



1. Project Data:		Date Posted: 07/02/2015	
Country:	Colombia		
Project ID:	P091932		
		Appraisal	Actual
Project Name:	Colombian National Protected Areas Conservation Trust Fund	Project Costs (US\$M):	42.40
			57.60
L/C Number:		Loan/Credit (US\$M):	15.00
			19.00
Sector Board:	Environment	Cofinancing (US\$M):	6.42
			1.54
Cofinanciers:		Board Approval Date:	03/29/2006
		Closing Date:	10/18/2014
Sector(s):	General agriculture; fishing and forestry sector (100%)		
Theme(s):	Environmental policies and institutions (25%); Biodiversity (25%); Participation and civic engagement (24%); Rural non-farm income generation (13%); Land administration and management (13%)		
Prepared by:	Reviewed by:	ICR Review Coordinator:	Group:
Ranga Rajan Krishnamani	Robert Mark Lacey	Christopher David Nelson	IEGPS1

2. Project Objectives and Components:

a. Objectives:

The Project Development Objective (PDO) as stated in the Global Environmental Facility (GEF) Grant Agreement (Schedule 1, page 7) was: "To launch a conservation trust fund that will: (a) support the consolidation of the Beneficiary's National Protected Areas System, and, (b) continue to arrest and reverse trends in Biodiversity loss."

The Global Environmental Objective (GEO) as stated in the PAD (page 50) was "to arrest and reverse trends in biodiversity loss in Colombia's globally important ecosystems."

The project development objective as stated in the Project Appraisal Document (PAD, page 12) was "To support the development of the National Protected Areas System (NPAS) by consolidating a Biodiversity and Protected Areas Trust Fund."

This review will utilize the PDO as stated in the GEF Grant Agreement.

Additional Financing of US\$4.00 million was approved on August 31, 2011 (GEF Grant Agreement, Additional Financing for the National Protected Areas Project) The PDO was not changed.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Components:

There were three components: (PAD, pages 5 and 6).

Component 1: Capitalization of Endowment and Consolidation of the Biodiversity and Protected Areas Trust Fund (Fundación Fondo de Apoyo a la Biodiversidad y las Áreas Protegidas – FUNBAP); Appraisal cost US\$15.88 million, of which GEF grant was US\$8.1 million: Actual cost at closure was US\$15.88 million as appraised. The Fund was to be established as a private sector foundation with majority private sector representation on its board, and with a mandate to execute public sector conservation policies related to the National Protected Area System (NPAS). The Fund was to have mechanisms for managing both endowment funds for supporting incremental and recurrent costs in fourteen conservation mosaics (discussed below), and sinking funds for supporting investments in three conservation mosaics. Activities included, providing support for capitalizing the fund, designing and implementing a financial capitalization strategy, implementing fund raising campaigns, and providing support for channeling resources to the NPAS by project closure.

Component 2. Conservation Mosaics Program : Appraisal cost US\$23.62 million, of which GEF grant was US\$5.1 million, Actual cost at closure was US\$35.63 million. This component provided support for establishing fourteen Conservation Mosaics. The mosaics, were defined in the project, as systems which included a "core conservation area" - such as a National Park - and other protected areas in rural landscapes. The mosaics were to include a combination of two or more NPAS in areas recognized as protected areas under Colombian legislation, such as rural landscapes, seascapes and collectively owned ethnic territories (PAD, page 142). Activities financed under this component included designing and implementing conservation programs for mosaics, providing strategies for sustainable production systems within mosaics, and technical assistance and training to potential beneficiaries.

Component 3. Project Management and Institutional Coordination : Appraisal cost US\$2.90 million, of which GEF grant was US\$1.83 million, Actual cost at closure was US\$6.15 million. Activities in this component aimed at providing project management support , including for designing and implementing public dissemination campaigns, establishing regional committees for applying lessons learnt during the application of conservation mosaics and linking the regional committees with the NPAS consolidation process, strengthening inter-institutional coordination between FUNBAP and the Administrative Unit of the NPAS (UAESPNN), and implementing the Monitoring and Evaluation system.

