31.

Activity	Date (s)
Start of the evaluation	7 July 2014
Inception report	22 July 2014
Comments from Evaluation Office	29 July 2014
Field visits	8-12 September 2014
Zero Draft report	26 September 2014
Comments from Evaluation Office	3 October 2014
First draft report	10 October 2014
Comments from stakeholders	24 October 2014
Final report	31 October 2014

38. The tentative program for the country visit (to be agreed upon with project staff) is as follows

Activity	Date (s)
Consultant travel to Chiapas	7 September 2014
Inception meeting	8 September 2014
Meetings with project staff and UNEP task manager	8 September 2014
Meetings with key stakeholders in Tuxla and Tapachula	9 September 2014
Field visits	10-11 September 2014
Round-up meeting and debriefing to project staff and main partners	12 September 2014
Consultant travel back to Ecuador	13 September 2014

7. Distribution of responsibilities among within the evaluation team

39. Since this is an evaluation conducted by one single person, there is no distribution of responsibilities. Tasks of the evaluator, UNEP and Project staff are adequately included in the ToR for this evaluation.

Annex A: Assessment of the Quality of Project Design

Relevance		**Evaluation Comments**	**Prodoc reference**
Are the intended results likely to contribute to UNEPs Expected Accomplishments and programmatic objectives?		Yes. Although not stated explicitly in the Prodoc, the intended results contribute to UNEP's expected accomplishments and programmatic objectives of the Ecosystem Management, particularly (though not solely) accomplishment (c): Services and benefits derived from ecosystems are integrated with development planning and accounting, particularly in relation to wider landscapes and seascapes and the implementation of biodiversity and ecosystem related MEA	n.a.
Does the project form a coherent part of a UNEP-approved programme framework?		Yes. This clearly is a project within the strategies of UNEP's ecosystem management programme, applying ecosystem approach and mainstreaming of BD and ES values	n.a
Is there complementarity with other UNEP projects, planned and ongoing, including those implemented under the GEF?		Yes, the project shows clear linkages and ways of coordination with UNEP´s project portfolio, especially on regional and global PES projects. It includes planning for knowledge exchange and coordination between project staff	Section 2.7
Are the project's objectives and implementation strategies consistent with:	i) Sub-regional environmental issues and needs?	Yes. Land use change and ill planned land use are identified as key drivers of BD loss in the region. Knowledge gaps, lack of mainstreaming of BD and ES values in local planning and lack of access to financial incentives are important barriers addressed by this project	Section 2.3
	ii) the UNEP mandate and policies at the time of design and implementation?	Yes. As above. This clearly is a project within the strategies of UNEP's ecosystem management programme, applying ecosystem approach and mainstreaming of BD and ES values	n.a.
	iii) the relevant GEF focal areas, strategic priorities and operational programme(s)? (if appropriate)	Yes. The project is aligned with Strategic Programs 4 and 5 of Strategic Objective 2 (SO2) of the Biodiversity Focal Area	Section 3.1

	iv) Stakeholder priorities and needs?	Yes. The project design includes a detailed stakeholder mapping and design and their needs (assessed during consultation workshops and specific studies during PPG stage)	Sections 2.5 and 5
Overall rating for Relevance		**HS**	
Intended Results and Causality			
Are the objectives realistic?		Yes. The programme objective is concretely, but carefully phrased, explaining a realistic status at the end of the project. The strategic objective is at a higher scale (national) which will only be reached through additional efforts (replication)	Section 3.2
Are the causal pathways from project outputs [goods and services] through outcomes [changes in stakeholder behavior] towards impacts clearly and convincingly described? Is there a clearly presented Theory of Change or intervention logic for the project?		Partially. The outputs contribute directly to outcomes (mostly on increased capacity) but several intermediate states, not considered by the project, are required to transform outcomes to objective. A brief intervention logic but no ToC was presented for the project (and was not required by GEF/UNEP at the moment of project preparation)	Section 3.4
Is the timeframe realistic? What is the likelihood that the anticipated project outcomes can be achieved within the stated duration of the project?		If all assumptions hold and risks are mitigated, the timeframe is realistic. However, GEF SEC review already noted that reducing the project from 5 to 3 years was questionable and in fact, start up problems were a challenge for project implementation (MTR)	Request for CEO approval
Are the activities designed within the project likely to produce their intended results		Yes	Section 3.3
Are activities appropriate to produce outputs?		Yes	Section 3.3
Are activities appropriate to drive change along the intended causal pathway(s)		Yes. Although project activities and outputs focus on capacity strengthening, there were several activities planned to address further along the causal pathway (e.g. wider communication, strengthening markets, recommendations for mainstreaming and follow up)	Section 3.3
Are impact drivers, assumptions and the roles and capacities of key actors and stakeholders clearly described for each key causal pathway?		Partially. Although assumptions are correct and included in the intervention logic, they are not fully organized along causal pathways	Section 3.4
Overall rating for Intended Results and causality		**S**	

