TERMINAL EVALUATION REPORT

OF THE

UNDP/GEF PROJECT

Promoting Biodiversity Conservation and Sustainable Use in the Frontier Forests of Northwestern Mato Grosso.
UNDP PROJECT BRA/00/G31

June/2012

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EXECUTIVE SUMMARY

This report presents the results of the final evaluation of UNDP Project BRA/00/G31, which will be referred to as GEF Project Juruena. The evaluation was undertaken from May to August 2012. Three experts took part in the evaluation: Denise Lima, economist, Master in Sustainable Development and expert in international cooperation projects, who led the evaluation team, Jorge L. Vivan, engineer agronomist, Ph.D. in Plant Genetic Resources (UFSC), consultant and researcher in post doctoral fellowship at INCT/Graduate Course on Development, Agriculture and Society (CPDA/UFRRJ), and Marcos Tito, forest engineer, Master in Tropical Agroforestry and expert on themes related to environmental services and climate change.

Targeted Area

The Northwestern territory of Mato Grosso comprises an area of 149.2 km^2, concentrating great forest massifs in Federal and State Conservation Units and Indigenous Lands, highly relevant in terms of biodiversity. Within the Brazilian Amazon Forest, the region is composed by seven municipalities: Juruena, Castanheira, Rondolândia, Aripuanã, Colniza, Cotriguaçu, and Juína. Among them, the last four are among the 52 municipalities with highest deforestation rates in the Amazon.

The Project

GEF Project Juruena was implemented along a decade with USD 6.7 million funding from the Global Environmental Facility (GEF) and expected co-funding of USD 7 million from other organs of the Federal and State of Mato Grosso's Governments, public-private partnerships and contribution from the communities.

Project design was started in 1997, with the approval of a standalone project focused on management and sustainable usage of non-timber forest resources. After a technical evaluation mission by UNDP/GEF, in 1998, the project was converted into a PDF-B. An institutional agreement between Instituto Pró-Natura (IPN) and Fundação Estadual do Meio Ambiente (State Foundation for the Environment, FEMA-MT), then in charge of the state's environmental policy execution, put IPN in charge of project management. However, in 2004, after the Mid-Term Evaluation, project management was taken by Mato Grosso's State Secretariat for the Environment.

The project had the long-term objective to:

> "Consolidate an integrated matrix of land uses in Northwestenr Mato Grosso, through the constitution of a mosaic of protected areas (Conservation Units, indigenous lands and ecological corridors) of continuous blocks of primary forests and areas of connectivity of secondary regeneration in private lands, as well as through agrosilvopastoral systems and sustainable management of forests surrounding the protected areas."

Three Outcomes are expected from the project:

Outcome 1: The municipalities of Aripuanã, Castanheira, Colniza, Cotriguaçu, Juína, Juruena, and Rondolândia will have prepared and disseminated zoning plans and incentive approaches to encourage a matrix of sustainable land uses.

Outcome 2: Implementation of continuous blocks of primary forests and of secondary regeneration corridors in private lands, as well as agrosilvopastoral systems in the surroundings of protected areas and ecological corridors, establishing an integrated agroforestry system for biodiversity conservation.

Outcome 3: Promotion of sustainable forest management systems in the region, as an alternative to timber production, particularly in the surroundings of protected areas and ecological corridors.

In 2001, the Project Document was approved and signed by GEF's *Chief Executive Officer* (CEO), and in June of that year disbursements started. The project's exit strategy started in 2009. In that phase, important partnerships were built for the management of Conservation Units and support to RESEX, as well as for the consolidation of Non-Timber Forest Product (NTFP) management activities.

Evaluation

Overall, the project had satisfactory performance in implementation and achievement of goals. The evaluation categories that differed were, in the field of implementation, monitoring and evaluation, which was moderately unsatisfactory and the involvement of stakeholders and partnerships, which was highly satisfactory and thus one of the main factors for project success.

The table below summarizes the evaluated items and performance rated by evaluators:

Table 2. Summary of evaluation criteria

Item	Rating
1. Project Conceptualization and Design	Satisfactory
2. Project Implementation	Moderately Satisfactory
2.1 Implementation Approach	Satisfactory
2.2 Monitoring and Evaluation	Moderately Unsatisfactory
2.3 Participation of co-implementers	Satisfactory
2.4 Financial Management	Moderately Satisfactory
Involvement of Stakeholders and Partnerships	Highly satisfactory
2.5 Adaptive Management	Highly satisfactory
1. Level of Achievement of Objectives	Satisfactory
Outcome 1	Satisfactory
Outcome 2	Satisfactory
Outcome 3	Satisfactory

ACRONYMS AND ABBREVIATIONS

AJOPAM - Associação Rural Juinense Organizada Para Ajuda Mútua (Juína's Rural Association for Mutual Help)

APL –Arranjo Produtivo Local (Local Productive Arrangement)

ARPA - Áreas Protegidas da Amazônia (Amazon's Protected Areas)

ATER – Assistência Técnica e Extensão Rural (Technical Assistance and Rural Extension)

CAR - Cadastro Ambiental Rural (Rural Environmental Register)

CEPLAC - Comissão Executiva de Planejamento da Lavoura Cacaueira (Executive Commission for Cocoa Crop Planning)

CIMI - Conselho Indigenista Missionário (Missionary Indigenist Council)

CONAB - Companhia Nacional de Abastecimento (National Supply Company)

COOPAVAM - Cooperativa de Pequenos Agricultores do Vale do Amanhecer (Cooperative of the Small Farmers of Vale do Amanhecer)

DRS – Desenvolvimento Rural Sustentável (Sustainable Rural Development)

EMPAER/MT - Empresa Mato-Grossense de Pesquisa, Assistência Técnica e Extensão Rural (Mato Grosso's Research, Techincal Assistance and Rural Extension Company)

FEMA-MT - Fundação Estadual do Meio Ambiente (Mato Grosso's State Foundation for the Environment)

FNMA - Fundo Nacional do Meio Ambiente (National Environment Fund)

FUNAI - Fundação Nacional do Índio (National Indian Foundation)

FP7/EU - European Commission - Research: The Seventh Framework Programme

GEF - Global Environmental Fund

IBAMA - Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis (Brazilian Institute of the Environment and Renewable Natural Resources)

IBGE - Instituto Brasileiro de Geografia e Estatística (Brazilian Institute of Geography and Statistics)

ICMS – Imposto sobre Circulação de Mercadorias e Prestação de Serviços (Tax on the Circulation of Goods and Services)

ICRAF - International Center for Research in Agroforestry

ICV – Instituto Centro de Vida (Centro da Vida Institute)

INCRA - Instituto Nacional de Colonização e Reforma Agrária (National Institute for Colonization and Agrarian Reform)

INCT- Instituto Nacional de Ciência e Tecnologia (National Institute of Science and Technology)

INDEA/MT - Instituto de Defesa Agropecuária do Estado e Mato Grosso (Agricultural and Livestock Defense Agency of the State of Mato Grosso)

IPN - Instituto Pró-Natura (Pró-Natura Institute)

LAU - Licença Ambiental Unificada (Unified Environmental License)

MMA - Ministério do Meio Ambiente (Ministry of the Environment)

MDA – Ministério do Desenvolvimento Agrário (Ministry of Agrarian Development)

MDS – Ministério do Desenvolvimento Social e Combate à Fome (Ministry of Social Development and Fight Against Hunger)

ONF Brasil – French National Forest Office in Brazil (initials in French)

NGO – Non-Governmental Organization

OPAN - Operação Amazônia Nativa (Native Amazon Operation)

PA - Planos de Assentamento da Reforma Agrária (Agrarian Reform Settlement Plans)

PAA – Programa de Aquisição de Alimentos (Food Acquisition Program)

PADIC - Programa de Apoio Direto às Iniciativas Comunitárias (Direct Support to Community Initiatives Program)

PCA - Plano de Conservação de Alvos (Target Conservation Plan)

PD/A - Projetos Demonstrativos Tipo A (A-Type Demonstration Projects)

PETROBRAS - Petróleo Brasileiro S/A (Brazilian Petroleum Corporation)

TFP – Timber Forest Products

NTFP – Non-Timber Forest Products

PIC - Programa Integrado da Castanha (Integrated Brazil Nut Program)

PIR – Partial Implementation Report

PNGATI - Política Nacional de Gestão Ambiental de Terras Indígenas (National Policy for Environmental Management of Indigenous Lands)

UNDP – United Nations Development Program

PPG7 - Programa Piloto para Proteção das Florestas Tropicais do Brasil (Pilot Program for the Protection of Brazilian Rainforests)

PPA – Planejamento Plurianual (Pluriannual Planning)

PPP – Parceria Público-Privada (Public-Private Partnership)

PRODEAGRO - Programa de Desenvolvimento do Agronegócio (Agribusiness Development Program)

PSA - Pagamento por Serviços Ambientais (Payment for Environmental Services)

AR - Agrarian Reform

SDR - Sustainable Development Reserve

REBRAF - Rede Brasileira Agroflorestal (Brazilian Agroforestry Network)

REDD -
Redução de Emissões de Gases de Efeito Estufa, Degradação e Desmatamento (Reduction of Greenhouse Gas Emissions from Deforestation and Forest Degradation)

RESEX - Extractive Reserve

LR – Legal Reserve

NHPR - Natural Heritage Private Reserve

AFS – Agroforestry Systems

SEMA/MT - Secretaria de Estado do Meio Ambiente (State Secretariat of the Environment)

SEPLAN-MT - Secretaria de Planejamento do Mato Grosso (Mato Grosso's State Secretariat of Planning)

SEUC - Sistema Estadual de Unidades de Conservação (State System of Conservation Units)

GIS – Geographic Information System

IEMS - Integrated Environmental Management Systems

SNUC - Sistema Nacional de Unidades de Conservação (National System of Conservation Units)

TNC - The Nature Conservancy

ILs – Indigenous Lands

CU – Conservation Unit

DU – Demonstration Unit

WWF-Brazil - Worldwide Fund for Nature - Brazil

SEEZ – Social, Economic and Ecological Zoning

1. INTRODUCTION

The Final Evaluation

This report presents results of the final evaluation of UNDP Project BRA/00/G31, which will be referred to as GEF Project Juruena. The evaluation was undertaken from May to August 2012. Three experts took part in the evaluation: Denise Lima, economist, Master in Sustainable Development and expert in international cooperation projects, who led the evaluation team, Jorge L. Vivan, engineer agronomist, Ph.D. in Plant Genetic Resources (UFSC), consultant and researcher in post doctoral fellowship at INCT/Graduate Course on Development, Agriculture and Society (CPDA/UFRRJ), and Marcos Tito, forest engineer, Master in Tropical Agroforestry and expert on themes related to environmental services and climate change.

Methodology of the Evaluation

The final evaluation of GEF Project Juruena has been developed from the review of available bibliography on the project, which, besides several technical reports, includes two partial evaluation reports, elaborated in 2009 and 2010 (the former at the beginning of project exit strategy and the latter to systematize information available on the project), mid-term reviews and project prorogation requests.

The evaluation used the document "UNDP Evaluation Guidance for GEF-Financed Projects" as guideline, though considering some limitations, namely:

- Executing agency changes along the project which generated disruption and changes in institutional arrangements and implementation strategy;

- Change in the legal benchmark of international cooperation projects in Brazil that led to adjustments and extraordinary measures so as to allow project continuance;

- Three changes in the financial information system and database that happened along the ten years of project implementation, hindering project efficiency analysis.

In order to carry out the evaluation, a matrix of evaluation criteria was created, according to recommendations by UNDP/GEF Guidelines, presented in Annex I. A mission of evaluators to Brasília, where UNDP's headquarters are located, was also organized. On that occasion, interviews were conducted with UNDP technicians involved in project implementation, SEMA technicians, and a group of project beneficiaries in two workshops (the first with SEMA and UNDP technicians; the second with the participation of SEMA and UNDP technicians and beneficiaries).

The Northwestern Region of Mato Grosso

The Northwestern territory of Mato Grosso comprises an area of 149.2 km^2, concentrating great forest massifs in Federal and State Conservation Units and Indigenous Lands, which are highly relevant in terms of biodiversity. Within the Brazilian Amazon Forest, the region is composed by seven municipalities: Juruena, Castanheira, Rondolândia, Aripuanã, Colniza, Cotriguaçu, and Juína. Among them, the last four are among the 52 municipalities with highest deforestation rates in the Amazon.

Of the nine states in the Amazon, Mato Grosso was the one with the highest rate of deforestation by clear cutting until 2004 and still has one of the highest deforestation rates. A strong policy of state incentives to industrial development is at the root of this trend, attracting major national and international corporations to the state and making Mato Grosso the number one grain producer and holder of the largest cattle herd in Brazil.

Northwestern Mato Grosso follows the orientation of the state economic policy, with timber exploration and cattle ranching as its main economic activities. Figure 1 shows the growth of the state's cattle herd since 1970. These figures inform about deforestation, since for every cattle head, there is deforestation, on average, of 1 hectare of woods. When the project was elaborated, in the late 1990s, deforestation was starting an upward trend, which gets stronger every year. By 1997, there was a little less than one million head of cattle in the region and, by 2009, there were more than 2.4 million cattle, a 138% growth in nine years. Two major peaks in deforestation occurred in Brazil: in 1995, when it reached 29,000 km^2 (about 0.8% of remaining forestland of approx. 3.7 million km^2); and during the 2000-2004 period, reaching 21,500 km^2, peaking at 27,772 km^2 in 2004 (0.78%). Deforestation rates dropped rapidly over a five-year period, declining rapidly from 19,100 km^2 in 2005 to around 12,000 km^2 in both 2007 and 2008 (< 0.4%), followed by a substantial decline to an estimated 7,008 km^2 (0.2%) in 2009 (INPE 2008, 2009).

More recent deforestation rates have maintained this downward trend, but declined less rapidly than before (INPE 2010, 2011), suggesting a threshold may have been reached on further reductions in annual clearing rates. A significant upward spurt in 2011 was traced to the passage by the Congress of revisions in the National Forest Code, whose strictures limit deforestation on private lands in the Amazon to 20% (May et al, 2012).

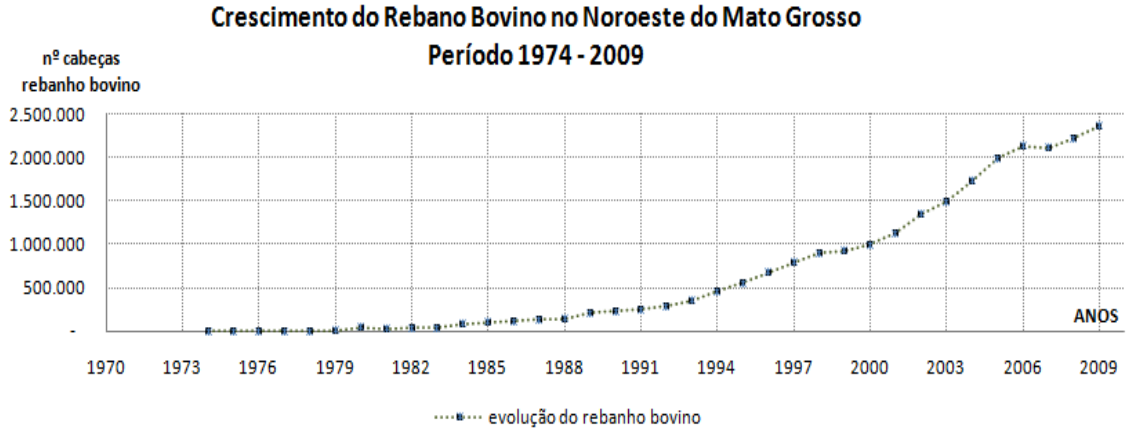


Figure 1. Cattle ranching in Northwestern Mato Grosso. **(Source: IBGE).**

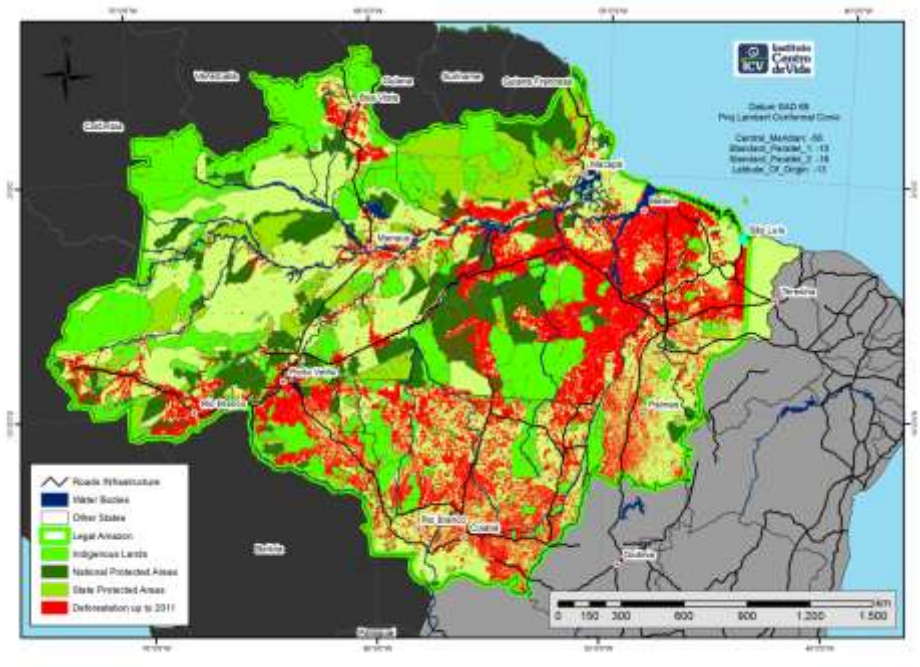
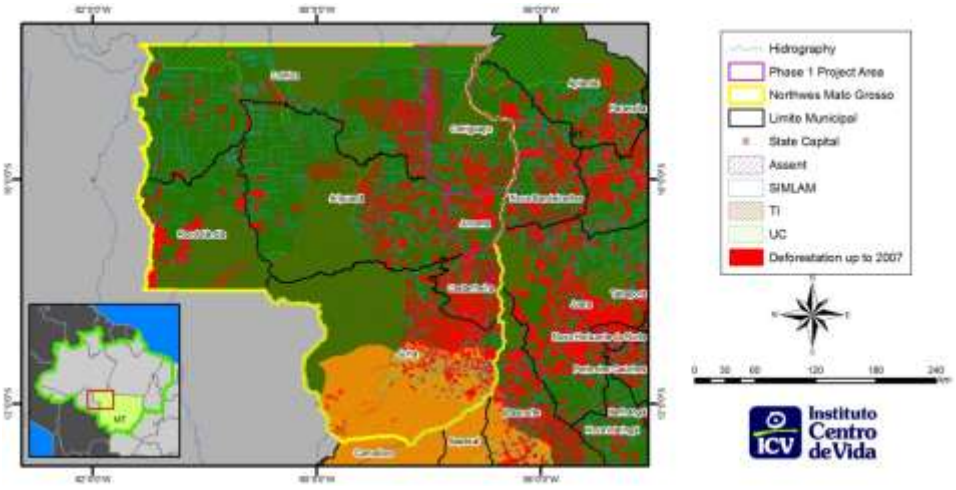


Figure 2. Protected areas and deforestation in the Brazilian Legal Amazon until 2011. (Source: ICV, adapted from May et al., 2011)

In Northwestern Mato Grosso, eleven Conservation Units, among which one is an Extractive Reserve, comprise 9,000 km^2. Eleven Indigenous Lands add up to another 35.5 thousand km^2 (amounting to 8% and 33% of the Region, respectively). To the Agrarian Reform Settlement Projects, 10,000 km^2 were reserved, sheltering 6,500 families from several regions. The population of the region adds up to a little over 120,000 inhabitants, 4% of the state's population. Five thousand indigenous people compose the regional demographics.

