

# Terminal Evaluation Report

2014 September

Version: Final

## CBPF: Strengthening Globally Important Biodiversity Conservation through Protected Area Strengthening in Gansu Province

GEF Project ID: 3864

UNDP PIMS ID: 4072

|                             |   |
|-----------------------------|---|
| <b>Region:</b>              | Asia and the Pacific                                    |
| <b>Focal Area:</b>          | Biodiversity  |
| <b>Funding Source:</b>      | GEF Trust Fund  |
| <b>Implementing Agency:</b> | United Nations Development Programme (UNDP)             |
| <b>Executing Agency:</b>    | Gansu Provincial Government (Gansu Forestry Department) |
| <b>Project Timeframe:</b>   | January 2011 to January 2015                            |



Photos by Li He and J. Lenoci, Sep 2014

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## Terminal Evaluation Opening Page:

|                                       |   |
|---------------------------------------|---|
| <b>Project Name:</b>                  | CBPF: Strengthening Globally Important Biodiversity Conservation Through Protected Area Strengthening in Gansu Province |
| <b>GEF Project ID:</b>                | 3864  |
| <b>UNDP PIMS ID:</b>                  | 4072  |
| <b>Country:</b>                       | China   |
| <b>Region:</b>                        | Asia and the Pacific  |
| <b>Funding Source:</b>                | GEF Trust Fund  |
| <b>Focal Area:</b>                    | Biodiversity  |
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| <b>CEO Endorsement Date:</b>          | 22 June 2010  |
| <b>Implementing Agency:</b>           | United Nations Development Programme (UNDP)   |
| <b>Management Arrangement:</b>        | National Implementation Modality (NIM)  |
| <b>Implementing Partner:</b>          | Gansu Provincial Government (Gansu Forestry Department)   |
| <b>Implementation Timeframe:</b>      | January 2011 to January 2015  |
| <b>Project Cost, at endorsement:</b>  | USD 9,348,000 (includes PPG costs)  |
| <b>GEF Grant, at endorsement:</b>     | USD 1,818,000 (includes USD 80,000 PPG grant)   |
| <b>Co-Financing, Committed:</b>       | USD 7,530,000 (includes USD 250,000 for PPG phase)  |
|                                       | Cash: USD 1,500,000 (for implementation phase)  |
|                                       | In-Kind: USD 5,780,000 + USD 250,000 for preparation phase  |
| <b>Terminal Evaluation Timeframe:</b> | September-October 2014  |
| <b>Evaluation Team:</b>               | Prof. Li He, National Consultant<br>James Lenoci, International Consultant / Team Leader                                |
| <b>Language of Evaluation Report:</b> | English   |

The evaluation team would like acknowledge the information and feedback provided by interviewed project stakeholders, including GFD staff, officials from other Gansu provincial agencies, staff at the four demonstration PA's (Gahaizecha NR, Taohe NR, Lianhuashan NR, and Taizishan NR), local community representatives, and villagers. Special thanks are also extended to the CBPF program officer, UNDP Country Office Staff, the GEF Regional Technical Advisor, location consultants, the international business planning consultant. Finally, the evaluation team is grateful for the insight shared by the project manager, the support extended by the entire PMO and PMU teams, and the qualified assistance by the interpreter/translator.

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## Executive Summary

**Exhibit 1: Project Summary Table**

|                                 |   |   |                                     |                                    |
|---------------------------------|---|---|-------------------------------------|------------------------------------|
| <b>Project Title:</b>           | CBPF: Strengthening Globally Important Biodiversity Conservation Through Protected Area Strengthening in Gansu Province |   | <b>at endorsement (USD million)</b> | <b>at completion (USD million)</b> |
| <b>GEF Project ID:</b>          | 3864  | <b>GEF financing:</b>                         | 1.818                               | 1.811                              |
| <b>UNDP Project ID:</b>         | 4072  | <b>IA own:</b>                                | 0                                   | 0                                  |
| <b>Country:</b>                 | China   | <b>Government:</b>                            | 7.53                                | 9.42                               |
| <b>Region:</b>                  | Asia and the Pacific  | <b>Other:</b>                                 | 0                                   | 0                                  |
| <b>Focal Area:</b>              | Biodiversity  | <b>Total co-financing:</b>                    | 7.53                                | 9.42                               |
| <b>Implementing Agency:</b>     | UNDP  | <b>Total Project Cost:</b>                    | 9.348                               | 11.231                             |
| <b>Implementation Modality:</b> | National Implementation Modality  | <b>Prodoc Signature (date project began):</b> |                                     | 18 Jan 2011                        |
| <b>Implementing Partner:</b>    | Gansu Forestry Department   | <b>(Operational) Closing Date:</b>            | Proposed:<br>31 Dec 2014            | Actual:<br>17 Jan 2015             |

Note: GEF financing based upon estimated end-of-project expenditures

## Project Description

Gansu Province covers a total land area of 454,000 km<sup>2</sup>, ranking 4th richest of all Chinese provinces in terms of mammal species richness and 7th in terms of bird species richness. The government in Gansu has established an impressive PA system, consisting of 67 terrestrial nature reserves covering more than 10 million ha, or roughly 22% of the total land area of the province.

State and local governments in China have made significant advances regarding ecological conservation in recent years, with extensive policies and programs, in response to adverse impacts from the continued rapid social-economic expansion in the country. However, there remain inefficiencies and non-strategic allocation of funds for management of protected areas. Under the auspices of the China Biodiversity Partnership Framework (CBPF), the project focused on improving PA system management capacities and financial sustainability at the provincial level as well as the site level at four field demonstration PAs in the Taohe River Basin.

The **Goal** of the project was to effectively conserve globally significant biodiversity in China.

The **Objective** of the project was to strengthen protected areas' sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing.

In order to achieve the above objective, it was essential to ensure a comprehensive approach that tackles the barriers at systemic, institutional and operational levels. The project's intervention therefore was organised into the following two outcomes:

**Outcome 1:** Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system

**Outcome 2:** Sustainable PA management and financing demonstrated in Taohe Basin

## Evaluation Purpose and Methodology

This terminal evaluation was conducted to provide conclusions and recommendations about the relevance, efficiency, effectiveness, sustainability, and impact of the Project. The evaluation also aimed to identify lessons from the Project for future similar undertakings, and to propose recommendations for ensuring the sustainability of the results. The evaluation was an evidence-based assessment and relied on feedback from persons who have been involved in the design, implementation, and supervision of the project, review of available documents and records, and findings made during field visits.



## Summary of Findings and Conclusions

### **Strengths and Major Achievements**

One of the main strengths of the project was the participatory approach implemented, engaging all levels of PA administration, from high level managers to PA station technicians. The combined total number of participants in the numerous capacity building events sponsored by the project was more than 1,600, and 32% of those were women. These efforts have strengthened both institutional and individual level capacities.

The project also did a commendable job at including local community members into the PA management framework, demonstrating to them how their lives and livelihoods could be enhanced through collaborative activities within in the PA's, and in turn, pressures on scarce resources will likely be significantly lowered in the years to come. These arrangements were formalized in the form of collaborative management agreements; 54 agreements had been concluded by the time of the TE mission, in September 2014. This is an impressively large number, and the potential for dissemination of lessons learned is high, provided that there is continued oversight and monitoring on the process. The project also facilitated four benefit-sharing agreements, signed between private sector stakeholders and local communities. This was the first time in Gansu that benefit-sharing agreements have been concluded in the context of protected area management.

Through the Taohe and PA forums sponsored by the project, stakeholders were provided with platforms to exchange experiences, voice opinions, and discuss priority actions to take to safeguard the PA ecosystems and also provide opportunities for local communities to benefit from sustainable utilization of natural resources. Under business-as-usual practices, there were limited such opportunities for inclusive stakeholder participation.

An important component of the project was the drafting of a PA system-wide strategy and planning framework, which is expected to be approved by the GFD by the end of 2014. This might turn out to be one of the main legacies of the project, if there is sufficient commitment to follow up with implementation after project closure. Approval is also expected for a Taohe Basin financing plan, which was also drafted with project support

Among the four demonstration PA's, comprehensive management plans were produced, based upon detailed analyses of threatening factors. Also, a tourism plan was developed for the Taohe Basin, and separate business plans produced, aimed at growing and diversifying self-generating income by the PA's. These deliverables were consolidated into 5-year action plans, one for each demonstration PA, and following approval of the action plans, they were operationalized by the PA administrations, and implementation started in 2013.

The project sponsored trainings on biodiversity monitoring, supported establishment of monitoring transects within the demonstration PA's, helped the PA's develop monitoring protocols, and also procured some basic monitoring equipment and supplies. Furthermore, the project supported development of a database for managing the biodiversity information collected. The database development team did a good job producing a system that is web-based, easy to use, and only requires a computer and an Internet connection. These are meaningful contributions toward biodiversity conservation in Gansu, and the PMO is actively working on promoting replication of the monitoring protocol and database among other PA's in the system.

After going through 3 different project managers in the first 2-1/2 years, a highly qualified project manager was hired in mid-2013, and he has been able to help recover some of the inefficiencies of the earlier stages of the implementation phase, and motivate the dedicated project management teams to work hard toward fulfilling the project targets. Through guidance from the deputy project manager and UNDP CO staff, the project has maintained strong financial controls, and this has been recognized

by the UNDP by using the Gansu project as an example of good practice in financial management. Also, the UNDP CO program manager and the GEF RTA have consistently supported the project.

Overall project performance is evaluated to have been **satisfactory**. This conclusion was based on certain judgments of the TE team regarding the likelihood of achieving some key milestones by the end of the project, including approval of the PA system wide strategy and planning framework, and the Taohe Basin financing plan.

### **Key Shortcomings**

The project was unable to overcome certain design flaws, and the overall effectiveness was diminished accordingly. Firstly, there was an over-reliance on scorecards for assessing progress of achieving the project objective. These indicators did not appropriately capture the added value provided by this project, and the incremental benefits facilitated from the GEF funding were obscured by the influence of exogenous conditions on the scorecard results. It is important to appreciate that the experience the GFD has had on international projects, has, according to them, been primarily with large infrastructure projects. It is more straight-forward to assess the achievements of an infrastructure project, than one focusing on capacity building and changing mindsets and priorities with respect to PA management. Setting a METT score (or other scorecard) as a measure of achieving the project objective creates an impression to the implementing partner that once they reach that result, their work has been completed. While in reality, maintaining sustainable PA management requires persistence and vigilance over the long-run, is not based on a one-off assessment. Relying on scorecards as objective indicators of success of such as project is too simple, and overlooks the underlying goal of imparting institutional level change. The TE team does not dispute the usefulness of the METT, financial sustainability scorecard, or capacity building scorecard, but not as measures of achieving the project objective. For example, assigning an indicator to have the METT integrated into GFD's PA management planning framework might have been more appropriate, as that way there is institutional level commitment to continue to evaluate their PA management effectiveness.

Developments on natural resource management in China have been dynamic in the past decade or so, with extensive government-driven policies and investments. And, there were significant changes in Gansu over the period from 2009, when the project was designed, to 2011, the year when the implementation began. These changed circumstances were not thoroughly re-evaluated at project inception, and no adjustments were made to the logical results framework, stakeholder participation plan, etc.

There were, in fact, shortfalls with respect to stakeholder involvement. For example, participation by the State Forestry Administration (SFA) was limited; the project did not seem to take advantage of linkages with the PA management improvement programs implemented by the SFA. And, while some level of cross-collaboration was realized with other agencies with the provincial government, it might have been advisable to assign joint implementation responsibility to the Environmental Protection Bureau, which has an oversight role for all PA's in Gansu and is the focal agency for biodiversity issues.

The project had a strong advocacy feature, i.e., influencing PA system level change in management and financing policies and procedures. But, advocacy results fell short of expectations, partly due to limited involvement by the Environmental Protection Bureau, but also with respect to the Forestry Department (GFD). The effectiveness of advocacy efforts in the first 2-1/2 years of the 4-year project was low, due to the fact that there were three changes in the position of project manager during this period. Certain management arrangements were also not conducive to effective advocacy; including setting the PMO in a separate office from the GFD.

The success of facilitating PA-scale change also largely depends upon how project achievements are disseminated among the relevant stakeholders. In the opinion of the TE team, knowledge management was not sufficiently included in the design to support the fundamental catalytic intention

of the project. A PA system wide database was planned as the primary knowledge platform, which would enable sharing among each of the PA's in Gansu. The resources required in terms of cost and advocacy, to develop such database were underestimated. More importantly, such a database is an inefficient knowledge management tool, as it reaches mainly a technical audience, having little exposure among key decision makers, and does not address dissemination of project results beyond Gansu, although there has been information exchange at CBPF workshops and seminars. As a project implemented under the CBPF umbrella, a stronger knowledge management component should have been included in the design.

Considering that one of the main aims (and expectations among provincial stakeholders) of this project was introduction of international best practice in terms of PA management and financing, less than 4% of the implementation budget was allocated for contributions by international experts, excluding the mid-term and terminal evaluation consultants. Again, this level of involvement of international experts did not match the underlying catalytic intention of the project.

Finally, there was limited focus on what steps are required after project closure. The advances in PA management and financing promoted by the project will require further oversight to ensure the intended results are eventually realized. A specific sustainability strategy to address post-project requirements has not been addressed, and there is no evidence of commitment of continuing support of the Taohe Forum after the project ends.

Despite the shortcomings identified, institutional and individual capacities have been strengthened, and there is evidence of strong commitment by high level GFD officials to support further building upon the achievements realized through the GEF support.

## Evaluation Ratings

Evaluation ratings are tabulated below in **Exhibit 2**.

| Exhibit 2: Evaluation Rating Table  |                         |  |
|---|-------------------------|--|
| Criteria  | Rating                  | Comments   |
| 1. Monitoring and Evaluation (M&E)  |                         |  |
| M&E Design at Entry   | Moderately Satisfactory | The M&E plan was reasonably extensive, sufficient activities and funds were allocated. The emphasis on scorecards, including financial sustainability, management effectiveness, and capacity building, to measure PA system wide influence was inappropriate. Also, monitoring & evaluation metrics were not sufficiently worked out to support verifiable and objective assessment of project results.         |
| M&E Plan Implementation   | Moderately Satisfactory | There was also insufficient focus on adjusting the M&E framework at the project inception, in 2011, approx. 2 years after baseline conditions were established and over a period of time of significant changes driven by government policies and programs. Monitoring of project activities was good, but there was insufficient focus on monitoring project results.   |
| Overall Quality of M&E  | Moderately Satisfactory |  |
| 2. Implementing Agency (IA) and Lead Implementing Partner (Executing Agency - EA) Execution |                         |  |
| Quality of IA (UNDP) Execution  | Satisfactory            | The UNDP CO staff and the GEF RTA were proactively involved in the project, both in terms of supervision and strategic guidance.   |
| Quality of EA (GFD) Execution   | Satisfactory            | Ownership was found to be fairly high, with upper level management engaged in the project, including participating in project steering committee meetings and the Taohe Forum workshops. Establishing PMU's within the 4 demonstration PA's was a good idea, but placing the PMO in a different office from the GFD was not, decreasing the advocacy effectiveness and also hampering capacity building efforts. |
| Overall IA-EA Execution   | Satisfactory            | IA-EA execution was overall satisfactory. Considering the institutional arrangements with respect to PA management in China, it might have been advantageous to have executed this project under joint implementation,   |



**Exhibit 2: Evaluation Rating Table**

| Criteria                                     | Rating            | Comments  |
|--|-------------------|---|
|  |                   | including the Provincial Environmental Protection Bureau, who has an oversight role over all of the PA's in Gansu and is the focal provincial agency for biodiversity conservation issues.  |
| <b>3. Assessment of Outcomes</b>             |                   |   |
| Relevance                                    | Relevant          | The project is relevant across a wide range of criteria, including with respect to provincial and national development plans, and also consistent with GEF strategic objectives and UNDP CO development priorities.   |
| Effectiveness                                | Satisfactory      | Effectiveness toward achieving Outcome 2, working with demonstration PA's, was notably better than that of Outcome 1, strengthening management effectiveness and sustainability on a PA system scale. However, in the opinion of the TE team, through strengthened institutional and individual capacities, the project was satisfactorily successful in achieving the intended outcomes. Certain design shortcomings were not overcome during project inception or implementation. For example, knowledge management plans and contributions from international experts did not match the underlying catalytic intention of the project.                   |
| Efficiency                                   | Satisfactory      | From an incremental cost criteria standpoint, support from the GEF funding helped fill critical gaps in PA management, including demonstration of detailed management plans, business planning, and biodiversity monitoring. Government co-financing exceeded the pledged sums. And, financial control was strong, contributing to overall cost-effectiveness. Three changes in the position of project manager in first 2-1/2 years diminished overall efficiency. Value for money with respect to the 2 overseas study tours is uncertain, and delays in procuring two automobiles limited the benefit of these assets to the performance of the project. |
| Overall Outcome Rating                       | Satisfactory      | Based upon the judgment by the TE team that the PA system wide strategy and planning framework, and the Taohe Financing Plan are likely to be approved by the GFD directorate by the end of the year, the overall outcome rating is considered satisfactory. Otherwise, there is limited evidence demonstrating incremental benefit to the improvement of management and sustainability of the Gansu PA system.   |
| <b>4. Sustainability</b>                     |                   |   |
| Financial Risks                              | Likely            | As a result of strengthened planning and financing capacities, and increasing trends in government funding, there is a fair chance that the PA system will reach and maintain sustainable financing arrangements.   |
| Socio-Economic Risks                         | Likely            | The collaborative management agreements reached with local communities near the demonstration PA's reinforces the cooperation between local communities and PA administrations, and further contributes to improved public relations and fewer conflicts.   |
| Institutional Framework and Governance Risks | Moderately Likely | Strengthened institutional and individual capacities, albeit mostly among the demonstration PA's contributes to improved and sustainable PA management. Institutional arrangements around PA management remain complex, however, with several agencies having mandates to manage PA's, and multiple funding sources with various restrictions on how funds are utilized.  |
| Environmental Risks                          | Likely            | By biodiversity monitoring to PA management regimes, nature reserve decision makers will be better informed of possible impacts to biological or hydrological resources, so that mitigation actions can be timely implemented. Environmental pressures, e.g., from illegal harvesting of natural resources, will likely be lowered as a result of improved community relations among the demonstration PA's   |
| Overall Likelihood of Sustainability         | Moderately Likely | Several factors enhance the sustainability of project achievements; including, development of a PA system wide strategy and planning framework, demonstration of using international best practice management tools can   |

**Exhibit 2: Evaluation Rating Table**

| Criteria | Rating | Comments   |
|----------|--------|--|
|          |        | bolster effectiveness and financial sustainability of PA's, and also demonstration of reducing local conflicts through collaborative management agreements. Institutional arrangements around PA management in China remain complex, thus affecting system level change is difficult. Sustainability of the project results is also diminished by the lack of a sustainability strategy. |

## Recommendations

The TE team recommends the following actions to follow up and reinforce initial benefits from the project, and also proposals for future directions adhering to the underlying main objectives.

### Actions to Follow Up or Reinforce Initial Benefits from the Project

1. Nominate a champion to facilitate post-project activities over a minimum 5-year period;
2. Integrate the utilization of the METT into the PA system wide strategy and planning framework, develop an outline for implementation of the strategy/planning framework, and advocate approval;
3. Develop a monitoring and evaluation framework for the Taohe Basin Financing Plan, including an annual progress report;
4. Have the demonstration PA's design and implement a monitoring & evaluation plan for their 5-year action plan, and submit annual progress reports to relevant GFD directors;
5. Develop a system for tracking collaborative management and benefit-sharing activities, incomes earned by local communities, and cost savings for PA administrations;
6. Further develop biodiversity monitoring capacities and activities;

### Proposals for Future Directions Adhering to the Underlying Main Objectives

7. Carry out value chain analysis on production timber business, to evaluate opportunities for expanding revenue for PA's;
8. Develop a database that is more inclusive of PA monitoring and reporting needs;
9. Incorporate improved planning tools, financing strategies, and monitoring protocols into PA master plans;
10. Add community relations and business development functions to PA organizational structures, and form closer linkages between PA administrations and local governments where they are operating; and
11. Include provisions on contracting for concession services into PA legislation.
12. Sponsor community level implementation and training activities, including demonstrating alternative livelihood strategies, providing targeted skills and management training, and facilitating access to micro-finance opportunities.

## Abbreviations and Acronyms

Exchange Rate on 15 Sep 2014: Chinese Yuan Renminbi (CNY): United States Dollar (USD) = 6.14

|         |   |
|---------|---|
| AWP     | Annual Work Plan  |
| BD      | Biodiversity  |
| BOA     | Bureau of Agriculture   |
| BOLR    | Bureau of Land Resources  |
| BOWR    | Bureau of Water Resources   |
| CBD     | Convention on Biological Diversity  |
| CBNRM   | Community Based Natural Resource Management                                     |
| CBPF    | China Biodiversity Partnership and Framework for Action                         |
| CITES   | Convention on International Trade in Endangered Species of Wild Fauna and Flora |
| DRC     | Development and Reform Commission   |
| EA      | Executing Agency  |
| EPB     | Environmental Protection Bureau   |
| ERP     | Enterprise Resource Planning System (Atlas) of UNDP projects                    |
| GEF     | Global Environment Facility   |
| GFB     | Gansu Forestry Bureau   |
| ha      | hectare   |
| IA      | Implementing Agency   |
| METT    | Management Effectiveness Tracking Tool (for Protected Areas)                    |
| MEP     | Ministry of Environmental Protection  |
| MTR     | Mid-term Review   |
| NEA     | National Executing Agency   |
| NDRC    | National Development and Reform Commission                                      |
| NGO     | Non-Governmental Organization   |
| NIM     | National Implementation Modality  |
| NNR     | National Nature Reserve   |
| NPD     | National Project Director   |
| NPC     | National Project Coordinator  |
| NR      | Nature Reserve  |
| OP      | Operational Programme (GEF)   |
| PA      | Protected Area  |
| PDF     | Project Development Facility of the GEF   |
| PES     | Payment for Ecosystem Services  |
| PIR/APR | Project Implementation Review / Annual Project Review                           |
| PC      | Project Coordinator   |
| PNR     | Provincial Nature Reserve   |
| PSC     | Project Steering Committee  |
| RTA     | Regional Technical Advisor  |
| SBAA    | Standard Basic Assistance Agreement   |
| SFA     | State Forestry Administration   |
| SP      | Strategic Program of the GEF  |
| TE      | Terminal Evaluation   |
| TOR     | Terms of Reference  |
| UNDP    | United Nations Development Programme  |
| WES     | Water Ecosystem Service   |

## 1. INTRODUCTION

### 1.1. Purpose of Evaluation

The objectives of the evaluation were to assess the achievement of project results, and to draw lessons that can both improve the sustainability of benefits from this project, and aid in the overall enhancement of UNDP programming.

### 1.2. Evaluation Scope and Methodology

The terminal evaluation was an evidence-based assessment and relied on feedback from persons who have been involved in the design, implementation, and supervision of the project, and also review of available documents and findings made during field visits.

The overall approach and methodology of the evaluation followed the guidelines outlined in the UNDP Guidance for Conducting Terminal Evaluations of UNDP-supported, GEF-financed Projects<sup>1</sup>.

The evaluation was carried out by an evaluation team, consisting of one national consultant and one international consultant (team leader), and included the following activities:

- ✓ An evaluation mission was carried out from 4 September to 15 September 2014; the itinerary is compiled in **Annex 1**.
- ✓ Key project stakeholders were interviewed for their feedback on the project; interviewed persons are listed in **Annex 2**.
- ✓ Field visits were made to the four demonstration protected areas: Gahai Zecha, Taohe, Lianhuashan, and Taizishan. A summary of the field visits is presented in **Annex 3**; compiled financial data provided by the protected area administrations are included in **Annex 4**; capacity building events sponsored by the project are tabulated in **Annex 5**; and a list of documents produced during project implementation are listed in **Annex 6**.
- ✓ The evaluation team completed a desk review of relevant sources of information, such as the project document, project progress reports, financial reports, mid-term review, and key project deliverables. A complete list of information reviewed is compiled in **Annex 7**;
- ✓ At the end of the evaluation field mission, the evaluation team presented preliminary findings on two separate occasions, the first on 14 September for the Lanzhou based stakeholders, and the second on 15 September for UNDP CO representatives.

As a data collection and analysis tool, an evaluation matrix was adapted from the preliminary set of questions included in the TOR (see **Annex 8**). Evidence gathered during the fact-finding phase of the evaluation was cross-checked between as many sources as practicable, in order to validate the findings. The project logical results framework was also used as an evaluation tool, in assessing attainment of project objective and outcomes (see **Annex 9**).

### 1.3. Structure of the Evaluation Report

The evaluation report starts out with a description of the project, indicating the duration, main stakeholders, and the immediate and development objectives. The findings of the evaluation are broken down into the following sections in the report:

- ✓ Project Formulation
- ✓ Project Implementation
- ✓ Project Results

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<sup>1</sup> Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects, 2012, UNDP.

The discussion under **project formulation** focuses on an evaluation of how clear and practicable were the project's objectives and components, and whether project outcomes were designed according to SMART criteria (see **Exhibit 3**).

| Exhibit 3: SMART Criteria   |  |
|---|--|
| <b>S</b>  | <b>Specific:</b> Outcomes must use change language, describing a specific future condition   |
| <b>M</b>  | <b>Measurable:</b> Results, whether quantitative or qualitative, must have measurable indicators, making it possible to assess whether they were achieved or not |
| <b>A</b>  | <b>Achievable:</b> Results must be within the capacity of the partners to achieve  |
| <b>R</b>  | <b>Relevant:</b> Results must make a contribution to selected priorities of the national development framework   |
| <b>T</b>  | <b>Time-bound:</b> Results are never open-ended. There should be an expected date of accomplishment  |
| Source: Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects, 2012, UNDP |  |

The project formulation section also covers whether or not capacities of executing agencies were sufficiently considered when designing the project, and if partnership arrangements were identified and negotiated prior to project approval. An assessment of how assumptions and risks were taken into account in the development phase is also included.

The report section on **project implementation** first looks at how the logical results framework was used as an M&E tool during the course of the project. Also, the effectiveness of partnerships and the degree of involvement of stakeholders are evaluated. Project finance is assessed, by looking at the degree of co-financing that was materialized in comparison to what was committed, and also whether or not additional or leveraged financing was secured during the implementation phase. The cost-effectiveness of the project is evaluated by analyzing how the planned activities met or exceeded the expected outcomes over the designed timeframe, and whether an appropriate level of due diligence was maintained in managing project funds.

The quality of execution by both the implementing agency and the lead implementing partner (executing agency) is also evaluated and rated in the project implementation section of the report. This evaluation considers whether there was sufficient focus on results, looks at the level of support provided, quality of risk management, and the candor and realism represented in the annual reports.

The project implementation section also contains an evaluation and rating of the project M&E system. The appropriateness of the M&E plan is assessed, as well as a review of how the plan was implemented, e.g., compliance with progress and financial reporting requirements, how were adaptive measures taken in line with M&E findings, and management response to the recommendations from the mid-term review.

In GEF terms, **project results** include direct project outputs, short- to medium-term outcomes, and longer term impact, including global environmental benefits, replication efforts, and local effects. The main focus is at the outcome level, as most UNDP supported GEF financed projects are expected to achieve anticipated outcomes by project closing, and recognizing that global environmental benefit impacts are difficult to discern and measuring outputs is insufficient to capture project effectiveness.

Project outcomes are evaluated and rated according to relevance, effectiveness, and efficiency:



**Relevance:** The extent to which the activity is suited to local and national development priorities and organizational policies, including changes over time. Also, relevance considers the extent to which the project is in line with GEF Operational Programs or the strategic priorities under which the project was funded.

**Effectiveness:** The extent to which an objective has been achieved or how likely it is to be achieved.

**Efficiency:** The extent to which results have been delivered with the least costly resources possible; also called cost effectiveness or efficacy.

In addition to assessing outcomes, the report includes an evaluation of country ownership, mainstreaming, **sustainability** (which is also rated), catalytic role, mainstreaming, and impact.

With respect to **mainstreaming**, the evaluation assesses 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.

In terms of **impact**, the evaluator assessed 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.

Finally, the evaluation presents **recommendations** for reinforcing and following up on initial project benefits. The report concludes with a discussion of **lessons learned** and **good practices** which should be considered for other GEF and UNDP interventions.

## 1.4. Ethics

The evaluation was conducted in accordance with the UNEG Ethical Guidelines for Evaluators, and the evaluator has signed the Evaluation Consultant Code of Conduct Agreement form (**Annex 10**). In particular, the evaluation team ensures the anonymity and confidentiality of individuals who were interviewed and surveyed. In respect to the UN Declaration of Human Rights, results are presented in a manner that clearly respects stakeholders' dignity and self-worth.

## 1.5. Response to Review Comments

Review comments regarding the draft TE report will be compiled and tabulated into **Annex 11**, along with responses from the evaluation team. Relevant modifications to the report will be incorporated into the final version.

## 1.6. Limitations

The evaluation was carried out from the beginning of September to the end of October 2014; including preparatory activities, field mission, desk review, and completion of the evaluation report, according to the guidelines outlined in the Terms of Reference (**Annex 12**).

At the time of the evaluation mission, in early September, there were approximately four months remaining among the 4-year project implementation timeframe, and there were a number of activities in progress and some key decisions expected before project closure. In order to complete the evaluation by the agreed deadline of the end of October, the evaluation team needed to make a few decisions on the basis of the likelihood that certain achievements will be realized. These decisions were based upon information obtained over the course of the evaluation and the best judgment of the evaluation team.

## 1.7. Evaluation Ratings

The findings of the evaluation are compared against the targets set forth in the logical results framework, and also analyzed in light of particular local circumstances. The effectiveness and efficiency of project outcomes are rated according to the 6-point GEF scale, ranging from Highly Satisfactory (no shortcomings) to Highly Unsatisfactory (severe shortcomings). Monitoring & evaluation and execution of the implementing and executing agencies were also rated according to this scale. Relevance is evaluated to be either relevant or not relevant.

Sustainability is rated according to a 4-point scale, ranging from Likely (negligible risks to the likelihood of continued benefits after the project ends) to Unlikely (severe risks that project outcomes will not be sustained). Impact was rated according to a 3-point scale, including significant, minimal, and negligible. The rating scales are compiled below in **Exhibit 4**.

| Exhibit 4: Rating Scales  |  |  |
|---|--|--|
| <b>Ratings for Outcomes, Effectiveness, Efficiency, M&amp;E, I&amp;E Execution</b><br><br><b>6. Highly Satisfactory (HS):</b><br>The project had no shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency<br><br><b>5: Satisfactory (S):</b><br>There were only minor shortcomings<br><br><b>4. Moderately Satisfactory (MS):</b><br>There were moderate shortcomings<br><br><b>3. Moderately Unsatisfactory (MU):</b><br>The project had significant shortcomings<br><br><b>2. Unsatisfactory (U):</b><br>There were major shortcomings in the achievement of project objectives in terms of relevance, effectiveness, or efficiency<br><br><b>1. Highly Unsatisfactory (HU):</b><br>The project had severe shortcomings | <b>Sustainability Ratings:</b><br><br><b>4: Likely (L)</b><br>Negligible risks to sustainability<br><br><b>3. Moderately Likely (ML):</b><br>Moderate risks to sustainability<br><br><b>2. Moderately Unlikely (MU):</b><br>Significant risks to sustainability<br><br><b>1. Unlikely (U):</b><br>Severe risks to sustainability | <b>Relevance Ratings:</b><br><br><b>2. Relevant (R)</b><br><br><b>1. Not relevant (NR)</b><br><br><b>Impact Ratings:</b><br><br><b>3. Significant (S)</b><br><br><b>2. Minimal (M)</b><br><br><b>1. Negligible (N)</b> |
| Additional ratings where relevant:<br><b>Not Applicable (N/A)</b><br><b>Unable to Assess (U/A)</b>  |  |  |
| Source: Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects, 2012, UNDP   |  |  |

## 2. PROJECT DESCRIPTION

### 2.1. Project Start and Duration

Key project dates are listed below:

|  |                        |
|--|------------------------|
| <b>PIF Approval:</b>                       | 02 April 2009          |
| <b>Approval Date:</b>                      | 12 November 2009       |
| <b>CEO Endorsement Date:</b>               | 22 June 2010           |
| <b>GEF Agency Approval Date:</b>           | 14 May 2010            |
| <b>Signature of prodoc (Project Start)</b> | 18 January 2011        |
| <b>Inception Workshop:</b>                 | April 2011             |
| <b>Mid-Term Review:</b>                    | February-March 2013    |
| <b>Terminal Evaluation</b>                 | September-October 2014 |
| <b>Project completion (planned)</b>        | 17 January 2015        |

Project conceptualization began in 2006, and the first version of the Project Identification Form (PIF) as submitted on 22 December 2008. There were some changes in scope during the conceptualization period; for example, instead of only implementing demonstrations at one protected area, there was an agreement to cover the four protected areas within the Taohe River basin, thus increasing the reach of Outcome 2 on more of a landscape scale.

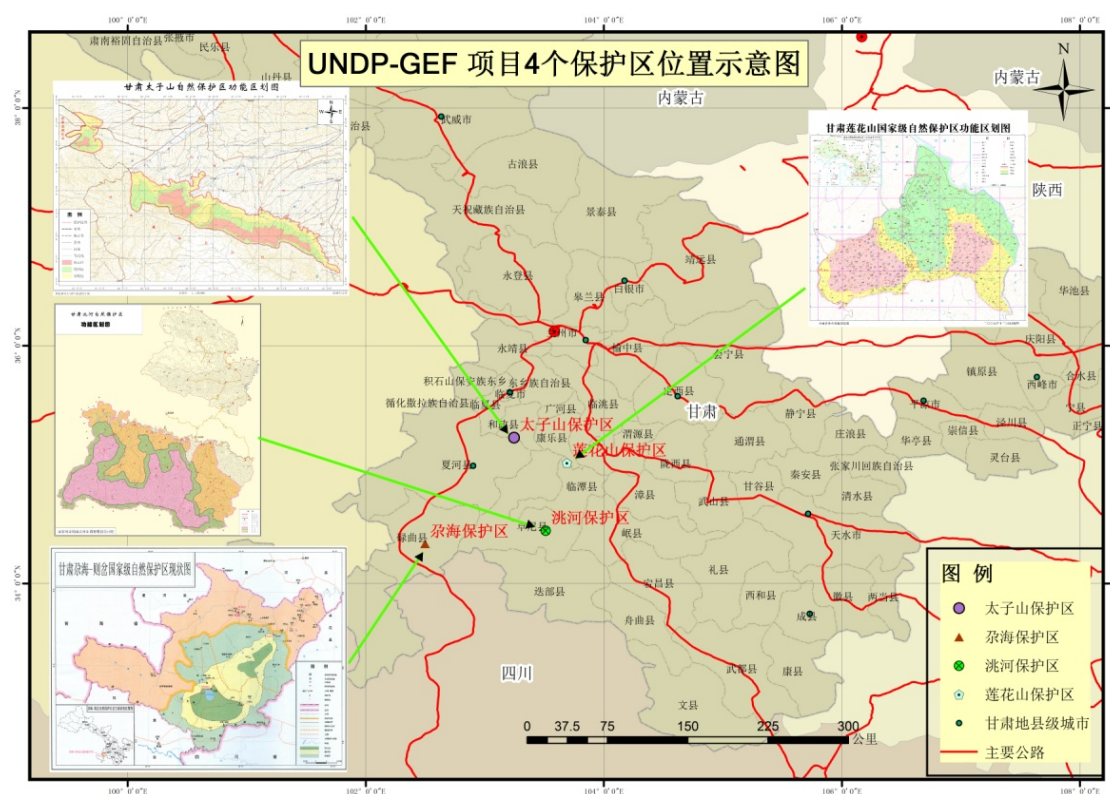
The PIF was re-submitted on 4 March 2009, and approved on 2 April 2009, the same time when the USD 80,000 project development grant was approved. The project document was completed a year later, in April 2010, and the CEO endorsement was obtained shortly thereafter, on 22 June 2010. The project document was signed by the implementing agency on 18 January 2011, which was considered the start of the project. The inception workshop was held a couple of months later in April 2011. The project mid-term review (MTR) was completed in February-March 2013, with the final report issued in June of that year. The terminal evaluation (TE) mission was carried out during the first two weeks of September 2014 and the final TE report completed by the end of October 2014.

### 2.2. Problems that the Project Sought to Address

As outlined in the project document, Gansu Province covers a total land area of 454,000 km<sup>2</sup>, harboring 19% of vertebrate species recorded in China, and ranking 4th richest of all Chinese provinces in terms of mammal species richness and 7th in terms of bird species richness. As in most parts of China, biodiversity is under considerable threat in Gansu from habitat loss from logging from natural forests in the recent past; conversion of natural ecosystems (such as wetlands) to farmland, industries, and human settlements; overgrazing of grasslands and overharvesting of products from nature (such as medicinal plants). The government in Gansu has established an impressive PA network of 67 Nature Reserves covering more than 10 million ha or roughly 22% of the province to safeguard some of its most important sites for biodiversity conservation. Given the global and national importance of biodiversity in the PAs in Gansu Province, the long-term solution proposed by this project is an effectively managed nature reserves system in Gansu to conserve globally important biodiversity for the long-term.

However, a number of barriers hamper effective management of the PAs. These barriers can be summarized into: (i) the management system for the Gansu nature reserves system suffers from fundamental weaknesses that undermine conservation effectiveness, and (ii) the Gansu nature reserves system suffers from inadequate financial resources. The ideal solution requires that the

nature reserves agency has adequate systemic, institutional and operational capacity to: (i) effectively plan and manage the nature reserves network in the province based on scientific data and information; (ii) mitigate the threats to, and pressures on, the unique biodiversity contained within the PAs; (iii) effectively plan and source sustainable financing for nature reserve management and ensure cost effectiveness of the nature reserves operation; and (iv) ensure better integration of the socioeconomic development priorities of the residents and neighbours in nature reserves management operations. The project aimed to focus on improving PA system management capacities and financial sustainability of the PAs at the provincial level as well as the site level at four field demonstration PAs in the Taohe Basin. The Taohe River basin is located in the northern part of the "Mountains of Southwest China", which has been categorized as a global biodiversity hotspot by Conservation International (CI). It has several species of global importance, such as the Chinese Grouse (*Bonasa sewerzowi*), and it is also within a distribution area of the Giant Panda (*Ailuropoda melanoleuca*). The area hosts many endemics including 11 genera of plants and animals and 15% of all of the species that are endemic to China. These include the Sichuan Jay (*Perisoreus internigrans*) and the Sichuan Wood Owl (*Strix davidi*), six species of fishes and reptiles and five amphibian species; see map of demonstration area below in **Exhibit 5**.



Source: PMO

**Exhibit 5: Map of demonstration protected areas**

The global benefits that were predicted to arise would be the reduction of pressures on biodiversity through an improvement in PA management effectiveness in Gansu that is managed by the Gansu Forestry Department, including predictable financing and overall capacity building that would lead to reduced threats to biodiversity and the improved biodiversity conservation status in PAs as threats to biodiversity are reduced. This would improve the efficacy of the PA system as a mechanism to address threats, and would improve the management effectiveness and financial sustainability of the PAs at the field demonstration sites in the Taohe River basin.

## 2.3. Immediate and Development Objectives of the Project

The overall project objective to “Strengthen protected areas’ sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing” was designed to contribute to the overall goal of the project: “effectively conserve globally significant biodiversity in China”.

