

Mainstreaming Incentives for Biodiversity Conservation in the Climate Resilient Green Economy Strategy (CRGE)

Mid-Term Review – Final Report

UNDP GEF PIMS 4644 / GEF ID 5440

**Country: Ethiopia**

Evaluation period: August-September 2018; Report Date: 05 October 2018

Implementing Partner: Ministry of Environment, Forest and Climate Change (MEFCC)

GEF Focal Area: Conservation of Afromontane Forests

Strategic Objective: Mainstream biodiversity conservation and sustainable use into production landscapes, seascapes and sectors

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Acronyms and Abbreviations

|  |  |
| --- | --- |
| BD | Biodiversity |
| BoA | Bureau of Agriculture |
| BoEPLU | Bureau of Environmental protection and Land Use |
| BPER | Biodiversity Public Expenditure Review |
| CBO | Community-Based Organisation |
| CCA | Climate Change Adaptation |
| CCM | Climate Change Mitigation |
| CRGE | Climate Resilient Growth Economy |
| EBI | Ethiopian Biodiversity Institute |
| ESV | Ecosystem Services Valuation |
| FDRE | Federal Democratic Republic of Ethiopia |
| FGD | Focus Group Discussion |
| GDP | Gross Domestic Product |
| GHG | Green House Gaz |
| GIZ | Gesellschaft für Internationale Zusammenarbeit |
| GoE | Government of Ethiopia |
| GTP | Growth and Transformation Plan |
| ha | Hectare |
| KII | Key Informant Interview |
| LD | Land Degradation |
| M&E | Monitoring and Evaluation |
| MBIC | Mainstreaming Incentives for Biodiversity Conservation |
| MEFCC | Ministry of Environment, Forest and Climate Change |
| MoANR | Ministry of Agriculture and Natural Resources |
| MoU | Memorandum of Understanding |
| MTR | Mid-Term Review |
| NBSSAP | National Biodiversity Strategy and Action plan |
| NPBCR | National Policy on Biodiversity Conservation and Research |
| PES | Payment of Ecosystem Services |
| PIF | Project Identification Form |
| PIR | Project Implementation Review |
| PMU | Project Management Unit |
| PPG | Project Preparation Grant |
| REDD+ | Reduced Emission from Deforestation and Degradation |
| SLM | Sustainable Land Management |
| SMART | Specific, Measurable, Assignable, Realistic, Time-related |
| SNNP | Southern Nations, Nationalities and People’s State |
| ToR | Terms of Reference |
| UNDP | United Nations Development Programme |

Executive Summary

1. Project Information Table

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Title: Mainstreaming incentives for biodiversity conservation in the Conservation in the Climate Resilient Green Economy Strategy (CRGE)** | | | |
| GEF Project ID: 5440 | | UNDP approval date: 6/3/2015 | |
| UNDP PMIS: 4644 | | GEF approval date: 9/28/2015 | |
| Country: Ethiopia | | Date of first disbursement: October 2015 | |
| Focal Area: Ecosystems and Biodiversity | | Midterm Review completion date: October 2018 | |
| GEF Operational Focal Area/ Strategic Program: Conservation of Afromontane Forests | | Planned duration: 4 years | |
| Trust Fund: GEF | | Intended completion date: December 2019 | |
| Executing Agency/ Implementing Partner and other project partners: Executing Agency: Ministry of Environment Forest and Climate Change , Other Project partners: The Environmental Protection Bureaus of the Oromia, Amhara, Somali, Southern Nations, Nationalities and Peoples Regional State; the Universities of Arbaminch, Debre Markos, Jijiga and Wollega. | | | |
| **MTR team members**፡ 1) Marie-Ange Baudoin , International Consultant (PhD), 2) Jonse Bane Boka National Consultant | | | |
| **Project Financing** | *Total costs (US$): $ 19,316,453* | | *at Midterm Review (US$): 2,206,550* |

1. Brief Project Description

Ethiopia’s economy and the wellbeing of its people are highly dependent on biodiversity, particularly for the provision of food, fuel wood and construction materials. Furthermore, about 70% of the human population and 90% of the livestock population are dependent on herbal medicine and some 49,000 tonnes of medicinal plants per annum are gathered from the wild for their primary human health care.

In order to achieve the ambitious goals set forth by the Growth and Transformation Plan (GTP) and the Climate Resilient Green Economy (CRGE) Strategy of transforming Ethiopia to the status of middle-income country by 2025, the annual economic growth rate needs to be sustained at over 10%. This will inevitably have an impact on biodiversity since most of the envisaged investments involve land conversion for agriculture.

The CRGE project is designed to address this challenge by putting in place safeguards to ensure that the current high level of economic growth and planned investments do not impact negatively on biodiversity.

**Outcome 1** will support the development of a framework for recognizing the value of biodiversity to the economy. This will include clarification of government spending on biodiversity (coding the budget and undertaking a public expenditure review) to catalyse more investments in biodiversity. It will also include ensuring that decision makers have the requisite information for decision making through the provision of improved data, decision support tools and training.

**Outcome 2** will pilot a programme of Payments for Ecosystem Services (PES) in four sites recognized globally for their high biodiversity value but that are also at high at risk of degradation. The project will put in place a system for compensating land users who engage in biodiversity friendly practices.

Overall, the project will raise awareness on the importance of biodiversity and ecosystem services and build capacity at all levels to ensure that the Payment for Ecosystem Services (PES) programme can be scaled-up in the post-project period. Efforts started in 2016 and 2017 will be consolidated and consistency of actions will be taken into account to realise full project implementation in 2018. Training and awareness raising efforts made in 2016 and 2017 will be concurrently sustained at all level with special emphasis at a downstream level. In addition, practical pilot of PES initiations/actions will be implemented, such as facilitation of negotiations between ecosystem service suppliers and buyers and PES MoU signing process between the same. In addition, negotiations will be made with relevant government ministries/bureaus of different levels to enhance their pro-conservation investments from fiscal resources and funds of large flagship programs.

1. *Project progress summary*

At Mid-Term Review, the CRGE project has made significant progress towards achieving its objective. With regards to Outcome 1, the project has developed all relevant decision-making tools, provided trainings for relevant stakeholders and facilitated cooperation among institutions to support the mainstreaming of biodiversity within relevant plans and strategies. These achievements will catalyse more investments in biodiversity in Ethiopia. With regards to Outcome 2, the project has established conservation areas over 27,000ha of threatened ecosystems (target of 20,000ha over-achieved). These conservation areas are managed by local CBOs, established or strengthened by the project. These CBOs also receive support to develop alternative, sustainable livelihoods. In addition, relevant PES baseline studies and ecosystem valuation guidelines have been produced. Voluntary PES agreements have been signed between CBOs and private/public buyers to pilot the implementation of PES. Key steps to undertake for the remaining period of the project are the adoption of a PES legal framework by the GoE, the provision of USD 1.6 million towards PES scheme and the implementation of PES in the four project sites to demonstrate its benefits. This will be key to ensure a full operationalisation of the PES system in Ethiopia and its continuation beyond the project’s lifetime. The main achievements of the project so far, as well as current challenges, are described below and detailed in the MTR report.

1. MTR Ratings and Achievement Summary Table

Table 1 below summarises the main achievements of this project.

Table 1. Project main achievements.

|  |  |  |
| --- | --- | --- |
| Area | Rating | Achievement Description |
| Project strategy | Highly satisfactory | *Main strengths:*  - The project was designed based on concept notes produced by various stakeholders and is well-aligned with national policies and strategies supporting biodiversity. It promotes the engagement of various actors across scales and sectors for biodiversity protection.  - The project design includes a sustainability strategy for long-term biodiversity conservation by supporting the development of a legal framework for PES and a long-term funding strategy.  *Main weaknesses:*  - The project does not provide enough support to build sustainable, climate-resilient livelihoods for the communities in the project sites.  - PES is a completely new approach in Ethiopia. Therefore, the design and implementation of the PES system should happen as early as possible to ensure demonstration of the economic and environmental benefits, and to provide local communities with alternative source of income. |
| Progress towards results:  Project objective:  To ensure that the biodiversity of Ethiopia is better protected from current and future threats by ensuring development and investment decisions do not impact negatively on biodiversity | Satisfactory | *Achievements:*  - The awareness of the importance of biodiversity has increased.  - The project target of 20,000ha of threatened ecosystems under improved stewardship has been overachieved; plans for upscaling the target are discussed by the project team.  - 34 CBOs have been sensitised on PES system and prospective local buyers identified.  *Remaining challenges:*  - PES is not fully implemented as no legal framework was adopted yet. As a result, only volunteer – not mandatory – PES agreements have been signed between CBOs and public/private buyers. Several of these buyers have requested the adoption by the GoE of an operational framework to support legal PES transactions.  - The GoE’s commitment to provide USD 1.6 million towards PES scheme has not been concretised yet. |
| Outcome 1:  The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE strengthened | Highly satisfactory | *Achievements:*  - All the decision-support tools for biodiversity conservation have been produced and trainings of relevant staff are being carried out.  - Cooperation among institutions involved in the management of biodiversity is facilitated through the organisation of multi-sectoral forums at the national level, and through the project implementation arrangements at the local level.  *Remaining challenges:*  - The review team noted that the regional digital maps produced by the project do not include relevant data allowing to demonstrate the project’s impacts on biodiversity conservation areas (because of the time series used to produce the maps); the reviewers have advised to add relevant data, and the project team is acting upon this recommendation.  - Access to the project’s knowledge products and decision support tools can be improved, as there is currently communication outlets (e.g. website) for compiling and sharing them. |
| Outcome 2:  Payments for ecosystem services (including biodiversity conservation) is piloted at selected sites | Satisfactory | *Achievements:*  - 34 Community-Based Organisations (CBO) have been established/strengthened by the project and are managing the project’s conservation areas across the four sites.  - Local awareness of biodiversity conservation is strong: more than 27,000 ha of land are under conservation scheme across the four project sites and land degradation over these sites has been reduced.  - All feasibility studies related to PES have been conducted and ecosystem services valuation guidelines produced to support the development and implementation of a PES system. A PES training event has also been organised.  - Prospective buyers of PES have been identified in each project site and some agreements signed with CBOs.  - CBOs are receiving in-kind support – e.g. capacity building to access loans – to facilitate the development of alternative livelihoods.  *Remaining challenges:*  - The national legal PES framework, which development was supported by the project, has not been adopted yet by the GoE, therefore site-specific PES systems are not fully operational. |
| Project implementation and adaptive management | Highly satisfactory | *Main strengths:*  - Roles and responsibilities of national and local project implementers/partners are clear and cooperation is efficient.  - Synergies with other projects/initiatives in biodiversity are sought for a more efficient use of project resources.  - Given the limited fund available, capacity building is provided to CBOs to promote alternative livelihood options.  - The project involves a wide range of stakeholders, sensitised about BD conservation and contributing to project implementation, monitoring and evaluation.  - The project team has developed a national strategy for PES and is currently pushing for the adoption of this strategy by the GoE.  - Given that a legal PES framework has not been adopted yet by the GoE, the project team has facilitated the adoption of MoU on voluntary PES between CBOs and local public/private buyers  *Main weaknesses:*  - The GoE’s commitment to provide USD 1.6 million as co-finance to the PES scheme has not been concretised yet; this co-finance is critical to enable the implementation of PES. |
| Sustainability | Likely | *Main strengths:*  - The project is well-aligned with BD strategies in Ethiopia and will support a legal framework for PES and a funding strategy to maintain this system.  - CBOs have been established/strengthened, trained and sensitised on BD conservation and support is provided to alternative livelihood options to maintain conservation areas beyond the project’s lifetime.  *Main weaknesses:*  - The project’s livelihood component is weak. There is limited support available for the promotion of alternative, sustainable livelihoods. Yet, a siloed approach to BD conservation is not sustainable, it needs to be combined with support to sustainable livelihood options to deliver satisfactory long-term results. |

1. Summary of Conclusions

The review team notes that the design, implementation arrangements and sustainability strategy of the project are relevant, efficient and effective. The project is clearly country-driven and has overachieved several targets. In addition, all project implementers, partners and beneficiaries are committed to achieve the project’s main objective. Finally, the sustainability strategy of the project is strong as the project will support the adoption of a legal framework and funding strategy for PES in Ethiopia. One major threat to the success and sustainability of the project is that, halfway through implementation, the PES system is not fully operational yet. Therefore, the review team notes a risk of losing the momentum of prospective PES buyers and sellers, in particular CBO members who are currently managing the project’s conservation areas. A risk of return to unsustainable land management practices is also identified given the limited support provided by the project for the development of alternative livelihood options. In this regard, the reviewers emphasise that biodiversity protection cannot be considered in a siloed approach, but should be combined with a strong livelihood support component.

1. Recommendations Summary

Table 2 provides a summary of the project key recommendations identified by the review team.

Table 2: Summary of recommendations

|  |  |
| --- | --- |
| **Recommendation** | **Entity responsible** |
| Outcome 1 - The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE strengthened | MEFCC/UNDP |
| Key recommendations:   * The project has produced a wide range of decision support tools for biodiversity conservation, which should be shared with relevant decision-makers, e.g. through a website. * The digital maps produced by the project should include data from 2015 and 2020 in order to demonstrate the project’s impacts in terms of BD conservation |
| Outcome 2 - Payments for ecosystem services (including biodiversity conservation) is piloted at selected sites | MEFCC/UNDP |
| Key recommendation: As all PES-related studies have been completed, awareness on BD at the local level is strong and prospective PES buyers have been identified, it is now critical to implement the PES system on project sites. |
| Project Implementation and Adaptive Management | MEFCC/UNDP |
| Key recommendation: As the GoE needs to be the figurehead of the PES system, it is urgent to mobilise co-financing at the ministerial level to support the implementation of PES and, possibly, alternative livelihood ptions. |
| Sustainability | MEFCC/UNDP |
| Key recommendations:   * The PES system needs to be fully operational as soon as possible to demonstrate its impacts before project’s end. * Additional support for up scaling and diversifying livelihood options – e.g. through collaboration with other initiatives – is critical to ensure biodiversity areas remain protected. |

1. Introduction

The United Nations Development Programme (UNDP) has commissioned an independent, mid-term review of the Global Environment Facility (GEF) funded project entitled “Mainstreaming incentives for biodiversity conservation in CRGE”. This is a four years project launched in October 2015 with the overall objective to “ensure that Biodiversity of Ethiopia is better protected from current and future threats, by ensuring development and investment decisions do not impact negatively on Biodiversity”.

The project is currently supporting communities and local governments in their effort to intensively rehabilitating highly threatened ecosystem in 04 areas of Ethiopia in 04 regional states namely; Choke mountain ecosystem in Amhara regional state where significant number of tributary rivers to the blue Nile starts, Diga-Arjo forest in Oromia regional state which has also high importance for Dedhesa sub-basin in the west, Kulfo forest in South Nations, Nationalities and Peoples’ regional state which is also a critical catchment for Omo watershed to the south and Hadew (Karamara) range area in Ethio-Somali regional state where promising & significant number of medicinal threes & shrubs exist.