Figure 3. Northwestern Mato Grosso: accumulated deforestation until 2007, Conservation Units (CU), Indigenous Lands (IL), IEMS, Rural Settlements and area with REDD+ pilot in initial Phase (Phase 1 Project Area).

Source: May et al., 2011. [1]



[1] Available at: <http://policymix.nina.no/Casestudies/BrazilMatoGrosso.aspx>

The GEF Project

GEF Project Juruena was implemented along a decade with USD 6.7 million funding from the Global Environmental Facility (GEF) and expected co-funding of USD 7 million from other organs of the Federal and State of Mato Grosso Governments, public-private partnerships and contribution from the communities.

The Project was initially led by an NGO, Instituto Pró-Natura (IPN), whose headquarters are in Rio de Janeiro (almost 2,000 km away from Northwestern Mato Grosso). IPN was established in the region in the beginning of the 1990s, with the support of a partnership with the international private sector (Imperial Chemical Industries, from England), when there was no register of local or regional environmental NGOs. After several institutional crises in the state impacted the project, IPN withdrew from the region as a result of evaluations and recommendations from the Substantive Review of 2003. IPN's withdrawal happened with no major conflicts, but amidst significant change in the legal benchmark of international cooperation projects in Brazil and a grave institutional crisis in the federal and state environmental agencies that acted in the state of Mato Grosso.

Project start and duration

Project design was started in 1997, with the approval of a standalone project focused on management and sustainable usage of non-timber forest resources. After a technical evaluation mission by UNDP/GEF, in 1998, the project was converted into a PDF-B. An institutional agreement between Instituto Pró-Natura (IPN) and Fundação Estadual do Meio Ambiente (State Foundation for the Environment, FEMA-MT), then in charge of the state's environmental policy execution, put IPN in charge of project management.

In 2001, the Project Document was approved and signed by GEF's *Chief Executive Officer* (CEO), and in June of that year disbursements started. If we consider a project Timeline, we can divide its execution into **four phases:**

The first phase, from 2001 to 2002 continued the "Stand Alone" project, developed by Instituto Pró Natura - IPN since 1997, which took over project management with the accordance of the State Government.

The second phase, from 2003 to 2005, was marked by the transition of project management from IPN to the State Foundation for the Environment - FEMA, later terminated and transformed into Mato Grosso's State Secretariat for the Environment - SEMA.

A mid-term evaluation (2003) proposed changes in the text of project objectives and activities and called attention to some elements: 1) the representativeness and importance of Indigenous Lands in the composition of the initially proposed mosaic of Protected Areas; 2) the need for greater interaction with Settlement Projects; and 3) the need for changes in project strategy to put greater emphasis on NTFP management. The role of Agroforestry Systems was also stressed as an alternative for the regeneration of changed areas, especially Legal Reserves (LR) and Permanent Preservation Areas (PPAs), necessary conditions for the environmental licensing of rural properties.

The third phase of the project started in 2006, when the constitution of strategic partnerships allowed strengthening the impact of actions. Since then, partnerships crossed the borders of the region and the state, taking a national character.

In 2008, the Pluriannual Plan of the Government of Mato Grosso for 2008/2011 incorporated Project components into three Governmental Strategic Actions and became part of the list of state environmental policy actions.

The fourth and last phase marked the project's exit strategy, started in 2009. In that phase, important partnerships were built for the management of Conservation Units and support to RESEX, as well as for the consolidation of Non-Timber Forest Product (NTFP) management activities. Besides, the proposals of Projects *Pactos das Águas* and *Poço de Carbono* were elaborated, approved and executed.

In 2010, interference and conflicts of interest involving the state's Legislative and Executive powers led to changes in the Economic and Ecological Zoning Policy. These changes did not follow the recommendations of technical studies and public consultations, which were to a great extent supported by the project. The intervention of the Federal Public Ministry led to the judicial suspension of the EEZ Policy, an impasse that remains to the date of the preparation of this report.

The project was officially ended in June 2012, and some field activities were developed in 2011. We consider the project exit strategy to be the ensemble of activities carried out since 2009, when priority was given to the strengthening of partnerships that would provide greater sustainability to project actions.

Table 1. Changes proposed and approved in Mato Grosso's SEEZ.

Categories	Proposed Version (million ha)	Approved Version (million ha)	Expansion or Reduction	
			Area (million ha)	%
1.1 – Consolidated Agriculture	10.2	18.7	8.5	83%
1.2 – Agriculture/Ranching to be Strengthened	10.8	18.5	7.7	71%
1.3 – Consolidated Agriculture/ Environmental Restoration	2.2	2.9	0.7	32%
2.1- Water Resource Management	14.6	2.6	-12	-72%
2.2 – Forest Management + Agriculture/Ranching/Settlement	15.5	11.8	-3.7	-14%
2.3 - Management/Pantanal	7.0	7.1	0.1	1%
2.4 – Fragile Areas	5.5	8.5	3	55%

Categories	Proposed Version (million ha)	Approved Version (million	Expansion or Reduction	
3.1.1 e 3.1.2 – Protected Areas	18.7	16.8	-1.8	- 10%
3.2 - Protected Areas to be Created	5.5	2.4	-3.1	-56%

Source: http://policymix.nina.no/Casestudies/BrazilMatoGrosso.aspx

The year of 2012 was restricted to evaluation activities and project end.

Immediate and development objectives of the project

Project strategy was guided by the strengthening of environmental governance in Northwestern Mato Grosso, with improvement of territorial planning and management mechanisms and development of sustainable economic activities from pilot projects. In its second phase of implementation, it sought articulation with concurrent federal public policies.

The project had the long-term objective to:

> "Consolidate an integrated matrix of land uses in Northwestern Mato Grosso, through the constitution of a mosaic of protected areas (Conservation Units, indigenous lands and ecological corridors) of continuous blocks of primary forests and areas of connectivity of secondary regeneration in private lands, as well as through agrosilvopastoral systems and sustainable management of forests surrounding the protected areas."

Three Outcomes are expected from the project:

> **Outcome 1:** The municipalities of Aripuanã, Castanheira, Colniza, Cotriguaçu, Juína, Juruena, and Rondolândia will have prepared and disseminated zoning plans and incentive approaches to encourage a matrix of sustainable land uses.
>
> **Outcome 2**: Implementation of continuous blocks of primary forests and of secondary regeneration corridors in private lands, as well as agrosilvopastoral systems in the surroundings of protected areas and ecological corridors, establishing an integrated agroforestry system for biodiversity conservation.
>
> **Outcome 3**: Promotion of sustainable forest management systems in the region, as an alternative to timber production, particularly in the surroundings of protected areas and ecological corridors.

1. EVALUATION FINDINGS

Overall, the project had satisfactory performance in implementation and achievement of goals. The evaluation categories that differed were, in the field of implementation, monitoring and evaluation, which was moderately unsatisfactory and the involvement of stakeholders and partnerships, which was highly satisfactory and thus one of the main factors for project success.

The table below summarizes the evaluated items and performance rated by evaluators:

Table 2. Summary of evaluation criteria

Item	Rating
1 Project Conceptualization and Design	Satisfactory
2 Project Implementation	Moderately Satisfactory
2.2 Implementation Approach	Satisfactory
2.3 Monitoring and Evaluation	Moderately Unsatisfactory
2.4 Participation of co-implementers	Satisfactory
2.5 Financial Management	Moderately Satisfactory
2.6 Involvement of Stakeholders and Partnerships	Highly satisfactory
2.7 Adaptive Management	Highly satisfactory
1. Level of Achievement of Objectives	Satisfactory
Outcome 1: The municipalities of Aripuanã, Castanheira, Colniza, Cotriguaçu, Juína, Juruena, and Rondolândia will have prepared and disseminated zoning plans and incentive approaches to encourage a matrix of sustainable land uses.	Satisfactory
Outcome 2: Implementation of continuous blocks of primary forests and of secondary regeneration corridors in private lands, as well as agrosilvopastoral systems in the surroundings of protected areas and ecological corridors, establishing an integrated agroforestry system for biodiversity conservation.	Satisfactory
Outcome 3: Promotion of sustainable forest management systems in the region, as an alternative to timber production, particularly in the surroundings of protected areas and ecological corridors.	Satisfactory

Project Conceptualization and Design

Rating	**Satisfactory**

Project design was complex, incorporating three action axes:

1) Territorial Management, having SEEZ on the front line but whose institution in charge was not SEMA, but the Secretariat of Planning;

2) Conservation Units, with support to the creation and management of CUs and demarcation of indigenous lands, as well as promotion of Agroforestry Systems, which has demanded several state-, regional- and national-level partnerships;

3) Timber Forest Management (focused on forest certification) and non-timber forest management (mainly Brazil nut and latex).

To these three main axes were added the challenges of strengthening local and regional environmental governance and developing economic alternatives to curb or offer new economic alternatives in the region besides timber exploration and cattle ranching.

Such a complex design, acting on so many fronts, demanded an effort in interinstitutional articulation that seems to have been underestimated. The lack of a more robust Monitoring and Evaluation component that would outline the different roles of scientific monitoring, process monitoring, and result and impact evaluation weakened project management and compromised the visibility of achievements obtained along its implementation.

Regarding the alignment of project design to CDB guidelines and the State of Mato Grosso's and Brazil's conservation priorities, the project was extremely adequate, seeking to incorporate the main CDB recommendations and, thus, generating a high degree of complexity in its implementation, as noted before.

The PRODOC said that the project "achieves, in many ways, the objectives and principles expressed in CDB. The main project activities are geared to the sustainable use of biodiversity components in agrosilvopastoral and forestry systems under sustainable management (Article 10). By integrating conservation objectives into the ecological-economic zoning and soil usage planning, at local and regional levels, the project followed the dispositions of CDB's Article 6 (General Measures for Conservation and Sustainable Use). By encouraging the establishment of conservation areas in private lands, it took Article 8 (On-site Conservation) as reference. The condition of biodiversity components will by monitored by the local civil society and municipal governments (Article 7, Identification and Monitoring), which will have their management capacity strengthened by training and technical assistance (Article 12); raising awareness on conservation (Article 12); facilitating information exchange with other sustainable use experiences in the Amazon region (Article 17). The effectiveness and results of these assumptions are discussed further on in this evaluation.

The document (MMA, 2007) on priority areas for conservation in Brazil includes Northwestern MT[2], which is the project's focal area. Likewise, the Substantive Review strengthened project design regarding CBD goals by proposing an increase in protected areas under the jurisdiction of MT, consolidating and supporting studies in areas under federal jurisdiction, and defining actions for Indigenous Lands, including support to the conservation of agrobiodiversity (on-site conservation), having Brazil nut (*Bertholetia excelsa*) and rubber tree (*Hevea brasiliensis*) as flagship species or economic drive for this conservation effort.

An important piece of information regarding what this project aspires, in terms of socioeconomic objectives, is that the state of MT imports 70% of is vegetable and fruit products, a vulnerability that the project sought to eliminate with the AFS approach, both in scale commercial production (coffee, cocoa bean, *pupunha* heart of palm, and in intensive systems with agroforestry yards managed by women and young people to supply local

[2] Ministry of the Environment, National Secretariat of Biodiversity and Forests, Department of Biodiversity Conservation. Priority Areas for The Conservation, Sustainable Use And Benefit Sharing of Brazilian Biological Diversity. Update: MMA Administrative Ruling n° 9, of 23 January 2007. Biodiversity 31.

markets. To that end, it developed and took part in institutional partnerships and existing public policies, aiming to mitigate problems related to food safety and rural poverty.

These findings insert GEF project Juruena in an adaptive and flexible dynamics that allowed tracking and boosting its actions by means of continued alignment to sustainable development policies, at both federal and state level.

In the state context, project design was entirely geared to boost innovative public policies developed by the State. Since the 2003 Substantive Review, when the State took over project execution, the influence of the project on the reformulation of the State Secretariat for the Environment is clear. The document "Environmental Policies and Actions of the State Government of Mato Grosso" incorporates project actions and strategies, being reflected in the Pluriannual Government Plan of 2008/2011, in at least three actions executed by the Secretariat for Biodiversity, and in one action of the Forest Management Bureau (the forest management component).

In the municipal/local context, project design brings a strategy for the involvement of Town Halls, including local contribution and development of actions aligned with local governments. This strategy was unsuccessful during project implementation, with the exception of the municipality of Juruena. Perhaps the objective was overly ambitious, considering the number of municipalities involved, the fact that municipal elections took place during the period, and the territorial dimension comprised. As will be seen further on, the escalation of migration pressure from other States and changes in rules for the hiring of staff made this strategy impossible.

Project design failed in proposing monitoring and evaluation and communication strategies that would help overcome the challenge imposed by the size of the territory comprised. It also failed in not making clear connection between monitoring and evaluation, generation of lessons learned and communication. However, it has a generally complex design, consistent with the diagnosis made in the project elaboration phase.

Project Implementation

Rating	**Moderately Satisfactory**

The implementation of GEF Project Juruena suffered strong negative impact from the context in which it was inserted; therefore, discontinuities demanded great adaptive capacity from UNDP's team and implementing agencies.

Due to several changes in the project, the participation of executing agencies varied. After a short implementation period led by an NGO, two agencies of the Government of Mato Grosso took the role of co-executing agencies: first FEMA (terminated in 2005) and later SEMA. The Biodiversity Bureau took over project coordination in 2005, with specific participation of other SEMA bureaus. The constant change of technicians and poor human resources contracts also contributed to extremely variable participation in and appropriation of project activities. To

that factor was added the lack of a strategy for internal communication and integrated management at SEMA, which made it harder to integrate technicians.

In what comes to Town Halls, project appropriation was not very different from that of the State Government. With an election at mid-project which changed the institutional political scenario, in most cases, town halls limited themselves to the development of actions financed by the project. There were some differences in the case of Juruena, which is home to the Brazil Nut Processing Facility and receives poverty reduction and quality of life improvement benefits from its inhabitants in a very visible and concrete way. The small UNDP team developed efforts to include municipalities by developing a strategy of Agreement Letters (also including farmers and indigenous organizations), to overcome the lack of technical assistance to implement goals. This strategy, which legally transferred funds aiming at the implementation of sustainable activities, also empowered municipal levels of governance and enabled the development of a set of follow-up projects at municipal level, contributing to a process of institutional learning of "how to" overcome state inertia.

The analysis of financial data vis-à-vis the Annual Operational Pans (AOP) is evidence of the difficulty to follow plans. In 2008, only 17% of the budgeted resources were spent, and 2009 also presented very low performance. In total, between 2008 and 2011, 42% of the resources were effectively spent (though one must consider that the years of 2010 and 2011 were atypical, as from July 2010 UNDP took over project management).

The main constraints for execution and better financial performance were related to the lack of human resources to develop the complex set of actions demanded by the project design and to the difficulty to abide by Brazilian law, very strict in terms of resource usage by the Public Power (even if resources are from international projects, they are subject to the same national legislation). Such a weakness was partly due to the fact that it was impossible for the project to hire a base team and also to reduced project appropriation in the highest decision-making ranks of SEMA, the Executing Agency.

