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## TERMINAL EVALUATION REPORT

# **Mountains and Markets: Business and Biodiversity in Northern Pakistan**

UNDP PIMS ID: 4048  
Project ID: 76779  
GEF Project ID: 3825  
GEF Period: GEF-4

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The terminal evaluation was conducted between October 22<sup>nd</sup> and December 19<sup>th</sup>, 2017. The draft report was submitted on December 24<sup>th</sup>, 2017, while the final report was submitted on February 23<sup>rd</sup> 2018.

The terminal evaluation was conducted for the United Nations Development Programme in Pakistan by Dr. Efrem Ferrari (International Evaluator) and Mr. Nisar Ahmad Khan (National Evaluator).

## Acronyms and Abbreviations

AKRSP	Agha Khan Rural Support Program
APR	Annual Project Review
ASF	Agriculture Support Fund
AWP	Annual Work Plan
BAP	Biodiversity Action Plan
BBRT	Business and Biodiversity Round Table
CBD	Convention on Biological Diversity
CBE	Community Based Enterprise
CO	Country Office
ETI	Economic Transformation Initiative
GB	Gilgit Baltistan
GEF	Global Environment Facility
GOP	Government of Pakistan
GBRSP	Gilgit Baltistan Rural Support Program
IC	Inter Cooperation, SDC
IUCN	International Union for the Conservation of Nature
KPK	Khyber Pakhtunkhwa
M&E	Monitoring and Evaluation
MACP	Mountain Areas Conservancy Project
MAP	Medicinal and Aromatic Plants
MM	Mountain and Markets Project
MoCC	Ministry of Climate Change
NEP	National Environment Policy
NGO	Non-Government Organization
NPC	National Project Coordinator
NRM	Natural Resource Management
NTFP	Non-Timber Forest Products
PAMP	Protected Areas Management Project
PSC	Project Steering Committee
PIF	Project Identification Form
PMAC	Program for Mountain Areas Conservation
PMU	Project Management Unit
PRF	Project Result Framework
RPD	Regional Project Director
RPM	Regional Project Manager
RSP	Rural Support Program
SRU	Sustainable Resource Use
TE	Terminal Evaluation
TOR	Term of Reference
UNDP	United Nation Development Programme
USD	United State Dollars
WCS	Welfare Conservation Society

## Executive Summary

As outlined in the ToR and as envisaged by UNDP guidelines on Terminal Evaluations (TE), the main objective of this document is to assess the achievements of the Mountain and Market (MM) project according to the evaluation criteria of Relevance, Effectiveness, Efficiency, Sustainability and Impacts. In addition, the TE draw lessons that can both improve the sustainability of benefits from this project, and aid in the overall enhancement of UNDP programming.

### Project Summary Table

Project Title:	"Mountains & Market: Biodiversity and Business in Northern Pakistan (PIMS 4048)."			
UNDP Project ID:	00076779	Project financing	\$ 7,793,182	at MTR (Million US\$)
GEF Project ID:	4048	GEF financing:	\$ 1,793,182	\$ 1,793,182
Country:	Pakistan	IA/EA own:	\$ 1,500,000	\$ 1,500,000
Region:	Asia	Government:	\$ 4,500,000 (in-kind)	\$ 4,500,000 (in-kind)
Focal Area:	Biodiversity (Mainstream biodiversity in production landscapes/seascapes and sectors)	Other:		
		Total co-financing:	\$ 4,500,000	\$ 4,500,000
Executing Agency:	UNDP	Total Project Cost in cash:	\$ 3,293,182	\$ 3,293,182
Other Partners involved:	<ul style="list-style-type: none"> <li>Ministry of Climate Change (Implementing Partner)</li> <li>Forests and Wildlife Department of Gilgit-Baltistan</li> <li>Forestry department of Khyber Pakhtunkhwa</li> <li>IUCN Pakistan</li> <li>Local communities</li> </ul>	Pro Doc Signature (date project began):		June 2012
			Planned closing date: May 2016	Revised closing date: December 2017

### Project Description

The project's objective is the **Sustainable production of biodiversity goods and services through community ecosystem-based enterprises** in demonstration conservancies in the northern mountains of Pakistan. This objective is being achieved through the following four components:

**Component 1:** Market demand for biodiversity friendly non-timber forest products (NTFPs) stimulated

**Component 2:** Strengthened capacity of local communities to produce and market biodiversity friendly products

**Component 3:** Positive biodiversity linkages strengthened at landscape level through CBE Conservation and Sustainable Resource Use (SRU) Agreements

#### Component 4: Strengthen institutional capacity for scale up and replication of CBEs

The project seeks to create market-based incentives to address threats to biodiversity in northern Pakistan arising from the unsustainable commercial exploitation of NTFP. The project focuses on supply chain management, including the development of voluntary certification systems for selected NTFP, strengthening producer capacity to comply with certification standards, stimulating market demand for certified biodiversity-friendly NTFP and increasing access to markets.

The geographic scope of the project includes two provinces: Gilgit-Baltistan (Chilas and Astore conservancies) and Khyber-Pakhtunkhwa (Upper Swat and upper Dir conservancies). These sites were identified on the basis of their strong potential, previous engagement of the executing/implementing agencies and set criteria of social, biological and administrative set up.

The Project Management Unit is based in Islamabad and is supported by two field offices in the pilot areas, with two field managers, who coordinated the planning, implementation and monitoring with local community-based organizations, NGO's and the district and provincial authorities.

Ministry of Climate Change, Government of Pakistan is the implementing Partner and has the overall responsibility of implementing the project on the ground with support from UNDP (Executing Agency) and provincial line departments and IUCN-Pakistan (Responsible Partners).

#### *Summary of conclusions, recommendations and lessons learned*

The MM Project had a catalytic role in demonstrating that commercialization of NTFPs can provide effective business opportunities in the mountain areas of Pakistan, leading to improvement of the livelihoods of local communities while ensuring the conservation of natural resources. The project was also capable of demonstrating important innovative approaches as the Business and Biodiversity Round Tables (BBRT) and the joint management of natural resources between communities and the Forest Department. A summary of the ratings concluded by the evaluation is presented in the table below.

Evaluation Ratings			
1. Monitoring and Evaluation	rating	2. IA/EA Execution	rating
M&E Design at entry	S	Quality of UNDP Implementation - Implementing Agency (IA)	S
M&E Plan Implementation	MU	Quality of Execution - Executing Agencies (Eas) - Forest Department GB (IP), Environment Department KPK (IP), IUCN (RP)	S
Overall quality of M&E	MU	Overall quality of Implementation/Execution	S
3. Assessment of Outcomes	rating	4. Sustainability	rating
Relevance	R	Financial resources:	ML
Effectiveness	S	Socio-political:	L
Overall Project Outcome Rating	S	Environmental:	L
		Overall likelihood of Sustainability:	L

Overall it can be concluded from analysis that the project has made considerable efforts to mobilize local communities for sustainable management and marketing of NTFPs. The project has successfully established 14 Community Based Enterprises (CBEs) in all target conservancies. The Project did not fully achieve the original target of establishing 20 CBEs, however this was identified as consequence of the reduction in more than 20% of the co-financing commitment towards later part of the project.

The communities highly appreciated the role of the project in streamlining the value chain especially for pine seeds and morels, which enabled them to fetch increased prices for their produce. The project successfully improved the utilization of biodiversity in 4 Conservancies, namely Astore, Diamer, Swat and Dir. Those are covering a total area of 816,000 ha and within these Conservancies practical actions have been taken by communities to protect mature stands of Chilghoza pine trees (*Pinus gerardiana*) and ensure that the harvesting season for morels is limited to the period between the beginning of March and the end

of June in order to minimize damages to endangered species (i.e. wild pheasant eggs). The project successfully supported both Provinces of GB and KPK in the design and implementation of two independent initiatives on NTFP to further strengthen and replicate the CBE concept in nearby Conservancies and mainstream the joint management of natural resources between the Forest Department and the local communities.

Analyses also suggest that the absence of a proper monitoring team within the PMU has hampered development and implementation of effective M&E mechanisms especially collection and analysis of authentic time series data related to outcome and output indicators provided in the project results framework. Furthermore, tracking of indicators for project objectives were also found complex and cumbersome in the absence of specialized M&E capacity on data collection and analysis mechanisms at the PMU level.

An independent mid-term evaluation of the Project was carried out in October & November 2016, which reviewed rigorously the project design and the implementation. It also included several highly relevant recommendations for improving project intervention.

Other observations, recommendations and suggestions of the terminal evaluation include the following:

1. The evaluation highlights the importance of adopting a theory of change approach while rigorously involving all stakeholders in all stages of project formulation. Stakeholders' financial commitments and roles and obligations also need to be clearly defined and agreed upon well in advance. Project design should also duly incorporate the elements of flexibility to allow for desired changes during implementation. When multiple and independent partners are involved, strong coordination mechanisms should be established for effective collaboration.
2. Future projects should be designed with realistically determined outcomes and impacts indicators and targets, keeping in view the likelihood of achievability and ease of measurability. In the case of MM initiative some of the targets especially at outcomes level were found unreachable due to changed circumstances during project implementation.
3. For the project implementation, the evaluation highlights the importance of ensuring that adequate resources and time are dedicated to the monitoring and reporting. Dedicated resources and expertise need to be incorporated in the project plans for rigorous monitoring and evaluation of project results and interventions, especially for regular tracking of project outputs, outcomes and impacts level indicators. Inadequate attention on monitoring and reporting is a weak aspect of many projects and the same is for MM project. UNDP has developed specific tools and mechanisms to ensure proper monitoring of projects (STAR was launched in 2016).
4. Another important aspect is the "*Communication and knowledge Management*", including the appropriate generation, collection and dissemination of lessons learned and results. Over the years the project has generated good deal of knowledge products like research works, publications, reports and studies etc. However, presently these resources are not available for public view, and the dedicated web-page has not been updated regularly. In this regard, UNDP Pakistan is managing a web-page where all project reports and success stories are uploaded and shared. The PMU with the support of UNDP Communications team shall upload such resources to increase the dissemination of results among a wider audience.
5. The TE suggests UNDP and MoCC to consider the continuation of a small set up at the PMU level for at least six months. The project support needs to continue to further strengthen CBEs linkages/connections with potential markets. In addition, little progress has been made on the adaptive management of the CBEs, and most of the CBEs members interviewed during the field visits indeed requested a project extension to further support their capacity development in assessing the economic and conservation benefits generated by the CBEs. Discussions with CBEs Alliance members suggest that the two Alliances developed (in Chilas and Swat) are still too young and there is still need for further strengthening of capacities and especially market linkages as cluster business entities. A shorter, two months extension (until end of February 2018) was also

discussed during the TE presentation at the PMU as an alternative to finalize the most impending issues: a. organization of the final project conference, b. the preparation and submission of final report and c. inclusion of NTFP management plans developed by the project in the Conservation Management Plans for the last three Conservancies. **For these purposes, in early January 2018, UNDP CO granted a two-months extension to the project until end of February 2018.**

6. The NTFP certification process is also midway and therefore, there is also an immediate need for continuous follow up to get the ongoing certification process completed soon. This will indeed greatly help in achieving the longer-term impact by opening new marketing venues for the internationally certified NTFPs.
7. The MM initiative has focused on the initial portion of the supply chain of NTFPs “*from the forest to the customers*” by successfully ensuring the required enabling regulatory framework, the technical skills and capacities of local communities (through capacity building) and by clustering the NTFPs production at CBEs/Alliance level. To further strengthen this nascent market, further support is required along the entire supply chain, including: (i) the development of innovative business models capable of linking the certified NTFPs to the potential customers (ii) Advisory services to distributors & businesses already dealing with NTFPs, to support the opening of new market opportunities, at both national and international level; (iii) Proper processing and marketing skills, in particular, should be further strengthen; (iv) Ensuring external financing, by involving the nascent micro-finance sector of Pakistan; and (v) Finally, via consumer education campaigns, inform the potential customers of the benefit of certified NTFPs.

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## 1. Introduction

### 1.1. Purpose of the evaluation

As outlined in the ToR and as envisaged by UNDP guidelines on TE, the main objective of this TE is to assess the achievements of the Project “*Mountains and Markets: Biodiversity and Business in Northern Pakistan*” according to the evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact. In addition, the TE shall draw lessons that can improve the sustainability of benefits from this initiative, highlight the overall contribution of the project towards the conservation and sustainable use agenda of the Government of Pakistan, and supporting the overall enhancement of UNDP programming.

### 1.2. Scope & Methodology

In view of the objectives, scope and duration of the Terminal Evaluation, a mixed-method approach has been adopted utilizing both qualitative and quantitative data collection. The TE has been conducted according to the guidance, rules and procedures established by UNDP and GEF as reflected in the UNDP Evaluation Guidance for Terminal Evaluation of GEF Financed Projects. Broadly the overall evaluation process consisted of five standard steps i.e. 1) Evaluation Questions, 2) Evaluation Design, 3) Data Collection Methods, 4) Data Analysis and 5) Presentation and Reporting.

In accordance with the ToR and UNDP “*Guidance for conducting terminal evaluations of UNDP-supported, GEF-financed Projects*” guidelines, this TE adopted the standard evaluation criteria of relevance, effectiveness, efficiency, sustainability and impact to assess project outcomes.

A brief description of each criterion with main questions is provided below:

1. **Relevance:** assess the consistency of project outputs against the national, regional and local policy priorities and needs of beneficiaries. Within the relevance, the TE has assessed also project congruency with UNDP priorities as well as the extent to which the planning, design and implementation of the initiative is consistent with the local context.  
*“How does the project relate to the main objectives of the AF focal area, and to the environment and development priorities at the local, regional and national levels?”*
2. **Effectiveness:** measure the capacity of the initiative to contribute to the achievements of the project objective and results. This includes the measurement of change in the observed outcomes, attribution of changes to the initiative and overall judgement of the change.  
*“To what extent have the expected outcomes and objectives of the project been achieved?”*
3. **Efficiency:** measure how economic resources have been converted into results.  
*“Was the project implemented efficiently, in-line with National and sub-national norms and standards?”*
4. **Sustainability:** assess the extent to which the long-term benefits of the initiative will continue after project completion from a financial, institutional, socio-economic and environmental perspective.  
*“To what extent are there financial, institutional, social-economic, and/or environmental risks to sustaining long-term project results?”*
5. **Impacts:** measures the changes in human development which have been directly or indirectly brought in by the initiative.  
*“Are there indications that the project has contributed to, or enabled progress toward, reduced environmental stress and/or improved social and ecological status?”*

The Evaluators utilized a standard approach for TE data collection, inclusive of the following instruments:

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### Desk Review of official records and documents

A good deal of relevance, efficiency, effectiveness, impact and sustainability related data has been obtained from review of project documents, official records and secondary sources. These included Project Document, Project Progress Reports including Annual Project Review/PIRs, Annual Work Plans, Financial Reports/Statements, Midterm Review Reports, Technical Reports/Publications, Steering Committee Minutes, BBRT minutes, National Strategic and Legal Documents, and secondary sources etc.

### Key Informant interviews

Key informant interviews remained the primary data collection method using evaluation questions related to project relevance, effectiveness, efficiency, impact and sustainability etc. Key informants among all stakeholders were carefully identified in consultation with UNDP and project staff and required data has been collected using a participatory and consultative approach ensuring close engagement with key stakeholders. Main respondents included relevant UNDP, National Project Director (NPD)/Inspector General of Forests, MoCC, National Project Manager (NPM), Regional Project Directors (RPDs) and Regional Project Managers (RPM), relevant staff from GB and KPK Government, IUCN and other organizations (i.e. AKRSP, GBRSP, ETI, etc.).

### Field Visits Focus Group Discussions

The TE team visited project locations in Gilgit-Baltistan (Diamer and Astore districts) and Khyber Pakhtunkhwa (Swat district). There, the TE team conducted group discussions with stakeholders i.e. members of Community Business Enterprises (CBEs) and other partners. It is important to note that CBEs were identified randomly on the basis of their availability and accessibility. However due efforts were made to make sure all geographical regions were adequately represented during the evaluation exercise. In total 5 FGDs were held with members/representatives from 8 CBEs (3 in GB and 5 in KPK) out of total 14 CBEs, representing approximately 60% of the total number of CBEs, covering CBEs at different stage of development and capacity. These included CBEs Gais, Hudur and Kalapani in GB and Miandam, Bishigram, Mankial, Utror and Kalam in KPK. It shall be noted that due to cultural barriers, it was not possible for the TE team to directly interview female members of the local communities. The following table summarizes the number of people contacted during the course of the evaluation (please see detailed list of people met as Annex 1).

UNDP and Project team	No
UNDP CO	2
Project Team	4
Stakeholders	No
MoCC and KPK and GB Forest Department	5
Other agencies namely IUCN AKRSP, GBRSP, ETI etc.	6
CBEs members/representatives from 8 CBEs (3 in GB and 5 in KPK)	36
<b>Total</b>	<b>47</b>

### Data Analyses and Reporting

In view of the nature of evaluation questions and use of mix-method approach, data has been analyzed both qualitatively and quantitatively. Qualitative data has been processed using validations, triangulations, interpretations and abstractions techniques. Quantitative data has been analyzed using statistical methods to determine progress and trends.

A debriefing was held on the preliminary findings of the evaluation exercise on the 19<sup>th</sup> December 2017. The detailed findings of the review exercise have been outlined in the Draft Terminal Evaluation Report using prescribed format as outlined in the ToR. In addition to major findings the report provides overall conclusions, lessons learnt, best and worst practices and specific recommendations.

The report also includes the Ratings Table for the above-mentioned criteria of relevance, efficiency, effectiveness, impact and sustainability etc. The 1st Draft of the Evaluation Report has been prepared and submitted to UNDP and partners for comments on the 24<sup>th</sup> December 2017. Accordingly, in this version, all comments received on 1<sup>st</sup> Draft have been duly addressed and incorporated.

## 2. Project description and development context

### 2.1. Project start and duration

The project was submitted as a full-size proposal for GEF approval in October 2008. The final approval for a GEF grant of USD 1,793,182 was received in May 2011. The project document was signed by the Government of Pakistan and UNDP in September 2012, and the inception workshop with stakeholders was held on the 28<sup>th</sup> and 29<sup>th</sup> November 2012 in Islamabad. Because of delays, the project officially commenced implementation from June 2013. Given the four years duration of the initiative, the project's closing date was set in May 2017, however 7 months extension was granted in January 2017 with the closing date of 31<sup>st</sup> December 2017.

### 2.2. Problems that the project sought to address

The long-term solution to the conservation of the significant biodiversity of northern Pakistan has been defined in the project document as” *an enabling environment and an economic incentive structure that promote biodiversity conservation and sustainable resource use at a landscape level through a collaborative management framework between government and local communities*”. The main barriers that the project was seeking to address, as identified by a wide range of stakeholder during project preparation, are defined as follows:

- Market access
- Community capacity
- Lack of secure tenure and weak community access rights
- Weak institutional capacity to support CBEs

#### Market related barriers

Lack of regulatory framework in NTFP collection and marketing hamper a sustainable market growth. Certification schemes are seen as a potential solution to overcome the problem.

Despite a substantial demand for biodiversity products in Pakistan and globally, notably for Medicinal and Aromatic Plants (MAP), Chilghoza pine seeds and edible mushrooms, there are currently no certification schemes in place for NTFP in Pakistan to enable producers to access these niche markets.

Furthermore, the absence of comprehensive regulatory framework for NTFP harvesting, processing and trade acts as another barrier to sustainable NTFP market access and production, including biodiversity-friendly production.

#### Community capacity-related barriers

Local capacity to participate in national and international markets for biodiversity-friendly products is generally weak due to limitations in business, technical and financial capacity and limited access to such markets. NTFP collection and trade in Pakistan is a highly informal sector. Most NTFP collectors are among the poorer sections of local society, and include poorer resident mountain households as well as nomadic pastoralists. There is little local value addition by collectors and they are generally unaware of the difference in market prices for NTFP as it moves up the value chain from collector to major wholesalers, to national and international companies.

Additionally, in order for CBEs to be competitive, communities need better access to markets, which in turn requires access to market information and research, an understanding of regulatory frameworks on taxation, procurement and exports, which can be very complex, and the capacity for marketing and promotion of biodiversity-friendly products in order to establish linkages to buyers wishing to purchase certified products.

#### Lack of secure tenure and weak community access rights

Forest ownership and customary rights vary considerably in the project area, but a few things are common across all conservancies – (a) the forests are managed primarily for timber production, (b) the management of NTFPs has not received any serious consideration, (c) still follow a centralized command and control forest management approach and (d) local communities are not adequately involved in forest management.

Local communities, who have no customary rights in forests, do however depend on these forests for their subsistence and together with right holders are important stakeholders for conservation of biodiversity and sustainable use of NTFPs (Pg 23, para 69 of the Prodoc). Any long-term solution for biodiversity conservation should consider the provision of tenure and access rights, management regulations, and incentives for sustainable resource management.

#### Weak institutional capacity to support CBEs

There are a number of institutions involved in research and development of NTFPs in Pakistan. However, the focus has been primarily on MAPs, particularly their pharmacology and their potential for domestication and cultivation, rather than seeking ways to generate increased livelihood and conservation benefits from sustainable NTFP production.

In addition, existing government department extension services at Provincial level have little interest and capacity to cover NTFP production at present. Communities would also need support for biodiversity and monitoring and assessment, which is a fundamental part of the certification process.

### *2.3.Immediate and development objectives of the project and established indicators*

The MM project aimed to create market-based incentives to address threats to biodiversity in northern Pakistan arising from the unsustainable commercial exploitation of NTFP.

The overall objective of MM is to promote sustainable production of biodiversity goods and services through community ecosystem-based enterprises. The development objectives of MM are: to use voluntary certification of Non-Timber Forest Products as a tool to promote biodiversity conservation and strengthen existing conservation efforts with innovative market-based mechanisms. The project has four components/outcomes as outlined below:

Outcome 1: Market demand for biodiversity-friendly Non-Tiber Forest Products stimulated

Outcome 2: Strengthened Capacity of local communities to produce and market biodiversity friendly products

Outcome 3: Positive biodiversity linkages strengthened through CBE Conservation and Sustainable Resource Use Agreements

Outcome 4: Strengthened institutional capacity for scale up and replication of CBEs.

### *2.4. Baseline Indicators established*

In the Project Document, there is a comprehensive baseline analysis of the achievements and results of past initiatives similar in scope and geographical coverage. The main indicators for the project outcomes included:

- 1) increase in income (%) for NTFP collectors and villages participating in sustainable NTFP production;
- 2) the increase in area (ha) of critical habitat targeted for sustainable production of certified NTFPs;
- 3) number of landscape conservation approaches introduced for selected threatened species and habitats;
- 4) percentage (%) of CBEs which requests additional capacity building courses; and
- 5) number of national body trained to verify NTFP production under certification schemes.

### *2.5. Main Stakeholder*

The project document identified a comprehensive list of key stakeholders, which participated in the Inception Workshop held in November 2012. The key stakeholders include:

- United Nations Development Programme Pakistan (UNDP) Executing Agency.
- Global Environment Facility (GEF) – Financier
- Ministry of Climate Change (MoCC) – Implementing Partner at federal level according to the project document. Given the 18<sup>th</sup> amendment its role has been greatly reduced and transferred to the Provincial Line Departments.
- Provincial Governments of Khyber Pakhtunkhwa and Gilgit Baltistan – Responsible & executing Partners in respective provinces
- International Union for the Conservation of Nature (IUCN): Responsible Partner
- Local Communities (organized into CBEs) of the respective conservancies.
- WWF, WCS and other NGOs active in and around the conservancies.
- Rural Support Programs (AKRSP, SRSP, GBRSP).
- Companies/buyers of NTFP: in particular, Hamdard Laboratories, Qarshi Industries and Hunza Organic.