* 1. Purpose of the MTR and objectives

The purpose of this MTR is to assess project performance to date (regarding relevance, effectiveness, efficiency), determine the likelihood of the project achieving its intended outcomes and impacts, including their sustainability, and pointing out major challenges faced and lessons learned. In other words, the purpose of this review is to analyse whether the project is on track to meet its targets, what problems or challenges the project is encountering, and what corrective actions are required. The primary objectives of the MTR are as follow: i) to provide evidence of project results to meet accountability requirements; and ii) to promote operational improvement, learning and knowledge sharing through results and lessons learned among UNDP. Therefore, the review aims to identify lessons of operational relevance for future project formulation and implementation especially for the second phase of the project; risks to sustainability will be identified; and recommendations on actions to be taken provided.

* 1. Key outputs of the MTR

The intended outcome of the review is to analyse project performance to date and develop recommendations aimed at improving performance for the remainder of the project. In addition, the review identifies lessons of operational relevance for future project formulation and implementation for the remaining of the project.The MTR also contains an executive summary that can act as a standalone document and an annotated ratings table.

* 1. Methodological approach and scope of the MTR

In line with the UNDP Evaluation Policy and UNDP Guidance for conducting mid-term reviews of UNDP-supported, GEF-funded projects[[1]](#footnote-2), this MTR is undertaken approximately halfway through project implementation. The review team was comprised of international and national consultants. Data from both secondary and primary sources were collected, analysed and triangulated to ensure consistency, credibility and validity of the information. Project documents including PIMs, Logical Framework (logframe), and reports were reviewed to gather relevant information from secondary sources. Moreover, quantitative and qualitative data were collected from primary sources mainly through focused group discussion (FGDs) and key informant interview (KIIs). More specifically, the MTR achieves its aim and objectives by:

* undertaking a critical analysis of the project’s Logical Framework (logframe) indicators and targets, assessing how “SMART” (Specific, Measurable, Attainable, Relevant, Time-bound) the midterm and/or end-of-project targets are, and suggesting specific amendments/revisions to the targets and indicators as necessary;
* evaluating the clarity, practicality and feasibility of a project’s objectives and outcomes or components given its timeframe;
* examining the extent to which the project is on track to reach its objective and outcome targets; and
* recommending corrective actions to keep project implementation on track and for effective use of remaining resources.

This MTR is based on:

* a comprehensive desktop review of project documents (see Annex 5 for a list) to assess how correct the project rational and theory of change have been over time;
* a review of the project’s Logical Framework to evaluate targets and indicators and, if necessary, suggest changes;
* an analysis of the financial and programme management to measure the success of achieving the project outcomes;
* interviews with project’s implementers and partners as well as project’s beneficiaries (see Annex 4 for a list); and
* observations in 2 project sites (see Annex 8 for pictures of project sites).

During a mission organised from 06 to 16 August 2018, the review team conducted individual and focus group interviews with project’s implementers, partners and beneficiaries to solicit first-hand information at federal, zonal, woreda/district and community levels (see Table 3). The approach adopted by the review team to collect this information was an open discussion tailored around 04 main themes: i) relevance of the project, progress and satisfaction on project implementation; ii) effectiveness and efficiency of the project and partnerships established; iii) gain from, or need for capacity building; and iv) challenges and opportunities for future direction. In addition to KIIS conducted in Addis Ababa, the review team visited two of the four project sites, selected based on their size, and the importance of the forests to local communities. Accordingly, the review team visited: i) the Diga-Arjo forest in Oromia regional state (with high importance for Dedhesa sub-basin in the west); and ii) the Kulfo forest in South Nations, Nationalities and Peoples’ regional state (with high importance for Omo sub-basin in the South). Security reasons in Somali region and Debre Markos town in East Gojam prevented the reviewers from visiting the other two project sites of Choke (Amhara region) and Hadew (Somali region).

Table 3: Summary of stakeholders interviewed in the MTR

|  |  |  |  |
| --- | --- | --- | --- |
| Level | Respondents/institutions | Elicit Info via | Remarks |
| Federal level | UNDP country office in Addis Ababa | KIIs | Discussions with head of two units: Growth and Poverty Reduction and CRGE Monitoring units |
| Ministry of Environment, Forest and Climate Change (MEFCC) | FGDs | Manager of Mainstreaming Incentives for Biodiversity Conservation in CRGE and experts from the Ecosystem Service Valuation Directorate in the ministry |
| Ethiopian Biodiversity Institute (EBI) | KIIs | KII was made with Director general of the Institute and NBSAP coordination office in the Institute |
| Ethiopian Geospatial Information Agency | KIIs | With various remote sensing experts working on preparation of maps for the four project sites |
| Zonal/Woreda level | Gamu Gofa zone Environmental and Forest Protection Office (SNNP) | FGDs | Discussion with head of the office and experts |
| Steering committee from various sectors/offices and universities (Arba Minich and Wollega Universities) and Arba Minch Municipality in SNNP and Diga woreda in Oromia region | FGDs | Representatives from various offices like environment and forest protection; women and children, agriculture and natural resources, livestock and fishery; Urban food security and job creation office; Cooperative office and municipality of Arba Minich |
| Technical committee in both Gamu Gofa zone and Diga woreda | FGDs | Experts from the above sectors |
| Arba Minich Municipality in SNNP | FGDs | Manager and experts of the Arba Minich municipality |
| community level | 02 CBOs from Diga project sites (Oromia regional state) | FGDs | Leaders and other members of CBOs participated in discussions about biodiversity conservations and their livelihood activities related to the project |
| 02 CBOs from Kulfo project sites (SNNP regional state) around Arba Minch town | FGDS | Leaders and other members of CBOs participated in discussions about biodiversity conservations and their livelihood activities related to the project |

* 1. Structure of the MTR

The MTR consists of the following:

* an **executive summary** providing a brief overview of the main conclusions and recommendations of the review;
* an **introduction** providing the purpose and objectives, expected outputs and methodology of the review;
* a brief **overview of the evaluated project**, its development context, the problems that the project sought to address, the project objective and status of activities, project implementation arrangements and key project partners and stakeholders;
* **review findings** on project strategy, progress towards results, project implementation, adaptive management and project sustainability;
* **review conclusions** outlining corrective actions for the design, implementation and monitoring and evaluation of the project, follow-up actions to reinforce project benefits and proposals for future directions; and
* **annexes** including Terms of Reference, list of interviewees, documents reviewed, guideline for interviews and co-finance information.

1. Project description and background context
   1. Project background

Ethiopia is a landlocked country, located at the Horn of Africa with a population of over 100 million people. The country’s land mass totals approximately 1 million km2. Most of this landmass is classified as agricultural land suitable for crop and livestock production. Ethiopia has the lowest level of income-inequality in Africa and one of the lowest in the world. Yet despite progress toward eliminating extreme poverty, Ethiopia remains one of the poorest countries in the world.

Ethiopians are highly dependent on biodiversity for the provision of foods, fuel wood and construction materials. The root causes of the country’s major loss in biodiversity are anthropogenic and include rapid population growth and the pressures related to economic activities. Ethiopia’s reliance on natural resources for economic development also contributes to the increasing rates of biodiversity loss.

The agricultural sector in Ethiopia is especially vulnerable to climate change as the country already experiences high temperatures and low precipitation. Decreasing rainfall rates and high evaporation rates are part of the climate change impacts that negatively affect Ethiopia’s agricultural sector. Climate change impacts threaten rural livelihoods through the loss of productive and fertile agricultural lands upon which a large portion of the population is dependent. The agricultural sector in Ethiopia relies on relatively basic technologies which limit the county’s capacity to adapt and adopt adequate measures to decrease climate change impacts. Climate change particularly poses a major threat to Ethiopia’s position as a biodiversity-rich country as it is likely to lead to a loss of various biodiversity landscapes.

The government’s mission to transform Ethiopia into a middle-income country (MIC) by 2025 resulted in the adoption of the Climate Resilient Growth Strategy (CRGE). The CRGE is a green growth strategy that was required and developed to prevent the much-needed growth being undermined by environmental degradation and biodiversity loss. The three complementary objectives of the CRGE include: i) fostering economic development and growth; ii) limiting GHG emissions; and iii) improving the country’s resilience to climate change. The CRGE aims to increase per-person GDP by 475%, from US$380 to more than US$1,800 GDP per capita by 2030, while at the same time decreasing GHG emissions on a per capita basis by 35% from 1.8t to 1.1t CO2e.

Ethiopia received support to prepare and submit its First National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) in October 2001. This put the country in a position to develop the Growth and Transformation Plan (GTP). The GTP identifies boosting agricultural productivity as the main priority for transforming Ethiopia into a middle-income country (MIC) by 2025. The strategic direction of the GTP underlines that environmental conservation has a vital contribution for sustainable development and emphasises the need to build a carbon-neutral and climate-resilient economy.

To achieve the goals set by the GTP and the CRGE, the annual growth rate would have to be sustained at over 10%. This will inevitably have an impact on biodiversity as most of the envisaged investments involve land conversion for agriculture. The present project aims to put in place safeguards to ensure that the current high level of growth and planned investments do not impact negatively on biodiversity.

The Mainstreaming Incentives for Biodiversity Conservation (MBIC) in the Climate Resilient Green Economy Strategy aligns with the main environmental policies of Ethiopia. These include the National Policy on Biodiversity Conservation and Research (NPBCR) as well as the National Biodiversity Strategy and Action Plan (NBSAP) which hold valuable contributions to this project.

The Environmental Policy of Ethiopia provides the policy framework for the sustainable management and use of the country’s natural resources. Its overall objective is to promote the sustainable social and economic development of the country through sustainable management and use of the natural, man-made and cultural resources of the country. Other specific objectives of the Environmental Policy of Ethiopia include: i) ensuring that biological diversity and renewable natural resources are conserved, developed and sustainably used so that the needs of future generations are not compromised; ii) identifying and developing natural resources that are infrequently used; and iii) ensuring the empowerment and participation of the local people and their organisations at all levels of the environmental management activities.

The NPBCR­’s main objectives include: i) integrating biodiversity conservation with sectoral and cross-sectoral strategies and programmes; ii) encouraging public participation in biodiversity conservation, development and use; and iii) ensuring that the benefits accrued from the use of genetic resources and the local residents’ traditional knowledge are shared with local communities. The NPBCR particularly provides for the conservation of biodiversity through *in situ* and *ex situ* conservation. This complements the establishment of protected areas that cover the various biodiversity landscapes and ecosystems, and, where necessary, connects these systems by establishing corridors between them. The NPBCR ensures the involvement of local communities (located inside and outside the protected areas) in the planning and management of such areas and advocates for communities to receive fair shares of the benefits accrued from conservation efforts.

The NBSAP is the second main Ethiopian environmental strategy. It highlights the need to mainstream conservation of biological diversity within strategic land use plans, local level plans and sustainable agricultural and pastoral production strategies. Furthermore, the NBSAP states the importance of the involvement of local communities in park, forest and wildlife conservation and management programmes. These programmes work to conserve biological diversity on behalf of the country. Ethiopia would therefore receive appropriate economic benefits provided by biodiversity conservation efforts, for example, through the implementation of Payment for Ecosystem Services (PES).

The empowerment of Ethiopia’s community through biodiversity conservation is a major aspect of this project. PES is a mechanism that enhances local communities’ participation in biodiversity conservation through income-generating opportunities. The PES programme not only affords local communities the opportunity to generate income, but also improves stewardship by community land managers and regulates pressure on biodiversity resources and services.

* 1. Problems that the project sought to address

The GTP sets out to transform Ethiopia to the status of middle-income country by 2025. This is likely to have a strong impact on biodiversity since most of the envisaged investments involve land conversion for agriculture, unsustainable GHG emissions and unsustainable use of biodiversity. The government therefore developed the CRGE which provides a strategy to prevent the potentially negative impacts of the GTP. A CRGE Funding Facility was created to enable the government to manage funds within a single coherent system. This system allows investors to engage with the government of Ethiopia and other stakeholders involved in the project to determine how best to support the country’s CRGE objectives. This “programmatic approach” aims to minimise transaction costs, fragmentation and duplication associated with unconnected projects.

In this context, the overarching objective of the MBIC project under review is to ensure that development and investment decisions do not impact negatively on the biodiversity of Ethiopia. Capacity building at all levels is an important feature of the project to ensure that biodiversity conservation efforts and programmes can be upscaled post-project. The present project is designed to not only address the need to raise conservation biodiversity awareness but also to put in place safeguards – including legal frameworks – to ensure that the current high level of growth and planned investments do not impact negatively on biodiversity. The project further promotes the involvement of communities in income-generating biodiversity conservation activities through the implementation of PES. Similarly, Ethiopia’s environmental protection policies and poverty reduction strategies emphasise the need to involve local communities in the sustainable management of natural resources.

* 1. Main projects stakeholders

The project is the outcome of a comprehensive national dialogue between relevant national, regional and local stakeholders, including universities and the private sector.

During the preparation of the project in 2011, concept notes were solicited from relevant stakeholders. Six regions/groups including universities submitted concept notes, some including not only Biodiversity (BD), but also Land Degradation (LD), Climate Change Adaptation (CCA) and Climate Change Mitigation (CCM). The executing entity/implementing partner for this project is Ethiopia’s Ministry of Environment, Forest and Climate Change (MEFCC). The implementing entities/responsible partners include: i) the Environmental Protection Bureaus of Oromia, Amhara, Somali and Southern Nations, Nationalities and Peoples Regional State; ii) the Universities of Arba Minch, Debre Markos, Jijiga and Wollega; iii) the Ethiopian Biodiversity Institute; and iv) the Ethiopian Geospatial Information Agency. Other partners involved in the project include zone, woreda and kebele technical staff and local communities.