The project was restructured in March 2010 following the recommendations of the Mid Term Review on 08/27/2009. The scope and output targets were increased, and Additional Financing was approved on August 21, 2011, The principal changes were: the 2 million hectares of core conservation areas was increased to 2.4 million; the target number of conservation mosaics was doubled from five to ten; and those mosaics with improved ecological connectivity were increased from three to eight.

d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:

Project Cost: At appraisal, the estimated total cost was US\$42.40 million. At completion, the actual cost was US\$57.66 million. The actual cost was higher than the appraisal estimates because targets were increased; additional indicators for monitoring project performance were incorporated, following the project restructuring.

Financing: The project was financed by a GEF Grant administered by the Bank. The original Grant was US\$15.00 million. An additional GEF Grant of US\$4.00 million was provided on August 31, 2011, raising the total GEF financing for the project to US\$19.00 million. There was co-financing of US\$8.60 million debt-for-nature swap with the US Government under the Tropical Forest Conservation Act, US\$1.40 million in complementary donations made by three non-governmental Organizations (NGOs- World Wildlife Fund, The Nature Conservancy and Conservation International), and US\$6.42 million from the Dutch Trust Fund.

At project closure, the GEF grant of US\$19.00 million had been fully disbursed. The ICR (page 18) reports that the Dutch grant was intended for "consolidating the local and regional territorial planning processes through the payment for an environmental service scheme and other incentives/compensation schemes for biodiversity and protected areas conservation, under the financial strategy of the NPAS". The ICR reports that this component could not be structured. Hence, it was cancelled, when US\$1.54 million had been disbursed from the grant, and the unallocated funds of US\$4.87 million were returned to the donor.

Borrower Contribution; This was estimated at US\$27.40 million at appraisal; the actual contribution was US\$38.65 million.

Dates: The project underwent three extensions of the closing date for a total of 36 months: The first extension was for six months from October 18, 2011, to April 18, 2012 to provide more time for information sharing and learning between the existing and the new project sites at the request of the Recipient. The second extension was for an additional twelve months from April 18, 2012 to April 18, 2013 to counter the difficulties associated with raising the necessary co-financing for the Endowment Fund in the wake of the global financial crisis. The third extension,

approved together with the Additional Financing, was for eighteen months from April 18, 2013 to October 18, 2014. The reasons for the third extension are not clear from the ICR.

3. Relevance of Objectives & Design:

a. Relevance of Objectives:

High:

The project development objectives remain relevant to the Government strategy. Colombia's National Development Plan for 2011-2014, articulated in the *Prosperidad para todas* (Prosperity for All), identified the need for sustainable development, biodiversity conservation, management of protected areas, and sustainable land management, in areas directly affected by the Colombian conflict. These were identified as key development goals.

The objectives are relevant to the World Bank Group's strategy for Colombia as articulated in the Country Partnership Strategy (CPS) for the Fiscal Years 2012-2016. The objectives would contribute to the CPS goals of sustainable growth with enhanced climate change resilience, and improved environmental practices in the agricultural sector through a scaling up of silvo pastoral livestock systems (the project team clarified that such systems refer to the practice of combining forestry and grazing of domesticated animals. Since such systems enhance soil protection, they have the potential of increasing long term income, due to the simultaneous production of trees and grazing animals).

At the appraisal stage, the objectives were relevant to the national and the Bank strategies for Colombia, and also consistent with the GEO program objectives and Colombia's first National Development Plan for the 2003-2006 period, articulated in the "*Estado Comunitario Desarrollo para todas*" (Community development for all). The plan identified the need for consolidating the National Protected Areas System (NPAS). The development of an NPAS was highlighted as a priority in a number of environmental policies, such as Colombia's National Policy for Biodiversity, the Policy for Integrated Planning and Sustainable development in the Atlantic Coast, Guidelines for a National Policy of Environmental Land Planning, National Forest Policy and Strategic Plan for the Restoration and Establishment of Forests (PAD, page 33). The Country Assistance Strategy (CAS) for Colombia at the time the project was prepared, identified the need for supporting economically and ecologically sustainable development for national reconciliation and durable peace (PAD, page 11).

b. Relevance of Design:

Substantial

The statement of objectives in the GEF grant agreement, and the casual chain between the activities supported by the project their outputs and intended outcomes was clear; the intended outcomes were, in principle, measurable.