It shall be noted that in the Inception Report it was suggested to shift parts of the Project governance and implementation structure from the Federal Government to the Provincial Line Departments. This is as a result of the 18<sup>th</sup> Amendment of the Pakistan Constitution which has devolved most of Environment/Forests policy and management responsibilities to the Provincial Government.

### *2.6. Expected Results*

At project inception, the expected results were as follows:

#### **Outcome 1 - Market demand for biodiversity-friendly Non-Timber Forest Products (NTFP) stimulated**

- Output 1.1 A Business and Biodiversity Round Table
- Output 1.2 Voluntary certification schemes for NTFP
- Output 1.3 National and international demand for biodiversity-friendly NTFP stimulated
- Output 1.4 A regulatory framework for NTFP collection and trade

**Outcome 2 - Strengthened capacity of local communities to produce and market biodiversity-friendly products**

- Output 2.1 Enhanced business and technical capacity of local communities to establish and manage CBEs
- Output 2.2 Pilot CBEs with approved business plans established
- Output 2.3 Improved community access to technical, financial and market advisory services for CBE development and NTFP certification

**Outcome 3 - Positive biodiversity linkages strengthened through CBE Conservation and Sustainable Resource Use Agreements**

- Output 3.1 CBE Conservation and Sustainable Resource Use Agreements developed and integrated into Valley Conservation Plans.
- Output 3.2. Collaborative Forest and NRM Management developed for access rights and tenure security for local communities.
- Output 3.3 Community-based adaptive management of CBEs

**Outcome 4 - Strengthened institutional capacity for scale up and replication of CBEs**

- Output 4.1 Targeted capacity development of key institutions to support CBE development
- Output 4.2 Project knowledge and lessons learned systematically analyzed, documented and shared with key stakeholders in northern Pakistan, nationally and internationally



### 3. Findings

#### 3.1. Project Design / Formulation

GEF guidelines for UNDP-supported, GEF-financed projects include a set of questions to assess project formulation (pg. 16): i.e. ‘Were the project’s objectives and components clear, practicable and feasible within its time frame? Were the capacities of the executing institution(s) properly considered when the project was designed? Were lessons from other relevant projects properly incorporated in the project design? Were the partnership arrangements properly identified and roles and responsibilities negotiated prior to project approval? Were counterpart resources (funding, staff and facilities), enabling legislation, and adequate project management arrangements in place at project entry? Were the project assumptions and risks well-articulated in the PIF and project document? Were the planned outcomes SMART?’

##### Analyses of LFA

The project narrative starts describing the main threats to biodiversity in Northern Pakistan and the long-term solutions available to effectively reverse this trend, ultimately leading to the conservation of key habitat and species. The narrative includes the main project objective and the key barriers which need to be addressed to achieve it. Both the threats to biodiversity, the solutions proposed and the key barriers to their achievement are well described, based on clear cause-effect relationship, solid assumptions and overall well related and grounded to international experiences and good practices.

In particular, the project identified the lack of financing options to cover the initial development and running costs of the Community Biodiversity Enterprise (CBE) as one of the major issue hampering the development of local businesses. Therefore, the initiative aimed at providing to each CBE an “incubator seed capital” to jumpstart the operation (para 119, pg 39). This can be considered an innovative and valid practice for such remote and isolated community and, as described in the following section of the report, proved to be very successful.

Similarly, the project acknowledged the weak community access right to forests and NTFP in several districts of the Country as a well-known limitation to the diffusion of Community Based Forest Management practices in Pakistan. In this regard, the idea to promote a “*landscape conservation approach by exploring alternative natural resource governance options over forests and NTFP*” (para 98, pg 34), which ultimately led to the joint community - Forest Department management of natural resources, represents an important step towards sustainable management of NTFP that the Project planned, implemented and verified.

Overall, the project design is solid and, although complex, well-structured to include all stakeholders along the NTFP supply chain from producers to end-users. In addition, it shall be noted that the certification of NTFP is an innovative and highly relevant idea for Pakistan’s mountain region and have the potential to initiate an attitudinal change in local communities’ mindset of very relevant magnitude.

As for the Project Result Framework (PRF), it is well formulated and clearly identify the project objective and the means utilized to achieve it (i.e. outcomes). The PRF is also consistent with the Country Programme Outcome and GEF Strategic Objective and Outcome. There is a high consistency & interrelation between activities and outputs, outputs and outcomes and the overall design of the initiative is clear and straight forward. Each outcome has been described in detail, providing a snapshot of the situation at the project proposal stage, key barriers and ways to overcome them.

It shall be noted that there are two Project Results Frameworks (PRF) for the MM initiative. The first one is contained in the Project Document while the second version is the result of the suggestions and changes recommended by the participants of the Inception Workshop held in Islamabad in November 2013. The

two versions vary slightly especially regarding Target and Baseline. In particular, the Inception Report version is somehow more accurate given the long approval process from the GEF and Government of Pakistan which delayed project implementation for over a year. As a direct consequence, some of the initial assumptions and structural setting had to be modified as will be further discussed in detail in the following section of the TE - “*Adaptive Management*”.

Analysis suggest that the majority of the indicators and relative targets are very consistent and realistic. However, there was also a tendency to set over ambitious targets for some of the indicators: i.e. target for Outcome 1 “*Market demand for biodiversity friendly non-timber forest products stimulated*” – “*Increase in income for NTFP collectors and villages participating in sustainable NTFP production through CBEs*” – “*NTFP collectors’ household income is increased by at least 50% from sale of sustainably harvested pine nuts and morels to CBEs*”. A 50% increase in the income of selected NTFPs collector is an overly ambitious target, especially when dealing with NTFPs that: i) are traded in free market and are therefore subject to strong fluctuation in prices, ii) do not have a constant productivity year by year – while for morels, as in most other commercially viable mushrooms, the yearly production is very sensitive to local climatic fluctuations, for pine nuts it’s well-known that the yearly production follow mast seeding cycles (with a very defined peak in productivity every 3-5 years).

In addition, the second version of the PRF, under the Outcome 1 “*Market demand for biodiversity friendly non-timber forest products stimulated*”; Output 1.1 “*A Business and Biodiversity Roundtable (BBRT) established*” of the target “*b) at least 3 ecotourism spots developed closely linked with herbal and wildlife wealth in the conservancies*”. Analysis of the Project Document and Inception Report suggest that there is little clarity regarding the definition/specificity of “*spots*”, whether it includes infrastructure (and in this case, which type) or not. Secondly, even though the promotion of ecotourism community enterprises as a potential activity to be included in the project was very broadly mentioned in the Project Document narrative (page 31, para 129), the activity is only partially related to the project specific outputs/outcomes and overall strategy.

For Outcome 2, indicators were specific, measurable and relevant, however due to reasons mentioned in the following sections, the original target of establishing 20 CBEs, with approved business plans couldn’t be achieved. The indicator on development of information services (Output 2.3) was also found relevant but not enough specific.

Under Outcome 3, indicators related to biodiversity conservation and SRU Agreements and collaborative forest management initiatives were found SMART. On the contrary, the indicator on adaptive management of the CBEs was found complex and broad, lacking specificity.

Outcome 4 indicators were generally found SMART with the exception of the indicator related to Institutions capacity for scale up and replication of CBEs, which was found difficult to achieve especially for the commitment regarding the financial support to CBEs.

The project narrative didn’t emphasize much on the need for a sustainable structure (hereby referring specially to trained human resources, business models and contractual arrangements) leading to NTFP production aggregation. NTFPs in the region are collected by individual households and according to the Project narrative, this relative small-scale supply of products should be aggregated only at CBEs level. This need was not highlighted neither in the Inception Report nor during Project Steering Committees.

With the exception of few limitations discussed above, the project objectives and components are clear and practicable. The Project Results Framework is considered satisfactory and the planned outcomes are considered specific, measurable, achievable, relevant and time-bound (SMART).

## Assumptions and Risks

The PRF has identified several assumptions specific for each Outcome/Output. In particular:

Overall objective:

- NTFP collectors and communities, including resource owners, remain willing to participate in production of certified NTFP
- Government and private sector support NTFP certification as a tool for generating environmental and social benefits
- Local communities perceive sufficient value in CBEs and sustainable NTFP production and are therefore willing to support additional conservation measures through Conservation & SRU Agreements
- National and provincial governments and rural development and conservation agencies support community-based certified NTFP production and responsive to CBE requests and effective mechanism in place for recording CBE requests for support from NGOs and government agencies and whether these are satisfactorily met, e.g. through CBE Association proposed under Output 2.3.

Outcome 1:

- Major private sector companies dealing in NTFP increasingly supportive of sustainable NTFP production
- Govt supports development and use of NTFP certification as a tool for biodiversity conservation & mountain livelihoods development
- Markets for biodiversity-friendly NTFP remain resilient to impacts of global economic downturn & other external shocks
- Govt continues to support revision of regulatory framework to strengthen sustainable use of NTFPs

Outcome 2:

- Communities see value in establishing CBEs & participating in certification schemes
- Business & technical capacity development of communities & development / adoption of NTFP certification system proceeds in a smooth & timely fashion
- Key government, private sector, research institutions and relevant non-government agencies able to coordinate effectively and provide CBEs with integrated advisory services to enhance their capacity and competitiveness

Outcome 3:

- Communities derive sufficient value from participating in CBEs and certification schemes to honor Conservation & SRU agreements
- Communities and State forest agencies find collaborative management mutually beneficial.
- Practical monitoring and assessment protocols developed by project together with local communities are implemented systematically.

Outcome 4:

- National & provincial government departments, private sector and rural development and conservation NGOs continue to see value CBEs as a means of generating biodiversity and livelihood-related benefits.
- Project staff and partners committed to ensuring systematic capture, analysis, documentation and sharing of project knowledge and lessons during implementation.

Both the risks and assumptions have been well addressed and defined in the Project narrative and to a large degree they appear coherent.

Most of the risks highlighted in the prodoc (pg. 46, para 146) did not materialize during project implementation (i.e. political instability throughout the project area improved considerably in the past five years; no natural catastrophic events affected the area; and no major climatic events impacted the production of NTFPs).

The project ensured a wide participation of different stakeholders to the project activities and no conflict of interest among resource users was highlighted by any stakeholder. This demonstrates that the envisaged mitigation strategies (wide participation of stakeholders during project design and implementation, revision of the regulatory framework for NTFP collection and the BBRT) effectively reduce the risk. The project was also effective in demonstrating the value addition of aggregating production and improving processing of NTFP at CBE level. Therefore, the risk of not generating enough profits to change the individual and community cost-benefit calculus in favors of sustainable use of NTFP did not materialize. Further to this, through specific training and the development of co-management of natural resources, the project improved the sense of ownership and responsibility of the communities. However, analysis suggest that little emphasis has been placed on the risk of delays in the adoption of NTFP certification standards. As comprehensively described in the project narrative, certification can be a time-consuming activity, especially in a country like Pakistan in which international standards are not yet common and the local, in-country experience limited. Specifically, the risk No. 4 (pg 46): *“Development of standards and building institutional capacity for third party certification may prove to be a lengthy process and affect stakeholder interest”* should have received a higher rating (M or H) and should have been addressed in a more comprehensive manner compared to the mitigation measure adopted: *“The project will effectively monitor the process and share information on the process and progress with the local stakeholders”* by, i.e. setting a less ambitious target (5 product certification process and standards/procedure established) and/or including an ad-hoc committee of national & international experts to guide the PMU on a yearly basis according to the on-ground reality. In addition, the risk rating should have been increased in the yearly PIR, in order to develop specific mitigation strategies.

Discussion with project staff and stakeholder further indicated that the primary risk for the project were probably *“Institutional risk”*. In particular, ensuring a full participation and involvement of the Provincial Governments.

Overall, it can be concluded that the link between Risks/Assumptions and the PRF and between PRF and mitigation strategies appear comprehensive and well-articulated.

### Lessons from other relevant projects incorporated into project design

As described in the above sections, the MM initiative is capitalizing upon a successful and solid base of experiences, case-studies and projects involving local communities in the management of natural resources. In particular, two “integrated” initiatives were essential to set the basis of the MM Project.

The first one being the GoP/GEF/UNDP/IUCN *“Mountain Areas Conservancy Programme”* (MACP – 1999/2006), active in AJK, KPK and GB. MACP major achievement was to establish new governance and institutional arrangements for biodiversity conservation and to support the development of co-management schemes for natural resource management between local communities and the Provincial Line Departments. Covering some of the districts in KPK and GB already involved in the MACP, the MM initiative was designed to catalyze upon the mobilization experiences gained to i) include in the co-management of natural resources NTFP (previously the focus was on forests) and ii) relate the Valley Conservation Committees (VCC) developed under the MACP to the CBEs (pg 34).

A second initiative, fully financed by the GoP through MoCC, called “*Programme for Mountains Areas Conservation*” (PMAC – 2007/2012) was supposed to further expand the MACP approach by replicating the activities in the districts of KPK and GB not already involved in the MACP (pg 25). In the project narrative for the MM Project it was suggested to build upon the mobilization efforts of PMAC and to creating synergies with PMAC outcomes to develop community enterprise, value addition and marketing for selected NTFP. Unfortunately, as will be described in the section “*Adaptive Management*”, the initiative was prematurely ended as a consequence of the 18<sup>th</sup> amendment of the Constitution which diverted most of the governance and policy responsibility of environment and natural resource management to the provinces.

The project narrative further describes other initiatives (I-LED, PAMP, IC, etc.) in the focal area of rural development and conservation, although it shall be noted that none of them focused entirely on NTFP and NTFP certification.

Discussions with stakeholders suggest that the MM project is very consistent and aligned to the past initiatives implemented in the region and has incorporated valuable experiences, lesson learned and approaches into the project design.

### Planned stakeholder participation

The project narrative includes a specific section, Stakeholder Analysis to list all the relevant stakeholders (section 1.8, pg 28): local communities, conservation organizations, business enterprises, small and medium enterprise development bodies, government agencies, academic and research institutions, civil society organizations. The narrative includes a further detailed description of roles and responsibilities of all the key stakeholders identified.

The stakeholders’ participation in the development of the initiative has been adequate. Their involvement has been ensured already at the PIF stage and, subsequently during a three-stage participatory process aimed at stakeholders’ identification and consultation, implemented to ensure full-scale participation in the project preparation (over three stakeholders meetings organized). As per normal practice, an inception workshop was further organized at project kick-off (November 2012) in Islamabad. During the inception workshop which was attended by over 40 participants, the only suggestion with regard to stakeholder involvement was “*the project will make an effort to involve non-traditional stakeholders such as armed forces in biodiversity conservation efforts*”.

The MM initiative included in the PRF a specific output (output 4.2 – *Project knowledge and lessons learned systematically analyzed, documented and shared with key stakeholders in northern Pakistan, nationally and internationally*”) to ensure that all the experiences and knowledge generated by the project are managed and shared among key stakeholders. The activity included the development of dedicated communication material (i.e. one synthesis report), community-to-community learning activities, involvement and sharing of knowledge through Rural Support Programs (RSPs), one conference and a dedicated web-page.

Overall, analysis suggest that stakeholders’ participation was successfully ensured throughout the project planning phase as well as during the implementation phase and partnership arrangements properly identified.

### Management arrangements

The project was designed to be implemented by the Ministry of Climate Change (MoCC, Implementing Partner - IP) following UNDP guidelines for nationally executed projects. The management of project funds is carried out according to UNDP financial rules and regulations, based on a work plan with a detailed budget. The responsibilities of the IP were identified as follows:

1. Coordination of activities to achieve the outcomes
2. Certifying expenditures in line with approved budgets and work plan;
3. Monitoring & Reporting on the procurements of inputs and deliveries of outputs;
4. Coordinating the interventions with other parallel interventions;
5. Approval of ToR for consultants and tenders;
6. Reporting to UNDP on project delivery and impact

A Project Management Unit (PMU) was established in Islamabad with the objective to coordinate the day-to-day management of the Project. The PMU was planned to be led by National Project Director, a senior official of the MoCC, and consisted of a National Project Coordinator, an Admin and Finance Manager. In addition, a Project Technical Team was envisaged to support the PMU by providing regular technical inputs. The Project Technical Team was supposed to include a Biodiversity Specialist, a Marketing Specialist and an Enterprise Development Specialist.

The MM Project was guided, advised and overseen by a Project Steering Committee (PSC), chaired by Federal Secretary, Ministry of Climate Change and members including senior officials of UNDP, Economic Affairs Division, Ministry of Agriculture, CITES Authority, Khyber Pakhtunkhwa Forest Department, Khyber Pakhtunkhwa Wildlife Department, Gilgit Baltistan Forest and Wildlife Department, Herbal Pharmaceutical, Trade Development Authority of Pakistan, IUCN, WWF, AKRSP and representatives of local CBEs. The PSC had the overall role of coordinating activities, guiding program implementation, ensuring integration with other initiatives, overseeing and monitoring of activities and financial management.

The MM Project implementation arrangement also included two Provincial Teams, one in each Province (Khyber Pakhtunkhwa and Gilgit Baltistan), headed by two Regional Project Directors (RPD). As the RPD was supposed to be a Government Employee not funded by the project, therefore two Regional Coordinators were employed by the Project to support the daily management of activities at local level.

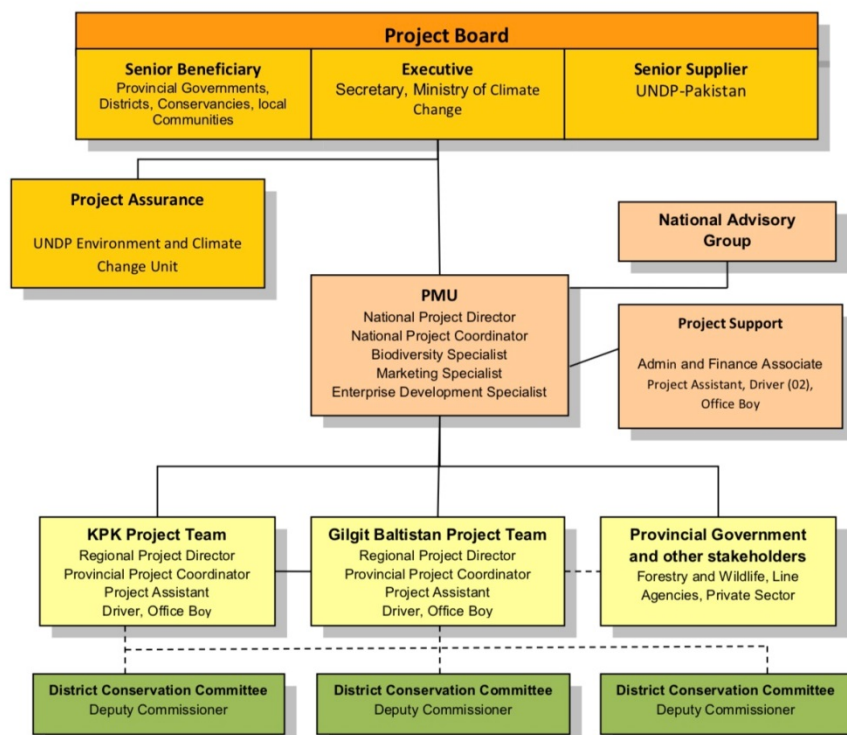


Fig 1: Project management arrangements, as per inception report.

As will be discussed in the next sections (3.2) the management arrangement was partially revised following the 18<sup>th</sup> Amendment to the Constitution, as implementation of biodiversity conservation and natural resource management measures became responsibility of the Provinces.

Overall, the selected management arrangement was found appropriate both considering the role and responsibilities and past experiences of the partners involved.

In summary, the analysis suggest that project design was appropriate to achieve the objectives set, aligned with national priorities and with a defined and well-structured PRF.



### *3.2. Project Implementation*

Adaptive Management, including changes to the project design and project outputs during implementation

The three main challenges that project faced during its implementation were:

1. The 18<sup>th</sup> Amendment of the Constitution and subsequent devolution of power from Federal to Provincial Governments for several key subjects including NTFP;
2. Premature closure of the PMAC project upon which MM was designed;
3. Financial constraints: reduction in UNDP co-financing from 1,500,000 USD to 790,000 USD.

The 18<sup>th</sup> Amendment to the Constitution devolved governance of some key subjects to the provinces, including conservation of environment (i.e. Environment Protection Agency) and the management of forests and other natural resources. As described in the above sections, this event impacted the project design and implementation structure envisaged in the project narrative. Already during the inception workshop (November 2012), the participants highlighted the need to revise the implementation modalities with specific reference to the role of the implementing partner, the MoCC. This change was promptly realized by PMU during the early stage of implementation. The solution adopted by the PMU was the most logical one: the implementation responsibilities were devolved by the MoCC to the respective Provincial Governments (Gilgit Baltistan and Khyber Pakhtunkhwa), previously identified as responsible partners.

In the Letters of Agreement (LoA) signed between the PMU and the Provincial Governments, indeed, the responsibility of the implementation at local level was already included and the financial resources allocated. It shall be noted, however, that this change did not come without consequences. The provincial governments had no human resources, capacities and competence required to deal with the complex environmental threats that the MM project was dealing. In addition, and as noted in the mid-term review report (MTR), the staff strength designed for a centralized, federal level implementation was not augmented, making it difficult for the PMU to deal, manage and coordinate the large set of on-the-ground activities conducted by two different institutional bodies at provincial level.

It is important to note here that the 22% reduction in overall financing resources available to the project, directly impacted the PMU capacity to hire more staff. To ensure a smooth project implementation and increase the participation and ownership of provincial governments, the PMU established three Project Steering Committees (PSC) instead of the single one as per project narrative (supposedly at federal level). In the two additional PSCs, the provincial representatives of relevant departments from KPK and GB were identified as key members. The project was successful in adapting its interventions to the new institutional setup.

A second consequence of the 18<sup>th</sup> Amendment was the premature closure of the PMAC initiative. As per project narrative, this initiative was supposed to further strengthen the capacity of Village and Valley Conservation Committees previously established through the MACP (page 44, para 138). However, in the absence of this support, the project had to implement the activities directly, spending relevant human and financial resources in coordination with the Provincial Forest Departments. Discussions with project team suggest that due to lack of dedicated inbuilt resources and expertise for the social mobilization component, the project technical team faced greater difficulties in reaching out to remote communities for formation of CBEs. However, despite these limitations the project team under the overall guidance of the PSC, made the necessary changes to the project targets. For example, the target for CBEs establishment was reduced from 20 to 14.

The third critical adaptive management action during project implementation was the revision of the targets (as discussed above) and subsequent reduction in the planned activities due to the financial constraints which impacted the Project. UNDP, which was supposed to contribute to the overall project budget with



1.5 million USD had to reduce the total financing to the MM project to 790,000 USD. This was communicated to the PMU during two PSCs: the first one in November 2015 and the second in July 2016.

Overall the project success is dependent on the adaptive capacity and flexibility of the project management to overcome effectively and efficiently the bottlenecks, obstacles and barriers that the project faced during the implementation phase. The Adaptive Management for the project can be rated as satisfactory, as the Project Management was capable to efficiently and promptly adjust the implementation to the changing circumstances and reduced funds available.