The stakeholders involved in this project are further detailed in the table below:

Table 4: Stakeholders’ involvement

|  |  |
| --- | --- |
| Stakeholders | Involvement and responsibility |
| * Local community members and community organisations. | The principal stakeholders are the local communities. These are the individuals who live closer to and within the bio-resources who also play an important role in local habitat and biodiversity conservation, management and documentation. The local communities of Arjo-Diga (Oromiya), Choke Mountains (Amhara), Kulfo Catchment (SNNP) and Hadew (Somali) are the main resource managers and users. In addition, these communities are identified as the potential beneficiaries of payment for ecosystem services of the (PES) pilot programme. |
| * Local universities located in each pilot area. | Wollega University (Oromiya), Debre-Markos University (Amhara), Arba Minch University (Southern Nations, Nationalities and Peoples’ State), and Jigjiga University (Somali) are also key stakeholders. These universities were involved in the preparation of initial concept notes. During the project’s implementation they sit with pilot-site steering committees. Their role as implementing parties also include providing technical expertise­− particularly supporting field survey work− and training for technical staff. In addition, they play a major role in the monitoring of progress and performance of the project. |
| * Non-Governmental Organisations (NGOs) and other international conservation agencies. | NGOs are involved in community participation, the formation of Community-Based Organisations (CBOs) as well as the strengthening of existing CBOs. These groups provide technical support to the project, facilitate technical training and provide resources to the CBOs (e.g. the GIZ supplies seedlings to CBOs at the Kulfo site). |
| * Federal, regional, zonal and woreda level private and government/public sectors for pilot PES programme. | This project is an inter-sectoral project piloting what is to be a long-term PES programme. The main group of stakeholders, therefore, comprise a range of both private and civil society agencies. This directly involves technical and professional staff in forestry, agriculture, ecosystems, natural resources and environment sectors. The private sector and civil society, as stakeholders, share responsibilities for conservation and enhancement of resources, management of ecosystems as well as regulation of bio-resources use.  The Ministry of Agriculture, Ministry of Water and Energy, Ministry of Tourism and Culture, and Ethiopian Electric Power Corporation play a role in linking livelihoods of rural communities with infrastructure development.  Regional States and Bureaus, districts/woredas and localities/kebeles play vital roles in the implementation of the project. This role includes effectively incorporating issues of mainstreaming incentives for biodiversity conservation into the zonal and district plans and budgets. |
| * Bureau of Agriculture (BoA) and Bureau of Environmental Protection and Land Use (BoEPLU) of Oromia, Amhara * Southern Nations Nationalities and Peoples’ State (SNNP) * Somali Regional States | The provincial bureaus are also relevant stakeholders and implementers for the pilot interventions. Their roles include catalysing involvement of local communities, monitoring and evaluating land use changes, poverty reduction and other impacts deriving from the land use changes. These are also target institutions for focused training plans to enable them to manage the PES. |
| * Zonal and district/woreda Agricultural Offices * Environment Protection and Land Use Offices * National Project Management Unit (PMU) | These technical officers closely participate in the implementation of the project. Local pilot-site project steering and technical committees established at each pilot site oversee and implement activities to achieve the outputs the stipulated outcomes of the project. These technical officers work in close collaboration with kebele Agricultural Development Agent Office, kebele Watershed Committees, kebele Environmental Clubs, kebele CBOs as well as with kebele Youth Cooperatives. The PMU Zone offices provide financial services as Finance Officers for the project. |
| * Ministry of Environment, Forest and Climate Change (MEFCC) | MEFCC is the national executing agency for this project. This agency provides a national project manager to ensure good quality and timely results are obtained through monitoring and reporting on the project.  The project works closely with MEFCC staff to catalyse the anticipated legal and policy changes necessary to achieve the project’s outcomes. The project also undertakes considerable capacity building efforts with MEFCC staff to ensure they are capable of scaling-up and sustaining the PES programme post-project. |

* 1. Expected results of the project

The project aimed to achieve two outcomes: i) the improvement of the governance systems, use of technologies and practices for biodiversity conservation; and ii) financing mechanisms that promote a low carbon climate resilient economy and society at all levels. These outcomes are clustered around a total of eight outputs and a set of indicative activities, as presented in Table 5. This ensures that the biodiversity of Ethiopia is better protected from current and future threats by ensuring development and investment decisions do not impact negatively on biodiversity.

Overall, the project will raise awareness of the importance of biodiversity and ecosystem services and build capacity at all levels. This, therefore, ensures that the PES programme can be scaled-up post-project.

Table 5. Project components, outcomes, outputs and indicative activities

|  |  |  |
| --- | --- | --- |
| **Outcomes** | **Outputs** | **Indicative activities** |
| **Component 1:** | |  |
| 1. An enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE strengthened | 1.1. Biodiversity values and management costs mainstreamed into national accounts through a public expenditure review – ensuring that financing for investments does not result in negative impacts on biodiversity. | 1. Support MEF and GoE (MoFED) to implement the initial biodiversity expenditure review (BDER) on the environment;  2. Based on the results of BDER, catalyse increased funding for biodiversity conservation. |
| 1.2. The implementation of decision support tools to ensure infrastructure placement and other investments do not negatively impact on biodiversity. | 1. Develop 6 regional level large scale digital maps of critical biodiversity areas;  2. Develop biodiversity score cards to determine a) no go areas (b) areas where developments may be allowed but with certain minimum conditions;  3. Train key staff in all relevant sectors at all levels on how to use the to effectively use the maps and scorecards for better land use planning and investments |
| 1.3. Strengthened cooperation and interaction between institutions involved in managing biodiversity loss and climate change. | 1. Support MEF, Ethiopian Biodiversity Institute, MoA, regional biodiversity units and others to develop effective communication tools and mechanisms that portray the link between biodiversity and climate change – including local, regional and national dialogues;  2. Support the establishment of partnerships between the Climate Sector and the Biodiversity sector that result into joint planning and implementation of programmes. |
| **Component 2:** | |  |
| 2. At least 20,000 hectares of the highly threatened Afromontane ecoregion are under PES resulting in improved stewardship by community land managers and reduced pressure on biodiversity. | 2.1. Prospective sellers to supply ecosystem services identified and their capacity to modify land use practices is enhanced through technical assistance/extension on BD friendly land use practices. | 1. Support the establishment, development and legal registration of CBOs / cooperatives and capacity building for key members, where they  are not present / active in pilot areas;  2. Use existing and / or project-developed materials to raise awareness and educate land users (CBO / cooperative members) in selected sites on the importance and win-win-win benefits of biodiversity / ecosystem services for their livelihoods, adapting to climate change and wider environmental sustainability;  3. Secure Memorandums of Understanding (MoUs) between communities and project (or broker) confirming that communities have access to all of the information related to the project and have been adequately consulted before the project activities begin on the ground;  4. Strengthen the capacity of kebeles and woredas to implement their mandate on utilization based biodiversity conservation;  5. Technical and financial capacity building trainings for CBOs (leaders and members) inter alia on PES;  6. Detailed field work at each pilot site to establish baselines, define boundaries etc;  7. Facilitate each local community group to formulate and implement its own sustainable use of biodiversity agreements by in situ management (specifying the type and amount of resources that can be used, by whom, and laying out the methods, roles and responsibilities for community monitoring,  regulation and resource protection), also to modify any necessary by-laws to guide and govern the actions of its members  8. Project legal expert and PES broker to support communities (sellers) to negotiate PES contracts with the buyers (Government) that specify conditions and amounts of payments (value of service; mode of payment; delivery of service) and clearly address issues of conditionality, liability and exit options for both contract partners;  9. Discuss and agree with each local community the fair, transparent and equitable distribution of the benefits that result from the PES - the creation of a financial management fund with use criteria and resource distribution as well as a transparent governance structure is recommended;  10. Establish administrative systems (one per pilot site) for handling and operationalise the payments at the pre-determined frequency using the binding contracts;  11. Support each community group to develop and implement a participatory monitoring and evaluation system to track the PES scheme and ensure it is achieving the desired outcomes  12. Support awareness raising and education (including participatory farmer field school approaches and demonstrations) |
| 2.2. Institutional capacity of national and regional governments (regions / zones /woredas) and universities is in place to coordinate PES programmes. These agencies can, therefore, perform functions such as negotiation, contracting, transaction and verification. | 1. Train MEF, local institutions and other key staff in negotiation, contracting, transaction, monitoring and verification to effectively manage the PES schemes |
| 2.3. Increased government investment in pro-conservation PES in a range of threatened ecosystems by end of project. | 1. Additional buyers for PES identified for post-project  2. Secure GoE commitment to continue and scale-up pilot PES (to at least 250,000 ha by 2025) |
| 2.4. Increased awareness and understanding of the vital role of biodiversity and wider ecosystem services protection among decision / policy makers and the general public. | 1. Use existing and project-developed materials to raise awareness and educate  on the importance of biodiversity / ecosystem services for their livelihoods, adapting to climate change and wider  environmental sustainability  2. Organise study visits to pilot sites for decision / policy makers and opinion formers (e.g. journalists)  3. Organise exchange visits for land users |
| 2.5. Lessons learned from project PES pilot programme shared between pilot sites and widely in Ethiopia. | 1. Support regular production of a range of materials43 (inter alia print, graphic, radio, tv, the internet and peer-reviewed journals) summarising the results, impacts and lessons learned prepared. |

1. Findings
   1. Project design

The project aims to ensure that biodiversity in Ethiopia is protected from current and future threats. To achieve this, the project is designed to support the establishment of a national legal framework for mainstreaming biodiversity across sectors and the implementation of a PES system, funded by the public and private sectors, to reduce pressures on biodiversity. This approach is fully aligned with, and supported by Ethiopia’s national and international commitments for biodiversity conservation and restoration, including Ethiopia’s Growth and Transformation Plan (2010-2015), the National Biodiversity Strategy and Action Plan (2007) and Ethiopia’s Fifth National Report to the Convention on Biological Diversity. Through this approach, the project will demonstrate the environmental, social and economic benefits of ecosystem services. This, in return, will ensure the long-term investments of stakeholders from the public and private sector to restore and protect vulnerable ecosystems.

The MBIC project was designed through comprehensive consultations with national, regional and local stakeholders – including local communities and universities. Stakeholders from various ministries, regional offices and universities submitted project concepts on topics related to biodiversity conservation, land degradation and climate change mitigation and adaptation. These concept notes were incorporated into the Project Identification Form (PIF) for this project. Additional stakeholder consultations and two validation workshops were organised during the Project Preparation Grant (PPG) phase, along with field visits on proposed project sites. During these field visits, local communities were consulted to discuss pathways to restore and protect biodiversity in the long term. Through these interactions, local communities expressed their interest in establishing a Payment for Ecosystem Services (PES) as an effective incentive to develop and implement sustainable land management practices that enhance the production of ecosystem services in restored areas. To ensure and maintain the engagement of relevant national and local stakeholders during (and beyond) the project implementation phase, and to strengthen ownership at project’s end, the Project Document includes a stakeholder analysis. This analysis underlines the roles and responsibilities of various national and local stakeholders for project management and implementation, including national Ministries and institutions, local authorities in project sites, local universities, NGOs and community members.

Detailed biophysical and socio-economic analysis of selected project sites were also conducted during the PPG phase. The results are documented in the Project Document (prodoc); they underline the relevance of each project site as representing globally important biodiversity areas to implement PES. In addition, a feasibility study on the implementation of PES in Ethiopia was conducted, underlying important considerations to include in the design of this system. For example, the feasibility study underlines the importance of involving beneficiary communities at the early stage when designing a PES system, to ensure that their consent and land tenure rights over the project are guaranteed. Lessons learned on PES programmes were underlined in this feasibility study.

Table 6 below provides an analysis of the design of the project as outlined in the Project Document to identify whether the project strategy is effective to achieve the desired goals and objective. The following elements of the project design are reviewed: i) incorporation of lessons learned; ii) extent to which the project is country-driven; iii) risk management strategy; iv) alignment with country priorities; v) sustainability of the project, in particular its financial viability; and vi) integration of gender considerations. Recommendations are then formulated where changes are required in order to get the project back on track for reaching the desired results.

Table 6: Project design assessment

|  |  |  |  |
| --- | --- | --- | --- |
| * **Category** | **Strengths** | **Weaknesses** | **Recommendations** |
| Integration of lessons learned | - A feasibility study on PES was conducted during PPG phase and highlights lessons learned and best practices from PES implementation in other countries, to be considered when designing a PES system for Ethiopia. For example, one of the lessons is to consult local communities at early stage of the design, and these were consulted during PPG phase and have shown interest in PES. Another lesson is to develop MoU between governmental authorities and local communities to ensure land ownerships – a lesson also included in the project design.  - Lessons learned from past projects on ecosystem restoration have been collected to inform restoration activities in the 04 project sites. | - PES is a completely new approach in Ethiopia; therefore, there is no lessons learned and best practices to design a fair, sustainable and efficient system in this particular country yet. | - As PES is a new approach to biodiversity conservation in Ethiopia, it is recommended to collect, compile and share lessons learned and best practices on the design and establishment of this system to complement the best practices that have been compiled in the PES Best Practices study for this project. These lessons learned and best practices need to be tailored to the national context and can be used to inform future initiatives in Ethiopia as well as in neighbouring countries. |
| Risk management | - Commitments from sectoral ministries to mainstream biodiversity into their policies/strategies are sought as the project includes the organisation of multi-sectoral workshops and trainings for relevant governmental stakeholders.  - Restoration activities are implemented by local CBOs on project sites with direct support from local authorities and universities;  - Progresses are tracked at the local and national level. If delays/challenges are noted, a reporting system is in place at the local level and solutions are sought to ensure the continuation of BD conservation efforts. | - Overlapping responsibilities between sectoral ministries – e.g. MEFCC and MoANR – could affect the implementation of biodiversity restoration/protection activities.  - The remoteness of several project sites could affect the implementation and monitoring of restoration activities. | - The commitment of line ministries to mainstream biodiversity into their strategy should be sought early by engaging with high-level policy-makers and by producing BD legislations that are enforced.  - The legal framework and guidelines for biodiversity conservation, to be developed under this project, should include clear role and responsibilities for sectoral ministries, as well as a tracking tool to monitor implementation.  - Transportation means (e.g. motorbikes) should be made available to local CBOs in order to patrol conservation areas (*if possible within the project budget*). |
| Alignment with country priorities/country ownership | - The project’s Theory of Change is well-aligned with the GoE’s interest in mainstreaming biodiversity into sectoral policies, is supporting the CRGE strategy, and receives support from stakeholders from the public and private sector at national and local level.  - Stakeholders from various ministries, universities, and local authorities were consulted for the preparation of the project and underlined existing interest, at the local level, for a PES system.  - The project is aligned with national policies including Ethiopia’s GTP and the NBSAP, as well as international conventions on biodiversity; the project is also designed to build on/synergise with other projects, thereby supporting advancement for sustainable biodiversity management.  - The project is providing technical and financial support to the EBI; it will support the development of a legal framework to promote the mainstreaming of biodiversity considerations into sectoral plans and policy as well as tracking tools to monitor the implementation of national guidelines. These initiatives, conducted under the project, directly support the EBI, as well as national policy and strategies.  - The project is implemented by the MEFCC and its regional branches in the project site, with support from local authorities (e.g. municipalities, districts) and universities. This involvement is part of the mandate of local/national institutions, which strengthens ownership of project’s activities. | No weaknesses were identified. | No recommendations are made |
| Sustainability | - The project is aligned with the CRGE strategy, supports the development of a national legal framework to promote biodiversity conservation in Ethiopia, and the implementation of national strategies to mainstream biodiversity into sectoral policies. These initiatives will set up the basis for a broad legal framework to support and upscale the long-term restoration and protection of biodiversity resources in Ethiopia.  - There is a strong demand from stakeholders in the public and private sector to adopt a legal PES framework and operationalise the PES system as soon as possible.  - A PES system and related funding strategy will be designed and funding by the government ensured – through the CRGE, confirmed through the co-finance letter – as part of the project to have a functional PES system beyond project’s end.  - The project includes awareness raising activities and education on biodiversity benefits and ecosystem services to ensure restored areas remain protected at project’s end.  - Support to sustainable livelihood options is provided through capacity building interventions designed for local CBOs. This approach aims to provide communities with alternative livelihood options, and ensure restored areas remain protected beyond the project’s lifetime. | - The project design does not include sufficient direct support to alternative livelihoods for beneficiary/local communities (except through PES). Without such support and, in particular, if the implementation of PES is delayed, the willingness of local communities to protect restored ecosystems could be threatened – e.g. local communities could turn back to resorting to unsustainable practices like wood extraction for charcoal production and illegal logging to support their livelihoods.  - PES is a new system in Ethiopia; without a legal framework and clear demonstration of its benefits during the project’s lifetime, buy-in from stakeholders in the public and private sector (as buyers of PES) will be challenging.  - A strong, long-term funding strategy for PES needs to be developed to ensure the system is effective and remains in place beyond project’s lifetime.  - Linkages are not sufficiently made with similar initiatives on biodiversity conservation – e.g. the REDD+ project in Ario Diga – that could ensure the sustainability of project’s achievements (*the reviewers note that attempts are made to synergise with other projects*).  - Communities in and around project sites could turn back to unsustainable land management practices at the end of the project.  - The commitment of sectoral ministries – e.g. Ministry of Agriculture and Natural Resources – to mainstream biodiversity into their policies and activities could not be sustained at project’s end. | - Support to build sustainable, climate-resilient livelihoods for the communities in the project sites should be strengthened.  - The design and implementation of the PES system – including a long-term funding strategy – should happen as early as possible to ensure demonstration of the economic and environmental benefits, and to provide local communities with alternative source of income, thereby reducing their reliance on extracting natural resources in the conservation areas.  - Establishing and enforcing a legal control and penalty system for conservation areas in the project sites is critical to ensure these areas are preserved beyond the project’s lifetime. CBOs or local authorities in charge of patrolling these areas should be properly equipped, e.g. with motorbikes.  - Linking the project to similar long-term initiatives like REDD+ is a pathway to ensure the maintenance of conservation areas.  - It is critical to ensure the long-term commitment of sectoral ministries – e.g. Ministry of Agriculture – to mainstream biodiversity into their policies and activities by engaging high-level policy-makers. This commitment needs to be secured to maintain and upscale restoration activities. |
| Gender issues | This project is rated as “Gender 1” project in UNDP’s nomenclature. However, the project design does not consider specific gender-related aspects. As the design of the PES system should be gender-sensitive and some economic activities for women should be supported through Outcome 2, the reviewers recommend the development of a Gender Assessment and Action Plan. | | |