It can be noticed that project outcomes that coincided with activities carried out directly by SEMA's Biodiversity Bureau were developed more quickly. SEMA was deeply involved with the Environmental Licensing System for Rural Properties, which was connected to the construction of a mosaic of Protected Areas. Nevertheless, the institution had little knowledge on economic alternatives to deforestation. To SEMA, sustainable production alternatives would have the role of promoting the regeneration of degraded areas, especially in LRs and PPAs, and allowing for the legalization of properties. These regenerated LRs and PPAs would compose the biodiversity mosaic or corridor. However, these activities were not taken as pillars for the proposal of a unique development or economic sustainability model for farmers and were kept as a "marginal" proposal from the viewpoint of economic development.

In 2005, the project introduced emphasis on an agroforestry component, focusing on the sustainable use of biodiversity. However, rural technical assistance was not a responsibility of SEMA-MT in Mato Grosso's state institutional arrangement. The formal responsible and potential partner, involved in 2006, the Research and Rural Extension Service of MT (EMPAER-MT) had faced difficulties since the election of Fernando Collor de Mello, in 1990-1992, with

low state budgets that made EMPAER-MT a very fragile partner for the implementation of field activities. However, project data gaps are extremely important to have a clearer picture of the impacts of this event on the overall project strategy, as well as to project potential losses in terms of its scale of implementation.

As pointed out earlier in this report, SEMA-MT concentrated its efforts on its institutional domain, and engaged in efforts to join the strategy of the Amazonian Meridional Mosaic of Protected Areas, launched by the ARPA program (involving MT, RO, and AM) with project support. It incorporated the strategy and follow-ups were funded by other sources and partners (WWF, GTZ, ICV), which also provided economic support and technical assistance for Management Plans in Conservation Units, even though such processes are still to be completed. Concerning Command and Control strategies, the process of updating and generating a leveled GIS database (between FUNAI, INCRA, IDATERRA and SEMA-MT) is ongoing and expected to deliver robust information on land tenure status and monitoring of forest cover dynamics (burning, deforestation, forest degradation, regeneration).

SEMA-MT was not able to incorporate the sustainable use approach into its technical capabilities. However, it provided support to the component by actively collaborating with the UNDP team and a group of scientific collaborators (from INPA and UFMT) to design and approve the legal norms for domesticated *Bactris gasipaes* (*pupunha* heart of palm) cultivation, transportation and trade in 2008[3]. Furthermore, it made active efforts to have at least one environmentally licensed agrarian reform settlement in NW MT (Vale do Amanhecer AP, licensed in May 2012); facilitated internal agreements (with SEMA-MT and IBAMA) for allowing experimental timber processing in agroforestry plots and the processing of dead trees in pastures in 2010-2012 under the *Poço de Carbono Juruena* follow-up project; finally, allowed for timber to be processed with portable sawmills in order to build infrastructure for Brazil nut pre-drying and storage in Indigenous Lands in 2010-2012. A concrete example is the financial support for the participation of indigenous peoples and small land owners, extractivists, and agrarian reform settlers in SEEZ public audiences.

A weakness in this approach is regarding the state and national political frameworks and the powerful lobby of agribusiness regarding norms and laws that regulate forests in private areas. Also, in 2008, Program Mato Grosso Legal divided SLAPR into two sections, making it possible for illegal deforestation prior to 2000 to be defined as “consolidated converted area”, a move that is considered by the author a rhetoric approach to conservation and used as means to reach consensus over the “environmental hegemony” achieved by agribusiness.

This hegemony was also reflected in the changes to the National Forest Code proposed by this lobby, its “attack” on the existing SEEZ and its achievements. The current Congress proposal for the national Forest Code will exempt farmers of fines for deforestation detected until 2008, while keeping the legal demand for restoration, a cost that must be covered by the farmers. However, the low proportion of fines effectively applied for illegal deforestation also helps to

[3] A processing plant (*pupunha* and fruit pulp) was inaugurated in Juína on June 29, 2012, with environmental and operational licensing, with funding from Fundação Banco do Brasil/Programa Trabalho E Cidadania – Benefited party: Juína’s Rural Association for Mutual Help – Project Title: “Completion of the Process for the Agroindustrialization of the Production of Heart of Palm Cultivated by the Family Agriculturers of Juína”. It will attend to farmers, settlers and indigenous people.

make a case on the strong political forces that compose the economic mainstream in Mato Grosso's (and Brazil's) land use context.

In general terms, the project was week in documentation and process register, in the reflection on lessons learned and exit strategy. Despite the great difficulties caused by this context, by working together, SEMA and UNDP teams could effectively articulate different resources (human, institutional, financial) inside and outside the project, boosting and creating synergies with other actions. That includes forest management –timber and non-timber, Indigenous Lands, and the different actors – agrarian reform settlers, extractivists, farmers, and private and institutional demanders for environmental products and values generated or protected by these actors.

Implementation Approach

Rating	**Satisfactory**

The complexity of project design demanded an implementation strategy that considered the limited availability of human resources for a huge territorial extension, as well as economic, social, political and geographic challenges in the Region. Overall, this strategy was quite innovative in Northwestern Mato Grosso and, due to its innovative character, it faced great challenges that led to intuitive management seeking to respond to challenges, solve problems and seize opportunities, more than following a clear implementation strategy.

The sustainable production component of the project mobilized three different axes: timber forest management, based on forest certification; reinforcement of Agroforestry Systems; and inclusion of indigenous and extractive peoples in the Integrated Brazil Nut Program. This intricate and complex set of actions was developed in time frames, paces and geographical spaces that did not always coincide, but counted on the project team and SEMA-MT's effort to integrate other Government Secretariats and Federal Government partners. Licensing for the cultivation and commercialization of *pupunha* and for a fruit pulp and heart of palm plant in Juína, as well as the licensing of Vale do Amanhecer PA are the first of their kind and important results of this effort.

The solution found by the project to respond to so many implementation challenges was to establish partnership agreements with rural producers, indigenous, and extractive associations, town halls, federal and state agencies and other private partners. Such partnerships were built with great effort by the teams involved, both on the part of UNDP and on the part of SEMA. Those partnerships allowed the project to develop concrete actions in field and to establish itself as regional reference.

Trust-based relations built between regional actors, the presence of technicians in the field and capacity to seize different opportunities that arose were fundamental to project success. Thus, the innovative aspect was characterized by the capacity to enable organized groups to mobilize reimbursable funds from governmental programs and agencies, giving scale and

scope to pilot efforts restricted by the amount of resources in the project budget. Besides, it was characterized by capacity to integrate, on an important spatial scale (municipality of Juruena), the three main targets of project strategies, namely sustainable activities in Indigenous Lands, areas of commercial timber forest management and in rural settlements, including both NTFP and diversified forest cover regeneration activities through the implementation of AFSs. Besides, it gave sustainability to initiatives by interacting with the private sector, including infrastructure, value addition, technological innovation and training, as well as socio-environmental certification processes (for Brazil nut and timber products, the case of Rohden Lignea SA and Michelin, for instance).

In the timber Forest Management component, Rohden's certification brought a new set of knowledges to the executing agency and the private sector. This contribution deserves to be registered as a significant project contribution.

The establishment of AFS demonstration units allowed to envisage the possibility of another development model for settlements in the region, even though this model was not included in the benchmark of priority public policies or in farmers' choices. On the part of farmers, there were (and still are) several reasons for the choice of cattle ranching to the detriment of AFSs, amongst which: lack of rural assistance provoked by the dismantling of the state's rural extension, which did not take advantage of the potential to develop capacities to assist AFSs, lack of credit policies to allow the development of AFSs, public policies to incentive cattle ranching and, mainly, disincentive other sustainable economic alternatives.

The Integrated Brazil Nut Program (PIC), in its turn, was consolidated as an economic alternative for hundreds of families of rural producers, indigenous people, and extractivists. Latex extraction also gained visibility and became economically attractive to local populations. This activity, besides causing great social and economic impact, also presents many indications of being sustainable.

The Territorial Management component was based on support to the tailoring of rural properties to the demands of environmental legislation and consequent licensing, creation of CUs and development of management tools and procedures. For the development of SEEZ, it was necessary to dialogue with the Secretariat of Planning of the Government of Mato Grosso, which was in charge of that action, and Town Halls. Therefore, the project directed resources to the involvement of local actors in public hearings, prioritizing the information and empowerment of rural producers, indigenous peoples and extractivists for the discussion of SEEZ, an adaptive measure that gave prominence to social participation.

Several technical and political problems interfered in this component. Problems with the validation of the cartographic base and, later, interference of the Legislative Power undermined some project actions. The project had little or no rule over this theme and was subject to governmental legislative and legal decisions.

The Conservation Units component had a more chaotic implementation approach. The existence of other partnerships in the State, though it did not bring specific resources to the region, interfered in the dynamics of action implementation. The lack of medium-term planning made it impossible to carry out activities that depended on international bidding.

Thus, one sought to invest in complementary and partial studies that would allow advancements on the issue of Conservation Units implementation. This strategy, though it was an adaptation to the context, was provoked by the lack of capacity on the part of the Executing Agency to proceed with national and international bidding processes.

In the final phase of the project, however, the integration of the Conservation Units component to Territorial Management caused a very important integration movement in the Mosaic of Meridional Amazon. This action included the state of Mato Grosso in an articulation for conservation with strong impact in the Region and shows significant advances in interstate and interinstitutional dialogue.

A recurring weakness in projects designed in the end of the 1990s, replicated in GEF Juruena, is the absence of innovative and effective communication strategies. Generally speaking, the project's approach to document publication and communication products was too restricted.

Thus, it can be said that implementation strategies and approaches were **satisfactory**.

Monitoring and Evaluation

Rating	**Moderately Unsatisfactory**

The project did not develop a clear monitoring and evaluation strategy, even though the project document had a specific section on the theme. The implementing and executing agencies only used PIR and POA as activity reporting tools, but it did not develop a monitoring and evaluation strategy as a tool for management, organizational learning and transparency on project actions.

From 2008 on, SEMA incorporated project actions into the Pluriannual State Government Plan, including the on-line management system. That gave greater visibility to project actions and inserted actions in the State's planning and monitoring benchmark, but it did not fulfill the need for a monitoring strategy that could respond to the macro-indicator, that is, to the evolution of the mosaic composed by protected areas and private areas. The lack of accumulated and documented reflections generated an information vacuum that makes it harder to understand some processes supported by the project.

An exception is the AFS component, for which a specific monitoring action was adopted in the 2003 Substantive Review. In 2006, a consultancy was hired from the Brazilian Agroforestry Network for a participative monitoring process that would evaluate the sustainability of promoted AFSs and enable a capacity-building process for local stakeholders (EMPAER, CEPLAC, innovative farmers participating in the project). In 2007, the results of this consultancy showed gaps in terms of economic and ecological data that would better fundament decisions. Concurrently, a doctoral thesis (Vivan, 2008) identified those gaps in a more elaborate manner.

A TdR was then defined for an in-depth exploratory analysis of a small group of cases, focusing on economic and ecological impacts, including general soil usage indicators, compositions of AFSs and remnant forests, energy balance and carbon stocks (Gonçalves et al., 2009). Promising data motivated a wider study (60 cases, 84 georeferenced lots) in 2010, which created a baseline and identified opportunity cost parameters (for restoration and conservation), composition and structure, biomass, and carbon (Vivan, 2010; Gonçalves, 2010).

The methodological script followed strict scientific standards and was the base to an initiative to generate a baseline on carbon stocks and biodiversity in AFS for Project *Poço de Carbono*, in 2011. Future developments (continuity projects in Juruena, Juína and pilot REDD+ ongoing in Cotriguaçú) may benefit from these studies. That takes place in an environment of integration with other studies developed by CIFOR, ICV and the Agriculture and Livestock Defense Institute of the State of Mato Grosso (INDEA/MT), and it will feed studies in the scope of project Policymix. This project, financed by FP7-EU, has Northwestern Mato Grosso as one of its study cases on biodiversity conservation instruments and policies. Finally, it also provides data to a postdoctoral research on the role of demonstration projects in the conservation and sustainable use of biodiversity in the Amazon, focusing on Northwestern Mato Grosso[4].

At the end of the project, one sought to document and register some of the most significant results of the project. However, many lessons learned on the building of strategic partnerships and on partner engagement are in the minds of technicians and undocumented. The results of the abovementioned studies have not been subject to a sharing effort on the part of the project either.

Participation of co-implementers

Rating	**Satisfactory**

The non payment of contributions seemed to be a problem in the first years of project, with the extinction of Banco Axial, which had committed to a USD 2 million co-funding (23% of the contribution that had been offered initially). However, the project could establish new partnerships and funding that overcame the initial contribution commitments. That fact is quite unusual in Amazon projects and can be considered an extremely important and unique result of this project.

According to the PRODOC, partner institutions and direct beneficiaries were expected to contribute with USD 9,049,118 – USD 3,073.218 in kind and USD 5,975,899 in goods and services. The analysis of available documents and reports does not allow for an accurate evaluation of the amount of contributions used in the beginning of the Project, but the grand total for the period from 2002 to 2004 is of USD 2,811,000 plus co-funding contributions that had been initially defined. In that period, the National Environmental Fund (FNMA), through an

[4] http://memoria.cnpq.br/programas/inct/_apresentacao/inct_politicas_publicas.html

induced demand of the National Forests Program, supported five complementary projects in Northwestern Mato Grosso, adding up to USD 1.3 million. In the same year, Petrobras' Environmental Project approved a Project for the recovery of degraded areas through the implementation of AFSs in the Municipality of Juruena, to the amount of USD 1.56 million for two-year execution. In 2012, those who were in charge of the project received the news of funding extension.

Besides, Petrobras, Michelin do Brasil, and Ouro Verde Amazônia, among other companies, also supported (and still support) the economic valuing of agrobiodiversity related to the consolidation of AFSs and the broadening of commercial management of non-timber forest products. These partnership actions added up to a funding of USD 1 million.

Table 3. Additional resources leveraged in Project implementation.

Institution /Fund	Resource (USD)	Objective	Source (PIR)
APEX	487.000	Promotion of sustainable agrarian reform products and family farming areas	2002
DFID	200.000	SPRN training program (PPG-7/PCA)	2002
Eco-Carbone -	65.000	Preliminary evaluation studies for carbon project and investment in seedling nursery	2002
FNMA	25.000	Preliminary evaluation studies for carbon project	2002
Amigos da Terra	200.000	Participation of NW-MT municipalities in program “Fogo: Emergência Crônica"	2002
UNF - approx.	350.000	Regional Market project – managed by UNDP	2002
UNFIP	325.000	Project for biomass co-generation from wood residues, managed by UNDP	2002
FNMA	70.000	Network of Forest Seeds, managed by UFMT.	2003
FNMA	70.000	Participative management plan for the Guariba-Roosevelt RESEX.	2003
LBA-Eco	921.500	Research project on forest management and soil technology in Rohden’s property	2003
SEPLAN	26.500	Information exchange and support to services	2004
SEDER-EMPAER	7.000	Information exchange and support to services	2004
UFMT – GERA	5.000	Information exchange, support to services, and outsourcing supplier	2004
UFMT - Agricultura Tropical	3.500	Information exchange	2004
Town Hall of Aripuanã	9.000	Information exchange, support to services, and outsourcing supplier	2004
Rikbaktsa Indigenous Association	2.000	Information exchange and support to services	2004
FUNAI	18.000	Information exchange and support to services	2004
AJOPAN	1.5000	Information exchange, support to services, and outsourcing supplier	2004
ProNatura Foundation	11.500	Information exchange, support to services, and outsourcing supplier	2004

The contribution of the Government of Mato Grosso became more significant after the Mid-Term evaluation. In the 6 years it was in charge of the project, SEMA made part of its technical staff available as a form of contribution. SEMA estimates the amount of its contribution to be USD 536.04 corresponding to dedication of its staff to the Project.

In order to avoid project paralysis during the institutional crisis in the State Government, and to ensure the fulfillment of commitments, "letters of agreement" were signed with 12 implementing agencies established from a recommendation in the Substantive Review (2003).

Table 4. Partner implementing agencies of project BRA 00 G 31

Agency	Field of work
State Secretariat of the Environment - SEMA	Coordinate project actions and implement actions related to OT, forest management and enlargement and implementation of CUs
Syndicate of the Rural Workers of Aripuanã	Community forest management – NTFP and implementation of AFSs
Association of the Rikbaktsa indigenous people - ASIRIK	Community forest management - NTFP
Association of the Zoró indigenous people - APIZ	
Association of the Arara indigenous people - YUKAPCATÃ	
Town Hall of Juína	Implementation of AFSs
Town Hall of Castanheira	
Town Hall of Juruena	
Town Hall of Cotriguaçu	
Town Hall of Aripuanã	
Town Hall of Colniza	
Juína's Rural Association for Mutual Help - AJOPAM	

However, an audit undertaken in 2008 found inadequacies in the letters of agreement regarding legislation that rules over biddings and contracts and they were prohibited (following the recommendation of the Court of Accounts of the Union to abide by the rule of Brazilian Administrative Law according to which they are not provided by Law and, thus, are unauthorized). The inexistence of letters of agreement made the accomplishing of proposed activities (in POA) harder. That reinforces an impasse between the politically dominant position of managing public accounts with minimal State and excessive emphasis on the control of public expenses, an inheritance of the high corruption rates that marked the 1990s in Brazil. It also shows that this impasse has consequences and does a lot of damage to projects, amongst which are the halt of field activities due to an absolute lack of resources to meet the demand for investment in the socio-institutional capital that is necessary to implement ecological and productive (sustainable) capital preservation and restoration projects in regions of forest frontier. The politics of "minimal state" and the incapacity of the Brazilian State to develop different and more flexible mechanisms for project management is, in this case, another macro-vector that contributes to reducing the possible impacts of projects such as GEF Juruena.