## 2.4. Baseline Indicators Established

Baseline indicators established are listed below.

- Weak provincial legal and regulatory framework and institutional capacity for sustainable management and financing of Gansu’s PA system;
- Absence of effective PA management and business planning, and operation at site and subsystem level;
- Absence of formal coordination mechanism between PA management agencies and PA stakeholders;
- Absence of database and information systems on PAs, threats, priorities and actions;
- Weak institutional capacity to plan and manage PA system;
- Weak institutional capacity for budget planning and resource mobilization;
- Absence of systematic capacity development for PA staff;
- Lack of PA planning and management tools on site;
- Insufficient PA management budget; and
- Poor stakeholder involvement and support for PA management.

## 2.5. Main Stakeholders

A stakeholder analysis was made as part of the project preparation phase, and the following main stakeholders were identified:

|   |  |
|---|--|
| <b>Gansu Forestry Department</b>                  | The GFD was the executing agency for the project, and the main beneficiary, as they are managing 46 of the 67 PA’s in the Gansu PA system. As executing agency, they had overall control over project implementation, supervised the work of the project management team, maintained regular communication with the UNDP, coordinated relevant project activities with other provincial agencies, and advocated project products into provincial programs and budgets. |
| <b>Gansu Department of Finance:</b>               | The Department of Finance was responsible for reviewing and approving project budgets, and ensuring project financial control was in line with public and UNDP procures.   |
| <b>Gansu Development and Reform Commission:</b>   | This commission is tasked with facilitating linkages with other relevant national or international projects, and helping with information dissemination with mobilizing mobilize future government-supported projects to support the results realized by this project.   |
| <b>Gansu Department of Agriculture and Animal</b> | Under their mandate, this department coordinates programs aimed at conserving aquatic biodiversity, reducing over-grazing inside PA’s.   |



|  |   |
|--|---|
| <b>Husbandry:</b>  | Their involvement was meant to be one of replication of lessons learned into programs under their portfolio.  |
| <b>Gansu Department of Water Resources:</b>                                  | The Department of Water Resources is also managing a number of PA's, and they are responsible for developing and implementing payment of ecosystem services (PES) mechanisms for hydrological ecological functions provided by PA's. With the aim of promoting inter-agency collaboration, their role on the project was to participate in relevant workshops and to strive to replicate lessons learned into the programs under their portfolio. |
| <b>Gansu Environmental Protection Bureau:</b>                                | The Environmental Protection Bureau coordinates all PA work in the province, and they are a key stakeholder responsible for drafting and implementing legislation related to management of PA's. Their role was also defined as more of an observer and to look for ways to integrate lessons learned into the projects and programs they oversee.  |
| <b>Gansu Tourism Bureau:</b>   | The Tourism Bureau is mandated with the objective to promote and increase tourism activities in the PA's and within the province as a whole. The Bureau was envisioned to assist the project in developing eco-tourism plans for the demonstration PA's, and promoting legislative changes necessary to provide the required regulatory framework to fulfill the proposed improvements.   |
| <b>Provincial Government Legislative Office:</b>                             | The Legislative Office is responsible for drafting and promoting provincial legislation, and their role on the project was to assist in developing or updating PA legislation that would help facilitate achievement of the project objectives.   |
| <b>Nature Reserves Directors and Staff:</b>                                  | The directors and staff of the four demonstration protected areas were key stakeholders in developing and promoting sustainable PA management and financing tools, and also to help facilitate collaborative management arrangements with local communities.  |
| <b>Station for Forest Technology Extension:</b>                              | The Forest Technology Extension is training provider under the Gansu Forestry Department. Their involvement in the project was mainly in regard to the capacity building efforts.   |
| <b>Local Governments, including Prefecture, County, and Township Levels:</b> | Local Governments were envisioned to participate in development of PA business plans among communities falling within and near the four demonstration PA's, and to assist in preparing and advocating collaborative management agreements.  |
| <b>Local Communities:</b>  | The project design called for participation of local communities within and near the demonstration PA's in the decision making processes of PA management, formalized through collaborative management arrangements. The local communities were also planned to be engaged in aware-raising programs, trainings on alternative livelihoods, etc.  |
| <b>Private Sector:</b>   | Collaborative management arrangements were also envisioned among private sector enterprises operating near the demonstration  |

PA's. Private sector involvement was also aimed to provide possible additional funding for nature reserve management, e.g., through donations.

|   |   |
|---|---|
| <b>Universities and Research Organizations:</b> | Universities and research organizations were included in the stakeholder analysis as potential technical service providers.   |
| <b>International and Domestic NGOs:</b>         | International and domestic NGOs were also envisioned as possible technical service partners or sub-contractors.   |
| <b>Press and Media:</b>                         | The role of the press and media was to assist in disseminating project results, and helping in public awareness events, particularly with respect to biodiversity conservation. |

## 2.6. Expected Results

From a national and local perspective, the results of the project were expected to benefit the demonstration PA's through improved conservation and sustainable use of nationally important biodiversity. These benefits were also intended to indirectly influence the entire PA system in the province, through replication of best practices in PA management and financing promoted by the project. With improved management effectiveness, the ecological functions, e.g., water retention, would also be improved throughout the PA ecosystems. Further benefits were expected as a result of the extensive capacity building efforts, with were aimed at enabling PA directors and staff to utilize international best practices in addressing management and financing challenges facing the PA system. Local benefits were also envisaged from improved relationships between the nature reserves, local governments, and local communities.

The project focus on strengthening nature reserves management capacity and financing was also expected to produce significant global and national benefits by reducing the threats to many globally and nationally endangered species, and by serving as a model for replication and lessons learning by nature reserve systems in other provinces of China and in other countries.

## 3. FINDINGS

### 3.1. Project Design / Formulation

#### 3.1.1. Analysis of Logical Results Framework

The project was split into two components; the first focusing on PA system wide improvements in PA financing sustainability and management effectiveness, and the second was a demonstration of international best practice in PA management to four PA's situated within the Taohe River basin. With the rapid increase in the number and coverage of PA's in China over the past decade and the complex institutional arrangements regarding PA management, the project was relevant from a national and local perspective. The design was also well aligned with GEF-4 strategic objectives, specifically SO1, SP1: Sustainable Financing of Protected Area Systems at the National Level and, and SP3: Strengthening Terrestrial Protected Area Networks. Engaging all four of the PA's within the Taohe River basin for the demonstration outcome was insightful, as it provides a landscape-scale and offers opportunities for investigating ways to save costs through sharing resources among PA's within a particular geographic region.

There were, however, some design shortcomings that, in the opinion of the TE team, were not adequately addressed at project inception or during implementation. One such flaw was in regard

to the representativeness of the indicators at the project objective level, i.e., improving both financial sustainability and management effectiveness across a PA system scale. Firstly, there is a question of achievability. Doubling financing sustainability by project closure was an unrealistic target, considering that only roughly half of the USD 1.738 million budget was allocated for PA system-wide interventions (Outcome 1), there are 67 PA's in the province covering more than 10 million ha across diverse landscapes, and the project was being executed by an agency that was working for the first time on a GEF-financed project. The 4-year timeframe was also short for achieving such a result, particularly given the fact that the planning and financing cycles in China are largely on 5-year intervals; a minimum of two 5-year intervals would probably be required before such a measureable impact could be assessed. Speaking of measurability, the objective indicators did not account for distinguishing between influence from the project as compared to dynamic institutional improvements driven by government strategies and policies that were put in place before the project was started and have continued thereafter. In fact, certain circumstances, including financial sustainability, were significantly improved at the time of project inception compared to when the project was prepared.

The main incremental benefit of this project was sharing international best practice with respect to financing and managing PA's. The objective indicators should have rather reflected these intended results.

Speaking of international best practice, the design was also flawed with respect to the balance between contributions from international and national consultants. A total of USD 64,000 was allocated for international consultants: USD 16,000 under Outcome 1 and USD 48,000 under Outcome 2. This allocation represents approx. <4% of the USD 1,738,000 GEF grant for project implementation; in other words, the planned involvement of international experts did not match one of the main aims of the project. There was only one international consultant retained, apart from the mid-term and terminal evaluators, and anecdotally, participation of the business planning workshops led by the international consultant was considerably higher than for the trainings managed by the national consultants, e.g., for tourism planning<sup>1</sup>. This indicates a level of expectation among the PA administration staff for training on contemporary, international PA financing and management practices.

Knowledge management was also under-represented in the project design. Development of the PA system-wide database was intended to provide a platform for knowledge management, at least within the institutional level of the GFD. However, as a project under the umbrella of the China Biodiversity Partnership Framework (CBPF), there should have been more of an outwardly oriented knowledge management dimension, i.e., sharing lessons and best practices with stakeholders from Ministry of Environment, SFA, other PA administrators in the country, etc.

An assessment of the indicators included in the logical results framework is presented below.

| Indicator   | Terminal Evaluation Comments  |
|---|---|
| <b>Project Objective:</b> To strengthen protected areas' sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing |   |
| Financial sustainability score (%) for national systems of protected areas  | This indicator was overly ambitious, as the achievability was unlikely given the project budget and scope. Also, there were no metrics defined for differentiating the incremental influence of the GEF-financed project as compared to improvements due to government-driven policies. |

<sup>1</sup> Based upon interviews with international and national consultants during the TE mission.

| Indicator  | Terminal Evaluation Comments  |
|--|---|
| Improved management effectiveness of 8,940,529 ha of nature reserves managed by the Gansu Forestry Bureau as per average METT scores   | There are many exogenous conditions beyond the influence of the project that impact the results of METT scores, thus limiting the relevance of such an indicator. Also, attributing improvement in METT scores to the incremental benefit delivered by the GEF-financed project is unrealistic, without robust monitoring metrics worked out.                                       |
| <b>Outcome 1:</b> Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system  |   |
| At least 200% increase in the available total annual budget for PA management and development activities in Gansu province   | Annual budgets for PA management have steadily increased in Gansu province, largely due to government-driven policies and strategies. The added value of this project was more related to how efficiently the money is spent and how to grow and diversity self-generated revenue.  |
| "Capacity to implement policies, legislation, strategies and programmes" component of the Capacity Scorecard   | Capacity scorecards offer a quantitative tool for measuring results of capacity building efforts. But, for a PA administration, capacity building efforts are not one-off interventions. This indicator might have been strengthened if the scorecards were somehow integrated into the internal PA management systems.   |
| "Capacity to engage and build consensus among all stakeholders" component of the Capacity Scorecard  | Capacity scorecards offer a quantitative tool for measuring results of capacity building efforts. But, for a PA administration, capacity building efforts are not one-off interventions. This indicator might have been strengthened if the scorecards were somehow integrated into the internal PA management systems.   |
| Presence of the PA system wide strategy and planning framework for effective management adopted at the PA Council meeting by relevant stakeholders   | This indicator might have been more appropriate at the objective level, and this might have also helped the project team direct resources more efficiently.   |
| New comprehensive PA Database exists strengthening the effective use of limited human and financial resources  | The project made some progress under Outcome 2, i.e., for the four demonstration PA's, on developing a database for recording biodiversity monitoring data. Developing a database on a PA system scale and, more importantly, obtaining buy-in from the multiple agencies involved in PA management, was simply unrealistic.  |
| <b>Outcome 2:</b> Sustainable PA management and financing demonstrated in Taohe sub-system   |   |
| Improved management effectiveness as per METT scores for individual sites <ul style="list-style-type: none"> <li>• Lianhuashan National NR</li> <li>• Taizishan Provincial NR</li> <li>• Gahai-Zecha National NR</li> <li>• Taohe National NR</li> </ul> | Probably the main added value of this indicator was the introduction of the METT to the GFD and the PA administrations. Attributing improvements to the incremental benefits of the GEF-financed project is a bit difficult to measure, but the indicator is relevant, as it introduced a possible long-term tool that the PA administration can continue to develop and implement. |
| Number of park planning tools developed and implemented in the demo PAs <ul style="list-style-type: none"> <li>• Management Plan</li> <li>• Business Plan</li> <li>• Tourism Plan</li> </ul>   | This indicator is relevant to one of the main aims of the project, i.e., introducing international best practice regarding PA management. Adding more specifics in regard to implementation would have strengthened the indicator. For example, the developed plans are integrated into the annual operations of the PA administrations with allocated budget line items.           |
| Increase in park revenue/budget (CNY million) <ul style="list-style-type: none"> <li>• Lianhuashan National NR</li> <li>• Taizishan Provincial NR</li> </ul>   | Increases in park budgets and, in some cases, revenues, have been achieved, independently of project activities. As indicated under Outcome 1, the added value of the project was rather highlighting opportunities for   |

| Indicator  | Terminal Evaluation Comments   |
|--|--|
| <ul style="list-style-type: none"> <li>Gahai-Zecha National NR</li> <li>Taohe National NR</li> </ul>   | diversifying and enhancing revenues, and demonstrating international best practice on allocating available budgets to match PA management goals, e.g., more geared toward biodiversity conservation.   |
| Systematic local level biodiversity monitoring system enhancing PA management  | Providing biodiversity monitoring support to the demonstration PA's was one of the main strengths under this outcome. The added value might have been enhanced if the monitoring efforts were linked to the management objectives and conservation targets of the PA's.  |
| PA staff completing specialised training and/or skills development programmes <ul style="list-style-type: none"> <li>Short course training</li> <li>Mentoring programme</li> <li>Train-the-trainers programme</li> </ul> | Capacity building was a key feature of the project. This indicator might have been strengthened by adding an assessment dimension, i.e., demonstrating attainment of the delivered skills and knowledge trainings.   |
| Reduced threats to PAs: Number of co-management agreements with resident communities reducing threats related to overgrazing, forest fire and illegal hunting and harvesting.  | Assisting the PA administrations in developing collaborative management agreements was a key added value of this project. By specifying a number of agreements, the results are a bit obscured; it might have been more appropriate to relate the number to the total number of villages or inhabitants living in or around the respective PA's. |
| Increased cost efficiency of PA management: Number of joint and PA management activities between the four demonstration PAs leading to increased cost efficiency of PA management  | The focus of the project team was to fulfill the targeted <u>number</u> of joint activities, rather than quantifying the improved efficiencies gained. This indicator might have been strengthened by demonstrating, through financial calculations, the cost savings realized through the joint activities.                                     |

### 3.1.2. Assumptions and Risks

A fairly modest risk analysis was included in the project document; consisting of a list of four risks, risk ratings, and an outline of risk mitigation measures that would be implemented. A brief assessment of the status of these risks at project closure is presented below.

| Risk   | Risk Rating in prodoc                   | Assessment at Project Closure   |
|--|---|---|
| <i>Climate change is likely to increase the occurrence of pests and diseases, forest fires and floods that will negatively affect PAs. The incidence and scale of such events will be unpredictable.</i> | <i>Low to Medium, in the short term</i> | This risk remains relevant, and underlines the importance of integrating biodiversity conservation monitoring into PA management, so that decision makers receive information that can assist them in advocating for resources to implement relevant adaptation measures. As outlined in the proposed risk mitigation plan, developing a sustainable PA financing mechanism will also help ensure that PA's and implement relevant coping strategies. |
| <i>Key national legal reform processes to support the effective PA management and increase financing may not occur within the timeframe of the project</i>   | <i>Medium to High</i>                   | <p>By the time of project inception, this risk should have been updated, as the amount of State PA financing had increased considerably. The risk was more of a question of how the funding is spent, and overcoming certain institutional restrictions on spending discretion, etc.</p> <p>The risk mitigation leverage the project had was in the form of advocacy, which was largely under-implemented until late in 2013, when the current</p>    |



|  |                      |  |
|--|----------------------|--|
|  |                      | project manager took over.   |
| <i>Other government agencies will not see benefits in coordination and collaboration of nature reserves management and financing</i> | <i>Medium to Low</i> | Collaboration with other provincial agencies was mostly realized in the under the auspices of the project steering committee. A more effective mitigation measure might have been joint implementation, at least with the Environmental Protection Bureau, who has oversight responsibility for all PA's in Gansu. |
| <i>Local communities will not see benefits in their involvement in conservation and will undermine project efforts</i>               | <i>Low</i>           | This risk was not realized. In fact, the project did a good job during the last year, 2013-14, in garnering participation by local communities, and formalized through a total of 54 collaborative management agreements, as of September 2014.  |

Risk management was briefly discussed in quarterly and annual reports, but there was no evidence of a systematic risk management process, in which risks were evaluated, responsibilities assigned, and mitigation measures implemented and reported.

### 3.1.3. Lessons from other Relevant Projects

This project was the first sustainable PA management and financing project with the CBPF portfolio, and this was also the first GEF-financed project executed by the Gansu Forestry Department. So there were relatively limited lessons to draw from, on a local and national perspective.

According to the project document, the State Forestry Administration started a program in 2008 aimed at strengthening PA management within the nearly 2,000 PA's managed by the SFA. As the commencement of this program was only one year earlier than the time when this project was prepared, there were, understandably, no lessons distilled by that time. It might have been prudent to reach out to the SFA at the inception phase of this project, in 2011, to share experiences they have had since 2008.

### 3.1.4. Planned Stakeholder Participation

Stakeholder participation at the provincial level was fairly inclusive. Through the national implementation modality, the executing agency, the Gansu Forestry Department (GFD), was the main project beneficiary. The Foreign Project Cooperation Office of the GFD was the main project counterpart, as well as the administration staff among the four demonstration PA's.

Several other agencies within the provincial government were also engaged, primarily through participation on the project steering committee and during the Taohe Forum workshops. Some of these agencies, including the Environmental Protection Bureau, Water Resources Department, Agricultural Department, also manage protected areas within the province. The GFD manages the majority of PA's, but some level of joint implementation with these other agencies might have facilitated more active inter-agency collaboration, and resulted in wider cross-sectoral impact. In fact, the Environmental Protection Bureau is has oversight responsibility for all PA's, so there seems that a much more active role, possibly even a joint implementation function, would have been advisable for this agency.

Within the demonstration PA administrations, participation extended across all levels, ranging from upper management to technicians at the PA stations. Several of the interviewed PA staff mentioned that such a participatory approaches was one of the main strengths of the project.

Participation among the wider PA community at the four demonstrations was also satisfactory, including an impressive number of collaborative management agreements signed with bordering villages. Involvement also extended to the private sector, as evident through the benefit-sharing agreements concluded at each of the four PA's.

Involvement by local government administrations, particularly within the communities where the four demonstration PA's are located, was rather limited. There could have been more linkages explored between PA business planning efforts and ongoing local government programs, including ones aimed at local economic development and poverty alleviation.

Also, the Forest Police did not actively participate in the project. The Forest Police are responsible for enforcing illegal activities within forest areas, including illegal harvesting, poaching, etc., and they also keep records of such incidents. Assessment of these recorded incidents might have provided valuable support to the efforts to improve effectiveness of PA management.

At the national level perspective, participation by the State Forestry Administration (SFA) seemed fairly narrow. Mr. Yuan Jun, the Division Chief in Forestry Planning and Inventory Institute of SFA was the national consultant during the PPG of the project, and there reportedly were some collaborative projects between the Institute and GFD. And, Ms. Zhang Xiaoyun, the Deputy Division Chief in Forestry Planning and Inventory Institute of SFA participated in the third Taohe Forum and gave a presentation on wetland conservation from global and national practice and policy perspectives. A more engaged role by the SFA might have contributed to several of the activities on the project, including development of PA management strategies, business planning, monitoring & reporting, etc.

Considering that one of the key incremental benefits of the GEF funding was promotion of biodiversity monitoring within the provincial PA system, the stakeholder involvement plan should have included early participation by institutional stakeholders responsible for biodiversity conservation. For example, the database development team had difficulties garnering agreement from the Ministry of Environment, SFA, and other stakeholders regarding what coding protocol to use for flora and fauna species, as the team learned there was no standard coding system in place.

Involvement by international and domestic NGOs seemed to have been mostly limited to participation during Taohe Forum workshops. There was no evidence of NGOs being retained as technical service providers, and existing partnerships with NGOs and project beneficiaries were not assessed in detail during the project preparation phase. For example, the Gansu Forestry Department has a partnership with WWF regarding management of the giant panda PA's in the province. Advocating expanding such partnerships, e.g., focused around certain other globally threatened species, might have improved the sustainability prospects of the project results.

### **3.1.5. Replication Approach**

The project basically had a two-pronged replication strategy. Firstly, a PA system wide database was to be developed which would serve as a knowledge management platform across the entire PA estate, and facilitating replication of planning and management tools promoted during the project. The second mechanism was through sharing of lessons learned under Outcome 2, demonstration of sustainable PA management and financing for four PA's located within Taohe River basin.

While the project had clear replication intentions, including dedicating roughly half of the budget to the demonstration component, design and implementation of the replication strategy was relatively weak. With respect to the database, USD 100,000 was allocated for this activity, but there was no specific stakeholder analysis made to tease out the key users and decision-makers, also there was no assessment made of the provincial and State IT software and hardware procurement policies, e.g., such as data security, etc., and there was no analysis of existing forest monitoring and reporting requirements which could be integrated into the database. In summary, the design significantly underestimated the effort, both in time and money, required to build consensus among numerous agencies and other stakeholders.

The results attained under the demonstration component of the project, Outcome 2, were more impressive than for Outcome 1, but there was a notable weakness with respect to knowledge management. It might have been prudent to have a separate outcome dedicated to distilling lessons learned and facilitating dissemination throughout the other PA's in the Gansu PA system, and also across a wider spectrum, including other provinces and even at the level of the Ministry of Environment and State Forestry Administration. Each of the demonstration PA developed a series of planning and management tools and these were consolidated into separate action plans after the mid-term review, but there was no consolidation of results and lessons into the form of a study or similar format which could be more readily beneficial to other stakeholders.

#### **3.1.6. UNDP Comparative Advantage**

The UNDP comparative advantage in the design of the Project was based on their extensive biodiversity experience in China, since the early 1990s, strong technical support both regionally and among the country office staff.

The UNDP also has an advantage in the fact that they implement biodiversity projects as “stand-alone” interventions, unlike some international financing institutions which typically handle biodiversity as an offset to a large loan for an infrastructure project. UNDP is typically unfettered from such arrangements, and provides more of a sustainable human development perspective to the implementation.

UNDP's global reach with respect to sustainable human development advocacy is a particular comparative advantage on biodiversity conservation projects, which are increasingly promoting linkages with local communities, in efforts aimed at alleviating poverty while also sustainably utilizing natural resources in fragile ecosystems. Communities in and near protected areas tend to be rural, where poverty levels are particularly problematic due to migration of males to larger cities and limited local economic opportunities. These communities also typically have relatively high proportions of indigenous and minority populations, where conservation of traditional ways of life are increasingly under threat. UNDP's work in these cross-sectoral areas, including gender issues, poverty alleviation, human development, etc. contributes to their qualifications as implementing agency.

#### **3.1.7. Linkages between Project and other Interventions**

As the project was implemented under the umbrella of the CBPF, the first line of linkages would be expected within this portfolio. There were several joint workshops and seminars organized among the CBPF projects during the project's implementation timeframe, and the project team visited other project management units and vice versa. The linkages with the other CBPF projects, and with the CBPF program, are, however, rather non-specific and uncoordinated. This seems to

be due to the different timeframes, large geographic distances between projects, different implementing partners, etc.

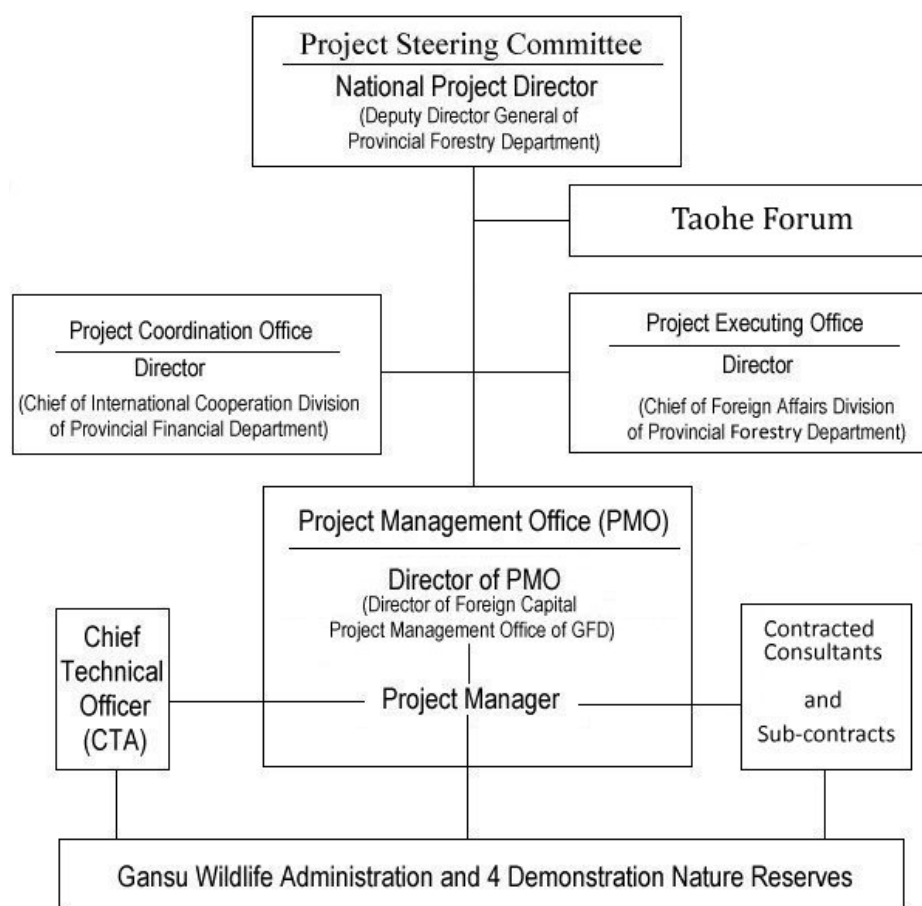
Similarly, there were no discernible linkages with other UNDP projects and programs having overlapping objectives, e.g., those focused on gender issues, disaster risk reduction, and poverty alleviation. However, the institutional knowledge among the UNDP CO staff enables them to share lessons learned and best practices during project steering committee meetings, informal conversations, and review of progress reports.

There was limited evidence of linkages with other donor-financed projects mentioned in the project document, including the GEF funded Gansu and Xinjiang Pastoral Development Project (IBRD) which focuses on sustainable grassland management and technical support to local herdsman through marketing of dairy products to increase benefits.

There continues to be strong governmental funding aimed at ecological conservation in the province. Many of these investments are infrastructure-based, for example, improving water retention capacities within the Taohe River basin, and also conversion of pastureland back to grass land. The State has also implemented sizeable payment for ecosystem services (PES) interventions, compensating landowners and communities that are situated within ecological conservation areas. While there were no direct linkages with these programs, they have a conservable influence on overall PA strategic planning and financing.

### 3.1.8. Management Arrangements

The planned organization of the project is illustrated in the chart below in **Exhibit 6**.



Source: PMO, Self-assessment report, Aug 2014

**Exhibit 6: Project Organization Structure**

There were some organizational changes made following MTR recommendations, and the structure represented in Exhibit 6 is the situation following implementation of these recommendations. For example, the Reference Group did not operate per se, but the Taohe Forum provided the intended function of input from the wider PA community. Rather than appointing a field coordinator, project management units (PMU's) were set up at each of the four demonstration PA's, with PA staff.

The Project Management Office (PMO) was staffed with more people than envisioned at project design. For example, as the current project manager is also acting as chief technical advisor, they appointed a deputy project manager. There was also a full-time interpreter/translator, a financial officer, a financial assistant, and a project administration assistant. The current project manager started in mid-2013, and is the fourth project manager since the project started in 2011. The first manager left in June 2012, the second worked only from July to September 2012, and the third started in December 2012 and stayed for roughly 6 months. These project management changes significantly diminished the project efficiency during the first 2-1/2 years, and also considerably reduced the project's advocacy effectiveness with the GFD. The fact that the PMO was situated in a separate office from the GFD also restricted how advocacy could be carried out. Having the PMO inside the GFD would have facilitated opportunities for informal discussions, ad hoc meetings, and overall better advocacy effectiveness.

## **3.2. Project Implementation**

### **3.2.1. Adaptive Management**

As indicated under Section 3.1.8, there were several adaptations made with respect to management arrangements. The current project manager (the fourth) is also acting as chief technical advisor, and a deputy project manager was appointed to assist him with some managerial tasks. PMU's were established at each of the four demonstration PA's, and these units consisted of PA staff, thus enhancing the sustainability of the project results.

Another good example of adaptive management was the addition of benefit-sharing agreements with the private sector. In addition to collaborative management agreements signed with local communities and individuals, these benefit-sharing arrangements further increase community outreach and serve as good practice for other PA's within the province (and beyond).

Adaptive management was fairly weak with respect to adjusting the logical results framework. The project was first conceptualized in 2006-07, and the inception was held 5 years later, in 2011. There were significant government-driven changes over this time period. For example, operating budgets of some of the demonstration PA's exceeded what were indicated as optimal levels in the project document in the first year of project implementation. The results framework was not adjusted to such changed circumstances.

### **3.2.2. Partnership Arrangements**

In terms of project implementation, there was one single implementing partner (executing agency), the Gansu Forestry Department (GFD). There were no other implementation partners involved. The project document served as the main partnership arrangement between the GFD and the UNDP, the implementing agency.

The project was carried out under the China Biodiversity Partnership Framework (CBPF) umbrella, and there were several joint workshops and seminars organized for the CBPF partners, to



exchange ideas and share lessons learned. Other than participation in these meetings, there was no evidence of a specific partnership arrangement between the project and the CBPF program.

Establishment of project management units (PMU's) within the four demonstration PA's was an effective partnership arrangement between the project and the management of these PA administrations. Through joint activities among the four demonstration PA's, the project aimed to improve management effectiveness, e.g., through increased cost efficiency by taking advantage of possible shared services and other economies of scale. Certain activities were carried out, but there was no evidence of any formalized partnership arrangement resulting from these efforts.

### 3.2.3. Feedback from M&E Activities used for Adaptive Management

Feedback from M&E activities was mostly followed up through the annual project review / project implementation report (APR/PIR). These reports were systematically carried out, with broad participation among the key implementation and execution stakeholders. The project annual and quarterly reports were more focused on activity-level progress, and less emphasis was placed on results-based management.

The project steering committee meetings were convened once per year, with records of discussions and decisions made. Attendance seemed to be consistently good, i.e., by high level national focal points and other key stakeholders.

### 3.2.4. Project Finance

#### Project Budget and Finance

The endorsed GEF grant totaled USD 1.818 million, which included USD 80,000 for project preparation and USD 1.738 million for implementation. According to finalized combined delivery reports, a total of USD 72,626 was disbursed for project preparation. The provincial Gansu Forestry Department (GFD) was the sole provider of co-financing for both project preparation and implementation. The GFD committed USD 250,000 for co-financing the project preparation phase; and based upon testimonial evidence obtained during TE interviews, this funding was realized.

With respect to the USD 1.738 million GEF grant for project implementation, funds allocated for outcome 1 accounted to about 46% (USD 804,450) of this total, while 44% (USD 759,750) was appropriated for outcome 2 and 10% was earmarked for project management (see **Exhibit 7**).

| Exhibit 7: Project Budget and Financing Breakdown   |   |  |
|---|---|--|
| <i>Item</i>   | <b>GEF Grant<br/>Prodoc Budget<br/>% of Total</b> | <b>Pledged<br/>Government<br/>Co-Financing (GFD)</b> |
| <b>Outcome 1:</b> Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system | USD 804,450<br>46%                                | USD 2,700,000  |
| <b>Outcome 2:</b> Sustainable PA management and financing demonstrated in Taohe Basin   | USD 759,750<br>44%                                | USD 2,780,000  |
| <b>Project Management</b>   | USD 173,800<br>10%                                | USD 1,800,000  |
| <b>Total</b>  | <b>USD 1,738,000</b>                              | <b>USD 7,280,000</b>                                 |

GFD: Gansu Forestry Department

At the time of project approval, the USD 7,280,000 co-financing commitment from government (GFD) for the implementation phase consisted of USD 1,500,000 of cash financing and USD 5,780,000 of in-kind funding, and was broken down among the two project outcomes as shown above in **Exhibit 7**.

### Realization of Co-Financing

Information obtained during the TE mission indicates that the total amount of government co-financing realized for the project implementation was USD 9,170,000 (see **Exhibit 8**), which exceeds the overall pledged sum by about 25%.

| Exhibit 8: Co-Financing Table   |         |                          |        |                             |        |                                  |        |
|---|---------|--------------------------|--------|-----------------------------|--------|----------------------------------|--------|
| Co-Financing Source   | Type    | Government (USD million) |        | Other Sources (USD million) |        | Total Co-Financing (USD million) |        |
|   |         | Planned                  | Actual | Planned                     | Actual | Planned                          | Actual |
| PROJECT PREPARATION:  |         |                          |        |                             |        |                                  |        |
|   | In-Kind | 0.25                     | 0.25   |                             |        | 0.25                             | 0.25   |
| Total Co-Financing for Project Preparation:   |         | 0.25                     | 0.25   | 0                           | 0      | 0.25                             | 0.25   |
| PROJECT IMPLEMENTATION:   |         |                          |        |                             |        |                                  |        |
| Cash:   |         | 1.50                     |        |                             |        |                                  |        |
| Salaries for PMO staff  | Cash    |                          | 0.04   |                             |        |                                  |        |
| Office Services and Supplies  | Cash    |                          | 0.41   |                             |        |                                  |        |
| Vehicle usage   | Cash    |                          | 0.11   |                             |        |                                  |        |
| Travel Expenses   | Cash    |                          | 0.08   |                             |        |                                  |        |
| Telecommunication expenses  | Cash    |                          | 0.07   |                             |        |                                  |        |
| Protected Area Capacity Building Costs (funds from SFA for monitoring and infrastructure) | Cash    |                          | 0.15   |                             |        |                                  |        |
|   | Cash    |                          | 0      |                             |        |                                  |        |
| Sub-Total, Cash:  | Cash    | 1.50                     | 0.87   |                             |        | 1.50                             | 0.87   |
| In-Kind:  |         | 5.78                     |        |                             |        |                                  |        |
| Rent for PMO office and the 4 PMU offices   | In-Kind |                          | 2.09   |                             |        |                                  |        |
| PMU Staff   | In-Kind |                          | 0.79   |                             |        |                                  |        |
| Other PA Staff involvement (2,740 staff)  | In-Kind |                          | 4.68   |                             |        |                                  |        |
| Office Services and Supplies  | In-Kind |                          | 0.33   |                             |        |                                  |        |
| Wetland Protection and Restoration Costs  | In-Kind |                          | 0.40   |                             |        |                                  |        |
| Sub-Total, In-Kind:   | In-Kind | 5.78                     | 8.29   |                             |        | 5.78                             | 8.29   |
| Total Co-Financing for Project Implementation:  |         | 7.28                     | 9.17   | 0                           | 0      | 7.28                             | 9.17   |

Source: PMO, Sep 2014

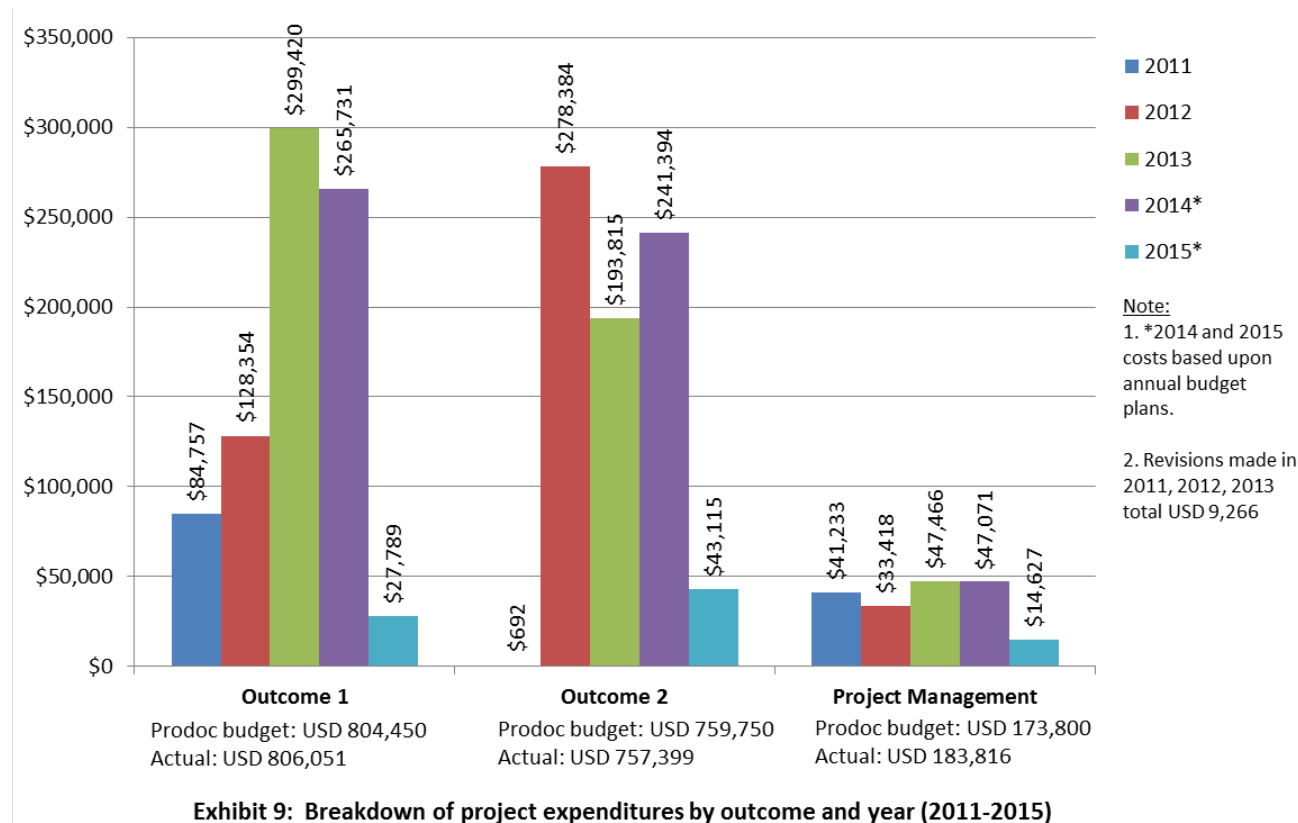
CNY:USD = 6.14

There are a few inconsistencies with respect to how the co-financing was split between cash and in-kind contributions. For example, the funds from State Forestry Administration (SFA) that were used for monitoring and infrastructure should be itemized under in-kind co-financing rather than cash. Also, the PMO office was rented only for this project, in a different building from the GFD premises, while the four PM offices were situated within the respective PA administrative buildings. The PMO office rent should, thus, be accounted as cash co-financing, and not included under in-kind contributions.

### Financial Expenditures and Control

Financial expenditure records were found in order and well managed. In fact, the TE team considers financial control a noteworthy strength of the project.

Financial delivery rates (actual funds expended compared to annual budget/disbursement) were 77% and 82% in 2012 and 2013, respectively<sup>1</sup>. These rates are a bit low, but more or less satisfactory considering that there were 3 different project managers in the first three years of the project. As shown below in **Exhibit 9**, the amount of money expended on an annual basis has increased over time.