A critical analysis of the project logframe and indicators (Table 6) was also conducted in light of the ‘SMART’ indicators, as described below:

* *Specific*: Indicators use clear language, describing a specific future condition.
* *Measurable*: Indicators have measurable aspects making possible to assess whether they were achieved or not.
* *Achievable*: Indicators must be within the capacity of the partners to achieve.
* *Results-based*: Indicators must make a contribution to selected priorities of the national development framework.
* *Time-bound*: Indicators are never open-ended; there should be an expected date of accomplishment.

Table 7: SMART assessment of project logical framework

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Components/**  **Outcomes/**  **Outputs** | **Indicator** | **Baseline** | **Target for end of project** | **SMART assessment and comments** |
| **Project objective:**  **To ensure that the biodiversity of Ethiopia is better protected from current and future threats by ensuring development and investment decisions do not impact negatively on biodiversity** | (i) A comprehensive CRGE that recognizes conservation and sustainable use of BD as a major contributor to its goal of increasing GDP; and delivers a coherent response to BD loss, and CC;  (ii) At least 20,000  ha of the highly  threatened afro-  montane forests are under  improved stewardship  by community land  managers, as a result  of a PES scheme  piloted, indicated by  no loss of habitat  in BD sensitive areas  (from clearance for  agriculture). | The importance of biodiversity conservation not adequately appreciated across sectors – or the budget process in Ethiopia | 1. The importance of biodiversity conservation is better recognised at all levels in Ethiopia – including in the federal budget process –, investment in the environment is increased and decision makers in the planning system are better able to make decisions to protect biodiversity and ecosystem services.  2. Pilot PES operational in four sites.  3. At least 20,000 ha of the highly threatened Afromontane ecoregion are under improved stewardship by community land managers, as a result of the PES scheme piloted, indicated by no loss of habitat in BD sensitive areas (from clearance for agriculture, deforestation for fuel / building wood or grazing). | * Targets are specific, clear, measurable and achievable within the scope and duration of the project. * Indicator matches targets: target 1 is assessed through indicator (i); target 2 and 3 through indicator (ii). * Indicator (ii) is not written as an indicator. This indicator should be revised as: ‘area (ha) of land of the highly threatened afro-montane forests are under improved stewardship by community land managers, as a result of a PES scheme piloted, indicated by no loss of habitat in BD sensitive areas (from clearance for agriculture). |
| **Outcome 1: The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE at national level strengthened** | (i) Improved recognition of conservation and sustainable use of biodiversity as a major contributor to the CGRE strategy of increasing GDP; and delivers a coherent response to biodiversity loss, and climate change. | GoE budget not coded for environment  No BDER  Importance of biodiversity conservation is in planning and EIA systems but staff have limited capacity to implement systems | 1. Biodiversity Expenditure review completed.  2. GoE budget coded for biodiversity expenditure.  3. Decision makers more aware of the importance of Biodiversity to national and local economies and willing to redirect greater financial support to the Biodiversity sector. | Overall targets are clear, describing future expected conditions.   * Targets 1, 2 and 3 are measurable through indicator (i), achievable within the scope and duration of project * Recommendation to split Target 3 into two quantified targets to make it clearer and more measurable: i) “Increased awareness of 70 decision makers within MEFCC, MoANR, Investment Commission, Ministry of Water, Irrigation and Electricity, EBI, Ethiopian Wildlife Conservation Authority, National Plan Commission, Ministry of Mining, Petroleum and Natural Gas, and the sub-bureaus of these agencies on the importance of biodiversity for national and local economies” and ii) “Financial support to the biodiversity sector increased by 20%”. A proposed related indicator for the second target is “Increased FDRE spending on biodiversity’. |
| (ii) Requisite staff capacitated and well positioned to use decision support tools and the results from BPER, and other relevant studies regularly in their decision-making | 4. 6 regional level large scale digital maps of critical biodiversity areas developed;  5. Biodiversity score cards in place to determine a) no go areas (b) areas where developments may be allowed but with certain minimum conditions - target 6 (by end PY 2).  6. Spatial data, decision support tools and training provided to staff in all regions to better equip them to implement systems to support protection of biodiversity and ecosystem services in sustainable development.  7. Key staff trained in all relevant sectors at all levels on how to use the maps and scorecards for better land use planning and investments - – target 24 (by end PY2), 16 more (by end PY3), 24 more (by end PY4). | * Target 4, 5, 6 and 7 are clear and measurable. These targets seem achievable within the scope and duration of project; they include expected dates of accomplishment. |
| (iii) Better cooperation and interaction of institutions involved in managing the response to biodiversity loss and climate change |  | There is no specific target linked to indicators (iii).  Recommendation to add a target under Outcome 1: “1 concertation and coordination mechanism for national institutions established within the EBI, and quarterly meetings among sectoral ministries organised, to promote the mainstreaming of biodiversity in policy planning and budgeting (by PY4)”. |
| **Outcome 2: Payments for biodiversity conservation and wider ecosystem services is piloted at selected sites** | (i) Enhanced conservation security for the following threatened species  (ii) Land use changes under PES, result in increased forest cover, reduced habitat loss and habitat degradation by 35% | No land under PES in selected pilot sites | 1. At least 20,000ha under PES agreements in pilot sites.    2. At least 25% of land users in pilot areas benefiting from PES.  3. 50 % of land users increasingly aware of importance of BD and ESs.  4. At least 25% of land users using SLM technologies to enhance production in non-PES pilot areas.  5. Key local staff of MEFCC and other local institutions (including universities) trained in negotiation, contracting, transaction, monitoring and verification to effectively manage the PES schemes  [60 overall (10 per pilot area and 20 additional for scaling-up)].  6. *Metrics for determining the*  *payments designed:* Ecosystem services in the selected sites are defined, measured and assessed; amount of payment is determined. | Overall, targets are clear, describing future expected conditions; however, there are several mismatches between indicators and targets.   * Targets 1 to 6 are measurable and quantified, as well as achievable within the scope and duration of project. They are linked to the proposed indicators (i) and (ii). * An additional indicator ‘Number of staff trained to effectively manage the PES scheme’ should be added to better assess Target 5. |
|  | (iii) Institutional capacity of national and provincial governments (*woredas*) is emplaced to coordinate PES programmes, allowing for the systematic scale up of PES across the Afromontane forests (covering at least 20,000 hectares) | 7. Prospective sellers to supply ecosystem services identified; and their capacity to modify land use practices is enhanced through technical assistance / extension on biodiversity friendly land use practices.  8. PES agreements are brokered between sellers and Government specifying conditions for payments (Value of service; mode of payment; delivery of service) agreed upon by Government and sellers and operationalised through contracts.  9. Institutions in place to manage the PES scheme – such as negotiation, contracting, transaction and verification. | * An additional indicator to assess target 7 is suggested**:** “Number of prospective sellers identified per project site”. |
| (iv) Increased government investment in pro-conservation PES in the Afromontane forests by EOP | 10. Monitoring and verification system measures the impact of intervention (PES) on land use changes (actual delivery of ecosystem services), biodiversity and livelihoods in the target sites using standards and indicators derived from baseline information. | * Indicator (iv) does not match Target 10. Recommendation to revise indicator: ‘Guidelines for ecosystem services valuation developed, including indicators to evaluate biodiversity restoration status’. |

*Recommendations on Project design*

The reviewers note that the project’s Logical Framework – as per the project document – does not include mid-term targets; however, several targets are time-bound with an expected completion date at project year 2, 3 or 4.

The reviewers also note that most project targets are SMART and most indicators match targets. However, it is recommended to revise/add the following project targets/indicators to improve the clarity and measurability of some targets:

* Project objective:
* Revise indicator (ii) “At least 20,000 ha of the highly threatened afro-montane forests are under improved stewardship” into: ”area (ha) of land of the highly threatened afro-montane forests are under improved stewardship by community land managers, as a result of a PES scheme piloted, indicated by no loss of habitat in BD sensitive areas (from clearance for agriculture)”.
* Outcome 1:
* Split Target 3 into two targets to make it more measurable: i) “Increased awareness of 70 decision makers within MEFCC, MoANR, Investment Commission, Ministry of Water, Irrigation and Electricity, EBI, Ethiopian Wildlife Conservation Authority, National Plan Commission, Ministry of Mining, Petroleum and Natural Gas, and the sub-bureaus of these agencies on the importance of biodiversity for national and local economies” and ii) “Financial support to the biodiversity sector increased by 20%”. A proposed related indicator for the second target is “Increased FDRE spending on biodiversity’.
* Add a Target linked to Indicator (iii): “1 concertation and coordination mechanism for national institutions established within the EBI, and quarterly meetings among sectoral ministries organised, to promote the mainstreaming of biodiversity in policy planning and budgeting (by PY4)”.
* Outcome 2:
* An additional indicator “Number of staff trained to effectively manage the PES scheme” should be added to better assess Target 5: “Key local staff of MEF and other local institutions (including universities) trained in negotiation, contracting, transaction, monitoring and verification to effectively manage the PES schemes”.
* An additional indicator**:** “Number of prospective sellers identified per project site” should be added to assess Target 7:” Prospective sellers to supply ecosystem services identified; and their capacity to modify land use practices is enhanced through technical assistance / extension on biodiversity friendly land use practices”.
* Suggestion to revise Indicator (iv): “Increased government investment in pro-conservation PES in the Afromontane forests by EOP” into “Guidelines for ecosystem services valuation developed, including indicators to evaluate biodiversity restoration status” This revised indicator would better match Target: “Monitoring and verification system measures the impact of intervention (PES) on land use changes (actual delivery of ecosystem services), biodiversity and livelihoods in the target sites using standards and indicators derived from baseline information” .

In addition to the recommended changes in the project’s targets/indicators, the reviewers recommend developing a Gender Assessment and Action Plan as the design of the PES system should be gender-sensitive and some economic activities for women should be supported through Outcome 2. Finally, it is noted that the project does not include a Theory of Change. The reviewers recommend developing a project’s Theory of Change, in order to demonstrate how project’s interventions will contribute to achieve the objective of improved biodiversity protection in Ethiopia.

* 1. Progress towards results

In this section, the project’s progress towards results is evaluated based on the data provided in the Project Document, PIRs, Result Framework, inception and workshop reports, field observations and interviews conducted with relevant project partners (implementing/executing partners as well as project beneficiaries).