Despite the unfavorable context described above, rural producers, comprising farmers settled by the Agrarian Reform and Extractivists, were mobilized with actions to strengthen capacities for sustainable production. The building of partnership and trust relations with social

organizations allowed for an accumulation of knowledge that strengthened social participation on the part of these groups. Since then, the project could effectively mobilize expressive partnerships that improved the quality of life of local populations. The recognition of these gains bolstered project appropriation by local groups. The same happened with indigenous populations and their organizations. The input in terms of social productive organization, contracts for the marketing of products and dialogue between farmers, indigenous peoples and rubber tappers so they could work on a common proposal strengthened actors to take protagonism in actions. It can be affirmed that sustainable production actions related to the Brazil nut chain reached a level of maturity and sustainability that can move on without the project.

The project was also very successful in the building of partnerships with the private sector. The mapping of opportunities and facilitation of dialogue between extractivists, indigenous people and companies with social responsibility policies, such as Michelin and Petrobras, are factors contributing to project success and may bring very important lessons for the management of projects.

With this strategy, the project managed to value the human capital of the State and the Region. That is also reflected on the list of professionals and consultants hired by the project, which are mostly local inhabitants. This achievement should be better used in the formulation of regional development policies, including the recent federal-level initiative to recreate a National Agency for Technical Assistance and Rural Extension.

Financial Management

Rating	**Moderately Satisfactory**

GEF resources, though they did not pass by the Brazilian State budget, were subject to Federal Government norms, besides UNDP norms. Thus, it was submitted to frequent audits on the part of the state control agency, which ensured the legality and suitability of procedures. On the other hand, it imposed several restrictions that were added every day, as previously highlighted.

Project briefs were generated using financial systems recommended by GEF/UNDP, but there were three changes in the financial system during the project (FIN, SAPS, ATLAS) and thus financial codes were altered. This change hindered project efficiency analysis, since it prevents the comparison between expenditures by component and by year in the period before 2008.

As an alternative to the lack of disaggregate information that would allow for cost-efficiency analysis, besides ensuring that all objectives and indicators had been duly fulfilled, evaluators had to analyze project performance in relation to what was planned and executed every year and verify the "supplementary dispositions" (legal context, Annex, XIV) of the Prodoc signed by the Parties.

According to the reported in the last version of the PIR (Progress Towards Meeting Development Objective – June 2011), three indicators were not fully implemented (see table beside). However, all proposed activities in the benchmark of these indicators were

completed. The non-realization of outcomes is, therefore, mainly due to political and institutional factors that were out of project governability.

Table 5. Summary of the PIR on achievement of established goals

	Indicator	Implementation Level
General objective	1	Completed
	2	Completed
	3	Completed
	4	Completed
Outcome 1	1	Nearly completed
	2	Completed
	3	Nearly completed
	4	Completed
Outcome 2	1	Completed
	2	Completed
	3	Completed
Outcome 3	1	Nearly completed
	2	Completed
	3	Completed

Source: 2011 PIR.

From the information in the POAs for 2008-2011, a great difference between what was planned and what was executed can be detected, leading to expenditure of less than half the budgeted resources for the period (44%). The year of 2008 was the most critical, with realization of only 16% of budgeted resources. In the following years, there was considerable improvement in this indicator, with an upward trend in resource usage.

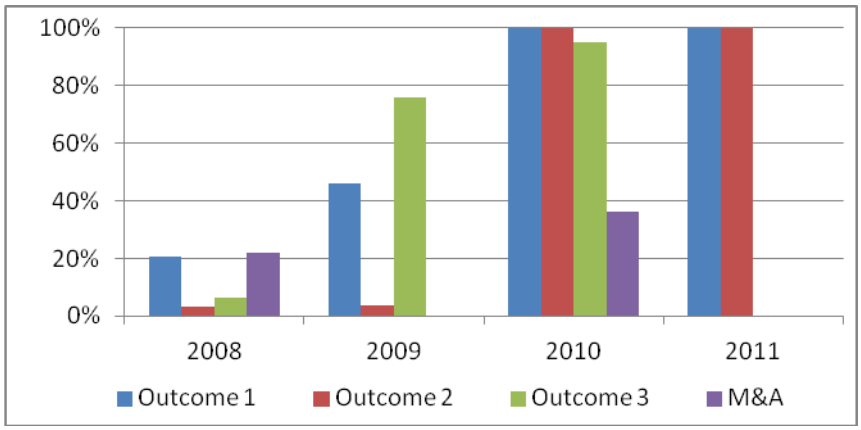


Figure 5. Percentage distribution of budgeted resource usage by Outcome. Period 2008-2011

In terms of resource distribution between components, or project outcomes, in the period from 2008 to 2011, Outcome 1, related to the promotion of agroforestry systems, was the one with the best financial performance in both relative terms (49% average) and absolute terms (USD 1,658,614, that is, 62.4% of resources used by the Project in the period).

Table 6. Project budget versus expenditure in 2008-2011

	2008		2009		2010		2011	
	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure

Outcome 1	1,317,011	272,536	1,243,206	573,850	682,073	682,098	128,204	130,130
Outcome 2	603,630	19,569	370,950	13,034	333,346	333,346	296,087	295,685
Outcome 3	164,626	10,504	79,200	60,217	29,190	27,710	-	-
M&E	658,505	145,222	-	53,883	107,999	39,344	-	-
TOTAL	**2,743,772**	**447,832**	**1,693,356**	**700,984**	**1,152,609**	**1,082,499**	**424,291**	**425,524**

Only USD 98,291 were spent with Outcome 3 in the period from 2008 to 2011. Considering the two other outcomes, that amount corresponds to 5.9% of expenditure with Outcome 1 and 14.9% of expenditure with Outcome 2 in the same period. That is due to the fact that Outcome 3 had been prioritized in the first years of project, when heavy investment was made in the certification of a timber company. In the final years, activities related to that outcome had been completed and that explains the low amount of resources in comparison with the other outcomes.

“Monitoring and evaluation” (M&E) was the component with greatest discrepancy between budgeted and used amounts. In 2008 and 2010, an average 31% of budgeted resources were used. In 2009 and 2011, resources were not budgeted for that component, though the period corresponded to the exit strategy. That explains, to a great extent, the low performance achieved by the project in the area, despite the fact that two professionals were hired to develop M&E activities for long periods under UNDP expenses. As a consequence of the impossibility of hiring a base team, these professionals took up project management and articulation activities and there was no M&E strategy connected to management and knowledge management.

According to the initial proposal, USD 1,903,184 were budgeted for the purchase of equipment and maintenance (Annex X, ProDoc 2001). Only half of that amount was used in the period from 2001 to 2011, approximately USD 900,000. According to an audit carried out in 2008, “capital assets have already been transferred to the State Secretariat for the Environment/MT, remaining only those that are indispensable for project routine activities".

Guidance and procedures for the choice of professionals to compose the project's team are described in the Prodoc. However, due to changes in Project management and in Brazilian law, a fair amount of budgeted resources for the team ended up being utilized for specific consultancies. In the initial proposal, the budget for the hiring of a team and consultants (national and international) was USD 4,258,965, complemented by a 2,730,000 contribution on the part of other institutions. That represented 67% and 30% of total amounts proposed, respectively. The amount spent during the project with that budget line was USD 3,602,906, that is, 82% of the budgeted amount.

During the substantive review (2003), due to the events that have been exposed, the Project suffered extreme reduction in team and local offices. Contract regimes effective for UNDP technicians were altered by the Office of the Comptroller General of the Union, the IPN team was then dismantled and project staff was reduced from 10 to 3 technicians (all posted in Juruena). The new configuration demanded the multiplication of partnerships, giving more capillarity to the project. However, most Implementing Agencies (instituted since 2004) did not

have any technicians available, which resulted in huge work load and accumulation of functions on the part of the remaining team.

It is also worth highlighting that the executing agency was an independent contractor. Its incumbency was exerted in consultancy with UNDP (subsection 6). However, it was detected that, in some cases, the process to hire services was not successful due to the time necessary for the process itself and/or for lack of capacity on the part of the agency to plan and execute the contract.

According to what is described in "general responsibilities", it was under the Government's responsibility to provide the project with "training facilities, lands, buildings, equipment and other services or facilities that may be required" (subsection 4). In fact, the space used by SEMA (in Cuiabá) during the 6 years had its price estimated in USD 36,000 (also part of this contribution). However, the institution had no infrastructure in Northwestern Mato Grosso. This situation added expenses that had not been initially predicted for the rental of physical space and vehicles.

An intangible benefit of the project was the generation of knowledge and research developed for the realization of outcomes. Considering the rich framework of studies that allowed to advance the implementation of several Conservation Units, the development of a legal benchmark for the management of *pupunha* heart of palm, studies for Social, Ecological and Economic Zoning, partnerships built, the trust relation between different groups of actors, all those factors indicate a real and significant project contribution, which would not have been possible without its existence.

In sum, most project financial management problems were related to discontinuities, lack of human resources to meet the demands of hiring processes, lack of realistic planning that would be enhanced over time and impediments of Brazilian legislation.

Involvement of Stakeholders and Partnerships

Rating	**Highly satisfactory**

The project involved several groups of actors from the Government, the Private Sector and the Civil Society. In the governmental realm, there was dialogue with the three levels of the Federation, including federal universities. In the organized civil society were included indigenous and farmers' associations, national and international NGOs. The private sector included timber companies that were the target of public actions for the promotion of sustainable management and forest certification and private partners, such as Petrobras, Ouro Verde, Michelin, Peugeot and other companies that associated to support extractivism.

One of the most successful attributes of the Project was its ability to create new networks of partnerships and strengthen existing ones. During the more than 10 years of Project duration, many institutions and organizations composed the networks of partners, with diverse levels of interest, participation, and commitment.

The 2003 Substantive Review highlighted that: "... the institutional design initially deployed is highly limited in terms of interinstitutional articulation, both regarding the involvement of governmental agencies, and in the multiplication of partner organizations in its implementation, which has led to Project failure (until that moment) to become an instrument for interinstitutional organization necessary for conservation activities". Indeed, a deep change in the way the project related to stakeholders in the region took place since SEMA's management, in 2004. Partnerships with several types of organizations acting in the region were strengthened. That measure allowed boosting project actions, which could not attend to the whole Northwestern region due to its huge size, increasing the number of beneficiaries, and dealing with difficulties to hire a team for the project.

By the end of the Project a wide range of partner institutions was in place, which is presented in table 6.

Table 6. Partner organizations of project BRA 00 G 31. Period 2001-2012.

Governmental	Non-governmental	
	NGOs/Companies	Associations
Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA)	Support Service for Micro and Small Businesses (SEBRAE)	Cooperative and Association of the Small Rural Farmers of Vale do Amanhecer (COOPAVAM/APAVAM)
National Indian Foundation (FUNAI)	French National Forest Office (ONF)	Cantinho da Amazônia Women's Association (AMCA)
National Institute for Colonization and Agrarian Reform (INCRA)	WWF Brazil	Association of the Rikbaktsa Indigenous People (ASIRIK)
Brazilian Agricultural Research Corporation (EMBRAPA)	Rohden Indústria Lígnea	Syndicate of the Rural Workers of Juruena (STR-Juruena)
Executive Commission for Cocoa Crop Planning (CEPLAC)	World Agroforestry Center (ICRAF)	Rural Development Association of Juruena (ADERJUR)
Town Halls of Juína, Juruena, Cotriguaçu, Colniza, Castanheira, and Aripuanã	Tropical Forest Institute (IFT)	Juína's Rural Association for Mutual Help (AJOPAM)
National Supply Company (Conab/MAPA)	Michelin of Brazil	Brazilian Agroforestry Network
Ministry of Agrarian Development (MDA) – Program for the promotion of equality of race, gender and ethnicity - PPIGRE	Michelin of Brazil	COOPROPAM and COOPERJUAFA
Mato Grosso's Research, Techincal Assistance and Rural Extension Company (EMPAER)	Petrobras (Petrobras Environmental Program)	Zoró indigenous groups
State Secretariat of Planning and General Coordination – SEPLAN, EEZ team	CARPELLO Indústria de Alimentos	Association of the rubber tappers of the Guariba and Roosevelt rivers - ASGR
Ministry of the Environment – MMA – SDS – Agroextractivism and ARPA Coordination	Cornell University, Dept of Atmospheric and Earth Sciences	Association of the Settlers of Vale do Amanhecer
National Environment Fund - FNMA	Brasil Sustentável	National Council of Rubber Tappers
Federal University of Mato Grosso (UFMT)	National Energy Efficiency Institute	Municipal Council of Cotriguaçú's Associations
Regional Commercialization Agency (ARCONOROESTE/MDA)	Amigos da Terra – Amazônia Brasileira (Friends of the Earth - Brazilian Amazon)	National Council of Rubber Tappers (CNS)
National Energy Efficiency Institute (INEE)	Centro da Vida Institute (ICV)	Loggers' Syndicate

In gray: organizations participating (mainly) in the first phase of the project.

As a result of the strengthening of the Project's network of partners, the State government decided to implement a pilot project for the mitigation of climate change in the region, related to GEI's mechanism for Reducing Emissions from Deforestation and Forest Degradation (REDD) in degraded areas.

Some actions mobilized or developed by the project resulted in the strengthening of capacities and the framework of associations and networks in the region and deserve to be cited:

- ✓ Technical training on several themes offered by partner education and research organizations, such as EMBRAPA, SEBRAE, Federal University of Mato Grosso, ICRAF, among others.
- ✓ Contribution to increase in production (for instance, technical cooperation between Rohden Indústria Lígnea, COOPAVAM, ADERJUR and indigenous associations for the access to Brazil nut), with special notice to arrangements with CONAB;
- ✓ Fostering agroforestry, production and distribution of seedlings by different organizations, such as ONF, WWF, partnership with FUNAI, which enabled the distribution of more that 25 thousand seedlings of fruit and reforestation trees to indigenous communities. The aim was to promote food safety through agroforestry orchards;
- ✓ Increase in licensed areas with the support of INCRA.

The project also stands out for involving four Ministries and seven governmental agencies of the federal sphere, amongst which are: (i) Ministry of the Environment (National Environmental Fund, Secretariat of Sustainable Development and Program of Protected Areas of the Amazon); (ii) Ministry of Agrarian Development (Program for the promotion of equality of gender, race and ethnicity - PPIGRE); (iii) Ministry of National Integration (National Indian Foundation) and; (iv) Ministry of Agriculture and Livestock Production (CONAB - National Supply Company).

On the state level, one can highlight the increase in articulation between state agencies of three secretariats: Secretariat of the Environment (executing/implementing agency), Secretariat of Planning (Social, Economic and Ecological Zoning team), and Secretariat of Agriculture (Mato Grosso's Technical Assistance and Rural Extension Company).

During the evaluation, it was possible to verify the evaluation and participation of local actors in project implementation, especially in (i) preparation and implementation of demonstration pilots of agroforestry systems; (ii) negotiation of access to new areas and production of Brazil nut; and (iii) creation of new conservation areas and indigenous lands.

Adaptive Management

Rating	**Highly satisfactory**

In order to analyze and evaluate the project's capacity for adaptive management, it is necessary to go back to its history and managerial challenges. The project was elaborated by an NGO located in Rio de Janeiro, about 2,000 km away from the capital city of Mato Grosso. PRONATURA Institute (IPN) initiated the project in 2001 focusing on timber forest management, development of prospective studies, and constitution of the mosaic of protected areas, taking the first steps for the constitution of AFS demonstration units. IPN trusted in the involvement of Town Halls for the development of some project activities, with funding provided by the project, and in the support to international certification for a timber company.

In this first phase, the State Government had low project appropriation and practically no participation in its management.

In 2002, deep changes started happening in Brazilian legislation, directly impacting international cooperation projects. In 2003, it was no longer possible to hire project base teams. Technicians had to be hired through public contest. It was the beginning of a grave crisis in project implementation that resulted in the change of Executing Agency.

The transference of project coordination from the NGO to Mato Grosso's State Foundation for the Environment (FEMA), in 2003, was gradual and very skillfully managed by UNDP and all parties involved so that the project would not suffer even more. The transaction took place amidst a severe institutional crisis reported in other sections, with the extinction of FEMA, which had taken over project management for a short period until it was substituted by the State Secretariat for the Environment (SEMA). With additional competencies and a bigger structure, SEMA, the new executing agency, allocated the project to the Biodiversity Bureau, though developing activities in the field of action of the Bureaus of Forest Management and Environmental Education, as well as the State Secretariat of Planning (Economic and Ecological Zoning).

Amidst all these disruptions, the project continuously adapted to new strategies, including a new target public – indigenous peoples – and building strategic alliances between rural producers and indigenous populations, something unthought-of in the beginning of the project.

In order to overcome changes in legislation, the project's base team was taken as UNDP staff, for monitoring actions. This unconventional solution was the means found not to waste accumulated knowledge and trust relations built with the population and social and governmental organizations in the Region, and also to prevent a crisis of discontinuity in the project.

Other innovative measures, such as the decentralization of actions involving Town Halls and producers' organizations as local implementing agencies also found resistance in a legal benchmark that was under construction, with regulation gaps.

This history shows that the project was a constant exercise of adaptive management that generated significant outcomes, which will be described in the following sections.

Project Objectives and Outcomes

Outcome 1:

The municipalities of Aripuanã, Castanheira, Colniza, Cotriguaçu, Juína, Juruena, and Rondolândia will have prepared and disseminated zoning plans and incentive approaches to encourage a matrix of sustainable land uses.