#### Partnership arrangements (with relevant stakeholders involved in the country/region)

In addition to the consultations held during project implementation phase, as summarized in the previous section, the PMU organized an inception workshop as an *“opportunity to have a much wider discussion and consultation with the project stakeholders to not only discuss the project design with a larger stakeholder group, but also help in further focusing on project identified outcomes and impact through improvement in project implementation and activities. Therefore, and in order to elicit ideas opinion and feedback of all project stakeholders on the approved project document, and to help refine and finalize the Project document scope and activities, a two - day National Project Inception Workshop was organized at Islamabad on November 28<sup>th</sup> – 29<sup>th</sup> 2012”*.

As mentioned before, the PMU adequately involved the implementing partners envisaged in the project document by signing relevant Letters of Agreement with the Government of KPK, the Government of GB and IUCN. While the LoAs with the governments have been already discussed previously, the LoA with IUCN, signed in September 2013, involved IUCN as the technical service providers for a wide range of activities including the organization and mobilization of communities and provision of capacity building, development of the Sustainable Resource Use (SRU) Agreements between the CBEs and the relative Provincial Forest Departments, and the organization of the Business and Biodiversity Round Table (BBRT).

The BBRT as stated in the Project narrative, was critical. The BBRT were to be *“established to foster greater understanding between the private sector, community producers, conservation actors and other key stakeholders. The BBRT will be a forum for learning and action to expand markets for biodiversity-friendly NTFP products from CBEs and to identify ways in which companies can enhance their social and environmental performance, for example, by integrating biodiversity considerations into their corporate social responsibility programs (CSR), and adopting a voluntary code of conduct for good sourcing practices”* (para 105, pg 36). The MTR highlighted some issues in relation to the firsts BBRT organized by the project. In particular, that i) the CEOs of private companies were not directly attending the BBRT, reducing the overall effectiveness of decision taken and ii) the frequent changes in representatives in subsequent meetings. Following the MRT comments, IUCN, with the support of the PMU, has been very successful in improving private sector participation and engagement. Since 2016, through the BBRT, important linkages have been established (in the form of contracts and trade of NTFPs) between CBEs and major companies like Hunza Organic, Qarshi Industries, Hamdard Pakistan and Ajmal Dawakhana. For instance, Gais CBE entered into a business arrangement with Hunza Organic in 2016 for delivering walnuts. In addition, the PMU was capable of ensuring the sustainability of BBRT after project closure: the Economic Transformation Initiative (implemented by IFAD) will host quarterly meetings until 2021 (decision taken in the 5<sup>th</sup> BBRT, hosted the 28<sup>th</sup> December 2016).

To improve CBEs capacity in sustainable utilization of MAP as well as further support research in that specific area, the PMU signed an MoU with Malakand University. Again, an important step made by the Project to explore the medicinal and aromatic plant resources of the area and to establish Herbarium and Botanical Garden at Centre for Plant Sciences and Biodiversity at UoM, Chakdara.

Considering the nature of the initiative and the target beneficiaries, the limited involvement of SMEDA and other enterprise development partners during the implementation of the Project wasn't a surprise. SMEDA

and other enterprise development agency, having limited experience working on such products (NTFPs) and in such remote and isolated communities, would have been ineffective in providing technical assistance. On a similar note and as discussed under the stakeholder engagement section, some of the training institutions mentioned in the project narrative could not be engaged (i.e. ECI). However, analysis suggest that this did not affect project implementation and the achievement of targets.

At the time of GEF endorsement, in 2008, the Project was supposed to be implemented by the Ministry of Environment. With the 18<sup>th</sup> Amendment, and the subsequent abolition of the Ministry of Environment at Federal level, the project was revised to be implemented by the MoCC and the Provinces, as suggested by the Project Inception Report “*Constitutional amendment has devolved some key subjects such as Forests, etc. to the provinces. Thus, some parts of the governance and implementation structure as proposed in the project document may not be relevant, and hence need to be looked into*” (pg 12, chp 7). However, MoCC participation in the PSC has been key to ensure provinces active involvement and increased ownership in the initiative. The PSC provided continuous leadership and support to the PMU for effective engagement and participation of stakeholders. Discussions with the communities suggest that the project has been successful in raising awareness and in mainstreaming opportunities of NTFPs in the target area. The project also started co-operation with relevant Government (both in KPK and GB) and international initiatives (Economic Transformation Initiative Gilgit – Baltistan, ETI, developed by IFAD) for possible future integration of components in the area of NTFPs.

#### Feedback from M&E activities used for adaptive management

The Mid Term Review (MTR) of the MM Project was conducted relatively late in December 2016. The key recommendation to the project included the following:

**Recommendation 1:** *MTR recommends that to ensure enhanced ownership of the concerned departments, their active participation is required. The project needs to attempt that the governments dedicated focal points should preferably be the ones that are serving within the project areas.*

The PMU tried to enhance the ownership of relevant department by shifting the focal points from the Provincial capital to local level. As an example, the KPK Forest Department focal person responsible for the bank account managed jointly by CBEs and Forest Department is the Range forest officer, a local person well known and trusted by the communities, living within the same valley. The same cannot be said for GB, where the relevant focal person is based in Gilgit, creating mistrust and difficulties in the management of the funds.

**Recommendation 2:** *The mission recommends that a technical Regional Project Director from the Forestry department as prescribed in the project document may be nominated through proper channel so that the project activities may better be channelized and accepted by the implementation arms of the department at divisional and range levels. Finally, in the remaining period of project implementation, concerted efforts are required to invest in the capacity building opportunities of the Forest Departments specially the field staff for taking the process forward. To ensure sustainability and continuity, hands on experience may be afforded wherein the partnering Government entities take the driving seat while the project team provides technical backstopping.*

The GB Province appointed the Secretary of Forest as the RPD. It shall be noted that from feedback collected in the field this was not the best choice, as such a high-level official can spare only very limited time and energy to manage/coordinate such a complex and initiative covering extensive geographical area. Regarding the capacity building of Forest Department staff, the PMU supported the GB Government in the development of a 35 mil PKR internal project for supporting the marketing and harvesting of NTFP as well as the formulation of Regulations for Medicinal Plant, currently under approval.

*Recommendation 3: The MTR concludes that the project management may focus on consolidating project activities in the remaining project period therefore recommends that part of the allocations from output 2 are redirected to output 4 and be invested in building institutional capacities to ensure the sustainability of the interventions launched. To overcome issue of flow of funds the MTR recommends that a forward rolling financial mechanism is put in place which may cover part of the expenses for the coming quarter so that in case of any delay in releases, the responsible partners may avail the facility without interrupting the implementation of activities.*

Funds for the last year (2017) of the project have been disbursed expeditiously, and as it will be detailed in the next section, allocation for Outcome 4 has been increased accordingly.

*Recommendation 4: The MTR recommends that since the project's objectives and its geographic scope with reference to GB are in consonance with the recently launched Economic Transformation Initiative Gilgit Baltistan (ETIGB) therefore, in the remaining project period the project should invite ETIGB to the BBRT and scope out the possibility of ETIGB to provide institutional home to the roundtable.*

The PMU succeeded in establishing contact with the ETIGB initiative which agreed to host the BBRT until 2021. ETI, moreover, is currently evaluating the possibility to support and include Chilghoza pine seeds and their relative CBEs into their program.

*Recommendation 5: The MTR concludes that though efforts have been made to market biodiversity friendly products however the discussions with the project team unveils the fact that there is no agreed and documented marketing strategy that could be followed. The MTR recommends development of a robust, implementable and cost-effective marketing strategy using various means of advertising including but not limited to distribution of leaflets at motorway entry and exit points, military and police check points in the project area bills boards and e - marketing including making use of the project's website. It is further recommended that the project managements negotiate with various outlets of business chains of national and sub national level like CSD, Hypermall, Serena and Metro and explore selling these organic products. To develop the marketing strategy the MTR recommends engaging a short-term marketing specialist and also utilize the expertise of the specialist in actual marketing.*

Overall it can be concluded that the recommendation, based on a real fact/observation, couldn't be followed up by the PMU within the single year which was left for implementation (after the approval of program extension) because of: i) limited resource available; ii) limited time available; iii) requirement of highly specific profiles.

### Project Finance

By end of September 2017, the project expenditure stood at 2,284,991.03 USD which is approximately 83% of the total GEF and UNDP financial resources released to the Project (2,590,093 USD). The remaining amount (300,000 USD) is to be utilized during the last three months of the year for the final evaluation, ex-post baseline study, procuring and installation of processing units (for Chilghoza pine seeds, installed in November 2017), some remaining consultancy fees as well as communication events: one conference in February 2018 and project publications. The said activities are all necessary to facilitate the operational closure of the initiative by 31<sup>st</sup> December 2017.

According to the original Project Document, the total budget for the project amounted to 7,793,182 USD, of which 1,793,182 USD from GEF funds (23% of the total allocated financial resources), 1,500,000 USD from UNDP (19%) and 4,500,000 USD from Government of Pakistan (58%), in kind. The 4.5 Mil USD, in kind, co-finance from the Government was originally planned under the PMAC initiative to support the MM project implementation. But due to the premature termination of the PMAC, (18th Amendment), the proposed support was not made available to the Project. However, it is important to highlight that later on with the involvement of Provincial Governments of KPK and GB, required support in terms of human

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resources was provided through active involvement of Forest Department staff. Furthermore, the Provincial authorities also provided office spaces and facilitation for the project staff in the respective provinces. Having said this at this stage it is found difficult to estimate the exact contribution (co-finance) from the government in monetary terms. From the discussion with stakeholders and in consideration of the impediments faced by MoCC, the TE estimates that the promised in-kind co-financing from the Government did not fully materialize.

Co-financing (type/source)	UNDP own financing (mill. US\$)		Government (mill. US\$)		Partner Agency (GEF) (mill. US\$)		Total (mill. US\$)	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
Grants	1,500,000	796,911			1,793,182	1,793,182	3,293,182	2,590,093
Loans/Concessions								
• In-kind support			4,500,000	Difficult to estimate in monetary terms			4,500,000	Difficult to estimate in monetary terms
• Other								
Totals	1,500,000	796,911	4,500,000		1,793,182	1,793,182	7,793,182	2,590,093

The total financing from UNDP and GEF supposedly amounted to 3,293,182 USD. However, in 2015 and 2016, UNDP communicated to the PSC that because of a credit crunch in the international funding, the overall resources to the initiative would have been reduced to approximately 800,000 USD. As of December 2017, UNDP released 796,911 USD, 53% of the committed budget. It is important to note that the following table only records the outcome wise expenses up to 30 September 2017 as per project financial statements provided.

Overall Budget per Activity/Agency								
Planned expenditures					Actual expenditures			
	GEF Contribution	UNDP Contribution	Total	% of total	GEF Contribution	UNDP Contribution	Total	% of total
Admin cost	-	-	-	-	22.740	338	23.078	1%
Outcome 1	211.400	-	211.400	6%	145.829	952	146.781	6%
Outcome 2	1.183.382	689.264	1.872.646	57%	836.872	-	836.872	37%
Outcome 3	225.400	-	225.400	7%	119.204	-	119.204	5%
Outcome 4	173.000	-	173.000	5%	142.045	12.266	154.311	7%
PMU	-	810.736	810.736	25%	247.543	757.202	1.004.745	44%
Total	1.793.182	1.500.000	3.293.182	100%	1.514.232	770.759	2.284.991	100%

Tab 1: Planned vs Actual expenditures per Outcome per Agency as of 30 September 2017

Year-wise analyses of expenditures denotes the delays in project execution, with activities being implemented only from 2014 onwards. Project expenditure peaked in 2015 with the disbursement of funds for Outcome 2 (seed funds for the CBEs) followed by a gradual reduction in the subsequent years (2016 and 2017).

Component wise expenditures, as detailed in Fig. 2, denotes that PMU expenditures equaled 44% of the total funds available, followed by Component-2 with 37%, Component-4 with 7%, Component-1 with 6% and Component-3 with 5%. The high share of PMU expenditure has been justified by the PMU as a result of PMU's increased involvement in field level interventions especially in the mobilization of communities. As previously discussed, PMAC was supposed to provide most of the funds and HR required for the

mobilization of communities, however this did not materialize and the respective Provincial Governments had to mobilize the communities utilizing internal resources, partially covered by the PMU.

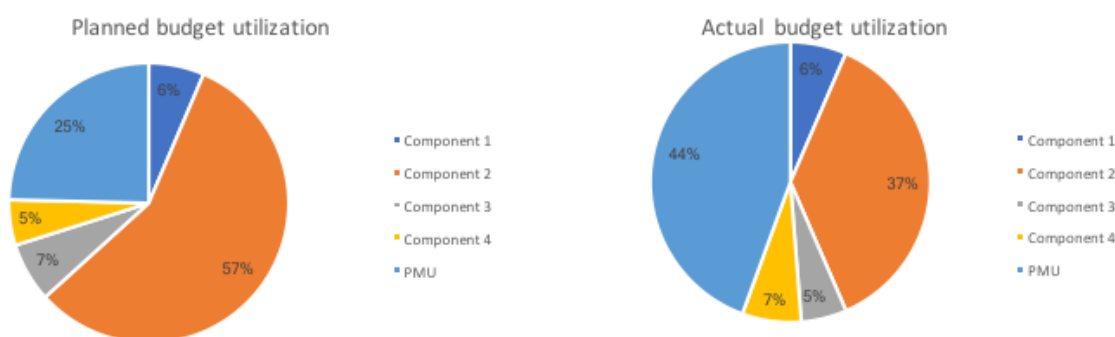


Fig 2: Planned (left) vs Actual (right) outcome wise and PMU budget utilization as of 30<sup>th</sup> September 2017.

According to the Project narrative, it is the responsibility of the Government to provide certified financial statements and an annual audit of the financial statements relating to the status of UNDP and GEF funds. UNDP, moreover, was identified as the responsible partner for making audit arrangements for the project as well as conducting spot checks at least twice a year. UNDP and the PMU fulfilled the mentioned requirements and the current analysis concludes that project financial resources and inputs were managed and spent in a transparent and accountable manner, using UNDP standard procedures for financial management and procurement and recruitment processes, keeping in view the best value for money.

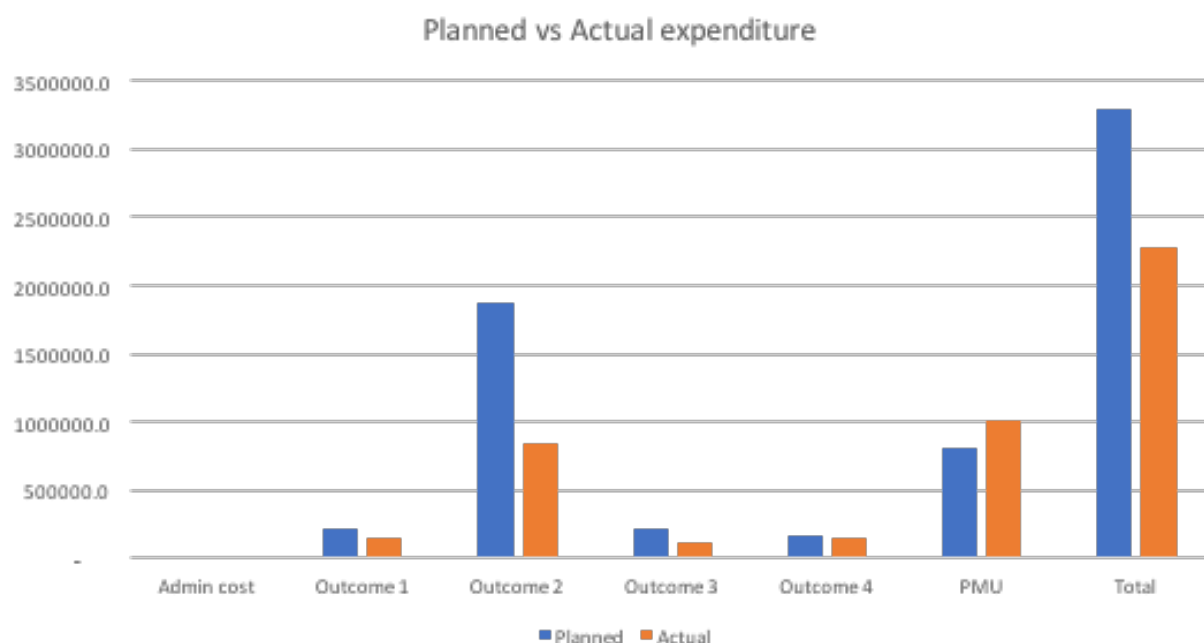


Fig 3: Planned vs Actual Expenditure as of 30<sup>th</sup> September 2017

#### Monitoring and evaluation: design at entry, implementation, and overall assessment

The project document describes in detail the monitoring and evaluation tools and procedures to be arranged during project implementation. Those relied on the standard UNDP requirement, including: Project Inception Report, Quarterly Progress Reports, annual Project Implementation Report, Annual Work Plan



and Project Terminal Report. In addition, the standard two independent evaluations were included: a Mid-Term Review and the Terminal Evaluation.

At the highest level, the progress of the project was supposed to be monitored on an annual basis by the Project Steering Committee. Accordingly, the PSC provided feedbacks and proposed corrective actions to steer the project implementation and especially the alignment of funds and targets. PMU regularly prepared Annual Progress Reports and shared them with stakeholders for their feedbacks. The project also prepared PIRs, on GEF format, for separate submission to the GEF.

Nevertheless, the evaluation had to rely entirely on Annual Progress Reports and Project Implementation Reports as Quarterly Progress Reports and GEF tracking tools (at inception, midterm and terminal) were not available. Furthermore, the ranking provided in the Annual Progress Reports (APRs) were generally found consistent with the ranking of this TE.

UNDP CO regularly engaged itself in oversight and quality assurance of project and has closely monitored the project interventions on annual basis through regular progress review and reporting.

However, discussion with project management suggest that due to lack of adequate financial resources the project couldn't employ dedicated M&E experts at the PMU level to develop and implement a rigorous M&E system including monitoring, reporting and collection and analysis of authentic time series data related to outcome and output indicators as provided in the project results framework to measure overall effectiveness and impact. However, the project team could have hired at least one M&E expert even though financial resources were not fully available.

The independent mid-term review of the Project was carried out in October & November 2016, which is considered late, as by then the project was well beyond its midcourse and was left with only one more year of implementation. The MTR reviewed rigorously the project design and the implementation. It also included several highly relevant recommendations for improving project intervention, as discussed in the previous section. The Project document also envisaged an independent Terminal Evaluation of the project towards the end of the project. The objectives of this TE is to assess the achievements of project results, and to draw lessons that can both improve the sustainability of benefits from this project, and aid in the overall enhancement to UNDP programming.

**Considering what has been discussed above, the rating for project's monitoring and evaluation is considered as Moderately Unsatisfactory (MU).**

### Implementing Partner implementation/execution co-ordination and operational issues

The project was implemented by three implementing partners (the two Provinces and IUCN) under the overall coordination of the PMU. As previously described, the management arrangement was amended and revised following the suggestions included in the Project Inception Report.

Overall considerable efforts were made to achieve the targets and goals set in the narrative, especially in consideration of the implementation issues faced by the project. These included:

1. The overall reduction in the financial resource available
2. Lack of dedicated resources and expertise for social mobilization i.e. establishment of CBEs
3. The delays encountered in project start and implementation
4. The constitutional changes which impacted project implementation
5. At times, little less than optimal cooperation of the respective forest department staff especially with some of the CBEs
6. Frequent turnover of project technical staff

Considering the circumstances, it can be stated that the PMU was capable of positively solving major implementation issues and streamline project activities among the partners involved in the revised

institutional set-up. UNDP had a positive role in supporting the PMU and the PSC in coordinating the different partners involved in the activities. UNDP CO demonstrated appropriate focus on results, provided guidance to the overall implementation and overseen the project progress throughout the implementation phase.

IUCN, in its role as implementing partner with specific mandate to provide technical support to the project, demonstrated valuable capacities in providing technical support to the CBEs and facilitating the implementation of the Sustainable Resource Use Agreements. However, coordination with the PMU was not always optimal, which resulted in delays of certain activities (i.e. trainings).

The role of the Provincial Partners (KPK and GB Forest Departments) was very instrumental in the implementation of the project in their respective constituencies. They provided office space and human resources (field staff) which interacted continuously with the CBEs and participated actively in their capacity building. The ownership at Governmental level was also found satisfactory. However, discussions with some of the CBEs also suggest that at times the cooperation between communities and forest department staff was not optimal, with specific reference to the delays in release of funds from the joint bank account. In addition, the GB Forest Department never appointed a full time RPD. Secretary of Forest, Government GB, a senior government official acting as RPD didn't have the required time and attention to follow closely the implementation of activities and guide the project accordingly.

**In view of the above discussion, the overall rating for implementing and executing partners can be considered Satisfactory (S).**

### *3.3. Project Results*

#### Effectiveness and overall Results

The project objective is the sustainable production of biodiversity goods and services through community-ecosystem based enterprises in demonstration conservancies of Khyber Pakhtunkhwa and Gilgit-Baltistan. This is achieved through four inter-related components, each of which focuses on different sets of barriers to biodiversity friendly NTFP production. These included:

Outcome Component 1: Market demand for biodiversity friendly non-timber forest products stimulated.

Outcome Component 2: Strengthening capacity of local communities to produce and market biodiversity-friendly products.

Outcome Component 3: Positive biodiversity linkages strengthened at landscape level through CBE Conservation and Sustainable Resource Use (SRU) agreements.

Outcome Component 4: Strengthened institutional capacity for scale up and replication of CBEs.

#### **Outcome 1: Market demand for biodiversity friendly non-timber forest products stimulated.**

The aim of the component is to expand the national and international market for selected NTFPs, by increasing private sector and consumer understanding of certified NTFPs, forging alliances between producers and buyers and between buyers and consumers and develop a regulatory framework and certification scheme for the NTFP produced locally (with specific reference to Chilgoza pine nuts, morels mushrooms and at least one additional MAP species). This component saw the involvement of several responsible partners: i) IUCN regarding the organization of the Business and Biodiversity Round Tables (BBRT) - the instrument to connect the producers and the buyers, and the technical aspects related to sustainable NTFP collection/production; ii) PMU and external organizations for the development of the certification schemes (i.e. FairWild, Profound, CBI); iii) NTDAP and the Federal/Provincial Government for licensing of wholesalers, developing the regulatory framework for the certified NTFPs at Provincial and National level and covering taxation and export issues.

Discussions with stakeholders (Project team, IUCN, CBEs, KPK and GB Forest Departments) suggest that the process for certification of NTFPs (and specifically for the three-key species) has not yet been completed (as of December 2017). Therefore, the main target of this component has yet to be achieved. It is worth mentioning that the PMU since the very beginning of the project implementation initiated discussions with several organizations capable of developing certification schemes for biodiversity friendly NTFPs and achieved considerable progress, as in the case of Chilgoza pine seeds, a partnership between FairWild and the Center for Promotion of Imports from Developing Countries (CBI) was developed<sup>1</sup>. CBI is a Dutch Agency with a specific mandate to support local farmers/entrepreneurs from developing countries in gaining access to the European Market. CBI is supporting the creation of new market through a range of activities, including technical assistance and assessment of the European market for a wide range of products including nuts, dry fruits, MAPs and mushrooms.

