



Enhancing financial sustainability of the Protected Area system in Georgia

Medium Size Project

PIMS 6138, Atlas Award 00097070, Atlas Project Id: 00089759, GEF ID number:
9879

**Midterm Review, September – October
2021**

Volume I: MTR Report

GEF 6: BD-1: Improve sustainability of protected area systems, Program 1 -
Improving Financial Sustainability and Effective Management of the National
Ecological Infrastructure

Georgia

Ministry of Environmental Protection and Agriculture (MEPA)/ Agency of Protected
Areas (APA)

Responsible Party - Caucasus Nature Fund (CNF)

United National Development Program (UNDP)

Prepared by:

Mark Anstey and Rusudan Kardava

15/12/21

Acknowledgements

Firstly, the authors would like to thank the Project Team, in particular the Project Manager Tamar Pataridze, Tea Barbakadze CNF Country Director, and Irakli Goradze, UNDP Project Coordinator, for their help and insights provided throughout the MTR process.

Secondly, we would thank Tamar Khakhishvili, the National Project Director (Deputy Chairperson, APA) and senior APA HQ staff for their time in answering questions and presenting results.

Thirdly, our sincere thanks to all the project consultants and experts, both national and international, who took time out of their busy schedules to share their specific experience and knowledge of the project activities and the general context in Georgia at this time.

Fourthly, our thanks to all the PA Administration staff and other individuals interviewed during the mission for their openness and patience.

Finally, our thanks also to the Energy and Environment Portfolio Team in the UNDP-CO, in particular, Ms. Nino Antadze.

Mark Anstey
Gex, France

Rusudan Kardava
Tbilisi, Georgia

Table of Contents

Acknowledgements	ii
Acronyms, Abbreviations and Glossary	v
Executive Summary	vii
Project Information Table	vii
Project Description.....	viii
Progress towards outcomes.....	viii
Summary of conclusions	xi
Recommendations and Key Lessons Learned	xi
Recommendation Summary Table	xii
1 Introduction	1
1.1 Purpose of the review.....	1
1.2 Scope & Methodology	1
1.3 Structure of the review report.....	2
2 Project description and background context	2
2.1 Development context.....	2
2.2 Problems that the project sought to address: threats and barriers targeted.....	3
2.3 Project Implementation Arrangements.....	5
2.4 Project timing and milestones	7
2.5 Main stakeholders.....	7
3 Findings.....	9
3.1 Project Design	9
3.1.1 Analysis of Project Strategy (ToC) and Design.....	10
3.1.2 Analysis of Project the Strategic Results Framework Matrix and Indicators.....	14
3.2 Progress Towards Results.....	17
3.2.1 Analysis of progress towards outcomes.....	17
3.2.2 Remaining barriers to achieving project objective	28
3.2.3 Governance and Management arrangements.....	28
3.2.4 Work planning.....	31

3.2.5	Project Finance and Co-finance.....	31
3.2.6	Project-level Monitoring & Evaluation Systems.....	33
3.2.7	Stakeholder engagement.....	33
3.2.8	Reporting.....	34
3.2.9	Communications & Knowledge Management:	34
3.2.10	Gender Aspects and project response.....	34
3.3	Sustainability	35
3.3.1	Financial Risks to Sustainability	35
3.3.2	Socio-economic risks to sustainability	36
3.3.3	Institutional Framework and Governance Risks to Sustainability	36
3.3.4	Environmental Risks to Sustainability	36
4	Conclusions and Recommendations	38
4.1	Conclusions.....	38
4.2	Recommendations.....	39
4.2.1	Recommendations on Project Development, design and Review process	39
4.2.2	Recommendations on Project Implementation Issues.....	41
4.3	Key Lessons Learned for Future Projects	49

Annexes – Key tables related to MTR analysis

- Annex 1: Table Overall summary of Outcomes and Output - expected results and financial weightings:
- Annex 2: Comparison of table of context of UNDP Georgia FS MSP project (GEF6) and UNDP Albania FS MSP project (GEF6)
- Annex 3: Table Indicators Review
- Annex 4: Rough Estimates of Donor Support to PA system in Georgia 2009-20019

Volume 2 (separate document)

Annex 1: MTR ToR (excluding ToR annexes)

Annex 2: Ratings Scales

Annex 3: MTR mission itinerary

Annex 4: List of persons interviewed

Annex 5: List of documents reviewed

Annex 6: Signed UNEG Code of Conduct form

Annex 7: Signed MTR final report clearance form

Annex 8: Review of Overall Project Output Activity

Annex 9: Summary of Impact at project sites/actual on-ground activities

Annex 10: Overview of GEF PA Sustainable Financing Projects carried out in Georgia

Annex 11: Table Overall summary of Outcomes and Output - expected results and financial weightings

Annex 12: In-depth Review of Project Progress and Achievements by Outcome and Output by MT.