Rating	Satisfactory

This outcome corresponds to the Territorial Management component, which is the backbone of GEF Project Juruena. Forming a mosaic of protected areas, in several modalities and legal regimes of protection, would only be possible with a very well defined set of policies and legal instruments composing a proposal of environmental governance. This proposal had been initiated by the State Government in the second half of the 1990s. When the project was designed, Mato Grosso had the most innovative model for the licensing of rural properties in the Amazon, and it ended up influencing the federal policy and, thus, the whole Region.

In the scope of this Outcome, four indicators were established which we started analyzing:

- Indicator 1: # of municipalities with Social, Economic, and Environmental Zoning (SEEZ) fully discussed and implemented.
- Indicator 2: Increased use of the Geographic Information System (GIS) in monitoring and control.
- Indicator 3: # of CU (Conservation Unit) management plans under implementation and with Consultative Councils.
- Indicator 4: Increase in stakeholders' awareness of conservation needs, and incentives and capability of achieving consensus on conservation targets and monitoring compliance.

Indicator 1: # of municipalities with Social, Economic, and Environmental Zoning (SEEZ) fully discussed and implemented.

It is important to describe the context in which this indicator was thought. The State of Mato Grosso already had an official zoning since 1992, which was being updated when the project was designed. It was very reasonable to imagine that the next step would be the zoning of municipalities, which would need a lot of technical support and political articulation for their development.

However, institutional changes and difficulties verified with the validation of the geographical base that had been adopted in the State zoning created technical and political barriers that were hard to overcome. Even so, in 2003, when the mid-term evaluation and substantive review of the Project were carried out, there was still a strong belief that the State would complete the elaboration of the zoning on the state level and would support its continuance on municipal level.

In that period, the management of state zoning was transferred to Mato Grosso's Secretariat of Planning (SEPLAN-MT). SEMA kept close articulation with SEPLAN, emphasizing socio-environmental issues. The State Zoning was under discussion for a long time, both in public hearings and in the Legislative Assembly. Given the impossibility to pursue with the SEEZ in municipalities, the Project redirected its support to the Public Consultations of the state SEEZ

in the Northwestern Region. That support fostered a process of qualified and extremely participative discussion, as well as specific consultation for indigenous areas. Several meetings with Town Halls and the civil society of the region were carried out, involving the Syndicates of Rural Workers and Indigenous Associations, for a broad discussion of the state's SEEZ. This process allowed for the integration of new sustainable economic alternatives for the region. However, with elections in 2009 and consequent changes in municipal governments, discussions have to be resumed, but in a phase of project conclusion.

In 2010, a new impasse arose when the Legislative Assembly significantly altered the text of the zoning law and the State Governor sanctioned a Zoning Law that disregarded a considerable portion of the technical work and discussions that had been held with the populations. Thus, the Federal Public Ministry required a legal action to suspend the State Zoning.

Even though the municipal zoning had not been made effective, for political reasons that are beyond Northwestern Mato Grosso, the Project offered all the tools necessary for the zoning and took significant steps towards the development of recuperation strategies for degraded areas and sustainable economic activities, based on Agroforestry Systems and Timber and Non-Timber Forest Management.

Indicator 2: Increased use of the Geographic Information System (GIS) in monitoring and control.

GEF Juruena supported the establishment of a map library with cartographic information containing biotic, abiotic, and socioeconomic data (survey of Brazil nut trees, information on soil, vegetation, hydrographics, population, protect areas, etc.). All this information was initially made available in a CD-ROM.

An agreement between the Ministry of the Environment and the Government of Mato Grosso allowed for the use of GIS as a control instrument. From that agreement, a joint action plan was prepared for environmental monitoring by SEMA, IBAMA, and the Environmental Police. Besides, the map library was made available to FUNAI, EMPAER and interested NGOs, with the aim to establish the environmental management system in Indigenous Lands and to support technical assistance activities in Settlement Projects.

In the last years of the project, with the development of the Integrated Environmental Management and Licensing System of the state of Mato Grosso - SIMLAM, the Map Library started being less frequently used, since the GIS comprised in SIMLAM is more thorough and interactive.

As a final contribution, also as part of its 2010 exit strategy, the Project promoted a partnership between SEMA and The Nature Conservancy (TNC) for the development of a complementary project in the Region for the environmental regularization of the timber productive chain in areas of Legal Reserve and Permanent Preservation that had already been deforested, in the context of the Rural Environmental Register (Cadastro Ambiental Rural –

CAR), which can be considered continuation of the action that had been initially developed by the project.

Indicator 3: # of CU (Conservation Unit) management plans under implementation and with Consultative Councils.

This indicator marks the achievement of the intermediate outcome referring to the consolidation of a Conservation Unit system in Northwestern Mato Grosso, including all CUs that existed in the beginning of the project, the creation of at least one new CU and one ecological corridor.

In the beginning of the project, there were three Conservation Units with no management plan or operational plan developed and with no Consultative Council. The project goal was to create 5 CUs, develop 5 management plans, 5 operational plans and 5 Consultative Councils.

During Project term, 5 CUs were created besides the ones mentioned above. They are: Juruena (2006) and Campos Amazônicos (2006) National Parks; Rio Flor do Prado (2003) State ESEC; Tucumã (2002/2005) and Igarapés do Juruena (2002) State Parks, adding up to more than 450,000 hectares. 4 management plans and 2 Plans for Conservation Areas were elaborated. One Advisory/Consultative Council in the Igarapés do Juruena State Park and one Consultative Council in the Guariba Roosevelt RESEX were also established.

Project support was materialized in several studies undertaken in order to lay the foundations of the process to create the CUs and in the provision of equipment and capacity strengthening for technicians and communities, especially in the Guariba-Roosevelt RESEX. Investments were also made in the qualification of management areas, strengthening of associations and establishment of the Deliberative Council of the RESEC, the first CU council to be established in the State. Later, partnerships were established with Town Halls, Cooperatives, SEBRAE, Água das Pedras Electricity Company, and WWF-Brazil in order to maximize the impact of project actions.

A diagnosis elaborated by WWF in 2009 on the managerial situation of CUs in Mato Grosso showed that, except for Igarapé do Juruena State Park and Rio Roosevelt ESEC (besides the Guariba-Roosevelt RESEX itself), all CUs lacked staff and other management tools (WWF Brazil *et al.*, 2009). This shows the importance of the project in Mato Grosso's context of Protected Areas.

GEF Juruena was also an important mobilizer of interinstitutional articulations in the Meridional Amazon Mosaic, supporting the approximation between technicians of the State Governments of Mato Grosso and Amazonas, considering the coincidence of protected areas on the border shared by these States[5].

5 The Mosaic of Meridional Amazon is the Northwerstern Region of the State of Mato Grosso, contiguous with the triple frontier (between Pará, Amazonas and Mato Grosso), and also connected to several protected areas in Rondônia. It is an area under intense anthropic pressure due to its richness in mineral and forest resources, besides being focus to land grabbing. It can be considered a region of megadiversity concentration and comprises several state and federal Conservation Units, Indigenous Lands and settlement projects. Due to the intense pressure it suffers, it is important to establish partnerships with institutions from other states in order to fight illegal enterprises in the region.

The creation of the Guariba-Roosevelt RESEX was a case in point. The Reserve, which had been motivated by a demand of the community, with the support of the Federal University of Mato Grosso, in 1999, had been delimitated with an area of 57,630 hectares. However, the demarcated area left the demanding communities outside the RESEX. Only in 2007, with the support of the project and the enforcement of Law 8.680, was this situation changed and the area was then enlarged to its current 138,092 hectares.

Regarding the development of CU management plans, which are actions predicted in GEF Project Juruena, they were accomplished with the input of resources from the project and other partners. As one of the great difficulties in the region is access to the areas, which sharply increases the cost of studies necessary for the development of plans, the project found the need to have an international bidding. The lack of experience of SEMA's team regarding this type of procedure and planning difficulties related to the proximity of project end were obstacles to the completion of this process and to a better usage of available resources.

In face of this difficulty, SEMA opted to invest in the elaboration of complementary studies that could support the development of future Plans with input from other partners. SEMA adopted a methodology called Target Conservation Plan (PCA[6]) to guide CU management actions. GEF Project Juruena then started to support more specific studies that together allowed for the fulfillment of stages of the Management Plan and to leverage other partnerships which have allowed the development of such plans (mapping of communities, study of herpetofauna and amphibians, study of vegetation, RESEX Council).

The project also supported the development of Guariba-Roosevelt RESEX's Usage Plan, which is one of the most complex steps in the elaboration of a RESEX Management Plan.

Currently, there are 11 CUs in the region under study. Three of them are Federal and all are of Full Protection, two of them being National Parks (PARNA) and one being an Ecological Station (ESEC). There are seven state Conservation Units, five of Full Protection (two State Parks and three Ecological Stations) and two of Sustainable Use (one Extractive Reserve-RESEX and one Natural Heritage Private Reserve (RPPN). The municipality of Juína has the only municipal Conservation Unit in Northwestern Mato Grosso, the Juína Full Protection Environmental Park. Table 7 presents information on the current conditions of existing CUs in the state of Mato Grosso.

The federal CUs are Juruena and Campos Amazônicos National Parks and Iquê ESEC. The latter, created in 1981, had its creation Decree revoked with the demarcation of the Enawenê-Nawê IL, in 1996, which overlaps with it. However, it is still on the list of federal CUs published on SEMA/MT's website.

Among full protection state CUs are Rio Roosevelt, Rio Madeirinha and Rio Flor do Prado ESECs; Tucumã and Igarapés do Juruena Parks; and Peugeot's RPPN. The former five CUs, of public ownership, have a similar creation history.

6 Target Conservation Plan (*Plano de Conservação de Alvos*, PCA) is a methodology developed by The Nature Conservancy (TNC), an NGO acting in the region for the ranking of CUs' objectives. It is much more of a methodology that aids in the management of CUs by identifying and listing priority goals.

Peugeot's RPPN was created in 2010, integrating Fazenda São Nicolau, a 10,000-hectare property on the right bank of the Juruena River, where Peugeot-ONF[7] Project *Poço de Carbono* was installed, entirely funded by Peugeot. The integration of this project with GEF Project Juruena was consolidated with the creation of this RPPN on the banks of the Juruena river, with an area of 1,781.30 hectares, which is part of the north-south ecological corridor along that river, meant to preserve fauna support connections between ecosystems.

Table 7 – Conservation Units in the State of Mato Grosso

Scope	Category of Use	Name	Legislation	Municipality	Area in the region (ha)	Notes
NAT	Full Protection	Juruena National Park	Unnumbered Decree published in the Federal Official Gazette, Issue # 107 of 05/06/06.	AM and MT. Total area of 1,957,000.00 ha.	129,243.12	The total park area in MT is 1,175,258.53, 11% in the municipality of Cotriguaçu.
NAT	Full Protection	Iquê Ecological Station	Decree # 86.061, of 1981	Juína	199,506.00	The Decree of Enawenê-Nawê IL revoked the creation of this CU in 1996, but MT keeps its register.
NAT	Full Protection	Campos Amazônicos National Park	Decree published in the Official Gazette on 21/06/2006	AM, RO and MT. Total area of 873,570.00 hectares.	5,418.36	Municipality of Colniza.
STA	Full Protection	Roosevelt River Ecological Station	Dec. no. 1.798/97, Law no. 7.162/99 and Law no. 8.680/07.	Colniza	96,168.00	x-x
STA	Full Protection	Madeirinha River Ecological Station	Decree no. 1.799/97 and Law no. 7.163/99	Colniza	13,682.96	x-x
STA	Full Protection	Flor do Prado River Ecological Station	Decree no. 2.124/03	Aripuanã	8,517.00	x-x
STA	Full Protection	Tucumã State Park	Decree no. 5.439/02 and Decree no. 5.150/05	Colniza	80,944.71	x-x

7 In France, the ONF (Office National des Forêts) is the public agency in charge of the management of public and territorial collectivity forests. With about 11 million hectares, ONF is one of the most important forest massif management agencies in the world. ONF is also responsible for the management of 6 million hectares of the Amazon rainforest, in the French Guiana, a rare fact for a country with temperate climate. ONF's «amazonian experience» contributes to enrich project *Poço de Carbono* in Brazil, thanks to the exchange of experiences with ONF-Guiana.

Scope	Category of Use	Name	Legislation	Municipality	Area in the region (ha)	Notes
STA	Full Protection	Igarapés do Juruena Park	Decree no. 5.438/02	Colniza and Cotriguaçu	227,817.00	Management Plan: Directive no. 16/2009 and Council: Directive no. 10/2007.
STA	Sustainable Use	Guariba-Roosevelt Extractive Reserve	Decree no. 9521/96, Law no. 7.164/99 and Law no. 8.680/07	Aripuanã and Colniza	138,092.00	Council: Directive no. 113/2009.
STA	Sustainable Use	PEUGEOT – ONF – BRAZIL RPPN	Directive no.074 of 14/06/10	Cotriguaçu	1,781.30	x-x
MUN	Full Protection	Juína Environmental Park	Decree no. 1657/96 and Decree no. 060/01	Juína	30.80	x-x
TOTAL (ha)				**901,201.25**		
TOTAL (km²)				**9,012.01**		

Source: SEMA/MT, ICMBio.

Indicator 4: Increase in stakeholders' awareness of conservation needs, and incentives and capability of achieving consensus on conservation targets and monitoring compliance.

In order to evaluate this indicator, which has a qualitative character, it is important to understand the human occupation process in Northwestern Mato Grosso. The first population contingents arrived in the Northwestern Region by fluvial transportation, using the Amazonas river. Drawn by the rubber industry, rubber tappers from the Brazilian Northeast, Bolivia and Peru settled in the extensive *seringais* (rubber-tree forests), managed with the *aviamento* system[8]. In the end of the 19th century, the first conflicts between these new settlers and the indigenous population took place. The first half of the 20th century was then marked by massacres and genocide of indigenous peoples, which were eventually incorporated to the rubber tapping system. Other indigenous peoples of the region went away from the conflict zones, moving into the woods and by the rivers away from expansionist fronts.

From the 1970s on, a fall in the price of the Brazilian rubber led to the abandonment of this activity. At the same time, the national policy for the occupation of the Amazon prioritized the state of Mato Grosso, building roads and offering tax incentives for its occupation. The economic matrix of colonization was based on timber exploration, followed by the implantation of pasture for the establishment of cattle ranching activities. Mining was another important activity, especially the prospection of diamonds in Juína.

[8] Santos, 2004. Diagnóstico Socioambiental das Terras Indígenas do Noroeste do Mato Grosso.

Finally, from 1982 to 2005, the Public Power obtained about one million hectares of land for the installation of Settlement Projects in Northwestern Mato Grosso. The largest of them is in Cotriguaçu, with capacity for 1,500 families in an area of approximately 100 thousand hectares. In this PA, one of GEF Project Juruena's most important Agroforestry System Demonstration Units is installed.

Settlement Projects attracted families to landless workers' camps in Mato Grosso do Sul, Rondônia, and other regions in Mato Grosso, starting in the year 2000. A diagnosis performed by the project in a PA in the region indicated that the average age of settlers, in 2002, was 40, and 70% of them came from the South of the country. Most of them had lived in Juruena for 10 years and worked in the timber industry. Generally speaking, they had low formal education levels. 27% were illiterate and only 2% had graduated from elementary school.

The 19 PAs installed in the region still share two common features: lack of road, energy and communication infrastructure and lack of land ownership titles.

In this scenario of many urgencies and extreme poverty, the level of environmental awareness was extremely low. Thus, GEF Project Juruena geared its intervention to the deployment of sustainable production systems in the municipality of Juruena, where two settlements were located (Treze de Maio and Vale do Amanhecer PA). Investments were made in Environmental Education actions, capacity building and establishment of Agroforestry System Demonstration Units. These activities in settlements, most of them environmentally irregular (without environmental licensing), has cattle ranching as its main economic activity, which works as an "assembly line" by providing calves to big farms. This flow allows big farms to increase the number of head sold without the need to purchase matrixes or increase pasture areas, since matrixes use pastures in settlements. This arrangement, in its turn, makes it harder for current federal control mechanisms to keep track of herds purchased by slaughterhouses that can be tracked as "coming from unlicensed area".

The counterpoint came from indigenous communities which the project wisely associated with from 2003 on. In this period, a diagnosis performed by the Project (*Diagnóstico Socioambiental das Terras Indígenas do Noroeste de Mato Grosso* (SANTOS, 2004)) indicated the existence of 11 Indigenous Lands in Northwestern Mato Grosso, concentrating one of the richest biodiversity and water resource conservation zones in the Amazon Region, adding up to 3.5 million hectares. Although pressured by timber exploration and mining, indigenous societies living in Northwestern Mato Grosso were part of a peculiar socio-environmental scenario that was strengthened and reinforced by GEF Project Juruena.

In this context of ethnic diversity, GEF Project Juruena promoted a wide range of courses, seminars and meetings in seven municipalities. According to the 2011 PIR, there has been an increase in stakeholder interest in conservation in the region, including an increase in investor interest in conservation. Also, among extractive and indigenous communities and small farmers, there is greater awareness and knowledge of the importance of AFSs for agriculture and their role in conservation. Knowledge of specific methodologies for sustainable use has been acquired by technicians of government institutions and the civil society.

Vale do Amanhecer PA, one of GEF Juruena's focal areas, is an example of biodiversity conservation and fight against poverty, having received the 2012 MDG Prize. It was the first settlement project to receive Environmental License in the State of Mato Grosso, also in 2012, as a result of GEF Project Juruena's ten years of action along with its partners.

The level of environmental awareness is certainly different among the different groups of actors. However, for indigenous and non-indigenous extractive communities, standing forest has become a source of income and improvement in the quality of life of populations. That impact will remain in surrounding communities.