Table 8: Evaluation of project progress

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| --- | --- | --- | --- | --- |
| **Objective/**  **Outcomes** | **Indicator** | **Target for end of project** | **Achievement as of May 2018 and rating[[2]](#footnote-3)** | **Comments/justification for rating** |
| **Project objective:**  **To ensure that the biodiversity of Ethiopia is better protected from current and future threats by ensuring development and investment decisions do not impact negatively on biodiversity** | (i) A comprehensive CRGE that recognise conservation and sustainable use of BD as a major contributor to its goal of increasing GDP; and delivers a coherent response to BD loss, and CC.  (ii) At least 20,000  ha of the highly  threatened afro-  montane forests  under  improved stewardship, as a result  of a PES scheme  piloted | - The importance of biodiversity conservation is better recognised at all levels, investment in the environment is increased and decision makers are better able to make decisions to protect biodiversity and ecosystem services.  - Pilot PES operational in four sites.  - At least 20,000 ha of the highly threatened Afromontane ecoregion are under improved stewardship | HS | Achievements at mid-term:   * Biodiversity Public Expenditure Review for Ethiopia prepared and presented: this review is an important tool to foster governmental investments in biodiversity conservation * Restoration/conservation activities successful (target over-achieved). The following areas are restored/under conservation: * ~3,000 ha in Arba Minch area; * ~12,000 ha in Diga area; * ~12,500 in Choke area; and * ~1,500 in Jijiga zone. * In the Kulfo project site, synergies with other project developed to support and upscale restoration activities. * Plans to expand restoration areas in all sites. * PES baseline and feasibility studies developed, and strategic plan and roadmap produced: the GoE has adopted the strategic plan and initiated the process to develop a national PES legislation. * Discussions/agreements over voluntary PES undertaken between land managers (CBOs) and ecosystem services users in all project sites. for example, in Diga site (Oromia), MoUs were signed between CBOs and ecosystem services buyers, with the Environmental Protection and Forest Office acting as intermediary. * Local and national authorities and communities sensitised about BD and ecosystem services.   Comments:   * **Target of restored areas over-achieved** 🡪 plans to expand in all project sites   However:   * **PES is not fully implemented as no legal framework was adopted yet 🡪 need strong commitment from government to provide USD 1.6 million towards PES scheme in order to maintain engagement of private sector and community buy-in.** |
| **Outcome 1: The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE at national level strengthened** | (i) Improved recognition of conservation and sustainable use of biodiversity as a major contributor to the CGRE strategy of increasing GDP; and delivers a coherent response to biodiversity loss, and climate change.    (ii) Requisite staff capacitated and well positioned to use decision support tools in their decision-making.  (iii) Better cooperation institutions involved in managing the response to biodiversity loss and climate change. | - Biodiversity Expenditure review completed  - Decision makers more aware of the importance of BD  - 6 regional digital maps of critical biodiversity areas developed  - Biodiversity score cards (by end PY 2)  - Decision support tools and training provided to staff in sustainable development  - Key staff trained in all relevant sectors at all levels on how to use the maps and scorecards for better land use planning and investments | HS | Achievements at mid-term:   * Project provides technical and financial supports to EBI to implement NBSAP through the provision of BPER and other tools. * Biodiversity Public Expenditure Review completed and presented during a national policy forum; a BPER policy brief was disseminated to relevant stakeholders. * A report on BD score cards including methodology and assessment of the 04 project sites available. * 08 digital maps developed per site and training for relevant staff planned for Sept. 2018. * Training on how to use spatial decision support tools provided for 28 local staff members at regional environment and forest bureaus. * Training of 37 staff members in relevant sectoral ministries and institutions – including MEFCC, MoANR, Investment Commission and EBI – on how to use the decision support tools. * 2 multi-sectoral forums organised by EBI; with support from the project, to promote cooperation at the national level and facilitate the mainstreaming of biodiversity into plans and policies. * Cooperation among local governmental authorities and universities promoted through their participation in the local project technical committee and steering committee.   Comments:   * All decision support tools have been developed – the number of digital maps produced has over-exceeded to initial target of 6 per project site. * Training was provided to 65 staff members at all level, exceeding the mid-term target of 24. * There is no clear target linked to indicator (iii), therefore improvement in cooperation for managing biodiversity cannot be fully assessed. However, interviews with staff members of EBI indicated that a coordination mechanism is being developed within this institute to facilitate mainstreaming of biodiversity into sectoral policies. Moreover, multi-sectoral workshops are being organised at the national level and partnerships among governmental institutions and universities are promoted at the local level.   However:   * A general project website would be useful to upload and share all project’s knowledge products and decision-making tools, thereby facilitating the upscaling of project’s activities. * The regional digital maps developed by the project used data from 1997, 2007 and 2017 on BD conservation areas. This did not allow for the demonstration of project’s impacts. The reviewers recommended to add data for 2015, 2020 and 2027 (before start of the project; end of project; after end of project) to clearly demonstrate the project’s Impacts in terms of restored/protected areas and to monitor progress beyond the project’s lifetime. *The reviewers note that the project team confirmed the addition of relevant time series data to measure the project’s contribution towards biodiversity restoration.* |
| **Outcome 2: Payments for biodiversity conservation and wider ecosystem services is piloted at selected sites** | (i) Enhanced conservation security for threatened species  (ii) Land use changes under PES, result in increased forest cover, reduced habitat loss and habitat degradation by 35%  (iii) Institutional capacity of national and provincial governments is emplaced to coordinate PES programmes, allowing for the systematic scale up of PES across the Afromontane forests (covering at least 20,000 hectares)  (iv) Increased government investment in pro-conservation PES in the Afromontane forests by EOP | - At least 20,000ha under PES agreements in pilot sites.  - At least 25% of land users in pilot areas benefiting from PES  - 50 % of land users increasingly aware of importance of BD and ESs  - At least 25% of land users using SLM technologies to enhance production in non-PES pilot areas  - Key local staff trained to effectively manage the PES schemes  - Ecosystem services assessed; amount of payment is determined  - Prospective sellers identified; and their capacity to modify land use practices is enhanced  - PES agreements are brokered between sellers and Government and operationalised through contracts  - Institutions in place to manage the PES scheme and conduct M&E | S | Progress at mid-term:   * Baseline studies in each project site conducted. * 34 CBOs organised by the project across the 4 sites, managing the conservation areas and volunteering to support a sustainable production of ecosystem services. * >27,000ha of land restored/ under conservation scheme (managed by local CBOs) across all 4 project sites. * According to the PIR 2018, land degradation reduced by 50% in Diga project site, 40% in Hadew project site, 35% in Kulfo project site and 20% in Choke project site. Observations and interviews with local project partners and members of CBOs also indicated a significant decrease in unsustainable practices such as extraction of natural resources, fire and hunting. * As a result of SLM practices, local project partners and members of CBOs confirmed a reduced occurrence of natural disasters such as floods and landslides. * According to PIR 2018 (and based on interviews conducted by the project team in each project site), 60% of the people living in the target areas aware of the importance of biodiversity, and at least 20% of land users using SLM practices. * Project supports the development of a national framework for PES. To support this framework, the following preliminary/baseline/feasibility studies have been prepared:   - Ecosystem Services Valuation and PES Guidelines and Ecosystem Services Valuation Guideline: these reports present methods for assessing ecosystem services and comprise recommendations for PES design, implementation and valuation. They will serve as basis to design Ecosystem Services Valuation (ESV) equations for practitioners (document drafted);  - PES catalogue of best practices: this report is based on international projects financing sustainable management of the natural resources;  - PES feasibility study: this detailed report underlines the challenges and offers recommendations to develop a PES system in Ethiopia including an institutional and legal framework, relevant parties to involve and identification of ‘PES schemes’;  - PES baseline survey: this report provides detailed analysis of the project sites, their natural resources and current degradation;  - PES strategic plan: this report provides a roadmap (with timetable) to establish a PES system in Ethiopia and indications of the potential financial impacts of the proposed PES schemes in Ethiopia. The potential PES-related financial returns are estimated at above USD 84 million.  - PES training event organised in September 2016. The training targeted representatives of various governmental departments and research institutes such as EBI and universities. It aimed at raising awareness on PES and ecosystem valuation, including implementation approaches, monitoring, challenges and opportunities for PES in Ethiopia.   * High awareness of BD and ecosystem services among communities and local stakeholders: the project supported exchange visits to Humbo carbon project site, in SNNP, for representatives of government and local communities. In addition, awareness raising campaigns have been supported using various media including TV and radio shows, and films. * 04 SLM plans developed in all project sites. * Local universities involved in developing metrics for the PES system and guiding and monitoring restoration activities; commitment to maintain their involvement beyond the project’s lifetime is secured. * Prospective buyers – e.g. in private sector and universities – identified in each site; they have expressed their interest to enter into a voluntary PES system until the national legal framework is validated. In total, 4 agreements have been signed between land managers (CBOs) and voluntary payers of ecosystem services (according to PIR 2018). * In-kind support to alternative livelihoods provided to established CBOs as rewards for effective ecosystem restoration: this includes capacity building for loan access, as well as subsides for solar panels and efficient stoves – targeting women.   Comments:   * Local stakeholders are committed to protect biodiversity. * Strategy to expand conservation areas including areas under PES are discussed in project sites. * **Prospective buyers have been identified in project sites; option to establish voluntary agreements is being discussed; some agreements have been signed.**   However:   * **A national legal framework for PES needs to be adopted as soon as possible**. * **Site-specific PES systems need to be designed and implemented** (first, as voluntary system) to demonstrate benefits 🡪 funding from government required to incentive private sector. |

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| **Green** = Achieved | **Yellow** = On target to be achieved | **Red** = Not on target to be achieved |

* 1. Project implementation and adaptive management

This section reviews the project implementation in order to identify challenges and suggest adjustments or additional measures to support implementation more effectively.

Table 9: Review of project implementation and adaptive management

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| **Category** | **Comments/Observations** | **Recommendations** |
| Management arrangements | Roles and responsibilities of the UNDP, project management unit and national and local partners are clear and performed efficiently (as per interviews with PMU and project partners):  - UNDP has taken a proactive role in the designing, launching and implementation of the project. Interviews with the PMU and project partners within MEFCC and EBI confirmed that UNDP’s support is highly relevant and consistent, in particular the technical support provided, the follow-up and the timely availing of financial and expertise flows into the project implementation process.  - A review of the PIRs - that combine both UNDP’s and GEF’s reporting requirements - indicated that UNDP implements a result based management process; the annual reports provide an accurate overview of what the project has achieved during the reporting year. However, the reviewers note that the PIRs have not reported problems in project implementation – e.g. delays in the provision of the project co-finance and adoption of a legal PES framework – which may suggest that PIRs essentially report on project’s achievements, not problems.  - A Combined Delivery Report (CDR) summarizing all project substantive progress and expenditures, is issued to UNDP by the project team on a quarterly basis.  - Interviews with the PMU and project partners within MEFCC and EBI indicated that UNDP assists project implementing partners in preparing the project’s annual work plan (AWP) in the last month of every project fiscal year to timely get it signed by all parties and allowing smooth project implementation during the following year. The AWP, which preparation is led by UNDP, is critical to define annual performance indicators, targets, activities and budget, and to establish cornerstones for the project performance measurement throughout every project year (as per interview with the PMU and partners).  - UNDP undertakes periodic field visits to monitor project progresses at all levels. The PMU confirmed that a risk monitoring system is in place to identify risks and appropriate mitigation measures, based on which the project manager at PMU and the program specialist in UNDP regularly update the ATLAS system.  - The project management arrangement is consistent to ensure project’s ownership by the GoE. The project management unit is located in the MEFCC, with staff members committing their full time to the day to day implementation and monitoring of the project. Likewise, the project is overseen by the state minister for the environment sector in the ministry, who reports on the project results as part of the progresses of the national environmental sector to the national parliament. Moreover, the executing agency periodically facilitates a forum during which the project team presents the project result to a standing committee for the natural resource & environment affairs at the federal parliament. In addition, the project provides support to prepare a national PES strategy, which will be adopted as PES legislation as soon as possible.  - The executing agency work units at the local level (in each project site) have fully owned the project and its key activity. A day to day follow-up of the project is overseen by local environment officials and administrative chiefs, who trace environmental & social risks. The local project agencies also review quarterly and yearly project progress reports.  - The project partners, executing entity and beneficiaries indicated that the Project Management Unit has been efficient in delivering project’s activities within the planned timeline, even exceeding some of the targets by mid-term. The reviewers note that the PMU has developed relevant responses to avoid delays in project implementation, for example setting up voluntary PES agreements in the project sites to move forward despite delays in receiving the required co-financing towards the PES system. Likewise, they are managing environmental and social risks as they arise, for example seeking solutions to ensure restored/protected biodiversity areas remain protected through collaborating with local authorities in the project sites. As the PMU is located within MEFCC, ownership of the project by the GoE is strengthened; all project interventions are well-aligned with, and support MEFCC’s strategic objective to better protect biodiversity resources in Ethiopia.  - Cooperation between project’s implementers (within MEFCC and its local branches) and the various partners (EBI, local universities, Geospatial Agency, etc.) is good. All partners are driven by their engagement to achieve project’s targets and to sustain project’s activities beyond the project’s lifetime.  - Arrangements at the local level to manage and monitor project progress and to address challenges when they appear are working well: CBOs, local technical committee, local steering committee, and local universities have clear roles. A system to monitor progresses and report challenges has been set up and enables overcoming many difficulties.  - Despite a late start, the project team expedited the implementation to avoid delays; all project activities are currently on track – with some targets achieved beyond mid-term. | - PIRs could be prepared more realistically by underlying problems and suggesting solutions to overcome these problems. |
| Work planning | - The project start was slightly delayed: it was supposed to start in December 2015 but the Inception Workshop only took place in May 2016.  - All project’s activities are now on track; yet, the legalisation and implementation of a PES system should be the priority of the upcoming months.  - Relevant baseline/feasibility studies have been produced to support the targets – in particular the design and implementation of PES.  - Political/civil unrest in some target regions could affect the timely implementation of ecosystem restoration activities and PES. | Although there is no delays in the project’s workplan, it is recommended to design and implement the PES system as soon as possible to maintain the current commitments from local stakeholders (CBOs and potential PES buyers) and to demonstrate its environmental and economic benefits before completion of the project.  A close monitoring of project implementation in ‘at-risk’ areas should be implemented to identify challenges and solutions for implementing restoration activities. |
| Finance and co-finance | - Given the limited fund available to provide direct support to livelihoods, the project is supporting capacity building of CBOs to facilitate their access to loans for the development of new, sustainable economic activities, and PES as an alternative source of income.  - The GoE has committed to provide USD 1.6 million to fund the PES system; this co-finance commitment, reflecting the GoE’s contribution as buyer of ecosystem services, has not been provided yet. | The GoE’s commitment to provide USD 1.6 million as co-finance to the PES scheme should be concretised as soon as possible to enable the implementation of PES. |
| Project level monitoring and evaluation systems | - The project M&E system is based on the NIM (National Implementation Manual), jointly prepared by UNCT and the Ministry of Finance and Economic Cooperation, therefore this system is part of the national M&E process of Ethiopia. The NIM includes M&E procedures that ensure enough budget is allocated for M&E within the project’s annual workplans. The NIM has clearly stated roles of all the stakeholders in general and for UNDP and MEFCC in particular. UNDP’s role is to ensure the M& E system is clearly implemented. For example, the program progress is overseen by the M&E officer from UNDP. In addition, the Program Implementation Support Officers (PISOs) from UNDP analyse the project's book of account (prior to the arrival of external auditors for annual financial audit). Furthermore, the project team, based within MEFCC has its own monitoring process, technical follow-up, support and guide that include field visits in project’s sites. When field visits are not possible because of security issues, the project team uses remote monitoring through teleconference, skype or phone calls, and emails to ensure the M& E system is implemented and efficient.  - The PMU confirmed that the project M&E system is aligned with the national M&E system, sufficiently budgeted, and thoroughly applied.  - The PIR produced in 2017 and 2018 are very positive; no negative comments, nor recommendations are made to improve project implementation for the next reporting period.  - The MTR is implemented on time – about halfway into project implementation.  - Baseline studies for each project site and BD score cards have been produced to assess progress in BD conservation.  - Digital maps have been prepared to identify key ecosystem services in each project site; however, the maps indicating conservation areas use data from 1997, 2007 and 2017, which does not support the monitoring and evaluation of project’s impacts.  - Arrangements at the local level to monitor project progress are working well: CBOs, local technical committee, local steering committee and local universities have clear roles and responsibilities. A system to report challenges has been set up and enable overcoming difficulties. | It is recommended to add data for 2015 and 2020 (before start of the project; end of project) in the project’s digital maps to clearly measure and demonstrate the project’s Impacts in terms of restored/protected areas.  PIRs should not only reflect the project’s main achievements, but also the challenges faced and pathways to overcome them. |
| Stakeholder engagement | - The project involves a wide range of stakeholders at national and local levels: (i) at national level, MEFCC is implementing the project, the EBI receives technical and financial support, the Ethiopian Geospatial Agency prepares digital maps; in addition, representatives of the following ministries are being sensitised and trained on BD-related decision-making tools: MEFCC, MoANR, Ministry of Water, Irrigation and Electricity, EBI, Ethiopian Wildlife Conservation Authority, National Plan Commission, Ministry of Mining, Petroleum and Natural Gas, Investment Commission and the sub-bureaus of these agencies; (ii) at the local level, local branches of MEFCC are monitoring project implementation; local representatives of relevant departments are involved in the local technical and steering committees, as well as local universities, and authorities (at municipal or zonal level) are engaged and support the project.  All these stakeholders were consulted during the project development phase.  - Community members have been engaged since the early stage of PPG phase; they participated to the design of the project and are now engaged in its implementation. | No recommendations are made |
| Reporting | - PIRs, quarterly report, steering committee minutes and training workshop reports are prepared and available.  - Issues/challenges in project sites – e.g. related to restoration activities and their impacts such as increased risk of human-wildlife conflicts – are identified early and solutions are sought: on-the-ground problems are noted by CBOs and reported to the technical committee and the steering committee if needed. | No recommendations are made |
| Communication | - Project’s knowledge products – e.g. site baseline studies, BD score cards, PES feasibility study and BD guidelines – are not well-communicated/disseminated. These products remain largely within the project team.  - The digital maps to be finalised for each project sites will be posted in relevant offices in each site. | It is recommended to set up a project website, or a webpage – e.g. hosted on the MEFCC website – to share all knowledge products developed by the project as they are useful decision-making tools to upscale project’s activities. |
| **Overall Project Implementation & Adaptive Management rating** | **HS** | |

* 1. Sustainability

This section assesses the likelihood for the project to continue yielding benefits after the project ends. Risks that could affect project outcomes are also identified.