Annexed in a separate file: Audit trail from received comments on draft MTR report

Acronyms, Abbreviations and Glossary

AB-PIP	Annual Budget and Project Implementation Plan
ANP	Algeti National Park
APA	Agency of Protected Areas
APRs	Annual Project Reviews
AWP	Annual Work Plan
BFD	Biodiversity and Forestry Department
BKNP	Borjomi-Kharagauli National Park
BMCU	Biodiversity Monitoring and Coordination Unit
BMZ	German Federal Ministry of Economic Cooperation and Development
BoG	Bank of Georgia
CBD	Convention on Biological Diversity
CBO	Community Based Organizations
CDR	Combined Delivery Report
CNF	Caucasus Nature Fund
ECF	Eco-regional Corridor Fund
ECP	Eco-Regional Conservation Plan
ENPARD	European Neighbourhood Program for Agriculture and Rural Development
EoP	End of Project
EU	European Union
GEF	Global Environment Facilities
GoG	Government of Georgia
IR	Inception Report
JPA	Javakheti Protected Areas
KBA	Key Biodiversity Area
KfW	Kreditanstalt für Wiederaufbau
KNP	Kazbegi National Park
KPA	Kintrishi Protected Areas
LEPL	Legal Entity of Public Law
LPA	Lagodekhi Protected Area
MNP	Machakhela National Park
MEAP	Management Effectiveness Assessment Plan
MoEPA	Ministry of Environmental Protection and Agriculture
MoV	Means of Verification
MtNP	Mtiral National Park
MTR	Mid-Term Review
NGO	Non-Government Organization
NPD	National Project Director
PA	Protected Area
PAP	Programmatic Action Plan
PB	Project Board
PC	Project Coordinator (UNDP)
PB	Project Executive Board
PIR	Project Implementation Report
PM	Project Manager (CNF)
PMU	Project Management Unit
PKPA	Pshav-Khevsureti Protected Areas
RP	Responsible Party
RPA	Responsible Party Agreement
RTA	Regional Technical Advisor
SMART	Spatial Monitoring and Reporting Tool
SOF	Special Operational Fund
SPPA	Support Program for Protected Areas in the Caucasus
SRF	Strategic Results Framework
STDFS	Sustainable Tourism Development and Financing Strategies
STDS	Sustainable Tourism Development Strategies
TA	Technical Assistance

TE	Terminal Evaluation
TJS	Transboundary Joint Secretariat for the South Caucasus
TMYWP	Technical Multi-Year Work Plan
TPB	Total Project Budget
TOR	Terms of References
TPA	Tusheti Protected Areas
UNDP	United Nations Development Program
VPA	Vashlovani Protected Areas
WWF	Worldwide Fund For Nature

Executive Summary

Project Information Table

Project Title	Enhancing financial sustainability of the Protected Area system in Georgia		
UNDP Project ID (PIMS)	6138	PIF Approval Date	07.11.2017
GEF Project ID	9879	CEO Endorsement Date	17.08.2018
ATLAS Business Unit Award No.	00089759	Project document Signature Date	12.12.2018
Country	Georgia	Date UNDP PC hired	01.01.2019
Region:	RBEC	Date UNDP project office operational	01.01.2019
GEF Focal Area/Strategic Objective	BD-1: Program 1: Improving financial sustainability and effective management of the national ecological infrastructure	Inception W/shop date	28.02.2019
Trust Fund	GEFTF	Proposed op. closing date (as original):	November 2023
Executing Agency/Implementing partner	Ministry of Environmental Protection and Agriculture		
Other executing partners	Caucasus Nature Fund		
Project Financing	at CEO endorsement (USD)	At MTR (USD)	
[1] GEF Financing	1,826,484	919,468.63	
[2] UNDP Contribution			
[3] Government	4,750,000	4,430,520	
[4] Other partners	CNF - 3,008,516, Bank of Georgia – 200,000	CNF – 3,674,357 Bank of Georgia –126,987	
[5] Total cofinancing	7,958,516	8,231,864	
PROJECT TOTAL COSTS	9,785,000	9,151,333	

Project Description

The GEF / UNDP project “**Enhancing financial sustainability of the Protected Areas (PA) system in Georgia**” is a 5 year “technical assistance” project being implemented in Georgia. The project was officially signed by the Government of Georgia (GoG) in December 2018 and will terminate in November 2023.

The project is financed by the Global Environment Facility (GEF) through the United Nations Development Programme (UNDP) in Georgia, with resources allocated from the GEF Operational Program for Biodiversity.

The project objective is “To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia”.

Through the project, GEF incremental support is intended to enhancing the financial sustainability, and with it the management effectiveness, of target PAs, as such improving the Government’s ability to improve the status of biodiversity and ecosystem services through managing an effective system of PAs, as agreed to under national plans and international commitments.