Outcome 2:
Implementation of continuous blocks of primary forests and of secondary regeneration corridors in private lands, as well as agrosilvopastoral systems in the surroundings of protected areas and ecological corridors, establishing an integrated agroforestry system for biodiversity conservation.

Rating	**Satisfactory**

Three indicators were established for this outcome:

Indicator 1: 20 Agroforestry Demonstration Units ("DUs") established

Indicator 2: Area of sustainable productive practices (Agroforestry Systems-AFS) in at least 5 rural settlements around CUs and/or ILs (Target Level: 1000 ha of AFS).

Indicator 3: Mechanisms to support the trade of non-timber products established

Project baseline indicated the inexistence of AFS Demonstration Units in the Region, the inexistence of policies or incentives to non-timber products and only 50 ha of AFS scattered in three rural settlements.

Indicator 1: 20 Agroforestry Demonstration Units ("DUs") established

The aim was greatly surpassed. As a demonstrative inheritance to the necessary public policies the GEF/UNDP project promoted a social network that reached, in 2010, more than 800 families and 1,500 ha of AFS established, besides actions related to Brazil nut and rubber extraction in Indigenous Lands, the Extractive Reserve, and areas of forest management. Its development in Juruena, followed by ADERJUR/Petrobrás' project *Poço de Carbono*, may reach, besides the 32 thousand hectares of conserved forest (adding the settlement and Rohden's forest management area), more than 40 thousand people that will receive economic benefits or consume products to be generated by the Brazil nut chain. One should also consider, in this evaluation, the role of the absence of the State in promoting technical assistance through EMPAER, agribusiness development policies for the Amazon, and the political struggle for power in the country, besides the role of the ruralist lobby in this sense. The project developed from GEF's base (ADERJUR/Petrobrás Project *Poço de Carbono*) has

increased this network in more than 660 ha of altered areas using AFSs, all of them georeferenced and adequate for monitoring from an established baseline[9].

Indicator 2: Area of sustainable productive practices (Agroforestry Systems-AFS) in at least 5 rural settlements around CUs and/or ILs.

Agrarian reform rural settlements were an integral part of GEF Project Juruena's strategy, once they represent 3% of the total area of the region but account for 9% of the total accumulated deforestation. Besides, all settlements are connected to Protected Areas and provide the livelihood of more than six thousand families in a context where about 50% of the population is rural. However, the only licensing process accomplished in the Region (Vale do Amanhecer PA, in Juruena) took six years to be completed (in 2012), after receiving decisive support from the GEF project and other partners and after receiving a national prize related to the Millennium Development Goals, a very special case in the region. Without expediting the licensing process of Settlement Projects and greater federal investment (out of projects' scope), it is hard to envisage the fulfillment of this goal in the near future.

However, the potential is enormous, since most settlements should, according to the law effective until the elaboration of this report, be subject to environmental adaptation processes, in which AFSs would be an important contribution. Even if changes are promoted in the Brazilian Forest Code, this rural population is also an important stakeholder interested in keeping its natural capital. However, as the GEF project and its developments in Juruena show, changing soil use from cattle ranching to forestry and agroforestry ends demands the reconfiguration of productive arrangements, technical assistance, partnerships, institutional strengthening and articulation of several incentive, command, and control tools.

The inexistence of land ownership in settlements is an extremely complex issue. It is linked not only to the Federal Government (INCRA), but also to state-controlled (SEMA) environmental licensing. Without licensing, there is no land ownership and this affects aims for the establishment of ecological corridors.

Studies carried out by the project emphasize that the demonstration effect of the GEF project was positive regarding the reduction of deforestation in properties adopting AFS (Gonçalves *et al.*, 2009; Vivan, 2010), including areas in agrarian reform settlements. The indirect effects on the reduction of deforestation rates observed in exploratory studies may, among other factors, lie in the fact the AFSs use more workforce than cattle ranching, returning more per work unit. The gross income for activities involving the combination of milk production, sale of calves to farms and sale of finishing cull cows ranged from R$ 116 to R$ 865/ha/year. The average for AFS ranged from R$ 1,300 to R$ 6,500/ha/year. However, in these systems, income is stabilized from 4 to 5 years after deployment. Even though these innovative farmers who adopted AFSs managed to overcome the appeal of the cattle vector, outside the areas of participating farmers, the impact of the GEF project and other demonstration projects on the forest cover of private areas in the region will probably be of little significance.

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[9] http://www.carbonojuruena.org.br/www/lt_biblioteca/lt_view.asp?id_lt_biblioteca=10&id_lt_biblioteca_categoria=2&id_lt_biblioteca_subcategoria=3#tab3

An important opposing vector to the massive adoption of AFS is the expectation of farmers for a Forest Code that will exempt them from the need to restore Legal Reserves. That also contributed to reducing spontaneous adoption (resulting from farmer-to-farmer capillarity), besides politically weakening more aggressive state initiatives in terms of activities and regulation for restoration and conservation of the intended corridors.

Indicator 3: Mechanisms to support the trade of non-timber products established

With multilateral support through the GEF project, the project helped to organize a Cooperative (Coopavam) of farmers who occupy the Vale do Amanhecer land reform settlement. Local partnerships and resources were allocated for training and for building a Brazil nut (*Bertholetia excelsa*) processing plant. The program helps to protect at least 2,500 Brazil-nut trees and their habitat, inside a 7,500 ha. community forest reserve. To meet demand, the co-op also purchases Brazil nut production from other family farmers, indigenous peoples and forest product extractivists throughout Northwestern Mato Grosso. Processed nuts and cookies are currently used in school meals of six municipalities in the region and sold to companies in southern Brazil, providing income for about 80 families and generating 300 jobs, with an average income from the activity of up to US$ 350/mo. A micro oil-extraction plant adds even more value (from USD 1.60/kg of nuts to around USD 15/kg oil). Oil is sold to Natura™ Co. for the manufacture of soaps and creams which are sold in both Brazilian and foreign markets. Brazil nut flour, a residue from oil processing, can be added to cookies to increase their nutritional value. This product is sold to a national school lunch program, further increasing the revenues of cooperative participants (UNDP, 2011).

Outcome 3:
Promotion of sustainable forest management systems in the region, as an alternative to timber production, particularly in the surroundings of protected areas and ecological corridors.

Rating	**Satisfactory**

Three indicators were established for this outcome:

Indicator 1: Number of timber enterprises that are informed of the advantages and procedures for sustainable management and timber forest product certification.

Indicator 2: Number of sustainable forest management demonstration units (FMDU) installed.

Indicator 3: Standardization of procedures for Forest Management Plans within SEMA

Project Baseline indicated complete inexistence of information on the certification of timber products, forest management demonstration units, or clear and standardized procedures for Forest Management Plans in the State. Given its importance and novelty as sustainable economic activity for the region and consequent concurrency with conservation objectives, the project greatly emphasized this proposal in the beginning of its implementation.

When the 2003 Substantive Review was undertaken, this outcome was already nearly completed, except for the issue of regulating Management Plan procedures at SEMA. After the Review, the Project added emphasis to the conservation of forest remnants and to mechanisms to control space occupation and usage by agriculture and cattle ranching activities as well as forest extraction. In order to achieve this new goal, those in charge of the review proposed considerable changes in the text (and content) of the objective and in its expected outcomes. This change in course was very positive and generated other unexpected project impacts.

Indicator 1: Number of timber enterprises that are informed of the advantages and procedures for sustainable management and timber forest product certification.

This indicator has a problem in its text. The proposed goal to be reached by this indicator was too modest. Only four companies were expected to be informed on the certification process. Besides, the term "informed" does not say much about actual intentions. Informing is neither building capacity nor supporting the development of certification processes. It is possible to provide massive information on a theme by using the media or organizing events.

The organization of awareness-raising events was the strategy chosen by the project, but no document was found evaluating impact or changes promoted in participants, the level of interest in the activity, or existing barriers so that this public would seek any certification proposals.

The PIR reports one meeting and one event for actors from Juína in October 2008. The meeting had the participation of 52 representatives of companies in the region. Another lecture reported in the PIR had 90 participants, but the memoirs of these meetings were not among the base documents analyzed in the evaluation.

With the change suggested by the substantive review, the recommendation that timber companies *"in at least four municipalities of the region"* would incorporate forest management practices was added. It is not possible to verify the implementation of this recommendation or the meeting of this objective.

Indicator 2: Number of sustainable forest management demonstration units (FMDU) installed.

The goal established by the project was that 4 Forest Management Demonstration Units (FMDU) would be installed. Only two were recorded.

The original Project proposal was that the sustainable timber segment would be installed from demonstration units established in forest areas of timber companies in the region. The main expectation was to work with Rohden Lignea (biggest timber industry in the region), supporting it in the planning of a significant expansion in its forest management enterprise, using certified management practices. The project's strategy was, among other activities, to assist Rohden Lígnea regarding legal procedures of the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), which was then in charge of management authorization, thus facilitating communication channels between the environmental agency

and the company. As part of the outcome, during Project period, the company was certified by FSC (Forestry Scientific Council) and had a chain of custody implemented.

From the learning and information generated by means of activities undertaken with Rohden, a community Management Plan was initiated for NTFP and timber products in Vale do Amanhecer PA. To that end, a demonstration of portable sawmill was developed as pilot experience and benefited 200 families in the PA, allowing the usage of dead standing trees as alternative income generation source.

Indicator 3: Standardization of procedures for Forest Management Plans within SEMA

Indicator achieved in a very satisfactory way.

The project met the aim to regulate procedures for management plan processes at SEMA, before 2009. The Project's experience in sustainable management and certification was fundamental for SEMA to advance in the forest management sector of the whole State. The relevance of the project in this field is recognized by several actors, whose intervention resulted, among other outputs, in a script for the management of non-timber products in order to regulate/legalize community-based management. State procedures were established with the development of an online database and map server called *"Projeto Manejo Florestal Transparente"* (Transparent Forest Management Project). This database allowed public consultation, as well as tracking the approval status of forest management plans evaluated by SEMA.

In order to highlight the importance of the satisfactory fulfillment of this indicator, it is worth clarifying that, in the beginning of the project, forest management in the region was under the responsibility of the federal agency. The executing agency then (FEMA) did not have the mandate to accomplish environmental licensing. In 2005, as part of a decentralization effort, this responsibility was passed to the State of Mato Grosso. That was the year when the State Government started restructuring SEMA, creating specific management units (Forest Management Bureau, offices and management units). SEMA could then execute attributions related to the theme, such as exclusive legal analysis of the environmental licensing processes of forest activities (an activity that, until then, had taken place at IBAMA). After 2005, legislation and institutions (SEMA, IBAMA, State Public Ministry) related to forest management were reformulated aiming to provide greater legal efficiency to environmental licensing processes. Since then, and especially from 2006 on, internal procedures were established and reviewed for inspection and analysis, to standardize and increase efficiency in the tracking of Management Plans, and the reformulation of commercial forest management plan scripts, making them more didactic and reducing the need for further analysis, caused by the inefficiency of previous projects.

In this context and as prerequisite for the fostering of forest management, the Project funded part of the tailoring of territorial and environmental planning of properties in the region. Until 2012, 721 forest management plans were analyzed for environmental licensing in the region, comprising a 740,000-ha. area. Besides, in order to meet the growing demand for the legalization of forest products and community management of NTFPs, studies were carried out on the potential of the region and a proposal was developed by SEMA for legal instruments,

regulations and licensing norms. As a result, procedures were elaborated that simplified and reduced the cost of processes related to the licensing of forest management.

It is also worth remarking that two important systems related to regional forest management were instituted during the Project: the System for Marketing and Transportation of Forest Products (SISFLORA) and the Database of Forest Raw Material Consumers (CC-SEMA). The SISFLORA system made it possible to monitor forest activity in the region, offering, for instance, reports on the volume of timber explored from management plans. CC-SEMA is the mandatory registry system for physical and juridical persons that extract, collect, process, transform, industrialize, commercialize, store and consume products, byproducts or raw materials from any forest formation in the state of Mato Grosso. By checking consumers of forest products, it is possible to verify timber companies, in more than four municipalities in NW/MT, consuming forest products from SFMPs.

Level of Achievement of Objectives

Rating	**Satisfactory**

The general objective of the project was: "to consolidate an integrated matrix of land uses in Northwestern Mato Grosso, through the constitution of a mosaic of protected areas (Conservation Units, indigenous lands and ecological corridors) of continuous blocks of primary forests and areas of connectivity of secondary regeneration in private lands, as well as through agrosilvopastoral systems and sustainable management of forests surrounding the protected areas."

The strategy to conserve and promote the sustainable use of forests and their biodiversity was supported by the Brazilian Forest Code, which regulated Protected Areas (PAs) in private properties and other Conservation Units (CUs). Project intervention was then geared to stimulate the ecological restoration and conservation of existing fragments, establishing continuous corridors in buffer zones of these PAs – including Indigenous Lands (ILs), Extractive Reserves (RESEX), and state and federal CUs. These continuous corridors would form a mosaic of land uses that privilege (a) protected native forests, in Legal Reserves (LR) and Permanent Preservation Areas (PPAs); (b) native forests in timber forest management adopting low-impact practices; (c) native forests in recovery; and (d) agroforestry systems (AFSs), including silvopastoral systems. The implementation of AFS as a broader concept, involving the integration of trees in the productive landscape (Dubois, 2008) resulted in more flexible systems for adoption.

The ensemble of developed actions represents well the scope of the national REDD+ project, but it successfully included the REDD++ perspective (including agriculture and other uses), which is nowadays supported by the Amazon Fund.

On the other hand, with legislation and federal protection, Indigenous Lands, along with the lands of other traditional peoples, represent 32% of the total area of the region. Due to low deforestation rates (<1%) and because they have 39% of the forest remnants in the region, they have a fundamental role in the intended strategy in terms of biodiversity conservation, cultural services and carbon stocks in Northwestern Mato Grosso.

The project sought to disseminate its action in ILs, respecting fund and staff limits, and its greatest achievement was the recent integration of five ILs in the Brazil-nut chain, attracting indigenous populations that had been for years involved in mineral prospection and timber sale and now seek sustainable solutions for their future.

On the contribution to the objectives of UNCBD:

When the project was initiated (2001), the implementation of UNCBD goals in Brazil was restricted to demonstration actions and investments in command and control infrastructure funded by PPG7 (between 1995 and 2000). Besides GEF, the Pró-Ambiente program was developed, aiming at the restoration of environmental services in family properties (until 400 hectares), which, in the Northwestern Region, supported an association in Juína from 2005 to 2007. The program included a fixed payment to farmers participating in the project for this effort[10]. It had the municipality of Juína as its main focal area, but it suffered with several disruptions and delays in the provision of funding, being abruptly terminated by the federal government and leaving a legacy of labor claims to AJOPAM.

This project overlapped with the GEF project in Juína, and partially shifted the focus of partners involved in GEF project actions in this town. When it was suddenly terminated by the Brazilian government, it left hundreds of farmers with confused opinions about the real commitment of state initiatives for the conservation and sustainable use of forests and support to small holders and agrarian reform settlers on this matter (Paulo Nunes, personal information[11]). In the field of territorial and environmental planning and management, the 2001 project baseline shows that the state also identified several weaknesses. In the Substantive Review, it is even clearer that the State saw in the project an opportunity to enhance its georeferenced base and consolidate the total protected area, following the guidelines of UNCBD.

The project was partially or completely coherent with at least 7 Articles of the UNCBD Convention, with significant impact on the following:

- **Article 6 – General Measures for Conservation and Sustainable Use**: The project allowed for the constitution of a database on CUs and PAs along with SEMA-MT and financially supported SEMA-MT so that its technicians would actively participate in the establishment and management of the Meridional Mosaic of Protected Areas in the Amazon.

[10] About R$ 316,615.00 were invested in Juína's pole for 300 families, with resources from KFW, an amount that included technical assistance by AJOPAM (Juína's Producers Association for Mutual Help). Source: http://www.sober.org.br/palestra/9/421.pdf

[11] Paulo César Nunes, engineer agronomist, UNDP technician for NW/MT from 2001 to 2011.

- **Article 8 – On-site conservation**: The project successfully achieved and overcame goals established for the multiplication of Conservation Units, and focused its efforts on sustainable production in the buffer zones of Protected Areas, especially in Agrarian Reform settlements located near the surroundings of Indigenous Lands and Conservation Units.
- **Article 10 – Sustainable Use of Biodiversity Components:** a significant number of project beneficiaries organized in associations adopted protocols for protection of forest remnants, elimination, reduction and control of fires and agrochemicals, among other conservation measures (AJOPAM, COOPAVAM). The groups involved in the management of NTFPs were trained regarding biodiversity conservation and recognition of the importance of forest varieties of species that were domesticated or managed in planted forests and agroforestry systems.
- **Article 11: Incentives: economically and socially rational measures that will foster conservation and sustainable use of biodiversity components.** The Integrated Brazil Nut Program had the main economic results that foster forest conservation. With the expectation to reach 40,000 beneficiaries – including direct participants, producers and consumers of related products – in 2013, and to equally affect adults (men and women) and enable the participation of the youth. Its achievement enables important lessons regarding the integration of different economic incentive tools from public policies (PRONAF, PAA-CONAB, DRS Banco do Brasil) to consolidate and strengthen a program for biodiversity use and conservation.
- **Article 12 – Research and Training**: the project continuously offered capacity building for farmers, local stakeholders (mostly rural technical assistance agents); sponsored the participation of state environmental agency agents in local, national and international fora. Research activities were more consistent for Outcome 3, particularly for the Agroforestry component. Sustainable timber management had its research outputs concentrated between 2001 and 2005, when the team was reduced to three people. Outcomes 1 and 2 had more attention in terms of research in the same period, probably for the same reason (lack of staff for bridge-building and coordination of such efforts).
- **Article 13 – Education and Public Awareness Raising**: the project and its developments launched different media products in collaboration with local, state, national and international communication vehicles along its 10-year cycle.
- **Article 14 – Evaluation of Impact and Minimization of Negative Impacts:** all productive activities related to or promoted by the project regarding the conservation and sustainable use of forest resources and agrobiodiversity followed current legal environmental regulations or even proposed new instruments. Examples are the certification of products and processes regarding Brazil nut collection and processing (Vale do Amanhecer-COOPAVAM); timber (Rohden Lígnea). Examples of the elaboration of new legal instruments are the norms for the planting, harvesting and transport of heart of palm (*Bactris gasipaes*); the demonstrative processing of timber from agroforestry systems with a portable sawmill, along with the elaboration of draft

guidelines for a state regulation of the activity (not finalized by SEMA-MT); promotion of organic farming practices in forest gardens in agrarian reform settlements (Juína, Juruena) to provide products for the School Food National Program. The project made possible the environmental licensing of a rural settlement in the state: Vale do Amanhecer PA.