Experts from both the organizations visited the project areas for exploring the possibilities of launching certification schemes for natural products. The mission held meetings with the governments of KPK and GB, imparted training to CBEs from the project areas (three trainings were held in Chilas, Astore and Swat) on the requirements of certification and trained Business companies. They also facilitated the business companies to participate in the Trade Fair in Germany in 2016. The mission has linked the Ministry of

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<sup>1</sup> <http://thisisporofound.com/story-pakistan-2/>



Environment with Netherland government for possible collaboration in the conservation and Marketing of value added NTFPs from Pakistan to Europe.

Furthermore, since 2015, 8 business companies (including Hunza Organic, Qarshi Industries, Hamdard Pakistan, Ajmal Dawakhana, etc.), were introduced to the CBEs. CBI facilitated their access to the European markets for generating demand of natural products from the conservancies. On return, few companies like Hunza Organics have made specific agreements with CBEs for sustainable sourcing form the CBEs. The mentioned organizations also helped in the initiation of a pilot for the “*sustainable sourcing of high-quality pine nuts with multiple quality and sustainability standards*”<sup>2</sup>. However, as discussed in the section 3.1, certification can be a time-consuming activity, especially in countries like Pakistan in which international standards are not yet common and likewise local and in-country experience is limited.

The PMU, recognizing that developing such complex certification schemes for other species would have been over-ambitious (both in time and costs), decided to certify the organic production of several NTFPs using a quality/food safety perspective. The Pakistan Council of Scientific & Industrial Research (PCSIR, under the Ministry of Science & Technology) evaluated and granted organic & quality certification for locally produced morels, red beans, thyme and walnut (kernel and whole). It shall be noted that PCSIR certification is intrinsically different from biodiversity friendly certification as the former solely focuses on complying with the standards developed by the Punjab Food Authority for food safety and hygiene, without taking into consideration environmental aspects connected to the NTFPs collection (i.e. sustainable harvest).

On the other hand, as discussed in the project narrative, it shall be noted that the achievement of biodiversity conservation/sustainable resource use at a landscape level requires an enabling environment, an economic incentive structure and an appropriate institutional arrangement for biodiversity conservation between local communities and the government. In respect to Component 1, the project has made substantial progress by providing communities and private companies with an integrated model for fair, sustainable and quality oriented NTFPs use and biodiversity conservation. Overall, the knowledge of local communities and private companies on the potential market for certified NTFPs has greatly advanced and a great deal of awareness has been raised in communities regarding their role in ensuring conservation and sustainable harvesting for such commodities. This can be considered the first step towards the achievement of the “*enabling environment*” required for developing a new market for biodiversity-friendly certified NTFPs.

Regarding private sector involvement, discussions with Project team, IUCN and Hunza Organic revealed that the establishment and organization of Business and Biodiversity Round Tables (BBRT) and six meetings, proved to be a successful idea to catalyze the attentions and interests of large private sector entities around NFTP: i.e. *Hunza Organic* pvt ltd (from Lahore) and *Hamdard Pakistan*. The former has established a strong commercial partnership with CBEs from Diamer district engaged in pine seeds collection and processing and in the last growing season the company purchased several Kg of seeds for the national market. With the facilitation from the PMU, one Chinese company purchased in 2017 alone 14 Tons of Chilghoza seeds, worth around 200,000 USD. This is the first time that local communities received direct access to international traders without using intermediaries, directly increasing the income of the CBEs.

In addition, the project has also helped the formation of two communal alliances in Chilas and Mingora where CBEs of respective regions have grouped themselves into alliances to jointly market their product. Project also helped the alliances in establishing proper offices. TE team visited the Mingora CBE Alliance

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<sup>2</sup> The initiative received specific attention: <http://thisisprofound.com/2016/08/29/checkapp-pilot-sustainably-sourcing-pine-nuts-in-himalayan-pakistan/>

office which was found adequately equipped with office accessories and provided with storage facility for the NTFPs collected from various CBEs for further sale and distribution.

Regarding the promotion of eco-tourism in the target Conservancies, the project successfully managed to establish one eco-tourism “spot” in Kalam area of upper Swat valley. As previously discussed, the definition of spot in the Inception Report (where it has been first included) is extremely vague and was conceived by the PMU as a well-designed infrastructure providing basic accommodation for tourists willing to visit the region. The Kalam resort has been funded partially by the project, by the local CBE utilizing their own funds and by a local investor. Total cost of the resort was around 6.7 mil PKR, out of which 2.6 mil was provided by the project, 1.5 mil by the CBE (borrowed from CBE seed fund), and 2.6 mil by the independent investor, who holds 40% stake. The TE mission visited the buildings, appreciated the construction style and the willingness of the local communities to provide additional services to the numerous tourists currently visiting the area but as previously discussed it is found little difficult to link it to the project’s overall objectives of promotion of NTFPs and biodiversity conservation.

The project also helped in review of exiting legal framework in GB and KPK to help the government in developing and updating relevant legal tools for participatory conservation and sustainable use of NTFPs. Regulation of medicinal and aromatic plants and other NTFPs in KPK has been reviewed and updated and is currently in the consultation and approval process. Whereas in GB NTFP regulations have also been developed and are currently under approval from the law department, once approved it will be implemented in the region.

In conclusion, despite the impediments discussed in the preceding sections, the project has been successful in contributing to the expansion of NTFP market nationally and internationally, by increasing private sector knowledge on the potential of biodiversity certified NTFPs, piloting certification schemes for several products and developing successful alliances between buyers and producers.

## **Outcome 2: Strengthening capacity of local communities to produce and market biodiversity-friendly products.**

The aim of the component is to address the key barriers to sustainable NTFP production, by providing to the CBEs business, technical and financial skills, as well as financial inputs. This component was intended to be implemented through the involvement of several responsible partners: i) IUCN & RSPs with regard to the provision of skills and knowledge for enterprise development, management (i.e. business plan development) and for registering the CBEs as commercial entities; ii) PMU for the provision of the seed capital to start businesses and iii) Government entities (ASF and SMEDA) to facilitate the economic flows between producers and buyers. According to the LoA signed with the Project, iv) IUCN was in charge of developing a practical mechanism for CBEs access to advisory services as well as a project-specific web page.

In regard to the CBEs establishment, throughout the implementation phase the project has mobilized and established 14 CBEs against the original target of 20 CBEs (4 in Diamer, 3 in Astore, 3 in Swat, 2 in Upper Swat and 2 in Dir Kohistan), covering more than 30 villages. All the CBEs were formed between 2014 and 2016. As previously discussed, the community mobilization necessary to form the local CBEs was supposed to be supported and implemented in synergy with the proposed GoP PMAC initiative. As PMAC got halted because of the Constitutional Amendment, the PMU had to internalize the entire process, spending considerable amount of human and financial resources previously unplanned. Project also capitalized on existing social organization structures from previous projects like MACP and AKRSP in Astore area and USAID enterprise development initiative in Swat. In addition, it shall be noted that i) these communities are particularly remotely located deep inside valleys and movements to and from the area requires long time and ii) the project was capable of mobilizing at least 2 CBEs in each of the proposed target

Conservancies, therefore ensuring the coverage of the entire Project area as per project documents. This is important as it can facilitate the replication and further expansion of the CBEs concept in the future.

The numerous capacity building activities that the project provided to the CBEs were initiated in 2014 and continued throughout the implementation period. These training activities evolved from basic training on CBEs formation to general business, accounting and finance as the CBEs increase their capacities and experiences. For example, the project developed a specific manual for the establishment of CBEs building upon existing village and valley institution formed during the Mountain Area Conservancy Project (MACP). The document provides step-by-step procedures for the establishment of an enterprise, including the mobilization phase, development of an organizational structure, monitoring of activities, basic finance requirements and an insight in Business Plan development. A specific training module on business, accounting and finance was developed in 2015 to improve the capacities and skills of selected CBEs members (i.e. maintain record of petty cash vouchers, how to read bank statement, prepare bank & petty cash reconciliations, how to keep records in books, etc.). Discussion with the CBEs members during the field visits revealed that the courses have enhanced capacity of the CBE members in terms of their confidence and skills to manage a small enterprise in a relatively short timeframe.

Between 2014 and early 2015, IUCN completed the training need assessment surveys in all four conservancies on collection, post-harvest processing and packaging of NTFPs. Following the surveys, training course modules have been developed and courses organized in 2015, 2016 and 2017 in each Conservancy, covering the main technical issues related to NTFPs collection (for MAPs, morels and Pine nuts) including: first processing in the field, handling, grading, storing, labelling and packaging. The impression gathered on the field during the discussions conducted with the CBEs members suggest enhanced awareness about the market requirements for each NTFP specie and overall sufficient skills in basic processing of the collected NTFP. The project provided each CBEs harvesting tools and, in some cases, supported the provision of small scale processing units (i.e. cleaning and grading for Chilghoza pine seeds). The training and kits provided to the CBEs members facilitated an important behavior change: before the project local communities' role was simply to collect the NTFP and wait for buyers to come and purchase the product from each single collector. However due to the increased awareness, knowledge and technical capacities, some of the CBEs now are capable of ensuring the basic processing and are actively looking for new markets and clients outside the region resulting in increased profit margin. In other words, the establishment of CBEs has helped in the value addition required to further close the gap between collectors and wholesaler. According to the respondents, the exposure visits facilitated by the project to the larger markets for NTFPs in the country (such as Lahore, Faisalabad, Peshawar, etc.) has helped them to broaden their knowledge.

The Project also provided each of the 14 CBEs with a small grant (or incubator seed capital) for operationalizing the CBEs, amounting to approximately 35,000 USD per CBE (30,000 USD as investment capital for purchasing NTFPs from local communities and 5,000 USD for strengthening the capacity of CBE). In addition, each CBE contributed around 3000 USD as (10%) community share. The funds have been transferred in the respective CBE bank account. This is managed jointly by the CBE, the RPC and the representative of forest departments of respective Provinces (Gilgit – Baltistan and Khyber Pakhtunkhwa). The CBE seed fund was meant to be revolving in nature and the CBEs are investing and reinvesting on yearly basis. The funds have been utilized by all CBEs to purchase “raw” or partially processed NTFPs from their own community, and also for aggregating and grading the production, providing packaging and labelling (in some cases) and transporting to the market either independently or through the CBE Alliances (when present). Most of the CBEs opened their bank account in 2014 and 2015, and utilized the funds for at least two seasons. It is important to note that different NTFPs have different type of markets i.e. pine seeds and morels are well known products, with relatively mature markets while others like black cumin or wild thyme do not have such a structured demand yet. Some CBEs, therefore, performed better than others as their business model is assured (i.e. the four CBEs of Diامر, trading mostly Chilghoza pine seeds), as compared to other CBEs (i.e. those in Astore, trading mostly MAPs) for which finding buyers for the newly

collected NTFPs (i.e. black cumin) is still complex. As a consequence, some CBEs, run into losses. It is noteworthy the capacity of the CBEs to react promptly to these business losses: in many cases the CBEs decided to invest the money on a different NTFP the following season. Similarly, in several circumstances the project had to facilitate the partnerships and the deals between buyers and the CBEs to solve practical issues (i.e. transfer of funds, quality of the products, etc.). This is understandable keeping in mind the limited previous experience and the remoteness of these communities. The communities are highly appreciative of the project in connecting them to markets and clients.

Out of 14 CBEs established, 7 from Gilgit Baltistan (Astore and Diamer) have been formerly registered with the Government as business entities, while the same process is still pending for the CBEs from Khyber Pakhtunkhwa (Swat/Kalam and Dir) because of delays and others administrative issues (according to the stakeholders). Similarly, as of December 2017, 8 CBEs have developed their business plans out of 14 established CBEs against the original project target of 20. The main reasons for not achieving the overall target for establishment of 20 CBEs was the limited availability of human and financial resources and the implementation delays encountered by the project.

Regarding gender mainstreaming it is important to highlight that Astore CBEs requested the Project to prepare and deliver a specific training for female collectors. The training was organized at KIU in September 2016 and focused on “sustainable harvesting, collection and storage of medicinal herbs”. The training was attended by 31 participants. However, as previously stated, due to cultural barriers it was not possible for the TE team to directly interview female members of the local communities nor the beneficiaries of the trainings.

Discussion with some of the CBEs and stakeholders revealed two main bottlenecks: 1) joint signatures on the bank account managed by the CBEs and the Forest Department (at Provincial level), 2) need for additional extension services for those NTFPs not yet fully matured. In regard to the first point, the cooperation of the Forest Department varied from place to place for example in Kalam, Utror and Mankial, CBEs are satisfied with the timely cooperation of FD in drawing money from the account, whereas some CBEs from Astor and lower Swat encountered difficulties in timely withdrawal of funds from CBE account due to delays from FD signatory.

In conclusion, it is observed that the Project had a critical role in boosting the awareness, the capacities and the sense of ownership of the local community in regard to NTFPs. Proper harvesting and processing has been improved and the CBEs are found very enthusiastic and optimistic to become a sustainable and reliable business entity untapping the potential of the NTFP market.

### **Outcome 3: Positive biodiversity linkages strengthened at landscape level through CBE Conservation and Sustainable Resource Use (SRU) agreements.**

The aim of the component is to secure CBEs rights of access to harvest specific NTFPs while at the same time link this activity to measurable conservation efforts. The mechanism identified was to develop single Sustainable Resource Use (SRU) agreements for individual NTFP within a general conservation agreement for local biodiversity to be included in the geographically broader Valley Conservation Plan developed under previous initiatives. The main partner involved in this activity was IUCN.

During the first two years (2014 and 2015), the Project conducted extensive baseline assessments of vegetation and NTFPs in each of the four conservancies. The four reports developed are comprehensive and include a description of the area, sampling methodology, main vegetation belt/GIS land-cover studies, abundance and distribution of NTFPs, inventory of main plants having medicinal or other values and the identification of the most commercially collected species. It is expected that another round of surveys being conducted in the same areas at the project closure to assess the overall conservation status of NTFPs and the impact of the project. However, in December 2017 the activity was not yet being conducted. Successively, the project developed the “*sustainable use protocol*” for 10 selected MAPs. For each of them,

this document explains the ethno-medicinal use of each specific plant, describing its economic importance and the current management practice adopted. It provides also information regarding its cultivation potential & regeneration capacity, conservation status and main opportunities and threats to its commercialization.

Table 1: Selected MAPs species for Sustainable Use Protocols – identified in the four Conservancies of Kalam, Dir, Astore, Diamer.<sup>3</sup>

English name	Scientific name	Portion utilized
Knot Weed	<i>Bistorta amplexicaulis</i>	Rhizome
Black cumin	<i>Bunium persicum</i>	Seeds
Crocus	<i>Clochicum luteum</i>	Rhizome/pollen
Common morel	<i>Morchella esculenta</i>	Mushroom
Koro	<i>Picrorhiza kurroa</i>	Rhizome
Pine seeds	<i>Pinus gerardiana</i>	Seed
Himalayan mayapple	<i>Podophillum hexandrum</i>	Fruit
Ladder-to-heaven	<i>Polygonatum multiflorum</i>	Rhizome
Valerian	<i>Valeriana jatamansi</i>	Rhizome
Himalayan violet	<i>Viola canescens</i>	Flower and leaf

To increase community awareness and technical skills in conservation, in 2017 IUCN developed specific training modules for the CBEs on Sustainable Use Protocols (SUP), Biodiversity Monitoring Indicators (BMI) and Certification of Quality Products for MAPs. The modules contained detailed information on how to maintain wild and viable NTFPs population, including harvesting rate, regeneration cycle, preventing negative environmental impacts in the collection and harvesting of NTFP, the importance of the compliance to SUPs and how to assess the conservation status of threatened species. The 2 days training was conducted in March 2017 for the selected CBEs of KPK and GB and included Group activities to simplify and ensure community understanding of this technical subject. Overall, it can be stated that the design of the training modules is satisfactory and the subjects have been presented in a clear and simple manner. The modules included also insights on the four main components of the certification of quality products: management of resources, social acceptability, organic production and quality of the product.

Overall, feedbacks from the communities and the sense of ownership for the conservation of natural resources denotes that conservation – business nexus for NTFP has been successfully demonstrated by the Project. The case of Chilas SUP for Chilgoza pine (*Pinus gerardiana*) is a practical example of the attitudinal change in the participatory management of natural resources. During the discussions with communities in Diamer, the CBEs confirmed that with the intervention of project they have been able to impose tighter conservation measures for Chilgoza pine trees by completely banning the cutting of whole

<sup>3</sup> IUCN surveys of commercially important high altitude medicinal and aromatic plants in Kalam, Dir, Chilas and Astore Conservancies and Sustainable Use Protocols for NTFPs.

tree and the branches (lopping, a common practice in Pakistan forests). Specific timings and collection measures have been allocated once a year for specific dates/days in each valley for collection of Chilghoza, and that too only by the local/resident communities without employing any outsider or additional labor force. Following the management prescriptions included in the SUP, the CBEs of Ghes, Hudur, Tangir and Goherabad decided to:

- Prohibit lopping of branches for cones collection.
- Impose a ban on hiring of labour for collection of cones.
- Intimate the use of proper tools for cones collection (provided by the Project)
- Announce the opening/closure of the harvesting season to avoid pre-mature harvesting of cones.
- Impose a ban on cutting of green trees.
- Protect and promote regeneration of Chilghoza forests by implementing grazing control measures in potential patches of forests.

Simultaneously IUCN initiated the consultative processes with community institutions for the development of the Sustainable Resource Use (SRU) agreements. These are signed between the Provincial Forest Departments and the CBEs. 10 SRU Agreements have been executed against an initial target of 20 (as per PRF). Considering that only 14 CBEs have been established, the project was capable to reach 70% of the overall revised target (it shall be noted that all the 7 CBEs from GB have their SRU Agreements approved, while in KPK only 3 SRU Agreements were approved, with 4 more still under revision of the Provincial Forest Department). IUCN informed the evaluation team that the other 4 SRU Agreements are still under discussion at provincial level. The agreements include the responsibility of each partners: (1) Project/Forest Department is responsible in building the capacities of local communities, providing the seed money, identify, regulate the collection of NTFPs; (2) the CBEs have the overall responsibility to ensure that only authorized and trained collectors harvest the product within the prescribed limits and according to the prescribed methodology; redistribute the profit to collectors and/or invest it in additional conservation measures; maintain a track records of purchases (location, quantities, date, rate and amount paid); and ensure ban on collection from depleted areas jointly identified by the CBEs and the Forest Department. Feedbacks received from the communities demonstrate an overall good functionality of the protocols established and the overall concept of the SRU both from a financial as well as technical point of view. However, TE team observed that the SRU Agreements are currently lacking a simple monitoring plan, inclusive of realistic, measurable and easily verifiable indicators and objectives. Although IUCN included basic elements of biodiversity monitoring in the training conducted with the CBEs, they did not provide a proper justification for this absence. As further discussed in the following sections, the Project shall develop at least one sample monitoring plan within one SRU Agreement to facilitate replication in future stages.

From the discussions held with local stakeholders it can be noted that each CBEs is well aware of the threats on excessive harvesting of NTFPs and most of them developed some sort of conservation efforts: improved management of forest resources by the four CBEs of Chilas; ban on harvesting and trading of Koro and grazing in the area of MAPs collection by the Kalapani CBEs of Astore; success stories of the conservation of *Trilium* and *Taxus wallichiana* by several CBEs of Swat valley. These are well-known species with important values reaching very high price in the market. In all these cases, project has contributed in increased sense of ownership of local communities, harvesting of some relevant NTFPs have been banned or heavily regulated to allow for ecosystem recovery. Discussions with CBEs especially in Astor suggest that in some of the areas FD is still awarding MAP contracts through old practices and open bidding to contractors from outside without the consent of CBEs. They requested for award of all such future contracts to the CBEs to ensure sustainable management.

One month before project closure, four collaborative NTFP related natural resource management plans have been developed by IUCN, one for each Conservancy. However, only one plan has been incorporated into the Conservation Management Plan (CMP) as this action requires the approval of the relative Conservation

Management Committee (CMCs). According to the opinion of IUCN representatives, the responsible partner for this activity, this was caused by delays in the organizations of the CMCs. IUCN further stated that the remaining three will be approved by April 2018, as during the winter seasons it is difficult for the CMC members to meet. The TE team suggests UNDP CO, together with IUCN to monitor the activity and ensure that CMCs endorse the NTFPs Plans. In this regard, IUCN conducted in 2017 a specific training for each CBEs and the Forest Department staff.

In conclusion, the project has been successful in practically demonstrating the potential of a joint natural resource management based on a strong empowerment and sense of ownership of the local communities. This practice has been successfully verified starting from single NTFP and replicated to broader natural ecosystems (including forest resources).

#### **Outcome 4: Strengthened institutional capacity for scale up and replication of CBEs.**

The aim of this component is to replicate and scale up the successful approaches to biodiversity friendly NTFP production and CBE establishment demonstrated through the project to other valleys/Conservancies. Under this component, the PMU was supposed to initiate collaborations with a number of Civil Society Organizations (i.e. Rural Support Programs) and Governmental programs and organize specific dissemination events as well as specific communication materials.

Throughout the Project implementation phase, the project has been actively involved in disseminating Project rational, approaches and findings. Targeted capacity building activities have been conducted with relevant Governmental institutions & Provincial Departments (i.e. Environmental Departments, KPK and Forests and Wildlife Department, GB). These efforts materialized in 2015 when the PMU supported the development of two independent initiatives on NTFP, financed and implemented by the two Provinces of KPK and GB. This is an important achievement which demonstrates the commitment and keen interest towards ensuring proper frameworks for commercialization of NTFPs by the two Provinces. Similarly, the PMU initiated a dialogue with the IFAD “*Economic Transformation Initiative*” (ETI), the largest development initiative to date targeted exclusively on GB. The main focus of the ETI is to expand agriculture productivity and strengthen the value chain for the main cash crops of the area namely potatoes and apricots. The ETI Project is also working with local community institutions and within this framework, the ETI PMU is currently evaluating the potential to start collaborations with the CBEs of Diamer districts to further support and strengthen the value chain of Chilgoza pine seeds. According to the interviews conducted with stakeholders, the ETI approached several CBEs during the last season.

On the contrary, few interactions have been established with local Civil Society Organizations, namely RSPs – AKRSP in GB and SRSP in KPK. According to the discussions held during the field visits, the reasons for limited interactions are: in GB, AKRSP is particularly well established in the northern and eastern part of the Province. Diamer district, where 4 CBEs of Chilas are located, is a culturally and religiously conservative area in which AKRSP is currently not active. It is important to highlight that the RSPs also have limited experience in developing, supporting and providing advisory services to Small Enterprises and very limited or no work has been done specifically for the commercialization of NTFPs due to its technical nature.

During stakeholders’ consultations, the Government of both KPK and GB also pledged support to the CBEs, but the lack of technical expertise for NTFP commercialization, poses a challenge to the capacity to further support CBEs in the future, especially in regard to technical subjects as commercialization of certified products.

Similarly, limited relationships and interactions were established with SMEDA and ASF to evaluate potential additional funding options for the CBEs. As reported above, these organizations do not possess the required skills and capacities to work with such remote and isolated communities. Physical distance between CBEs and the main urban center in the respective Provinces have also constrained these

organizations from establishing partnership with the CBEs. In regard to provision of funds, however, the project was capable to link the federal government initiative “*Mountain Areas Conservancy Trust Funds*” (MACF) with the CBEs. The funds, amounting to 1 million PKR per Conservancy (approximately 10,000 USD) provided additional resources to the CBEs in the form of cash grants to ensure day-to-day operation and management of conservancies bodies.