Efficiency		
Are any cost- or time-saving measures proposed to bring the project to a successful conclusion within its programmed budget and timeframe?	Partly. Cost-effectiveness is planned in the Prodoc, but only through an approach (building on existing institutions etc.) rather than clear measures. Start up problems (see MTR) showed that original measures were not adequate. Because of this, and because the main executing agency underwent major restructuring, the project operation schedule had to be restructured, which resulted in a more efficient implementation	Section 7.3 and (partly) 3.8
Does the project intend to make use of / build upon pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other initiatives, programmes and projects etc. to increase project efficiency?	Yes. The project builds on collaboration with and support to key institutions in NRM (watershed, water management, forestry), includes local and national research institutions and particularly strengthens existing incentive mechanisms	Sections 3.3, 3.6 and 5
Overall rating for Efficiency	**MS**	
Sustainability / Replication and Catalytic effects		
Does the project design present a strategy / approach to sustaining outcomes / benefits?	Yes. Sustainability planning is based on involvement and strengthening of local institutions and WSC	Section. 3.8
Does the design identify the social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts? Does the design foresee sufficient activities to promote government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?	Yes, particularly through risk assessment and mitigation strategies, but also through the general approach of building on collaboration with government agencies and civil society organizations	Section 3.5 and 3.3
If funding is required to sustain project outcomes and benefits, does the design propose adequate measures / mechanisms to secure this funding?	Partly. The project outcomes that will require sustained funding is related to PES mechanisms; continuity of these mechanisms (outside of control of the project) is key. Monitoring of indicators will require sustained funding as well, which is included in the risk assessment and mitigation	Section 3.5
Are there any financial risks that may jeopardize sustenance of project results and onward progress towards impact?	See above. Continuity of PES mechanisms (mostly out of control of project) might constitute a financial risk	
Does the project design adequately describe the institutional frameworks, governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc.	Yes	Section 3.8

required to sustain project results?			
Does the project design identify environmental factors, positive or negative, that can influence the future flow of project benefits? Are there any project outputs or higher level results that are likely to affect the environment, which, in turn, might affect sustainability of project benefits?		The project identifies hurricanes and climate change as a risk factor for project implementation. Project outputs will likely all have a positive environmental effect. Only if incentive schemes are ill planned and promote (perversely) inadequate land use, this might cause deforestation, but there is a clearly stated assumption that BD and ES considerations should be fully implemented in PES mechanisms	Sections 3.5 and 3.8
Does the project design foresee adequate measures to catalyze behavioral changes in terms of use and application by the relevant stakeholders of (e.g.):	i) Technologies and approaches show-cased by the demonstration projects;	Yes. Communication strategy for replication	Section 3.9
	ii) strategic programs and plans developed	Yes. Institutionalization of policies and plans	Section 3.3, comp. 2
	iii) assessment, monitoring and management systems established at a national and sub-regional level	Yes. Outcome 1 focusing on monitoring and involvement of key stakeholders in long term monitoring	Section 3.3, comp. 1
Does the project design foresee adequate measures to contribute to institutional changes? [An important aspect of the catalytic role of the project is its contribution to institutional uptake or mainstreaming of project-piloted approaches in any regional or national demonstration projects]		Partly. The project does not focus on institutional changes as such, but rather on mainstreaming of approaches etc. According to MTR, the project did seem to respond adequately to occurring changes	
Does the project design foresee adequate measures to contribute to policy changes (on paper and in implementation of policy)?		Yes. Outcome 2 and the project objective focus on contributing to policy change	Section 3.3
Does the project design foresee adequate measures to contribute to sustain follow-on financing (catalytic financing) from Governments, the GEF or other donors?		The project does have a strategy to promote uptake of outputs by govt organizations; no specific follow-on funding through projects foreseen (not part of approach)	
Does the project design foresee adequate measures to create opportunities for particular individuals or institutions (“champions”) to catalyze change (without which the project would not achieve all of its results)?		The project identified key stakeholder at local level, with good reputation and track record, rather than identifying and using "champions" of change at institutional and individual level.	
Are the planned activities likely to generate the level of ownership by the main national and regional stakeholders necessary to allow for the project results to be sustained?		If the approaches and assumptions hold, the ownership will be guaranteed	
Overall rating for Sustainability / Replication and Catalytic effects		**S**	
Risk identification and Social Safeguards			
Are critical risks appropriately addressed?		Yes; a detailed risk analysis and mitigation strategy is presented	Section 3.5