To achieve this, the project will provide technical support to the GoG with the implementation of activities under its three components:

- (i) Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs);
- (ii) Improved management and financial effectiveness demonstrated for targeted large-scale PAs; and
- (iii) Knowledge Management and monitoring and evaluation.

Progress towards outcomes

Based on the ratings applied to the 3 project Outcomes, taken together with other factors (given the weak SRF indicators) the overall rating MTR for project progress towards the objective is Moderately Satisfactory (please see summary tables of GEF rating system page xi for clarification)

However, this rating comes with many caveats and a sense of concern – the most crucial is that without remedial action to address inadequate achievements by MT of Outcome 1 and 2, the project will risk not achieving the objective and will not substantially move the baseline forward i.e. it will have only marginal impact on long term sustainable financing for the PA system, and minimal sustained impact on the PA system financial and management effectiveness.

Achievement Summary

Measure	Objective /outcomes ¹	MTR Rating	Achievement Description
Project Strategy		N/A	<p>Incomplete project analysis and identification of barriers, with knock on impact to project strategy and priorities (clarity of outputs, weight of effort)</p> <p>Some significant weakness in the indicators/baseline/ targets used which limits the meaningful monitoring and review of project progress towards its objective</p> <p>Unclear justification for GEF support (additionality/innovation)</p>

¹ The Outcomes are listed in the rating table as per the Project document rather than as in the PIR (which actually lists component titles)

Measure	Objective /outcomes ¹	MTR Rating	Achievement Description
Progress towards Results	Objective: To <u>secure</u> long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia	MS	<p>The project has made substantial and significant progress. However, from the evidence of progress to-date, the project is considered currently unlikely to achieve its stated objective without adjustment and additional targeted efforts towards establishing a basis for diverse sustainable financing in the future and the pursuit of PA system level strengthening.</p> <p>It is necessary to note that the project objective was extremely ambitious, and arguably unrealistic (to secure long-term financing implied it would be achieved during project duration). The project title, which emphasised enhancing rather than securing, was perhaps more realistic.</p> <p>Implementation of some of the seven components² is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action. However, it remains feasible for the project to meet its objective if remedial steps are taken.</p>
	Outcome 1: Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed	MU	Based on current progress this is considered unlikely to be achieved within the project time frame (or the basis for it established post project). However, opportunities exist to change this by EoP, if remedial actions are taken.
	Outcome 2: Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	MS	<p>Substantial progress made in terms of long-term impact monitoring.</p> <p>Inadequate progress made in terms of addressing main barriers to development of systemic and institutional capacity that will achieve efficient and effective management of the PA system in the long term</p>
	Outcome 3: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values	MS	Limited progress to date in terms of building awareness and understanding in priority audiences, particularly in terms of values and benefits to national sustainable development and contribution to global efforts to address the multiple environment crisis of global concern.
Project Implementation and Adaptive Management		MS	<p>Based on evidence available, after initial challenges, the project implementation has been effectively in terms of planning and activity execution.</p> <p>Adaptive management has been evident in specific implementation level context but not sufficiently in terms of adjustment to overall technical direction of the project to ensure its travel towards the project outcomes and objective.</p>
Sustainability		MU	Based on the overall review of the project design and implementation adaption, it is considered <u>moderately unlikely at the MTR stage</u> that the project will achieve sustainable overall impact – however, important initiatives (such as the BMCU) have a much higher probability of sustainability. Remedial actions to improve likelihood of sustainability are possible by EoP.

² This refers to seven components of the review process: management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management.

Summary of GEF Rating System Tables

Ratings for Progress Towards Results: (one rating for each outcome and for the objective)		
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 (HU)	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.

Ratings for Project Implementation & Adaptive Management: (one overall rating)		
6	Highly Satisfactory (HS)	Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as “good practice”.
5	Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for only few that are subject to remedial action.
4	Moderately Satisfactory (MS)	Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action.
3	Moderately Unsatisfactory (MU)	Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action.
2	Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management.
1	Highly Unsatisfactory (HU)	Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management.

Ratings for Sustainability: (one overall rating)		
4	Likely (L)	Negligible risks to sustainability, with key outcomes on track to be achieved by the project’s closure and expected to continue into the foreseeable future
3	Moderately Likely (ML)	Moderate risks, but expectations that at least some outcomes will be sustained due to the progress towards results on outcomes at the Midterm Review
2	Moderately Unlikely (MU)	Significant risk that key outcomes will not carry on after project closure, although some outputs and activities should carry on
1	Unlikely (U)	Severe risks that project outcomes as well as key outputs will not be sustained

Summary of conclusions

The Project is on course to achieve a considerable number of its expected impacts and will therefore have measurable impact on “enhancing financial sustainability and management effectiveness of the PA system” – however, on its current course the project will miss opportunities to have larger and more far reaching impact and will not address a number of key barriers to future sustainability/effectiveness of the PA system (sufficient SF and effective management system).