Valuable linkages were established by the Project with the main research institution of the area, namely Karakorum International University (KIU) of Gilgit and Malakand University in Swat. KIU staff visited Astore CBEs in the summer of 2016 to evaluate the potential for cultivation and propagation of key MAPs species. One day Workshop was also organized with the women of Kalapani CBE of Astore in Gilgit, in September 2016. Following the workshop, the Project signed an MoU to explore the medicinal and aromatic potential of plant resources of the area and to establish Herbarium and Botanical Garden at Centre for Plant Sciences and Biodiversity at UoM, Chakdara. Further, 5 Master degree students were facilitated through provision of short-term research opportunities in the conservancies. The project also sponsored one research thesis of a student from Arid University, Rawalpindi.

Regarding the dissemination of lessons learned and knowledge developed through the initiative, the PMU & IUCN successfully organized one conference in December 2016 on NTFP in Islamabad and successfully organized two community-to-community exchange visits between CBEs of KPK and GB, a good idea to improve cross-fertilization, exchange of ideas and best practices. However, IUCN, the responsible partner for the development of a specific lesson learned report, informed that no report is currently available and most probably this will be included in the final report. This pose a risk of losing the important experiences learned through project implementation. The TE suggests UNDP CO to follow up with IUCN in this regard. The PMU also engaged other media outlet such as radio to disseminate messages related to NTFPs (aired messages on NTFP for 3 months) and organized several live debates on the topic.

The project website which was launched in 2014 to share lessons learned, examples and information about the project <http://mountainsandmarkets.pk> was never updated. Even considering that such a communication tool would be hardly used by local communities, the webpage would have helped to disseminate project initiatives to wider audience both within the country and international.

In conclusion, by taking into account the observed limitations compared to the initial, and in some cases over-ambitious, goals, it is evident that the project has had a critical role in strengthening the market for NTFPs along the entire supply chain, from producers to buyers. With some focused additional measures, market growth and community development are likely to continue also after the project closure. **As such, its overall results and contribution to the project objective and its stated targets can be considered as satisfactory (S).**

### Relevance

Interviews with stakeholders, situation analysis and project documents suggest that overall project objectives and interventions were highly relevant and consistent with Government of Pakistan policies, UNDP and GEF priorities and needs of the beneficiary institutions and communities.

The project was approved for funding under the Strategic Objective 2 of the Biodiversity Focal Area: “*Mainstreaming Biodiversity in Production Landscapes and Sectors*” and specifically with the SP 5: “*Fostering Market for Biodiversity Goods and Services*” for GEF-4. Primary objective for the strategy is “*Conservation and sustainable use of biodiversity integrated into production systems and sectors, development models, policies and programs*” while the outcomes are: “*1. Conservation and sustainable use of biodiversity incorporated in the productive landscapes*” and “*2. Global certification systems for NTFPS produced in production landscapes include technically rigorous biodiversity standards*”. Overall analysis



suggest that the stated outcomes are fully in accordance with the M&M Project expected outcomes and principles and have been respected in the project implementation.

The project document section dealing with country drivenness refers to the Convention on Biological Diversity (CBD) ratified by Pakistan in 1994 and the subsequent preparation of the National Biodiversity Strategy and Action Plan, adopted by the Pakistan Environment Protection Council in 1999. This was further expanded in 2000 in the Biodiversity Action Plan (BAP). In particular, the MM Initiative is relevant and responds to the Objective No. 7, 9, 10, 11, 14, and 17.

- **Objective 7: Conserve biodiversity outside protected areas.**
- **Objective 9: Develop a policy and legal framework to encourage sustainable use of biological resources.**
- **Objective 10: Establish, monitor and regulate sustainable use limits of selected biological resources.**
- **Objective 11: Protect and encourage community-based biodiversity management systems.**
- **Objective 14: Create an integrated system of incentives and disincentives at the national and local level to encourage the conservation and sustainable use of biodiversity.**
- **Objective 17: Strengthen human capacity in biodiversity conservation and management.**

The project also responds to several recommended interventions included in the National Environment Policy (NEP) 2005-2010, which identifies sustainable use of biodiversity, including benefit-sharing, and medicinal and economic plant conservation as a priority area for action and also recommends creating incentives for community participation in biodiversity conservation.

The Project is aligned to the objectives and targets of the Rural Development Strategy of Pakistan on environmental sustainability as well as with the Vision 2030, which supports sustainable approaches to the economy of ecology and biodiversity.

In addition to its relevance to the Government of Pakistan policies and priorities, the project is highly relevant to UNDP global priorities of promoting environmental management for sustainable development and its focus on achieving the Millennium Development Goals. UNDP has a long experience of working in conservation of biodiversity in the mountain areas of northern Pakistan and has been the executing agency of several GEF financed initiatives, some of which were approved as recently as 2015 and 2016.

Nevertheless, discussions with communities also suggest that the project interventions and outcomes were found very relevant in addressing the needs of the local communities in terms of increased and sustainable income from NTFPs. The project has greatly increased local communities' capacities to harvest, process and market local NTFPs. Discussions also suggest that the project was consistent with the conservation of bio-diversity and sustainable use of NTFPs.

By taking into account all of the above analysis it can be concluded that the project is found **fully relevant (R)** in addressing some key barriers to the sustainable use of biodiversity, while also contributing to the national strategic priorities on biodiversity conservation and rural development.

## Efficiency

The TOR defines efficiency as to what extent the inputs (resources and time) were used in the best possible way to achieve results. Generally, efficiency of project interventions can be assessed through three basic dimensions i.e. 1) economic utilization of financial resources with reference to stipulated budgetary allocations 2) timeliness of interventions with reference to allocated timeframe and, 3) quantity and specifications of project activities with reference to work plans.

In view of i) the changes in the management structure, from a centralized/federal level implementation to a decentralized/Provincial one; and ii) the financial constraints faced by the project (allocated funds equaling 78% of the committed budget), the PMU had to revise the amounts and allocations among the different budget lines and among the outcomes. The comparison between planned versus actual

expenditures per Component, reveal major changes for Outcome 2 and the PMU. As previously discussed, the PMU had to internalize the costs related to the CBEs mobilization. The costs were initially incurred by the Provinces, and have then been covered by the PMU under its own budget. Keeping in view the results observed in the field, those reported by the project and the recommendations of the MTR (i.e. overall reduction in the number of CBEs to be supported financially from 20 to 14; increase of financial resources for Outcome 4 from Outcome 2) these differences are justifiable as adaptive management actions.

Despite the complexity of working environment and involvement of diverse range of stakeholders, it is important to observe that the project has made strenuous efforts to catch up with the time lag and has implemented activities expeditiously since 2014. Discussions with stakeholders and review of records suggest that the overall quality of activities performed and technical, human and material inputs provided were found cost effective, instrumental, up to the mark and in line with the project stipulated aims and aspiration of stakeholders.

The extension of the project duration of one and a half year from the originally designed ending date (as per Project Document) has not been considered as a negative factor in evaluating the efficiency of the project in consideration of the exceptional circumstances which have delayed implementation, specifically the 18<sup>th</sup> Constitutional Amendment. As such, it can be considered as a positive example of successful adaptive management rather than a negative factor resulting from inefficient project implementation.

Throughout the implementation phase, the PMU considerably improved its capacity to correctly plan and expeditiously implement activities. The PMU also demonstrated good capacities in coordinating the interventions among the different implementing partners (i.e. by organizing a series of trainings for all the CBEs of a single Conservancy).

The project efficiently addressed the main barriers to NTFPs sustainable use. The great amount of awareness and technical skills provided by the project to the CBEs has substantially increased their knowledge and capacities in the collection/processing and trading of NTFPs and in the management of a business entities. All the CBEs members interviewed by the TE team shared this view without exceptions. Moreover, as discussed under effectiveness section of Outcome 2, the seed capital funds provided by the Project to the CBEs to initiate their business activities has been promptly disbursed to and utilized by the CBEs members. Discussions with the communities revealed that the amount was sufficient to cover the needs of a nascent business organization in remote areas, where access to credit is limited, thus overcoming the financial barriers to community-based biodiversity-friendly NTFP production. It also allowed the CBEs to de-risking the firsts, not always successful, economic transactions between collectors-CBEs-buyers for selected NTFPs. Overall the access to credit and the improved technical knowledge and capacity facilitated a paradigm shift in the mentality of the CBEs members, as one participant of the focus group in Chilas (Ghes) stated *“Thanks to the trainings and the exposure visit to the market in Lahore, we understood that Chilghoza pine seeds is a big business and now we are also businessmen”*.

The project was also efficient in demonstrating the effectiveness of decentralized community-driven natural resource management in the selected Conservancies, which was instrumental in the revision of the NTFP regulatory framework in both Provinces.

Overall, it is concluded from analysis that project financial resources were managed and spent in an efficient, transparent and accountable manner using UNDP standard (PCOM) procedures for financial management, procurement and recruitment processes, keeping in view the best value for money. The project was effective in achieving the intended outcomes and **the overall efficiency of the project can be rated as satisfactory (S).**

## Country Ownership

As already discussed under the section “*Relevance*” the project design is consistent and aligned with the key strategy documents of Pakistan. During the interviews conducted by the TE team with civil society organizations, local communities and Forest Department, the stakeholders agreed that NTFPs commercialization represents an important element to improve the livelihoods of local communities. They also agreed that the innovative joint management of natural resources between local communities and Forest Department is necessary to guarantee sustainable harvesting rates and biodiversity conservation.

MoCC involvement and supervision of the project, demonstrated throughout the implementation phase, denotes the country ownership at federal level: IG Forest, clearly expressed his commitment to facilitate the further expansion of the initiative in other Provinces and to other NTFPs.

The project actively supported the revision of the legal framework for NTFPs collection and marketing in GB and KPK, which is currently under approval. Both Provinces also developed, financed and are autonomously implementing initiatives based on the model and successes of the MM Projects, all factors indicating a high level of ownership. During the interviews conducted by the TE team, the Forest Department officials of both Provinces were fully aware of the status of NTFPs commercialization through CBEs in their respective area.

## Mainstreaming

The Terminal Evaluation calls for the assessment of to what extent the project is “*mainstreaming other UNDP priorities, including poverty alleviation, improved governance, the prevention and recovery from natural disasters and woman empowerment*”.

Among the priority issues for the United Nations Development Assistance Framework (UNDAF) for Pakistan (2013-2017) is to “*Provide extensive technical support and capacity development, which is especially relevant in support of the 18<sup>th</sup> Amendment and transitional arrangements*”. Among the key Strategic Priority Areas (SPAs) around which the UN system in Pakistan has developed its framework for action, also known as One UN Programme II, the project is particularly relevant for ensuring:

1. Strategic Priority Area 1: *Vulnerable and marginalized populations have equitable access and use of quality services;*
2. Strategic Priority Area 2: *Inclusive economic growth through the development of sustainable livelihoods.*

The project has supported the achievements in particular of Outcome 1.3 “*Capacity for equitable social services delivery improved at all levels, including using innovative technology*” which, in view of the 18<sup>th</sup> Constitutional Amendments, aims at working in close relationship with the Provinces offices to develop a wide range of capacities to ensure that quality services are accessible to vulnerable and marginalized groups. The interventions will focus on, among others, supporting decentralized offices to develop key performance indicators to enable the monitoring of the effectiveness of interventions and approaches. The project contributed with a practical and innovative approach to achieve the objectives under Outcome 2.3 “*Equitable and fair trade promotion enhanced*”, defined as one of the principal instruments to ensure poverty alleviation, especially when targeted to vulnerable groups in selected export product sectors to maximize benefits from enhanced export performance derived from programmes aimed at improving trade policy-related conditions, supply side capacities, improved processing and value addition.

Subsistence agriculture and livestock are the main source of livelihoods in the project area, and in the past NTFPs contributed little to average household income (Prodoc, page 10, para 18). As discussed under the effectiveness section for the outcome 1 and 2, discussion with communities revealed that the project successfully supported a change in attitude and practices by the local communities in relation to NTFPs. Communities are now involved in more lucrative activities (i.e. processing, commercialization) with positive reflection on poverty alleviation.

Governance has also been mainstreamed by the project through the piloting of joint management of natural resources between Forest Department and local communities in the Conservancies. This will be further up-scaled by once the revised legal framework for NTFPs will be approved in both Provinces.

In consideration of the remoteness and conservative mindset of the local communities, the limited direct involvement of women in Project activities should not be considered as a lack of attention towards gender issues. The project successfully organized one training with Astore CBEs, however in Upper Swat, Dir and Chilas, it was not possible to replicate this experience. The TE wants to stress once again that the project implemented the activities in locations that only seldom received external support (either by the government or civil society organizations). The discussion with the UNDP management and IG Forest, MoCC, during the evaluation mission also revealed the strong interest of UNDP and MoCC to continue to follow up the innovative work initiated by the project.

Sustainability: financial resources, socio-economic, institutional framework and governance, environmental and overall likelihood

For evaluating the Sustainability of Project interventions, GEF guidelines includes four key risk areas for consideration, each of which should be evaluated separately and then rated as to the likelihood and extent that they will impede sustainability of the project outcomes. These risks include: 1) financial risks; 2) socio-economic risks, 3) institutional framework and governance risks; 4) environmental risks.

Considering the financial risks, it shall be stressed here that not all the CBEs are at the same level of maturity and the market demand for different NTFPs varies greatly. The financial risks for these CBEs dealing with already successful and well-established NTFPs, like morels or Chilghoza pine seeds, can be considered very low. On the other hand, for those CBEs dealing with other MAPs which do not yet have a channeled market demands, the financial risks can be considered high. In addition, the Project shall consider the development of an appropriate exit strategy to ensure that both the requirements of the CBEs and the interests of the Government to maintain a certain degree of control over the bank accounts of the CBEs is properly ensured. **Overall, therefore, the rating for project's financial sustainability at the outcome level is considered Moderately Likely (ML).**

By looking at the future market growth potential for NTFPs, the project was successfully capable of demonstrating a set of best practices and examples on several topics: ranging from the capacity of CBEs to correctly managing the funds available; strengthening of market linkages between CBEs and private sector; and the organization of CBEs into alliances. For at least some of the CBEs, these will be implemented and will continue to provide financial benefits to the local communities after the conclusion of the GEF financed initiative.

For what concerns the socio-economic risks, it can be mentioned that the level of awareness reached by the target communities in regard to the benefits of NTFPs commercialization and the importance of benefit sharing among the different community members is already very high. The support that communities are already starting to receive from the respective Provincial Governments (in terms of specific legislation and regulatory framework), as well as the economic sustainability of the activities implemented (at least for the NTFPs already well-known), provide sufficient indications that the current situation won't change in the near future. As such, and considering also past experiences in community-driven sustainable use of biodiversity in nearby valleys (i.e. Trophy hunting schemes), no major socio-economic risks are foreseen that would jeopardize the outcomes already achieved. Therefore, **at the outcome level the socio-economic sustainability is considered as Likely (L).**

Considering institutional framework and governance risks, the Project was able to mobilize at least 2 CBEs in each of the proposed target Conservancies (Diamer and Astore, for Gilgit Baltistan and Swat/Kalam and Dir for Khyber Pakhtunkhwa), therefore ensuring the coverage of the entire Project area as per project documents. This is important as it can facilitate the replication and further expansion of the CBEs concept

in the future in nearby Conservancies of the respective Provinces. As a direct consequence of project intervention, indeed, the Forest Department of GB and KPK have developed the capacities and trained the human resources required to replicate the mobilization and establishment of CBEs. MoCC was directly involved in the project and is committed to disseminate lessons learned and best practices at federal level.

The Project was also successful in ensuring a revision of the regulatory framework for the NTFPs in both Provinces. On the other hand, some of the CBEs would require additional support and follows-up, especially for what concern the marketing of not yet developed MAPs which might be complicated in consideration of the still limited knowledge and capacity of the respective Provincial Departments. At the outcome level, however, no immediate institutional and governance risks are foreseen for the results already achieved. As such, **the rating for institutional framework and governance sustainability at the outcome level is Likely (L).**

From the environmental point of view, the communities are very confident about their capacity to control and manage local NTFP exploitation and in this regards the demonstration of joint natural resource management supported by the Project have further strengthened their commitment. As reported under the section “*Effectiveness*”, the CBEs have autonomously banned the exploitation of several high-risk species such as *Trilium* and *Taxus wallichiana* in their respective areas especially in Swat. As such, and considering also past experiences in community-driven conservation in nearby valleys (i.e. Trophy hunting schemes), no major environmental risks are foreseen that would jeopardize the outcomes already achieved. On the other hand, as previously discussed, the SRU Agreements and the monitoring of the status of biodiversity indicators at Conservancy level are not yet optimal. These limitations should be expeditiously addressed. Therefore, **the rating for environmental sustainability at the outcome level is Likely (L).**

Overall, in view of the above and in consideration of the high level of relevance, keen interest of local Provincial Governments in NTFPs, it can be concluded that the CBEs formed will be adequately sustained and the benefits generated will continue in the future. Therefore, **the overall sustainability of the outcomes is Likely (L).**

## Impact

The development objective of the initiative is the “*Sustainable production of biodiversity goods and services through community ecosystem-based enterprises*”. There are four indicators identified to measure its achievement: 1. Increase in income for NTFP collectors and villages participating in sustainable NTFP production through CBEs; 2. At least 20,000 ha of critical habitat of target high value NTFPs protected for sustainable production of certified NTFPs in project conservancies; 3. Landscape conservation approaches introduced resulting in improved conservation management of selected threatened species and habitats; 4. Strengthened institutional capacity for landscape conservation and CBE establishment and certified production of NTFPs in Pakistan.

Even though the Project had to reduce its target (i.e. instead of 20 CBEs, only 14 CBEs have been established), discussions with stakeholder and review of record suggest that the MM initiative was capable of demonstrating the positive contribution that NTFPs commercialization have on the livelihoods of local communities and the protection of endangered biodiversity through innovative joint management of natural resources.

It was not possible for the TE team to directly measure the increase in income generated by the Project activities, as no baseline or time series data was available. Therefore, the TE had to rely on proxy measurement. The TE team asked the CBEs members what was the increase of price of selected NTFPs commodities during the project implementation. i.e. Chilgoza pine seeds price since the project inception had increased approximately by 100% (from 800 PKR/Kg, in 2012 to around 1,930 PKR/Kg in 2017). It is difficult to relate the entire price change directly to the project activities: as already mentioned in the section “*Analyses of LFA*”, the commodity is traded internationally and the price increase might be relatable to fluctuation in production as well as increase and decrease in supply of the pine seeds in the market from

other regions. In addition, when directly asked, the communities reported that due to the exposure visits they are now much more aware of the real price of the NTFPs. The same can be said for the CBEs collecting and trading morels. It is also worth noting that in 2017 the project facilitated direct buying from communities by Chinese companies which greatly helped the communities in getting good prices for pine seeds. The communities highly appreciated the role of the project in streamlining the value chain especially for pine seeds and morels, which enabled them to fetch increased prices for their produce.

In regard to areas (hectares) brought under sustainable production, the project successfully improved the utilization of biodiversity in 4 Conservancies, namely Astore, Diamer, Swat and Dir. These conservancies covered a total area of 816,000 ha. Within these Conservancies practical actions have been undertaken by the communities through the approved business plans to protect mature stands of Chilghoza pine trees (*Pinus gerardiana*) and ensure that the harvesting season for morels is limited to the period between the beginning of March and the end of June in order to minimize damages to endangered species (i.e. wild pheasant eggs). Similarly, as already mentioned under the section ‘effectiveness’, the CBEs were fully mobilized to protect endangered plant species such as *Taxus wallichiana*, *Trilium* sps and Koro (*Picrorhiza kurroa*).

With regard to the institutional capacities, the project successfully supported both Provinces of GB and KPK in the design and implementation of two independent initiatives on NTFP to further strengthen and replicate the CBE concept in nearby Conservancies and mainstream the joint management of natural resources between the Forest Department and the local communities.

As such, by continuing growth of the NTFPs market the impact in terms of improved livelihood and increased protection of endangered biodiversity can be quite significant. Furthermore, there is a significant replication potential for utilization of the experiences and lessons learnt in other area of the country.



## 4. Conclusions, Recommendations & Lessons

### 4.1. Summary of ratings

The guidance for conducting terminal evaluations of UNDP-supported, GEF-financed projects stipulates that ratings should be used to assess project M&E design and implementation, Executing/Implementing Agencies, project outcomes and sustainability.

The assessment of Project M&E should include the ratings for the M&E plan at project start up as well as the quality of the M&E during project implementation. As described in details under the section *‘Monitoring and evaluation: design at entry, implementation and overall assessment’* (pg. 29) of the TE, the M&E design as envisaged in the prodoc is considered satisfactory. However, the M&E implementation has been rated MU (Moderately Unsatisfactory) as the absence of specific M&E human resources negatively impacted the effectiveness of monitoring (i.e. absence of Quarterly Progress Reports & GEF tracking tools at inception, midterm and terminal; poor collection and reporting on output and outcome indicators).

Ratings shall be provided also for the quality of UNDP execution and Implementing Partners implementation of the Project. As discussed under the section *‘implementing partner implementation/execution co-ordination and operational issues’* of the TE (pg. 30), UNDP CO demonstrated appropriate focus on results and provided sufficient guidance to the overall implementation of the initiative. The rating is therefore satisfactory. The Forest Departments of KPK and GB, implementing partners, ensured a smooth implementation of project activities and a sufficient ownership at Governmental level. IUCN provided the required technical support to the CBEs, ensured the development of SRU Agreements and the inclusion of NTFP management plans in the CMPs. Therefore, the rating for the quality of execution is satisfactory. Overall quality of implementation and execution is also considered satisfactory.

For UNDP supported, GEF financed projects, project results shall be assessed at outcome level and the TE shall rate the relevance, the effectiveness and the overall project outcomes. The project was found to be fully relevant in addressing key barriers to the sustainable use of biodiversity, while contributing to the national strategic priorities on biodiversity conservation and rural development. Within the section *‘effectiveness and overall results’* (pg. 32), the TE assessed the effectiveness of each outcome and concluded that the project had a critical role in strengthening the market for NTFPs along the entire supply chain, from producers to buyers. As such, the effectiveness and the overall project outcome rating is considered satisfactory (S).

The GEF Guidelines establish four key areas to evaluate sustainability of project intervention, to be rated separately. Those are: 1. Financial risks; 2. Socio-economic risks; 3. Institutional risks and 4. Environmental risks. Overall, the TE concludes that socio-economic, institutional and environmental sustainability at the outcome level is likely and the overall sustainability of the outcomes is also Likely (L). Financial sustainability is rated Moderately Likely (ML) as high risks still exist for those CBEs dealing with MAPs or NTFPs for which market demands is still not structured.

The following table summarized the ratings.