The estimated annual amount to be spent in 2014 is USD 554,195, which is roughly 32% of the total GEF implementation grant. This partly demonstrates how the project has been trying to catch up on inefficiencies incurred in the previous years. The USD 1,738,000 GEF grant is expected to be fully utilized by project closure, 17 January 2015. The budget for 2015 (less than a month) is USD 85,531, so rather intensive spending is planned in the remaining time.

The total project management costs are estimated to match the budgeted 10% of the total implementation grant. During the first year, in 2011, project management accounted for approx. 33% of the total spent for that year, but this is understandable, as the project was in the mobilization phase.

Approx. 17% (USD 290,307) of the implementation budget was spent on physical assets, including IT equipment, office furniture, monitoring equipment and supplies, and two automobiles (see **Exhibit 10**).

<sup>1</sup> Information obtained from 2013 PIR.

| Exhibit 10: Summary of Assets Procured |  |                  |             |  |
|--|--|------------------|-------------|--|
| No.                                    | Organization   | Cost at purchase |             | Remarks  |
|  |  | CNY              | USD         |  |
| 1                                      | 动管局项目办<br>Wildlife Conservation Admin. Project Office                  | CNY 11,280       | USD 1,837   | Laptop computer  |
| 2                                      | 尕海则岔项目办<br>GahaiZecha PMU  | CNY 107,198      | USD 17,459  | IT equipment, office furniture, and field equipment and supplies for monitoring  |
| 3                                      | 莲花山项目办<br>Lianhuashan PMU  | CNY 97,138       | USD 15,821  | IT equipment, office furniture, and field equipment and supplies for monitoring  |
| 4                                      | 太子山项目办<br>Taizishan PMU  | CNY 97,138       | USD 15,821  | IT equipment, office furniture, and field equipment and supplies for monitoring  |
| 5                                      | 洮河项目办<br>Taohe PMU   | CNY 100,308      | USD 16,337  | IT equipment, office furniture, and field equipment and supplies for monitoring  |
| 6                                      | GEF洮河项目办<br>Provincial PMO   | CNY 898,932      | USD 146,406 | IT equipment, office furniture, and field equipment and supplies for monitoring  |
| 8                                      | 林业厅合作处<br>Foreign Cooperation Division of GFD                          | CNY 88,596       | USD 14,429  | IT equipment, office furniture   |
| 9                                      | 林业外资项目办<br>Project Office in Foreign Capital Project Management Office | CNY 316,944      | USD 51,620  | IT equipment, office furniture, two automobiles shared (one is shared between Lianhuashan PA and Tiazishan PA, and the other is shared between GahaiZecha PA and Taohe PA) |
| 10                                     | 论坛秘书处<br>Taohe Forum Secretariat                                       | CNY 64,950       | USD 10,578  | IT equipment, office furniture   |
| 合计 Total                               |  | CNY 1,782,484    | USD 290,307 |  |

Source: PMO, 2014

CNY:USD = 6.14

Transfer and allocation of these assets, for example, the items procured for the PMO, will need to be arranged prior to project closure.

One independent financial audit report (for calendar year 2013) was made available for review as part of the TE. It seems that there was only one independent audit made, instead of annually as indicated in the M&E plan. The audit made for year 2013 looked at financial expenditures, assets, and statement of cash; and for each aspect, the audit findings were positive, i.e., no irregularities or compliance findings were noted.

### 3.2.5. Monitoring & Evaluation

#### Monitoring & Evaluation design at entry is rated as: Moderately Satisfactory

The M&E plan was reasonably extensive, sufficient activities and funds were allocated. The total indicative cost for Project M&E was 127,000 USD, which is a bit more than 7% of the USD 1.738 million GEF grant. This cost level is above the generally acceptable range, typically 3-5% of the total implementation budget. There was no available breakdown of actual M&E costs, but it seems that the amount of money spent on M&E did not reach this budgeted amount; e.g., only one independent financial audit was made, instead of annually.

During the project preparation phase, baseline conditions were reasonably assessed and summarized in the project document. Notwithstanding the TE team's comments regarding the appropriateness of some of the performance indicators, there was a strong emphasis on scorecards, including financial sustainability, management effectiveness, and capacity building. These provide a semi-quantitative means to measure results, but it is important that monitoring metrics are sufficiently worked out in order to provide representative data. For example, as it was unlikely that responses would be obtained from each of the 67 PA's, what proportion of them would be provide a statistically reliable representation? What is the policy for handling outliers? The issue of outliers proved to be important, as a few of the PA's, e.g., the giant panda ones, are

receiving extraordinary levels of funding from international donors, and the data from these parks considerably distort the overall situation of the provincial PA system.

Considering that use of scorecards was integral to assessment of project results, the fact that the monitoring & evaluation metrics were not sufficiently worked out is a significant shortcoming, and hence, the rating of M&E design is rated as moderately satisfactory.

### Implementation of Monitoring & Evaluation Plan is rated as: Moderately Satisfactory

The M&E plan was more or less implemented as planned. While the PMO was very dedicated with project monitoring, emphasis seemed to be more on an activity level rather than on results. For example, the TE team needed to request financial data from the four demonstration PA's at the time of the mission in September 2014. These data should have been regularly compiled and evaluated by the PMO/PMU during implementation, as improving financial sustainability was one of the main objectives of the project.

There was also insufficient focus on adjusting the M&E framework at the project inception. For example, the reports prepared by the international expert on business planning indicated that there were no longer funding shortfalls in 3 of the 4 demonstration PA's, at the time when the project started, in 2011/2012. An updated review of the circumstances within the provincial PA's system should have been made at inception, which occurred in April 2011, while baseline conditions were evaluated for the year 2009. Considering the rapid changes occurring in China, it would have been advisable to take a fresh look at some of the key baseline scenarios.

Progress reporting was consistently delivered, and internal ratings made in annual progress reports were realistic and consistent with external evaluation results, including the mid-term review (MTR) completed in 2013. A formal management response was prepared for the recommendations included in the MTR report. The TE team has the following comments to the responses the project team has made to the MTR recommendations.

| Mid-Term Review (MTR) Recommendation   | Comments by TE Team on Responses to MTR Recommendations   |
|--|---|
| 1. <i>Revise LFM with respect to those outputs that are (i) overambitious and (ii) not clearly differentiated from each other.</i>   | The project considered downgrading the scope of the database development to cover only the 4 demonstration PA's instead, but the team still believes they can achieve the goal of developing a PA system-wide database. At the time of the TE mission, the team had discussed the database with other PA's and plans to continue reaching out to other ones before the end of this year. But, there was no evidence of adoption of the database beyond the 4 demonstration PA's. Outputs 1.6 and 1.7 were consolidated. |
| 2. <i>Strengthen collaboration between PA administrations and village communities by enhancing existing and creating new mechanisms to enable villagers' interests to be expressed and influence PA policy, planning and management.</i> | The team has worked hard since the MTR on community relations, and 29 collaborative management agreements had been signed by June 2014. Also, PA Forum meetings were held at each of the 4 demonstration PA's and turnout was good.   |
| 3. <i>Review the scope of the provincial PA Development and Management Strategy and the means of its delivery,</i>   | At the time of the TE mission, the strategy was still being fine-tuned. The team hopes to have the strategy approved by the GFD by the end of the   |

| Mid-Term Review (MTR) Recommendation   | Comments by TE Team on Responses to MTR Recommendations  |
|--|--|
|  | <p>year.</p> <p>It is a bit unclear how the strategy will be operationalized after approval by the GFD. For example, will the provincial government appropriate funds for implementing the strategy?</p>   |
| 4. <i>Review the scope of the PA System Financing Plan (Output 1.2) and expedite its development, while ensuring that it is consistent and integrated with the PA Development and Management Strategy.</i>   | Similar to the PA management strategy, PA system financing plan had not yet been approved by the GFD by the time of the TE mission in September 2014.  |
| 5. <i>Expedite the development of policies and legislation necessary to improve the regulatory framework for Gansu's PA system (Output 1.3) by establishing a task force, or similar mechanism, to fast-track the process.</i>   | The TE consultants interviewed two of the local experts engaged in developing policy and legislation recommendations. There has not been any specific legislative improvements made to the PA system regulatory framework; the experts and the PMO team indicated that such changes will likely be made gradually.   |
| 6. <i>Clarify more precisely the role and membership of the Taohe Forum, and determine how it will fulfil its purpose beyond the life of the Project.</i>  | Interviewed GFD representatives and other stakeholders were non-committal regarding the sustainability of the Taohe Forum after project closure.   |
| 7. <i>(1.) Review the management, community resource and tourism plans recently produced or drafted for each of the four demonstration PAs and integrate their objectives, outputs and activities into an Action Plan; (2.) Revise and annually update the Business Plan for each demonstration PA in accordance with its respective Action Plan.</i>  | The four demonstration PA's followed the MTR recommendation and consolidated the developed plans into an action plan, and these action plans have reportedly been approved by the GFD. Some of the PA's have reportedly been implementing the action plans since 2013, but no information was provided with respect to what activities have been completed, what progress has been made, or how much money has been allocated for the implementation.  |
| 8. <i>Review the biodiversity monitoring and evaluation system planned for each of the four demonstration PAs with a view to: (i) monitoring is designed to sample the full diversity of habitats and species occurring within the PA; (ii) ensuring that data are properly maintained in a database common for all PAs and routinely, rigorously analysed to inform management; and (iii) including water quality monitoring throughout all of Gansu's PAs.</i> | <p>The project has been successful in introducing biodiversity monitoring transects in the four demonstration PA's; this is a significant improvement from the limited biodiversity monitoring implemented prior to the project. There remain some gaps with respect to coverage of the monitoring program.</p> <p>A web-based database was developed for recording collected biodiversity monitoring data. The database has not yet been rolled out on a PA station level, mainly due to shortage of hardware and reliable Internet connections.</p> <p>Among the four visited PA's, GahaiZecha PA is doing very limited water quality monitoring (only measuring pH); the PA administration would like to expand these water quality monitoring efforts in the future.</p> |



| Mid-Term Review (MTR) Recommendation  | Comments by TE Team on Responses to MTR Recommendations   |
|---|---|
| 9. <i>A revised management structure should be adopted by the Project,</i>  | The project organization structure was modified, to reflect the actual management arrangements.   |
| 10. <i>The Annual Work Plan would benefit from greater, more specific detail</i>  | Improvements were made to annual work plans.  |
| 11. <i>Comprehensive information about and generated by the Project should be readily accessible via its website</i>  | Significant improvements were made to the project website. The site was found to be professional, containing a large amount of information, and is regularly updated.   |
| 12. <i>The Project Steering Committee should engage more robustly and proactively in its oversight, coordination and integration of Project activities</i>  | Project steering committee meetings in 2013 and 2014 were organized to coincide with the Taohe Forum workshop. There was impressive participation in these meetings, including by high level national, provincial, and local stakeholders.  |
| 13. <i>A number of LFM indicators for the Objective and Outcome 1, based on monitoring changes to baselines established from the Financial Sustainability, Capacity and METT scorecards, need to be modified because they are either not readily repeatable or incorrect.</i> | This remains an issue at the time of the TE mission. There were insufficient monitoring metrics formulated to ensure that results from the various scorecards could be reasonably comparable to baseline conditions.  |
| 14. <i>The total METT score for Taohe National NR has decreased by 9 % and mean scores for several METT criteria have declined significantly since 2010, so these should be examined critically by PMO, in collaboration with demonstration PAs, and issues addressed.</i>    | The PMO team explained that the Tahoe PA has been upgraded from a provincial level NR to a national level one since the time of the baseline METT score, and as a result of this upgrade, the land area of the PA decreased. Because of this and some issues in data collection were indicated as the reasons why the METT score decreased; and not because of an actual reduction in management effectiveness. |
| 15. <i>Facilitate opportunities for demonstration village communities to improve their livelihoods from micro-financing and small grant schemes.</i>  | There are micro-financing available through local governments, and some of the interviewed eco-tourism operators indicated that they have taken out such loans. The project did not sufficiently engage local government officials in the process of developing business plans for the demonstration PA's.  |
| 16. <i>Enhance annual appraisal system for PA staff by including self-appraisal (180 degrees appraisal) as part of improving performance (Output 2.5).</i>  | The project has made significant contributions with respect to building capacity in regard to staff performance appraisals. Adding self-appraisal to the process will likely be done through an incremental process.  |
| 17. <i>Procure additional expertise to advise the Project in key strategic areas of policy development to help provide a solid foundation for the effective management and sustainable financing of Gansu's PAs system over the long-term.</i>                                | The PMO team indicated in their self-assessment report and during TE interviews that additional contributions by international experts could not be realized due to budget limitations. The team did retain legal experts and developed some policy assessment tools that are expected to be used in supporting PA management decisions.  |

### 3.2.6. Implementing Agency (IA) and Implementing Partner (Executing Agency-EA) Execution

#### Quality of Implementing Agency (UNDP) Execution is rated as: Satisfactory

The UNDP CO staff and the GEF RTA were proactively involved in the project, both in terms of supervision and also strategic guidance. UNDP CO staff participated in each of the PSC meetings and each of the three Taohe Forum workshops, and there were other, separate trips made to Lanzhou and to the demonstration PA for supervision and monitoring. The UNDP CO played a leading role in supervising project procurement activities, and provided the PMO team with suggestions for both sourcing goods and services throughout the implementation phase; for example:

1<sup>st</sup> Taohe Forum: Suggestions and Expectations for the Taohe Forum;

2<sup>nd</sup> Taohe Forum: Climate change assessment and adaptation—Take Yangtze River Basin as an example;

3<sup>rd</sup> Taohe Forum: Water issues and countermeasure in China, promoting IRBM is the best choice.

The UNDP CO program manager also suggested that the forum meetings be combined with annual PSC/TPR to reduce time and costs of the participants.

UNDP CO staff also assisted the PMO team on financial management procedures, reporting requirements, etc.

Also, the UNDP and the GEF RTA provided valuable contributions to annual performance reports, and internal ratings were found to be more or less consistent with results of external evaluations.

As this was reportedly the first time the Gansu Forestry Department (GFD) executed a GEF-financed project, the UNDP had an important role in assisting them with respect to policies and procedures. In this context, the support from the UNDP to the GFD was satisfactory. In the opinion of the TE team, the challenge lies in the fact that the GFD has been mostly accustomed to infrastructure-type projects, e.g., ones funded by the ADB that have clearly defined specifications and end points. Conversely, the intent of the GEF-financed project was to feed into an ongoing system, and resultant improvements are incremental. Essentially, this is achieved through capacity building and advocacy for changing business-as-usual mindsets. Based upon evidence obtained during TE interviews and review of PSC meeting memorandum, the UNDP CO program manager maintained regular communication with the NPD and the project team, urging them to follow up with outcomes advocated by the project.

#### Quality of the Implementing Partner (GFD) Execution is rated as: Satisfactory

The quality of project execution by the GFD is considered satisfactory. Ownership was found to be fairly high, with upper level management engaged in the project, including participating in project steering committee meetings and the Taohe Forum workshops.

While there was some evidence of inter-agency collaboration, e.g., through participation on the project steering committee, implementation responsibilities were not shared among other provincial agencies/departments. However, this is more of a design flaw than a shortcoming in execution by the EA.

The GFD also played an active role in project procurement, through participating on the review board and ensuring that procedures were carried out according to governmental regulations.

The project efficiency was diminished by the frequent changes in the position of project manager. The TE team recognizes that was difficult to find qualified and suitable candidates for this position,

and fortunately, the current project manager is highly qualified and has been able to motivate the team members through a very busy period since he started in mid-2013.

It was a good idea to establish local PMU's within the four demonstration PA administrations; this enhanced both the effectiveness and sustainability of the project-sponsored interventions. Conversely, it was not a good idea to have the PMO operate in a separate office from the GFD; they would have been more effective in advocacy, etc., if embedded within the department.

The office arrangement of the PMO is indicative of a general observation, i.e., the GFD seems to have largely handled this project similar to a donor-financed infrastructure project, and not fully recognizing the advantage of enabling the PMO to be actively engaged in GFD's processes. As this was the first GEF-financed project that GFD executed, this should be a lesson learned for subsequent funding opportunities.

### 3.3. Project Results

#### 3.3.1. Overall Results (Attainment of Objective)

**Attainment of the Project Objective is rated as: Satisfactory**

|   |   |
|---|---|
| <b>Project Objective:</b> To strengthen protected areas' sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing | <b>Attainment of Objective:</b><br><br>Satisfactory |
|---|---|

In the opinion of the TE team, through strengthened institutional and individual capacities, the project was satisfactorily successful in achieving the project objective.

#### **Objective Indicator 1: Financial sustainability score (%) for national systems of protected areas**

The self-assessment report produced by the PMO indicates a financial sustainability score of 71%, reported in July 2014. This score exceeds the 70% target.

However, in the opinion of the TE team, this indicator does not provide a verifiable and objective indication of project performance. Also, the time-frame for the indicator, i.e., end of project, is not representative, as some of the key project results are pending approval; for example, the PA system wide strategy and planning framework and the Taohe Basin financing plan. This indicator does not capture the added value provided by this project.

Introduction of the financial sustainability scorecard to the GFD and PA level managers was relevant, and could provide them with a useful, semi-quantitative tool to assess their progress moving forward. But assigning this indicator as a measure of achievement of the project objective obscures the contributions made by the incremental GEF funding.

For example, as shown from the financial details provided by the demonstration PA's, funding levels were considerably higher in 2011, the year of project inception, as compared to 2009, when the baseline conditions were developed. Government-driven policies have funneled large capital investments into the PA system, and also have boosted the operational level. For instance, one of the interviewed stakeholders indicated that the average salary for PA staff has increased from CNY 9,000 to approx. CNY 40,000 in recent years; a four-fold increase. And, furthermore, some of the PA's in the system receive extraordinary levels of funding, including the ones hosting the giant panda populations.

The TE team does not dispute that the financial sustainability of the PA system is 71% at project closure, but rather contends that this indicator is not an appropriate measure of the incremental benefit of the project.

**Objective Indicator 2: Improved management effectiveness of 8,940,529 ha of nature reserves managed by the Gansu Forestry Bureau as per average METT scores**

The self-assessment report produced by the PMO indicates at PA system wide METT score of 76.67, based upon an analysis made in July 2014. This value exceeds the target score of 75.

Similar to the financial sustainability scorecard indicator, the TE team considers that the result reported does not provide objective and verifiable measure of the incremental benefit from the GEF funding. One issue is the monitoring and evaluation metrics for this indicator. The result in July 2014 is based upon scores from 24 of the 67 PA's. This number is considered by the PMO as representative, but this claim is not backed up with some type of statistical justification.

The more important issue is whether a system wide METT score is an appropriate indicator of the contributions made by the project toward achieving the project objective. On a demonstration scale (Outcome 2), it was reasonable to use the METT as an indicator, because there was intense interaction with the four demonstration PA's. But, there was very little interaction with the other 63 PA's during the project implementation. And, the GFD had never used the METT within their organization in the past, so there was a learning curve on scoring, some conflict-of-interest concerns because the scores are not truly independent, and reliability concerns because of inexperience in working with this tool. A more appropriate indicator might have been integration of the METT with provincial policies, as a tool to evaluate management effectiveness on a regular basis.

|   |                                 |
|---|---------------------------------|
| <b>Outcome 1:</b> Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system | <b>Achievement of Outcome 1</b> |
|   | <b>Moderately Satisfactory</b>  |

**Outcome 1, Indicator 1: At least 200% increase in the available total annual budget for PA management and development activities in Gansu province**

The PMO is reporting a figure of USD 93.37 million, as of August 2014. This figure is more than twice end-of-project target of USD 44.4 million.

According to the opinion of the TE team, this is not a verifiable and objective indicator of the incremental benefits realized through the GEF funding. Firstly, the baseline was not updated in 2011 at the time of project inception. There had been significant advances in government funding both in the form of capital investments and operational financing, including large increases in the average salaries of PA staff. And government payment-for-ecosystem services (PES) programs have increased; for example, for some eco-compensation programs, the payment levels have doubled in recent years. The final reported figure also includes one-off capital investments, and thus, the result might not indicate sustainable levels of government funding. There was a lack of monitoring and evaluation metrics worked out for this indicator.

Another concern is the timeframe. One of the key project results is the planned approval of a PA system wide strategy and planning framework. As of September 2014, this strategic plan had not yet been sent to the GFD directorate for approval, but the team expects it to be approved by the end of the year. The effectiveness of project advocacy efforts at the provincial level was quite low during the first 2-1/2 years of the 4- year project, when there were 3 different project managers.

Realistically, it was only over the last year that the project was able to effectively advocate PA system wide change. This is insufficient time to affect institutional level change, and it is inappropriate to assign increases in government level funding to contributions made by the project.

**Outcome 1, Indicator 2: “Capacity to implement policies, legislation, strategies and programmes” component of the Capacity Scorecard**

**Outcome 1, Indicator 3: “Capacity to engage and build consensus among all stakeholders” component of the Capacity Scorecard**

These two indicators were consolidated into one in response to MTR recommendations. The PMO has reported a final score of 76.67%, as of Aug 2014. This result exceeds the end-of-project target of 65%.

Introduction of the capacity scorecard to the GFD is relevant, as it provides them with a semi-quantitative tool, which might be used, for example, to help justify allocation of resources for training, etc. But, as an indicator of the incremental benefit of the GEF funding.

As discussed under Indicator No. 1 under Outcome 2, the project was not very effective in advocacy on a PA system wide level, over the first 2-1/2 years of the project. The situation improved over the past year, but this is insufficient time to draw conclusions.

A more appropriate indicator might have been integration of the capacity scorecard into GFD operational policies, and by the end of the project, evidence of allocating budget for professional development training in the next 5-year funding cycle.

**Outcome 1, Indicator 4: Presence of the PA system wide strategy and planning framework for effective management adopted at the PA Council meeting by relevant stakeholders**

This was an important component of the project, as a PA system wide strategy and planning framework has the potential to influence PA management and sustainability, if sufficient buy-in is garnered and mechanisms are put into place to enable implementation in years to come.

At the time of the TE mission, in September 2014, the draft strategy had not yet been submitted to the GFD directorate for approval, but the team and the NDP expect that approval will be realized by the end of the year. Based upon review of project progress reports, an earlier draft of the strategy was prepared in 2011, the first year of the project. The project went through 3 project managers in the first 2-1/2 years of the implementation phase, and advocacy efforts suffered because of these inconsistent management arrangements. Nevertheless, it seems a bit late in the process for approval of an important result of the project, allowing essentially no time for follow-up and assistance on planning the implementation phase.

Progress on this indicator is evaluated as satisfactory, because the contributions are meaningful, including aspects that have not been addressed to date. For example, biodiversity monitoring is prominently featured in the strategy; very few of the forestry PA's had biodiversity monitoring in place, and fewer ones had a systematic protocol established. The strategy also sets targets for self-generating revenue, including increasing income from eco-tourism activities from a baseline of USD 15.7 million in 2014 to approx. USD 30 million in 2024. Similarly, revenue from tree nursery business is forecasted to increase from a baseline of USD 14.8 million in 2014 to approx. USD 23 million in 2024.

There was no evidence that the indicators introduced in this project, including the financial sustainability scorecard, METT, and capacity scorecard, are included in the draft strategy.

Based upon information provided by the Gansu Legislation office, the project facilitated passing of a regulation on the stock-carrying capacity of pasturelands and also approval of restrictions on grazing on grassland in the province.

| <i>Regulation/Guideline</i>                                    | <i>Reference No.</i> | <i>Date issued</i> | <i>Issued by:</i>     |
|--|----------------------|--------------------|-----------------------|
| Regulations on stock-carrying capacity of pastureland in Gansu | [2012]92             | 22 Sep 2012        | Provincial Government |
| Restrictions on grazing in grasslands of Gansu                 | [2012]95             | 22 Nov 2012        | Provincial Government |

The project has also been advocating a concept termed “One PA, One Regulation”, which reportedly has been accepted by the Gansu Legislation Department and included in GFD’s work plan for 2014. The TE team was a bit perplexed regarding this concept. Based on first impressions, it seems to increase the administrative burden of the department, having 67 different PA regulations to manage.

### **Outcome 1, Indicator 5: New comprehensive PA Database exists strengthening the effective use of limited human and financial resources**

This indicator was softened following the MTR, as it was concluded that achieving a comprehensive PA system wide database was unlikely within the time and budget limits of the project. The revised indicator was to develop a database for the 4 demonstration PA’s for managing their biodiversity monitoring information.

The original project design was flawed with respect to the database component, as there was insufficient stakeholder feedback obtained and inadequate funds allocated.

The expert team who developed the biodiversity database has done a good job, producing a web-based system that is user-friendly and can be easily rolled-out, including at the PA station level, provided that the users have a computer and an Internet line.

The PMO has also made diligent efforts trying to promote adoption of the database at other PA’s in Gansu, visiting the PA administrations and delivering presentations and demonstrations.

Even though this is the first biodiversity monitoring database generated for the GFD, the fairly limited scope of the system restricts the utility of it as a PA management tool. For example, it would be advisable to also include information from the PA’s surveillance programs; illegal incident records (held by the Forest Police); modules that can accept water quality data, eco-tourism figure, reforestation activities; and report-generating features that are consistent with the regular reports the PA’s are obliged to submit to the GFD, SFA, and other stakeholders. In this way, the database would be more robust, it would be easier to obtain buy-in from key decision makers, and the replication potential would be enhanced.

|  |                                 |
|--|---------------------------------|
| <b>Outcome 2:</b> : Sustainable PA management and financing demonstrated in Taohe sub-system | <b>Achievement of Outcome 1</b> |
|  | <b>Satisfactory</b>             |

### **Outcome 2, Indicator 1: Improved management effectiveness as per METT scores for individual sites (Lianhuashan National NR, Taizishan Provincial NR, Gahai-Zecha National NR, Taohe National NR)**

The self-assessment report prepared by the PMO indicates that the METT scores in Sep 2014, coinciding with the terminal evaluation were:



Lianhuashan NR: 75

Taizishan NR: 74

Gahai-Zecha NR: 85

Taohe NR: 84

These values exceed or match the end of project targets set forth in the project document.

Based upon interviews completed as part of the TE, there was sufficient evidence that the project contributed to improvements in institutional and individual capacities, with respect to PA management, financing, biodiversity conservation, and community relations. These results are reflected in the improved METT scores.

With respect to the 2014 METT scores for the 4 demonstration PA's, it seems that the process was rigorously and fairly implemented. The number of participants, 165, was lower than in 2013 at the MTR, when 269 took part, but still a reasonably large number. And, according to testimonial evidence, external participants also provided input.

There were a few inconsistencies noted by the TE team, for example:

For Item No. 9 (Resource Inventory), the Gaihazecha PA reported a score of 3, up from 2 at the MTR. Considering that the PA staff indicated that they do not have the resources to monitor water quality of this important water resource area, the score of 3 is questionable.

For Item No. 14 (Staff Training), the Taizishan PA reported a score of 1, down from 3 at the MTR and 2 at the 2010 baseline. The other 3 PA's reported increases in the score for this item, and the TE team did not observe a reason why the situation in Taizishan warranted a decrease in the score.

For Item No. 16 (Security of Budget), the Taizishan PA reported a score of 1, again down from 3 at the MTR and 2 at the 2010 baseline. This PA was upgraded to a national level nature reserve in 2013, so budget security should in fact be higher. The team is uncertain why the budget allocation for this PA seems to be decreasing.

For Item No. 23 (Local Communities), the scores seem to be overly generous with respect to local communities having input to management decisions. Conversely, the subsequent additional point ("There is open communication and trust between local stakeholders and protected area managers"), the scores were 1 across the board, showing no improvement since the inception of the project. The TE team thinks that communication with local stakeholders at the demonstration PA's was significantly improved, as evidenced through the large number of collaborative agreements reached.

For Item No. 30 (Monitoring and evaluation), the scores reported for 2014 seem to be generally over-stated. While the demonstration PA's have indeed improved their capacities with respect to biodiversity monitoring, the TE team thinks assigning a score of 3 (2.8 as the overall average) is too high, as they need to further develop their monitoring protocols according to the overall management objectives of the nature reserves. For example, biodiversity impacts from the extensive reforestation/afforestation efforts are not being monitored, and the effects of eco-tourism on biodiversity are not specifically being monitored.

#### **Outcome 2, Indicator 2: Number of park planning tools developed and implemented in the demo PAs (Management Plan, Business Plan, Tourism Plan)**

Each of the four demonstration PA's developed management plans and business plans. One, basin-wide tourism plan was also prepared. In response to one of the MTR recommendations,

these plans were consolidated into action plans, which were approved by the GFD and are under implementation since 2013.

These management planning tools were carried out using an inclusive, participatory approach, and detailed analyses were made regarding threatening factors and respective management responses.

**Outcome 2, Indicator 3: Increase in park revenue/budget (Lianhuashan National NR, Taizishan Provincial NR, Gahai-Zecha National NR, Taohe National NR)**

The end-of-project targets were largely achieved at the time of project inception, in 2011 (see table below), and largely due to State-driven policies, initiated before the start of the GEF-financed project. The project team has indicated that the targets have been achieved, but considering the circumstances, this indicator does not provide an appropriate measure of project performance.

The developed action plans were approved in 2013, so there has been roughly 1-1/2 years of implementation. The TE team thinks this is insufficient time to draw conclusions about increased park revenue/budget.

| Protected Area | Revenue + Budget (CNY million) |       |
|----------------|--------------------------------|-------|
|                | 2011                           | 2014  |
| Lianhuashan NR | 12.13                          | 13.95 |
| Taizishan NR   | 47.08                          | 23.68 |
| Gahai-Zecha NR | 5.16                           | 10.38 |
| Taohe NR       | 52.07                          | 52.59 |

**Outcome 2, Indicator 4: Systematic local level biodiversity monitoring system enhancing PA management**

The project made meaningful contributions to the demonstration PA's with respect to biodiversity monitoring.

Before this project, only 3 of the forestry PA's had biodiversity monitoring: the first was for one of the giant panda PA's, and then the other 2 of the giant panda PA's implemented monitoring in 2006.

Added value from the project include delivering trainings, assisting in establishing monitoring transects, procuring basic monitoring supplies and equipment, and development of a web-based database for recording biodiversity monitoring data.

During the TE debriefing in Lanzhou, the NPD indicated that the Gansu Forestry Department has committed CNY 3 million per year to further support development and dissemination of the database.

Monitoring protocol also has been disseminated to other PA's in the province, and among the 14 PA's visited, 6 have already introduced the protocol in their nature reserves.

The database is simple, easy to use, and web-based. The development team had to develop unique coding system for monitored species; would be advisable to obtain buy-in of this system by MEP, SFA, and other stakeholders.

The TE team feels that the utility of the database would be enhanced if linked to mandatory monitoring and reporting activities by the PA's, i.e., those required by SFA. Also, the monitoring activities should be better integrated with the management objectives of the PA. For example,

monitoring should be implemented to evaluate impact of frequently visited eco-tourism areas; at areas where reforestation is being carried out; and to address possible long-term impacts of climate change. And the system should be made more flexible, so that additional modules, such as water quality monitoring, could be more easily added.

**Outcome 2, Indicator 5: PA staff completing specialised training and/or skills development programmes (Short course training, Mentoring programme, Train-the-trainers programme)**

The number of trainings exceeded the end-of-project targets, and according to PMO self-assessment, participation by women accounted for 32% of total participants.

The training delivered by the international consultant on business planning included a satisfaction survey. But, there was no evidence of any assessments being made regarding the effectiveness of the trainings, e.g., retention of skills and knowledge.

**Outcome 2, Indicator 6: Reduced threats to PAs: Number of co-management agreements with resident communities reducing threats related to overgrazing, forest fire and illegal hunting and harvesting**

The project team has done a good job facilitating collaborative management agreements. At the time of the MTR there were no agreements concluded, while by the TE in September 2014 there were 54 agreements signed:

Gahai Zecha PA: 16

Taohe PA: 24

Lianhuashan PA: 10

Taizishan PA: 10

A breakdown of these agreements among the 4 PA's is tabulated below in **Exhibit 11**.

| <b>Exhibit 11: Breakdown of Collaborative Management Agreements</b>         |  |                             |
|---|--|-----------------------------|
| <b>Title of the agreements</b>  | <b>Parties signed the agreements</b>                                       | <b>Number of agreements</b> |
| Agreement on species protection for bio-diversity in the range of village   | Gahaizecha NR Administration Bureau/Gahai protection station with villages | 7                           |
| Agreement on co-management of wetland                                       | Gahaizecha protection station with villages                                | 3                           |
| Liability statement of patrolling for forest protection and fire prevention | Gahaizecha NR Administration Bureau with individuals                       | 4                           |
| Liability statement of patrolling for Guomaotan wetland                     | Gahaizecha NR Administration Bureau with individuals                       | 1                           |
| Agreement on grassland protection   | Gahaizecha protection station with individual                              | 1                           |
| <b>Sub-Total, Gahaizecha PA:</b>  |  | <b>16</b>                   |
| Taizishan NR natural resources co-management agreement                      | Taizishan NR Administration Bureau with village                            | 1                           |

| Exhibit 11: Breakdown of Collaborative Management Agreements              |   |    |
|---|---|----|
| Agreement on species protection for bio-diversity in the range of village | Taizishan NR Administration Bureau with village                         | 1  |
| Protection Agreement  | Taizishan NR Administration Bureau with village                         | 1  |
| Fire Prevention Agreement   | Taizishan NR Administration Bureau with village                         | 1  |
| Sub-Total, Taizishan PA:  |   | 4  |
| Lianhuashan NR natural resources co-management agreement                  | Lianhuashan NR Administration Bureau with village                       | 10 |
| Sub-Total, Lianhuashan PA:  |   | 10 |
| Agreement on co-management of forest resources                            | Taohe NR PMO with village   | 1  |
| Agreement on management and protection of forest resources                | Taohe NR with prefecture, town, school, village and protection stations | 23 |
| Sub-Total, Taohe PA:  |   | 24 |
| Grand Total:  |   | 54 |

Note: the collaborative management agreements were signed in 2013 and 2014, and the total number is based upon agreements reviewed in the PMO office during the TE mission in September 2014.

### **Outcome 2, Indicator 7: Increased cost efficiency of PA management: Number of joint and PA management activities between the four demonstration PAs leading to increased cost efficiency of PA management**

The project has reported 16 joint events, exceeding the target of 10.

Also, in response to one of the MTR recommendations, each of the 4 demonstration PA's have held 2 PA forums; that accounts for 8 of the joint activities. During these forums, PA representatives discussed joint monitoring, joint patrolling, and sharing experiences on management systems.

There are 4 additional joint activities planned to be held in November 2014.

Finally, there have been 4 benefit sharing agreements signed between private sector enterprises and local communities:

Gahai Zecha PA: eco-tourism

Taohe PA: hydropower

Lianhuashan PA: herbal products

Taizishan PA: tree nursery

This is the first time such benefit sharing agreements have been realized in Gansu province.

This component could have been strengthened if more focus was placed on quantifying cost efficiencies realized through joint activities among the PA's.

### 3.3.2. Capacity Building

The project had a strong capacity building dimension, and through numerous, participatory training events delivered by an international expert on PA business planning, several local experts, and PMO staff, the project made notable contributions to strengthened institutional and individual capacities.

The capacity building efforts are roughly divided among three categories: (1) Best Practices in PA Management; (2) Skills Development; and (3) Administrative Procedures. Topics addressed under these categories include:

#### **Best Practices in PA Management:**

- Collaborative fire protection efforts (local communities and PA administrations);
- Collaborative management on maintenance and patrolling with PA's;
- Benefit-sharing among enterprises utilizing natural resources and services in and near the PA's;
- Eco-tourism;
- Cultural ecology (i.e., how ecological conservation is informed by religious, cultural, and other traditional ways of life);
- Sustainable utilization of natural resources and alternative livelihoods for local communities;
- Biodiversity conservation;
- Cross-sectoral coordination among relevant public and private stakeholders;
- Management effectiveness assessment;

#### **Skills Development:**

- Biodiversity monitoring field sampling, identification of species, data management, and interpretation of results;
- Database use, including data entry, statistical analyses, and generation of reports;
- Use of fire suppression equipment, and practicing implementation of fire suppression procedures;
- Techniques on eco-tourism marketing, and ways to improve services among eco-tourism facilities;
- Improved methods on maintaining and marketing tree nurseries
- Utilizing participatory approaches for assessment, planning, reaching decisions, and training;
- Preparation of reports and other knowledge management products;
- Techniques for effective stakeholder involvement, conflict resolution, negotiation, and reaching consensus;
- Fund raising methods, aimed at both growing and diversifying revenue generation;

#### **Administrative Procedures**

- Improving procurement processes;
- Standardizing of procedures and document control;
- Establishing and implementation monitoring & evaluation plans;
- Expanding performance-based incentive mechanisms for PA staff;
- Applying results-based management approaches;

The list of capacity building activities compiled in **Annex 6** shows that more than 1,600 participants taking part in the trainings and other events, and 32% of those were women.

As part of one of the group interviews at one of the demonstration PA administrations, the TE team asked the participants to summarize their impressions of how they benefited from the capacity building efforts of the project, and a few of the key words indicated are listed below.

| <b>Participatory</b>           | <b>Change</b>              | <b>Process-Oriented</b>        |
|--------------------------------|----------------------------|--------------------------------|
| <b>Self-improvement</b>        | <b>Cross-sectoral</b>      | <b>Incentive mechanisms</b>    |
| <b>Standardized procedures</b> | <b>Increased awareness</b> | <b>Stakeholder Involvement</b> |

The feedback was overwhelming positive, with several of the staff members highlighting their appreciation for the participatory approach of the project, soliciting involvement and feedback from all levels of the organization.

There were a few shortcomings with respect to capacity building efforts. Firstly, there was a general lack of assessment of the results, e.g., testing or requesting feedback demonstrating the level of knowledge/skill retention and/or application in the workplace. Also, with respect to sustainability, there was no evidence available showing how some of these trainings might be integrated into the regular professional development programs of the PA administrations.

### 3.3.3. Knowledge Management

Knowledge management plans did not match the replication dimension of the project. A PA system wide database was meant to be the primary knowledge management platform of the project. The time and resources required to develop such an information management system was significantly under-estimated, but more importantly, the audience for such a system is fairly limited, and mostly to in-house technical specialist. The database would not reach local communities, or other external stakeholders beyond Gansu. As a project implemented under the umbrella of the CBPF, more resources should have been allocated for knowledge management.

The Taohe Forum was a good example of effective dissemination of project information and exchange of ideas among key stakeholders. But, there were no mechanisms put in place to follow up on some of the discussions made during the forum workshops, and there was no evidence available to the TE team demonstrating that the forum will continue to be supported after project closure.

At the demonstration PA scale, the project did a good job with producing knowledge products; most of the products developed are included in the list compiled in **Annex 7**. The management tools for the PA's, including the management plans, business plans, tourism plan, are well documented and operationalized into the PA administrations, as indicated by approval of the action plans by the GFD.

Project information is also well documented on the project website: <http://www.gsgeftaohe.com/>

The website has been professionally developed, there is a great deal of information contained on it, and it is regularly updated. It was unclear to the TE team if the project website will continue to be maintained after project closure, or combined with website of the GFD.

There was also project information found on the websites of the CBPF, GFD, Lianhuashan NR, the Taizishan NR, the UNDP CO, and the GEF.



The project sponsored two overseas study tours, one to Australia and New Zealand and the other to Cuba and Brazil, but there was no evidence of documentation of the experiences shared during these visits, lessons learned, etc. There were 4 participants on each of the two tours. The value of such activities is negated if there is not a thorough consolidation of lessons learned and concerted efforts to disseminate the findings to a relevant audience.