Project Closure

Rating	**Highly satisfactory**

Project exit strategy was conducted with great attention to the building of partnerships. The last three years of the project in which several deadline extensions took place were meant to attend mainly to the segment of indigenous populations and settled farmers, who one could call "new extractivists". These new extractivists are not decharacterized as farmers, but they incorporate in their schedule productive activities, Brazil nut collection, sometimes latex tapping and a different perception of the forest.

Among all partnerships that were stimulated, one stands out: the partnership between populations and the “new extractivists”. These are indigenous people who became forest professors, teaching farmers how to collect Brazil nut. Farmers, in their turn, establish especial commercial relations with indigenous partners and the two segments grow together, showing it is possible to reduce poverty and conserve the forest.

In project closure, one also seeks to minimize the documentation problem, making an effort to collect consultancy reports and project documents in a CD-ROM. One also develops a communication strategy that incorporates new partners to register and disseminate project actions.

To the partnership with CONAB and MDA to strengthen Brazil-nut collection and processing activities so it can be part of public school meals, are added partnerships with the private sector. A PETROBRÁS project gives continuity to the process of capacity-building and strengthening of indigenous associations and farmers. A partnership with Michelin allows the strengthening of capacities in the Guariba Roosevelt RESEX for extraction and processing of latex. Along with those, other partnerships were established, aiming to avoid that project closure would cause a halt or retrocession in activities.

However, it is necessary to stress that the main element allowing this construction was the (practically unique in projects) maintenance of a technical team, however reduced, for almost eight years. The commitment of technicians who had initially been hired by IPN and later were taken as UNDP’s technical staff to work in the region allowed the assistance process to mature and favored the building of trust relations with beneficiaries and new partners.

This element is hard to replicate. Nevertheless, it was identified as one of the main factors for project success, especially for its phasing out.

Sustainability

Rating	Moderately Unsatisfactory

The gains generated by GEF Project Juruena are undeniable in terms of governance, command and control, reinforcement of Protected Areas, and improvement in the quality of life of a significant part of the population.

However, as a whole, even these gains are modest. In the evaluation of the project's apparent failure to reach its goal to consolidate a larger and more significant group of farmers adopting large-scale AFS and consolidating actions in settlements are the regional, national and macro-political and economic facts. Only two slaughterhouses (municipalities of Juruena and Juína) have an added tax collection expectation (ICMS+FUNDEIC) of R$ 6.4 million, which offers an idea of the economic attraction that the beef cattle activity represents to public administrators.

Until 2010, BNDES (National Bank of Social and Economic Development, managed by the federal government), had already disbursed 9.09 billion dollars for the cattle industry, USD 3.5 billions in loans and USD 5.68 billion in its own capital. Another USD 1.42 billion was promised to Marfrig company (a Brazilian meat packer) to fund the purchase of the American company Keystone Foods.

On the other hand, incentive mechanisms, such as the Ecological ICMS, returned to the municipality of Juína, (which has more than 30% of its territory in Protected Areas (PAs), most of them in Indigenous Lands-ILs), about R$ 0.213 million in 2010. For municipalities with no PAs there is no Ecological ICMS income, which is the case of Juruena, a municipality with a significant area of conserved forests (58.2% of its total area in private lands), but no PA to make the municipality eligible to receiving that sort of payment. It is also important to note that agroforestry and extractive products, such as Brazil nut, *pupunha* heart of palm, and latex are exempted from paying ICMS by federal law and do not return funds to municipal coffers.

This variety of clashing policies and incentives compete and end up overshadowing activities and outcomes developed by the project. The difficulty to establish a hegemonic sustainable development process in the region and in the country continues with no possibility to predict a promising future. In the competition are, on the one hand, those who support demonstration lessons generated by GEF Project Juruena, at different levels of decision, which are taken in the pursuit of a coherent development with biodiversity conservation objectives. On the other hand, there is a group of large land owners, national and international companies who only seek a source of immediate income at odds with forest sustainability.

To be sure, some emblematic initiatives generated or supported by the project will be continued, such as the Integrated Brazil Nut Program, which mobilized new partnerships. Gains generated for indigenous populations, extractivists and farmers of Vale do Amanhecer PA will be kept through an increasing degree of organization of the populations involved, but the

scaled gain and adoption of these experiences as social and economic development strategies still depends on a set of policies that more directly addresses farmers, their challenges and most urgent needs.

Technical Assistance to rural producers provided by the project, though covered by other projects and partnerships, still depends on projects and partners outside the region. This fundamental item for the continuity of initiatives was embraced by neither the State Government nor the Federal Government.

On the other hand, there is a huge lack of trained human resources to assist in the implementation of the production model proposed by the project. Technicians and farmers who have that knowledge receive no support for its dissemination, neither are they locally recognized as holders of a unique knowledge that represents valuable social capital.

The enormous contribution of the project regarding the increase in Protected Areas and Conservation Units has been valued and supported by other partners, but the size of the territory and the pressure of economic enterprises are still a challenge for the maintenance of ecological corridors.

2. CONCLUSIONS, RECOMMENDATIONS AND LESSONS LEARNED

Northwestern Mato Grosso was the stage of systemic demonstration or pilot actions at first focally implemented (in Juína) by the Pilot Program for the Preservation of Brazilian Rain Forests (PPG7), since 1995, and then more comprehensively by the GEF Project, from 2001 to 2011, in the realm of a policy of the State of Mato Grosso to change its national and international image as the Brazilian leader in deforestation.

In its conception, the project was very coherent with the priorities of the National Biodiversity Policy and the National System of Conservation Units - SNUC[12] and supported the development of baseline studies for the implementation of several Conservation Units, as well as the inclusion of Mato Grosso in the regional integration strategies of the Meridional Amazon Mosaic (a large conservation area on the border of the states of Mato Grosso and Amazonas). With the 2003 Substantive Review, it took an important role in the establishment of the foundations of a Policy of Sociobiodiversity Chains along with family farmers, indigenous people, and Agrarian Reform settlers in the State.

Most recently, GEF project Juruena has also contributed to the elaboration of the National Policy for the Management of Indigenous Lands (PNGATI), providing a database on the Northwestern region. Actions developed along indigenous populations of the Northwest are a model and pilot experience for the national policy.

The project also contributed to the National Plan for the Promotion of Sociobiodiversity Product Chains and Support to the Rubber Chain. Lessons were developed on several levels, including public-private partnerships (PPPs).

12 Decree no. 1,795, of November 4, 1997, refers to the State System of Conservation Units – SEUC and, although it preceded Federal Law no. 9,985, of July 18, 2000, it basically includes the same content.

Its impact on the income of farmers, improvement in school nutrition, empowerment of women and environmental impact gave one of the organizations involved in the project the 2012 Millennium Development Goals prize. That is undeniable recognition of the project's relevance in Northwestern Mato Grosso. Juruena's institution – Cooperative of the Small Farmers of Vale do Amanhecer (Coopavam) – received the prize from UNDP MDG-Brazil along with 19 other projects for having met four of the eight objectives:

- Eradicating extreme poverty and hunger;
- Promoting gender equality and empowering women;
- Ensuring environmental sustainability;
- Establishing partnerships for development.

Despite outcomes and SEMA-MT's effort, the state of Mato Grosso and Brazil still experience movements of contradictory policies. On the one hand, changes proposed by the rural caucus of the National Congress may change rules on percentages destined to Legal Reserve and Permanent Preservation Areas (PPA), even exempting family farmers from having a Legal Reserve and recovering PPAs, with strong impact on Brazil's REDD goals before the UNFCCC. On the other hand, despite massive governmental incentives for the beef cattle sector, there is growing interest on the part of family farmers on alternative land use systems that can generate more income and jobs, inviting economic incentive strategies associated with sharper (and more proactive) action on the part of command and control agencies and demonstration projects, coalesced with public policies for specific sectors.

On the macro-planning level, aiming at future pilot projects, it is important to utilize and integrate the strategies of the different tools that have been used. The promotion of an ATER geared to agroenvironmental measures, associating economic incentives to the condition of an ethics of conservation, is related to other successful experiences on the global level and demands great effort to develop capacities.

The political legacy of the Social, Ecological and Economic Zoning, added to the identification of priority regions for conservation, lists of highly endangered species and habitats, provides a database and parameters to better select areas for the implementation of projects. Associating this information with opportunity costs, speed of adoption, importance for conservation, institutional maps (diversity, weakness) on different scales of governance will provide the strategic (political, economic) and immediate risk variables that could increase cost-efficiency regarding resources to be invested in future projects.

In this sense, an extremely positive point of GEF project Juruena was its approach to the polycentric action management systems promoted by the project. Albeit resulting from an adaptive strategy, support to the development of partnerships and several "child projects", as well as the achievement of objectives in "bulk" [13], allowed for the project to be better accepted by the population and decision-makers in the municipal political scenario. Thus, cost-efficiency was increased due to collaboration (although limited) resulting from the political capillarity

[13] Conservation objectives, as well as poverty reduction and empowerment (promotion of social participation and citizenship) and technological innovation on social (and appropriate) scale.

that was achieved. It is important to highlight that such results were achieved in an extremely hostile political and economic context, dominated by agribusiness lobby and by the logic of forest frontier, in which state governance, access and communication present significant challenges.

Overall Impacts

Mato Grosso, which accounted for 39% of the total deforestation in the Brazilian Amazon region from 1996 to 2005, with an average of 7.7 thousand km^2 per year, has taken bold actions to improve forest governance and curb deforestation. For example, it has implemented a pioneering environmental licensing system for rural properties, which allows for better control over deforestation. In nine years of implementation, 23% of the state area located in private areas is monitored by this system, known as SIMLAM. Since 2006, it more than doubled the staff of its environmental agency. In parallel to this, deforestation rates have decreased to an annual 2.8 thousand km^2 from 2006 to 2009, a 63% reduction. Thus, Mato Grosso has contributed with 59% of the deforestation reduction that took place in the Brazilian Amazon in the last 4 years[14].

In order to sustain further reduction in deforestation, Mato Grosso launched, in November 2009, its own Plan to prevent and control deforestation and fires and adopted a target to reduce deforestation rates by 89% by 2020 compared to 1996-2005. This target represents more than 60% of the national target for deforestation reduction in the Amazon, and approximately 40% of Brazil's total goal of GHG emission reduction by 2020.

The project created 1,400 hectares of agroforestry systems and encouraged the management of non-timber forest products, helping 720 farmers and investing in reforestation. In total, three thousand people have been benefited. Additional 660 hectares of agroforestry systems were created in the city of Juruena, under the *Poço de Carbono Juruena* Program, sponsored by the Petrobras Environmental Program, benefiting 150 farmers and preventing forest degradation in 7,500 hectares of Legal Reserve, a legal figure that can disappear for smallholders (under 400 ha.) with the new forest code. Around 2,400 people in the region benefited from the annual production of 220 tones of Brazil nut and 30 tones of latex, generating revenues of USD 400,000 and USD 68,571, respectively in Indigenous Lands, one agrarian reform settlement, and one certified timber management operation (25 thousand hectares).

Regarding forest management, in 2005, approximately 6,667 hectares of forests were illegally explored in Northwestern Mato Grosso. In 2006, that figure was sharply reduced to only 695.21 hectares. In 2007, however, illegal timber extraction once again significantly increased, reaching 7,632 hectares. In the general evaluation, considering exploration authorization, authorized area, explored area, and the quality of management regarding impacts, the survey describes that only 25% (n=4) of evaluated management plans met the study's requirements for good forest management[15].

[14] Source: http://policymix.nina.no/Casestudies/BrazilMatoGrosso.aspx
[15] ibid

On the other hand, the greatest legacy of the project's effort regarding timber management is Rohden Lígnea company. From the management of Rohden Indústria Lígnea Ltda.'s native forests, in the municipality of Juruena, Northwestern Mato Grosso, Brazil, with total area of 25,100 hectares, more than 40 native species are collected. The annual exploration area is 1,200 hectares, with an annual volume of 25,000m^3 and an average of 20.8 m^3/ha. Moreover, the company signed a technical cooperation term with the Cooperative of the Small Farmers of Vale do Amanhecer (COOPAVAM), Juruena's Association for Rural Development (ADERJUR), and the Project to ensure an increase in Brazil nut production by family farmers in the Municipality of Juruena, in this certified area of 25,100 hectares, whose only use had thus far been low-impact timber forest management. Brazil-nut extraction could then fulfill a double purpose. Besides helping to protect the area, the project (processing unit, formalization of contracts, certification) enabled the training of farmers so they could enter the collection area in a way that respects natural regeneration. All of the production will be registered to demonstrate the viability of the extraction and, from 2011 on, the biomass of Brazil nut trees will be measured in order to estimate the carbon stock conserved in these trees. Concurrently, farmers will be trained for the production of a map of Brazil nut trees using GPS to facilitate collection and transportation of the nuts in the forest. The same mapping (and simultaneous surveillance) procedures will be used in Indigenous Lands participating in the program[16].

Processed nuts and cookies are currently used in school meals of six municipalities in the region and sold to companies in southern Brazil, providing income for about 80 families and generating 300 jobs, with an average income from the activity of up to USD 350/mo. A micro oil-extraction plant adds even more value (from USD 1.60/kg of nuts to around USD 15/kg oil). Oil is sold to Natura™ Co. for the manufacture of soaps and creams which are sold in both Brazilian and foreign markets. Brazil-nut flour, a residue from oil processing, can be added to cookies to increase their nutritional value. This product is sold to a national school lunch program, further increasing the revenue of cooperative participants (UNDP, 2011). In recognition of the multiple social and environmental benefits provided, the project was awarded a Millennium Development Goals prize in 2012.

A case study of agroforestry systems (Vivan, 2011) showed the following scenario:

-Type 1, constituted by intensive AFS from 0.5 to 4 hectares in properties between 10 and 12 hectares, 3 to 50 kilometers away from the host town. They use the small workforce available and generate a gross income ranging from R$ 10,000 to more than R$ 40,000/year, depending on the distance from the headquarters and the capacity to invest in technology. This type is mostly related to the municipality of Juína, but it also occurs in other municipalities. The production axis is for perishable products, spices and fresh fruit, depending on irrigation, fertilization (organic and/or mineral), also generating timber and allowing for some regeneration of native vegetation in riparian forests, once the high yield makes scale by area increase unnecessary.

-Type 2, constituted by semi-intensive AFS from 2 to 15 hectares in properties between 50 and 100 hectares, 35 to 65 kilometers away from the host town, with available workforce. They generate gross income from around R$ 15,000 to 30,000/year, depending on the area, product

[16] http://www.carbonojuruena.org.br/www/lt_noticia/lt_view.asp?id_lt_noticia=40

basket, management and market connection. The production axis is for products with greater storage capability (cocoa, coffee) and some perishables (*pupunha* heart of palm, seeds, grains and animal production), with greater potential for timber and non-timber forest products from AFS and forest remnants, enabling greater positive externality in terms of environmental services related to biodiversity and carbon stocks. These two categories meet the need for analyzing the case of projects that promoted AFS in Northwestern MT.

Categorization reduces the complexity of each type to an iconic case, representing a model of success. The project enabled these conclusions from a study of 62 properties, with 42 analyses of productive systems and 84 georeferenced lots of AFSs with phytosociological and biomass data. It was undertaken in the municipalities of Juína and Cotriguaçú. Unfortunately, the collection of consultancy reports related to AFS, elaborated from 2001 to 2007, brings little or no information that allows establishing a contrast baseline. The approach in this sampling enables lessons in terms of diversified sector policies, such as agrarian reform settlements and private farmers in similar ecological and economic contexts, provided that variations and vectors involved are discussed.

More in-depth studies could be performed using contrast data provided by state and international institutions (such as CIFOR) and a general evaluation could be performed (for the whole project area). That is a more ambitious project, with extremely high costs due to the characteristics of the area, accessibility and socioeconomic contexts (complete absence of registered bookkeeping on the part of farmers, demanding the oral recuperation of data on the activities of previous years).

In terms of the economic impact of the total certified timber management promoted by Rohden versus the amount from the legal trade of timber in NW MT: 920,973.06 m^3 from 2004 to 2009 for the Northwest (municipalities included in the project), or 153,495.51 m^3/year. Rohden provides 25,000 m^3/year, which is equivalent to 16.3% of all legal timber extracted in Northwestern MT.