Evaluation Ratings			
1. Monitoring and Evaluation	rating	2. IA/EA Execution	rating
M&E Design at entry	S	Quality of UNDP Implementation - Implementing Agency (IA)	S
M&E Plan Implementation	MU	Quality of Execution - Executing Agencies (Eas) - Forest Department GB (IP), Environment Department KPK (IP), IUCN (RP)	S
Overall quality of M&E	MU	Overall quality of Implementation/Execution	S
3. Assessment of Outcomes	rating	4. Sustainability	rating
Relevance	R	Financial resources:	ML
Effectiveness	S	Socio-economic:	L
Overall Project Outcome Rating	S	Environmental:	L
		Overall likelihood of Sustainability:	L

#### *4.2. Corrective actions for the design, implementation, monitoring and evaluation of the project*

For the project design, the evaluation highlights the importance of adopting a theory of change approach while rigorously involving all stakeholders in all stages of project formulation. Stakeholders' financial commitments and roles and obligations also need to be clearly defined and agreed upon well in advance. Project design should also duly incorporate the elements of flexibility to allow for desired changes during implementation. When multiple and independent partners are involved, strong coordination mechanisms should be established for effective collaboration. Regular bi annual and annual progress review meetings involving all stakeholders can greatly help in ensuring the exchange of information and collaboration.

Future projects should be designed with realistically determined outcomes and impacts indicators and targets, keeping in view the likelihood of achievability and ease of measurability. In the case of MM initiative some of the targets especially at outcomes level were found unreachable due to change in circumstances during project implementation.

For the project implementation, the evaluation highlights the importance of ensuring that adequate resources and time are dedicated to the monitoring and reporting. Dedicated resources and expertise need to be incorporated in the project plans for rigorous monitoring and evaluation of project results and interventions, especially for regular tracking of project outputs, outcomes and impacts level indicators. Inadequate attention on monitoring and reporting is a weak aspect of many projects and is the same with MM project.

Another important aspect is the “*Communication and knowledge Management*”, including the appropriate generation, collection and dissemination of lessons learned and results. Over the years the project has generated good knowledge products like research works, publications, reports and studies etc. However, presently these resources are not available for public view and the dedicated web-page has not been updated regularly. Therefore, it is recommended that all MM knowledge projects should be collected, shared and disseminated to relevant stakeholders for their reference and use. As it is difficult to ensure project web-site maintenance in the future due to project closure, therefore it is also strongly recommended that these valuable resources should be carefully sorted out and uploaded either to MoCC, IUCN or UNDP websites to make them available in future.



### *4.3. Actions to follow up or reinforce initial benefits from the project*

As discussed, the Project had a catalytic role in demonstrating that commercialization of NTFPs can provide effective business opportunities in the mountain areas of Pakistan, leading to improvement of the livelihoods of local communities while ensuring the conservation of natural resources. The project has demonstrated innovative approaches such as the BBRT and the joint management of natural resources between communities and the Forest Department. However, during the interviews conducted for the terminal evaluation, several stakeholders revealed that to take full advantage of such initiative, some further follow-up actions are required. In particular, the **TE suggests UNDP and MoCC to consider the continuation of a small set up at the PMU level for at least six months in order to:**

1. Further strengthen CBEs linkages and connections with potential market.
2. Provide further capacity building for the two newly formed “*CBEs Alliances*” as cluster business entities.
3. Ensure proper conclusion of the certification process currently in midway.

The project support needs to continue to further strengthen CBEs linkages/connections with potential markets. In addition, little progress has been made on the adaptive management of the CBEs, and most of the CBEs members interviewed during the field visits indeed requested a project extension to further support their capacity development in assessing the economic and conservation benefits generated by the CBEs. As previously discussed for the SRU Agreements, the monitoring of the status of biodiversity indicators at Conservancy level has not yet been fully developed as well as the proposed annual assessments. This pose a risk to sustaining the results achieved so far. Considering the positive results achieved and the relevant experiences gained by the project in delivering capacity building and training courses, it seems reasonable to state that this activity could be implemented easily and in a short time during the slack season (winter/early spring).

Collaboration and trust among the communities and the governmental institutions need to be further strengthened for the sustainable management and commercialization of NTFPs in the respective regions. It is recommended that all contracts related to the NTFPs collection needs to be assigned to the respective CBEs to ensure conservation, sustainable use and economic viability through the local communities.

As previously discussed, the project narrative laid little emphasis on the need for a sustainable structure (hereby referring specially to trained human resources, business models and contractual arrangements) leading to NTFP production aggregation. NTFPs in the region are collected by individual households and according to the Project narrative, this relative small-scale supply of products should be aggregated only at CBEs level. It is then the responsibility of each CBEs to gain access to market and sell the products. Bulking this fairly limited production into larger lots that can readily and economically be transported, sorted, processed and stored at valley level would: i) increase the efficacy and efficiency of the marketing activities, ii) increase negotiating power of the community, ultimately leading to greater returns to individual CBEs and individual farmers. The improved aggregation would also ease the targeting and the efficacy and efficiency of the specific capacity building courses and exposure visits to a limited amount of skilled traders/business men from the local area directly involved in NTFP trading/processing. The Project, in this regard, managed to develop two CBEs alliances, one in Chilas (focused mainly on Chilghoza pine seeds) and one in Swat (focused on morels and other NTFPs). Discussions with alliance members suggest that the two alliances are still too young and there is still need for further strengthening of capacities and especially market linkages.

Finally, the certification process is also midway therefore, there is also an immediate need for continuous follow up to get the ongoing certification process completed soon. This will greatly help in achieving the longer-term impact by opening new marketing venues for the internationally certified NTFPs.

A shorter, two months extension (until end of February 2018) was also discussed during the TE presentation at the PMU as an alternative to finalize the most impending issues: a. organization of the final conference,

b. the preparation and submission of final report and c. inclusion of NTFP management plans developed by the project in the Conservation Management Plans for the last three Conservancies. **For these purposes, in early January 2018, UNDP CO granted a two-months extension to the project until end of February 2018. At the time of the final report submission (19<sup>th</sup> February, 2018): a. the final conference is planned for the last week of February 2018, b. the final report with lessons learned is under finalization by IUCN and c. inclusion of NTFP management plans within the Conservation Management Plans have been included in the Agenda of the CMCs to be held in April 2018 (according to IUCN opinion).**

#### 4.4. Proposals for future directions underlining main objectives

The Governments of KPK and GB have the capacities to replicate the CBEs concept in the other Conservancies in their respective Provinces, while UNDP due to its long association with similar initiatives is in a good position to further support strengthening commercialization of NTFPs in Pakistan. Therefore, it is recommended that such initiatives should particularly address the following three key aspects:

1. Further strengthening of the CBEs Alliances (aggregation, processing and marketing of NTFPs other than Chilghoza pines seeds and morels).
2. Invest heavily on demand generation (consumer awareness and education, marketing) once the certification is in place.
3. Increase private sector involvement, through ad hoc market advisory services for both national and international entities.

The overall approach for future initiative in the field can be conceptualized through the following scheme.

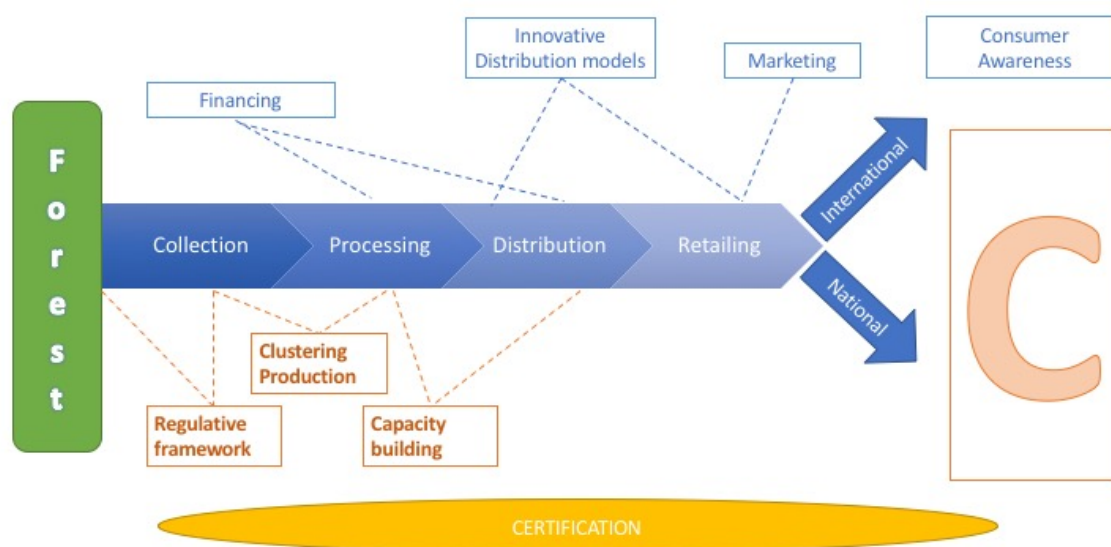


Fig 4: Schematization of the NTFP supply chain: from the forest to the customers. MM interventions (in orange color) and possible future directions (in blue) are identified.

The MM initiative has focused on the initial portion of the supply chain of NTFPs “from the forest to the customers” by successfully ensuring the required enabling regulative framework, the technical skills and capacities of local communities (through capacity building) and by clustering the NTFPs production at CBEs/Alliance level.

#### *4.5. Best and worst practices in addressing issues relating to relevance, performance and success*

##### **Best practices and lessons:**

- **Incentives to develop Community Based Enterprises to sustainably use natural resources are effective in conserving biodiversity and improving local livelihoods**  
The project has demonstrated that through active community mobilization and capacity building, communities can develop local enterprises to sustainably use their natural resources to improve livelihoods and promote biodiversity conservation in their respective areas.
- **Small grants “seed capital” are an efficient instrument to overcome financial barriers and develop community-based enterprises**  
Lack of availability of financial resources is one of the main barriers hampering the development of community based enterprises. The project demonstrated that seed capital funds are an efficient and effective way to overcome this barrier, enabling a prompt start of business activities. The funds provided to the communities, were used by the CBEs to aggregate the collection of NTFPs, increasing their bargaining power vs wholesalers, directly affecting the income of rural households.
- **Joint natural resource management increases communities’ ownership and sense of responsibility towards biodiversity**  
The project demonstrated that empowered communities are capable of sustainably managing natural resources leading to improved conservation of local biodiversity. The Forest Department role is also very important in collaborative management, through monitoring of the conservation efforts and to provide technical expertise to the local communities in the planning and implementation of activities.
- **NTFP market - CBEs establishment is only the beginning**  
Market creation is a lengthy process which requires the involvement of a wide range of stakeholders, from civil society organizations to government, private companies and local communities. The project has successfully demonstrated that linking communities to lucrative market is possible for the most common NTFPs, however many more NTFPs are still being traded through informal channels and further support is needed to strengthen this link.
- **Certification of NTFP is a lengthy process**  
Certification of NTFPs can give access to highly lucrative international markets. However, knowledge, capacities and skills need to be provided to the entire supply chain to ensure that the benefits reach local producers. Furthermore, certification requirements are complex and change constantly, requiring time and highly skilled technical resources along the entire supply chain.

##### **Worst Practices:**

- **Monitoring of activities and results is a joint responsibility**  
The evaluators observed a lack of understanding between UNDP CO and the PMU regarding the monitoring of activities and results. Consistent and continuous monitoring is required to ensure proper reporting and increase adaptive management actions. This should be clearly seen as a joint responsibility of both the PMU and the implementing agency.

- **Communication is key to reach wider audience**

Through the project a wide array of technical publications and research studies were conducted in the Conservancies. However, not enough efforts were undertaken to make these resources easily available (i.e. through an updated web-page). In addition, also the communication material developed (i.e. brochure, flyers, etc.) is not very attractive for the general public, limiting the overall outreach potential. Specific and dedicated intervention to increase outreach shall be also clearly included in the project design in such intervention aiming to create/support nascent markets.

## Annex-1: List of persons met

List of Key informants, among stakeholders, met during the TE		
Name	Designation and Organization	Place
Mr. Aman Ullah Khan	Assistant Country Director, UNDP	Islamabad
Mr. Mohammad Saleem	Programme Associate, UNDP	
Mr. Syed Mahmood Nasir	Inspector General of Forests, MoCC, National Project Director, MM Project	
Mr. Faiz Ali Khan	National Programme Coordinator, MM Project	
Mr. Siddique Khan Khattak	Chief Conservator of Forests, KPK Forest Department, Regional Project Director MM KPK	
Mr. Sajjad Haider	Secretary, GB Department of Forests, Regional Project Director MM Project, GB	Gilgit
Mr. Ghulam Mustafa	Regional Project Coordinator MM Project GB	
Mr. Mahmood Gaznavi	Conservator, GB Forest Department	
Mr. Walayat Noor	Conservator, GB Forest Department	
Mr. Ghulam Amin Beg	Programme Manager, AKRSP	
Mr. Manzoor Ahmad Qureshi	Regional Manager, GBRSP	
Dr. Ihsan Mir	Programme Coordinator, ETI, GB	
Mr. Saeed Khan	Lead Value Chain, ETI, GB	
Mr. Ikram Ullah Khan	I/C Regional Project Coordinator MM Project KP	Swat
Mr. Inam Ullah Khan	Consultant MTR MM Project	
Ms. Fauzia Biqis Malik	Programme Manager – IUCN	Islamabad
Mr. Rizwan Afzan	Admin and Finance Officer MM Project	

List of CBE Member who participated in Group Discussions during the TE (Overall 5 Group Discussions were held in Chilas, Gilgit, Madyan, Utror and Kalam)		
Name	Designation and Organization	Place
Mr. Shah Mirza	Member CBE, Gais	Chilas
Mr. Shagul Aziz	Member CBE, Gais	
Mr. Mutabar Khan	Member CBE, Gais	
Mr. Inayat Ullah	Member CBE, Hudur	
Mr. Alamsher	Member CBE, Hudur	
Mr. Sardar Khan	Member CBE, Kalapani	Gilgit
Mr. Mohammad Saleem	Member CBE, Kalapani, Chairman Conservation Management Committee, Astore	
Mr. Mutabar Khan	Member CBE, Bishigram	Madyan, Swat
Mr. Maiber Ali	Member CBE, Bishigram	
Mr. Said Ali	Member CBE, Bishigram	
Mr. Aurangzeb Khan	Member CBE, Bishigram, Chairman SWAT Allaience	
Mr. Mohammad Iqbal	Member CBE, Bishigram	
Mr. Dunya Khan	Member CBE, Miandam	
Mr. Sorab Khan	Member CBE, Maindam	
Mr. Javaid Iqbal	Member CBE, Maindam	

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

Mr. Khurshi Iqbal	Member CBE, Maindam	
Mr. Fazli Rabi	Member CBE, Maindam	
Mr. Ahmad Zada	Member CBE, Mankial	
Mr. Rahat Bacha	Member CBE, Kalam	Kalam, Swat
Mr. Abdul Qayoom	Member CBE, Kalam	
Mr. Naseer Ullah	Member CBE, Kalam	
Mr. Abrar Ahmad	Member CBE, Kalam	
Mr. Irshad Khan	Member CBE, Utror	
Mr. Afzal Khan	Member CBE, Utror	Utror, Swat
Mr. Mohammad Khaliq	Member CBE, Utror	
Mr. Atta-u-Rehman	Member CBE, Utror	
Mr. Fazal	Member CBE, Utror	
Mr. Mohammad Zeb	Member CBE, Utror	
Mr. Zahid Khan	Member CBE, Utror	
Mr. Babar Khan	Member CBE, Utror	
Mr. Mohammad Nabi	Member CBE, Utror	
Mr. Yousuf Khan	Member CBE, Utror	
Mr. Musa Khan	Member CBE, Utror	
Mr. Akbar Ali	Member CBE, Utror	
Mr. Jalaludin	Member CBE, Utror	

## Annex-2: ToR

### INTRODUCTION

In accordance with United Nations Development Programme (UNDP) and Global Environmental Facility (GEF) M&E policies and procedures, all full and medium-sized UNDP support GEF financed projects are required to undergo a terminal evaluation upon completion of implementation. These terms of reference (TOR) sets out the expectations for a Terminal Evaluation (TE) of the **Mountains & Market: Biodiversity and Business in Northern Pakistan (PIMS 4048)**.

The essentials of the project to be evaluated are as follows:

### PROJECT SUMMARY TABLE

Project Title:	<i>"Mountains &amp; Market: Biodiversity and Business in Northern Pakistan (PIMS 4048)."</i>			
UNDP Project ID:	00076779	<b>Project financing</b>	<b>\$ 7,793,182</b>	<i>at MTR (Million US\$)</i>
ATLAS Project ID:	00060848	GEF financing:	\$ 1,793,182	\$ 1,793,182
Country:	Pakistan	IA/EA own:	\$ 1,500,000	\$ 1,500,000
Region:	Asia	Government:	\$ 4,500,000 (in-kind)	\$ 4,500,000 (in-kind)
Focal Area:	Biodiversity (Mainstream biodiversity in production landscapes/seascapes and sectors)	Other:		
		Total co-financing:	\$ 4,500,000	\$ 4,500,000
Executing Agency:	Ministry of Climate Change, Government of Pakistan	Total Project Cost in cash:	\$ 3,293,182	\$ 3,293,182
Other Partners involved:	<ul style="list-style-type: none"> <li>• Forests and Wildlife Department of Gilgit-Baltistan</li> <li>• Forestry department of Khyber Pakhtunkhwa</li> <li>• IUCN Pakistan</li> <li>• Local communities</li> </ul>	Pro Doc Signature (date project began):		June 2012
			Planned closing date: May 2016	Revised closing date: December 2017

### OBJECTIVE AND SCOPE

The project's objective is the **Sustainable production of biodiversity goods and services through community ecosystem-based enterprises** in demonstration conservancies in the northern mountains of Pakistan. This objective is being achieved through the following four outcomes:

**Outcome 1:** Market demand for biodiversity friendly non-timber forest products (NTFPs) stimulated

**Outcome 2:** Strengthened capacity of local communities to produce and market biodiversity friendly products



**Outcome 3:** Positive biodiversity linkages strengthened at landscape level through CBE Conservation and Sustainable Resource Use (SRU) Agreements

**Outcome 4:** Strengthen institutional capacity for scale up and replication of CBEs

The project seeks to create market-based incentives to address threats to biodiversity in northern Pakistan arising from the unsustainable commercial exploitation of NTFP. The project focuses on supply chain management, including the development of voluntary certification systems for selected NTFP, strengthening producer capacity to comply with certification standards, stimulating market demand for certified biodiversity-friendly NTFP and increasing access to markets.

The geographic scope of the project includes two provinces: Gilgit-Baltistan (Chilas and Astore conservancies) and Khyber-Pakhtunkhwa (Upper Swat and upper Dir conservancies). These sites were identified on the basis of their strong potential, previous engagement of the executing/implementing agencies and set criteria of social, biological and administrative set up.

The Project Management Unit is based in Islamabad and is supported by two field offices in the pilot areas, with two field managers, who coordinated the planning, implementation and monitoring with local community based organizations, NGO's and the district and provincial authorities.

Ministry of Climate Change, Government of Pakistan is the implementing Partner and has the overall responsibility of implementing the project on the ground with support from UNDP (Executing Agency) and provincial line departments and IUCN-Pakistan (Responsible Partners).

The Terminal Evaluation (TE) will be conducted according to the guidance, rules and procedures established by UNDP and Global Environment Facility (GEF) as reflected in the UNDP Evaluation Guidance for GEF Financed Projects<sup>4</sup>.

The objectives of the evaluation are to assess the achievement of project results, and to draw lessons that can improve the sustainability of benefits from this project, map the overall contribution of the project towards the conservation and sustainable use agenda of the government of Pakistan, and aid in the overall enhancement of UNDP programming.

## EVALUATION APPROACH AND METHOD

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An overall approach and method for conducting project terminal evaluations of UNDP supported GEF financed projects has developed over time. The evaluator is expected to frame the evaluation effort using the criteria of **relevance, effectiveness, efficiency, sustainability, and impact**, as defined and explained in the [UNDP Guidance for Conducting Terminal Evaluations of UNDP-supported, GEF-financed Projects](#). A set of questions covering each of these criteria have been drafted and are included with this TOR ([Annex C](#)). The evaluator is expected to amend, complete and submit this matrix as part of the TE inception report, and shall include it as an annex to the final report.

The evaluation must provide evidence-based information that is credible, reliable and useful. The evaluator is expected to follow a participatory and consultative approach ensuring close engagement with government counterparts, in particular the GEF operational focal point, UNDP Country Office, project team, UNDP GEF Technical Adviser based in the region and key stakeholders. The evaluator is expected to conduct a field mission to Kalam, Miandam, Bishigram, Kumrat, (KP), Gais, Goharabad and Hudur Valleys (GB) for direct interaction with

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<sup>4</sup> Guidance for conducting terminal evaluations of UNDP-Supported, GEF-Financed projects, UNDP Evaluation Office, 2013

## TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

the local Community Biodiversity Enterprises (CBEs). The Evaluator will also conduct dedicated meetings with WCS, IFAD project of Economic Transformation, Marketing Wing of AKRSP, NTFP Directorate of KP, Forest and Wildlife Departments of KP and GB, IUCN Pakistan, SFM project and academia (Universities of Swat and Karakoram) and the relevant officers of the Ministry of Climate Change. The project has developed and signed Letter of Agreements (LOAs) with provincial government and IUCN-Pakistan. The Evaluator will review and assess the effectiveness of the LOAs with regard to the future efficacy of such agreements.

The evaluator will review all relevant sources of information, such as the project document, project reports – including Annual PPRs, project budget revisions, midterm review, progress reports, GEF focal area tracking tools, project files, national strategic and legal documents, and any other materials that the evaluator considers useful for this evidence-based assessment. A list of documents that the project team will provide to the evaluator for review is included in [Annex B](#) of this Terms of Reference.

### EVALUATION CRITERIA & RATINGS

An assessment of project performance will be carried out, based against expectations set out in the Project Logical Framework/Results Framework (see [Annex A](#)), which provides performance and impact indicators for project implementation along with their corresponding means of verification. The evaluation will at a minimum cover the criteria of: **relevance, effectiveness, efficiency, sustainability and impact**. Ratings must be provided on the following performance criteria. The completed table must be included in the evaluation executive summary. The obligatory rating scales are included in [Annex D](#).

Evaluation Ratings:			
1. Monitoring and Evaluation	rating	2. IA& EA Execution	rating
M&E design at entry		Quality of UNDP Implementation	
M&E Plan Implementation		Quality of Execution - Executing Agency	
Overall quality of M&E		Overall quality of Implementation / Execution	
3. Assessment of Outcomes	rating	4. Sustainability	rating
Relevance		Financial resources:	
Effectiveness		Socio-political:	
Efficiency		Institutional framework and governance:	
Overall Project Outcome Rating		Environmental :	
		Overall likelihood of sustainability:	

### PROJECT FINANCE / COFINANCE

The Evaluation will assess the key financial aspects of the project, including the extent of co-financing planned and realized. Project cost and funding data will be required, including annual expenditures. Variances between planned and actual expenditures will need to be assessed and explained. Results from recent financial audits, as available, should be taken into consideration. The evaluator(s) will receive assistance from the Country Office (CO) and Project Team to obtain financial data in order to complete the co-financing table below, which will be included in the terminal evaluation report.