### 3.3.4. Relevance

#### Relevance is rated as: Relevant

The project is **relevant** across a wide range of criteria, including with respect to provincial and national development plans, and also consistent with GEF strategic objectives and UNDP CO development priorities.

Improving the effectiveness of PA management is firmly embedded among the priorities of the 12th 5-year national development plan (2011-2015). The plan calls for strengthening supervision of nature reserve construction, improving management of existing nature reserves, and increasing protection of biological resources. The State also is continuing the implementation of the Natural Forest Protection Project, promoting the achievements of the “grain for green” program, which is returning grazing land to grassland, and supporting improved management of protected forest and grassland, in terms of fire prevention and disease and pest control.

The project objectives are also reflected in the updated National Land Use Master Plan (2006-2020), which outlines government plans supporting nature reserve construction projects, prohibiting certain damaging land use activities that are not in line with relevant ecological functional features, and strengthening management of forestland.

The project objectives are closely aligned with some of the priorities of the 12th Five Year Plan (2011-2015) of the Gansu Province. For example, one of the key ecological construction projects in the province is within the Yellow River basin in southern reaches of the province, to protect the important water retention ecological function of this area. The demonstration PA's on the project are situated in southern Gansu, within the Taohe River basin, part of the wider Yellow River watershed, and improving management effectiveness of these PA's contributes to the protection of the ecological function of these ecosystems.

The provincial plan also calls for speeding up the land greening, continue to implement the Natural Forest Protection, returning grazing land to grass land (“grain for green”), and ecological public welfare forest compensation projects. Furthermore, the plan aims to strengthen the recovery and protection of critical wetlands, and to promote more sustainable grazing practices. The Gansu Forestry Department is one of the lead agencies in these efforts, and one of the ways the project is adding value is through demonstration of how collaborative management arrangements with local communities can lead to more sustainable reforestation and agricultural practices, thus reducing pressure on the valuable forest ecosystems.

The 12th 5-year plan for Gansu also includes eco-tourism development priorities, which are focused on strengthening the cooperation among tourism, forest, land resources, agriculture and animal husbandry agencies, and promoting eco-tourism construction near the nature reserves in the province. These plans are directly aligned with the objectives of the project, i.e., improvement management effectiveness through better inter-agency collaboration, and also linking improved PA management with local economic development priorities.

As outlined in the project document, the project is also in accord with the China Biodiversity Partnership and Framework for Action (CBPF), the country's primary investment strategy for

biodiversity conservation through the GEF and other partners. The project contributes directly to the following Results of the agreed CBPF Framework:

- Result 4: Financial flows to biodiversity conservation increase over current baseline;
- Result 18: NRs and PNRs are effectively managed;
- Result 19: NNRs and PNRs have stable and sufficient finance; and
- Result 20: at NNRs and PNRs, local communities, NGOs and/or the private sector are involved in PA co-management and development

The project is also highly relevant with respect to the GEF-5 biodiversity strategy, specifically with respect to Strategic Objective 1, “Improving Sustainability of Protected Area Systems”. Two of the aims of SO-1 are directly

- Increase Financing of Protected Area Systems
- Improve Management Effectiveness of Existing Protected Areas

The objective of the project is also consistent with UNDAF Outcome 4 (Low carbon and other environmentally sustainable strategies and technologies are adapted widely to meet China’s commitments and compliance with Multilateral Environmental Agreements) under the UNDP China Country Programme for 2011-2015.

With respect to the UNDP Strategic Plan 2014-2017, there is close alignment with Area of Work 1 (Sustainable Development Pathways), particularly with respect to effective maintenance and protection of natural capital, and planning at sub-national levels to help connect national priorities with action on the ground.

### 3.3.5. Efficiency

**Efficiency is rated as: Satisfactory**

#### Supporting Evidence:

- + Incremental analysis: support from the project helped fill critical gaps in PA management, including demonstration of detailed management plans, business planning, and biodiversity monitoring.
- + Strong financial control throughout implementation phase.
- + Co-financing contributions exceeded committed amounts.
- Three changes in the position of project manager in first 2-1/2 years diminished overall efficiency, as time and resources were expended to ramp up the implementation each time a new manager started.
- Value for money of the two overseas study tours is uncertain, as there was no evidence of consolidation and dissemination of lessons learned.
- Delays in procuring two automobiles for the project diminished the benefits of these assets.

Considering incremental cost criteria, the GEF funding helped fill important gaps with respect to sustainable PA management. For example, international good practice was introduced for systematic PA management planning, biodiversity monitoring was implemented in the demonstration PA’s, and opportunities for growing and diversifying self-generating income were evaluated through a comprehensive and participatory business planning approach.

The project also had particularly strong financial control procedures, which contributed to the overall cost-effectiveness of the intervention.

Government co-financing exceeded committed sums by approximately 25%.

Overall efficiency was diminished by the three changes in the position of project manager in the first 2-1/2 years of the implementation phase. The current project manager has done a good job recovering some of the lost time, but he started in mid-2013, rather late in the process to fully overcome the loss in time and resources expended during the earlier stages of implementation.

The value-for-money of the two overseas study tours, one to Australia and New Zealand, and the other to Cuba and Brazil, could not be evaluated as there was limited information available, including no evidence of a report consolidating lessons learned.

Due to certain changes to government procurement regulations, there was a delay in procuring two automobiles for the project, and due to this delay, the project was unable to fully benefit from the use of the cars during the implementation timeframe.

### **3.3.6. Country Ownership**

Country ownership is considered to have been satisfactory over the project implementation phase. Project concept was consistent with both State and provincial ecological conservation policies.

There was active and high-level participation among provincial government officials, and the project steering committee was made up of representatives of several cross-sectoral agencies, including the Environmental Protection Bureau, Agricultural Department, Water Resources Department, Tourism Bureau, etc. National level stakeholders also consistently attended project steering committee meetings; although, project effectiveness might have been improved if the State Forestry Administration (SFA) was more involved, expanding linkages with other PA management effectiveness projects under their implementation, and providing State-level guidance involving proposed changes to legislation and strategies involving PA management and financing.

The project has facilitated development of a PA system wide strategy and planning framework and has been advocating for its approval before the end of 2014. Based upon testimonial evidence gathered during the TE mission, approving the strategy and planning framework seems likely, but commitment for implementation is uncertain, in the opinion of the TE team.

### **3.3.7. Mainstreaming**

The project made meaningful contributions in the local communities near the demonstration PA's by formalizing collaborative management agreements, which offer income generation and job opportunities for villagers and also improves natural resource management arrangements. By September 2014, when the TE mission was carried out, 54 separate collaborative agreements concluded with local communities and individuals. Besides this, 4 benefit-sharing agreements were concluded with private sector stakeholders, further adding to the positive effects on local populations. These collaborative arrangements offer replication opportunities throughout the Gansu PA system, which is extensive, with 67 PA's covering nearly more than 10 million ha of land area.

Improved management of the protected areas and increased awareness of the risks associated with climate change, also contributes to improved institutional capacity to cope with natural disasters.

The project design indicated that there would be a strong emphasis on promoting gender equity, but there was not specific activity or performance indicator formulated that addressed gender issues. The socio-economic assessments of the communities situated near the demonstration PA's confirmed the widely reported fact that young males have migrated in large numbers to Lanzhou and other urban areas, leaving women, the elderly, children, and minority communities to tend to family farms and other local income-generating endeavors. Through the collaborative management agreements concluded with local communities, these groups will undoubtedly benefit.

The project put deliberate focus on ensuring the trainings delivered to PA staff had representative participation by women; according to PMO records, 32% of the training recipients were women. One of the aims of the Taohe Forum workshops was to advocate gender and minority issues; participation at the second forum had quite good participation from these groups.

There was no evidence of direct linkage between the project and other UNDP CO projects focusing on gender, poverty alleviation, and disaster risk reduction issues. But, lessons learned were shared through the active participation by the UNDP CO program manager of the Environment & Energy team.

Women were satisfactorily represented among the project team and the UNDP. According to feedback from the PMO, Madame Guo Ping, the second secretary of the NPD, made significant contributions to the project, particularly during project manager transitions. The deputy project manager had an active and influential role on the project, providing frequent training and coaching to the PMO and PMU staff. The finance officer, finance assistant, project assistant, and project interpreter were also all women, as well as several staff among the 4 PMU's. The GEF RTA is a woman, who was consistently involved on the project throughout the entire implementation phase. The program associate of the UNDP CO Environment & Energy team is also a woman, and she provided assistance and guidance on a wide range of issues, from financial control, logistics, procurement, etc. Finally, the CBPF program officer provided regular and helpful guidance during the project, facilitating information exchange and study tours with the other projects under the CBPF concurrently operating.

### 3.3.8. Sustainability

Sustainability is generally considered to be the likelihood of continued benefits after the project funding ends. Under GEF criteria, each sustainability dimension is critical, so the overall ranking cannot be higher than the lowest one.

**Overall, sustainability of the project is rated as: Moderately Likely**

#### Supporting Evidence:

- + PA system wide strategy and planning framework likely to be approved before project closure;
- + Strengthened institutional and individual capacities, albeit mostly among the demonstration PA's contributes to improved and sustainable PA management;
- + Government funding levels to PA's have increased substantially in recent years;

- + Nature reserves have the autonomy to fully utilize the revenue they earn;
- + Local communities are generally better off with the protected areas rather than without them, and conflicts have decreased in recent years;
- + Co-Financing and associated financing during project implementation was high;
- + Strong government support for a new GEF-financed biodiversity project in Gansu;
- A sustainability strategy has not been formulated to ensure project results followed up after GEF funding ceases;
- There are limited, viable revenue streams available to PA's, and one of the key ones they have (tree nurseries) seems fairly vulnerable because of possible future changes in government priorities and increased competition from local farmers and enterprises;
- Institutional arrangements around PA management remain complex, with several agencies having mandates to manage PA's, and multiple funding sources have certain restrictions on how funds are utilized, e.g., for capital or operational expenses;
- Biodiversity monitoring not obligatory under national PA legislation;
- Socio-economic conditions in many rural communities near PA's in Gansu are below average, due to limited economic opportunities and consequent high levels of migration to urban areas.

Several factors enhance the sustainability of project achievements; including, development of a PA system wide strategy and planning framework, demonstration of using international best practice management tools can bolster effectiveness and financial sustainability of PA's, and also demonstration of reducing local conflicts through collaborative management agreements. Institutional arrangements around PA management in China remain complex, thus affecting system level change is difficult. Sustainability of the project results is also diminished by the lack of a sustainability strategy.

### **Financial Risks**

**The Financial Risks dimension of sustainability is rated as: Likely**

Governmental funding directed to PA's have substantially increased in recent years; in fact, by 2011, the year of the project inception, three of the four demonstration PA's had been allocated financing exceeding levels considered optimal in the 2009 project document. The financing arrangements are complex, however, with some limitations on how the available funds can be spent, e.g., for capital or operating expenses.

Self-generating revenue by the demonstration PA's has modestly increased in recent years, but there has not been much change in terms of diversification of revenue streams. An important revenue source throughout Gansu is the sale of tree seedlings and saplings, for community greening projects and government-driven reforestation/afforestation programs. There is increasing competition in the tree nursery business, from local farmers and enterprises, many of whom receive more or less free technical advice from PA staff.

The PA's have the advantage of operating under arrangements that allow them to fully utilize the revenue they earn. And, the project did provide meaningful training in business planning which has certainly strengthened the capacities of the demonstration PA's to grow and diversity revenue.

Even the PA's are successful to increase their revenue streams; they will still likely be mostly dependent on government financing. For example, some of the PA's are in rather remote areas, limiting their prospects for significantly increased numbers of eco-tourists and other self-generating revenue sources.

There remain financing gaps, e.g., two of the four demonstration PA's showed which line items in their action plans they cannot finance with the funds available to them. But, strengthened planning and financing capacities, and increasing trends in government funding, the demonstration PA's have a good chance to reach and maintain sustainable financing arrangements.

### ***Socio-Economic Risks***

#### **The Socio-Economic Risks dimension of sustainability is rated as: Likely**

Local communities living near PA's are most often rural, and tend to have below average socio-economic conditions, due to limited economic opportunities, migration of young males to urban areas, lower than average quality of education, etc. And, there are often higher than average numbers of minorities in these communities. The situation in Gansu is consistent with these trends. On top of those circumstances, income-generation potential from farming has decreased in recent years, leaving many households struggling to make ends meet. Due to these deprived socio-economic conditions, there was a period of time that incidents of illegal activities within the forested lands was on the rise; including unauthorized harvesting of firewood and hunting wildlife. This caused conflicts between local communities and PA administrations. But, the situation has been improving in recent years.

During the TE mission, interviewed local residents stressed that the PA's have provided a great deal of infrastructure assistance to them in the past 10-20 years, including improving roads, providing piped potable water supply, and also financing expansion of electricity distribution networks. In recent years, there has been more work opportunities also extended to local villagers, mostly for maintenance of tree nurseries. In other words, the communities indicated that they are better off having the PA's as neighbors, compared to the time before the PA's were established.

The project facilitated realization of collaborative management agreements, which reinforces the cooperation between local communities and PA administrations, and further contributes to improved public relations and fewer conflicts.

### ***Institutional Framework and Governance Risks***

#### **Institutional Framework / Governance dimension of sustainability is rated as: Moderately Likely**

The strong capacity building dimension of the project resulted in strengthened capacities both at the institutional and individual levels. And, the project facilitated change to provincial level policies, including developing a PA system wide strategy and planning framework which is expected to be approved by the GFD before the end of 2014.

Institutional arrangements around PA management, however, remain complex, with several agencies mandated with PA management responsibilities. While the project made some contribution toward improving inter-agency collaboration, e.g., among the GFD, Environmental Protection Bureau, Department of Agricultural, and the Department of Water Resources, effective PA-system scale management will remain a challenge as long as responsibilities and funding schemes are spread out among several agencies.



## Environmental Risks

### The Environmental Risks dimension of sustainability is rated as: Likely

Through improved institutional frameworks and capacities, partly facilitated by the project, environmental risks are likely to be reduced over time. For example, by adding biodiversity monitoring to PA management regimes, nature reserve decision makers will be better informed of possible impacts to biological or hydrological resources, so that mitigation actions can be timely implemented. These strengthened capacities improves the likelihood that relevant coping strategies will be put into place to reduce the effects of climate change, which in turn increases the resilience of both local ecosystems and communities.

#### 3.3.9. Catalytic Role

The catalytic role of the project was an integral dimension of the project design, as the overall objective was to impart improved financial sustainability and management effectiveness across the entire PA system in the Gansu province, and roughly half of implementation budget was allocated for demonstration of best practices in PA financing and management.

With respect to **demonstration**, the project did a good job with building capacity among the four demonstration PA's, and the introduced planning tools have been partly operationalized in the form of action plans, which each of the PA's are implementing to varying degrees.

As discussed in Section 3.3.3, the knowledge management aim of the project design was focused around development of a PA system-wide database, and no specific emphasis was placed on distilling the financing and management techniques promoted at the demonstration PA's in the form of a case study, which could then have been utilized on a broader scale, thus potentially increasing the catalytic effect of the project.

According to testimonial evidence obtained during the TE mission, the project has also been influential in promoting **replication** of some of the activities. For example, representatives from the Dunhuang PA, situated within the Gansu province but not one of the four demonstration ones, had several meetings with PMO staff to learn from the project-sponsored interventions, and this PA was subsequently successful in obtaining government funding for wetland rehabilitation/conservation. The PMO staff members are also making concerted efforts promoting the use of the project-developed biodiversity monitoring database for other PA's within the province.

**Scaling up** of project results has been limited, partly because of the longer time required before the incremental benefits from the GEF-financed project will impact PA management on a system level scale. If the pending PA system wide strategy and planning framework and the Taohe Basin financing plan are approved before project closure, then the likelihood for catalyzing change on a provincial level will be enhanced.

There was some anecdotal evidence provided during TE mission interviews that project has also responded to inquiries from the State Forestry Administration (SFA) regarding the monitoring protocol and database developed as part of the project for the four demonstration PA's. In the opinion of the TE team, these management tools will need to be further refined and rolled out on a provincial scale, before considering scaling up to a wider level.

Finally, a strong indication of catalytic role is the development of a new, larger GEF-financed biodiversity project with the Gansu Forestry Department.

### 3.3.10. Impact

Environmental stresses at the beginning of the project included:

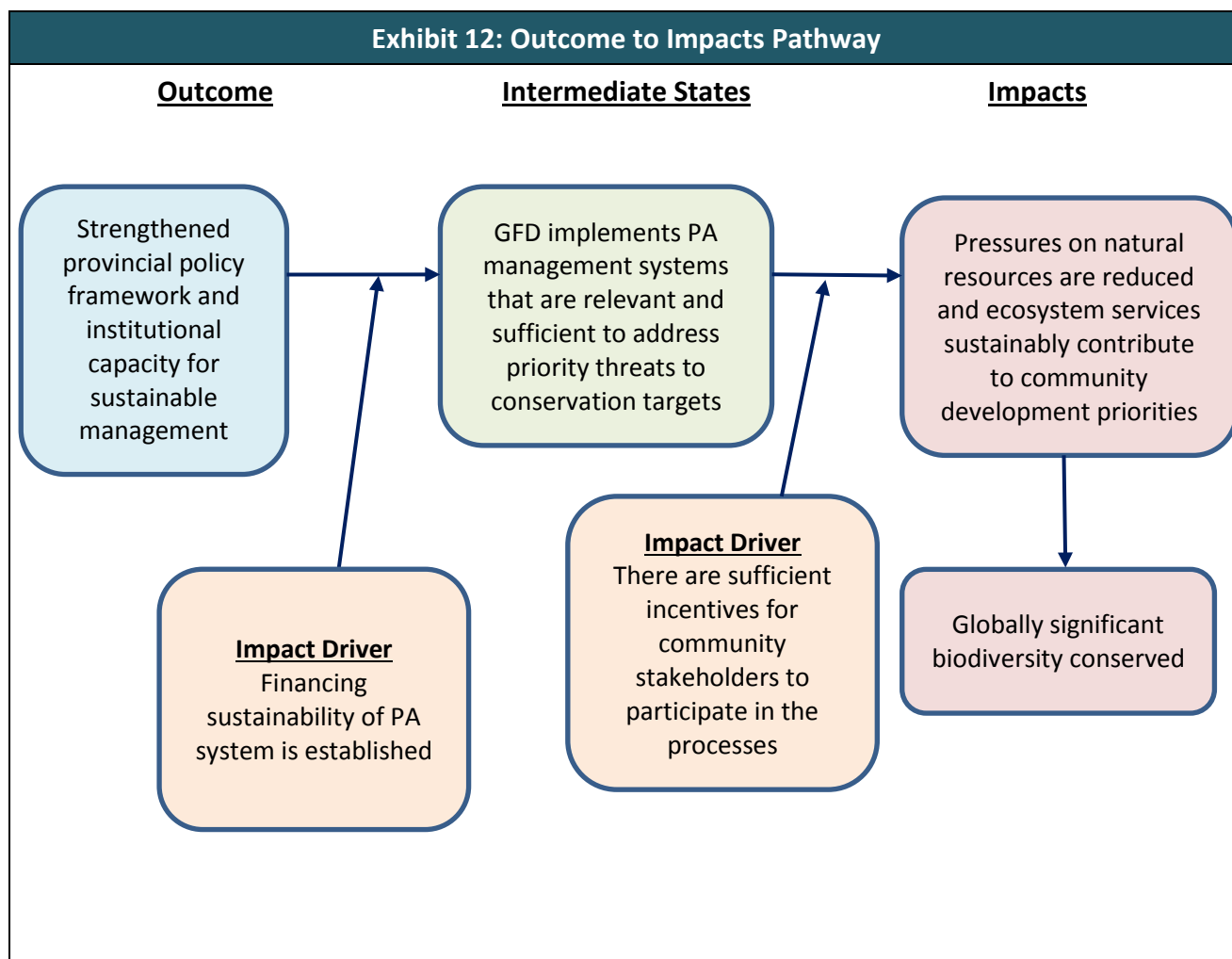
- Diminished forest size;
- Land conversion and fragmentation;
- Over-harvesting of biological resources;
- Inappropriate tourism development; and
- Lack of promotion of biodiversity conservation.

The Assessing impact is not particularly feasible, simply because there has been insufficient time to facilitate verifiable improvements in ecological status, and a lack of monitoring data.

| Impact Indicator   | Evaluation Comments  | Impact Rating           |
|--|--|-------------------------|
| Have the environmental stresses been mitigated? At what level?   | The project has made meaningful contributions to reducing environmental stresses, through strengthening institutional and individual capacities with respect to improved PA management effectiveness and financial sustainability. And, introduction of an update PA strategy and planning framework further contributes to mitigating environmental stresses. | <b>Minimal</b>          |
| Have the ecological status of the habitats and resources of targeted species been improved? At what level? | There has been insufficient time to assess verifiable improvements in ecological status. And, a general lack of biodiversity monitoring data limits such an assessment.  | <b>Unable to Assess</b> |

As it is generally too early to evaluate actual impacts, the likelihood of achieving the intended impacts was estimated using the general guidelines of the *Review of Outcomes to Impacts* (ROtI<sup>1</sup>) method, which applies a Theory of Change approach to assess the overall performance of environmental management projects. The first step was to reconstruct an outcome to impact pathway (see below in **Exhibit 12**), based upon the essence of the project design.

<sup>1</sup> The ROtI Handbook, Towards Enhancing the Impact of Environmental Projects, Aug 2009, Global Environmental Facility.



A ROTI desk assessment was then made, based on review of project deliverables and other findings of the terminal evaluation, and the results are summarized below in **Exhibit 13**.

## Exhibit 13: Review of Outcome to Impacts

| Outcome   | Outcome Rating (A-D)   | Intermediate State (IS)  | IS Rating (A-D)     | Impact   | Impact Rating (+) | Overall |
|---|------------------------|--|---------------------|--|-------------------|---------|
| Strengthened provincial policy framework and institutional capacity for sustainable management  | B                      |  | B                   | Pressures on natural resources are reduced and ecosystem services sustainably contribute to community development priorities |                   | BB      |
|   |                        |  |                     | Globally significant biodiversity conserved  |                   |         |
| Outcome Rating Justification: Assume that the PA system wide strategy and planning framework will be approved by the GFD by end of project.                                     |                        |  |                     |  |                   |         |
| Intermediate States Rating Justification: Assumes that Provincial government remains committed to financing and implementing strategies to improve PA management effectiveness. |                        |  |                     |  |                   |         |
| Definitions (extracted from the ROTI Handbook, Aug 2009, GEF):  |                        |  |                     |  |                   |         |
| Outcome Rating  |                        | Intermediate States Rating   |                     | Impact Rating  |                   |         |
| D: The project’s intended outcomes were not delivered.  |                        | D: The conditions necessary to achieve intermediate states are unlikely to be met.   |                     | Rating “+”: Measurable impacts or threat reduction achieved and documented within the project life-span.                     |                   |         |
| C: The outcomes delivered were not designed to feed into a continuing process after funding.  |                        | C: The conditions necessary to achieve intermediate states are in place, but are unlikely to lead to impact.   |                     |  |                   |         |
| B: The outcomes delivered were designed to feed into a continuing process but with unclear allocation of responsibilities after funding.  |                        | B: The conditions necessary to achieve intermediate states are in place, with moderate likelihood that they will progress toward the intended impacts.   |                     |  |                   |         |
| A: The outcomes delivered were designed to feed into a continuing process with specific allocation of responsibilities after funding.   |                        | A: The conditions necessary to achieve intermediate states are in place and have produced secondary outcomes or impacts, with high likelihood that they will progress toward the intended impacts. |                     |  |                   |         |
| Overall Likelihood of Impact Achievement:   |                        |  |                     |  |                   |         |
| Highly Likely   | Likely                 | Moderately Likely  | Moderately Unlikely | Unlikely   | Highly Unlikely   |         |
| AA BA AB CA<br>BB+ CB+<br>DA+ DB+   | BB CB DA DB<br>AC+ BC+ | AC BC<br>CC+ DC+   | CC DC<br>AD+ BD+    | AD BD<br>CD+ DD+   | CD DD             |         |

As outlined above, the impact assessment results indicate that the likelihood of impact achievement is **likely**. This result is contingent upon approval of the PA system wide strategy and planning framework, and the assumption that Provincial government leadership remains committed to finance and implement the actions necessary to ensure effective and sustainable PA management.

## 4. CONCLUSIONS, RECOMMENDATIONS, LESSONS, GOOD PRACTICES

### 4.1. Conclusions

#### **MAJOR ACHIEVEMENTS/STRENGTHS**

##### ***Extensive capacity building achieved through a participatory process***

One of the main strengths of the project was the participatory approach implemented, e.g., engaging all levels of PA administration, from high level managers to PA station technicians. The combined total number of participants in the numerous capacity building events sponsored by the project was more than 1,600, and 32% of those were women. These efforts have strengthened both institutional and individual level capacities, and through the participatory processes, have motivated people to further build upon the achievements demonstrated during the implementation phase.

##### ***Demonstration of inclusive community involvement, formalized through collaborative management and benefit-sharing agreements***

A large proportion of environmental pressures on the natural resources within the PA's in Gansu are a result of activities by local communities. The project did a commendable job at including local community members into the PA management framework, demonstrating to them how their lives and livelihoods could be enhanced through collaborative activities within in the PA's, and in turn, pressures on scarce resources will likely be significantly lowered in the years to come. These arrangements were formalized in the form of collaborative management agreements; 54 agreements had been concluded by the time of the TE mission, in September 2014. This is an impressively large number, and the potential for dissemination of lessons learned is high, provided that there is continued oversight and monitoring on the process.

The project also facilitated four benefit-sharing agreements, signed between private sector stakeholders and local communities. One agreement was concluded in each of the four demonstration PA's: including with an operator of small hydro-electric power station, sharing electricity with 41 households located in the PA; an agricultural enterprise running a tree nursery business, and sharing profits if his income reaches a certain level; an eco-tourism operator; and an enterprise who produces TCM products, who is sharing some of their profits by funding school expenses for some children living near one of the PA's. This is the first time in Gansu that benefit-sharing agreements have been concluded in the context of protected area management.

##### ***PA system-wide strategy and planning framework has high level support within the GFD***

An important component of the project is the drafting of a PA system-wide strategy and planning framework, which is expected to be approved by the GFD by the end of 2014. This might turn out to be one of the main legacies of the project, if there is sufficient commitment to follow up with implementation after project closure. Approval is also expected for a Taohe Basin financing plan, which was also drafted with project support.

##### ***Best practice PA management tools have been operationalized by demonstration PA's***

Contributions from local and one international consultant helped the four demonstration PA's develop PA management tools based on best practice. These tools included a comprehensive management plans, which were produced based upon a detailed analysis of threatening factors, a tourism plan for the Taohe Basin, and separate business plans, aimed at growing and diversifying self-generating income by the PA's. These deliverables were consolidated in 5-year action plans,

one for each demonstration PA, and following approval of the action plans, they were operationalized by the PA administrations, and implementation started in 2013.

### ***Biodiversity conservation showcased through monitoring protocols and information management***

Before this project, biodiversity monitoring was being conducted by only a few PA's managed the GFD, and even fewer had a systematic protocol for monitoring. The project sponsored trainings on biodiversity monitoring, supported establishment of monitoring transects within the demonstration PA's, helped the PA's develop monitoring protocols, and also procured some basic monitoring equipment and supplies. Furthermore, the project supported development of a database for managing the biodiversity information collected. The database development team did a good job producing a system that is web-based, easy to use, and only requires a computer and an Internet connection.

These are meaningful contributions toward biodiversity conservation in Gansu, and the PMO is actively working on promoting replication of the monitoring protocol and database among other PA's in the system.

### ***Preliminary evidence of changes in prioritizing available funds for PA management***

With respect to the four demonstration PA's, there was some evidence that the PA administrations were allocating certain expenditures, at least those within their control, toward activities directed at improved management practices advocated by the project. For example, within the 5-year action plan of the Lianhuashan PA, there are CNY 9.8 million (USD 1.6 million) and CNY 2 million (USD 0.325 million) earmarked for improving the monitoring system and for eco-tourism monitoring, respectively. But, in terms of infrastructure oriented investment, allocation of funds seems more rigid. For example, the central budget funds allocated to the Taizishan PA in 2013 after this nature reserve was upgraded to a national level PA could only be used for pre-defined infrastructure projects.

On a PA system level scale, there was less impact from the project in influencing allocation of available funds. Provincial stakeholders did indicate that CNY 3 million (USD 0.49 million) is earmarked in 2015 for further development-dissemination of the biodiversity monitoring database. But the main result of the project with respect to the PA system level is the PA System Strategy and Planning Framework, which is expected to be approved by the end of 2014.

### ***Facilitated stakeholder involvement through the Taohe Forum and separate PA forums***

The project also organized and sponsored the Taohe Forum, bringing together a wide spectrum of stakeholders to exchange ideas, voice concerns, and try to reach consensus regarding priority actions to take to safeguard the PA ecosystems and also provide opportunities for local communities to benefit from sustainable utilization of natural resources. In response to a recommendation made during the MTR, the four individual PA's sponsored PA-level forums.

### ***Qualified and dedicated project management (mostly during last 1-1/2 years), strong financial control, and consistent support from the UNDP***

After going through 3 different project managers in the first 2-1/2 years, a highly qualified project manager was hired in mid-2013, and he has been able to help recover some of the inefficiencies of the earlier stages of the implementation phase, and motivate the dedicated project management teams to work hard toward fulfilling the project targets. Through guidance from the deputy project manager and UNDP CO staff, the project has maintained strong financial controls, and this has been recognized by the UNDP by using the Gansu project as an example of good



practice in financial management. Also, the UNDP CO program manager, the program assistant, and the GEF RTA consistently supported the project.

## **KEY SHORTCOMINGS**

### ***Objective level indicators provided an inadequate measure of the incremental benefits realized through GEF funding***

The two objective-level indicators rely on a financial scorecard and the METT to evaluate PA financial sustainability and management effectiveness, respectively, across a PA-system scale. It is not a question of setting over-ambitious targets, but rather the indicators do not provide objective or verifiable measure of the incremental benefit realized through GEF funding. Baseline scores were made in 2009, and targets were set for end-of-project scores, i.e., 2014. The TE team concurs that the incremental benefits from the GEF financing feed into the on-going government-driven improvements. The challenge is that there have been strong levels of government investment in recent years; in fact, by the time of the project inception in 2011, funding levels of three of the four demonstration PA's had already met "optimal" level financing outlined in the project document. The other shortcoming is that there were no monitoring metrics worked out to provide a reasonable assessment of the added value of the GEF project; for example, defining what a statistical representative number of PA's would need to be included in the scorecard assessment, how to handle outliers such as PA's receiving extraordinary levels of funding, whether one-off government investments should be included under financial sustainability analyses, etc. And, the 4-year timeframe, which is actually effectively much shorter after factoring out the inception phase and mobilization of the project activities, is also unreasonable, that is simply not enough time to impart verifiable, incremental change on a PA system scale.

In other words, these indicators did not capture the added value provided by this project, as the incremental benefits facilitated from the GEF funding are obscured by the influence of exogenous conditions on the results of the scorecards.

It is important to appreciate that the experience the GFD has had on international projects, has, according to them, been primarily with large infrastructure projects. It is more straight-forward to assess the achievements of an infrastructure project, than one focusing on capacity building and changing mindsets and priorities with respect to PA management. Setting a METT score (or other scorecard) as a measure of achieving the project objective creates an impression to the implementing partner that once they reach that result, their work has been completed. While in reality, maintaining sustainable PA management requires persistence and vigilance over the long-run, is not based on a one-off assessment. Relying on scorecards as objective indicators of success of such as project is too simple, and overlooks the underlying goal of imparting institutional level change.

The TE team does not dispute the usefulness of the METT, financial sustainability scorecard, or capacity building scorecard, but not as measures of achieving the project objective. For example, assigning an indicator to have the METT integrated into GFD's PA management planning framework might have been more appropriate, as that way there is institutional level commitment to continue to evaluate their PA management effectiveness.

### ***Advocacy effectiveness was hampered by inconsistent project management and impractical management arrangements***

The project had a strong advocacy dimension, through influencing PA system level change in management and financing policies and procedures. But, advocacy efforts were considerably hampered by the frequent changes to the project manager position in the first 2-1/2 years of the

implementation phase when there were 3 different project managers. The current project manager, who started in mid-2013, is highly qualified and has been able to recover some of the lost time, but the earlier inefficiencies have impacted the overall sustainability of the project achievements.

Certain management arrangements were also impractical and not conducive for effective advocacy work. One example is the fact that the project management office was established in premises away from the GFD offices. In the opinion of the TE team, it would have been better to embed the team into the GFD offices, thus allowing more regular interaction, participation in *ad hoc* meetings, and more importantly provide more opportunities for informal discussions with key decision makers. This was the first GEF-financed project executed by the GFD, and much of the earlier institutional experience with international projects had been on infrastructure-based investments, where such a management arrangement is more acceptable. But, for a project that was heavily capacity building focused and aimed to feed into existing systems, management arrangements that are conducive for proactive advocacy are important.

#### ***Participation by certain stakeholders was limited***

There were some shortcomings in stakeholder participation that influenced both effectiveness and sustainability of project results. As forest nature reserves make up the majority of PA's in Gansu, and it was appropriate to have the GFD as executing agency. But, the Environmental Protection Bureau has an oversight function for all PA's, and the Ministry of Environment, whom they report to, is the focal point for biodiversity conservation in China. The Environmental Protection Bureau was engaged in the project, for example, participating during project steering committee meetings and various workshops, trainings, etc.; however, it might have been advisable to assign joint implementation responsibility to the bureau, thus facilitating more meaningful inter-agency collaboration and possibly being more successful in advocating for wider adoption of biodiversity monitoring for all PA's in Gansu.

Participation by the State Forestry Administration (SFA) was also limited, e.g., the project did not seem to take advantage of linkages with the PA management improvement programs implemented by the SFA.

At a local level, participation by local governments was not as inclusive as envisioned. There seemed to have been missed opportunities to collaborate with local governments in PA business planning efforts, taking advantage of programs on local economic development, poverty alleviation, and micro-credit facilities.

The Forest Police was not involved in the demonstration level activities under Outcome 2. This stakeholder is responsible for enforcement illegal incidents within PA's, and their records of incidents and input from police staff might have added value to the project's work on improving PA management effectiveness. The Forest Police might have also provided guidance in dealing with reportedly increasing incidence of human-wildlife conflicts (mostly in the form of crop damage) in the local communities near the PA's.

#### ***Knowledge management plans did not match the proposed catalytic role of the project***

Knowledge management was not sufficiently included in the design to support the fundamental catalytic intention of the project. A PA system wide database was planned as the primary knowledge platform, which would enable sharing among each of the PA's in Gansu. The resources required, both in terms of money and advocacy, to develop such database were underestimated, and only a local database was prepared at the PA demonstration level, as the scope was much narrower than originally planned. More importantly, such a database is an inefficient knowledge

management tool, as it reaches mainly a technical audience, having little exposure among key decision makers, and does not address dissemination of project results beyond Gansu. As a project implemented under the CBPF umbrella, a much stronger knowledge management component should have been included in the design.

### ***Project design was insufficiently linked to policies and procedures of the beneficiary***

Overall, the project design was relevant and circumstances at the time of project preparation were thoroughly researched and documented. There was, however, somewhat of a lack of linkage of project activities to existing institutional policies and procedures. For example, the master plans for each separate PA are important platforms for setting management objectives; however, the planning tools promoted by the project, such as the tourism plan, monitoring protocol, business plan, were not designed to be integrated into the respective master plans of the PA's. Another example is the planned database. While the intent to fill a gap in information management was well-founded, such a database should not be a stand-alone product, but rather integrated into the ongoing monitoring (such as fire suppression) and reporting demands of the PA's. An information management system is much easier to advocate if decision makers can see how their work can be facilitated, rather than introducing a new tool that seems to add to their administrative burden.

### ***Monitoring & evaluation shortfalls: insufficient focus on results and lack of adjustment to changed circumstances***

The project team did a very good job with monitoring at the activity level. PMO staff regularly visited the project management units (PMU's) within the 4 demonstration PA's, and also the PMO team has made a deliberate attempt over the past year to visit as many other PA's as they can, to promote the project results, including the monitoring protocol and database. However, the M&E focus on results was weak. For example, ensuring that sufficient time and resources were allocated for priority aspects, such as the completion and eventual approval of the PA system wide strategy and planning framework. Under Outcome 2, each of the PA's indicated to the TE team that they have been implementing the action plan developed by consolidating the planning tools developed during the project, but there was no information available of the progress made since implementation since 2013. Also, updated PA budget and revenue data needed to be requested from the PA administrations by the TE team; this information should have been regularly compiled and analyzed by the project team.

Also, changed circumstances were not fully assessed at the inception phase; for example, funding levels of across the PA system, the status of master plan updates among the demonstration PA's, etc. And, there were limited monitoring metrics worked out to enable objective verification of progress made on some of the indicators established in the logical results framework.

### ***Contribution from international experts did not match the underlying objective of the project***

One of the main added values of this project was introduction of international best practice in terms of PA management and financing. But, less than 4% of the implementation budget was allocated for contributions by international experts, excluding the mid-term and terminal evaluation consultants. The explanation the TE team was provided was that the available funds were insufficient to support a high proportion of international expertise on this project. Considering the underlying objective of the project, the TE team considers <4% of total cost an insufficient level of involvement by international experts.

### ***Limited focus on developing a sustainability strategy***

The advances in PA management and financing promoted by the project will require further oversight to ensure the intended results are eventually realized. For example, how will the PA

system wide strategy be integrated at the operational level of the GFD? Will the financing strategy lead to more sustainable allocation of available resources and will diversification of revenue sources result in higher levels and more sustainable PA financing? How will biodiversity conservation be mainstreamed into PA legislation and operations? There was no evidence of a specific sustainability strategy to address these and other questions after project closure. And, there is no evidence of commitment to continue support of the Taohe Forum.

## **4.2. Recommendations**

### **ACTIONS TO FOLLOW UP OR REINFORCE INITIAL BENEFITS FROM THE PROJECT**

#### ***1. Nominate a champion to facilitate post-project activities over a minimum 5-year period***

A “champion” should be nominated to oversee post-project activities, liaise with the demonstration PA’s at least during the 5-year time period of the developed action plans, promote dissemination among the other PA’s, and facilitate inter-agency coordination regarding PA management and financing strategies.

#### ***2. Integrate the utilization of the METT into the PA system wide strategy and planning framework, develop an outline for implementation of the strategy/planning framework, and advocate approval***

At the time of the TE mission, the PA system wide strategy and planning framework had not been completed and submitted for approval by the GFD. The project team should prioritize allocation of remaining time and resources to facilitate the completion of this document, and also ensuring that there are mechanisms in place for operationalizing and funding the implementation of the strategy following project closure. We also recommend integrating utilization of the METT in the strategy/planning framework, to provide a uniform and internationally-accepted tool for tracking management effectiveness of protected areas.

#### ***3. Develop a monitoring and evaluation framework for the Taohe Basin Financing Plan, including an annual progress report***

Similarly, the Taohe Basin Financing Plan was pending approval at the time of the TE mission. This is also an important project product, and advocating approval of the plan should be a priority of during the remaining few months of project implementation. It would be advisable to develop a monitoring and evaluation framework for the implementation of the financing plan, including provisions to prepare annual progress reports.