Component two activities (such as establishing Conservation Mosaics, providing strategies for sustainable production systems and technical assistance and training for the potential beneficiaries), in conjunction with component one activities (establishing and managing a Biodiversity Protected Areas Trust Fund for supporting the financing of the recurrent and sinking costs in these mosaics), could have been expected to contribute to the improvement of the NPAS. These activities, in combination with component three (public dissemination campaigns, strengthening inter-institutional coordination between the trust fund and the Administrative Unit of the National Natural Park System and implementing the Monitoring and Evaluation system) could have been expected to contribute to arresting and reversing biodiversity loss in Colombia.

4. Achievement of Objectives (Efficacy):

The two development objective- **(a) to launch a conservation trust fund that will support the consolidation of the Beneficiary's National Protected Areas System** , and **(b) to launch a conservation trust fund that will continue to arrest and reverse trends in Biodiversity loss** -- are assessed separately.

Outputs:

Project outputs, which were common to the two objectives, were as follows:

- A Biodiversity and Protected Areas Trust Fund (originally named as FUNBAP, and later renamed as Patrimonio Natural in 2006) was implemented at project closure as per the target. The fund was established as a Non-profit Organization, with a mixed public-private participation. The Patrimonio Natural has a Board of Directors consisting of eight members, of which five were private sector representatives and the remainder public sector members. The Fund has a combination of a sinking fund (to finance on the ground conservation of protected areas) and an endowment fund (to develop a long term financial sustainability mechanism for providing predictable financial resources beyond the lifetime of the project) as targeted. (ICR, page 11).
- A comprehensive financial strategy for Patrimonio Natural was completed as targeted. Since 2006, and under the auspices of the project, the endowment fund started achieving goals on investment returns. From 2006-2014, there was annual investment returns of 7.72% as compared to the original target of 1%, and endowment operating costs were 8% of total revenues as compared to the revised target of 20% of total revenues (ICR, page vi).
- The recurrent costs of two conservation mosaics were financed by the endowment to perpetuity as compared to the original target of three. The (ICR, page vi) reports that the original target was reduced in order to make more efficient use of available funds through targeting only the two mosaics that had the best implementation scores and established capacities. .
- The key management issues of eleven core areas (national parks) were addressed by effective conservation practices at project closure, as per the revised target, and as compared to the original target of seven (ICR, page vii).
- Ten conservation mosaics adopted landscape management strategies and sustainable productive systems as compared to the revised target of six, and the original target of three (ICR, page vii).
- 543 agreements were signed with stakeholders, and these agreements were implemented through conservation use practices, as compared to the revised target of 29 and original target of nine (ICR, page viii).
- Over 90% of baseline families had adopted sustainable production systems and improved management systems as compared to the revised and original targets of 50% and 30% respectively (ICR, page viii).
- The project monitoring program was set up and it started providing information to consolidate the national monitoring strategy of Administrative unit of the National Natural Park System (UAESPNN) and the Colombian Macizo Regional Protected Area System (SIRAPM) (ICR, page ix).
- Project results and lessons learned were disseminated to nine national parks and buffer zones as per the revised target, and as compared to the original target of four parks (ICR, page ix).
- Monitoring and communication strategy for SIRAPM was established as per the revised target (ICR, page ix).
- Eleven conservation work plans for establishing biological corridors were completed by project closure as compared to the original and revised targets of five and ten for monitoring threatened species (ICR, page v).

Outcomes:

Objective 1. To launch a conservation trust fund that will support the consolidation of the Beneficiary's National Protected Areas System is rated as Substantial.

- The capitalization of the endowment fund and the consolidation of Patrimonio Natural was completed with the original grant. Patrimonio Natural capitalized the endowment fund with US\$15.9 million as compared to the original target of US\$15.00 million (ICR, page iv).