Co-financing (type/source)	UNDP own financing (mill. US\$)		Government (mill. US\$)		Partner Agency (mill. US\$)		Total (mill. US\$)	
	Planned	Actual	Planned	Actual	Planned	Actual	Actual	Actual
Grants	1,500,000	1,500,000			1,793,182	1,793,182	3,293,182	3,293,182

## TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

Loans/Concessions								
• In-kind support			4,500,000	4,500,000			4,500,000	4,500,000
• Other								
Totals	1,500,000	1,500,000	4,500,000	4,500,000	1,793,182	1,793,182	7,793,182	7,793,182

### MAINSTREAMING

UNDP supported GEF financed projects are key components in UNDP country programming, as well as regional and global programme. The evaluation will assess the extent to which the project was successfully mainstreamed with other UNDP priorities, including poverty alleviation, improved governance, the prevention and recovery from natural disasters, and gender.

### IMPACT

The evaluators will assess the extent to which the project is achieving impacts or progressing towards the achievement of impacts. Key findings that should be brought out in the evaluations include whether the project has demonstrated: a) verifiable improvements in ecological status, b) verifiable reductions in stress on ecological systems, and/or c) demonstrated progress towards these impact achievements.<sup>5</sup>

### CONCLUSIONS, RECOMMENDATIONS & LESSONS

The evaluation report must include a section providing a set of **conclusions, recommendations** and **lessons**.

### IMPLEMENTATION ARRANGEMENTS

The principal responsibility for managing this evaluation resides with the UNDP CO in Pakistan. The UNDP CO will contract the evaluators and ensure the timely provision of per diems and travel arrangements within the country for the evaluation team. The Project Team will be responsible for liaising with the Evaluators team to set up stakeholder interviews, arrange field visits, coordinate with the Government etc.

### EVALUATION TIMEFRAME

Deliverable	Content	Time Frame
<b>Inception Report</b>	Evaluator devise methodology and timeframe	03 working days
<b>Dev. of questionnaire and conduct field missions</b>	Evaluator will visit to the project sites in KP and GB in Pakistan	10 working days
<b>Inception meeting</b>	Inception meeting with stakeholder in Islamabad	02 working days
<b>Presentation</b>	Initial Findings	02 working days

<sup>5</sup>A useful tool for gauging progress to impact is the Review of Outcomes to Impacts (ROTI) method developed by the GEF Evaluation Office: [ROTI Handbook 2009](#)

<b>Draft Report</b>	Draft report, (per annexed template) with annexes	02 working days
<b>Final Report*</b>	Revised report	02 working days after receipt of comments from stakeholders

## EVALUATION DELIVERABLES

The evaluation team is expected to deliver the following:

Deliverable	Content
<b>Inception Report</b>	Evaluator devise methodology and timeframe
<b>Dev. of questionnaire and conduct field missions</b>	Evaluator will visit to the project sites in KP and GB in Pakistan
<b>Presentation</b>	Initial Findings
<b>Draft Report</b>	Draft report, (per annexed template) with annexes
<b>Final Report*</b>	Revised report

\*When submitting the final evaluation report, the evaluator is required also to provide an 'audit trail', detailing how all received comments have (and have not) been addressed in the final evaluation report. An audit trail template is available in Annex H.

## TEAM COMPOSITION

The evaluation team will be comprised of an *International Evaluator (team leader)*<sup>6</sup> and *National Evaluator*. The consultants must have prior experience in evaluating similar projects/programs. Experience with GEF financed projects is an advantage. The evaluators selected should not have participated in the project preparation and/or implementation and should not have conflict of interest with project related activities.

The Team members must present the following qualifications:

- Master's degree or Ph. in Natural Resource Management, Environmental science, Forestry, Social sciences or other closely related disciplines;
- Minimum 10 years of relevant professional experience in programme/project development, adaptive management, project evaluation related to natural resource management, biodiversity conservation, environment, and related fields;
- Knowledge of UNDP and GEF;
- Previous experience with results-based monitoring and evaluation methodologies;
- Technical knowledge in the targeted focal area(s): Natural resource management, biodiversity conservation, non-timber forest produce, including sound knowledge of forest conservation and sustainable use of its component; and

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<sup>6</sup> The team leader will be responsible for finalizing the report.

- Experience of working in similar regions as the mountains environment of Northern Pakistan will be an added advantage.

## EVALUATOR ETHICS

Evaluation consultants are required to sign a Code of Conduct (Annex E) upon acceptance of the assignment. UNDP evaluations are conducted in accordance with the principles outlined in the [UNEG 'Ethical Guidelines for Evaluations'](#)

## PAYMENT MODALITIES AND SPECIFICATIONS

*(This payment schedule is indicative, to be filled in by the CO and UNDP GEF Technical Adviser based on their standard procurement procedures)*

%	Milestone
20%	At submission and approval of inception report
30%	Initial Findings through Presentation
30%	Following submission and approval of the 1ST draft terminal evaluation report
20%	Following submission and approval (UNDP-CO and UNDP RTA) of the final terminal evaluation report

## APPLICATION PROCESS

Applicants are requested to apply online on the following link:

<http://www.pk.undp.org/content/pakistan/en/home/operations/procurement0/>

By 20<sup>th</sup> September 2017. Individual consultants are invited to submit applications together with their CV for these positions. The application should contain a current and complete C.V. in English with indication of the e-mail and phone contact. Shortlisted candidates will be requested to submit a price offer indicating the total cost of the assignment (including daily fee, per diem and travel costs).

UNDP applies a fair and transparent selection process that will take into account the competencies/skills of the applicants as well as their financial proposals. Qualified women and members of social minorities are encouraged to apply.

### **Annex-3: Summary of Field Visits**

1-3 November 2017: Islamabad - meeting with Project Manager, UNDP

7 – 14 November 2017: Gilgit Baltistan (Chilas, Gilgit, Astore) and Khyber Pakhtunkhwa (Swat, Kalam)  
– meetings with stakeholders and CBEs

16 – 24 November 2017: Islamabad – meetings with stakeholders (IUCN, Gov. representative, MoCC)

For details of people met kindly see Annex-1

## **Annex 4: List of Documents Reviewed**

- GEF Proposal, signed Project Document
- Inception workshop Report
- Annual Progress Reports, 2013, 2014, 2015, 2016
- Quarterly Reports from January to December of each year of the project implementation
- Minutes of the 1st, 2nd, 3rd and 4th PSC Meetings
- Mid-Term Evaluation Report of the project
- Project technical and activity reports
- Training reports on sound collection, processing and post processing of NTFs in the two provinces
- Baseline report produced by IUCN
- Letter of Agreements with IUCN-Pakistan, KP and Gb provinces
- Sustainable Resource Use Agreements by IUCN
- Training report on certification of the NTFPs species by FairWild and CBI
- Annual Work Plan
- Minutes of BBRT
- Financial Statements (CDR)
- CBEs Business Plans
- Management Plan for NTFPs
- Brochures, technical Studies, reports

## Annex-5: Evaluation Matrix

Evaluative Criteria Questions	Indicators	Sources	Methodology
<b>Relevance: How does the project relate to the main objectives of the AF focal area, and to the environment and development priorities at the local, regional and national levels?</b>			
<ul style="list-style-type: none"> <li>Was/ls the project a good idea given the situation needing improvement?</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened Institutional capacities to implement policies, plans and investments and contribution to the conservation of forests and livelihood creation for the local communities in the northern Pakistan.</li> </ul>	<ul style="list-style-type: none"> <li>Communities record</li> <li>Annual and Quarterly Reports</li> <li>Mid-Term Evaluation Reports</li> <li>Government legal documents</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews</li> <li>Desk Reviews</li> <li>Reports</li> </ul>
<ul style="list-style-type: none"> <li>Does it deal with target group priorities? Why or why not?</li> </ul>	<ul style="list-style-type: none"> <li>Increased income at the house hold level</li> </ul>	<ul style="list-style-type: none"> <li>Communities record register</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews</li> <li>Desk Reviews</li> <li>FGD's</li> </ul>
<b>Effectiveness: To what extent have the expected outcomes and objectives of the project been achieved?</b>			
<ul style="list-style-type: none"> <li>Have the planned purpose and component objectives, outputs and activities been achieved?</li> </ul>	<ul style="list-style-type: none"> <li>Ban imposed by the government and communities on the open collection of Medicinal and aromatic plant species</li> <li>Rules and regulation for the participatory management of MAPs in place</li> <li>The project concept and idea internalized by the government</li> </ul>	<ul style="list-style-type: none"> <li>Annual and Quarterly Reports</li> <li>Mid-Term Evaluation Reports</li> <li>Government legal reports/Rules/ official notification</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews</li> <li>Desk Reviews</li> <li>Reports</li> <li>FGD's</li> </ul>
<b>Efficiency: Was the project implemented efficiently, in-line with international and national norms and standards?</b>			
<ul style="list-style-type: none"> <li>Were inputs (resources and time) used in the best possible way to achieve outcomes?</li> </ul>	<ul style="list-style-type: none"> <li>The right capacities, systems and knowledge about sustainable collection in place</li> <li>Government officers exposed to national/international markets</li> <li>Buyers and sellers for lined for information sharing/ business</li> </ul>	<ul style="list-style-type: none"> <li>Annual and Quarterly Reports</li> <li>Mid-Term Evaluation Reports</li> <li>BBRT meeting reports</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews with exporters</li> <li>Desk Reviews</li> <li>Meeting minutes Reports</li> <li>FGD's</li> </ul>
<ul style="list-style-type: none"> <li>To what extent was the project cost-effective?</li> </ul>			
<b>Sustainability: To what extent are there financial, institutional, social-economic, and/or environmental risks to sustaining long-term project results?</b>			
<ul style="list-style-type: none"> <li>To what extent has the project contributed towards its longer-term goals? Why or why not?</li> </ul>	<ul style="list-style-type: none"> <li>Improved living conditions of communities</li> <li>A system created for replication of the concept with budget</li> </ul>	<ul style="list-style-type: none"> <li>Annual and Quarterly Reports</li> <li>Mid-Term Evaluation Reports</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews</li> <li>Desk Reviews</li> <li>Reports</li> </ul>
<b>Impact: Are there indications that the project has contributed to, or enabled progress toward, reduced environmental stress and/or improved ecological status?</b>			
<ul style="list-style-type: none"> <li>Will there be continued positive impacts as a result of the project once it has finished?</li> </ul>	<ul style="list-style-type: none"> <li>Adaptive capacity enhanced to illegal extraction of MAPs</li> <li>Improvement witnessed in the biological population of endangered and critical species</li> </ul>	<ul style="list-style-type: none"> <li>Annual and Quarterly Reports</li> <li>Case studies conducted</li> <li>Baseline reports</li> </ul>	<ul style="list-style-type: none"> <li>Individual Interviews</li> <li>Desk Reviews</li> <li>FGD's</li> </ul>



## Annex-6: Evaluation Questions for TE of MM

### Long List of Evaluation Questions for Terminal Evaluation of Mountains and Markets Project

#### 1. Project design

- Is the project design adequate and technically feasible to address the problems? <sup>[1]</sup><sub>SEP</sub>
- Does it adequately reflect lessons learnt from past projects? <sup>[1]</sup><sub>SEP</sub>
- Is the applied project approach sound and appropriate? <sup>[1]</sup><sub>SEP</sub>
- Does UNDP and partners have in-house technical expertise and experience for this type of <sup>[1]</sup><sub>SEP</sub>intervention? <sup>[1]</sup><sub>SEP</sub>
- Does the project document include an M&E plan and does the M&E plan specify what, who <sup>[1]</sup><sub>SEP</sub>and how frequent monitoring, review, evaluations and data collection will take place? <sup>[1]</sup><sub>SEP</sub>

#### 2. Project results framework/Log-frame

- Is the results chain from outputs, outcomes to impact are clear, logical and achievable, and whether the respective indicators and targets are SMART and gender disaggregated?
- Are there any changes/revisions made to the indicators or targets during implementation?
- Are critical risks and assumptions for achievement of project outputs and outcome and their mitigation measures identified and incorporated in the project design?
- Are mechanisms in place for regular collection and analysis of data related to log-frame indicators?

#### 3. Co-finance

- Is the flow of funds smooth or there are delays?
- Is co-financing being used strategically to help the objectives of the project?
- Are there any budget revisions and why and were they effective?

#### 4. Relevance

- Were the project design and original project objectives relevant to address the problems and needs of the target group?
- Does the project relate to the main objectives of the AF focal area and to the environment and development priorities at the local, regional and national levels? Is the project consistent with the host Country's priorities
- Is the project in line with the sponsors priorities and policies?

#### 5. Effectiveness and progress towards expected results

- What are the main quantifiable results (outputs and outcomes) of the project so far?
- To what extent did the project achieve their objectives (outputs and outcomes), against the original/revised target(s)?
- What is the quality of the results? How do the stakeholders perceive them?
- Were the right target groups reached?

#### 6. Efficiency

- How economically the project resources/inputs (in terms of funding, expertise, time) are being used to produce results (outputs and outcomes)?
- Were the expected results achieved within the original budget or the budget was revised?
- How timely is the project in producing outputs and initial outcomes? Are there implementation delays and why?
- Is the project cost-effective compared to similar interventions?
- Are there indications that the project has contributed to, or enabled progress toward, reduced environmental stress and/or improved ecological status?
- What is the extent of critical habitat area brought under protection and sustainable management

## TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

- What kind of improvement witnessed in the biological population of endangered and critical species
- What kind of livelihood improvements and income has been generated from the NTFP for the local communities? 8. Sustainability
- What is the likelihood of availability of financial and economic resources being available once the project ends?
- Is the project socially and politically sustainable?
- What is the level of ownership of the project with partners and are there any risks that the level of stakeholder ownership will be insufficient for the project benefits to be sustained?
- Do the legal frameworks, policies, and governance structures pose risks that may jeopardize sustainability of project benefits?
- Are the project outcomes environmentally sustainable?

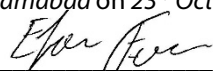
### 9. Specific Sub-questions for Community Organizations (CBEs)


- Who and When was the CBE formed? Who is member and why...?
- Is the CBE registered with any organization?
- When did they receive the seed money and how much? What are they doing with it?
- What is the added advantage of the CBEs?
- What trainings they have received and what new skill have been learned?
- What new practices are being adopted (how were the products collected and sold before and after the project.....any change)
- How is it helping conserving the bio-diversity (give some examples)
- How for it helped in improving their income levels (income over the years)
- What is their main product.....how much can you quantify?
- Has the collection of NTFP changed in the last 5 years? If so why, and who suggested the changes?

## Annex-7: Rating Scales

Table 1. Rating Scales		
<b>Ratings for Outcomes, Effectiveness, Efficiency, M&amp;E, I&amp;E Execution</b>  <b>6: Highly Satisfactory (HS):</b> The project had no shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency  <b>5: Satisfactory (S):</b> There were only minor shortcomings  <b>4: Moderately Satisfactory (MS):</b> there were moderate shortcomings  <b>3. Moderately Unsatisfactory (MU):</b> the project had significant shortcomings  <b>2. Unsatisfactory (U):</b> there were major shortcomings in the achievement of project objectives in terms of relevance, effectiveness, or efficiency  <b>1. Highly Unsatisfactory (HU):</b> The project had severe shortcomings	<b>Sustainability ratings:</b>  <b>4. Likely (L):</b> negligible risks to sustainability  <b>3. Moderately Likely (ML):</b> moderate risks  <b>2. Moderately Unlikely (MU):</b> significant risks  <b>1. Unlikely (U):</b> severe risks	<b>Relevance ratings:</b>  <b>2. Relevant (R)</b>  <b>1. Not relevant (NR)</b>  <b>Impact Ratings:</b>  <b>3. Significant (S)</b>  <b>2. Minimal (M)</b>  <b>1. Negligible (N)</b>
<i>Additional ratings where relevant:</i> Not Applicable (N/A) Unable to Assess (U/A)		

## Annex-8: Evaluation Consultant Agreement Form

<p style="text-align: center;"><b>Evaluation Consultant Agreement Form<sup>7</sup></b></p> <p><b>Agreement to abide by the Code of Conduct for Evaluation in the UN System</b></p> <p><b>Name of Consultant:</b> <u>Efrem Ferrari</u></p> <p><b>Name of Consultancy Organization</b> (where relevant): _____</p> <p><b>I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.</b></p> <p>Signed at <i>Islamabad</i> on <i>23<sup>rd</sup> October 2017</i></p> <p>Signature: <u></u></p>
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<p style="text-align: center;"><b>Evaluation Consultant Agreement Form<sup>3</sup></b></p> <p><b>Agreement to abide by the Code of Conduct for Evaluation in the UN System</b></p> <p><b>Name of Consultant:</b> <u>Nisar Ahmad Khan</u></p> <p><b>Name of Consultancy Organization</b> (where relevant): _____</p> <p><b>I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.</b></p> <p>Signed at <b>Islamabad</b> on <b>23rd October 2017</b> </p> <p>Signature: _____</p>
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<sup>7</sup>[www.unevaluation.org/unegcodeofconduct](http://www.unevaluation.org/unegcodeofconduct)

## Annex-9: Evaluation Report Clearance Form

(to be completed by CO and UNDP GEF Technical Adviser based in the region and included in the final document)

### Midterm Review Report Reviewed and Cleared By:

#### UNDP Country Office

Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

#### UNDP-GEF Regional Technical Advisor

Name: *Tashi Dorji*

Signature:



Date: 8<sup>th</sup> February 2018

## Annex-10: UNDP-GEF TE Report Audit Trail

Author	Comment location & number	Comment/Feedback on the draft TE report	TE team response and actions taken
UNDP-GEF BRH	Pg 6, No. 1	This should have been reflected in the exit strategy of the project, if there was one prepared by the project team.	No exit strategy prepared by the project, as highlighted in the Conclusion section
UNDP-GEF BRH	Pg. 6, no. 2	The certification process should have been completed as reported in the PIR of 2016 & 2017.	The certification status has been described thoroughly in the section Effectiveness under Outcome 1,
UNDP-GEF BRH	Pg. 17, no. 3	Please discussion in general for all the outcomes and not specific to outcome 1 – in teUNDP-GEF RMS of how SMART the indicators are; whether the baseline data have been collected; any problem with EoP targets, etc.	Changes made, please see following paragraph.
UNDP-GEF BRH	Pg. 21, no. 4	Please discuss on some of the important initiatives from the project that have been replicated by other community/ provincial government. I suppose there are some good initiatives that are already replicated by the provincial government from this project. Please refer to the PIR 2016/17 for information.	This section only deals with the replication approach as envisaged in the prodoc. The results achieved by the Project in teUNDP-GEF RMS of replication have been discussed under the section Impact.
UNDP-GEF BRH	Pg. 24, no.5	Please do refer to the PIRs to verify some of the adaptive management that the project has adopted in due course of the implementation.	Noted and changes made.
UNDP-GEF Results Mgt Specialist (UNDP-GEF RMS)	Pg. 24, no. 6	What was /are the adaptive management interventions that the project team had put in place to overcome this challenge.	Changes made.
UNDP-GEF BRH	Pg. 24, no. 7	I don't think reducing resources is an adaptive management action. What did the project team or the CO do to adapt to this circumstances i.e reduction in co-financing.	The overall number of CBEs to be established was reduced.
UNDP-GEF RTA	Pg. 25, no. 8	This sentence is not clear. Please edit it.	Changes made.
UNDP-GEF RTA	Pg 25, no. 9	Please edit the sentence to make it clear.	Changes made.
UNDP-GEF, BRH	Pg 25, no. 10	This has been discussed in the MTR and will be worth looking at the findings of the MTR.	Added and modified accordingly.
UNDP-GEF, BRH	Pg. 26, no. 11	Please change from MTR to MTR throughout the document.	Noted.
UNDP-GEF, BRH	Pg. 26, no. 12	Please reformulate this sentence. It is not clear.	Modified
UNDP-GEF, BRH	Pg. 26, no. 13	Rules and Regulations & Acts are two different things. Please correct it appropriately.	Modified
UNDP-GEF, BRH	Pg. 27, no. 14	Please re-phrase the sentence.	Noted.
UNDP-GEF RMS	Pg. 27, no. 15	Please refer to comments in the attached table:  This section should include the Co-financing table that was part of the TeUNDP-GEF RMS of Reference. The table is shown below for easy reference.  There should be more discussion on Co-financing. Please see page 17 of the TE guidance document.	According to discussions with PMU and Provincial partners, the in-kind co-finance to the initiative is difficult to be estimated in financial teUNDP-GEF RMS.
UNDP-GEF, BRH	Pg. 29, no. 16	The TE team should provide certain level of analysis under this sub-section. Apart from financial constraint, I don't see much analysis on M & E at the design stage and subsequently during implementation in teUNDP-GEF RMS of what mechanisms were put in place to measure	Revised and added as per comment.

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

		project progress, collect baseline data, the roles and responsibilities of UNDP CO, PMU, provincial government, PB, etc. No reference has been made to PIR, minutes of PB meeting, quarterly and annual progress reports, tracking tool, etc.	
UNDP-GEF, BRH	Pg. 30, no. 17	Is this statement correct? PB is supposed to provide strategic guidance and policy directives to the project, of course monitor the project progress through PB meetings.	Page 69 Para 168 of the Prodoc. Project Board: A Project Board (PB) will be set up at the inception of the project to supervise and monitor the project delivery according to the annual work plan.
UNDP-GEF, BRH	Pg. 30, no.18	This is again contradicting with the above analysis under the project finance where 34% of the total project fund was spent on PMU and here you are mentioning the lack of financial resources had constrained PMU from conducting proper monitoring. Please revisit and make corrections of the statement as appropriate.	As discussed in the Project Finance section, PMU share was higher because of direct involvement in the implementation of specific activities related to social mobilization and capacity building. There were no dedicated resources allocated for monitoring and evaluation.
UNDP-GEF UNDP-GEF RMS	Pg. 30, no. 19	This section should assess the performance of the three executing agencies already mentioned and that of UNDP as the GEF Implementing Agency. The following should be discussed:  UNDP: whether there was an appropriate focus on results; timeliness of technical support; candor and realism in annual reporting; quality of risk management; responsiveness to significant implementation problems  Two Provinces and IUCN: whether there was an appropriate focus on results; quality of risk management; candor and realism in reporting; government ownership  The Ratings Summary table on page 5 has two ratings – for UNDP and for the Executing Agencies. This section on page 31, however, only shows the rating for UNDP.	Considering that the M&M was a NIM project, therefore UNDP was not directly involved in the implementation.
UNDP-GEF, BRH	Pg. 32, no. 20	Please follow the structure of the TE guidance by first discussing on the overall results -i.e attainment of objective and outcome level results. Then followed by relevance.	Revised accordingly.
UNDP-GEF, BRH	Pg. 32, no. 21	Please discuss effectiveness and efficiency together.	Efficiency and effectiveness are different things, the TE team prefers to keep them separate.
UNDP-GEF, BRH	Pg. 32, no. 22	Overall results should be discussed before ‘relevance’. Please take this up.	Noted.
UNDP-GEF, BRH	Pg. 32, no. 23	Rephrase the sentence.	Sentence corrected.
UNDP-GEF, BRH	Pg. 33, no. 24	Please mention year in which these linkages were created for each of the mentioned companies – thank you	Noted.
UNDP-GEF, BRH	Pg. 33, no. 25	Rephrase this sentence to convey a clear message.	rephrased
UNDP-GEF, BRH	Pg. 33, no. 26	This also requires rephrasing.	Revised
UNDP-GEF, BRH	Pg. 33, no. 27	This sentence needs rephrasing to convey a convincing message to the reader.	Modified
UNDP-GEF, BRH	Pg. 34, no. 28	How does this link to gender mainstreaming and project’s objective?	“Development of Eco-tourism spots” was included as a target under Outcome 1 in the PRF modified during the Project Inception Meeting. Moved under Outcome 1.