#### ***4. Have the demonstration PA’s design and implement a monitoring & evaluation plan for their 5-year action plan, and submit annual progress reports to relevant GFD directors***

The demonstration PA’s should design and implement a monitoring & evaluation plan for their 5-year action plans, and submit an annual progress report to relevant GFD directors. Two of the four demonstration PA’s could not fully finance their action plans with their available resources, so these progress reports, supported by quantitative monitoring & evaluation results, can be used as mechanisms for justifying additional provincial or State level financing.

#### ***5. Develop a system for tracking collaborative management and benefit-sharing activities, incomes earned by local communities, and cost savings for PA administrations***

The project had good success in concluding a large number of collaborative management agreements with local communities, and at least one benefit-sharing agreement was signed with private sector stakeholders in each of the four demonstration PA’s. The implementation of these agreements could potentially be used to inform legislative reform and also be replicated in other PA’s in Gansu and in other parts of the country. It would be advisable to develop a system for

tracking the implementation of these agreements, for example, recording incomes earned by local communities, the number of people benefiting, cost savings for the PA administrations, etc.

#### ***6. Further develop biodiversity monitoring capacities and activities***

The project helped strengthen important, foundational capacity among the demonstration PA's with respect to biodiversity monitoring, which is not obligatory under current regulatory frameworks and has not been traditionally carried out by these forest nature reserves. Moving forward, biodiversity monitoring should be further developed and integrated with strategic planning efforts. For example, impact monitoring could be expanded to also focus on particularly sensitive species to climate change, so that decision makers could develop coping strategies. Also, the impacts on biodiversity from increased numbers of eco-tourism visitors could inform planners to design facilities and services with more of a biodiversity conservation centric focus. Furthermore, there are extensive reforestation/afforestation being implemented in and near the PA's in Gansu, but there seems to be little monitoring in place to allow assessment of the impact on biodiversity from these efforts.

### **PROPOSALS FOR FUTURE DIRECTIONS ADHERING TO THE UNDERLYING MAIN OBJECTIVES**

#### ***7. Carry out value chain analysis on production timber business, to evaluate opportunities for expanding revenue for PA's***

Income generated through tree nursery activities is the primary source of self-generating revenue at 3 of the 4 demonstration PA's, and has been suggested for the 4th one. The PA's are fairly vulnerable, however, to possible future policy shifts regarding greening and other reforestation/afforestation interventions, and increased competition for local farmers and enterprise, many of whom receive more or less free technical advice from the PA's, are steadily capturing more market share. The value chain analysis should be made to investigate ways to grow this business line for the PA's and help make them more resilient to external conditions. One possibility, which was not considered in the business planning activities during the project, is participation further along the value chain of the production timber market. Even if the production forests are not located within the PA's, the GFD likely is overseeing land where such forests are operating or could be through some type of lease arrangement.

#### ***8. Develop a database that is more inclusive of PA monitoring and reporting needs***

The project facilitated development of a web-based, user-friendly database for recording biodiversity monitoring information, and demonstrated the potential benefits of linking the PA stations and the PA administrations with an improved information sharing procedures. It would be easier to obtain institutional level buy-in if such a system includes existing monitoring and reporting demands with other levels of added value, such as biodiversity data, rather than if the database has a relatively narrow focus, and possibly seen as an additional administrative burden to the PA managers. For example, there is a good deal of information, such as forest surveillance, fire suppression monitoring, records of illegal forest incidents (recorded by the Forest Police), that that PA's are managing, and they are obliged to issue regular reports to the SFA and other stakeholders. A thorough stakeholder analysis should be made to obtain feedback from key users and beneficiaries, so that the database could be developed as inclusively as possible.

#### ***9. Incorporate improved planning tools, financing strategies, and monitoring protocols into PA master plans***

The PA management planning and financing plans developed for the four demonstration PA's should be incorporated into the master plans for these nature reserves, to strengthen institutional commitment to improved PA management and sustainable financing.



### ***10. Add community relations and business development functions to PA organizational structures, and form closer linkages between PA administrations and local governments where they are operating***

Community relations and business development are uncommon skill sets among PA staff, but these functions are increasingly becoming important for ensuring sustainable PA management. Also, there are an increasingly number of State-financed programs in China implemented at the local government level that are focusing on economic development, poverty alleviation, eco-tourism, sustainable agricultural, etc., that have overlapping objectives with the aim to support communities living in and near PA's while also conserving scarce natural resources. It would advisable to add community relations and business development functions to the PA organization structures, to help maintain mutually supportive community relations, capitalize on opportunities among local government socio-economic development programs, and facilitate a diversified portfolio of viable and sustainable income-generating activities for the PA.

### ***11. Include provisions on contracting for concession services into PA legislation***

The project demonstrated how benefit-sharing agreements with private sector stakeholders can add to improved community relations and also, potentially, more sustainable financing for the PA's. As several other countries have done in the past 10-20 years, provisions on contracting concession services should be included in to PA legislation, including payments for concessioners to the relevant provincial authority in return for the privilege to do business within a unit of the PA system, and the transfer of concession contracts or permits.

### ***12. Sponsor community level implementation and training activities, including demonstrating alternative livelihood strategies, providing targeted skills and management training, and facilitating access to micro-finance opportunities.***

The collaborative management agreements reached during the project provide a framework for local stakeholders to more inclusively participate in PA management. The process of implementing these agreements would be reinforced through demonstrating alternative livelihood strategies, providing targeted skills and management training, and facilitating access to micro-finance opportunities.

## **4.3. Good Practices and Lessons Learned**

### **GOOD PRACTICES**

Some of the activities and approaches deployed by the project are noteworthy as good practices, including those presented below.

#### ***Participatory Approach***

The participatory approach followed by the project was effective in reaching a wide range of levels with the PA administrations, and also within the local communities. Sustainability is enhanced because of this process, as not only high level staff members were engaged.

#### ***Improving communication with local stakeholders***

Reaching collaborative management agreements with local communities expanded the traditional fire suppression agreements that were in place with some of the communities, with more of a mutually beneficial arrangement, which focused on opportunities for alternative livelihoods for the villagers, while also conserving the protected ecological resources.

#### ***Standardized procedures***

Introducing assessment scorecards, i.e., METT, Financial Sustainability, Capacity Building, provided standardized tools for PA administration managers to use in evaluating the effectiveness of their



PA management and the capacity of their staff to fulfill the required roles and responsibilities to reach sustainable management. Also, In addition to strengthening capacities with respect to biodiversity monitoring, introduction of the biodiversity monitoring database provided the demonstration PA's with a standardized mechanism for recording and tracking monitoring results. These standardized procedures were well received by the PA staff among the four demonstration PA's.

### ***Benefit-sharing agreements***

Conclusion of the benefit-sharing agreements is the first time such arrangements have been formulized. There is a high catalytic potential in other parts of Gansu, and beyond.

### ***Taohe and PA Forums***

The Taohe and PA forums offered stakeholders a platform to exchange ideas, voice opinions, and discuss priority needs. Under business-as-usual practice, such opportunities have been largely unavailable for many stakeholders.

### ***Assigning implementation tasks to PA staff (PMU's)***

Engaging PA staff in the implementation of the project enhanced sustainability, particularly at the demonstration PA level. Following project closure, these staff members will remain inside the organization and are, hence, natural choices for champions to oversee post-project activities.

## **LESSONS LEARNED**

### ***Knowledge management should match the catalytic objectives of a project***

Planning knowledge management for a project should be consistent with the catalytic objectives. On this project, the underlying project objective was to strengthen PA management effectiveness and financing sustainability across the entire Gansu PA system. This inherently requires participation and buy-in from all levels within the relevant institutions, and including high-level decision makers. Assigning a technical database as the main knowledge management platform is not consistent with the required stakeholder involvement. The secondary catalytic objective was to replicate lessons learned from demonstration of integrating best practice PA management and financing techniques to other PA's in Gansu and also to other areas in China. There was insufficient foresight and resource allocation for ensuring that adequate knowledge management mechanisms were included to fulfill these objectives.

### ***Baseline circumstances and stakeholder participation should be carefully re-evaluated at the inception phase, and adjustments made according to updated priorities and conditions***

Circumstances are rapidly changing in China, as the country continues impressive socio-economic expansion, as well as rolling out ambitious ecological conservation investments and programs. Under this context, a period of 2 years can be significant, as shown in this project, in which certain baseline conditions, such as government funding to PA's, changed significantly between 2009 when the project was being prepare to 2011, when the project started implementation. It is important to utilize the opportunity of the inception phase, to re-evaluate baseline conditions and also stakeholder participation, and make adjustments where warranted.

### ***Introduction of PA management tools and financing strategies should be better integrated into existing systems***

The incremental benefits on a GEF-financed project typically include introduction of new management techniques, e.g., on this project, best practices in PA management and financing were demonstrated at 4 PA's in Gansu. It is important to integrate these introduced tools into existing systems, so that there is an increased likelihood for sustainability of the achievements

after project closure. In this case, each of the 4 demonstration PA's were undergoing review of their master plans during the 4-year project implementation period. It would have been prudent to work with PA planners and advocate incorporating certain project-sponsored tools into the master plans, such as the PA management plans, business plan, tourism plan, and biodiversity monitoring protocol.

***Effectiveness might be improved under a joint Implementation modality***

Institutional arrangements for PA management in China, as several different agencies have mandates for managing nature reserves. Considering that this project was operating under the GEF biodiversity focal area, it might have been advisable to have designed a more active role for the Environmental Protection Bureau, which has oversight responsibility for all PA's in Gansu and is the focal agency for biodiversity issues. As the majority of PA's in Gansu are forestry nature reserves, it was understandable that GFD was the lead implementing partner, but overall effectiveness and better cross-sectoral collaboration might have been achieved under joint implementation with the Environmental Protection Bureau.

***Contributions from international expertise should better match the underlying project objectives***

One of the main aims of this project, and frankly, an overwhelming common expectation among interviewed stakeholders, was the introduction of international best practices. But, <4% of the implementation budget was allocated for contributions from international experts, and only one international consultant (business planning) provided assistance to project implementation, apart from the evaluation consultants. The balance between support from international and local experts should match the underlying objectives of the particular project.

***Management arrangements and the modality of how the executing agency and project management team should be fit for purpose***

This was first time the GFD executed a GEF-financed project, and managers indicated that the international projects they have under their portfolio have mostly been infrastructure oriented. Conversely, the GEF project had a strong capacity building focus, and the aim was to feed new management practices into existing policies and procedures. Certain management arrangements, such as setting the PMO into a separate office from the GFD were not conducive to the advocacy work that was required.

## 5. ANNEXES

### Annex 1: Evaluation Mission Itinerary (4-15 September 2014)

| Date  | Activity / Participants  |   |
|-------|--|---|
| 4 Sep | TE Consultants arrive Lanzhou  |   |
| 5 Sep | <b>TE Meeting of UNDP-GEF Strengthening Globally Important Biodiversity through Protected Area Strengthening in Gansu Province &amp; Visit PSC Members</b><br>(Venue: Meeting Room, 5 <sup>th</sup> Floor, Middle Building of Lanzhou Hotel )                                      |   |
|       | <b>Participants :</b> Zhang Ping, James Lenoci, Li He, Zhang Jian, Zhang Xiaoping, Zhou Mei, Lian Xuebin, Ma Xuming, Wang Yaolin, Gao Songxia, Ouyang Feng, Ma Yan, Wang Huali, Shi Liuyan, Jia Juan, Shen Ying.<br>(16 in total)  |   |
|       | 07:30-08:30  | Breakfast (Room 109, Xin Restaurant)  |
|       | 09:00-09:20  | Welcoming Speech, Mr. Zhang Jian, Chief of International Division, Provincial Dept of Finance                       |
|       | 09:20-09:30  | Speech by TE Consultants James Lenoci& Ms. Li He  |
|       | 09:30-10:00  | Briefing by Mr. Ouyang Feng, Project Manager/Chief Technical Advisor, on Project Progress                           |
|       | 10:00-10:20  | Q&A and Discussion  |
|       | 10:20-10:30  | Group Photo & Coffee Break  |
|       | 10:30-11:00  | Mrs. Ma Yan, Assistant Project Manager, introduces project outcomes.  |
|       | 11:00-11:20  | Q&A and Discussion  |
|       | 11:20-11:40  | Concluding Remarks by Mr. Zhang Ping, National Project Director   |
|       | 11:40-11:50  | Summary Speech.   |
|       | 12:00  | Lunch (Room 267&268, Huifeng Restaurant)  |
|       | 14:30-15:00  | Briefing with Mr. Zhang Ping, Deputy Director General/National Project Director, GFD                                |
|       | 15:00-15:30  | Briefing with Ms. Wang Jing, Chief of Administration and Regulation Division, Gansu Provincial Government           |
|       | 15:30-16:00  | Briefing with Mr. Zhang Jian, Chief of International Division, Financial Department                                 |
|       | 16:00-16:20  | Break   |
|       | 16:20-16:50  | Briefing with Mr. Zhang Jun, Chief of Natural Ecology Conservation Division, Environmental Protection Department    |
|       | 16:50-17:20  | Briefing with Mr. Zhu Xizhao, Chief of Science and Technology & Foreign Affairs Division, Water Resource Department |
|       | 17:20-17:50  | Briefing with Mr. Lian Xuebin, Director of Project Execution Office, GFD  |
|       | 18:30  | Dinner (Room 267&268, Huifeng Restaurant)   |
| 6 Sep | <b>Meeting in GahaiZecha PA</b>  |   |
|       | <b>Venue:</b> Meeting Room,Gahai-Zecha PA Bureau<br><b>Participants:</b> James Lenoci, Li He, Wang Yaolin, Ouyang Feng, Wang Huali, Jia Juan, Kang Lei, Dou Gejia, Chen Youshun, Zhao Long, Wang Lin, Li Junzhen, Li Shiyang, Hong Qiangqiang, Jiang Hui, Xin Yumei. (16 in total) |   |
|       | 07:30-08:00  | Breakfast (Zhonghua Restaurant)   |
|       | 08:10-16:00  | Set out to GahaiZecha PA (Lunch)  |
|       | 16:30-16:40  | Welcoming Speech, Mr. Mu Jinrong, Director of GahaiZecha PA Administration  |
|       | 16:40-16:50  | Speech by TE Consultants James Lenoci& Ms. Li He  |

| Date  | Activity / Participants   |  |
|-------|---|--|
|       | 16:50-17:20   | Briefing by Mr. Dou Gejia, staff in charge of the project, on project summary report.                        |
|       | 17:20-17:40   | Q&A and Discussion   |
|       | 17:40-17:50   | <i>Coffee Break</i>  |
|       | 17:50-18:20   | Introduction of project outcomes by Mr. Zhao Long, Project Staff   |
|       | 18:20-18:50   | Q&A and Discussion   |
|       | 18:50-19:00   | Summary Speech.  |
|       | 19:00-19:30   | Briefing with Mr. Xu Changji, PA Financial Staff   |
|       | 19:00   | <i>Dinner</i>  |
| 7 Sep | <b>Field Visit in GahaiZecha PA</b>   |  |
|       | <b>Venue: Gahai-Zecha PA community</b>  |  |
|       | <b>Participants: James Lenoci, Li He, Wang Yaolin, Wang Huali, Dou Gejia, Zhao Long, Xi Hedao.(7 in total)</b>  |  |
|       | 07:30-08:30   | <i>Breakfast</i>   |
|       | 09:30-11:30   | Inspect monitoring line transects of birds in Gahai Lake   |
|       | 12:00-13:30   | <i>Lunch (Gahai Lake)</i>  |
|       | 13:30-15:00   | Visit communities in Guomaotan. Discussion with Mr. Xi Hedao, herdsman in charge of co-management agreement. |
|       | 15:00-18:00   | Set out from Guomaotan to Taohe PA Administration (Zhuoni County)  |
| 8 Sep | <b>Meeting in Taohe PA&amp; Field Visit</b>   |  |
|       | <b>Venue: Meeting Room, Taohe Forestry Bureau</b>   |  |
|       | <b>Participants: James Lenoci, Li He, Wang Yaolin, Ouyang Feng, Wang Huali, Jia Juan, Zhang Duohou, Zhang Faji, Li Zhanjun, Gou Xiaocheng, Yang Linshen, Yan Jun, Zhao Chengbin.( 13 intotal)</b> |  |
|       | 07:30-08:30   | <i>Breakfast</i>   |
|       | 09:00-09:10   | Welcoming Speech, Mr. Gong Wenpeng, Director of Taohe PA Administration                                      |
|       | 09:10-09:20   | Speech by TE Consultants James Lenoci& Ms. Li He   |
|       | 09:20-09:50   | Briefing by Mr. Zhang Faji, staff in charge of the project, on project summary report.                       |
|       | 09:50-10:20   | Q&A and Discussion   |
|       | 10:20-10:30   | <i>Coffee Break</i>  |
|       | 10:30-10:50   | Introduction of project outcomes by Mr. Zhang Duohou, Project Staff  |
|       | 10:50-11:20   | Q&A and Discussion   |
|       | 11:20-11:30   | Summary Speech.  |
|       | 11:30-12:00   | Briefing with Mr. He Houjun, PA Financial Staff  |
|       | 12:00-13:30   | <i>Lunch</i>   |
|       | 14:00-16:00   | Set out to Yeliguan National Forest Park   |
|       | 16:30-17:30   | Visit community and discussion with community resident in charge of co-management agreement                  |

| Date   | Activity / Participants   |  |
|--------|---|--|
|        | <b>Participants: James Lenoci, Li He, Wang Yaolin, Ouyang Feng, Wang Huali, Kang Lei, Jia Juan, Gou Xiaocheng, Yang Linshen, Zhang Duohou, Mao Xinping. (10 in total)</b>   |  |
|        | 18:00-19:30   | <i>Dinner (Agritainment in Yeliguan)</i>   |
| 9 Sep  | <b>Field Visit &amp; Meeting in Lianhuashan PA</b>  |  |
|        | <b>Venue: Meeting Room, Lianhuashan PA Bureau</b>   |  |
|        | <b>Participants: James Lenoci, Li He, Wang Yaolin, Ouyang Feng, Wang Huali, Jia Juan, Ma Tingrong, Yang Pei, Zhang Xingli, Zhangxuexia, Du Chenggang, Qi Xiuli, Jin Chengdong, Wei Yongchang, Ma Keqiong, Zhang Bingzhu, Chang Peilan, Niu Yunxia, Tang Yuan, Zhu Yongping, Xie Pengqi. (21 in total)</b> |  |
|        | 07:30-08:30   | <i>Breakfast</i>   |
|        | 09:00-10:30   | Set out to Lianhuashan PA Administration   |
|        | 10:30-11:00   | Inspect monitoring line transects of wild plants in Badu Station.                          |
|        | 11:00-11:30   | Discussion with community resident in charge of co-management agreement.                   |
|        | <b>Participants: James Lenoci, Li He, Wang Yaolin, Ouyang Feng, Wang Huali, Kang Lei, Jia Juan, Li Derui, Zhang Zhongcheng, Dezhong, Yang Pei, Zhang Xingli, Wang Heqing, Xian Zhongcheng, Chang Haizhong, Ma Yuhai, Ma Qihua, Chen Donghong. (18 in total)</b>   |  |
|        | 11:30-12:00   | Back to Lianhuashan PA Administration (Kangle County)                                      |
|        | 12:00-13:30   | <i>Lunch</i>   |
|        | 14:30-14:40   | Welcoming Speech, Mr. Ma Tingrong, Director of Lianhuashan PA Administration               |
|        | 14:40-14:50   | Speech by TE Consultants James Lenoci & Ms. Li He  |
|        | 14:50-15:20   | Briefing by Mr. Yang Pei, staff in charge of the project, on project summary report.       |
|        | 15:20-15:50   | Q&A and Discussion   |
|        | 15:50-16:00   | <i>Coffee Break</i>  |
|        | 16:00-16:30   | Introduction of project outcomes by Mr. Zhang Xingli, Project Staff                        |
|        | 16:30-17:00   | Q&A and Discussion   |
|        | 17:00-17:10   | Summary Speech.  |
|        | 17:10-17:40   | Briefing with Mrs. Niu Yunxia, PA Financial Staff  |
|        | 17:40-18:00   | Briefing with representative of private sector--Yishun Company                             |
|        | 18:00   | <i>Dinner</i>  |
| 10 Sep | <b>Meeting &amp; Field Visit in Taizishan PA</b>  |  |
|        | <b>Venue: Meeting Room, 4<sup>th</sup> Floor, Taizishan PA Administration</b>   |  |
|        | <b>Participants: James Lenoci, Li He, Ma Xuming, Ouyang Feng, Wang Huali, Kang Lei, Jia Juan, Wang Chengrong, Bu Wangui, Ma Dehai, Ma Xingguo, Ma Rubiao, Wang Jianping, Ma Quanlin, Ma Feihu, Wang Jian, Ma Yingzhong, Zhang Weilin, Wang Xiaojun, Ma Guolan, Ma Jing, Jin Wulu (23 in total)</b>        |  |
|        | 7:30-8:30   | <i>Breakfast</i>   |
|        | 09:00-10:00   | Set out to Taizishan PA  |
|        | 10:00-10:10   | Welcoming Speech, Mr. Yin Dehuai, Director of Taizishan PA Administration                  |
|        | 10:10-10:20   | Speech by TE Consultants James Lenoci & Ms. Li He  |
|        | 10:20-10:50   | Briefing by Mr. Wang Chengrong, staff in charge of the project, on project summary report. |

| Date          | Activity / Participants   |   |
|---------------|---|---|
|               | 10:50-11:10   | Q&A and Discussion  |
|               | 11:10-11:20   | <i>Coffee Break</i>   |
|               | 11:20-11:40   | Introduction of project outcomes by Mr. Ma Xingguo, Project Staff   |
|               | 11:40-12:00   | Q&A and Discussion  |
|               | 12:00-12:10   | Summary speech.   |
|               | 12:10-12:25   | Briefing with Mr. Ci Yongqiang, PA Financial Staff  |
|               | 12:25-12:35   | Briefing with Mr. Ma Dehai, private nursery seller  |
|               | 12:30-14:00   | <i>Lunch</i>  |
|               | 14:30-16:30   | Inspect monitoring line transects   |
|               | 16:30-17:00   | Visit communities and discussion with community residents   |
|               | <b>Participants: James Lenoci, Li He, Ma Xuming, Wang Yaolin, Ouyang Feng, Wang Huaili, Kang Lei, Jia Juan, Wang Jinhu, Wang Chengrong, Ma Xingguo, Wang Jian (12 in total)</b> |   |
|               | 18:00-19:00   | <i>Dinner</i>   |
| <b>11 Sep</b> | <b>Field Visit</b>  |   |
|               | 07:30-08:30   | <i>Breakfast</i>  |
|               | 09:00-11:30   | Field visit to Songmingyan and study its eco-tourism. Discuss about PA eco-tourism module.                                  |
|               | 12:00-13:30   | <i>Lunch</i>  |
|               | 14:30-17:30   | Visit Ancient Animal Fossil Museum in Hezheng County  |
|               | 18:00-19:30   | <i>Dinner</i>   |
| <b>12 Sep</b> | <b>Back to Lanzhou &amp; Discussion with PMO Staff</b>  |   |
|               | 07:30-08:30   | <i>Breakfast</i>  |
|               | 09:00   | <i>Set out to Lanzhou</i>   |
|               | 11:00   | Arrive Lanzhou  |
|               | 12:00   | <i>Lunch</i>  |
|               | 14:30-15:00   | Visit PMO, Meet all PMO staff   |
|               | 15:00-15:15   | Interview with PMO staff, Mr. Ma Xuming, PMO Director   |
|               | 15:15-15:30   | Interview with PMO staff, Mr. Wang Yaolin, Deputy Director of Provincial Forestry Foreign Capital Project Management Office |
|               | 15:30-16:00   | Interview with PMO staff, Mr. Ouyang Feng Project Manager   |
|               | 16:00-16:30   | Break   |
|               | 16:30-17:00   | Interview with PMO staff, Mrs. Ma Yan Assistant Project Manager   |
|               | 17:00-17:30   | Interview with PMO staff, Miss Gao Songxia Project Staff  |
|               | 17:30-18:00   | Back to Hotel   |
|               | 18:00-19:00   | <i>Dinner</i>   |
| <b>13 Sep</b> | <b>Discussion with Specialists</b>  |   |



| Date   | Activity / Participants   |   |
|--------|---|---|
|        | 7:30-8:30   | Breakfast   |
|        | 09:00-09:30   | Interview with Mrs. Wang Huali, Translator                              |
|        | 09:30-10:00   | Interview with Miss Shi Liuyan, Administrative Assistant                |
|        | 10:00-10:30   | Interview with Miss Shen Ying, Cashier                                  |
|        | 10:30-11:00   | Interview with Mr. Li Wei Nature-based Tourism Development Specialist   |
|        | 11:00-11:30   | Interview with Mrs. Wang Wenli, Natural Resource Economist              |
|        | 11:30-12:00   | Back to Hotel   |
|        | 12:00-13:30   | Lunch   |
|        | 14:30-15:00   | Interview with Mrs. Wang Huiling Business Consulting                    |
|        | 15:00-15:30   | Interview with Mr. Li Chao Marketing and Communication Specialist       |
|        | 15:30-16:00   | Interview with Mr. Yao Xiaojun Information Management System Specialist |
|        | 16:00-16:30   | Interview with Mr. Liu Guanghua, PA Policy and Regulation Specialist    |
|        | 16:30-16:40   | Break   |
|        | 16:40-17:10   | Interview with Mr. Sun Xuegang, Training Service Provider               |
|        | 17:10-17:40   | Interview with Mr. Liu Fayang, Training Service Provider                |
|        | 17:40-18:00   | Back to Hotel   |
|        | 18:00-19:30   | Dinner  |
| 14 Sep | <b>TE Consultants Discussion&amp;Debriefing on Preliminary Results</b>  |   |
|        | <b>Venue: Meeting Room, 6<sup>th</sup> Floor, Middle Building of Lanzhou Hotel</b>  |   |
|        | <b>Participants: James Lenoci, Li He, Li Haitao, Lianxubin, Shi Linmin, Ma Xuming, Wang Yaolin, Ouyang Feng, Wang Huali, Shi Liuyan, Kang Lei, Jia Juan, Ma Tingrong, Zhang Xingli, Niu Yunxia, Li Junzhen, Wang Lin, Wang Lin, Li Shiyang, Gou Xiaocheng, Yang Linsheng, Zhang Duohou, Ma Xingguo, Ma Xingguo, Wang Jian, Ci Yongqiang (24 in total)</b> |   |
|        | 07:30-08:30   | Breakfast   |
|        | 09:00-11:30   | TE consultants Discussion   |
|        | 12:00-13:30   | Lunch   |
|        | 15:00-15:40   | TE consultants debriefing on preliminary results                        |
|        | 15:40-16:20   | Q&A and Discussion  |
|        | 16:20-16:30   | Summary speech  |
|        | 18:00   | Dinner  |
| 15 Sep | <b>TE Consultants Back to Beijing</b>   |   |
|        | 07:30-08:30   | Breakfast   |
|        | 08:30   | Drive to airport  |
|        | 14:00-15:00   | Brief to UNDP (in UNDP Office)  |
| 16 Sep | International consultant departs Beijing  |   |

**Annex 2: List of Persons Interviewed**

| Name                    | Affiliation  |
|-------------------------|--|
| Mr. Zhang Ping          | GFD, Deputy Director General, National Project Director  |
| Ms. Wang Jing           | Gansu Provincial Government, Chief of Administration and Regulation Division                   |
| Mr. Zhang Jian          | GFD, Chief of International Division, Financial Department                                     |
| Mr. Zhang Jun           | Gansu Environmental Protection Department, Chief of Natural Ecology Conservation Division      |
| Mr. Zhu Xizhao          | Gansu Water Resources Department, Chief of Science and Technology and Foreign Affairs Division |
| Mr. Lian Xuebin         | GFD, Director of Project Execution Office  |
| Mr. Ma Xuming           | GFD, Director of Provincial Forestry Foreign Capital Office PMO Director                       |
| Mr. Wang Yaolin         | GFD, Deputy Director of Provincial Forestry Foreign Capital Office, PMO                        |
| Mr. Carsten Germer      | UNDP CO, Assistant Country Director, Energy and Environment                                    |
| Dr. Chaode Ma           | UNDP CO, Programme Manager, Energy & Environment Team  |
| Ms. Midori Paxton       | UNDP-GEF Regional Technical Advisor  |
| Mr. Andy Thompson       | International consultant (business planning)   |
| PA Administration Staff | Four Demonstration PA's  |
| Mr. Yao Xiaojun         | Local Consultant, Information Management   |
| Mrs. Wang Huiling       | Local Consultant, Business Consulting  |
| Mr. Sun Xuegang         | Local Consultant, Training Service Provider  |
| Mr. Liu Guanghua        | Local Consultant, PA Policy and Regulation Specialist  |
| Mr. Li Wei              | Local Consultant, Nature-based Tourism Development Specialist                                  |
| Mrs. Wang Wenli         | Local Consultant, Natural Resource Economist   |
| Mr. Ouyang Feng         | PMO, Project Manager   |
| Mrs. Ma Yan             | PMO, Assistant Project Manager   |
| Ms. Gao Songxia         | PMO, Project Staff   |
| Ms. Wang Huali          | PMO, Translator  |
| Ms. Shi Liuyan          | PMO, Administrative Assistant  |
| Ms. Shen Ying           | PMO, Cashier   |
| Ms. Wang Aihua          | Ministry of Environment, FECO, CBPF Program Officer  |

## Annex 3: Summary of Field Visits

### 6-7 September: Visit Gahaizeche Nature Reserve

The nature reserve was established in January 2003, there are three protection stations, and a total number of staff of 99: there are 63 provincial level staff and 36 staff employed as part of the National Forest Protection Project.

Land area is broken down as follows: 247,431 ha, core 39,095 ha, buffer 81,157 ha, experimental 127,179, forest 57,846 ha, grassland 140,139 ha, other 7,730 ha.

The NR is a diversified PA, with forest, highland wetland, and highland grassland. Wetland diversity is very high, and this is an important aspect of this PA.

To support this project, the PA administration established a project management unit (PMU) consisting of 4 staff, working part-time on project issues.

The project has supported several technical trainings, and facilitated developing a number of reports and plans, including PRA reports for local communities, a management plan, tourism plan, business plan, monitoring plan, system, community co-management system, incentive mechanism, and an ecosystem service valuation of this PA.

Wildlife: 1996 inventory: 198 water bird species (10 national Class I protection, 28 Class II, and 8 species included Annex I of the International Endangered Species, and 19 in Annex II). Black necked crane, Black Stork, Chinese swan, Chinese pheasant, etc.

Mammals: snow leopard, musk deer

Plants: 529 species that are seed plants (9 species are included in the Endangered Species Convention, and 3 in critical species in Gansu province)

Conservation Valuation:

- I. Water retention: 57846 ha of wetland, and 41716 ha forest, 140139 ha grassland. Very important water retention features: 0.596 billion m<sup>3</sup>, about 38% of total rain each year. GaiHai Lake, one of largest highland lakes;
- II. Climate change mitigation value: Peat-land: up to 1.94 m thick peat 10429 ha, high carbon content in the peat;
- III. Biodiversity Conservation: Population of black neck crane is more than 100, key breeding area. Population of black stork can reach 420 in peak season, population of swan can reach 300 in peak season, all bird species
- IV. Promotion of Development of Local Economy: Located in a minority population area, important part of ecological construction in NW china

Ecological Valuation:

- I. GaiHai Lake: More than 30,000 birds, area is 2300 ha, important bird watching area. In March 2008 selected as one of the 50 famous lakes in China;
- II. Zecha Stone Forest. 50 km away from this county, area of 200 km<sup>2</sup>;
- III. Langmu Temple. Established in 1748, in 2005 selected among the first 20 of the famous heritage sites in China (only town on this list);

Protection Work:

1950s, 1997, and 2000: GaiHai Lake dried up three times in recent times. The PA restored the lake through many measures. In Sep 2011, GaiHai was included in the Ramsar List.

Protection of Forest Resources: (1) National Natural Forest Protection Project, this PA was contract to protect 73950 mu of forest, and plant 40275 mu of forest, (2) national public welfare forest.

Biodiversity Conservation: (1) exchange of Army-use grasslands to protected grasslands 3600 ha of collective grassland changed into PA grassland, (2) the PA changed one road which was formerly crossing into the core area, now the road is in the experimental zone, and (3) investigation and monitoring of wildlife resources, including GaiHai Lake, assisted many university projects, and also improved their database, PA carried out wildlife investigation, and regular daily resource monitoring, in the beginning of this year developed monitoring reports

Results achieved through protection:

Increase of wetland area: in Y2000: 34,000 ha; in Y2009: 43176 ha; in Y2011: 57846 ha

Increase in biodiversity:

Bird species: Y1996: 198 species; 2004-2013: 282 species

Seed plants: Y1996: 529 species; Y2012: 678 species

Wetland Technology: PA carried out a series of investigations, peat resources, wildlife resources, plant resources. PA has published 24 articles in provincial publications

Updated inventory made in 2006, numbers increased, new species discovered



6 Sep 2014: Video surveillance monitoring station inside Gahaizecha NR administration office

Prior to this project, the NR had a basic monitoring plan but did not have a formalized management plan.

Financing shortfalls are mainly in terms of human resources and infrastructure.

Since 2011, a government-run eco-compensation program has been implemented, but the standard is low, CNY 10/mu. Among the 4.8 million mu grassland in the PA, a bit less than half, 2 million mu have received compensation, at CNY 10/mu, CNY 20 million, administered from the county government. This year, the PA wants to apply for the compensation from central gov't. They think that CNY 20/mu is a fair compensation.

Secured budget: staff salary:

- CNY 2 million per year (Provincial Financial Dept. – include operation costs, for one year, CNY 0.1 per year for fuel, 3 stations, wetland station, forest station, CNY 20k fuel each);
- Fund from central gov't natural forest: CNY 0.4 million per year;
- Fund for ecological public welfare forest: CNY 1.5 million per year;
- Self-revenue: CNY 0.1-0.2 (used for staff salary, and heating deficit)

Total: CNY 4-5 million per year.

Increased monitoring needs: CNY 0.2-0.3/year (devices for monitoring water quality)

Current monitoring costs: staff and minimal fuel costs.

The population of local communities is a bit more than 20,000, and the residents are situated in the experimental zone and some in the buffer zone. The County has relocated 100 HH's from core zone to the experimental. There are still HH's in the core zone, no more than 100 HH's. In buffer zone, there HH's and these would be difficult to relocate those. Total 4700 HH's in PA area, about 200 in core zone, 400-500 in buffer, and remaining in experimental zone.

Business Plan: Some parts of the plan they need to carry out together with the communities, started discussions, support the implementation of the business plan, but it might take some time fully implement.



7 Sep 2014: Newly built visitor facilities at Gahaizecha NR; including boardwalks and bird-watching towers



## **8 September 2014: Visit Taohe Nature Reserve**

Taohe NR was approved in Feb 2005 as a provincial NR. In Sep 2009 approved by State Council as a national level NR. Total land area is 287,759 ha

Since Apr 2011, capacity of the PA was strengthened: monitoring system, coordination, improved management system, established database,

Business plan, financing plan, tourism plan, development management plan, community resource management plan, PRA, incentive mechanism, work programme for line transects for monitoring of wild animals,

For this PA, this was the first opportunity to utilize foreign funds.

Project-specific details:

There are 4 protection stations within the PA

PA established a leading team for the project in Aug 2012. Also, the PA established a PMU office, composed of one financial and five technical staff.

Business plan training for team leader of the project, total of 47 people, on development of business plan, in Aug 2012, visited PA's station, protection sites, communities, collected data, and based on that information developed Taohe business plan.

Tourism plan. Tourism specialist of the project prepared the plan, after visiting the forest park and the communities.

Management Plan. The plan is composed of three phases: (1) training, (2) secondary data collection, (3) field work, first-hand data collection. Staff then visited community, conducted a workshop consisting of 35 people (community, rep from the prefecture, etc.).

After a draft plan was prepared, the PMU sponsored a workshop within the bureau, then conducted workshops with the PA on the ground at the protection sites, also held stakeholder meeting (village, prefectures in the forest), the PA then modified the draft management plan. Then the plan was reviewed by specialists, submitted to provincial PMO.

PRA report and community resource management plan. Oct 2012, a project specialist provided training, PA selected the Taha village as the demonstration, because this village is within the experimental zone, population is 526, and all inhabitants are Tibetan. The PA visited households, conducted workshop, five aspects: income from crops, income from cattle, income from going out to urban cities, harvesting wild plants, subsidies from governments. Then, the team developed the PRA report, using the template provided by the PMO, and community resource management plan. Two-thirds of HH's in village participated in verification workshop. Finally, they formulated village regulation and co-management agreement.

Skills development plan for PA staff. In 2012, >1300 staff, 1141 are engaged in resource management, and 34 are engaged in science and research, etc.

Development of the Monitoring Database. Developed a monitoring technique program. PA laid about 23 line-transacts, and a monitoring investigation was carried out by an investigation team

Taohe PA forum. Two forums have been held: in 2013 the theme was Green Taohe, and in 2014 the theme was Ecological Taohe.

Skills training provided to the staff. In July 2014, PA provided training to staff.



Joint activities with communities, maintenance of tree nursery lots, through negotiation with village, PA signed a contract, 100.5 mu area, PA dispatched staff to guide and supervise the work, quality of tendering the forests.

No calculations on cost-benefit of using community co-management.

Problem 1: illegal harvest of wood and herbal plants, and grazing

Problem 2: insufficient funds, difficult to carry out comprehensive management activities and scientific research.

The main conservation targets for the PA:

1. Conserve water conservation area
2. Conserve Forest ecosystem:
3. Protect Class I and II plants and wildlife (particular grass). Animals: leopard, golden eagle, black-neck crane.
4. Protect Class I and II habitats

How many counties within PA? There are 4 counties and 1 city. There are more than 100 villages around the PA. Many of the settlements are on the Taohe river bank, which is outside the experimental zone of the PA.

PA stations had agreements for fire suppression with communities.

Gap in financing: patrolling and maintaining roads for fire suppression. For patrolling they hire a few, but not very many. Province already has applied for funding for road maintenance. Main problem is wash-out.

Monitoring protocol and data-base: The added value from the project was wild animal monitoring, and 23 line-transects. For one line, the cost is CNY 1500 x 23, per year CNY 20,000. Database is installed on one computer. Would like to install at PA stations, but this would require more budget. And, they would like to continue monitoring wild animals. Monitoring in the future would come from provincial financial department.

The PA administration would like to use satellite imagery, but no plan yet.

Prior to this project, forestry inventory every 5 years.

Financing arrangements of the PA:

Local revenue: 60% from nursery, and 40% from tourism

Revenue is expected to increase 5% this year. Government financing will remain the same, CNY 44.964 million. Budget adjusted every 5 years, next is 2016-2020.

Based their proposal for next 5-year plan on the business plan numbers. Proposed a salary increase for staff, and asked provincial government to increase payments for health care, housing, and infrastructure. Salary increase would be from CNY 35,800 to 60,000.

23 agreements have been signed: mostly protection agreements. Payment is made for forest maintenance, in 2013, paid CNY 2 million, paid to individuals

Benefit sharing agreements: 1 agreement signed with a hydropower station. The station provides electricity for free for the entire village, Jilang (name of village), about 41 HH's. PA bureau went to the station. Power station is on the edge of the PA.