Table 10: Assessment of project sustainability

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| Risk to sustainability | Mitigation measures | Remaining risks | Recommendations |
| Financial | - Trainings to mainstream biodiversity considerations into sectoral policies are provided, thereby fostering the development and implementation of biodiversity-sensitive strategies.  - A long-term funding strategy for the PES system, which will leverage funding from the government and private sector, will be developed, thereby ensuring that local communities continue to restore and protect their ecosystems beyond the project’s lifetime. | - The main financial risk is related to the PES system, as the committed financial support from the government has not been concretised so far. The following risks are therefore noted:   * without leveraging the committed co-financing from the GoE to support PES, buy-in at the local level (CBOs, local staff, voluntary PES buyers) could be lost; and * without secured long-term funding for PES, the system could collapse at project’s end.   - The success of existing interventions has generated additional demand to establish new CBOs and expand conservation sites, which will require increased resources in terms of local staff time and funding that will need to be planned for.  - Additional livelihood support is requested at the local level (e.g. for livelihood diversification), which could induce additional costs. | - The GoE needs to be the figurehead of the PES system. Therefore, it is recommended to convey the urgency of mobilising governmental co-financing at the ministerial level.  - Towards the end of the project, it is recommended to prepare a financial sustainability strategy to support PES system as well as alternative livelihood activities for the local communities – e.g. by leveraging fund from other ministries/future projects.  - Leveraging fund to maintain the PES system is also a pathway to upscale conservation areas. |
| Socio-economic | - The project – in particular Outcome 2 and the establishment of a PES system – was designed based on consultations with local universities and communities, thereby reflecting their needs and interests.  - Best practices to design PES and a feasibility study for PES system in Ethiopia have been conducted to ensure the design of an efficient system that responds to socio-economic needs.  - CBOs have been established in project sites and capacitated to restore and protect local ecosystems.  - Support to sustainable livelihoods is provided to the CBOs established under the project, including capacity building to access loans and subsides for solar panels and efficient stoves. | - Without upscaling and providing further support to diversify livelihood options, there is a risk of losing buy-in from CBO members, who may go back to biodiversity-unfriendly activities (e.g. illegal logging, overgrazing etc.)[[3]](#footnote-4).  - Civil/political instability can delay the implementation of project activities in some of the sites, e.g. in Somali region. | - It is critical to provide direct support for upscaling and diversifying livelihood options in and around the project sites to ensure biodiversity conservation areas are maintained beyond the project’s lifetime. This could be achieved through using part of the co-financing from GoE for this, and by seeking collaboration with other initiatives (including future projects) and other sectors (e.g. agriculture). |
| Institutional framework and governance | - The project is well-aligned with, and supports the implementation of the NBSAP and CRGE, as well as other national and international conventions on biodiversity protection.  - The project will support the development of guidelines to mainstream biodiversity into sectoral policies and plans, and the validation of a national framework to support PES.  - Multi-sectoral coordination and engagement to maintain biodiversity is promoted. | - Delays in validating the national framework for BD and PES could discourage local stakeholders/ private sectors as they have already been engaged.  - Frequent changes in governmental institutions – e.g. merging or breaking of institutions – and staff turnover could negatively affect project’s implementation. | - Finalising a voluntary PES system in project sites is recommended before the national legal framework is adopted in order to maintain buy-in from local stakeholders and communities. |
| Environmental | - The land restoration activities implemented by the project are based on lessons learned from other similar initiatives.  - Conservation sites are being patrolled and penalties are currently enforced by CBOs and local authorities to ensure conservation sites are not degraded.  - Local communities are sensitised about the importance to restore and protect biodiversity.  - Support to develop livelihood activities that will reduce land degradation is provided through the project.  - Restoration activities have reduced the occurrence of natural disasters such as floods and landslides.  - Digital maps of project sites are produced to monitor project impacts in terms of restoring/conserving biodiversity areas. | - Human-wildlife conflicts – e.g. baboons killing small ruminants or warthog destroying crops – have been observed and are multiplying with the successful restoration of wildlife in conservation areas, creating the risk that local communities turn back to land degradation practices to reduce the damages caused to their agricultural activities.  - Because of an observed reduced occurrence of floods and landslides in and around project sites, communities tend to build settlements at the margin of the restored areas, with potential negative impacts on maintaining the conservation areas, e.g. if settlements are built in the restored sites.  - Leakage risks have been identified by the project team but are already being addressed adequately by: i) expanding conservation sites; ii) fostering awareness of non-CBO communities; and iii) providing support to alternative livelihoods to non-CBO members.  - The current digital maps produced by the project do not allow monitoring project’s impacts on conservation areas during and beyond the project’s lifetime. | - It is recommended to have clear demarcations between conservation/wildlife areas and settlement.  - Promoting alternative livelihood activities such as poultry and setting up barns to keep livestock during the night will reduce human-wildlife conflicts.  - Solutions to reduce human-wildlife conflicts can include sensitising local communities about the importance of wildlife but also seeking sustainable solutions – e.g. Wollega University suggested to kill baboon ‘leader’ in order to reduce attacks against small ruminants.  - It is recommended to emphasise the importance of protecting the conservation areas – e.g. no settlements to be built within these areas – for the local communities in and nearby project sites. In addition, it is critical to enforce land conservation penalties beyond the project’s lifetime.  - Leakage risks should be identified early on in the delineation of conservation sites.  - Regarding the digital maps of project sites, the reviewers recommend adding data for 2015, 2020 and 2027 (before start of the project; end of project; after end of project) to clearly demonstrate the project’s Impacts in terms of restored/protected areas and to monitor progress beyond the project’s lifetime |
| Overall Sustainability rating[[4]](#footnote-5) | L | | |

* 1. Challenges faced and lessons learned

Challenges and lessons learned are extensively described in the tables above.

Below is a summary of the main challenges identified:

* Converting the commitment of the GoE to protect biodiversity into concrete actions – e.g. through the adoption of the legal framework to support PES and payment of the co-finance – requires continuous efforts and follow up from the project team;
* PES is new in Ethiopia, therefore its implementation will likely require adjustments; in this context, compiling, analysing and using lessons learned from PES implementation will be necessary to establish an efficient system.

The main lessons learned are:

* Strong commitment of the project team and partners at the implementation phase is critical to fast track implementation, identify and solve problems as they arise, and seek innovative pathways to ensure success of the project (e.g. seeking alternative sources of support for livelihood options in project sites).
* Developing a project based on a participatory process that involves relevant national and local actors – including local communities – is critical for ensuring ownership, success and sustainability.
* A siloed approach to conservation cannot be sustainable in practice. Conservation initiatives need to incorporate livelihood support elements to deliver satisfactory result in the mid- to long-term.

1. Conclusions and recommendations
   1. Conclusions

The evaluation of the project Mainstreaming Incentives for Biodiversity Conservation in CRGE is overall highly satisfactory. The key conclusions are provided below for each area considered under this MTR.

* + 1. *Project design*

In terms of the project design, a participatory approach was used to ensure the involvement of relevant stakeholders at national and local level. For example, concept notes were submitted by various stakeholders including local universities, and informed the development of the project document. Despite a lack of stakeholder engagement plan, relevant stakeholders – including MEFCC, the EBI, Ethiopia Geospatial Agency, district/zonal officers, CBOs and universities – are and remain involved in project implementation and management. In addition, the project was designed to support, and is well-aligned with, several national policies and strategies including the CRGE strategy, the National Biodiversity Strategy and Ethiopia’s Growth and Transformation Plan.

Regarding the project’s Logical Framework, the review team noted some mismatches between project’s targets and indicators. Revisions are suggested in Table 7, section 3.1 of the report, as well as in the recommendation table (see section below). The reviewers noted that gender-related issues are not sufficiently considered. As women play a key role in ecosystem conservation, their specific involvement in PES should be considered and livelihood options for women be supported in order to reduce unsustainable practices such as wood extraction for domestic purposes. It also appears that some of the risks related to conservation and restoration activities – e.g. leakages and human-wildlife conflicts – had not been considered in the project design and need to be addressed as they arise by the project team.

A last observation with regards to the project strategy is the limited support available for the promotion of alternative, sustainable livelihoods, as most resources are dedicated to biodiversity protection (legal framework and restoration/conservation activities). Yet, a siloed approach to BD conservation is not sustainable, it needs to be combined with support to sustainable livelihood options to deliver satisfactory long-term results. With this regard, the reviewers underlined the role of the project team to mobilize other resources from local governments to avail options for livelihood support, for example through MFIs, NGOs, and government food security programs.

* + 1. *Progress towards results*

Overall, the project has been successful in terms of delivering the planned activities and making progress towards achieving its targets. In particular, the project has established the basis for a legal framework to mainstream biodiversity into the CRGE. Several tools and guidelines – including a Biodiversity Public Expenditure Review, 8 regional digital maps, Biodiversity Scorecards that demonstrate changes in biodiversity conservation, guidelines on ecosystem services valuation, and an action plan and road map for PES – have been produced. A legal framework for PES has also already been developed. Furthermore, 65 key staff from governmental organisations at national and local levels have been trained on how to use the decision making tools produced by the project, which is well-beyond the project mid-term target of 24.

At the local level, land users have been organised in 34 CBOs across the 04 project sites and trained on sustainable land management practices. They are also sensitised on PES and willing to take part to this system once in effect. In fact, several buyers have been identified and voluntary agreements between CBOs and PES buyers signed. In addition, the project objective of improved stewardship over at least 20,000ha of the Afromontane ecoregion has been overachieved; conservation activities are currently implemented over 27,000ha of land and plans to upscale these conservation areas are discussed in each project site.

The remaining steps to activate the PES system are the validation of a legal framework by the GoE, the funding of PES scheme at USD 1.6 million as committed co-finance, and the finalisation of site-specific PES mechanisms with clear valuation based on the guidelines produced. This will be critical to ensure current achievements are maintained over time.

Finally, the reviewers have noted that the project regional digital maps have limitations in terms of demonstrating the project’s impacts on conservation areas. This is because the time series available and used to develop the maps only covered the 10-year periods of 1997-2007 and 2007-2017. The reviewers have advised the project team and the Ethiopian Geospatial Agency to decrease the interval between time series to sufficiently demonstrate the project’s impacts in terms of expanding conservation areas. Adding data for 2015 (before start of the project), 2020 (end of the project) and 2027 (beyond project’s lifetime) would help demonstrating these impacts in the long-term. *The reviewers note that the project team confirmed they will act upon this recommendation.*

* + 1. *Project implementation and adaptive management*

A major strength of the project lies in the commitment and efficiency of the project management team. Despite a delayed start, the team has accelerated project implementation; all activities are now on track and all targets are likely to be achieved by project’s end. In addition, the project team has played, and still plays, a key role in generating strong partnerships with national and local stakeholders for project implementation and management, ensuring all project Outputs are on track, and initiating discussion for the continuation and upscaling of project activities beyond the project’s lifetime. Finally, the project team is working closely with the GoE to support the adoption of a legal framework for PES; this framework has already been developed by the project and, at the time this MTR was conducted, the framework was in the pipeline for adoption by the government.

One potential threat to project implementation is the political/civil unrest affecting some of the project’s target sites. This could affect the timely implementation of project’s activities as well as their long-term success.

* + 1. *Sustainability*

Several initiatives, undertaken by the project team, will contribute to ensure project’s achievements are maintained beyond its lifetime. This includes the design of a funding strategy for PES, which leverages fund from the government and private sector; the upscaling of conservation areas and their monitoring by the established CBOs and local universities, the establishment of a legal framework to support PES and to promote the mainstreaming of biodiversity into sectoral policies, and the support, awareness raising campaigns and capacity building provided to many institutions and organisations including relevant sectoral ministries, EBI, CBOs and local partners.

However, the development and implementation of the PES system largely relies on commitment from the GoE including the adoption of a legal framework and the funding of PES. Delays in concretising these commitments – as observed currently – may result in a late implementation of PES and, thereby, limited demonstration of the environmental and economic benefits of PES. Demonstrating these benefits within the project’s lifetime is critical to ensure the continuation of the system.

* 1. Recommendations

To fast track project implementation and ensure all targets are achieved by project’s end, the reviewers provide the following recommendations.

|  |  |
| --- | --- |
| **Recommendation** | **Responsible Unit** |
| **Project design** | |
| Compile and share (e.g. on a project website) lessons learned on the design and implementation of the PES system to make relevant adjustments and inform future similar initiatives in the region. | MEFCC/UNDP |
| Develop a project’s Theory of Change, in order to demonstrate how project’s interventions will contribute to achieve the objective of improved biodiversity protection in Ethiopia. | MEFCC/UNDP |
| Revise Project’s Objective indicator (ii) “At least 20,000 ha of the highly threatened afro-montane forests are under improved stewardship” into: ”Area (ha) of land of the highly threatened afro-montane forests are under improved stewardship by community land managers, as a result of a PES scheme piloted, indicated by no loss of habitat in BD sensitive areas (from clearance for agriculture)”. | MEFCC/UNDP |
| Split Target 3 (Outcome 1) into two targets: “Increased awareness of 70 decision-makers within MEFCC, MoANR, Investment Commission, Ministry of Water, Irrigation and Electricity, EBI, Ethiopian Wildlife Conservation Authority, National Plan Commission, Ministry of Mining, Petroleum and Natural Gas, and the sub-bureaus of these agencies on the importance of biodiversity for national and local economies” and “Financial support to the biodiversity sector increased by 20%” and add a related indicator: “Increased FDRE spending on biodiversity”. | MEFCC/UNDP |
| Add a Target linked to Indicator (iii): “1 concertation and coordination mechanism for national institutions established within the EBI, and quarterly meetings among sectoral ministries organised, to promote the mainstreaming of biodiversity in policy planning and budgeting (by PY4)”. | MEFCC/UNDP |
| Add an indicator: “Number of staff trained to effectively manage the PES scheme” to assess Target 5 (Outcome 2). | MEFCC/UNDP |
| Add an indicator**:** “Number of prospective sellers identified per project site” to assess Target 7 (Outcome 2). | MEFCC/UNDP |
| Revise the indicator linked to Target 10 (Outcome 2) into “Guidelines for ecosystem services valuation developed, including indicators to evaluate biodiversity restoration status”. | MEFCC/UNDP |
| Conduct a Gender Assessment and Action Plan to inform the implementation of a gender-sensitive PES system; and to provide support to alternative economic livelihoods for women. | MEFCC/UNDP |
| Identify additional sources to support alternative livelihood options – e.g. by using some of the co-financing resources, seeking collaboration with other initiatives or sectors. | MEFCC |
| **Progress towards results** | |
| Further engage with the GoE to ensure the PES legal framework is validated as soon as possible and a PES system – including ecosystem valuation and per-conditions for buyers – is implemented to demonstrate the benefits. | MEFCC/UNDP |
| Establish a project website, or online platform, hosted by the MEFCC, to share relevant decision-making tools and reports produced by the project. | MEFCC |
| Update the regional digital maps of conservation areas including data for 2015 (before project implementation), 2020 (end of project implementation) and 2027 (beyond project’s end) in order to demonstrate the long-term project’s impacts on conservation areas. | MEFCC |
| **Project implementation and adaptive management** | |
| Convey the urgency of mobilising governmental co-financing at the ministerial level to support the implementation of a PES system and other relevant activities. | MEFCC/UNDP |
| Closely monitor project implementation in project sites considered at risk of political/civil unrest. | MEFCC/UNDP |
| **Sustainability** | |
| Develop a strong funding strategy for the PES system, which leverages fund from the public and private sector, to maintain the PES beyond the project’s lifetime. | MEFCC/UNDP |
| Implement additional awareness raising campaigns on the importance of biodiversity conservation (including wildlife), apply clear demarcation between conservation areas and settlements and enforce penalties for illegal extraction/use of the natural resources to ensure the conservation areas remain protected at project’s end. | MEFCC |

Annex 1 – MTR ToRs

1. **INTRODUCTION**

This is the Terms of Reference (ToR) for the UNDP-GEF Midterm Review (MTR) of the *full* -sized project titled *Mainstreaming Incentives for Biodiversity Conservation in CRGE* (PIMS 4644) implemented through the *Ministry of Environment Forest and Climate Change*, which is to be undertaken in *2018*. The project started on the *October 2015* and is in its *third* year of implementation. In line with the UNDP-GEF Guidance on MTRs, this MTR process was initiated before the submission of the second Project Implementation Report (PIR). This ToR sets out the expectations for this MTR. The MTR process must follow the guidance outlined in the document *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*.