Objective 2. To launch a conservation trust fund that will continue to arrest and reverse trends in biodiversity loss is rated as Modest.

- 2.64 million hectares of core conservation areas and 1.44 million hectares of the surrounding territories within the respective conservation mosaics were under "improved management systems" by project closure, as compared to the revised target of 2.442 hectares, and as compared to the original target of 2 million hectares (ICR, page iv).
- "Ecological connectivity had improved" in eight conservation mosaics at project closure, as compared to the revised and original targets of five and three respectively (ICR, page 5).
- According to two studies carried out under the project (Cointescu N, 2011 and Rios Franco, 2014), "97% of the baseline natural vegetation coverage was maintained in each conservation area by project end as compared to the target of 90%" (ICR, page v).
- However, the ICR contains little concrete evidence that biodiversity losses have been arrested or reversed as a result of project interventions. Concepts such as improved "ecological connectivity" and "enhanced species and ecosystem protection" are not defined, nor are statements that improvements have taken place backed by quantitative data; concrete examples are few and far between. There is equally little information on the methodology used to

measure improvements or on the extent to which such improvements could be attributed to the project. There is, for example, a statement that monitoring in four mosaics showed "an increase in species richness (Spectacle Bear/Andean Tapir)" which was "an indicator of ecosystems functioning." However, no quantitative information is provided, there is no baseline, and no comparison with non beneficiary areas which might indicate some degree of attribution to the project. Two other indicators used for monitoring biodiversity conservation in conservation mosaics-- reductions in firewood use and better water quality -- are treated in a similar fashion.

5. Efficiency:

Substantial.

A cost-benefit analysis was carried out for the project's nineteen selected national parks, both at appraisal and at closure. However, the same methodology was not used. At appraisal, the local benefits (which were assumed to come through improved water quality and ecotourism) were categorized separately from global benefits (which were assumed to come through carbon sequestration). The efficiency analysis at closure applied the updated values for protected areas as established by the World Bank's WAVES (Wealth Accounting and the Valuation of Ecosystem Services), based on an opportunity cost approach. The benefits were assumed to come through reduced deforestation rates (from 0,6 percent without the project to between 0.3 percent and 0.2 percent with the project). The Net Present Value was estimated to be US\$8 million, and the Benefit Cost Ratio was 1.5.

Although the information provided in the ICR on the methodology is brief, the team clarified that the WAVES report estimates the value of protected areas by recognizing that since protected areas have existence and recreational values, they can be a significant source of tourism income, as "revealed by a high willingness to pay for such benefits" Based on this methodology, the annual economic value of a hectare of protected areas for Colombia was estimated at US\$2,441 in 2005, US\$2,681 in 2008 and US\$2,754 in 2010.

The project closed 36 months behind schedule. However, the time overruns were partly explained by factors difficult or impossible to predict at the time of appraisal, such as reduced access to protected sites in conflict areas. Fluctuations in global financial markets made raising counterpart funding unexpectedly more difficult (ICR, page 7).

a. If available, enter the Economic Rate of Return (ERR)/Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation :

	Rate Available?	Point Value	Coverage/Scope*
Appraisal	No		
ICR estimate	No		

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome:

The project development objectives were highly relevant to Government strategy and Bank strategy, and with the GEO. Design was Substantial. Efficacy of the first objective -- "to launch a conservation trust fund that will support the consolidation of the Beneficiary's National Protected Areas System" --is rated Substantial, although this is an output oriented result. Efficacy of the second objective -- "to launch a conservation trust fund that will continue to arrest and reverse trends in biodiversity loss" --Is rated Modest, since there is very little quantitative evidence to back this assertion. Efficiency is rated Substantial. Efficiency was quantified and the benefit-cost ratio was 1.5. Although there were time overruns, these were partly explained by factors difficult or impossible to predict at the time of appraisal.

a. Outcome Rating: Moderately Satisfactory

7. Rationale for Risk to Development Outcome Rating:

Sustainability Risk: Although the Biodiversity Conservation Trust Fund was legally established and functional with a sinking fund (for financing on the ground conservation measures at protected areas) and an endowment fund (for providing predictable financial resources for conservation measures beyond the lifetime of the project), the ICR (page 14) reports that the endowment fund was growing more slowly than expected due to difficulties in raising additional

capital. It is not clear whether the ongoing benefits from the project will be sustained, without a guaranteed source of sufficient funding.