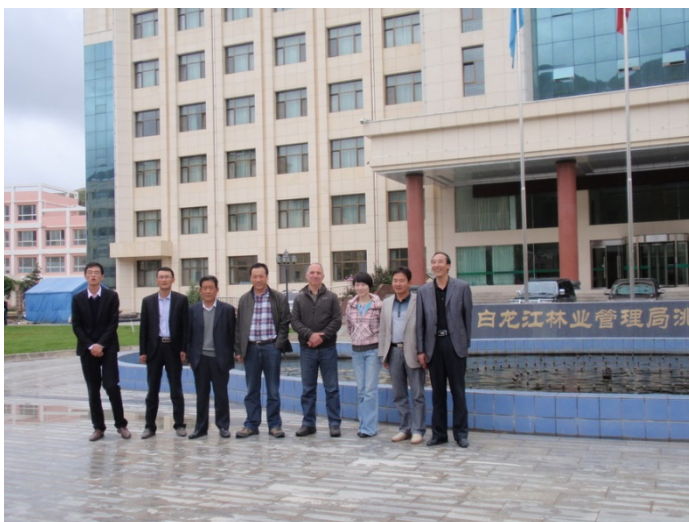
Gender issues addressed by the project? Not really.

Record keeping on incidents: Keep records at the PA stations. Provincial forestry department. Forest police station has the numbers. Decreasing numbers of incidents, according to the PA, but they do not have the actual data. The main reason for decreasing incidents is increased patrolling.

METT Scoring: staff of different sections, PA bureau: included in the developed management plan. Protocol would be once per year.

Website: Bureau has a website, now applying for a PA website.

Study tour: did not participate in the overseas tour



8 Sep 2014: Taohe NR staff and TE evaluation team



9 Sep 2014: Tree (*Picea*) nursery at Taohe NR

### **9 September 2014: Visit Lianhuashan Nature Reserve**

The PA was established in 1983, and covers 11,691 ha.

In Dec 2002, the PA was assigned under State Forestry Administration. In Jun 2003, the PA was upgraded as a National Nature Reserve.

Oct 2006, selected as one of SFA's 51 Demonstration Forest Reserves.

Huaer Festival is an important local cultural event, held within PA.

Forest coverage is 63.6%.

780 seed plants, including 29 national key protected wild plants.

264 vertebrates, including 42 national key protected wild animals

In 2006-07, PA staff members were involved in the design of the project

Before 2000, the main responsibility was protection of the forest area. In 2000, Natural forest project, they were facing new challenges, need new approaches.

Did the situation change by the time of the project design (2006) and implementation (2011)? Were changes made to the project plan at the inception phase (Apr 2011) to take into account these?

- Delay was designed for this PA itself, but during design, decided area of PA was too small, to Taohe basin.
- Project remained relevant.
- They had sufficient opportunity to contribute to design, all suggestions were accepted by provincial

Interaction with County/Township spatial planning. How is the PA involved in the spatial planning process of the counties? What development is being approved near the borders of the PA, for example?

- Participates in the forest land planning. Consulted during EIA phase.

Any significant regional infrastructure projects been modified because of the PA: for example, roads:

- No projects. Very strict regulations now.

How many staff members have been involved? Protection station level participated in monitoring. Management plan and business planning, station and admin participated. Total 90 staff members in administration.

How many villages near/in the PA? There are 9 villages around PA. They selected one village as a demo village. For the other 8 villages, participated in meetings and workshops, PA forum, but their participation was not that much. Plan to expand the interventions to the other 8 villages in their management plan. Signed co-management agreements with all 9 villages.

How are some of plans integrated into organization?

Management Plan. Approved by the leader level by the PA administration, then they submit to the GFD, 2012 December.

Action Plan. What is the time period? How many actions? Costs estimated. How is it being monitored and evaluated during implementation? Costs have been estimated. Current budget is not sufficient. Developed master plan for the next 5-year cycle, if approved, they would have sufficient funds. End of each year, they would evaluate progress made. Uncertain if action plan was evaluated at the end of 2013 (unclear answer).

Business Plan. Approved at what level? How has it impacted the 5-year proposed budget? See above.

Tourism Plan. Approved at what level? See above.

Community Resource Management. How will this process be integrated? How often will surveys be made? Are records being kept of agreements, payments, etc. to communities? Tracked and recorded by the stations every year, at end of each year.

How are community members selected for work tasks? Requires some experience on nursery, 30 years of experience, normally PA staff tell villagers,

Cost saving potential: No cost savings, cost of labor is increasing ... win-win, jobs for community

Monitoring. Equipment provided: computer, camera, GPS, and other. What was the monitoring inventory beforehand? What was the main difference? Only line transects in past, land quadrants are now introduced for wild plants (2 x 2 meters), monitoring land (1 ha). There are insufficient funds to implement full monitoring program. Gap is more than CNY 2 million (only no video monitoring). Video for 4 stations, but they have 6 stations in total, need to equip another 2. Database is installed in bureau, not in stations.

Database status. In bureau, not station. To date, the PA has used hard copies for recording monitoring data. One young woman is using it, trained. Database is still being developed. The database does not seem to be in line with the monitoring requirements the PA administration has to the Provincial GFD. The database expert surveyed the PA stations for data requirements.

Performance evaluation and incentive mechanism. What lessons were learned by the PA administration? What incentives are being offered? How many staff members have received incentive rewards? Staff who participated in the monitoring transects.

METT scoring. Integrated into management plan? Who made the scoring? Can we interview them, review the results. 2013 staff participated in the METT assessment. This year, staff of the PA 2014 expanded, staff from stations, communities, etc.

Shortcomings? Were there any expectations that were not fulfilled?

- Design process was too long, 2006-2011
- More participation from SFA would have helped

Feedback from staff:

Record keeping of the project was very detailed, very good example. Would like more training on wild plants and wildlife, wetlands, database

One staff member mentioned that he improved his knowledge and techniques on monitoring.

Another staff member indicated that she has improved her technical knowledge and also on project management, good documentation.

From industry section. Training was very useful, eco-tourism, actively looks for participation from local communities, reduce reliance on natural resources, hopes to receive more training.

From PMU staff, monitoring training of wildlife, got to know about the situation of wildlife in the forest, endangered species in the province, etc. Also, had the chance to use the database.

Organization/personnel section. New concept to PA, standardized procedure. Important: incentive mechanism integrated into their contract, last year changed.

Financial section: standardized procedures introduced. Assets transfer:

Also from financial section: finance of this project. Participated in several training events, and participated in preparation of the business plan, financing, etc. Impact of this project focused on participation from staff.

Administration Office Head. Management level has improved. Results from patrolling and monitoring are also very useful for the PA.

**Feedback in one or two keywords:** participatory approach (participation), stakeholder involvement, standard procedure, process-oriented, strengthened capacity, precision, incentive mechanism, facilitation of work (easy), real situation, self-improvement (e.g., wildlife identification), multi-functional (inter-sectoral), change, awareness, proof (verification).



### Financing:

Main benefit in terms of financing sustainability: Taohe project required a high standard for implementation, and they will keep this high standard moving forward.

Compensation: County government provides subsidies for the farmers: CNY 5000 per mu. Know very clearly the land area of nurseries



9 Sep 2014: Monitoring transect sign at Lianhuashan NR



9 Sep 2014: Temple within Lianhuashan NR

## **10-11 September 2014: Visit Taizishan NR**

Since 2001, operated as a provincial PA. In January 2012, the PA was upgraded to a national PR.

Distance from E-W is approx. 100 km; long distance.

Area is 84,700 ha (forest coverage 32%), and the PA is located within 3 counties.

PA is located in transitional area, forestry ecosystem, is the main water retention base for the Prefecture, and is an important forest resource in Gansu province

Regulates climate conditions, soil and water retention, climate change adjustment, carbon adjustment, these all provide favorable conditions for agriculture in the region.

Also, reducing silt inputs to the hydropower station, promoting socio-economic development, particularly in the minority area.

GEF project was launched in Apr 2011.

The project promoted cross-sectoral collaboration, and helped establish a database and management system

This was the first time the PA has worked on a GEF project.

Project was key area of the Bureau's work

PA established a leader team, a total of 9 staff

Also established a PMU office, chief of ecological projects section was director, financial section chief and financial officer of the PMU

Management plan developed in 2012 Sep, submitted to provincial PMO.

Demo village, edge of experimental zone, high reliance on resources, village has a low population, 1229, transportation is convenient. Verified income sources, etc. Developed PRA and community resource management plan. Finally, modified and finalized community resource management report.

193 self-assessment questionnaires for skills management of PA, and a total of 392 staff participated. About half participated in the skills development assessment process.

The project also provided guidance for improving their performance management system and incentive mechanism for PA.

Developed monitoring program. It is prohibited to enter core area, even for monitoring. For laying line transacts in the buffer zone, they need to submit a request to a higher authority for approval.

Trainings provided: Nursery skill of PA staff and villagers in demo village Apr-Jun 2014 (theory, visit, and field guidance); fire suppression by expert of Gansu provincial fire authority (120 people participated in May 2014).

### **Positive Results**

- Breakthroughs in many aspects, e.g., nursery operations, upgrade to State NR
- Skill of nursery expanded, currently 16 stations governed by PA admin, total area is 2500 mu with a total seedlings 0.12 billion seedlings, est. value of CNY 0.8 million.
- Resource management. Very important water conservation area, PA strengthened management of natural resources in terms of monitoring and patrolling.



- Since Oct 2013, started monitoring wildlife resources and developed database

Upgrading to national NR, project supported relevant documents, Jan 2012 the PA was approved by State council.

The main results of the project have been:

1. Developed a series of plans
2. Trainings and capacity building
3. Introduced advanced concepts and ideas
4. Introduced monitoring and database systems
5. All tasks have been finished

Size of PA staff: approx. 350

Communities: about 18 HHs in experimental, 130 people. There are no villages within the core, buffer, or experimental zone. 18 townships around the PA, total of 23 villages, and 3150 HHs, and 10,920 people.

When was application for State NR submitted? Application lasted for 6 years, submitted in 2006. During the process they developed a master plan and scientific assessment, need socio-economic data.

What changed when proclaimed as a national NR? No increase in staff. Central government has subsidies from SFA, first part is capacity building, more than CNY 1 million per year, construction of infrastructure, first phase CNY 20-30 million (3-5 years, starting 2014), and then they will apply for second phase (CNY 10 million).

First phase of infrastructure projects in first phase: mainly focuses on office buildings and protection stations, for second phase.

Monitoring as a provincial PA: only patrolling. No other monitoring.

Monitoring system developed: gap in financing. Approx. CNY 420,000 per year for transacts. They have 8 stations, and the software is only in PA administration.

Monitoring requirements only fire and patrolling and weather. For fire, they are just starting this year.

Management plan and action plan. Timeframe of action plan: 2013-2017, total of 14 activities, total budget CNY 13.52 million. They do annual assessments. From 2013, what have they achieved? How much have they spent? In 2013 they spent about CNY 3 million. Is monitoring transacts included in the action plan? For example, they plan to set up warning signs, etc. Still have a gap (unclear answer). Gap for monitoring not included in action plan – mostly extra staff.

Specific evidence of management improvement, in terms of water resource management, improved patrolling and monitoring. Four aspects: (1) better manage resources, more detailed, (2) skill level has improved, (3) nursery made greater achievements, (4) forest fire (there has been no fires over the past few years).

Communities. Five aspects:

1. Resource protection, publicity, activities such as illegal firewood harvesting has decreased. Keep incident records, according to data, the rates have decreased a lot in recent years. Recent 3-4 years. Alternative livelihoods, electricity

2. Nurseries, job opportunities, help increase their income. About 2000 people, each CNY 5000 per year, for one month work, about CNY 10 million. They do not have enough PA staff to do this work, need the villagers.
3. PA helps with infrastructure, roads and bridges, school furniture.
4. Other opportunities to work in the forest. Forestation, maintenance of road, etc.
5. Signed village regulations. All other villages have fire suppression. They have a plan to have regulations signed. Fire suppression office deals with community issues. Communities provide fire suppression service: awareness dissemination. If there is a fire, communities are expected to provide fire-fighting services.

#### Staff feedback:

Staff from publicity section. Participated in a number of activities, learned on data collection was very useful. Also, learned from the LFA, evaluation activities. Participatory approach.

Financial staff. Fire suppression training was particularly useful for him.

PMU staff. Monitoring work impressed him. Before monitoring together with patrolling, learned about the database. Monitoring is more standardized.

Fire suppression dept. More than 100 people, including communities. Will continue annually. No hands on training in the past.

Ecological project section. Monitoring of the PA was not sufficiently professional. Now keep records, detailed oriented. Learned how to carry out sampling.

Inspection Committee. Management is detailed oriented, and rigorous. Participated in MTR.

Labor Union. Through this project, records have improved, fire prevention, patrolling, HR.

Inspection Department. Yearly, evaluators are not asking input from staff. Participatory approach.

Deputy Director: in past, projects were focused on infrastructure, realized capacity building important. Also, community involvement has greatly increased. Also, win-win strategy.

Incentive Mechanism. PA had an incentive mechanism before, the project help improve the mechanism. Each year sign contract, and end of year, evaluate, and for those who did a good job, are rewarded, also penalties for those who made damage. Project input: more details, more specific. Each staff is provided a specific goal/area.

#### Financial:

Budget composed of two parts: stable budget for staff and operating costs, and the other part is separate 5-year plan, 2012-18

Stable component: Each year, adjusted based on staff salary and inflation.

Project-based component (master plan): fixed total amount. Higher authority is allocated each year. Each year is different, but by the end of the 5-year period, the total fixed amount will be allocated.

Business Planning: Use the self-raised revenue to invest

Expectations of self-raising income in coming years: Nursery faces two challenges: (1) demand, if greening demand is high, then OK, if greening demand decreases, problematic, (2) competition with local nurseries.

## Benefit-Sharing Agreement

Nursery, nearby

2010 started. Price has increased a bit, demand is high, and they have expansion plans.

*Picea* (spruce): only one species.

Buyers: surrounding provinces. Uses: forestation and greening.

Size: about 20 mu; with 110,000 seedlings.

No. of workers: no full-time workers, spring and autumn, cleaning grasses. Workers come from his village.

Agreement initiation: Mr. Ma from same village, renting land from village. The agreement was signed this year: July 2014. Last year almost reached the CNY 300,000, this year he hopes to. If reached, money paid to village committee (demo village). Demo village: about 1300 people.

Competition nurseries between local farmers and private enterprises, local farmers agree to sell at lower price

PA advantage: saplings, more mature trees

Disease: pests, insect and fungus (rust of leaves). Local farmers turn to PA staff for technical guidance.

County government provides subsidies, if more than 10 mu, offer CNY 300/mu for sapling, for seedlings it is CNY 1000/mu.



11 Sep 2014: photo of three-arch bridge at Songmingyan, part of the Taizishan NR



11 Sep 2014: photo of Taizishan NR staff and TE evaluation team

## Annex 4: Summary of Financing and Revenue for Demonstration PA's, 2009-2014

The following information was compiled by the 4 demonstration PA financial administrators:

### Lianhuashan PA (unit: CNY million):

| Item                                      | 2007        | 2008        | 2009        | 2010         | 2011         | 2012         | 2013         | 2014 est.    |
|---|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government Financing:</b>              |             |             |             |              |              |              |              |              |
| Provincial Finance                        | 5.64        | 7.15        | 4.67        | 4.41         | 5.06         | 7.46         | 1.15         | 8.64         |
| Central Finance                           | 1.41        | 2.38        | 1.66        | 1.17         | 1.46         | 7.40         | 8.02         | 1.06         |
| <b>Sub-total, Government Financing</b>    | <b>7.05</b> | <b>9.53</b> | <b>6.33</b> | <b>5.58</b>  | <b>6.52</b>  | <b>14.86</b> | <b>9.17</b>  | <b>9.70</b>  |
| <b>Self-Generating Revenue:</b>           |             |             |             |              |              |              |              |              |
| Tree Nursery Income                       | 0.15        | 0.00        | 0.20        | 0.41         | 0.45         | 1.59         | 1.59         | 3.88         |
| Entrance Fees                             | 0.27        | 0.17        | 0.15        | 16.70        | 0.12         | 0.25         | 0.17         | 0.36         |
| Hotel Income                              | 0.09        | 0.08        | 0.07        | 0.06         | 0.05         | 0.05         | 0.11         | 0.01         |
| <b>Sub-Total, Self-Generating Revenue</b> | <b>0.51</b> | <b>0.25</b> | <b>0.42</b> | <b>17.17</b> | <b>0.62</b>  | <b>1.88</b>  | <b>1.87</b>  | <b>4.25</b>  |
| <b>Loan</b>                               | <b>0</b>    | <b>0</b>    | <b>0</b>    | <b>3.00</b>  | <b>5.00</b>  | <b>2.00</b>  | <b>3.00</b>  | <b>0.00</b>  |
| <b>Total Financing + Revenue</b>          | <b>7.56</b> | <b>9.78</b> | <b>6.75</b> | <b>25.75</b> | <b>12.13</b> | <b>18.74</b> | <b>14.04</b> | <b>13.95</b> |

### Taohe PA (unit: CNY million):

| Item                                      | 2007 | 2008 | 2009         | 2010         | 2011         | 2012         | 2013         | 2014 est.    |
|---|------|------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government Financing:</b>              |      |      |              |              |              |              |              |              |
| Provincial Finance                        |      |      | 0            | 2.51         | 2.51         | 2.51         | 2.51         | 2.51         |
| Central Finance                           |      |      | 23.27        | 23.27        | 45.11        | 45.11        | 45.11        | 45.11        |
| <b>Sub-total, Government Financing</b>    |      |      | <b>23.27</b> | <b>25.77</b> | <b>47.61</b> | <b>47.61</b> | <b>47.61</b> | <b>47.61</b> |
| <b>Self-Generating Revenue:</b>           |      |      |              |              |              |              |              |              |
| Tree Nursery Income                       |      |      | 4.03         | 3.80         | 4.12         | 4.76         | 4.98         | 4.37         |
| Entrance Fees                             |      |      | 0.31         | 0.12         | 0.15         | 0.20         | 0.26         | 0.27         |
| Hotel Income                              |      |      | 0.18         | 0.19         | 0.19         | 0.24         | 0.32         | 0.34         |
| <b>Sub-Total, Self-Generating Revenue</b> |      |      | <b>4.52</b>  | <b>4.10</b>  | <b>4.46</b>  | <b>5.20</b>  | <b>5.55</b>  | <b>4.98</b>  |
| <b>Loan</b>                               |      |      | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Total Financing + Revenue</b>          |      |      | <b>27.78</b> | <b>29.88</b> | <b>52.07</b> | <b>52.82</b> | <b>53.16</b> | <b>52.59</b> |

### Taizishan PA (unit: CNY million):

| Item                                      | 2007 | 2008 | 2009         | 2010         | 2011         | 2012         | 2013         | 2014 est.    |
|---|------|------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government Financing:</b>              |      |      |              |              |              |              |              |              |
| Provincial Finance                        |      |      | 13           | 12.54        | 18.90        | 20.36        | 20.52        | -            |
| Central Finance                           |      |      | 6.08         | 6.34         | 15.88        | 28.37        | 11.13        | -            |
| <b>Sub-total, Government Financing</b>    |      |      | <b>18.64</b> | <b>18.87</b> | <b>34.78</b> | <b>48.73</b> | <b>31.65</b> | <b>13.65</b> |
| <b>Self-Generating Revenue:</b>           |      |      |              |              |              |              |              |              |
| Tree Nursery Income                       |      |      | 6.10         | 10.18        | 9.98         | 7.39         | 8.23         | 9.82         |
| Entrance Fees                             |      |      | 0.09         | 0.10         | 0.16         | 0.10         | 0            | 0.08         |
| Hotel Income                              |      |      | 0.15         | 0.17         | 0.16         | 0.10         | 0.04         | 0.13         |
| <b>Sub-Total, Self-Generating Revenue</b> |      |      | <b>6.34</b>  | <b>10.45</b> | <b>10.30</b> | <b>7.59</b>  | <b>8.27</b>  | <b>10.03</b> |
| <b>Loan</b>                               |      |      | <b>2.0</b>   | <b>2.0</b>   | <b>2.0</b>   | <b>2.0</b>   | <b>0</b>     | <b>0</b>     |
| <b>Total Financing + Revenue</b>          |      |      | <b>26.98</b> | <b>31.32</b> | <b>47.08</b> | <b>58.31</b> | <b>39.92</b> | <b>23.68</b> |

### Gahaizecha PA (unit: CNY million):

| Item                                      | 2007 | 2008 | 2009        | 2010        | 2011        | 2012        | 2013        | 2014 est.    |
|---|------|------|-------------|-------------|-------------|-------------|-------------|--------------|
| <b>Government Financing:</b>              |      |      |             |             |             |             |             |              |
| Provincial Finance                        |      |      | 1.78        | 1.80        | 2.14        | 2.07        | 2.15        | 2.80         |
| Central Finance                           |      |      | 6.64        | 3.53        | 2.81        | 2.77        | 2.79        | 7.20         |
| <b>Sub-total, Government Financing</b>    |      |      | <b>8.42</b> | <b>5.33</b> | <b>4.95</b> | <b>4.84</b> | <b>4.94</b> | <b>10.00</b> |
| <b>Self-Generating Revenue:</b>           |      |      |             |             |             |             |             |              |
| Tree Nursery Income                       |      |      | 0           | 0           | 0           | 0           | 0           | 0            |
| Entrance Fees                             |      |      | 0.05        | 0.16        | 0.21        | 0.33        | 0.35        | 0.38         |
| Hotel Income                              |      |      | 0           | 0           | 0           | 0           | 0           | 0            |
| <b>Sub-Total, Self-Generating Revenue</b> |      |      | <b>0.05</b> | <b>0.16</b> | <b>0.21</b> | <b>0.33</b> | <b>0.35</b> | <b>0.38</b>  |
| <b>Loan</b>                               |      |      | <b>0</b>    | <b>0</b>    | <b>0</b>    | <b>0</b>    | <b>0</b>    | <b>0</b>     |
| <b>Total Financing + Revenue</b>          |      |      | <b>8.47</b> | <b>5.49</b> | <b>5.16</b> | <b>5.17</b> | <b>5.29</b> | <b>10.38</b> |

## Annex 5: List of Information Reviewed

### 1. Project documents

- 1) GEF Project Information Form (PIF)
- 2) STAP review
- 3) Project Document and Log Frame Analysis (LFA)
- 4) Project Inception Report
- 5) Project Implementation Plan, and annual work plans
- 6) Mid-term review (MTR), and management response to MTR
- 7) Annual Project Implementation Reports (PIR), APR, QPR
- 8) Project Self-Assessment Report, Aug 2014
- 9) Meeting minutes of 2012 and 2013 Project Steering Committee meetings
- 10) Project budget, broken out by outcomes and outputs
- 11) Project Tracking Tool
- 12) Financial Data, including combined delivery reports
- 13) Procurement records, including terms of reference, authorization letters, etc.
- 14) Independent financial audit report
- 15) Systematic PA Development and Management Strategy
- 16) Financing Plan of Gansu Nature Reserve System
- 17) Assessment Report on Biodiversity Conservation related Laws and Regulation in Gansu Province
- 18) Assessment Report on the Law and Regulation Framework of Gansu PA System
- 19) Assessment Report on Biodiversity Conservation and PA related Policy in Gansu Province
- 20) Assessment Report on Management Agency of Gansu PA Database and Information Management System
- 21) Action Proposal for Strengthening Institutional Capacities for Effective PA Planning and Management of Gansu PA
- 22) Training Curriculum on management and sustainable development of Gansu Nature Nature
- 23) Draft Taohe Financing Plan
- 24) Taohe Tourism Plan
- 25) Taohe Business Plan
- 26) Budget and financial data provided by each of the four demonstration PA's
- 27) Management Plan, Business Plan, Monitoring Protocol for four demonstration PA's
- 28) PRA reports for four demonstration PA's
- 29) Completed METT assessments
- 30) Completed Financial Sustainability scorecard assessments
- 31) Completed Capacity Building scorecard assessments
- 32) Sample of project communications materials, i.e. press releases, brochures, documentaries, etc.
- 33) Collaborative management agreements
- 34) Benefit-sharing agreements
- 35) Comprehensive report of subcontracts

### 2. UNDP documents

- 1) Country Programme Document (CPD), 2011-2015

### 3. GEF documents

- 1) Biodiversity Strategy for GEF-4
- 2) Biodiversity Strategy for GEF-5

## Annex 6: List of Capacity Building Activities

The following information was provided by the PMO.

| Capacity building activities   |                     |  |                            |                             |                 |                          |
|--------------------------------|---------------------|--|----------------------------|-----------------------------|-----------------|--------------------------|
| No.                            | Date                | Name   | Venue                      | Number of Participants      | Number of Women | % of Women Participation |
| 1                              | 14 Apr 2011         | Inception Workshop   | Lanzhou                    | 62                          | 12              | 19.4%                    |
| 2                              | 27 Sep 2011         | Training & Workshop  | Lanzhou                    | 44                          | 13              | 29.5%                    |
| 3                              | 13 Dec 2011         | Workshop on 2012-2013 Work Plan and Terms of References  | Lanzhou                    | 36                          | 11              | 30.6%                    |
| <b>Sub-total for Year 2011</b> |                     |  |                            | <b>142</b>                  | <b>36</b>       | <b>25.4%</b>             |
| 4                              | 14 Apr 2011         | Review Meeting of the ToRs of the Strategy and Financing Plan  | Lanzhou                    | 31                          | 9               | 29.0%                    |
| 5                              | 23-24 Mar 2012      | Workshop on Establishment Program of Gansu PA Forum  | Lanzhou                    | 53                          | 16              | 30.2%                    |
| 6                              | 08 Apr 2012         | Workshop on Second Quarter Workplan & Financing Mangement System   | Lanzhou                    | 18                          | 9               | 50.0%                    |
| 7                              | 18-23 Jun 2012      | Workshop of Taohe Project & Training Meeting on Development of Management Plan   | Yeliguan                   | 44                          | 15              | 34.1%                    |
| 8                              | 08 Sep 2012         | A. Thompson seminar in Lanzhou University--Gansu PA Financing from an International Perspective  | Lanzhou University         | 80                          | 29              | 36.3%                    |
| 9                              | 13 Sep 2012         | CBPF Meeting   | Beijing                    | Gao Songxia, Wang Wei       |                 |                          |
| 10                             | 17 Sep 2012         | Workshop on Development of Strategy & Financing Plan and Project Work Meeting  | Lanzhou                    | 30                          | 15              | 50.0%                    |
| 11                             | 8-9 Oct 2012        | Workshop on PRA Investigation  | Kangle County              | 30                          | 12              | 40.0%                    |
| 12                             | 13 Nov 2012         | CBPF Meeting   | Beijing                    | Wang Huali, Wang Wei        |                 |                          |
| 13                             | 15-22 Nov 2012      | Skill Development Training for Taohe Basin PAs   | Kangle County              | 168                         | 86              | 51.2%                    |
| 14                             | 23-28 Nov 2012      | Workshop & Training Meeting of Taohe Basin Monitoring Protocol   | Lintao County              | 51                          | 18              | 35.3%                    |
| 15                             | 19 Nov - 2 Dec 2012 | Modification & Review Meeting of PRA Investigation Report & Community Resource Management Plan   | Lanzhou                    | 29                          | 7               | 24.1%                    |
| 16                             | 3-5 Dec 2012        | Workshop & Modification Meeting of Overall Tourism Plan & Business Plan  | Lanzhou                    | 30                          | 8               | 26.7%                    |
| 17                             | 6-7 Dec 2012        | Modification and Review Meeting of Actional Proposal for Stregthening Effective Planning and Management Institutional Capacity of Gansu PA | Lanzhou                    | 30                          | 7               | 23.3%                    |
| 18                             | 8-9 Dec 2012        | Workshop on Modification & Review of Training Institution Capacity Strengthening Plan of Gansu PA  | Lanzhou                    | 30                          | 8               | 26.7%                    |
| 19                             | 10-11 Dec 2012      | Meeting on Supporting GFD Strengthening Project Management and PA Institutional Capacity   | Lanzhou                    | 20                          | 9               | 45.0%                    |
| 20                             | 12-13 Dec 2012      | Project Work Meeting & Workshop on Modification of PA Economy Assessment Report  | Lanzhou                    | 29                          | 10              | 34.5%                    |
| 21                             | 14-17 Dec 2012      | Review Meeting of Management Plans of Demonstration PAs  | Lanzhou                    | 40                          | 13              | 32.5%                    |
| 22                             | 18-19 Dec 2012      | The First Taohe Forum  | Lanzhou                    | 54                          | 16              | 29.6%                    |
| 23                             | 20-21 Dec 2012      | 2012 PSC/TPR Meeting   | Lanzhou                    | 30                          | 12              | 40.0%                    |
| <b>Sub-total for Year 2012</b> |                     |  |                            | <b>797</b>                  | <b>299</b>      | <b>37.5%</b>             |
| 24                             | 25 Jan 2013         | Project Summary & Task Assignment Meeting & MTR Meeting  | Lanzhou                    | 98                          | 28              | 28.6%                    |
| 25                             | 13 May 2013         | Specialists Consultation Meeting on Financing & Planning of Gansu Nature Reserves  | Lanzhou                    | 45                          | 13              | 28.9%                    |
| 26                             | 17 May 2013         | Financing Plan related Training Meeting  | Lanzhou                    | 26                          | 11              | 42.3%                    |
| 27                             | 01 Aug 2013         | Study Visit to Australia & New Zealand   |                            | 4                           | 1               | 25.0%                    |
| 28                             | 01 Nov 2013         | Study Visit to Cuba & Brazil   |                            | 4                           | 0               | 0.0%                     |
| 29                             | 3-6 Sep 2013        | 2013 PSC Meeting/TPR Meeting, the Second Taohe Forum & Lake Cleansing Public Service Activity  | Luqu County                | 62                          | 15              | 24.2%                    |
| 30                             | 22-23 Sep 2013      | CBPF Meeting   | Yancheng, Jiangsu          | Guo Ping, Ma Xuming, Ma Yan |                 |                          |
| 31                             | 17-22 Dec 2013      | Training Meeting on Wildlife Monitoring Skills& Project Work Meeting   | Lintao County              | 42                          | 13              | 31.0%                    |
| <b>Sub-total for Year 2013</b> |                     |  |                            | <b>273</b>                  | <b>81</b>       | <b>29.7%</b>             |
| 32                             | 23-24 Jan 2014      | Financing Planning Workshop & Specialists Meeting  | Lanzhou                    | 22                          | 11              | 50.0%                    |
| 33                             | 17-18 Feb 2014      | Audit Meeting  | Lanzhou                    | 24                          | 13              | 54.2%                    |
| 34                             | 21-26 Apr 2014      | Exchange with Hainan PMO   |                            | 12                          | 6               | 50.0%                    |
| 35                             | 21-23 May 2014      | CBPF Meeting   | Qingdao, Shandong Province | Ma Yan, Wang Wei            |                 |                          |
| 36                             | 25-26 Jun 2014      | Meeting on Practice of Financing Plan & Training on Application of Monitoring Database   | Lanzhou                    | 21                          | 7               | 33.3%                    |
| 37                             | 24-27 Jul 2014      | The Third Taohe Forum & 2014 PSC Meeting   | Lanzhou                    | 88                          | 20              | 22.7%                    |
| 38                             | 05 Jun 2014         | Training on Forest Fire Protection in Taizishan PA   | Taizishan                  | 120                         | 5               | 4.2%                     |
| 39                             | 25 Jun 2014         | Skill Training in Lianhuashan PA   | Lianhuashan                | 29                          | 4               | 13.8%                    |
| 40                             | 09 Jun 2014         | Training on Wild Animal Monitoring in Taohe PA   | Taohe                      | 31                          | 3               | 9.7%                     |
| 41                             | 07 Jun 2014         | "Bird Identification" Activity in GahaiZecha PA  | GahaiZecha                 | 72                          | 38              | 52.8%                    |
| <b>Sub-total for Year 2014</b> |                     |  |                            | <b>419</b>                  | <b>107</b>      | <b>25.5%</b>             |
| <b>Grand Total</b>             |                     |  |                            | <b>1631</b>                 | <b>523</b>      | <b>32.1%</b>             |



## Annex 7: List of documents produced during project implementation

The following list of documents was included in self-assessment report (Aug 2014) produced by the PMO:

- 1) Systematic PA Development and Management Strategy
- 2) Financing Plan of Gansu Nature Reserve System
- 3) Assessment Report on Biodiversity Conservation related Laws and Regulation in Gansu Province
- 4) Assessment Report on the Law and Regulation Framework of Gansu PA System
- 5) Assessment Report on Biodiversity Conservation and PA related Policy in Gansu Province
- 6) Assessment Report on Management Agency of Gansu PA Database and Information Management System
- 7) Action Proposal for Strengthening Institutional Capacities for Effective PA Planning and Management of Gansu PA
- 8) Training Curriculum on management and sustainable development of Gansu Nature Nature
- 9) Application of GIS in Gansu PAs
- 10) Management Plan of Lianhuashan PA
- 11) Management Plan of Taizishan PA
- 12) Management Plan of Taohe PA
- 13) Management Plan of Gahai PA
- 14) Monitoring Technique Regulation of Lianhuashan PA
- 15) Monitoring Technique Regulation of Taizishan PA
- 16) Monitoring Technique Regulation of Taohe PA
- 17) Monitoring Technique Regulation of GahaiZecha PA
- 18) Business Plan for Four Demonstration Protected Areas in Taohe Basin (English Version)
- 19) Business Plan of Lianhuashan PA
- 20) Business Plan of Taizishan PA
- 21) Business Plan of Taohe PA
- 22) Business Plan of GahaiZecha PA
- 23) Overall Tourism Development Plan of PAs in Taohe Basin
- 24) Overall Eco-tourism Plan for Communities in Taohe Basin in Gansu Province
- 25) PRA Investigation Report of Lianhuashan PA
- 26) PRA Investigation Report of Taizishan PA
- 27) PRA Investigation Report of Taohe PA
- 28) PRA Investigation Report of GahaiZecha PA
- 29) Community Resource Management Plan of Lianhuashan PA
- 30) Community Resource Management Plan of Taizishan PA
- 31) Community Resource Management Plan of Taohe PA
- 32) Community Resource Management Plan of GahaiZecha PA
- 33) Co-management System between Zecha Village and GahaiZecha PA
- 34) Zecha Village Regulation on Forest and Wildlife Resource Management
- 35) Village Regulation of Lianhuashan Village
- 36) Resource Co-management Agreement of Lianhuashan PA
- 37) Village Regulation of Liewa Village, Taizishan PA
- 38) Resource Co-management System between Liewa Village and Taizishan PA
- 39) Village Regulation of Tazha Village
- 40) Monitoring Management System of Taohe National Nature Reserve
- 41) Biodiversity Conservation Agreement of Gaerniang Village--Gahai
- 42) Biodiversity Conservation Agreement of Xiuwa Village--Gahai
- 43) Biodiversity Conservation Agreement of Herdsmen--Gahai
- 44) Wetland Management and Protection Agreement within Gongba Village and Bohai Village--GahaiZecha
- 45) Wetland Management and Protection Agreement within Gaxiu Village--GahaiZecha
- 46) Wetland Management and Protection Agreement within Xiuwa Village and Jiancang Village--GahaiZecha

- 47) Biodiversity and Species Conservation Agreement within Gongquhu Village--GahaiZecha PA (2013)
- 48) Biodiversity and Species Conservation Agreement within Zecha Village--GahaiZecha PA (2013)
- 49) Duty Agreement of Guomaotan Wetland Patrolman--GahaiZecha
- 50) Duty Agreement on Forest Protection, Fire Suppression, Management and Patrolling of GahaiZecha PA--Forest Protection and Fire Suppression of Xicang--Zecha
- 51) Duty Agreement on Forest Protection, Fire Suppression, Management and Patrolling of GahaiZecha PA--Arenguan Township Patrolman
- 52) Duty Agreement on Forest Protection, Fire Suppression, Management and Patrolling of GahaiZecha PA--Gongquhu Village, Xicang Township
- 53) Duty Agreement on Forest Protection, Fire Suppression, Management and Patrolling of GahaiZecha PA--Duola Village, Xicang Township
- 54) Biodiversity and Species Conservation Agreement of Zecha Village, Larenguan Township, GahaiZecha PA (2014)
- 55) Biodiversity and Species Conservation Agreement of Gongquhu Village, GahaiZecha PA (2014)
- 56) Forest Resource Management and Protection Agreement between Taohe PA GEF PMO and Dali Village, Kaerqin Township
- 57) Forest Protection, Fire Suppression and Joint Defense Agreement between Tazha Village and Taohe PA GEF PMO
- 58) Biodiversity and Species Conservation Agreement between Liewa Village and Taizishan PA
- 59) Resource Co-management Agreement between Lianhuashan Village, Lianlu Town, Kangle County and Lianhuashan PA
- 60) Resource Co-management Agreement between Disiping Village, Lianlu Town, Kangle County and Lianhuashan PA
- 61) Resource Co-management Agreement between Shelu Village, Lianlu Town, Kangle County and Lianhuashan PA
- 62) Resource Co-management Agreement between Sizhi Village, Lianlu Town, Kangle County and Lianhuashan PA
- 63) Resource Co-management Agreement between Zuguchuan Village, Lianlu Town, Kangle County and Lianhuashan PA
- 64) Resource Co-management Agreement between Qiuyu Village, Yangsha Township, Lintan County and Lianhuashan PA
- 65) Resource Co-management Agreement between Puzi Village, Yeliguan Town, Lintan County and Lianhuashan PA
- 66) Resource Co-management Agreement between Badu Village, Bajiao Township, Lintan County and Lianhuashan PA
- 67) Resource Co-management Agreement between Yabushan Village, Bajiao Township, Lintan County and Lianhuashan PA
- 68) Resource Co-management Agreement between Dongshan Village, Yeliguan Town, Lintan County and Lianhuashan PA
- 69) Competence Development Plan of Lianhuashan PA Staff
- 70) Competence Development Plan of Taizishan PA Staff
- 71) Competence Development Plan of Taohe PA Staff
- 72) Competence Development Plan of GahaiZecha PA Staff
- 73) Letter of Committee on Benefit Sharing between Yishun Company and Community Residents of Lianhuashan Village
- 74) Letter of Committee on Benefit Sharing between Ma Dehai Nursery Producer and Community Residents of Liewa Vilalge
- 75) Letter of Committee on Benefit Sharing between Wuhuzha Hydropower Station and Villagers of Jiang Village
- 76) Letter of Committee on Benefit Sharing between Luqu County Eco-tourism Limited Company and Community Residents of Xiuwa Village
- 77) Taohe Declaration
- 78) Article of Taohe Forum
- 79) Management and Sustainable Development of Gansu Nature Reserves
- 80) Pictorial Handbook of Herbaceous Plants in Gansu Nature Reserves
- 81) Pictorial Handbook of Woody Plants in Gansu
- 82) A Selection of Forestry Laws and Regulations
- 83) Zoology Handout
- 84) Financial Management Regulation of UNDP-GEF Strengthening Globally Important Biodiversity Conservation through Protected Area Strengthening in Gansu Province