**2. PROJECT BACKGROUND INFORMATION**

The project was designed to: *To Ensure that Biodiversity of Ethiopia is better protected from current and future threats, by ensuring development and investment decisions do not impact negatively on Biodiversity”. Under the general objective the project has two major outcomes;*

* *The enabling policy framework for mainstreaming biodiversity conservation into the Climate Resilient Green Growth is strengthened and*
* *At least 20,000 ha of highly threatened Afromontane eco-region are under Payment for Ecosystem Services resulting in improved stewardship by community land managers and reduced pressure on Bio-Diversity*

*The project is currently supporting communities and local governments in their effort to intensively rehabilitating highly threatened ecosystem in 04 areas of Ethiopia in 04 regional states namely; Choke mountain ecosystem in Amhara regional state where significant number of tributary rivers to the blue Nile starts, Diga-Arjo forest in Oromia regional state which has also high importance for Dedhesa sub-basin in the west, Kulfo forest in South Nations, Nationalities and Peoples’ regional state which is also a critical catchment for Omo watershed to the south and Hadew(Karamara) range area in Ethio-Somali regional state where promising & significant number of medicinal threes & shrubs exist..*

**3. OBJECTIVES OF THE MTR**

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on-track to achieve its intended results. The MTR will also review the project’s strategy and its risks to sustainability.

**4. MTR APPROACH & METHODOLOGY**

The MTR must provide evidence based information that is credible, reliable and useful. The MTR team will review all relevant sources of information including documents prepared during the preparation phase (i.e. PIF, UNDP Initiation Plan, UNDP Environmental & Social Safeguard Policy, the Project Document, project reports including Annual Project Review/PIRs, project budget revisions, lesson learned reports, national strategic and legal documents, and any other materials that the team considers useful for this evidence-based review). The MTR team will review the baseline GEF focal area Tracking Tool submitted to the GEF at CEO endorsement, and the midterm GEF focal area Tracking Tool that must be completed before the MTR field mission begins.

The MTR team is expected to follow a collaborative and participatory approach[[5]](#footnote-6) ensuring close engagement with the Project Team, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), UNDP-GEF Regional Technical Advisers, and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR.[[6]](#footnote-7) Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to *The State Minister of Ministry of Environment, Forest and Climate Change (MEFCC), GEF Focal Person, Environmental work organs of Amhara, Oromia, SNNP and Ethio-Somali Regional States, the Project Manager at PMU in MEFCC and his staff, The inclusive Growth and Sustainable Development Unit TL at UNDP, The Country Director at UNDP, The GEF Program Analyst at UNDP, The Regional Technical Advisor, Project Site Officers at four project sites, Project Steering Committee at national and local levels* . Additionally, the MTR team is expected to conduct field missions to the following project sites *Choke Mountain, East Gojjam Zone (Amhara Region), Arjo-Digo Forest (Oromiya Region),Kulfo Forest, Arba-Minch (SNNP Region), Hadew Kebele, Jijiga Zone (Somali Region)*.

The final MTR report should describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review.

**5. DETAILED SCOPE OF THE MTR**

The MTR team will assess the following four categories of project progress. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for extended descriptions.

**i. Project Strategy**

Project design:

* Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.
* Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?
* Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?
* Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?
* Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.
* If there are major areas of concern, recommend areas for improvement.

Results Framework/Logframe:

* Undertake a critical analysis of the project’s logframe indicators and targets, assess how “SMART” the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and indicators as necessary.
* Are the project’s objectives and outcomes or components clear, practical, and feasible within its time frame?
* Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e. income generation, gender equality and women’s empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.
* Ensure broader development and gender aspects of the project are being monitored effectively. Develop and recommend SMART ‘development’ indicators, including sex-disaggregated indicators and indicators that capture development benefits.

**ii. Progress Towards Results**

Progress Towards Outcomes Analysis:

* Review the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and following the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*; colour code progress in a “traffic light system” based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as “Not on target to be achieved” (red).

Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project Strategy** | **Indicator[[7]](#footnote-8)** | **Baseline Level[[8]](#footnote-9)** | **Level in 1st PIR (self- reported)** | **Midterm Target[[9]](#footnote-10)** | **End-of-project Target** | **Midterm Level & Assessment[[10]](#footnote-11)** | **Achievement Rating[[11]](#footnote-12)** | **Justification for Rating** |
| **Objective:** | Indicator (if applicable): |  |  |  |  |  |  |  |
| **Outcome 1:** | Indicator 1: |  |  |  |  |  |  |  |
| Indicator 2: |  |  |  |  |  |
| **Outcome 2:** | Indicator 3: |  |  |  |  |  |  |  |
| Indicator 4: |  |  |  |  |  |
| Etc. |  |  |  |  |  |
| **Etc.** |  |  |  |  |  |  |  |  |

**Indicator Assessment Key**

|  |  |  |
| --- | --- | --- |
| Green= Achieved | Yellow= On target to be achieved | Red= Not on target to be achieved |

In addition to the progress towards outcomes analysis:

* Compare and analyse the GEF Tracking Tool at the Baseline with the one completed right before the Midterm Review.
* Identify remaining barriers to achieving the project objective in the remainder of the project.
* By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

**iii. Project Implementation and Adaptive Management**

Management Arrangements:

* Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
* Review the quality of execution of the Executing Agency/Implementing Partner(s) and recommend areas for improvement.
* Review the quality of support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.

Work Planning:

* Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.
* Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results?
* Examine the use of the project’s results framework/ logframe as a management tool and review any changes made to it since project start.

Finance and co-finance:

* Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
* Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.
* Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
* Informed by the co-financing monitoring table to be filled out, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Project-level Monitoring and Evaluation Systems:

* Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?
* Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?

Stakeholder Engagement:

* Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
* Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
* Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?

Reporting:

* Assess how adaptive management changes have been reported by the project management and shared with the Project Board.
* Assess how well the Project Team and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
* Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

Communications:

* Review internal project communication with stakeholders: Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?
* Review external project communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)
* For reporting purposes, write one half-page paragraph that summarizes the project’s progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.

**iv. Sustainability**

* Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
* In addition, assess the following risks to sustainability:

Financial risks to sustainability:

* What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project’s outcomes)?

Socio-economic risks to sustainability:

* Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long term objectives of the project? Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

Institutional Framework and Governance risks to sustainability:

* Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

Environmental risks to sustainability:

* Are there any environmental risks that may jeopardize sustenance of project outcomes?

**Conclusions & Recommendations**

The MTR team will include a section of the report setting out the MTR’s evidence-based conclusions, in light of the findings.[[12]](#footnote-13)

Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report’s executive summary. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for guidance on a recommendation table.

The MTR team should make no more than 15 recommendations total.

**Ratings**

The MTR team will include its ratings of the project’s results and brief descriptions of the associated achievements in a *MTR Ratings & Achievement Summary Table* in the Executive Summary of the MTR report. See Annex E for ratings scales. No rating on Project Strategy and no overall project rating is required.

Table. MTR Ratings & Achievement Summary Table for (Mainstreaming Incentives for Biodiversity Conservation in CRGE)

|  |  |  |
| --- | --- | --- |
| **Measure** | **MTR Rating** | **Achievement Description** |
| **Project Strategy** | N/A |  |
| **Progress Towards Results** | Objective Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 1 Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 2 Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 3 Achievement Rating: (rate 6 pt. scale) |  |
| Etc. |  |
| **Project Implementation & Adaptive Management** | (rate 6 pt. scale) |  |
| **Sustainability** | (rate 4 pt. scale) |  |

1. **TIMEFRAME**

The total duration of the MTR will be approximately *60 working days* over a time period of *(three months)* starting *June 15, 2018 ,* and shall not exceed five months from when the consultant(s) are hired. The tentative MTR timeframe is as follows:

|  |  |
| --- | --- |
| **TIMEFRAME** | **ACTIVITY** |
| *June 10, 2018* | Application closes |
| *June 15, 2018* | Select MTR Team |
| *June 20, 2018* | Prep the MTR Team (handover of Project Documents) |
| *June 25, 2018* | Document review and preparing MTR Inception Report |
| *June 30, 2018* | Finalization andValidation of MTR Inception Report- latest start of MTR mission |
| *July 13, 2018 (10 days)* | MTR mission: stakeholder meetings, interviews, field visits |
| *July 17, 2018 (2 days)* | Mission wrap-up meeting & presentation of initial findings- earliest end of MTR mission |
| *July 26, 2018 (8 days)* | Preparing draft report |
| *August 2, 2018 (5 days)* | Incorporating audit trail from feedback on draft report/Finalization of MTR report (note: accommodate time delay in dates for circulation and review of the draft report) |
| *August 6, 2018 (2 days)* | Preparation & Issue of Management Response |
| *August 23, 2018 (12 days)* | Expected date of full MTR completion |

Options for site visits should be provided in the Inception Report.

1. **MIDTERM REVIEW DELIVERABLES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **#** | **Deliverable** | **Description** | **Timing** | **Responsibilities** |
| **1** | **MTR Inception Report** | MTR team clarifies objectives and methods of Midterm Review | No later than 2 weeks before the MTR mission | MTR team submits to the IGSD Unit /UNDP CO and Ministry of Environment and Forest |
| **2** | **Presentation** | Initial Findings | End of MTR mission | MTR Team presents to IGSD unit/UNDP Co and Ministry of Environment and Forest |
| **3** | **Draft Final Report** | Full report (using guidelines on content outlined in Annex B) with annexes | Within 3 weeks of the MTR mission | Sent to the IGSD Unit, reviewed by RTA, Project Coordinating Unit, GEF OFP |
| **4** | **Final Report\*** | Revised report with audit trail detailing how all received comments have (and have not) been addressed in the final MTR report | Within 10 days of receiving UNDP comments on draft | Sent to the IGSD Unit |

\*The final MTR report must be in English. If applicable, the Commissioning Unit may choose to arrange for a translation of the report into a language more widely shared by national stakeholders.

1. **MTR ARRANGEMENTS**

The principal responsibility for managing this MTR resides with the IGSD Unit. The IGSD Unit for this project’s MTR is *(In the case of single-country projects, the Commissioning Unit is the UNDP Country Office. In the case of regional projects and jointly-implemented projects, typically the principal responsibility for managing this MTR resides with the country or agency or regional coordination body – please confirm with the UNDP-GEF team in the region – that is receiving the larger proportion of GEF financing. For global projects,**the Commissioning Unit can be the UNDP-GEF Directorate or the lead UNDP Country Office).*

The commissioning unit will contract the consultants and ensure the timely provision of per diems and travel arrangements within the country for the MTR team. The Project Team will be responsible for liaising with the MTR team to provide all relevant documents, set up stakeholder interviews, and arrange field visits.

1. **TEAM COMPOSITION**

A team of two independent consultants (one international and one national) will conduct the MTR - one team leader – the international consultant (with experience and exposure to projects and evaluations in other regions globally) and one team expert – the national consultant. The consultants cannot have participated in the project preparation, formulation, and/or implementation (including the writing of the Project Document) and should not have a conflict of interest with project’s related activities.

The selection of consultants will be aimed at maximizing the overall “team” qualities in the following areas: *(give a weight to all these qualifications so applicants know what is the max amount of points they can earn for the technical evaluation)*

* Recent experience with result-based management evaluation methodologies;
* Experience applying SMART indicators and reconstructing or validating baseline scenarios;
* Competence in adaptive management, as applied to GEF Climate Change adaptation projects;
* Experience working with the GEF or GEF-evaluations;
* Experience working in GEF Africa Region
* Work experience in relevant technical areas for at least 10 years;
* Demonstrated understanding of issues related to gender and *GEF Climate Change Adaptation Projects*; experience in gender sensitive evaluation and analysis.
* Excellent communication skills;
* Demonstrable analytical skills;
* Project evaluation/review experiences within United Nations system will be considered an asset;
* A Master’s degree in *Climate Change Adaptation, Environmental Science, Natural Resource Management*, or other closely related field.

| Criteria | | Weight | Max. Point |
| --- | --- | --- | --- |
| Technical Competence (based on CV, Proposal and interview (if required)) | | 70% | 100 |
| * Criteria a. Educational relevance: close fit to post | |  | 10 |
| * Criteria b. Understanding the scope of work and organization of the proposal | |  | 50 |
| * Criteria c. Experience of similar assignment | |  | 30 |
| * Criteria d. Previous work experience in Africa/ Ethiopia | |  | 10 |
| Financial (Lower Offer/Offer\*100) | | 30% | 30 |
| Total Score | Technical Score \* 70% + Financial Score \* 30% | | |

1. **PAYMENT MODALITIES AND SPECIFICATIONS**

10% of payment upon approval of the final MTR Inception Report

30% upon submission of the draft MTR report

60% upon finalization of the MTR report

Or, as otherwise agreed between the Commissioning Unit and the MTR team.