Are assumptions properly specified as factors affecting achievement of project results that are beyond the control of the project?	Mostly. In the reconstructed ToC some additional assumptions are proposed	Section 3.4
Are potentially negative environmental, economic and social impacts of projects identified?	Yes. Social and environmental impacts of BoU scenario are identified; project impact is considered fully positive	Section 3.11
Overall rating for Risk identification and Social Safeguards	**S**	
Governance and Supervision Arrangements		
Is the project governance model comprehensive, clear and appropriate?	Yes. A clear and logical institutional arrangement for project implementation is presented	Section 5.6
Are roles and responsibilities clearly defined?	Yes	Section 5.6
Are supervision / oversight arrangements clear and appropriate?	Yes	Section 5.6
Overall rating for Governance and Supervision Arrangements	**HS**	
Management, Execution and Partnership Arrangements		
Have the capacities of partners been adequately assessed?	Partly. CI capacities are well known and included in various parts of the Prodoc, but there is no clear justification of partner organization based on its capacities and added value	Section 2.5 and sections 5 and 6
Are the execution arrangements clear?	Partly. Apart from PSC, role of CI and UNEP, it is not clear what the actual arrangement with key partners (IHN, CONAFOR, etc.) will be	Section 5
Are the roles and responsibilities of internal and external partners properly specified?	Partly. Implementation arrangements are clearly described for internal partners, not for external partners	Sections 5 and 6
Overall rating for Management, Execution and Partnership Arrangements	**MS**	
Financial Planning / budgeting		
Are there any obvious deficiencies in the budgets / financial planning	No	Section 7.1
Cost effectiveness of proposed resource utilization as described in project budgets and viability in respect of resource mobilization potential	Yes	Section 7.2
Financial and administrative arrangements including flows of funds are clearly described	Prodoc (incl. appendices) do not present flow of funds. This detail is provided in the Project Cooperation Agreement (PCA)	
Overall rating for Financial Planning / budgeting	**MS**	
Monitoring		
Does the logical framework: • capture the key elements in the Theory of Change for the project? • have 'SMART' indicators for outcomes and objectives? • have appropriate 'means of verification' • adequately identify assumptions	Yes. Although there was no ToC presented at project development (was not a requirement of GEF/UNEP), most elements are clearly included, as well as assumptions, SMART indicators	Appendix 4

	and means of verification	
Are the milestones and performance indicators appropriate and sufficient to foster management towards outcomes and higher-level objectives?	Yes	Appendix 4
Is there baseline information in relation to key performance indicators?	Much baseline information had to be developed during first stage of project implementation	Appendix 4 and section 6
Has the method for the baseline data collection been explained?	Yes	Footnotes to Appendix 4 and section 2.6
Has the desired level of achievement (targets) been specified for indicators of Outcomes and are targets based on a reasoned estimate of baseline??	Yes	Appendix 4
Has the time frame for monitoring activities been specified?	Yes. A clear and detailed M&E plan is presented	Section 6
Are the organizational arrangements for project level progress monitoring clearly specified	Yes.	Section 6
Has a budget been allocated for monitoring project progress in implementation against outputs and outcomes?	Yes.	Section 6
Overall, is the approach to monitoring progress and performance within the project adequate?	Yes.	Section 6
Overall rating for Monitoring	**HS**	
Evaluation		
Is there an adequate plan for evaluation?	Yes. A clear and detailed M&E plan is presented	Section 6
Has the time frame for Evaluation activities been specified?	Yes.	Section 6
Is there an explicit budget provision for mid term review and terminal evaluation?	Yes.	Section 6
Is the budget sufficient?	Budget seems short	Section 6
Overall rating for Evaluation	**S**	

Annex B: Documents consulted for this inception report

BYAAC. Audit report FY2013 (October 2013)
Conservation International. UNEP GEF PIR Fiscal Years 2011, 2012, 2013
ECOSECHAS. Review and action to be taken on the recommendations of the Mid-Term Review of the GEF project in Chiapas.
Tinney Rivera. Mid term review report (February 2013)
UNEP. Biennial programme of work and budget for 2014–2015
UNEP. Project Document Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico (May 2010)
UNEP. Request for CEO endorsement (May 2010)
UNEP. Terms of Reference for the terminal evaluation of the project "Mainstreaming the conservation of ecosystem services and biodiversity at the sub-watershed scale in Chiapas, Mexico"

Annex C: List of documents and individuals to be consulted during the main evaluation phase

The evaluator will consult the following additional documents (generic)

- Project design documents
- Project supervision plan, with associated budget
- Correspondence related to project
- Supervision mission reports
- Steering Committee meeting documents, including agendas, meeting minutes, and any summary reports
- Project progress reports, including financial reports submitted
- Cash advance requests documenting disbursements
- Annual Project Implementation Reports (PIRs)
- Management memos related to project
- Other documentation of supervision feedback on project outputs and processes (e.g. comments on draft progress reports, etc.).
- Project revision and extension documentation
- Updated implementation plan for the recommendations of the Mid-Term Evaluation
- Project Terminal Report (draft if final version not available)
- GEF and UNEP strategic papers related to programmatic areas of the project
- National and regional policy documents, related tot he project
- GEF Tracking Tool for the relevant focal area
- Products produced by the project
- Products (publications, brochures) related to project activities, produced by third parties

The evaluator hopes to be able to interview the following persons:

- UNEP task manager
- Current and past project staff (CI)
- Representatives of project partners (CONANP, SEMAHN, SEDEFOR, CONAGUA); including persons that participate in PSC and TC meetings and staff involved in project activities
- Other members of TC (CONAFOR, IEA and SEMAVI)
- Selection of representatives of external partners (FONCET, Ambio, TNC, IUCN, INIFAP, UNACH, ECOSUR, CONABIO).
- Selected WSC representatives
- Individual land users, beneficiaries of project activities.