## Annex 8: Evaluation Matrix

| Evaluative Criteria Questions  | Indicators   | Sources  | Methodology  |
|--|--|--|--|
| Relevance: How does the project relate to the main objectives of the GEF focal area, and to the environment and development priorities at the local, regional and national levels?   |  |  |  |
| <b>Is the project relevant to UNCBD and other international convention objectives?</b>   |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the objectives of the UNCBD?</li> <li>Does the project support other international conventions or programmes, such as UNDAF?</li> </ul>  | <ul style="list-style-type: none"> <li>UNCBD priorities and areas of work incorporated in project design</li> <li>The contribution of the project to UNCBD</li> <li>Priorities and areas of work of UNDAF incorporated in project design</li> <li>Extent to which the project is actually implemented in line with incremental cost argument</li> </ul>  | <ul style="list-style-type: none"> <li>Project documents</li> <li>National policies and strategies to implement the UNCBD, other international conventions, or related to environment or development more generally</li> <li>UNCBD and other international convention web sites</li> </ul> | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with project team, UNDP and other partners</li> </ul>      |
| <b>Is the project relevant to the GEF biodiversity focal area?</b>   |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the GEF bio-diversity focal area and strategic priorities</li> </ul>   | <ul style="list-style-type: none"> <li>Existence of a clear relationship between the project objectives and GEF biodiversity focal area</li> </ul>   | <ul style="list-style-type: none"> <li>Project documents</li> <li>GEF focal areas strategies and documents</li> </ul>  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>GEF website</li> <li>Interviews with UNDP and project team</li> </ul> |
| <b>Is the project relevant to China's environment and sustainable development objectives?</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the environment and sustainable development objectives of China?</li> <li>Is the project country-driven?</li> <li>What was the level of stakeholder participation in project design?</li> <li>What was the level of stakeholder ownership in implementation?</li> <li>Does the project adequately take into account the national realities, both in terms of institutional and policy framework in its design and its implementation?</li> </ul> | <ul style="list-style-type: none"> <li>Degree to which the project supports national environmental objectives</li> <li>Degree of coherence between the project and national priorities, policies and strategies</li> <li>Appreciation from national stakeholders with respect to adequacy of project design and implementation to national realities and existing capacities</li> <li>Level of involvement of government officials and other partners in the project design process</li> <li>Coherence between needs expressed by national stakeholders and UNDP-GEF criteria</li> </ul> | <ul style="list-style-type: none"> <li>Project documents</li> <li>National policies and strategies</li> <li>Key project partners</li> </ul>  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with UNDP and project partners</li> </ul>                  |
| <b>Is the project internally coherent in its design</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>Are there logical linkages between expected results of the project (log frame) and the project design (in terms of project components, choice of partners, structure, delivery mechanism, scope, budget, use of resources, etc.)?</li> </ul>  | <ul style="list-style-type: none"> <li>Level of coherence between project expected results and project design internal logic</li> <li>Level of coherence between project design and</li> </ul>   | <ul style="list-style-type: none"> <li>Program and project documents</li> <li>Key project stakeholders</li> </ul>  | <ul style="list-style-type: none"> <li>Document analysis</li> <li>Key interviews</li> </ul>  |

|  |   |  |   |
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| <ul style="list-style-type: none"> <li>Is the length of the project sufficient to achieve project outcomes?</li> </ul>   | project implementation approach   |  |   |
| <b>How is the project relevant with respect to other donor-supported activities?</b>   |   |  |   |
| <ul style="list-style-type: none"> <li>Does the GEF funding support activities and objectives not addressed by other donors?</li> <li>How do GEF-funds help to fill gaps (or give additional stimulus) that are necessary but are not covered by other donors?</li> <li>Is there coordination and complementarity between donors?</li> </ul> | <ul style="list-style-type: none"> <li>Degree to which program was coherent and complementary to other donor programming nationally and regionally</li> </ul>   | <ul style="list-style-type: none"> <li>Documents from other donor supported activities</li> <li>Other donor representatives</li> <li>Project documents</li> </ul>                  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with project partners and relevant stakeholders</li> </ul>                  |
| <b>Does the project provide relevant lessons and experiences for other similar projects in the future?</b>   |   |  |   |
| <ul style="list-style-type: none"> <li>Has the experience of the project provided relevant lessons for other future projects targeted at similar objectives?</li> </ul>  | <ul style="list-style-type: none"> <li>The main experiences and lessons of the project</li> <li>Experiences and lessons provided to similar projects</li> </ul>   | <ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> </ul>   | <ul style="list-style-type: none"> <li>Data analysis</li> </ul>   |
| <b>Effectiveness: To what extent have the expected outcomes and objectives of the project been achieved?</b>   |   |  |   |
| Has the project been effective in achieving the expected outcomes and outputs?   |   |  |   |
| <ul style="list-style-type: none"> <li>What are the outcomes of the project?</li> <li>Has the project been effective in achieving its expected outcomes?</li> <li>What are the outputs of each outcome?</li> <li>Has the project been effective in achieving the expected outputs?</li> </ul>  | <ul style="list-style-type: none"> <li>See indicators in project document results framework and logframe</li> </ul>   | <ul style="list-style-type: none"> <li>Project documents</li> <li>Project team and relevant stakeholders</li> <li>Data reported in project annual and quarterly reports</li> </ul> | <ul style="list-style-type: none"> <li>Documents analysis</li> <li>Interviews with project team</li> <li>Interviews with relevant stakeholders</li> </ul> |
| <b>How is risk and risk mitigation being managed?</b>  |   |  |   |
| <ul style="list-style-type: none"> <li>How well are risks, assumptions and impact drivers being managed?</li> <li>What was the quality of risk mitigation strategies developed? Were these sufficient?</li> <li>Are there clear strategies for risk mitigation related with long-term sustainability of the project?</li> </ul>              | <ul style="list-style-type: none"> <li>Completeness of risk identification and assumptions during project planning and design</li> <li>Quality of risk mitigations strategies developed and followed</li> </ul> | <ul style="list-style-type: none"> <li>Project documents</li> <li>UNDP, project team, and relevant stakeholders</li> </ul>   | <ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>   |
| <b>Efficiency: Was the project implemented efficiently, in-line with international and national norms and standards?</b>   |   |  |   |
| <b>Was project support provided in an efficient way?</b>   |   |  |   |

|  |  |   |   |
|--|--|---|---|
| <ul style="list-style-type: none"> <li>• Was adaptive management used or needed to ensure efficient resource use?</li> <li>• Did the project logical framework and work plans and any changes made to them use as management tools during implementation?</li> <li>• Were the accounting and financial systems in place adequate for project management and producing accurate and timely financial information?</li> <li>• Were progress reports produced accurately, timely and responded to reporting requirements including adaptive management changes?</li> <li>• Was project implementation as cost effective as originally proposed (planned vs. actual)?</li> <li>• Did the leveraging of funds (co-financing) happen as planned?</li> <li>• Were financial resources utilized efficiently? Could financial resources have been used more efficiently?</li> <li>• Was procurement carried out in a manner making efficient use of project resources?</li> <li>• How was results-based management used during project implementation?</li> </ul> | <ul style="list-style-type: none"> <li>• Availability and quality of financial and progress reports</li> <li>• Timeliness and adequacy of reporting provided</li> <li>• Level of discrepancy between planned and utilized financial expenditures</li> <li>• Planned vs. actual funds leveraged</li> <li>• Cost in view of results achieved compared to costs of similar projects from other organizations</li> <li>• Adequacy of project choices in view of existing context, infrastructure and cost</li> <li>• Quality of results-based management reporting (progress reporting, monitoring and evaluation)</li> <li>• Occurrence of change in project design/implementation approach (i.e. restructuring) when needed to improve project efficiency</li> <li>• Cost associated with delivery mechanism and management structure compare to alternatives</li> </ul> | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• UNDP</li> <li>• Project team</li> </ul>               | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Key interviews</li> </ul> |
| <b>How efficient are partnership arrangement for the project?</b>  |  |   |   |
| <ul style="list-style-type: none"> <li>• To what extent partnerships/linkages between institutions/organizations were encouraged and supported?</li> <li>• Which partnerships/linkages were facilitated? Which ones can be considered sustainable?</li> <li>• What was the level of efficiency of cooperation and collaboration arrangements?</li> </ul>   | <ul style="list-style-type: none"> <li>• Specific activities conducted to support the development of cooperative arrangements between partners,</li> <li>• Examples of supported partnerships</li> <li>• Evidence that particular partnerships/linkages will be sustained</li> <li>• Types/quality of partnership cooperation methods utilized</li> </ul>  | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• Project partners and relevant stakeholders</li> </ul> | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Interviews</li> </ul>     |
| <b>Did the project efficiently utilize local capacity in implementation?</b>   |  |   |   |
| <ul style="list-style-type: none"> <li>• Was an appropriate balance struck between utilization of international expertise as well as local capacity?</li> <li>• Did the project take into account local capacity in design and implementation of the project?</li> <li>• Was there an effective collaboration between institutions responsible for implementing the project?</li> </ul>  | <ul style="list-style-type: none"> <li>• Proportion of expertise utilized from international experts compared to national experts</li> <li>• Number/quality of analyses done to assess local capacity potential capacity</li> </ul>  | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• UNDP Beneficiaries</li> </ul>                         | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Interviews</li> </ul>     |
| <b>What lessons can be drawn regarding efficiency for other similar projects in the future?</b>  |  |   |   |

|  |  |   |   |
|--|--|---|---|
| <ul style="list-style-type: none"> <li>What lessons can be learnt from the project regarding efficiency?</li> <li>How could the project have more efficiently carried out implementation (in terms of management structures and procedures, partnerships arrangements etc...)?</li> <li>What changes could have been made (if any) to the project in order to improve its efficiency?</li> </ul> |  | <ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> </ul>  | <ul style="list-style-type: none"> <li>Data analysis</li> </ul> |
| Sustainability: To what extent are there financial, institutional, social-economic, and/or environmental risks to sustaining long-term project results?  |  |   |   |
| <ul style="list-style-type: none"> <li>Did the project make strategies for sustainability during its design and implementation?</li> <li>What strategies were developed to ensure the sustainability?</li> <li>Are the strategies for sustainability related with long-term conservation of wild relatives?</li> </ul>   | <ul style="list-style-type: none"> <li>Reduction level of threats and root causes to the conservation of wild relatives.</li> <li>Financial arrangements to ensure the sustainability</li> <li>Institutional arrangements to ensure the sustainability</li> <li>Level of awareness improvement for conservation of wild relatives of local communities and farmers</li> <li>Capacity of local communities and farmers for conserving wild relatives</li> </ul> | <ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> <li>Interviews with local communities and farmers</li> </ul> | <ul style="list-style-type: none"> <li>Data analysis</li> </ul> |
| Impact: Are there indications that the project has contributed to, or enabled progress toward, reduced environmental stress and/or improved ecological status?   |  |   |   |
| <ul style="list-style-type: none"> <li>What were the environmental stresses at the beginning of the project?</li> <li>Have the environmental stresses been mitigated? At what level?</li> <li>Have the ecological status of the habitats and resources of targeted species been improved? At what level?</li> </ul>  | <ul style="list-style-type: none"> <li>Threats to targeted WRCs at project beginning</li> <li>Changes of the habitats of wild relatives at the project sites</li> <li>Changes of around ecosystems at the project sites</li> <li>Changes of the resources of target species</li> </ul>   | <ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> <li>Interviews with local communities and farmers</li> </ul> | <ul style="list-style-type: none"> <li>Data analysis</li> </ul> |
| Catalytic Role   |  |   |   |
| Explain how the Project has had a catalytic or replication effect in the country and/or region.  | Reference by other projects, programs  | Interview records, project fact sheets  | Desk review, interviews   |
| Preparation and Readiness  |  |   |   |
| Were the Project objective and components clear, practicable, and feasible within its time frame?  | Project efficiency, stakeholder involvement  | Logical results framework   | Desk review, interview  |
| Were the capacities of the executing institution(s) and its counterparts properly considered when the Project was designed?  | Project efficiency and effectiveness   | Progress reports, audit results   | Desk review, interviews   |
| Were the partnership arrangements properly identified and roles and responsibilities   | Project effectiveness  | Memorandums of  | Desk review, interviews   |



|   |                                      |  |                                       |
|---|--------------------------------------|--|---------------------------------------|
| negotiated prior to Project approval?   |                                      | understanding, agreements  |                                       |
| Were counterpart resources, enabling legislation, and adequate project management arrangements in place at Project entry?                       | Project efficiency and effectiveness | Interview records, progress reports  | Desk review, interviews, field visits |
| <b>Supervision and Backstopping</b>   |                                      |  |                                       |
| Did GEF Agency staff identify problems in a timely fashion and accurately estimate their seriousness?   | Project effectiveness                | Progress reports, MTR report, final Project review report  | Desk review, interviews               |
| Did GEF Agency staff provide quality support and advice to the project, approve modifications in time, and restructure the Project when needed? | Project effectiveness                | Progress reports, MTR report, final Project review report  | Desk review, interviews               |
| Did the GEF Agency provide the right staffing levels, continuity, skill mix, and frequency of field visits for the Project?                     | Project effectiveness                | Progress reports, MTR report, final Project review report, back-to-office reports, internal appraisals | Desk review, interviews, field visits |
| Did GEF Agency staff identify problems in a timely fashion and accurately estimate their seriousness?   | Project effectiveness                | Progress reports, MTR report, final Project review report  | Desk review, interviews               |
| <b>Delays and Project Outcomes and Sustainability</b>   |                                      |  |                                       |
| If there were delays in project implementation and completion, what were the reasons?   | Sustainability of Project outcomes   | Progress reports, MTR report, final Project review report  | Desk review, interviews               |
| Did the delays affect project outcomes and/or sustainability, and, if so, in what ways and through what causal linkages?                        | Sustainability of Project outcomes   | Progress reports, level of attainment of project outcomes  | Desk review, interviews               |
| <b>Monitoring and Evaluation</b>  |                                      |  |                                       |
| Did management adequately respond to mid-term review recommendations?   | Project effectiveness                | Management response, PIRs, final Project review  | Desk review, interviews               |
| Was there sufficient focus on results-based management?   | Project effectiveness                | PIRs, MTR report, final Project review   | Desk review, interviews               |

## Annex 9: Evaluated Logical Results Framework

The level of achievement of the project objective and outcomes was assessed by evaluating the progress made toward achieving the targets on the indicators set out in the logical results framework. The color coding used for rating of achievement is explained below:

|     |                                      |
|-----|--------------------------------------|
| HS  | Highly Satisfactorily achieved       |
| S   | Satisfactorily achieved              |
| MS  | Moderately Satisfactorily achieved   |
| MU  | Moderately Unsatisfactorily achieved |
| U   | Unsatisfactorily achieved            |
| HU  | Highly Unsatisfactorily achieved     |
| U/A | Unable to Assess                     |
| N/A | Not Applicable                       |

| No.  | Indicator  | Baseline              | TE Comments  | Rating           |
|--|--|-----------------------|--|------------------|
|  |  | End of Project Target |  |                  |
| <b>Objective:</b> To strengthen protected areas’ sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing. |  |                       |  | Satisfactory     |
| Obj-1  | Financial sustainability score (%) for national systems of protected areas | 32.5%                 | <p>The self-assessment report produced by the PMO indicates a financial sustainability score of 71%, reported in July 2014. This score exceeds the 70% target.</p> <p>However, in the opinion of the TE team, this indicator does not provide a verifiable and objective indication of project performance. Also, the time-frame for the indicator, i.e., end of project, is not representative, as some of the key project results are pending approval; for example, the PA system wide strategy and planning framework, and the Taohe Basin financing plan. This indictor does not capture the added value provided by this project.</p> <p>Introduction of the financial sustainability scorecard to the GFD and PA level managers was relevant, and could provide them with a useful, semi-quantitative tool to assess their progress moving forward. But assigning this indicator as a measure of achievement of the project objective obscures the contributions made by the incremental GEF funding.</p> <p>For example, as shown from the financial details provided by the demonstration PA’s, funding levels were considerably higher in 2011, the year of project inception, as compared to 2009, when the baseline conditions were developed. Government-driven policies have funneled large capital investments into the PA system, and also have boosted the operational level. For instance, one of the interviewed stakeholders indicated that the average salary for PA staff has increased from CNY 9,000 to approx. CNY 40,000 in recent years; a four-fold increase. And, furthermore, some of the PA’s in the system receive extraordinary levels of funding, including the ones hosting the giant panda populations.</p> <p>The TE team does not dispute that the financial sustainability of the PA system is 71% at project closure, but rather contends that this indicator is not an appropriate measure of the incremental benefit of the project.</p> | Unable to Assess |
|  |  | 70%                   |  |                  |

| No.  | Indicator  | Baseline              | TE Comments  | Rating                  |
|--|--|-----------------------|--|-------------------------|
|  |  | End of Project Target |  |                         |
| Obj-2  | Improved management effectiveness of 8,940,529 ha of nature reserves managed by the Gansu Forestry Bureau as per average METT scores | 65                    | <p>The self-assessment report produced by the PMO indicates at PA system wide METT score of 76.67, based upon an analysis made in July 2014. This value exceeds the target score of 75.</p> <p>Similar to the financial sustainability scorecard indicator, the TE team considers that the result reported does not provide objective and verifiable measure of the incremental benefit from the GEF funding. One issue is the monitoring and evaluation metrics for this indicator. The result in July 2014 is based upon scores from 24 of the 67 PA's. This number is considered by the PMO as representative, but this claim is not backed up with some type of statistical justification.</p>   | Unable to Assess        |
|  |  | 75                    | <p>The more important issue is whether a system wide METT score is an appropriate indicator of the contributions made by the project toward achieving the project objective. On a demonstration scale (Outcome 2), it was reasonable to use the METT as an indicator, because there was intense interaction with the four demonstration PA's. But, there was very little interaction with the other 63 PA's during the project implementation. And, the GFD had never used the METT within their organization in the past, so there was a learning curve on scoring, some conflict-of-interest concerns because the scores are not truly independent, and reliability concerns because of inexperience in working with this tool. A more appropriate indicator might have been integration of the METT with provincial policies, as a tool to evaluate management effectiveness on a regular basis.</p>  |                         |
| Outcome 1: Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system |  |                       |  | Moderately Satisfactory |
| O1-1   | At least 200% increase in the available total annual budget for PA management and development activities in Gansu province           | 14.8                  | <p>The PMO is reporting a figure of USD 93.37 million, as of August 2014. This figure is more than twice end-of-project target of USD 44.4 million.</p>  | Unable to Assess        |
|  |  | 44.4                  | <p>According to the opinion of the TE team, this is not a verifiable and objective indicator of the incremental benefits realized through the GEF funding. Firstly, the baseline was not updated in 2011 at the time of project inception. There had been significant advances in government funding both in the form of capital investments and operational financing, including large increases in the average salaries of PA staff. And government payment-for-ecosystem services (PES) programs have increased; for example, for some eco-compensation programs, the payment levels have doubled in recent years. The final reported figure also includes one-off capital investments, and thus, the result might not indicate sustainable levels of government funding. There was a lack of monitoring and evaluation metrics worked out for this indicator.</p> <p>Another concern is the timeframe. One of the key project results is the planned approval of a PA system wide strategy and planning framework. As of September 2014, this strategic plan had not yet been sent to the GFD directorate for approval, but the team expects it to be approved by the end of the year. The effectiveness of project advocacy efforts at the provincial level was quite low during the first 2-1/2 years of the 4- year project, when there were 3 different project managers. Realistically, it was only over the last year that the project was able to effectively advocate PA system wide change. This is insufficient time to affect institutional level change, and it is inappropriate to assign</p> |                         |

| No.    | Indicator  | Baseline   | TE Comments   | Rating           |
|--------|--|--|---|------------------|
|        |  | End of Project Target  |   |                  |
|        |  |  | increases in government level funding to contributions made by the project.   |                  |
| O1-2-3 | Capacity to implement policies, legislation, strategies and programmes" component of the Capacity Scorecard  | 54.2%  | <p>These two indicators were consolidated into one in response to MTR recommendations. The PMO has reported a final score of 76.67%, as of Aug 2014. This result exceeds the end-of-project target of 65%.</p> <p>Introduction of the capacity scorecard to the GFD is relevant, as it provides them with a semi-quantitative tool, which might be used, for example, to help justify allocation of resources for training, etc. But, as an indicator of the incremental benefit of the GEF funding.</p> <p>As discussed under Indicator No. 1 under Outcome 2, the project was not very effective in advocacy on a PA system wide level, over the first 2-1/2 years of the project. The situation improved over the past year, but this is insufficient time to draw conclusions.</p> <p>A more appropriate indicator might have been integration of the capacity scorecard into GFD operational policies, and by the end of the project, evidence of allocating budget for professional development training in the next 5-year funding cycle.</p>  | Unable to Assess |
|        |  | 65%  |   |                  |
|        | Capacity to engage and build consensus among all stakeholders" component of the Capacity Scorecard   | 56.7%  |   |                  |
|        |  | 65%  |   |                  |
| O1-4   | Presence of the PA system wide strategy and planning framework for effective management adopted at the PA Council meeting by relevant stakeholders | No such strategy exists  | <p>This was an important component of the project, as a PA system wide strategy and planning framework has the potential to influence PA management and sustainability, if sufficient buy-in is garnered and mechanisms are put into place to enable implementation in years to come.</p> <p>At the time of the TE mission, in September 2014, the draft strategy had not yet been submitted to the GFD directorate for approval, but the team and the NDP expect that approval will be realized by the end of the year. Based upon review of project progress reports, an earlier draft of the strategy was prepared in 2011, the first year of the project. The project went through 3 project managers in the first 2-1/2 years of the implementation phase, and advocacy efforts suffered because of these inconsistent management arrangements. Nevertheless, it seems a bit late in the process for approval of an important result of the project, allowing essentially no time for follow-up and assistance on planning the implementation phase.</p> <p>Progress on this indicator is evaluated as satisfactory, because the contributions are meaningful, including aspects that have not been addressed to date. For example, biodiversity monitoring is prominently featured in the strategy; very few of the forestry PA's had biodiversity monitoring in place, and fewer ones had a systematic protocol established. The strategy also sets targets for self-generating revenue, including increasing income from eco-</p> | Satisfactory     |
|        |  | Strategy formulated and adopted by stakeholders PA Council established and meeting regularly |   |                  |

| No.   | Indicator   | Baseline                                  | TE Comments   | Rating                  |
|---|---|---|---|-------------------------|
|   |   | End of Project Target                     |   |                         |
|   |   |   | tourism activities from a baseline of USD 15.7 million in 2014 to approx. USD 30 million in 2024. Similarly, revenue from tree nursery business is forecasted to increase from a baseline of USD 14.8 million in 2014 to approx. USD 23 million in 2024.<br><br>There was no evidence in the draft strategy that the indicators introduced in this project, including the financial sustainability scorecard, METT, and capacity scorecard, are included.   |                         |
| O1-5  | New comprehensive PA Database exists strengthening the effective use of limited human and financial resources   | No PA database exists                     | This indicator was softened following the MTR, as it was concluded that achieving a comprehensive PA system wide database was unlikely within the time and budget limits of the project. The revised indicator was to develop a database for the 4 demonstration PA’s for managing their biodiversity monitoring information.<br><br>The original project design was flawed with respect to the database component, as there was insufficient stakeholder feedback obtained and inadequate funds allocated.<br><br>The expert team who developed the biodiversity database has done a good job, producing a web-based system that is user-friendly and can be easily rolled-out, including at the PA station level, provided that the users have a computer and an Internet line.<br><br>The PMO has also made diligent efforts trying to promote adoption of the database at other PA’s in Gansu, visiting the PA administrations and delivering presentations and demonstrations.<br><br>Even though this is the first biodiversity monitoring database generated for the GFD, the fairly limited scope of the system restricts the utility of it as a PA management tool. For example, it would be advisable to also include information from the PA’s surveillance programs; illegal incident records (held by the Forest Police); modules that can accept water quality data, eco-tourism figure, reforestation activities; and report-generating features that are consistent with the regular reports the PA’s are obliged to submit to the GFD, SFA, and other stakeholders. In this way, the database would be more robust, it would be easier to obtain buy-in from key decision makers, and the replication potential would be enhanced. | Moderately Satisfactory |
|   |   | Database maintained and regularly updated |   |                         |
| Outcome 2: Sustainable PA management and financing demonstrated in Taohe sub-system |   |   |   | Overall:                |
|   |   |   |   | Satisfactory            |
| O2-1  | Improved management effectiveness as per METT scores for individual sites<br>– Lianhuashan National NR<br>– Taizishan Provincial NR<br>– Gahai-Zecha National NR<br>– Taohe National NR | 60<br>55<br>73<br>73                      | The self-assessment report prepared by the PMO indicates that the METT scores in Sep 2014, coinciding with the terminal evaluation were:<br><br>Lianhuashan NR: 75<br>Taizishan NR: 74<br>Gahai-Zecha NR: 85<br>Taohe NR: 84  | Satisfactory            |
|   |   | 75<br>74<br>85<br>84                      | These values exceed or match the end of project targets set forth in the project document.<br><br>Based upon interviews completed as part of the TE, there was sufficient evidence that the project contributed to improvements in institutional and individual capacities, with respect to PA management, financing, biodiversity conservation, and community relations. These results are reflected in the improved METT scores.  |                         |

| No.            | Indicator   | Baseline  | TE Comments   |  |  | Rating         |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
|----------------|---|---|---|--|--|----------------|--------------------------------|--|------|------|----------------|-------|-------|--------------|-------|-------|----------------|------|-------|----------|-------|-------|-------------------------|
|                |   | End of Project Target   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| O2-2           | Number of park planning tools developed and implemented in the demo PAs<br>– Management Plan<br>– Business Plan<br>– Tourism Plan                           | 0<br>0<br>0<br><br>3<br>3<br>1  | Each of the four demonstration PA’s developed management plans and business plans. One, basin-wide tourism plan was also prepared. In response to one of the MTR recommendations, these plans were consolidated into action plans, which were approved by the GFD and are under implementation since 2013.<br><br>These management planning tools were carried out using an inclusive, participatory approach, and detailed analyses were made regarding threatening factors and respective management responses.   |  |  | Satisfactory   |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| O2-3           | Increase in park revenue/budget (CNY million)<br>– Lianhuashan National NR<br>– Taizishan Provincial NR<br>– Gahai-Zecha National NR<br>– Taohe National NR | 8<br>16.6<br>4.5<br>31.4<br><br>11.5<br>25.4<br>6.5<br>39.4   | <table><tr><td rowspan="2">Protected Area</td><td colspan="2">Revenue + Budget (CNY million)</td></tr><tr><td>2011</td><td>2014</td></tr><tr><td>Lianhuashan NR</td><td>12.13</td><td>13.95</td></tr><tr><td>Taizishan NR</td><td>47.08</td><td>23.68</td></tr><tr><td>Gahai-Zecha NR</td><td>5.16</td><td>10.38</td></tr><tr><td>Taohe NR</td><td>52.07</td><td>52.59</td></tr></table>  |  |  | Protected Area | Revenue + Budget (CNY million) |  | 2011 | 2014 | Lianhuashan NR | 12.13 | 13.95 | Taizishan NR | 47.08 | 23.68 | Gahai-Zecha NR | 5.16 | 10.38 | Taohe NR | 52.07 | 52.59 | Moderately Satisfactory |
| Protected Area | Revenue + Budget (CNY million)  |   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
|                | 2011  | 2014  |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| Lianhuashan NR | 12.13   | 13.95   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| Taizishan NR   | 47.08   | 23.68   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| Gahai-Zecha NR | 5.16  | 10.38   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| Taohe NR       | 52.07   | 52.59   |   |  |  |                |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |
| O2-4           | Systematic local level biodiversity monitoring system enhancing PA management   | No mechanism for monitoring exists<br><br><br><br><br><br><br><br><br><br>Monitoring mechanism in place | The project made meaningful contributions to the demonstration PA’s with respect to biodiversity monitoring. Before this project, only 3 of the forestry PA’s had biodiversity monitoring: the first was for one of the giant panda PA’s, and then the other 2 of the giant panda PA’s implemented monitoring in 2006.<br><br>Added value from the project include delivering trainings, assisting in establishing monitoring transects, procuring basic monitoring supplies and equipment, and development of a web-based database for recording biodiversity monitoring data.<br><br>During the TE debriefing in Lanzhou, the NPD indicated that the Gansu Forestry Department has committed CNY 3 million per year to further support development and dissemination of the database.<br><br>Monitoring protocol also has been disseminated to other PA’s in the province, and among the 14 PA’s visited, 6 have already introduced the protocol in their nature reserves. The database is simple, easy to use, and web-based. The development team had to develop unique coding system for monitored species; would be advisable to obtain buy-in of this system by MEP, SFA, and other stakeholders.<br><br>The TE team feels that the utility of the database would be enhanced if linked to mandatory monitoring and reporting activities by the PA’s, i.e., those required by SFA. Also, the monitoring activities should be better integrated with the management objectives of the PA. For example, monitoring should be implemented to evaluate impact of frequently visited eco-tourism areas; at areas where reforestation is |  |  | Satisfactory   |                                |  |      |      |                |       |       |              |       |       |                |      |       |          |       |       |                         |



| No.  | Indicator   | Baseline              | TE Comments  | Rating       |
|------|---|-----------------------|--|--------------|
|      |   | End of Project Target |  |              |
|      |   |                       | being carried out; and to address possible long-term impacts of climate change. And the system should be made more flexible, so that additional modules, such as water quality monitoring, could be more easily added.   |              |
| O2-5 | PA staff completing specialised training and/or skills development programmes<br>- Short course training<br>- Mentoring programme<br>- Train-the-trainers programme               | 0<br>0<br>0           | The number of trainings exceeded the end-of-project targets, and according to PMO self-assessment, participation by women accounted for 32% of total participants.<br><br>The training delivered by the international consultant on business planning included a satisfaction survey. But, there was no evidence of any assessments being made regarding the effectiveness of the trainings, e.g., retention of skills and knowledge.  | Satisfactory |
|      |   | 20<br>5<br>5          |  |              |
| O2-6 | Reduced threats to PAs:<br>Number of co-management agreements with resident communities reducing threats related to overgrazing, forest fire and illegal hunting and harvesting.  | 0                     | The project team has done a good job facilitating collaborative management agreements. At the time of the MTR there were no agreements concluded, while by the TE in September 2014 there were 54 agreements signed:<br>Gahai Zecha PA: 16<br>Taohe PA: 24<br>Lianhuashan PA: 10<br>Taizishan PA: 10   | Satisfactory |
|      |   | 20                    |  |              |
| O2-7 | Increased cost efficiency of PA management: Number of joint and PA management activities between the four demonstration PAs leading to increased cost efficiency of PA management | 0                     | The project has reported 16 joint events, exceeding the target of 10.<br><br>Also, in response to one of the MTR recommendations, each of the 4 demonstration PA's have held 2 PA forums; that accounts for 8 of the joint activities. During these forums, PA representatives discussed joint monitoring, joint patrolling, and sharing experiences on management systems.<br>There are 4 additional joint activities planned to be held in November 2014.<br><br>Finally, there have been 4 benefit sharing agreements signed between private sector enterprises and local communities:<br>Gahai Zecha PA: eco-tourism<br>Taohe PA: hydropower<br>Lianhuashan PA: herbal products<br>Taizishan PA: tree nursery<br><br>This is the first time such benefit sharing agreements have been realized in Gansu province.<br><br>This component could have been strengthened if more focus was placed on quantifying cost efficiencies realized through joint activities among the PA's. | Satisfactory |
|      |   | 10                    |  |              |

## Annex 10: Evaluation Consultant Code of Conduct Agreement Form

### Evaluators:

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

### Evaluation Consultant Agreement Form

Agreement to abide by the Code of Conduct for Evaluation in the UN System

Name of Consultants: Li He, James Lenoci

We confirm that we have received and understood and will abide by the United Nations Code of Conduct for Evaluation.

Signed in Lanzhou on 5 September 2014

Signatures:



Prof. Li He, National Consultant



James Lenoci, International Consultant

**Annex 11: Draft Report Review Comments and Evaluation Team Responses**

| Comment  | Response by Evaluation Team  |
|--|--|
| <b>Comments outlined in e-mail from Ms. Midori Paxton and Dr. Chaode Ma on 23 October 2015:</b>  |  |
| <p>1) Ambitious nature of the project in relation to the funding and 4-year duration: Yes, unfortunately the funding was very small, and therefore the project duration was only 4 years. However, the intention was for this funding to work in a catalytic fashion, directing government resources to cover short falls and ensure integration of the project outputs/outcomes in the government workings. I note that several observations are mentioned in terms of some of the project products as well as METT etc. not properly being integrated in the government planning and operational systems. I wonder if it would be possible for the evaluators to comment on the extent of project influence on directing/redirecting government resources towards “incremental” changes. For example, was there any change in the infrastructure oriented investment patterns of the government?</p> | <p>With respect to the four demonstration PA's, there was evidence that the PA administrations were directing certain expenditures, at least those within their control. For example, within the 5-year action plan of the Lianhuashan PA, there are CNY 9.8 million (USD 1.6 million) and CNY 2 million (USD 0.325 million) earmarked for improving the monitoring system and for eco-tourism monitoring, respectively. But, in terms of infrastructure oriented investment, allocation of funds seems more rigid. For example, the central budget funds allocated to the Taizishan PA in 2013 after this nature reserve was upgraded to a national level PA could only be used for pre-defined infrastructure projects.</p> <p>With respect to PA system level scale change, there was less impact from the project in influencing allocation of available funds. Provincial stakeholders did indicate that CNY 3 million (USD 0.49 million) is earmarked in 2015 for further development-dissemination of the biodiversity monitoring database. But the main result of the project with respect to the PA system level is the PA System Strategy and Planning Framework, which is expected to be approved by the end of 2014.</p> |
| <p>2) As for the fact that some of the tools introduced by the project have not been integrated in the planning and operation of the GFD and PAs, I wonder what the reasons were. Is it because they don't find them relevant/useful? Or is it a matter of somebody at the PA system planning level, taking them on and institutionalizing them?</p>   | <p>Among the demonstration PA's, the introduced planning tools have been reasonably integrated into the administrations, e.g., through implementation of the approved action plans, which consolidate the recommended actions in the management plan, business plan, and tourism plan. And, it seems that the demonstration PA's will continue with the biodiversity monitoring activities; at least two of the four PA's provided the TE team with evidence showing that they have allocated budget for monitoring activities as part of their 5-year action plans.</p> <p>The issue indicated as a shortcoming was the fact that the introduced PA management and monitoring tools were not aimed to be incorporated into the master plans of the PA's. That is, rather than adding value to existing institutional mechanisms, the tools were introduced more as stand-alone items, and in the opinion of the TE team, there is less of a likelihood for wider uptake, on a PA scale.</p>   |

| Comment  | Response by Evaluation Team  |
|--|--|
| <p>3) The evaluators' comments on the project's over-reliance on scorecards for assessing progress of achieving project objectives are interesting. I believe that the issue may be more about the quality of the METT assessment, in particular when it comes to the comment and way forward section. If the project sets a clear target for each (or at least many) of the scorecard questions, in terms of what incremental progress is to be achieved, and the progress is gauged towards attainment of the target, the scorecard would be a viable tool for gauge incremental influence of GEF financed projects.</p> | <p>It is important to appreciate that the experience the GFD has had on international projects, has, according to them, been primarily with large infrastructure projects. It is more straight-forward to assess the achievements of an infrastructure project, than one focusing on capacity building and changing mindsets and priorities with respect to PA management. Setting a METT score (or results of other scorecards) as a measure of achieving the project objective creates an impression to the implementing partner that once they reach that result, their work has been completed. While in reality, maintaining sustainable PA management requires persistence and vigilance over the long-run, and is not based on a one-off assessment. Relying on scorecards as objective indicators of success of such as project is too simple, and overlooks the underlying goal of imparting institutional level change.</p> <p>The TE team does not dispute the usefulness of the METT, financial sustainability scorecard, or capacity building scorecard, but not as measures of achieving the project objective. For example, assigning an indicator to have the METT integrated into GFD's PA management planning framework might have been more appropriate, as that way there is institutional level commitment to continue to evaluate their PA management effectiveness.</p> <p>In terms of reliability, yes, there were concerns. Firstly, the baseline conditions should have been 2011, the year of project inception, not 2009, when the project was developed. There were also shortcomings with respect to statistical representativeness. But reliability is not the main issue, in the opinion of the TE team; it is rather the appropriateness of using scorecard results as the main indication of achievement of the project objective.</p> |
| <p>4) I wonder if the evaluators could also comment on the accuracy of the METT scorecard results (2014) for each of the 4 PAs based on their observation at each PAs.</p>   | <p>Based upon review of the 2014 METT scores for the 4 demonstration PA's, it seems that the process was rigorously and fairly implemented. The number of participants, 165, was lower than in 2013 at the MTR, when 269 took part, but still a reasonably large number. And, according to testimonial evidence, external participants also provided input.</p> <p>There were a few inconsistencies noted by the TE team, for example:</p> <p>For Item No. 9 (Resource Inventory), the Gaihazecha PA reported a score of 3, up from 2 at</p>   |

| Comment   | Response by Evaluation Team  |
|---|--|
|   | <p>the MTR. Considering that the PA staff indicated that they do not have the resources to monitor water quality of this important water resource area, the score of 3 is questionable.</p> <p>For Item No. 14 (Staff Training), the Taizishan PA reported a score of 1, down from 3 at the MTR and 2 at the 2010 baseline. The other 3 PA's reported increases in the score for this item, and the TE team did not observe a reason why the situation in Taizishan warranted a decrease in the score.</p> <p>For Item No. 16 (Security of Budget), the Taizishan PA reported a score of 1, again down from 3 at the MTR and 2 at the 2010 baseline. This PA was upgraded to a national level nature reserve in 2013, so budget security should in fact be higher. The team is uncertain why the budget allocation for this PA seems to be decreasing.</p> <p>For Item No. 23 (Local Communities), the scores seem to be overly generous with respect to local communities having input to management decisions. Conversely, the subsequent additional point ("There is open communication and trust between local stakeholders and protected area managers"), the scores were 1 across the board, showing no improvement since the inception of the project. The TE team thinks that communication with local stakeholders at the demonstration PA's was significantly improved, as evidenced through the large number of collaborative agreements reached.</p> <p>For Item No. 30 (Monitoring and evaluation), the scores reported for 2014 seem to be generally over-stated. While the demonstration PA's have indeed improved their capacities with respect to biodiversity monitoring, the TE team thinks assigning a score of 3 (2.8 as the overall average) is too high, as they need to further develop their monitoring protocols according to the overall management objectives of the nature reserves. For example, biodiversity impacts from the extensive reforestation/afforestation efforts are not being monitored, and the effects of eco-tourism on biodiversity are not specifically being monitored.</p> |
| <b>Comments included in reviewed report file:</b>   |  |
| <p><b>c1: Executive Summary, Key Shortcomings:</b></p> <p>SFA has some level of participation in the project, such as</p> <p>(1) Mr. Yuan Jun, the Division Chief in Forestry Planning and Inventory Institute of SFA was the</p> | <p>The additional information provided was added to Section 3.1.4, "Planned Stakeholder Participation". But, our conclusion regarding <u>limited</u> SFA involvement remains unchanged. A more defined stakeholder role for the SFA might have helped</p>  |

| Comment   | Response by Evaluation Team   |
|---|---|
| <p>national consultant during the PPG of the project, there were some cooperation projects between the Institute and GFD.</p> <p>(2) Ms. Zhang Xiaoyun, the Deputy Division Chief in Forestry Planning and Inventory Institute of SFA participated the third Taohe Forum and gave a presentation focus on wetland conservation from global and national practice and policy perspectives.</p>   | <p>facilitate PA system level adoption of some of the management and monitoring tools introduced, and also increased the catalytic reach, e.g., by spear-heading dissemination among other provinces.</p>   |
| <p><b>c2: Executive Summary, Key Shortcomings:</b></p> <p>During last PSC Meeting, the NPD committed to report to top leader of GFD for continuation of the forum at provincial level, he also mentioned that the forum could be continued at NR level for ever. The GEF VI already committed LOE about 5 million USD for pipeline in GEF VI for PS system strengthening, I do believe the forum will be continued and upscale from Taohe to Provincial PA Forum.</p>   | <p>Noted. Approval of the new project under GEF VI does indeed enhance the overall sustainability of the PA-system wide efforts made during this project. But, the conclusion regarding the continuation of the Taohe Forum remains unchanged, as there was no specific evidence provided to the TE team, including verbal commitments in response to interview questions.</p>  |
| <p><b>c3: Executive Summary, Recommendations:</b></p> <p>Same with 8 should be the following:</p> <p>Incorporate improved planning tools, financing strategies, and monitoring protocols into PA master plans</p>   | <p>This was revised accordingly.</p>  |
| <p><b>c4: Section 3.2.4. Project Finance:</b></p> <p>The total expenditures under PPG phase for Gansu is 72,626 according to the finalized CDRs of 2010-2012. Guess the gap is due to the cycle of 2012PIR covers the period before June 2012 while additional \$3,087 incurred in the latter half of 2012.</p>   | <p>Noted. This has been revised accordingly, and the figures in the Project Summary Table (Exhibit 1) have also been revised.</p>   |
| <p><b>c5: Section 3.2.6. Implementing Agency (IA) and implementing Partner (Executing Agency – EA) Execution:</b></p> <p>I personally participated all the three fora, and gave three presentations based on my expertise and experiences, as well as the mandate of UNDP:</p> <p>1<sup>st</sup> Forum: Suggestions and Expectations for the Taohe Forum;</p> <p>2<sup>nd</sup> Forum: Climate change assessment and adaptation—Take Yangtze River Basin as an example;</p> <p>3<sup>rd</sup> Forum: Water issues and countermeasure in China, promoting IRBM is the best choice.</p> <p>As I suggested, all the fora were combined with annual PSC/TPR to reduce time and cost consume</p> | <p>The following was added to the last sentence of the first paragraph in Section 3.2.6:</p> <p>for example:</p> <p>1<sup>st</sup> Taohe Forum: Suggestions and Expectations for the Taohe Forum;</p> <p>2<sup>nd</sup> Taohe Forum: Climate change assessment and adaptation—Take Yangtze River Basin as an example;</p> <p>3<sup>rd</sup> Taohe Forum: Water issues and countermeasure in China, promoting IRBM is the best choice.</p> <p>The UNDP CO program manager also suggested that the forum meetings be combined with annual PSC/TPR to reduce time and costs and of the participants.</p> |



| Comment   | Response by Evaluation Team  |
|---|--|
| for all participants, which made my participation possible.   |  |
| <p><b>c6: Section 3.2.6. Implementing Agency (IA) and implementing Partner (Executing Agency – EA) Execution:</b></p> <p>UNDP pushed a lot by using every meeting with NPD, frequent calls with NPD and request the PD to report to NPD regularly.</p>                                      | <p>The following sentence was added to the end of Section 3.2.6:</p> <p>Based upon evidence obtained during TE interviews and review of PSC meeting memorandum, the UNDP CO program manager maintained regular communication with the NPD and the project team, urging them to follow up with outcomes advocated by the project.</p> |
| <p><b>c7: Section 3.2.6. Implementing Agency (IA) and implementing Partner (Executing Agency – EA) Execution:</b></p> <p>For the office arrangement, UNDP could do little, as the government has their own arrangement for their offices and their regulations for foreign aid projects</p> | <p>The referenced sentence was removed, but the issue remains in the Lessons Learned. If the NPD is made aware of the concern, he/she should try to facilitate more conducive management arrangements.</p>   |
| <p><b>c8: Section 4.1. Conclusions, Key Shortcomings:</b></p> <p>Again, government building has limited space already, and they also has their own regulations for international projects.</p>  | <p>See previous comment.</p>   |
| <p><b>c9: Section 4.1. Conclusions, Key Shortcomings:</b></p> <p>SFA Middle level leadership also joined the 3<sup>rd</sup> Forum and frequent communications also there.</p>   | <p>The TE team recognizes that there was some level of involvement by SFA. The conclusion was that there was “limited” involvement of the SFA. The information about middle level leaders participating in the 3<sup>rd</sup> forum has been added to Section 3.1.4, “Planned Stakeholder Participation”.</p>                        |

## **Annex 12: Terms of Reference**

## TERMINAL EVALUATION TERMS OF REFERENCE

### INTRODUCTION

In accordance with UNDP and 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 UNDP-GEF **CBPF: Strengthening Globally Important Biodiversity Conservation through Protected Area Strengthening in Gansu Province Project (PIMS 4072)**.