Country Risk: Although the Colombian Peace Process had made significant progress by project closure, no final agreement had been reached. In the absence of binding peace agreements, ongoing benefits from this project are subject to risks in some locations (ICR, page 14).

a. Risk to Development Outcome Rating : Moderate

8. Assessment of Bank Performance:

a. Quality at entry:

The project design incorporated lessons learnt from prior Bank-GEF projects, such as, Productive Partnership Support Sustainable Protect, Conservation and Sustainable Development of the Mataven Forest, the Naya Biological Corridor in the Munchique - Pinche Sector, Conservation and Sustainable Use of Biodiversity in the Andes, and Regional and Silvopastoral Approaches to Ecosystem Management. The lessons included (i) involving local communities in project formulation and implementation, (ii) reinforcing the positive relationship between local land governance and biodiversity conservation, (iii) decentralized project execution, (iv) incorporating conservation and sustainable production activities in rural landscapes, and (v) providing incentives to promote biodiversity friendly activities in agricultural production systems (PAD, page 15 and pages 35-36). These lessons were largely incorporated in the design of the operation under review.

The preparation team included specialists in trust fund development with expertise in several Latin American countries which have established Conservation Trust Funds (PAD, page 11). The Borrowers ICR (page 29) notes that the "outline of the project was practical, adaptable to the conditions and context of each protected area."

The overall project risk was rated substantial. Seven risks were identified at appraisal and of these, three were rated as significant (the NPAS may not have legal backing, reduced Central Government allocations to the NPAS, and National Parks failing to contribute additional resources as counterpart to trust fund resources). Appropriate risk mitigation measures were incorporated in the project (PAD, page 19).

The M&E design was adequate (see section 10a below) and sufficient provisions were made for safeguards and fiduciary compliance (discussed in section 11 below).

Quality-at-Entry Rating: Satisfactory

b. Quality of supervision:

There were 17 supervision missions spread over nine years (roughly twice a year). Although there were three task team leaders, there is no evidence that this affected continuity, and the team remained proactive in flagging potential issues and taking corrective action. The supervision team maintained their role as cooperation partner while at the same time refraining from excessive intervention in implementation (ICR, page 15)..

The supervision team also made important revisions to the result framework in 2010, and were actively involved in the design and subsequent approval of the project's Additional Financing in 2011. The team engaged with the Recipient, GEF and Bank Management to find solutions when Patrimonio Natural faced difficulties in raising crucial cofinancing as a result of the global financial crisis. The supervision team ensured that there was compliance with safeguards and fiduciary issues (discussed in section 11).

Quality of Supervision Rating : Satisfactory

Overall Bank Performance Rating : Satisfactory

9. Assessment of Borrower Performance:

a. Government Performance:

Government was highly committed to the project from the initial preparation stage onwards. Commitment was demonstrated by: (i) the signing of the debt-for-nature swap agreement negotiated with the US government which was diverted from national anti-drug efforts; (2) supporting the consolidation of the protected area system through a number of environmental policies in Colombia and highlighting the need for biodiversity conservation in the National Development Plan; and (3) the substantially higher than planned counterpart funding.

Government Performance Rating

Satisfactory

b. Implementing Agency Performance:

Patrimonio Natural (previously called the FUNBAP) was the implementing agency. Although the agency was created from scratch for the project and hence had no prior fiduciary experience, the Patrimonio Natural was able to develop strong administrative, technical, financial and procurement capabilities through the project's capacity-building activities. The ICR (page 16) notes that the agency's technical and administrative teams were flexible and responsive, and this enabled them to adapt to the diverse implementation challenges encountered at the local level. The agency's monitoring and evaluation systems were deemed to be adequate, not only during reporting periods, but throughout the implementation period.