Main Lessons identified

From the economic point of view, the adoption of a relevant product as flagship and surrogate for conservation or ecosystem services is of fundamental importance. In the project, it can be observed that: (a) Brazil nut was consolidated as that option for forest remnants; (b) *pupunha* in AFS for converted areas, areas to be regenerated and those that had high opportunity cost; (c) processing of wood in AFS and of devitalized wood in pastures, for the potential to attract family farmers to the small-scale forest timber activity based on cultivation and local value addition; (d) introduction of low-cost and easy-to-operate technological innovations (such as nut selection tables, warehouses for storage, and equipment and procedures for latex collection), complemented by decentralized, accessible processing units that hire local workforce and are integrated into consolidated markets, independent from public funds that might be interrupted due to political instability.

From the institutional point of view: (a) public-private partnerships enabled the implementation of a market arrangement that also meets political and economic interests at municipal and regional levels; (b) the involvement of committed and well-informed actors enabling the filling of standardization vacuums (production, trade of heart of palm and

domesticated *pupunha* seeds; ecological certification of collected Brazil nut); political articulation with several actors, so as to face resistance inherent to change, among which are command and control agents who feared economic impact, middlemen, and lobby from the cattle sector; (c) expansion of the network of beneficiaries (compensation and in-kind economic benefits) for adherence to conservation and sustainable rural development protocols, including local and regional political leaderships, indigenous people, agrarian reform settlers, small and medium farmers. This process was fundamental to face the mainstream represented by the cattle-ranching lobby; (d) a mechanism to efficiently disseminate and communicate results geared to local, regional, and state actors, acknowledging and giving credit to the different actors who are directly and indirectly involved; (e) an effort to raise funds for complementary and synergic projects focused on consolidated economic activities, which can compete with the appeal of cattle ranching, the main economic activity, which is massively funded by the State and promoted by the main political actors as regional vocation (clashing with what is assumed by the SEEZ).

Some lessons learned from unsuccessful activities

The isolated promotion of AFS as cure-all to the problems caused by frontier forest development did not initially produce expected results in scale. Successful results in Juruena (Project *Poço de Carbono*) and Juína (with the qualification of *pupunha* seed production, fruit pulp and *pupunha* heart of palm processing plant) show that it is necessary to face complex problems with a systemic approach, time, partnerships with the private sector, integration of public policy instruments and reliable resources for continuous, rather than intermittent, implementation. The same systemic approach could leverage expansion in area and economic relevance of other sustainable systems with great potential for regeneration of ecological function (shade-grown coffee and cocoa beans, mixed reforestation of native species for timber purposes).

Monitoring and evaluation (M&E) capacity had flaws, if the project is considered as a whole, and evidence was lacking of an integrated monitoring plan. On the other hand, the approach was partly successful for the sustainable production component, since studies and recommendations generated from 2007 on were totally or partially incorporated. Projects of this type, however, should go beyond monitoring by specific consultancies, performed by external agents; they should keep a continuous, long-term strategy. For a participative approach, the gap left by EMPAER's institutional weakness did not allow the M&E pair to be more effective on local scale, including innovative farmers, groups of innovative properties and communities (farmer-farmer model, participative monitoring). This process took place, but its scale was low due to the lack of a State institution to assume it.

In such complex projects, it is also extremely important to seek more scientific monitoring, through partnerships with researchers and universities. In the beginning of the project, that aspect was identified, but it was somewhat abandoned due to managerial difficulties arising in the third year of the project.

Monitoring and evaluation (M&E) for the whole project presented different flaws and vulnerabilities that could be avoided by a project design enriched by:

-A steering committee, formed by a group of experts and representatives (in political and leadership terms) of the different stakeholders involved, with the task of helping to point out fragilities and then sharpen the focus for critical changes, including ToR-related demands.

-The concept of a continuous (and evolving) monitoring and evaluation system, adopting a participative learning approach (oriented towards local stakeholders) plus an external technical audit approach. To harmonize both strategies, a ToR would be necessary to hire experts to perform cyclical evaluations of the M&E system along the entire project, not just for different moments. That would provide the necessary continuity to improve database usage and analysis aiming at an adaptive management perspective for the decision-making process;

Institutional fragility in municipalities where significant developments did not take place has contributed to the fact that some project initiatives could not reach greater scope or continuity. Common factors contributing to failure included: fragilities in human capital, obstacles (personal, entrepreneurial, political) to new production systems and the idea of environmental conservation they entail, lack of a legal framework, limited resources for the building of stocks, poor logistics for product transportation, and lack of knowledge on the best genetic resources to be planted. However, in different sectors, such as the timber sector, basic principles fostered by the project are somehow being developed by other initiatives, such as the one in Colniza, where a REDD+ project is developed in a private area of 70,000[17] hectares of forest.

Some specific lessons from the development of outputs

Outcome 1: Territorial Management has completed project goals, considering its profile: a Command and Control institution oriented. However, for having exclusive coordination, it lacked the personnel and views of a broader coordination, which should include at least SEPLAN (Secretariat for Planning and General Coordination), Science and Technology, and the Chief of Staff, directly linked to the Governor's Office. Different bottlenecks encountered during project development would probably be easier to solve, i.e., lack of adequate funds for rural technical assistance; extremely long time (6 years) to complete the environmental licensing of only one agrarian reform settlement, or the easy defeat of the SEEZ at the state chamber of deputies, after more than 15 years and considerable funds invested in its preparation. In sum, the political-institutional project design made this Component too fragile. It made SEMA-MT face the complexity and sheer political hostility of other government sectors (large landholders, anti-indigenous, agribusiness and cattle ranching lobbies) already present and dominant by the time the project was conceived.

Outcome 2: Sustainable Production Systems is the component that can teach other projects how to make it in face of adversity. The only critical flaw in the design was not having more reliable institutional partners for implementing technical assistance-related activities. Different Demonstration Projects in Brazil and abroad have shown that the presence and commitment of a project is directly related to the quality and continuity of a well-trained group of technicians visiting families and communities on a regular basis, collecting data and opinions,

[17] http://www.florestalsantamaria.com.br/site/pt/noticia.php?id=39

as well as bringing solutions and helping make things (and projects and people's goals) happen. A reinforced State Secretariat of Agriculture would be an important partner, as part of the formal institutional coordination.

However, IPN was responsible for that in the original project design. From another perspective, after the Substantive Review and the dismantling of IPN's local technical staff, the project should have considered resources to hire a whole new group of field technicians to fulfill the project's large-scope demands. Instead, a "territory the size of Panamá" was supposed to be covered by a team of only three permanent technicians under UNDP contract.

Impacts of this gap were later partially corrected by a provisional adaptive solution, the signing of Letters of Agreement[18].

Output 3 (Promotion of sustainable forest management systems in the region) would be probably enriched in terms of results if the focus were on establishing partnerships for family-forestry-oriented timber production. To achieve conservation objectives, the package would have to consider the adoption of a conservation protocol, similar to the certification protocol for forest plantations. Focal companies, already willing to participate (like Rohden Lignea, Floresteka and others) would be private-sector stakeholders in the results (possibility to certificate timber production) under medium to long term production contracts.

[18] Letters of Agreement with municipalities provided the necessary field personnel to implement actions. But that was an adaptive, opportunistic, short-term solution. Considering the aim of expanding the expertise of local stakeholders and participants in projects activities and duties, the Letters of Agreement did not provide continuity, once again evidencing the lack of a public service (and the lack of a public policy) for sustainable agriculture and forestry technical assistance considering small land holders.

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ANNEXES

Annex 1: Criteria Matrix

Annex 2: List of people consulted by external evaluators

Evaluation Criteria	Questions	Indicators	Sources	Methodology
Relevance: How does the project relate to the main objectives of the UNCBD and GEF focal areas, and to the environment and development priorities at the local, regional and national levels for biodiversity conservation in Northwestern Mato Grosso?				
Is the project relevant to UNCBD and other international convention objectives?	• How does the project support the objectives of the UNCBD? • Does the project support other international conventions, such as the UNFCCC?	• UNCBD priorities and areas of work incorporated in project design • Level of implementation of UNCBD in Northwestern Mato Grosso, and contribution of the project • Priorities and areas of work of other conventions incorporated in project design • Extent to which the project is actually implemented in line with incremental cost argument	• Project documents • National policies and strategies to implement the UNCBD, other international conventions related to the environment	• Document analyses • Interviews with project team, UNDP and other partners
Is the project relevant for the GEF biodiversity focal area?	• How does the project support the GEF biodiversity focal area and strategic priorities	• Existence of a clear relationship between project objectives and GEF biodiversity focal area	• Project documents • GEF focal areas strategies and documents	• Document analyses • GEF and CBD websites • Interviews with UNDP and project team
Is the project relevant to Brazil's and Mato Grosso's environment and sustainable development objectives?	• How does the project support the environment and sustainable development objectives of Brazil and Mato Grosso? • Does the project adequately take into account the national realities, both in terms of institutional and policy framework in its design and implementation? • Is the project country-driven? • What was the level of stakeholder participation in project design? • What was the level of stakeholder ownership in implementation?	• Degree to which the project supports national environmental objectives • Degree of coherence between the project and national priorities, policies and strategies • Appreciation from national stakeholders with respect to adequacy of project design and implementation to national realities and existing capacities	• Project documents • National policies and strategies • Key project partners	• Document analyses • Interviews with UNDP and project partners
Is the project addressing the needs of target beneficiaries	• How does the project support the needs of relevant stakeholders? • Were local beneficiaries and stakeholders adequately involved in the project?	• Strength of the link between expected project results and the needs of relevant stakeholders • Degree of involvement and inclusion of stakeholders in project design and implementation	• Project partners and stakeholders • Needs assessment studies • Project documents	• Document analysis • Interviews with relevant stakeholders
Effectiveness: To what extent have/will the expected outcomes and objectives of the project been/be achieved?				

Evaluation Criteria	Questions	Indicators	Sources	Methodology
Has the project been effective in achieving the expected outcomes and objectives?	• Has the project been effective in achieving its expected outcomes? o Outcome 1: The municipalities of Aripuanã, Castanheira, Colniza, Cotriguaçu, Juína, Juruena, and Rondolândia will have prepared and disseminated zoning plans and incentive approaches to encourage a matrix of sustainable land uses. o Outcome 2: Implementation of continuous blocks of primary forests and secondary regeneration corridors in private lands, as well as agrosilvopastoral systems in the surroundings of protected areas and ecological corridors, establishing an integrated agroforestry system for biodiversity conservation. o Outcome 3: Promotion of sustainable forest management systems in the region, as an alternative to timber production, particularly in the surroundings of protected areas and ecological corridors.	• See indicators in project document results framework and logframe	• Project documents • Project team and relevant stakeholders • Data reported in project annual and quarterly reports	• Document analysis • Interviews with project team • Interviews with relevant stakeholders
What lessons can be drawn regarding effectiveness for other similar projects in the future?	• What lessons have been learned from the project regarding achievement of outcomes? • What changes could have been made (if any) to the design of the project in order to improve the achievement of the project's expected results?		• Data collected throughout evaluation	• Data analysis Interviews with relevant stakeholders
Efficiency: Was the project implemented efficiently, in line with international and national norms and standards?				
Was project support provided in an efficient way?	• Was adaptive management used or needed to ensure efficient resource use? • Were the project logical framework and work plans and any changes made to them used as management tools during implementation? • Were the accounting and financial systems in place adequate for project management and production of accurate and timely financial information? • Did the leveraging of funds (co-financing) happen as planned?	• Availability and quality of financial and progress reports • Level of discrepancy between planned and utilized financial expenditures • Planned vs. actual funds leveraged • Adequacy of project choices in view of existing context, infrastructure and cost • Occurrence of change in project design/ implementation approach (i.e. restructuring) when needed to improve project efficiency	• Project documents and evaluations • UNDP • Project team	• Document analysis • Key interviews
How efficient are partnership arrangements for the project?	• To what extent partnerships/linkages between institutions/ organizations were encouraged and supported? • Which partnerships/linkages were facilitated? Which ones can be considered sustainable? • What was the level of efficiency of cooperation and collaboration arrangements?	• Specific activities conducted to support the development of cooperative arrangements between partners, • Examples of supported partnerships • Evidence that particular partnerships/linkages will be sustained	• Project documents and evaluations • Project partners and relevant stakeholders	• Document analysis • Interviews

Evaluation Criteria	Questions	Indicators	Sources	Methodology
Did the project efficiently utilize local capacity in implementation?	• Was an appropriate balance struck between utilization of international expertise and local capacity? • Did the project take into account local capacity in its design and implementation? • Was there an effective collaboration between institutions responsible for implementing the project?	• Proportion of expertise utilized from international experts compared to national experts • Number/quality of analyses done to assess local capacity potential and absorptive capacity	• Project documents and evaluations • UNDP • Beneficiaries	• Document analysis • Interviews
What lessons can be drawn regarding efficiency for other similar projects in the future?	• What lessons can be learnt from the project regarding efficiency? • How could the project have more efficiently carried out implementation (in terms of management structures and procedures, partnerships arrangements etc…)?		• Data collected throughout evaluation	• Data analysis • Interviews
Results: What are the current actual and potential long-term results of activities supported by the project?				
How is the project effective in achieving its long-term objectives?	• Did the project achieve its overall objective to "Consolidate an integrated matrix of land uses in Northwestern Mato Grosso, through the constitution of a mosaic of protected areas (Conservation Units, indigenous lands and ecological corridors) of continuous blocks of primary forests and areas of connectivity of secondary regeneration in private lands, as well as through agrosilvopastoral systems and sustainable management of forests surrounding the protected areas." • Is the globally significant biodiversity of the target area likely to be conserved? • What barriers remain to achieving long-term objectives, or what necessary steps remain to be taken by stakeholders to achieve sustained impact and Global Environmental Benefits? • Are there unanticipated results achieved or contributed to by the project?	• Change in capacity: o To pool/mobilize resources o For related policymaking and strategic planning o For implementation of related laws and strategies through adequate institutional frameworks and their maintenance • Change in use and implementation of sustainable livelihoods • Change in the number and strength of barriers such as: o Cross-institutional coordination and intersectoral dialogue o Knowledge of biodiversity conservation and sustainable use practices by end users o Coordination of policy and legal instruments incorporating biodiversity conservation and agro-environmental strategies o Agro-environmental economic incentives for stakeholders	• Project documents • Key stakeholders	• Document analysis • Meetings with UNDP, project team and project partners • Interviews with project beneficiaries and other stakeholders
Future directions for results	• How can the project build on its successes and learn from its weaknesses in order to enhance the potential for impact of ongoing and future initiatives?		• Data collected throughout evaluation	• Data analysis
Sustainability: Are the conditions in place for project-related benefits and results to be sustained?				
Institutional and governance sustainability	• Is there evidence that project partners will continue their activities beyond project support? • What degree is there of local ownership of initiatives and results? • Were laws, policies and frameworks addressed through the project, in order to address the sustainability of key initiatives and reforms? • Are there policies or practices in place that create pervasive incentives that would negatively affect long-term benefits?	• Degree to which project activities and results have been taken over by local counterparts or institutions/organizations • Level of financial support to be provided to relevant sectors and activities by in-country actors after project end • Evidence of commitment by government enactment of laws and resource allocation to priorities	• Project documents and evaluations • UNDP and project personnel and project partners • Beneficiaries	• Document analysis • Interviews
	• Did the project contribute to key building blocks for socioeconomic	• Example of contributions to sustainable	• Project documents	• Interviews

Socioeconomic Sustainability	sustainability? • Did the project contribute to local stakeholders' acceptance of effective agro-environmental schemes? • Are there adequate market incentives to ensure sustained environmental and economic benefits achieved through the project?	socioeconomic changes in support of national development goals and strategies • Examples of contributions to sustainable socioeconomic changes in support of the objectives of the UNCBD and other conventions	and evaluations • UNDP, project personnel and project partners • Beneficiaries	• Documentation review
Environmental Sustainability	• Have any new environmental threats emerged in the project's lifetime? Are there risks to the environmental benefits that were created or that are expected to occur? • Are there long-term environmental threats that have not been addressed by the project?	• Evidence of potential threats such as infrastructure development • Assessment of unaddressed or emerging threats	• Project documents and evaluations • Government documents or other external published information • Beneficiaries	• Interviews • Documentation review
Individual, institutional and systemic capacity development	• Is the capacity in place at the regional, national and local levels adequate to ensure sustainability of the results achieved to date? • Were the necessary related capacities for lawmaking and enforcement built?	• Elements in place in those different management functions, at the appropriate levels (regional, national and local) in terms of adequate structures, strategies, systems, skills, incentives and interrelations with other key actors	• Project documents • UNDP, project personnel and project partners • Beneficiaries	• Interviews • Documentation review
Challenges to sustainability	• What are the main challenges that may hinder the sustainability of efforts? • Have any of these been addressed through project management?	• Challenges in view of building blocks of sustainability as presented above • Recent changes which may present new challenges to the sustainability of actions developed by the project	• Project documents and evaluations • Beneficiaries	• Document analysis • Interviews

Annex 2: List of people consulted by external evaluators

Interviewees		
INSTITUTION/GROUP OF ACTOS	**Names**	**POSITION**
UNDP	Carlos Castro	UNDP Brazil's Environment and Energy Coordinator
UNDP BRA 00 G31	Paulo César Nunes	Technical Assistant
SEMA – MT	Eliani Fachim	Environmental Analyst
SEMA-MT	Paula Marie	Analyst
SEMA – MT	Jussara Souza	Environmental Analyst
UNDP BRA 00 G 31	Plácido Costa Júnior	Technical Assistant
Beneficiaries	Luisao	Farmer
Beneficiaries		Collaborators of COPAVAN's Brazil Nut Plant