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

### PROJECT SUMMARY TABLE

|                          |   |  |  |   |
|--------------------------|---|--|--|---|
| Project Title:           | The UNDP-GEF CBPF: Strengthening Globally Important Biodiversity Conservation through Protected Area Strengthening in Gansu Province Project        |  |  |   |
| GEF Project ID:          | 75198   |  | <i>at endorsement<br/>(Million US\$)</i> | <i>at completion<br/>(Million US\$)</i> |
| UNDP Project ID:         | 4072  | GEF financing:                         | 1.738                                    |   |
| Country:                 | China   | IA/EA own:                             |  |   |
| Region:                  | Gansu Province  | Government                             | 7.280                                    |   |
| Focal Area:              | Biodiversity  | Other(Local government):               |  |   |
| FA Objectives, (OP/SP):  | More efficient management of natural resources and development of environmentally friendly behavior in order to ensure environmental sustainability | Total co-financing:                    | 7.280                                    |   |
| Executing Agency:        | Gansu Provincial Government   | Total Project Cost:                    | 9.018                                    |   |
| Other Partners involved: |   | ProDoc Signature (date project began): |  | 18 Jan. 2011                            |
|                          |   | (Operational) Closing Date:            | Proposed:<br>17 Jan. 2015                | Actual:                                 |

### OBJECTIVE AND SCOPE

The project is an effectively managed nature reserves system in Gansu to conserve globally important biodiversity for the long-term. The project will focus on improving PA system management capacities and financial sustainability of the PAs at the provincial level as well as the site level at four field demonstration PAs in the Taohe Basin

The **Goal** of the project is effectively conserve globally significant biodiversity in China.

The **Objective** of the project is to strengthen protected areas' sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing.

In order to achieve the above objective, it is essential to ensure a comprehensive approach that tackles the barriers at systemic, institutional and operational levels. The project's intervention therefore has been organised into two outcomes:

- **Outcome 1:** *Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system*
- **Outcome 2:** *Sustainable PA management and financing demonstrated in Taohe Basin*

The TE will be conducted according to the guidance, rules and procedures established by UNDP and GEF as reflected in the UNDP Evaluation Guidance for GEF Financed Projects.

The objectives of the evaluation are to assess the achievement of project results, and to draw lessons that can both improve the sustainability of benefits from this project, and aid in the overall enhancement of UNDP programming.

## EVALUATION APPROACH AND METHOD

An overall approach and method<sup>1</sup> 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](#).

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 [Lianhuashan National NR, Taizishan Provincial NR, Gahai-Zecha National NR, Taohe National NR of Gansu Province](#). Interviews will be held with the following organizations and individuals at a minimum: [\(see Annex H\)](#).

The evaluator will review all relevant sources of information, such as the project document, project reports – including Annual APR/PIR, 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<br>(type/source) | UNDP own financing<br>(mill. US\$) |        | Government<br>(mill. US\$) |        | Partner Agency<br>(mill. US\$) |        | Total (mill. US\$) |        |
|-------------------------------|------------------------------------|--------|----------------------------|--------|--------------------------------|--------|--------------------|--------|
|                               | Planned                            | Actual | Planned                    | Actual | Planned                        | Actual | Planned            | Actual |

<sup>1</sup> For additional information on methods, see the [Handbook on Planning, Monitoring and Evaluating for Development Results](#), Chapter 7, pg. 163

|                   |  |  |  |  |  |  |  |  |
|-------------------|--|--|--|--|--|--|--|--|
| Grants            |  |  |  |  |  |  |  |  |
| Loans/Concessions |  |  |  |  |  |  |  |  |
| • In-kind support |  |  |  |  |  |  |  |  |
| • Other           |  |  |  |  |  |  |  |  |
| Totals            |  |  |  |  |  |  |  |  |

## MAINSTREAMING

UNDP supported GEF financed projects are key components in UNDP country programming, as well as regional and global programmes. 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>2</sup>

## CONCLUSIONS, RECOMMENDATIONS & LESSONS

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

## IMPLEMENTATION ARRANGEMENTS

The principal responsibility for managing this evaluation resides with the UNDP CO in *China*. 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

The total duration of the evaluation will be 25 days according to the following plan:

| Activity                       | Timing         | Completion Date     |
|--------------------------------|----------------|---------------------|
| <b>Preparation</b>             | <i>5 days</i>  | <i>10 Sep. 2014</i> |
| <b>Evaluation Mission</b>      | <i>12 days</i> | <i>24 Sep. 2014</i> |
| <b>Draft Evaluation Report</b> | <i>5 days</i>  | <i>8 Oct. 2014</i>  |
| <b>Final Report</b>            | <i>3 days</i>  | <i>20 Oct. 2014</i> |

## EVALUATION DELIVERABLES

The evaluation team is expected to deliver the following:

| Deliverable             | Content                                     | Timing  | Responsibilities             |
|-------------------------|---|---|------------------------------|
| <b>Inception Report</b> | Evaluator provides clarifications on timing | No later than 2 weeks before the evaluation mission | Evaluator submits to UNDP CO |

<sup>2</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](#)

|                           |  |   |  |
|---------------------------|--|---|--|
|                           | and method                                       |   |  |
| <b>Presentation</b>       | Initial Findings                                 | End of evaluation mission                         | To project management, UNDP CO             |
| <b>Draft Final Report</b> | Full report, (per annexed template) with annexes | Within 3 weeks of the evaluation mission          | Sent to CO, reviewed by RTA, PCU, GEF OFPs |
| <b>Final Report*</b>      | Revised report                                   | Within 1 week of receiving UNDP comments on draft | Sent to CO for uploading to UNDP ERC.      |

\*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.

## TEAM COMPOSITION

The evaluation team will be composed of *1 international and 1 national evaluator*. The consultants shall have prior experience in evaluating similar projects. Experience with GEF financed projects is an advantage. The *international evaluator will be designated as the team leader and will be responsible for finalizing the report*. 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:

- Minimum **10** years of relevant professional experience including Project development, implementation and evaluation
- Knowledge of UNDP and GEF, such as GEF policy and practices, GEF project requirements;
- Previous experience with results-based monitoring and evaluation methodologies;
- Technical knowledge in the targeted focal area(s) including biodiversity conservation, agriculture, natural resources co-management, integrated planning, etc.
- Expertise in economic and social development issues
- Good communications and writing skills in English
- Professional experiences in working in China and with Chinese counterparts would be an advantage.

## EVALUATOR ETHICS

Evaluation consultants will be held to the highest ethical standards and 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

| %   | Milestone  |
|-----|--|
| 10% | At contract signing with initiation plan submitted   |
| 40% | Following submission and approval of the 1ST draft terminal evaluation report                    |
| 50% | Following submission and approval (UNDP-CO and UNDP RTA) of the final terminal evaluation report |

## APPLICATION PROCESS

Applicants are requested to apply online (<http://jobs.undp.org>) by 15 July 2014. 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, DSA 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 A: Project Logical Framework

### **PART I: INCREMENTAL COST MATRIX**

| Benefits   | Baseline (B)   |           | GEF Project Alternative (A)  |           | Increment (I = A-B)   |           |
|--|--|-----------|--|-----------|---|-----------|
| Domestic Benefits  | Gansu's PAs continue to provide multiple biodiversity benefits, ecosystem services, and tourism opportunities, but in steadily declining amounts as processes of environmental degradation spread and deepen.  |           | Economically valuable biodiversity, ecosystem services and tourism revenue generating potential are being better managed through targeted planning, active policy measures and increased capacities. PAs in other provinces of China also benefit from a demonstration effect. |           | Long-term higher and more sustainable levels of effective biodiversity conservation ecosystem services, and tourism functions.  |           |
| Global Benefits  | Opportunities to conserve globally significant biodiversity are missed at most of Gansu's 58 PAs IEFAs, due to lack of sufficient capacity and lack of sufficient revenue for effective nature reserves management, unplanned development, conflicts between different government sectoral departments, and unsustainable resource use (particularly overgrazing). |           | Proposed new policies, regulations and institutional mechanisms provide tools and lessons to enable policy makers and land users to incorporate conservation into policies and practices.  |           | <p>Globally significant biodiversity at the 4 Taohe demonstration site PAs, including rare and threatened species of medicinal plants and animals, and other species of global significance face enhanced prospects for survival.</p> <p>Gansu's PAs are increasingly sustainable thanks to increased revenues from PES and increased revenues from better planned and managed tourism.</p> <p>Globally significant biodiversity at PAs across Gansu faces reduced long-term extinction risk.</p> |           |
| Outcomes   | Baseline (US\$ over 4-year period)   |           | GEF Project Alternative  |           | Increment   |           |
| <b>Outcome 1:</b><br>Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system | Gansu Provincial Government  | 1,200,000 | Gansu Provincial Government  | 3,900,000 | Gansu Provincial Government   | 2,700,000 |
|  |  |           | GEF  | 804,450   | GEF   | 804,450   |
|  | Total:   | 1,200,000 | Total:   | 4,704,450 | Total:  | 3,504,450 |

|   |                             |           |                               |           |                               |           |
|---|-----------------------------|-----------|-------------------------------|-----------|-------------------------------|-----------|
| <b>Outcome 2:</b><br>Sustainable PA<br>management and<br>financing demonstrated in<br>Taohe Basin | Gansu Provincial Government | 1,500,000 | Four PAs of Taohe River Basin | 4,280,000 | Four PAs of Taohe River Basin | 2,780,000 |
|   |                             |           | GEF                           | 759,750   | GEF                           | 759,750   |
|   | Total:                      | 1,500,000 | Total:                        | 5,039,750 | Total:                        | 3,539,750 |
| PROJECT TOTALS:   | Gansu Provincial Government | 2,700,000 | Gansu Provincial Government   | 8,180,000 | Gansu Provincial Government   | 5,480,000 |
|   |                             |           | GEF                           | 1,564,200 | GEF                           | 1,564,200 |
|   | Total:                      | 2,700,000 | Total:                        | 9,744,200 | Total:                        | 7,044,200 |

Note: Project management cost is not a part of above captioned incremental cost analysis. Project management total cost is US\$ 1,973,800, of which US\$ 173,800 is GEF financing, and US\$ 1,800,000 is co-financing.

## PART II: LOGICAL FRAMEWORK MATRIX

| Objective/<br>Outcome   | Indicator  | Baseline               | End of Project<br>target  | Source of Information  | Risks and assumptions   |
|---|--|------------------------|---|--|---|
| <b>Objective</b><br><br>To strengthen protected areas' sustainability in Gansu Province through improved effectiveness of PA management and sustainable financing | Financial sustainability score (%) for national systems of protected areas   | 32.5%                  | 70%   | Annual Financial Sustainability Scorecard  | <u>Assumptions:</u> <ul style="list-style-type: none"> <li>The government commits to an incremental growth in the grant funding allocation to finance the protected area network</li> </ul><br><u>Risks:</u> <ul style="list-style-type: none"> <li>Climate change related and other natural disaster drastically shift the priorities of the national and provincial governments</li> </ul>  |
|   | Improved management effectiveness of 8,940,529 ha of nature reserves managed by the Gansu Forestry Bureau as per average METT scores               | 65                     | 75  | METT applied at Mid-Term and Final Evaluation  |   |
| <b>Outcome 1</b><br><br>Strengthened provincial policy framework and institutional capacity for sustainable management and financing of Gansu's PA system         | At least 200% increase in the available total annual budget for PA management and development activities in Gansu province                         | 14.8                   | 44.4  | Financial reports of the Gansu Forestry Bureau<br>Financial reports of the State Forestry Administration | <u>Assumptions:</u> <ul style="list-style-type: none"> <li>Legislative and regulatory adjustments are supported and adopted by Government, and provide for enabling framework for co-management</li> <li>Sectoral agencies and departments are willing to participate and collaborate at the coordination forum</li> <li>It is possible to change relevant policies and regulations at the provincial and/or local level without requiring changes at the national level</li> <li>-PA staff have proper training and equipment to collect and analyze data</li> </ul> |
|   | "Capacity to implement policies, legislation, strategies and programmes" component of the Capacity Scorecard                                       | 54.2%                  | 65%   | Capacity Scorecard assessment  |   |
|   | "Capacity to engage and build consensus among all stakeholders" component of the Capacity Scorecard  | 56.7%                  | 65%   | Capacity Scorecard assessment  |   |
|   | Presence of the PA system wide strategy and planning framework for effective management adopted at the PA Council meeting by relevant stakeholders | No such strategy exist | Strategy formulated and adopted by stakeholders<br>PA Council established and meeting regularly | Strategy document<br>Meeting minutes   |   |
|   | New comprehensive PA Database exists strengthening the effective use of limited human and financial resources                                      | No PA Database exists  | Database maintained and regularly updated   | Database<br>Frequency of updates   | <u>Risks:</u> The legal reform processes to support the effective management and increase financing prolonged and drawn out   |

| Objective/<br>Outcome  | Indicator   | Baseline                 | End of Project<br>target    | Source of Information  | Risks and assumptions   |
|--|---|--------------------------|-----------------------------|--|---|
| <b>Outputs:</b><br>1.1: Systematic PA development and management strategy adopted by Provincial Government<br>1.2: Economic valuation of the PA system in Gansu conducted and a PA system financing plan developed<br>1.3: Legislative and regulatory framework for the PA system in Gansu improved<br>1.4: Gansu PA Forum established with the sectoral agencies and stakeholders aiming to enhance PA management effectiveness<br>1.5: Provincial level PA database and knowledge management system developed<br>1.6: Institutional capacities for effective PA planning and management strengthened<br>1.7: Training curricula and institutes are in place at provincial level for enhancing knowledge and skills of PA staff |   |                          |                             |  |   |
| <b>Outcome 2</b><br><br>Sustainable PA management and financing demonstrated in Taohe sub-system   | – Improved management effectiveness as per METT scores for individual sites<br>– Lianhuashan National NR<br>– Taizishan Provincial NR<br>– Gahai-Zecha National NR<br>– Taohe National NR | 60<br>55<br>73<br>73     | 69<br>64<br>84<br>84        | METT applied at Mid-Term and Final Evaluation  | <u>Assumptions:</u><br>– Stakeholder institutions constructively engage in the development of a PES scheme<br>– Individual PAs will continue to be able to retain its income<br><br><u>Risks:</u><br>- Resident and neighbouring communities do not see sufficient benefit to enter into co-management agreements |
|  | – Number of park planning tools developed and implemented in the demo PAs<br>– Management Plan<br>– Business Plan<br>– Tourism Plan   | 0<br>0<br>0              | 3<br>3<br>1                 | Park Management and Business Plans for each of the four parks<br><br>An integrated tourism development plan for the four parks |   |
|  | – Increase in park revenue/budget (CNY million)<br>– Lianhuashan National NR<br>– Taizishan Provincial NR<br>– Gahai-Zecha National NR<br>– Taohe National NR                             | 8<br>16.6<br>4.5<br>31.4 | 11.5<br>25.4<br>6.5<br>39.4 | Audited financial reports of individual PAs  |   |

| Objective/<br>Outcome  | Indicator   | Baseline                          | End of Project<br>target      | Source of Information  | Risks and assumptions |
|--|---|-----------------------------------|-------------------------------|--|-----------------------|
|  | – Systematic local level biodiversity monitoring system enhancing PA management   | No mechanism for monitoring exist | Monitoring mechanism in place | Annual biodiversity monitoring report  |                       |
|  | – PA staff completing specialised training and/or skills development programmes   | 0                                 | 20                            | Training reports   |                       |
|  | – - Short course training   | 0                                 | 5                             | Project reports  |                       |
|  | – - Mentoring programme   | 0                                 | 5                             |  |                       |
|  | – Reduced threats to PAs: Number of co-management agreements with resident communities reducing threats related to overgrazing, forest fire and illegal hunting and harvesting.     | 0                                 | 20                            | Co-management agreements <sup>3</sup><br><br>Existence of community groups promoting conservation compatible livelihoods |                       |
|  | – Increased cost efficiency of PA management: Number of joint and PA management activities between the four demonstration PAs leading to increased cost efficiency of PA management | 0                                 | 10                            | Management plans<br><br>Joint planning mechanisms and implementation status  |                       |
| <b>Outputs</b><br>2.1: Consistent PA management tools are developed and utilised at the demonstration PA sites with clear action and monitoring mechanisms installed<br>2.2: Local level biodiversity monitoring and evaluation system in place in the four demonstration PAs<br>2.3: Financial sustainability of the demonstration PAs improved, with use of financial planning tools and diversification of revenue streams<br>2.4: Collaborative approaches between PAs and local partners developed, demonstrating improved PA management and cost effectiveness<br>2.5: Skills and competencies of PA staff improved with use of performance management system and creation of incentive mechanisms |   |                                   |                               |  |                       |

<sup>3</sup> During the project each agreement will include how the threat reduction would be measured on a case by case basis.

## Annex B: List of Documents to be reviewed by the evaluators

A list of suggested key documents to include is as follows:

### 1. Project documents

- 1) GEF Project Information Form (PIF), Project Document and Log Frame Analysis (LFA)
- 2) Project Implementation Plan
- 3) Implementing/executing partner arrangements
- 4) List and contact details for project staff, key project stakeholders, including Project Boards, and other partners to be consulted
- 5) Project sites, highlighting suggested visits
- 6) Midterm evaluation (MTE) and other relevant evaluations and assessments
- 7) Annual Project Implementation Reports (PIR), APR, QPR
- 8) Project budget, broken out by outcomes and outputs
- 9) Project Tracking Tool
- 10) Financial Data
- 11) Sample of project communications materials, i.e. press releases, brochures, documentaries, etc.
- 12) Comprehensive report of subcontracts (even in Chinese for national evaluator's reference).

### 2. UNDP documents

- 1) Development Assistance Framework (UNDAF)
- 2) Country Programme Document (CPD)
- 3) Country Programme Action Plan (CPAP)

### 3. GEF documents

- 1) GEF focal area strategic Programme Objectives



## ANNEX C: EVALUATION QUESTIONS

*This is a generic list, to be further detailed with more specific questions by CO and UNDP GEF Technical Adviser based on the particulars of the project.*

| Evaluative Criteria Questions  | Indicators   | Sources  | Methodology  |
|--|--|--|--|
| <b>Relevance: How does the project relate to the main objectives of the GEF focal area, and to the environment and development priorities at the local, regional and national levels?</b>  |  |  |  |
| <b>Is the project relevant to UNCBD and other international convention objectives?</b>   |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the objectives of the UNCBD?</li> <li>Does the project support other international conventions or programmes, such as UNDAF?</li> </ul>  | <ul style="list-style-type: none"> <li>UNCBD priorities and areas of work incorporated in project design</li> <li>The contribution of the project to UNCBD</li> <li>Priorities and areas of work of UNDAF incorporated in project design</li> <li>Extent to which the project is actually implemented in line with incremental cost argument</li> </ul>                      | <ul style="list-style-type: none"> <li>Project documents</li> <li>National policies and strategies to implement the UNCBD, other international conventions, or related to environment or development more generally</li> <li>UNCBD and other international convention web sites</li> </ul> | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with project team, UNDP and other partners</li> </ul>      |
| <b>Is the project relevant to the GEF biodiversity focal area?</b>   |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the GEF bio-diversity focal area and strategic priorities</li> </ul>   | <ul style="list-style-type: none"> <li>Existence of a clear relationship between the project objectives and GEF biodiversity focal area</li> </ul>   | <ul style="list-style-type: none"> <li>Project documents</li> <li>GEF focal areas strategies and documents</li> </ul>  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>GEF website</li> <li>Interviews with UNDP and project team</li> </ul> |
| <b>Is the project relevant to China's environment and sustainable development objectives?</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>How does the project support the environment and sustainable development objectives of China?</li> <li>Is the project country-driven?</li> <li>What was the level of stakeholder participation in project design?</li> <li>What was the level of stakeholder ownership in implementation?</li> <li>Does the project adequately take into account the national realities, both in terms of institutional and policy framework in its design and its</li> </ul> | <ul style="list-style-type: none"> <li>Degree to which the project supports national environmental objectives</li> <li>Degree of coherence between the project and national priorities, policies and strategies</li> <li>Appreciation from national stakeholders with respect to adequacy of project design and implementation to national realities and existing</li> </ul> | <ul style="list-style-type: none"> <li>Project documents</li> <li>National policies and strategies</li> <li>Key project partners</li> </ul>  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with UNDP and project partners</li> </ul>                  |

|   |   |  |   |
|---|---|--|---|
| implementation?   | <ul style="list-style-type: none"> <li>capacities</li> <li>Level of involvement of government officials and other partners in the project design process</li> <li>Coherence between needs expressed by national stakeholders and UNDP-GEF criteria</li> </ul> |  |   |
| <b>Is the project internally coherent in its design</b>   |   |  |   |
| <ul style="list-style-type: none"> <li>Are there logical linkages between expected results of the project (log frame) and the project design (in terms of project components, choice of partners, structure, delivery mechanism, scope, budget, use of resources, etc.)?</li> <li>Is the length of the project sufficient to achieve project outcomes?</li> </ul> | <ul style="list-style-type: none"> <li>Level of coherence between project expected results and project design internal logic</li> <li>Level of coherence between project design and project implementation approach</li> </ul>                                | <ul style="list-style-type: none"> <li>Program and project documents</li> <li>Key project stakeholders</li> </ul>  | <ul style="list-style-type: none"> <li>Document analysis</li> <li>Key interviews</li> </ul>   |
| <b>How is the project relevant with respect to other donor-supported activities?</b>  |   |  |   |
| <ul style="list-style-type: none"> <li>Does the GEF funding support activities and objectives not addressed by other donors?</li> <li>How do GEF-funds help to fill gaps (or give additional stimulus) that are necessary but are not covered by other donors?</li> <li>Is there coordination and complementarity between donors?</li> </ul>                      | <ul style="list-style-type: none"> <li>Degree to which program was coherent and complementary to other donor programming nationally and regionally</li> </ul>   | <ul style="list-style-type: none"> <li>Documents from other donor supported activities</li> <li>Other donor representatives</li> <li>Project documents</li> </ul>                  | <ul style="list-style-type: none"> <li>Documents analyses</li> <li>Interviews with project partners and relevant stakeholders</li> </ul>                  |
| <b>Does the project provide relevant lessons and experiences for other similar projects in the future?</b>  |   |  |   |
| <ul style="list-style-type: none"> <li>Has the experience of the project provided relevant lessons for other future projects targeted at similar objectives?</li> </ul>   | <ul style="list-style-type: none"> <li>The main experiences and lessons of the project</li> <li>Experiences and lessons provided to similar projects</li> </ul>   | <ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> </ul>   | <ul style="list-style-type: none"> <li>Data analysis</li> </ul>   |
| <b>Effectiveness: To what extent have the expected outcomes and objectives of the project been achieved?</b>  |   |  |   |
| <b>Has the project been effective in achieving the expected outcomes and outputs?</b>   |   |  |   |
| <ul style="list-style-type: none"> <li>What are the outcomes of the project?</li> <li>Has the project been effective in achieving its expected outcomes?</li> <li>What are the outputs of each outcome?</li> <li>Has the project been effective in achieving the expected outputs?</li> </ul>   | <ul style="list-style-type: none"> <li>See indicators in project document results framework and logframe</li> </ul>   | <ul style="list-style-type: none"> <li>Project documents</li> <li>Project team and relevant stakeholders</li> <li>Data reported in project annual and quarterly reports</li> </ul> | <ul style="list-style-type: none"> <li>Documents analysis</li> <li>Interviews with project team</li> <li>Interviews with relevant stakeholders</li> </ul> |
| <b>How is risk and risk mitigation being managed?</b>   |   |  |   |

|   |   |   |   |
|---|---|---|---|
| <ul style="list-style-type: none"> <li>• How well are risks, assumptions and impact drivers being managed?</li> <li>• What was the quality of risk mitigation strategies developed? Were these sufficient?</li> <li>• Are there clear strategies for risk mitigation related with long-term sustainability of the project?</li> </ul>   | <ul style="list-style-type: none"> <li>• Completeness of risk identification and assumptions during project planning and design</li> <li>• Quality of risk mitigations strategies developed and followed</li> </ul>   | <ul style="list-style-type: none"> <li>• Project documents</li> <li>• UNDP, project team, and relevant stakeholders</li> </ul>              | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Interviews</li> </ul>     |
| <b>Efficiency: Was the project implemented efficiently, in-line with international and national norms and standards?</b>  |   |   |   |
| <b>Was project support provided in an efficient way?</b>  |   |   |   |
| <ul style="list-style-type: none"> <li>• Was adaptive management used or needed to ensure efficient resource use?</li> <li>• Did the project logical framework and work plans and any changes made to them use as management tools during implementation?</li> <li>• Were the accounting and financial systems in place adequate for project management and producing accurate and timely financial information?</li> <li>• Were progress reports produced accurately, timely and responded to reporting requirements including adaptive management changes?</li> <li>• Was project implementation as cost effective as originally proposed (planned vs. actual)</li> <li>• Did the leveraging of funds (co-financing) happen as planned?</li> <li>• Were financial resources utilized efficiently? Could financial resources have been used more efficiently?</li> <li>• Was procurement carried out in a manner making efficient use of project resources?</li> <li>• How was results-based management used during project implementation?</li> </ul> | <ul style="list-style-type: none"> <li>• Availability and quality of financial and progress reports</li> <li>• Timeliness and adequacy of reporting provided</li> <li>• Level of discrepancy between planned and utilized financial expenditures</li> <li>• Planned vs. actual funds leveraged</li> <li>• Cost in view of results achieved compared to costs of similar projects from other organizations</li> <li>• Adequacy of project choices in view of existing context, infrastructure and cost</li> <li>• Quality of results-based management reporting (progress reporting, monitoring and evaluation)</li> <li>• Occurrence of change in project design/ implementation approach (i.e. restructuring) when needed to improve project efficiency</li> <li>• Cost associated with delivery mechanism and management structure compare to alternatives</li> </ul> | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• UNDP</li> <li>• Project team</li> </ul>               | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Key interviews</li> </ul> |
| <b>How efficient are partnership arrangement for the project?</b>   |   |   |   |
| <ul style="list-style-type: none"> <li>• To what extent partnerships/linkages between institutions/organizations were encouraged and supported?</li> <li>• Which partnerships/linkages were facilitated? Which ones can be considered sustainable?</li> <li>• What was the level of efficiency of cooperation and collaboration arrangements?</li> </ul>  | <ul style="list-style-type: none"> <li>• Specific activities conducted to support the development of cooperative arrangements between partners,</li> <li>• Examples of supported partnerships</li> <li>• Evidence that particular partnerships/linkages will be sustained</li> <li>• Types/quality of partnership cooperation methods utilized</li> </ul>   | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• Project partners and relevant stakeholders</li> </ul> | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Interviews</li> </ul>     |
| <b>Did the project efficiently utilize local capacity in implementation?</b>  |   |   |   |

|  |  |   |   |
|--|--|---|---|
| <ul style="list-style-type: none"> <li>• Was an appropriate balance struck between utilization of international expertise as well as local capacity?</li> <li>• Did the project take into account local capacity in design and implementation of the project?</li> <li>• Was there an effective collaboration between institutions responsible for implementing the project?</li> </ul>                | <ul style="list-style-type: none"> <li>• Proportion of expertise utilized from international experts compared to national experts</li> <li>• Number/quality of analyses done to assess local capacity potential capacity</li> </ul>  | <ul style="list-style-type: none"> <li>• Project documents and evaluations</li> <li>• UNDP Beneficiaries</li> </ul>                               | <ul style="list-style-type: none"> <li>• Document analysis</li> <li>• Interviews</li> </ul> |
| <b>What lessons can be drawn regarding efficiency for other similar projects in the future?</b>  |  |   |   |
| <ul style="list-style-type: none"> <li>• What lessons can be learnt from the project regarding efficiency?</li> <li>• How could the project have more efficiently carried out implementation (in terms of management structures and procedures, partnerships arrangements etc...)?</li> <li>• What changes could have been made (if any) to the project in order to improve its efficiency?</li> </ul> |  | <ul style="list-style-type: none"> <li>• Data collected throughout evaluation</li> </ul>  | <ul style="list-style-type: none"> <li>• .Data analysis</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>• Did the project make strategies for sustainability during its design and implementation?</li> <li>• What strategies were developed to ensure the sustainability?</li> <li>• Are the strategies for sustainability related with long-term conservation of wild relatives?</li> </ul>   | <ul style="list-style-type: none"> <li>• Reduction level of threats and root causes to the conservation of wild relatives.</li> <li>• Financial arrangements to ensure the sustainability</li> <li>• Institutional arrangements to ensure the sustainability</li> <li>• Level of awareness improvement for conservation of wild relatives of local communities and farmers</li> <li>• Capacity of local communities and farmers for conserving wild relatives</li> </ul> | <ul style="list-style-type: none"> <li>• Data collected throughout evaluation</li> <li>• Interviews with local communities and farmers</li> </ul> | <ul style="list-style-type: none"> <li>• Data analysis</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>• What were the environmental stresses at the beginning of the project?</li> <li>• Have the environmental stresses been mitigated? At what level?</li> <li>• Have the ecological status of the habitats and resources of targeted species been improved? At what level?</li> </ul>  | <ul style="list-style-type: none"> <li>• Threats to targeted WRCs at project beginning</li> <li>• Changes of the habitats of wild relatives at the project sites</li> <li>• Changes of around ecosystems at the project sites</li> <li>• Changes of the resources of target species</li> </ul>   | <ul style="list-style-type: none"> <li>• Data collected throughout evaluation</li> <li>• Interviews with local communities and farmers</li> </ul> | <ul style="list-style-type: none"> <li>• Data analysis</li> </ul>                           |

## ANNEX D: RATING SCALES

|  |   |  |
|--|---|--|
| <p><b><i>Ratings for Outcomes, Effectiveness, Efficiency, M&amp;E, I&amp;E Execution</i></b></p> <p>6: Highly Satisfactory (HS): no shortcomings<br/> 5: Satisfactory (S): minor shortcomings<br/> 4: Moderately Satisfactory (MS)<br/> 3. Moderately Unsatisfactory (MU): significant shortcomings<br/> 2. Unsatisfactory (U): major problems<br/> 1. Highly Unsatisfactory (HU): severe problems</p> | <p><b><i>Sustainability ratings:</i></b></p> <p>4. Likely (L): negligible risks to sustainability<br/> 3. Moderately Likely (ML): moderate risks<br/> 2. Moderately Unlikely (MU): significant risks<br/> 1. Unlikely (U): severe risks</p> | <p><b><i>Relevance ratings</i></b></p> <p>2. Relevant (R)<br/> 1.. Not relevant (NR)</p> <p><b><i>Impact Ratings:</i></b></p> <p>3. Significant (S)<br/> 2. Minimal (M)<br/> 1. Negligible (N)</p> |
| <p><b><i>Additional ratings where relevant:</i></b></p> <p>Not Applicable (N/A)<br/> Unable to Assess (U/A)</p>  |   |  |

## ANNEX E: EVALUATION CONSULTANT CODE OF CONDUCT AND AGREEMENT FORM

### Evaluators:

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

### Evaluation Consultant Agreement Form<sup>4</sup>

#### Agreement to abide by the Code of Conduct for Evaluation in the UN System

Name of Consultant: \_\_\_\_\_

Name of Consultancy Organization (where relevant): \_\_\_\_\_

**I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.**

Signed at *place* on *date*

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

<sup>4</sup>[www.unevaluation.org/unegcodeofconduct](http://www.unevaluation.org/unegcodeofconduct)



## ANNEX F: EVALUATION REPORT OUTLINE<sup>5</sup>

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- i. Opening page:
  - Title of UNDP supported GEF financed project
  - UNDP and GEF project ID#s.
  - Evaluation time frame and date of evaluation report
  - Region and countries included in the project
  - GEF Operational Program/Strategic Program
  - Implementing Partner and other project partners
  - Evaluation team members
  - Acknowledgements
- ii. Executive Summary
  - Project Summary Table
  - Project Description (brief)
  - Evaluation Rating Table
  - Summary of conclusions, recommendations and lessons
- iii. Acronyms and Abbreviations  
(See: UNDP Editorial Manual<sup>6</sup>)
1. Introduction
  - Purpose of the evaluation
  - Scope & Methodology
  - Structure of the evaluation report
2. Project description and development context
  - Project start and duration
  - Problems that the project sought to address
  - Immediate and development objectives of the project
  - Baseline Indicators established
  - Main stakeholders
  - Expected Results
3. Findings  
(In addition to a descriptive assessment, all criteria marked with (\*) must be rated<sup>7</sup>)
- 3.1 Project Design / Formulation
  - Analysis of LFA/Results Framework (Project logic /strategy; Indicators)
  - Assumptions and Risks
  - Lessons from other relevant projects (e.g., same focal area) incorporated into project design
  - Planned stakeholder participation
  - Replication approach
  - UNDP comparative advantage
  - Linkages between project and other interventions within the sector
  - Management arrangements
- 3.2 Project Implementation
  - Adaptive management (changes to the project design and project outputs during implementation)
  - Partnership arrangements (with relevant stakeholders involved in the country/region)
  - Feedback from M&E activities used for adaptive management
  - Project Finance:
  - Monitoring and evaluation: design at entry and implementation (\*)
  - UNDP and Implementing Partner implementation / execution (\*) coordination, and operational issues

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<sup>5</sup>The Report length should not exceed 40 pages in total (not including annexes).

<sup>6</sup> UNDP Style Manual, Office of Communications, Partnerships Bureau, updated November 2008

<sup>7</sup> Using a six-point rating scale: 6: Highly Satisfactory, 5: Satisfactory, 4: Marginally Satisfactory, 3: Marginally Unsatisfactory, 2: Unsatisfactory and 1: Highly Unsatisfactory, see section 3.5, page 37 for ratings explanations.

**3.3** Project Results

- Overall results (attainment of objectives) (\*)
- Relevance(\*)
- Effectiveness & Efficiency (\*)
- Country ownership
- Mainstreaming
- Sustainability (\*)
- Impact

**4.** Conclusions, Recommendations & Lessons

- Corrective actions for the design, implementation, monitoring and evaluation of the project
- Actions to follow up or reinforce initial benefits from the project
- Proposals for future directions underlining main objectives
- Best and worst practices in addressing issues relating to relevance, performance and success

**5.** Annexes

- ToR
- Itinerary
- List of persons interviewed
- Summary of field visits
- List of documents reviewed
- Evaluation Question Matrix
- Questionnaire used and summary of results
- Evaluation Consultant Agreement Form

## ANNEX G: EVALUATION REPORT CLEARANCE FORM

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

Evaluation Report Reviewed and Cleared by

UNDP Country Office

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

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

UNDP GEF RTA

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

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

## ANNEX H List of Key Stakeholders (TBD)