Implementing Agency Performance Rating :

Satisfactory

Overall Borrower Performance Rating :

Satisfactory

10. M&E Design, Implementation, & Utilization:

a. M&E Design:

M&E was designed to measure: (i) FUNBAP's consolidation and the extent to which the project contributed to the strengthening of social and institutional capacities for managing protected areas and (ii) the extent to which the project contributed to the consolidation of conservation mosaics, biodiversity conservation and landscape management (PAD 45).

FUNBAP's technical unit was responsible for the overall M&E system, with specific activities undertaken by the Administrative Unit of the National Natural Park System (UAESPNN) and local stakeholders. (PAD, page 17). The PAD (page 46) reports that for monitoring the management effectiveness of national parks, UAESPNN and the World Wildlife Fund (WWF) designed monitoring instrument known as Management Effectivity Analysis for Protected Areas, based on the GEF SPI tracking tool, was to be used.(PAD, page 46). This methodology was to be applied at the baseline for all national parks belonging to the project conservation mosaics, at the Mid Term Review and at project closure. However details of the tracking system are not provided..

b. M&E Implementation:

According to the ICR, the implementing agency established the GEF tracking tools applied to all GEF projects as a parallel monitoring mechanism, in addition to monitoring through the "in house system." Although the ICR does not define the "in house" system, the team clarified that "in house" monitoring system, called AEMAPPS (Effectiveness analysis for the management of protected areas with social participation), was developed in collaboration with the World Wildlife Fund (WWF) for monitoring the management of National Parks. The ICR (page 8) notes that experience with the project's M&E system demonstrated that GEF's Tracking Tools were less than ideal for integrated landscape management systems like mosaics and that the "in house" system was better suited for this purpose.

- The ICR states that current information was available for monitoring, but does not state what that information was.
- As noted in Section 4 above, the ICR provides little quantitative data concerning improvements in biodiversity protection.

c. M&E Utilization:

The ICR (page 8) states that the project's M&E system contributed to the development of the National Monitoring Strategy at UAESPNN., and that the M&E system developed in this project, with the support of Wildlife Conservation Society contributed to producing for an innovative monitoring system for the Mazico area, which was used for monitoring purposes.

M&E Quality Rating: Modest

11. Other Issues

a. Safeguards:

This was classified as a category B project for Environmental Assessment purposes. In addition to Environmental Assessment (OP 4.01), five safeguard policies were triggered: Pest Management (OP 4.09), Cultural Property (OP 4.11), Involuntary Resettlement (OP/ 4.12), Indigenous Peoples (OP 4.10) and Forests (OP 4.37).

Environmental Assessment: An environmental assessment was performed at the appraisal stage to address any environmental impact from the parks and conservation mosaics. Local execution committees in each mosaic were responsible for identifying potential environmental impact. The ICR (page 34) states that there was compliance with relevant environmental safeguards.

Pest Management: The PAD (page 89) reports that a Pest Control Plan was drawn at the appraisal stage and certification was required for ensuring that (1) no pesticides on the United Nations (UN) prohibited list were to be used; (2) the project would promote integrated pest management; (3) special care would be taken to avoid contamination of protected areas by prohibiting aerial spraying, proper disposal of receptacles and careful management to avoid contamination of watersheds. The ICR reports no issues relating to pest management at closure.

Cultural Property: All activities financed under the project were to be developed under National Park Management Plans to address any potential impact from activities involving new sustainable production systems, and the ICR does not report any issues pertaining to cultural property during implementation.

Involuntary Resettlement: An Involuntary Resettlement Process Framework was prepared at appraisal which identified mechanisms for dealing with involuntary resettlement issues. (PAD, page 24). The ICR does not discuss compliance with OP 4.12, and does not report any resettlement activities.