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

UNDP-GEF, BRH	Pg. 34, no. 29	Why don't you mention: the project helped in reviewing instead of saying discussion with stakeholders suggest.  Please rephrase appropriately.	Rephrased.
UNDP-GEF, BRH	Pg. 34, no. 30	Better reflect as "despite impediments discussed in the preceding sections .....instead of saying important impediments...  Please re-phrase	Modified accordingly.
UNDP-GEF, BRH	Pg. 34, no. 31	Please rephrase. This is not clear.	done
UNDP-GEF, BRH	Pg. 34, no. 32	Please discuss on the results – what has been achieved as a result of the partnership with various agencies instead of discussing on eth process.	This is just a one paragraph introductory sentence to facilitate reader understanding of the next paragraphs.
UNDP-GEF, BRH	Pg. 34, no. 33	Please rephrase. It has to be - the project has mobilized and established 14 CBEs.	Modified
UNDP-GEF, BRH	Pg. 34, no. 34	Why repeat here when 14 CBEs (including Diamer and Astore) has been reflected in the same here.	Modified.
UNDP-GEF, BRH	Pg. 35, no. 35	Please rephrase	Modified.
UNDP-GEF, BRH	Pg. 35, no. 36	There is a repetition to what has been already discussed above. Please revisit and make corrections appropriately.	This is a comment specific to IUCN activities.
UNDP-GEF, BRH	Pg. 35, no. 37	Please rephrase. This is difficult to understand.	Modified.
UNDP-GEF, BRH	Pg. 36, no. 38	Delays due to what?	Modified.
UNDP-GEF, BRH	Pg. 36, no. 39	Please mention how many women have benefitted from the training and what was the outcome of the training? The analysis should have captured this with evidence. If not please say so.	Added
UNDP-GEF, BRH	Pg. 36, no. 40	Has this being conducted or planned to conduct. Please state the status.	Added.
UNDP-GEF, BRH	Pg. 37, no. 41	Source?	Added.
UNDP-GEF, BRH	Pg. 38, no. 42	What is the revised target? Is it 14 SRUs? Please rephrase and make it simpler to understand.	Modified.
UNDP-GEF, BRH	Pg. 38, no. 43	feedback received by or from?	Modified.
UNDP-GEF, BRH	Pg. 38, no. 44	Why so? Is it because the project/PMU, CO or IPs have not prepared developed exit strategy when the SRU agreement was executed? Please state so.	Added
UNDP-GEF, BRH	Pg. 39, no. 45	Do you mean to say only 1 NTFP plan has been completed in 2017 and under development for three conservancies.	Revised.
UNDP-GEF, BRH	Pg. 39, no. 46	This is the opinion of the IUCN but what is the view of the TE team? The project is time bound and should plan to complete major activities before its closure by 31st December 2017.	Added.
UNDP-GEF, BRH	Pg. 39, no. 47	Is it correct to say that barriers have been created by 18 <sup>th</sup> amendment, of course the project has to adapt to the circumstances as this has happened after the project has been designed.	Modified.
UNDP-GEF, BRH	Pg. 39, no. 48	I find this sentence bit out of context here.	Delated
UNDP-GEF, BRH	Pg. 39, no. 49	Please rephrase this sentence.	Modified.
UNDP-GEF, BRH	Pg. 40, no. 50	How much?	Added



# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

UNDP-GEF, BRH	Pg. 40, no. 51	When is the final report due and who is going to follow-up on this?	Added below.
UNDP-GEF, BRH	Pg. 40, no. 52	Please rephrase the sentence to make it clear.	Modified.
UNDP-GEF, BRH	Pg. 41, no. 53	Please rephrase the sentence to convey the message appropriately.	Modified
UNDP-GEF, BRH	Pg. 41, no. 54	Please rephrase – what does broader agenda mean – whose agenda?	Modified.
UNDP-GEF, BRH	Pg. 41, no. 55	This is not clear. Please clarify.	Modified.
UNDP-GEF, BRH	Pg. 42, no. 56	Not clear.	Modified
UNDP-GEF, BRH	Pg. 42, no. 57	Is the an evidence for efficiency of resource allocation or utilization?	Keeping in mind the difficulties in evaluating the efficiency of resource utilization for “soft” activities like community mobilizations, even more in mountainous and remote terrain where travel duration and costs often differs from standard rates, revision of Project financial statement conducted by the TE team did not reveal any inconsistency and/or inappropriate spending.
UNDP-GEF, BRH	Pg. 42, no. 58	I don’t think the TE team has deliberated enough or done enough analysis to provide evidence to prove that the project was efficient in teUNDP-GEF RMS of resource utilization, annual work planning, implementation of activities on the ground, co-financing arrangements, address key barriers, etc.	Modification and addition done.
UNDP-GEF, BRH	Pg. 42, no. 59	Please do provide supporting evidence at various levels – national/federal, provincial and the local level to indicate the country ownership of the project.	
UNDP-GEF, BRH	Pg. 43, no. 60	Yes the provinces have revised their policy framework but I don’t think it has been approved as highlighted in some of the sections discussed above.	Clarification added.
UNDP-GEF, BRH	Pg. 43, no. 61	Please provide supporting evidence to show that the project has mainstreamed: gender, poverty, governance, women’s empowerment. I don’t see any discussions and analysis presented in the narrative.  Please re-work on this section.	Added
UNDP-GEF, BRH	Pg. 43, no. 62	I don’t think the texts are relevant here.	Delated.
UNDP-GEF, BRH	Pg. 44, no. 63	Has exit strategy been developed by the PMU /CO? if not the question should be why it wasn’t thought through in the final year of the project.	Comments and indication included in Conclusion.
UNDP-GEF, BRH	Pg. 44, no. 64	The TE team should focus on the institutional and governance mechanism that the project has set up through the CBE establishment rather than simply saying that 2 CBEs have been established. And also important to zoom out beyond local level to national and provincial...	Modified and added.
UNDP-GEF, BRH	Pg. 45, no. 65	Please rephrase	Modified.
UNDP-GEF, BRH	Pg. 47, no. 66	Sub-section on good/worst practice and lessons learned is not included.	Added
UNDP-GEF, BRH	Pg. 48, no. 67	What does the TE recommend to address this issue?	Included in the following section.
UNDP CO	Pg. 6, no. 68	It would be good to have these as annexure to this report.	Reported in specific section on MTR.

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

UNDP CO	Pg. 6, no., 69	MTE or TE?	Corrected
UNDP CO	Pg. 6, no. 70	MTE is usually planned mid-way project cycle in order to reflect on the relevance and evaluate whether targets are realistic or not – so perhaps worth mentioning here that MTE should have been planned and carried out in 2015 instead of later in 2016	Mentioned in the relevant section on MTR.
UNDP CO	Pg. 6, no. 71	Agreed however every UNDP Project Document as well as Annual Work Plan carries a Monitoring Plan which is compiled and executed by the project. I think 2nd para on this page is relevant that M&E staff was not hired which hampered the execution of Monitoring Plans. Furthermore, UNDP Country Office (CO) developed and rolled out a web-based M&E system (STAR) where most projects upload progress data and track progress at output/activity level however MM has not used this system to a large extent which also suggest that MM team failed to use the available resources as well as expertise in the CO for the results tracking. Please visit <a href="http://star.undp.org.pk">star.undp.org.pk</a> to view data uploaded by MM team in STAR since the roll out in March 2016.	No reference in the discussions held by the evaluators with the stakeholders, neither in the project documents.
UNDP CO	Pg. 6, no. 71	Please visit <a href="http://pk.undp.org">pk.undp.org</a> for all the reports/success stories which UNDP Communications team keep requesting from all UNDP projects so it will be worth mentioning that MM to have had close collaboration and coordination with CO teams working to support UNDP projects.	Noted and added.
UNDP CO	Pg. 6, no. 72	Pending availability of funds from GEF	GEF funds have been fully utilized. The Evaluators suggest MoCC and UNDP to sponsoring the extension.
UNDP CO	Pg. 6, No. 73	Do we know what delayed the certification process which was the part of the project document compiled perhaps in 2013?	As described under the section “Effectiveness” – Outcome 1, and as per Project Document, certification is a long and cumbersome process which was started late, and new to Pakistan. It shall be mentioned also that certification is in a good stage.
UNDP CO	Pg. 10, No. 74	Not clear – using qualitative and quantitative methods is referred to as ‘mix-method’ approach and not ‘semi-structured’ approach therefore kindly correct this. Your interview guide and questionnaire might have been semi-structured	Noted.
UNDP CO	Pg. 10, No. 75	Not clear - Performance indicators are not one of the data collection methods – we use data collection methods such as questionnaires and interviews to validate the relevance/sustainability/effectiveness/efficiency/impact of progress made against the outcome/output indicators	Noted.
UNDP CO	Pg. 10, No. 75	Copy and paste from Terminal Evaluation of Pakistan Sustainable Transport (PAKSTRAN) project carried out in 2016. The para on Page 10 is copied below... This doesn't look good at all – kindly rephrase all the copied text -thank you!	Is there anything technically wrong in this paragraph? It's also a standard sentence which can not be changed. Author of Pakstran TE is co-author of this TE.
UNDP CO	Pg. 11, No. 76	This is copy and paste from Terminal Evaluation of Pakistan Sustainable Transport (PAKSTRAN) project carried out in 2016. The para (on page 11) is copied below:	See comments above.
UNDP CO	Pg. 11, No. 77	The community members are also one of the stakeholder groups. I understand community member views were sought through FGDs however, for clarity, community	Noted.

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

		members should also be classified as stakeholders in this para or the next	
UNDP CO	Pg. 11, No. 78	Why the criteria of progress made or budget spent or success/failure of certain main activities were not used to develop the sample. I am not undermining the practicality of considering 'availability' and 'accessibility' as criteria however we could have developed the sample based on the budget spent/success/failure of targets across two regions and then used the availability and accessibility as second tier for collecting data – this will have ramifications on the conclusions/recommendations of this evaluation!	Further explained in the text.
UNDP CO	Pg. 11, No. 79	Please annex the list of the members participated in each of these FGDs. Also attach the FGD notes in order to see similar themes/ideas/perceptions shared by community members	List is annexed as annex 1. Notes are not required.
UNDP CO	Pg. 11, No. 80	UNDP CO as well as Project Team is not a stakeholder – we are the implementers of this project and therefore must be removed from this table – thank you	Implementor is a stakeholder. Clarified further after discussion and changed accordingly.
UNDP CO	Pg. 11, No. 81	Less than 5 participants in each FGD? Do we have male/female participants? If no female participant then can we at least mention it as a challenge and a lacking in the findings due to reasons beyond our control – thank you	All male. Reasons for women absence are mentioned in the document.
UNDP CO	Pg. 12, no. 82	This is copy and paste from Terminal Evaluation of Pakistan Sustainable Transport (PAKSTRAN) project carried out in 2016. The para on page 11 of the TE PAKSTRAN is copied below:	As per comment above.
UNDP CO	Pg. 12, no. 83	Worth mentioning here how this data is processed – through any programming tool?	Triangulation do not require programs.
UNDP CO	Pg. 12, no. 84	ditto	Excel.
UNDP CO	Pg. 13, No. 85	it will help if relevant page numbers in the project document is mentioned wherever the proDoc is referenced.	Noted and added.
UNDP CO	Pg. 15, No. 86	Can we please use the same labels – these outcomes are referred to as 'Components' under Section 2.3 -in ProDoc these are labelled as Outcomes	Noted and modified.
UNDP CO	Pg. 17, No. 87	This is repetition as these factors relating to the context are already listed in section 2.2 on page 13	This is an analyses on the basis of which the sentence 'Overall, the project design...'has been made.
UNDP CO	Pg. 17, No.88	What concerns LF analysis – not clear – the project design?	Modified.
UNDP CO	Pg. 17, No. 89	In the LFA of the project document, one of the outcomes relates to Country Programme Outcome and its indicator – it should be mentioned here and i hope it was considered while evaluating the entire result chain reflected in the ProDoc Result Chain	Noted.
UNDP CO	Pg. 18, No. 90	What source is informing this narrative?	Analyses of CBEs business performance
UNDP CO	Pg. 18, No. 91	Analysis of what suggest? Project document?	Analyses of the text.
UNDP CO	Pg. 18, No. 92	We need to be specific whose lack of clarity we are referring here	Noted.
UNDP CO	Pg. 18, No. 93	Ecotourism community enterprises is considered unviable in the prodoc – reference is made to ecotourism opportunities which should be explored therefore cant be categorized as an 'ambitious target'?...	Added during the Project Inception Workshop.
UNDP CO	Pg. 18, No. 94	Page number please for cross-referencing??	Noted.

# TERMINAL EVALUATION REPORT OF MOUNTAIN AND MARKETS PROJECT

UNDP CO	Pg. 18, No. 95	the project proposal was developed in 2008 and prodoc was signed in 2012 – clearly the project, as it completed its year 1, could have highlighted it to the project steering committee or in the Inception report (if it was compiled as per prodoc). Point is that the narrative could not be solely hold responsible for this lack of emphasis. Perhaps we can look into rephrasing this para in the light of this comment.	Noted
UNDP CO	Pg. 25, No. 96	I don't think this is the correct interpretation of the narrative under output 2.2 para 123 of the prodoc which i am copying below: according to this the Village Conservation Committees established through MACP and strengthened through PMAC were supposed to be used to transform into CBEs – point is that the prodoc narrative did not mention using PMAC to implement project activities	Modified
UNDP CO	Pg. 26, no. 97	This is a fact however it is also a fact that due to 18th amendment the gov. contribution of USD 4.5million (58% of the total budgeted amount of 7.79 million) was also lapsed therefore the biggest contributing factor to the financial budget reduction along with the associated activities was due to the unavailability of government fundingt. Hence, it is requested to reflect a balanced picture here instead of portraying UNDP as sole contributor to budget reduction. Furthermore, please also note, as evident from the AWP's 2014/2015/2016, UNDP funds were meant to cover the staff salaries/office equipment/travel expenses etc. for the programmatic activities funding from GEF were utilized hence the correlation between activities not getting completed due to reduction in UNDP funding is not justified – thank you	Regarding the points raised: 1. GEF funds have been utilized to the full. 2. Government support was only in kind since PMAC was closed, and it has been discussed in the co-financing chapter. 3. Discussion with the Project team suggested that lack of financial resources dedicated to staff salaries, office equipment and travel expenses (and Human Resources in general) had a direct correlation with activities implementation. The Project had to run on the minimum staff (compared to what planned in the PD) and position in the PMU for advisers, RPM KP and technical staff in GB remained vacant for times (please refer to the JSC meeting of Nov 2015 in which the NPM mentioned that : 'any reduction in TRAC funds will make it difficult for project to complete targeted activities in next year as well as to cover the operational cost.
UNDP CO	Pg. 26, No. 98	This could have stood out really well if you have provided some examples where the project reflected and altered its approach while facing bottlenecks (bottlenecks apart from the reduction of funds)	Please see relevance section on implementation.
UNDP CO	Pg. 26, No. 99	Do we know what modality is used to establish these linkages? Any evidence/document to be referred here?	Noted & added.
UNDP CO	Pg. 26, No. 100	Please mention year in which these linkages were created for each of the mentioned companies – thank you	Added
UNDP CO	Pg. 26, No. 101	Please mention year in which these linkages were created for each of the mentioned companies – thank you	Added
UNDP CO	Pg. 26, No. 102	Signing an MoU doesn't mean the objective is also achieved. MoU is a UNDP modality merely reflecting potential collaboration/coordination in activities contributing to a common goal – worthwhile to mention what result does this partnership helped the project achieve	Please refer to Outcome 4 (Effectiveness section)

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UNDP CO	Pg. 27, No. 103	Worthwhile to mention the reasons contributing to this failure	ECI is a private company, therefore their engagement should have followed open – bid procedure.
UNDP CO	Pg. 27, No. 104	Perhaps this had an impact resulting in non-achievement of targets? If not then while dedicate a complete paragraph on the role of SMEDA?	Reference to Outcome 4, trainings delivered to CBEs through other means was sufficient to meet the requirements.
UNDP CO	Pg. 27, No. 105	MoCC is the Government Implementing Agency – i am not sure what does this statement mean and if it does mean what it says then who downsized the role of MoCC in the implementation – is there a documentation available which perhaps can be used as a reference? If not then i suggest we re-think about keeping this sentence about MoCC role	Revised.
UNDP CO	Pg. 27, No. 106	Its either Project Review Board (PRB) Or Project Steering Committee (PSC)	Revised.
UNDP CO	Pg. 27, No. 107	This negates the statement about downsized MoCC role !	Revised
UNDP CO	Pg. 27, No. 108	Says who? Where is the data supporting all the claims made here and in sections above?	Revised
UNDP CO	Pg. 27, No. 109	How? Specifically, what for? When did this happen? What did it materialize into? Where is the evidence?	Please refer to Outcome 4 in the Effectiveness.
UNDP CO	Pg. 27, No. 110	Why was it carried out late? Relevant to mention the benefits project could have availed had the MTE was carried out in 2015 as planned!	Added.
UNDP CO	Pg. 28, No. 111	Please specify year – thank you	Added
UNDP CO	Pg. 29, No. 112	I am afraid this is not factual – UNDP Executive Board, which Government of Pakistan is a member state, rolled out a policy shift in which TRAC funding was reduced globally hence UNDP Pakistan implemented the policy and informed all projects funded by TRAC funds to find alternate means of funding as TRAC will be gradually reduced and eventually removed as a funding stream to UNDP projects starting 2016. Can we please reflect this – evaluators can confirm this historical fact from the UNDP Senior Management, if find necessary – thank you	Please refer to the JSC committee meeting in Nov 2015.
UNDP CO	Pg. 29, No. 113	It will be great to have a graph showing year-wise reduction of funds by each funding agency across components – this narrative doesn't help see the picture clearly – thank you	The TE believes it would be complicated to visualize it.
UNDP CO	Pg. 30, No. 114	I haven't been able to get any quarterly report from the project during 2017 and some quarterly reports are missing from 2016 – appreciate if you can share these with UNDP as well as we don't have them despite regular requests to compile and share with UNDP/ also i haven't seen the annual progress report 2016 of this project – cant wait to see this annual report for 2017 – if the evaluators don't have these reports then kindly reflect this in the TE report – thank you	Quarterly report not received as well as Annual Report 2017,.
UNDP CO	Pg. 31, No. 115	I am sorry but this not entirely true – UNDP as executing agency under NIM modality does not get much cooperation from the project to provide data to justify progress – Result Oriented Annual Report as well as web-based M&E system is evidences of this lack of data	The Project Team informed that Progress were shared with UNDP on regular basis, on the basis of which installments were timely released by UNDP for the next quarter/year.
UNDP CO	Pg. 31, No. 116	Ditto	Ditto

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UNDP CO	Pg. 31, No. 117	this is an incomplete sentence – perhaps rephrase	Rephrased, thanks.
UNDP CO	Pg. 31, No. 118	has this been evaluated what project did with the recommendations from MTE?	Please refer to section “Feedback from M&E activities used for adaptive management”
UNDP CO	Pg. 31, No. 119	I don’t agree given my experience of receiving no monitoring data from the project – MTE was also delayed and it is not clear/visible what actions/course correction project took to reflect on the recommendations of the MTE. I understand, time duration between MTE and TE is less than a year which again has proved the point that having MTE delayed killed the whole purpose of carrying out a mid-term evaluation for reviewing indicators/targets/targeting approach etc. etc. Hence i don’t think the conclusion to rate M&E as moderately satisfactory has a strong ground	Well noted.
UNDP CO	Pg. 31, no. 120	This sections lacks information about role of MoCC as implementing partner of this project which i think, given this is a NIM project, should be elaborated here.	Reported in the previous section: “Management arrangements:.
UNDP CO	Pg. 31, no. 121	Establishing CBEs etc. was part of outcome 2 which, according to AWP’s 2014/15/16 are funded by GEF for which funding was available – what resources the project could not get despite availability of funds?	Discussed in relation to PMAC.
UNDP CO	Pg. 31 no. 122	Please note 18th amendment happened in 2010 – why inception workshop/report didn’t highlight this very important aspect?	This was raised in the Inception Report (pg 13). The implementation structure as proposed in the project document is no more applicable in the present politico-administrative circumstance. A consensus based project implementation structure will be worked out. There is a will to work it out and the relevant decision making authorities “will find a way to move forward” on this matter. UNDP together with the relevant Government institutions draft a revised management arrangement.
UNDP CO	Pg. 32, no. 123	The analysis severely lack reference to the primary data collected without which the rating becomes questionable	Relevance is not referring to data collection, is more of a qualitative process.
UNDP CO	Pg. 33, no. 124	Please be specific here and use labels to identify respondents from the various stakeholders listed in the earlier sections	Noted.
UNDP CO	Pg. 33 no. 125	Reference to the Evidential document is a must here	Noted.
UNDP CO	Pg. 33, no. 126	How many trainings? In Which areas specifically? Are there any training manuals/reports which can be used as evidence? UNDP doesn’t have these in our repository so it will be beneficial for us to have these too – thank you	Please request IUCN, the TE obtained them easily.
UNDP CO	Pg. 33, no. 127	How many? Who were these?	Added
UNDP CO	Pg. 33, no. 128	Specify year please	Added
UNDP CO	Pg. 33 no. 129	Through what means? Any letter ?	Added
UNDP CO	Pg. 34 no. 130	Who are these companies?	Private companies involved in BBRT
UNDP CO	Pg. 34 no. 131	Please mention year in which these linkages were created for each of the mentioned companies – thank you	Noted.

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UNDP CO	Pg. 34 no. 132	Says who? The project manager? Or the participants of these BBRTs which you also interviewed?	Noted.
UNDP CO	Pg. 35 no. 133	Be specific please	Noted.
UNDP-GEF RMS	Executive Summary no. 134	In the Project Summary table, include the four-digit GEF ID	Done
UNDP-GEF RMS	Pg. 17 no. 135	<u>Analyses of Logical Framework Analysis</u> Integrate a discussion on whether or not the planned outcomes were SMART (Specific, Measurable, Achievable, Relevant, Time-bound). The text already discusses Outcome 1. Include a discussion on the other outcomes as well and whether or not they were 'SMART'.	Discussion on other outcomes added.
UNDP-GEF RMS	Pg 25 & 27 no. 136	<u>Adaptive Management &amp; Feedback from M&amp;E activities used for adaptive management:</u>  Were there any significant changes to the project as a result of recommendations made in the annual PIRs? If so, did they lead to major changes in achieving outcomes?	Reference to the PIRs added.
UNDP-GEF RMS	Pg. 30 no. 137	<u>Monitoring and evaluation: design at entry, implementation, and overall assessment:</u>	Added in the text.
UNDP-GEF RMS	Annexes no.138	Be sure to list the 'Audit Trail' and 'Terminal Tracking Tool' in the Annexes as 'annexed in a separate file'. They should <b>not</b> be part of the final Word/PDF file that will be posted in the ERC. The ERC is public. The Audit Trail and Tracking Tool should not be public. They can be posted in PIMS+.  Also, one quick reminder about the Audit Trail. The 'Author' column of the Audit Trail should not show the commentator's name but rather the organization that the person belongs to.	Documents added.

-End-