1. **APPLICATION PROCESS[[13]](#footnote-14)**

**Recommended Presentation of Proposal:**

1. **Letter of Confirmation of Interest and Availability** using the [template](https://intranet.undp.org/unit/bom/pso/Support%20documents%20on%20IC%20Guidelines/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx)[[14]](#footnote-15) provided by UNDP;
2. **CV** and a **Personal History Form** ([P11 form](http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc)[[15]](#footnote-16));
3. **Brief description of approach to work/technical proposal** of why the individual considers him/herself as the most suitable for the assignment, and a proposed methodology on how they will approach and complete the assignment; (max 1 page)
4. **Financial Proposal** that indicates the all-inclusive fixed total contract price and all other travel related costs (such as flight ticket, per diem, etc), supported by a breakdown of costs, as per template attached to the [Letter of Confirmation of Interest template](http://procurement-notices.undp.org/view_file.cfm?doc_id=29916). If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

All application materials should be submitted to the address UNDP, Procurement Office, North Wing, 6th Floor, ECA Compound, P.O.Box 5580, Addis Ababa, Ethiopia; in a sealed envelope indicating the following reference “Consultant for *Mainstreaming Incentives for Biodiversity Conservation in CRGE*  Midterm Review” or by email at the following address ONLY: [Mekdelawit.hailu@undp.org](mailto:Mekdelawit.hailu@undp.org) This email address is being protected from spam bots, you need Javascript enabled to view it by ***(Midnight Addis Time on May 10, 2018).*** Incomplete applications will be excluded from further consideration.

**Criteria for Evaluation of Proposal:** Only those applications which are responsive and compliant will be evaluated. Offers will be evaluated according to the Combined Scoring method – where the educational background and experience on similar assignments will be weighted at 70%and the price proposal will weigh as 30% of the total scoring. The applicant receiving the Highest Combined Score that has also accepted UNDP’s General Terms and Conditions will be awarded the contract.

Annex 2 – Interview guide used for data collection

Below is the interview guide that was used as support for the discussions with project implementers, partners and beneficiaries. Face-to-face interviews and Focus Group Discussions were organised around the four main themes underlined in the table: i) satisfaction; ii) collaboration and partnering; iii) knowledge management and capacity building; and iv) future direction. The review team used open discussion oriented around these four themes and the related questions to collect qualitative and quantitative data relevant to the MTR.

Table 1. Survey guide for project management, partners and beneficiaries

|  |  |  |
| --- | --- | --- |
| **1** | **Satisfaction** | |
|  | 1.1 | What have been the key achievements thus far; i.e. what would not have happened, or happened as quickly without the project? |
|  | 1.2 | To what extent is the project’s work aligned with key priorities of your organisation? |
|  | 1.3 | What are areas in which the project could do better in terms of quality of interactions, processes that the project uses, technical work or knowledge sharing? Please give examples. |
|  | 1.4 | Please comment on how well the project is addressing or incorporating into its work emerging priorities, such as the renewed emphasis on gender equality, sustainability or country ownership? |
| **2** | **Collaboration and partnering** | |
|  | 2.1 | Is the project doing enough to partner with other relevant organisations, including local organisations? In what ways are they working well? Are any important connections not being made, and if this is the case, how can they improve? |
| **3** | **Knowledge management and capacity building** | |
|  | 3.1 | How are the project’s products shared among partners and among relevant organisations? Are lessons learned captured, compiled and shared? Are project results shared and used to facilitate replication of best practices? How could this process be improved? |
|  | 3.2 | Is the project addressing capacity building needs of the beneficiary community organisations (e.g. CBOs and cooperatives, relevant line ministries, PES legal experts) and local governmental institutions? Please elaborate. |
| **4** | **Future direction** | |
|  | 4.1 | What are the strengths and weaknesses of this project and what would you like to see changed in future project designs? |
|  | 4.2 | What are the technical gaps or emerging priorities that need to be addressed, either in the remainder of this project, or in a follow-on one? |

Annex 3 – Ratings scales

Progress towards results were rated according to the scale presented in the table below.

|  |  |  |
| --- | --- | --- |
| **Ratings for Progress Towards Results** | | |
| 6 | Highly Satisfactory (HS) | The objective/outcome is expected to achieve or exceed all its end-of-project targets, without major shortcomings. The progress towards the objective/outcome can be presented as “good practice”. |
| 5 | Satisfactory (S) | The objective/outcome is expected to achieve most of its end-of-project targets, with only minor shortcomings. |
| 4 | Moderately Satisfactory (MS) | The objective/outcome is expected to achieve most of its end-of-project targets but with significant shortcomings. |
| 3 | Moderately Unsatisfactory (MU) | The objective/outcome is expected to achieve its end-of-project targets with major shortcomings. |
| 2 | Unsatisfactory (U) | The objective/outcome is expected not to achieve most of its end-of-project targets. |
| 1 | Highly Unsatisfactory (HU) | The objective/outcome has failed to achieve its midterm targets, and is not expected to achieve any of its end-of-project targets. |

As per the ToRs of the MTR, sustainability on the following four-point scale: Likely (L), Moderately Likely (ML), Moderately Unlikely (ML) and Unlikely (U).

Annex 4 – List of institutions interviewed

|  |  |  |  |
| --- | --- | --- | --- |
| Level | Respondents/institutions | Elicit Info via | Remarks |
| Federal level | UNDP country office in Addis Ababa | KIIs | Discussions with head of two units: Growth and Poverty Reduction and CRGE Monitoring units |
| Ministry of Environment, Forest and Climate Change (MEFCC) | FGDs | Manger of Mainstreaming Incentives for Biodiversity Conservation in CRGE and experts from ---- Directorate in the ministry |
| Ethiopian Biodiversity Institute (EBI) | KIIs | KII was made with Director general of the Institute and NBSAP coordination office in the Institute |
| Ethiopian Geospatial Information Agency | KIIs | With various remote sensing experts working on preparation of maps for the four project sites |
| Zonal/Woreda level | Gamu Gofa zone Environmental and Forest Protection Office (SNNP) | FGDs | Discussion with head of the office and experts |
| Steering committee from various sectors/offices and universities (Arba Minich and Wollega Universities) and Arba Minch Municipality in SNNP and Diga woreda in Oromia region | FGDs | Representatives from various offices like environment and forest protection; women and children, agriculture and natural resources, livestock and fishery; Urban food security and job creation office; Cooperative office and municipality of Arba Minich |
| Technical committee in both Gamu Gofa zone and Diga woreda | FGDs | Experts from the above sectors |
| Arba Minich Municipality in SNNP | FGDs | Manager and experts of the Arba Minich municipality |
| community level | 02 CBOs from Diga project sites (Oromia regional state) | FGDs | Leaders and other members of CBOs participated in discussions about biodiversity conservations and their livelihood activities related to the project |
| 02 CBOs from Kulfo project sites (SNNP regional state) around Arba Minch town | FGDS | Leaders and other members of CBOs participated in discussions about biodiversity conservations and their livelihood activities related to the project |

Annex 5 – List of documents reviewed

Project documents

* Project signed revised PIMS

Reports on trainings/workshops

* Report of the Inception Workshop for the Project “Mainstreaming Incentives for Biodiversity Conservation in CRGE” (May 2016)
* Site Level Inception Workshop for the project “Mainstreaming Incentives for Biodiversity Conservation in CRGE”: Back to Office Report (BTOR – June 2016)
* South-south cooperation in a local setting: “Mainstreaming Incentives for Biodiversity Conservation in CRGE” – Experience sharing visit to Humbo CDM project
* Proceeding Report on a training on Payment for Ecosystem Services (September 2016)

Studies for BD and PES

* Interactive tool for Ecosystem Services Valuation
* Studies and Surveys on Opportunities and Challenges to implement Payment for Ecosystem Services in Ethiopia – Feasibility Study on a Payment for Ecosystem Services system in Ethiopia
* Studies and Surveys on Opportunities and Challenges to implement Payment for Ecosystem Services in Ethiopia – Baseline Survey
* Studies and Surveys on Opportunities and Challenges to implement Payment for Ecosystem Services in Ethiopia – Catalogue of Best Practices
* Studies and Surveys on Opportunities and Challenges to implement Payment for Ecosystem Services in Ethiopia – PES Strategic Plan
* Draft Report to undertake a Biodiversity Score Card (August 2017)
* Ecosystem Services Valuation Guideline (March 2018)

Project monitoring reports

* “Mainstreaming Incentives for Biodiversity Conservation in CRGE” – National Project Steering Committee Meeting (March 2017)
* “Mainstreaming Incentives for Biodiversity Conservation in CRGE” – National Project Steering Committee Meeting (July 2018)
* Quarter Monitoring Report for UNDP funded Projects/Programs – Quarter I 2018
* Quarter Monitoring Report for UNDP funded Projects/Programs – Quarter II 2018
* 2018 GEF PIR for the project “Mainstreaming Incentives for Biodiversity Conservation in CRGE”
* Twelve Months workplan for year 2016 and 2018 – UNDP Ethiopia

Other studies

* Public Biodiversity Expenditure Review of Ethiopia – Final Report (Sept. 2017)

Annex 6 – Co-financing table

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Committed in the Project Document** | **Reported expenses** | **Balance** |
| **Govt. of Ethiopia** |  |  |  |
| In cash | 1,600,000 | 0 | 1,600,000 |
| In kind | 14,200,000 | 7,000,000 | 7,200,000 |
| **UNDP** | 200,000 | 82,000 | 118,000 |
| **Total** | **16,000,000** | **7,082,000** | **8,918,000** |

Annex 7 – Effectiveness and efficiency of the project

The project is implemented by the Ministry of Environment, Forest and Climate Change (MEFCC) and its work units at the local level. At the national level, a project management unit (PMU) has been established within the MEFCC and coordinates local project teams. These work units include: i) the State Environment bureau in Ethio-Somali region, coordinating activities in Hadew site; ii) the Zonal Environment Office in Amhara located in the East Gojiam zone, coordinating activities in Choke site; iii) the SNNP States, coordinating activities in Kulfo sites; and iv) the District Environment Office in Oromia state, coordinating activities in Diga site.

The PMU is comprised of one Project manager, one finance officer, and one project M&E officer. It is responsible for day-to-day project implementation including technical guidance, partnership management, communication and operation management. The review team underlines the effectiveness of the PMU, in particular given the limited number of staff and its significant responsibilities for project implementation and areas of operation: the project is implemented in seven districts in four regional states, and most of the project sites/communities are located in remote areas, which are not easily accessible. The PMU has delegated responsibilities to one project officer in each project site, who receives support from key local government institutions and universities. These institutions are represented in the local project steering committees and the project technical committees.

With regard to resource utilisation, allocated budget was completely used for years 2016, 2017 and up to mid-2018 (see Table 8). The total spending halfway through project implementation is of USD 2,206,550, which is about half of the resources available for the project (excluding in-kind resources). The review team notes that most of the resources used up to now were allocated by the GEF and UNDP, while the GoE has only provided in-kind resources thus far but is committed to provide USD 1.6 million in cash, as co-finance for the project. The importance of this co-financing was reasserted by the review team (cf. Section 3.5).

Table 11: MIBC project resource utilisation by project year in USD

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project year** | **Outcomes/outputs** | **Planned** | **Utilised** | **Accomplishment (%)** |
| 2016 | Outcome 1: The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE is strengthened | 101,000 | 101,000 | 100% |
| Outcome 2: Payment for biodiversity conservation and wider ecosystem services is piloted at selected sites | 360,500 | 360,500 | 100% |
| Project management | 43,200 | 43,200 | 100% |
|  | **Total 2016** | **504,700** | **504,700** | **100%** |
| 2017 | Outcome 1: The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE is strengthened | 448,400 | 448,400 | 100% |
| Outcome 2: Payment for Biodiversity Conservation and wider ecosystem services is piloted at selected sites | 702,200 | 702,200 | 100% |
| Project management | 37,700 | 37,700 | 100% |
|  | **Total 2017** | **1,188,300** | **1,188,300** | 100% |
| **2018 (Jan. –Jun. 2018)** | Outcome 1: The enabling framework for mainstreaming incentives for biodiversity conservation into the CRGE is strengthened | **102,500** | **102,500** | 100% |
| Outcome 2: Payment for Biodiversity Conservation and wider ecosystem services is piloted at selected sites | **378,800** | **378,800** | 100% |
| Project management | **32,250** | **32,250** | 100% |
|  | **Total for 2018 half year** | **513,550** | **513,550** | N/A |

The review team finally notes an efficient use of project resources, which has been achieved by establishing cooperation between the project and other relevant initiatives implemented by the GoE, NGOs and foreign agencies. For example, at the project’s Kulfo conservation site, collaboration has been sought with the GIZ Biodiversity & Forestry Programme, which promotes the restoration of endangered indigenous flora species. The review team also noted a strong community mobilisation for the rehabilitation of watersheds and restoration of project sites, and the participation of local universities in this restoration process. As a result of this strong engagement at the community level, large degraded areas were restored and are under conservation, overachieving the initial project’s target without overspending existing resources, thereby allowing for upscaling of project’s restoration activities.

Annex 8 – Signed MTR final report clearance form

Pending upon clearance of the MTR final report.

Annex 9 – Mission pictures from project sites

Figure 1: Controlled livestock grazing in the conservation area of Diga



Figure 2: CBOs in Diga project site receiving support to access loan and launch their livestock businesses



Figure 3: Restored area of Diga project site with protection against landslides and floods



Figure 4: Restored area in Kulfo project site



Figure 5: Alternative livelihood options – livestock and poultry – supported by the project in Kulfo site





Figure 6: Two CBO members involved in the conservation activities in Kulfo site

Annex 10 – Signed UNEG Code of Conduct form

Annex 11 – Audit trail *(separate file)*

1. http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance\_Midterm%20Review%20\_EN\_2014.pdf [↑](#footnote-ref-2)
2. HS: Highly Satisfactory; S: Satisfactory; MS: Moderately Satisfactory; MU: Moderately Unsatisfactory; U: Unsatisfactory; HU: Highly Unsatisfactory. The rating scale is explained in Annex 3. [↑](#footnote-ref-3)
3. The limited support for livelihood improvements had also been highlighted as a weakness of the project design during the project’s National and Site Level Inception Workshops, held in April and May 2016. Participants suggested to provide additional budget for livelihood support as communities living in the project sites are highly dependent on the surrounding natural resources. [↑](#footnote-ref-4)
4. The four-point scale used is: Likely (L); Moderately Likely (ML); Moderately Unlikely (ML) and Unlikely (U). [↑](#footnote-ref-5)
5. For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see [UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results](http://www.undp.org/content/undp/en/home/librarypage/capacity-building/discussion-paper--innovations-in-monitoring---evaluating-results/), 05 Nov 2013. [↑](#footnote-ref-6)
6. For more stakeholder engagement in the M&E process, see the [UNDP Handbook on Planning, Monitoring and Evaluating for Development Results](http://www.undg.org/docs/11653/UNDP-PME-Handbook-(2009).pdf), Chapter 3, pg. 93. [↑](#footnote-ref-7)
7. Populate with data from the Logframe and scorecards [↑](#footnote-ref-8)
8. Populate with data from the Project Document [↑](#footnote-ref-9)
9. If available [↑](#footnote-ref-10)
10. Colour code this column only [↑](#footnote-ref-11)
11. Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU [↑](#footnote-ref-12)
12. Alternatively, MTR conclusions may be integrated into the body of the report. [↑](#footnote-ref-13)
13. Engagement of the consultants should be done in line with guidelines for hiring consultants in the POPP: <https://info.undp.org/global/popp/Pages/default.aspx> [↑](#footnote-ref-14)
14. <https://intranet.undp.org/unit/bom/pso/Support%20documents%20on%20IC%20Guidelines/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx> [↑](#footnote-ref-15)
15. <http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc> [↑](#footnote-ref-16)