Indigenous Peoples: An Indigenous Peoples Process Framework describing the measures to be taken for ascertaining that there was no adverse impact on indigenous peoples, and outlining potential conflict resolution mechanisms was prepared at the appraisal stage (PAD, page 24). The ICR (page 43) reports that during the Mid Term Review, an issue related to the lack of participation of a group in planned project activities was brought to the attention of the Bank team. As part of the Mid Term Review, the Bank's Social Safeguard Specialist made a visit to assess the situation, and confirmed the compliance of the project with indigenous people policies.

Forests. Local execution committees were responsible for identifying that the project activities did not lead to direct or indirect adverse effects on the conservation of natural areas (PAD, page 89). The ICR does not provide information on whether there were any issues during implementation.

b. Fiduciary Compliance:

Financial Management: FUNBAP's Financial and Administrative Management Unit was responsible for financial management (including inputs, outputs, budgeting, treasury, accounting and audits), and the PAD (page 45) reports that all units were supported by a Management and Information System (MIS). The project team confirmed that the external auditor's opinions were unqualified.

Procurement: FUNBAP's Administrative Unit was responsible for the management of procurement (PAD, page 45). The ICR reports that procurement was satisfactory, although "towards the end of the project, Patrimonio Natural was

asked to improve its financial management and procurement procedures in response to a prior audit and observations made by the Bank regarding single-source and this was resolved (ICR, page 9). The project team confirmed that there were no cases of misprocurement.

c. Unintended Impacts (positive or negative):

None

d. Other:

None

12. Ratings:	ICR	IEG Review	Reason for Disagreement / Comments
Outcome:	Satisfactory	Moderately Satisfactory	The project development objective was highly relevant and design was rated as Substantial. Efficacy of the first objective was rated as Substantial, although this is an output oriented result. Efficacy of the second objective is rated as Modest. Very little quantitative evidence is provided to back this assertion. Efficiency is rated as Substantial.
Risk to Development Outcome:	Moderate	Moderate	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Performance:	Satisfactory	Satisfactory	
Quality of ICR:		Unsatisfactory	

NOTES:

- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons:

The following lessons are taken from the ICR (page 16-17) with some adaptation of language..

(1) The mosaic conservation concept when designed and applied with due diligence, strict oversight and local participation can be useful in producing significant conservation benefits. The concept as used in this project demonstrated that protected area networks need to be incorporated with benefit sharing arrangements and agreements with local communities in order to reduce the trade-offs between biodiversity conservation and economic well-being

(2) Local participation and a solid strategy for continuous communication and dissemination can be particularly useful for promoting local ownership.

(3) Incorporating best practices and lessons learnt from other World Bank-GEF supporting trust funds in project design, as in this project, helped in building a robust design, which in turn helped implementation.

14. Assessment Recommended? Yes No

15. Comments on Quality of ICR:

The ICR is concise, and provides a thorough analysis of the safeguard and fiduciary compliance issues.

However, a significant shortcoming concerns the discussion of the achievement of outcomes in Section 3.2, which is output oriented. In addition, the quantitative evidence to support outcome assessments related to the second sub-objective -- "to launch a conservation trust fund that will continue to arrest and reverse trends in biodiversity loss" -- is limited. Concepts such as "improved ecological connectivity" and "enhanced species and ecosystem protection" are not defined. There are few indications of the methodology used to measure the improvements or of their extent. Concrete examples are few and far between. There is equally little information on the extent to which such improvements, if measurable, could be attributed to the project.

There are other shortcomings:

- The discussion of the Additional Financing could have been clearer; the reader needs to refer to several different parts of the report, including the end notes, to find critical details. The Additional Financing is not mentioned in the Data Sheet (Section H).
- The ICR (page ii) erroneously reports the original project closing date as October 18, 2014, when it was October 18, 2011. The project team subsequently informed IEG that the 2014 closing date referred to the Additional Financing.
- More details could usefully have been included in Annex 3 on the methodology followed to estimate efficiency, and on how the estimates of, for example, opportunity cost and deforestation rates were arrived at.

In a minor note, it is inconvenient for the reader to have the footnotes at the end of the document rather than at the foot of the pages concerned

a. Quality of ICR Rating: Unsatisfactory