The project design and M&E aspects are considered weak, in particular the objective definition, situation analysis and SRF indicators, and this has been partly responsible for the project, up to the MT, inadequately addressing some key barriers to the long term financial sustainability and effective management of the PA system (diversification of financing, system and institutional level strengthening).

Other contributing factors have been a) the project governance arrangements, that have facilitated inadequate strategic vision and ambition, and b) limited strategic technical input during project development and during inception that would have supported better adaptive management towards achieving the projects long term expected impact. The project financial weighting (of GEF grant funds) and thus scale of effort, is biased towards long term impact monitoring (particularly biodiversity monitoring), which though crucial, was not the focus (sustainable financing) of the project.

At a broader scale (i.e. outside of project direct implementation) there is a need to clarify the roles and strategic approach of CNF and donor inputs to better coordinate and orientate support towards the long-term establishment of a self-sufficient and effective PA system.

Specifically, there is a need to increase focus on system level rather than PA level, on building self-sufficiency rather than dependence, and systematic support to these ends, rather than short term interventions. In this context, there is a need in the near future to articulate a road map, or exit strategy, for donors and government – i.e. a long term agreed and coordinated transition from donor support to a fully independent self-supported system at some reasonable point in the future.

Despite the current limitations of project progress, there is still time and opportunity to take remedial actions that will increase the likelihood of the project having significant impact, advance the baseline situation, and lay the basis for a more financially sustainable and effective PA system capable of meeting basic PA management needs as identified by the project.

Recommendations and Key Lessons Learned

A considerable number of recommendations and suggestions have been made throughout the MTR report. The most critical recommendations and suggestions are described in the full recommendations section of the report. Previous UNDP/GEF FS MSP Project (GEF4) TE recommendations felt still relevant by the MTR are also included in the full recommendations section of the report and it is suggested should be revisited. Additional to formal recommendations, the MTR has provided some “suggestions” for actions by the project of a less formal nature. Likewise, the key “lessons” to be learned regarding future projects design, inception and implementation, are indicated.

A summary of the key recommendations is provided in the table below.

Recommendation Summary Table

Recommendations	Responsibility
Project design and approval process	
Recommendation 1: Undertake a review to identify factors that contributed to the weak project development and review process which resulted in poor project design and monitoring issues, lack of clarity for justification of GEF incremental support, etc., and apply learn lessons learned.	RTA
Recommendation 2: Better recognition and application of the previous project TE findings and recommendations in subsequent projects (particularly a “follow-on” project such as the project under review in this MTR).	RTA, UNDP CO, CNF, MEPA/APA
Project Governance and oversight	
Recommendation 3: Future projects should ensure better division / separation of roles of project governance arrangement, in order to ensure effective governance and strategic focus, and facilitate timely decision making.	UNDP CO
Recommendation 4: Ensure when necessary the availability of broad based and experience technical inputs to UNDP GEF projects at key points of development and implementation (in particular - proposal development, inception phase, midterm)	UNDP CO, RTA
Implementation	
Objective and Indicators	
Recommendation 5: Clarify the realistic objective of the project and the broad expected impacts in its timeframe and post project (and on this basis revise and add to SRF indicators in order to provide a basis for meaningful impact monitoring).	PC, PM, NPD, RTA, PB
Outcome 1: Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed	
Recommendation 6.: To systematically identify and pursue a diversified basis for ensuring the future availability of predictable, sufficient, and sustainable financing for the PA system. <i>Expected impact:</i> basis for achieving diversified (reliable) and sufficient sustainable financing for PA system in future 10 years.	PC, PM, PB, NPD
Recommendation 7: Design and instigate a systematic awareness (not PR) campaign on the full values of BD and PA system to national sustainable economic development and global environmental crisis efforts, targeted at senior government decision makers, political groups, civil society. <i>Intended impact:</i> greater recognition and commitment of decision makers and policy planners to the adequate financing of the PA system, and political / society pressure towards these aims.	PC, PM, NPD
Outcome 2: Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	
Recommendation 8: Design and establish a long-term, systematic programme for training and skills enhancement of HQ and PA staff on core competencies necessary to implement basic management of PAs <i>Expected impact:</i> basis for long term systematic strengthening PA system capacity	PC, PM, NPD
Recommendation 9: Undertake an assessment of the overall existing PA system, in the context of current circumstances and future needs, as a basis for	PC, PM, BFD, PB

identifying possible reforms and adjustments to improve “fitness for purpose”, and future managerial and financial effectiveness and sustainability <i>Expected impact:</i> basis for post project strengthening of PA system effectiveness and sustainability.	
Recommendation 10: Clarify the practical application of the Management Effectiveness Indicator system (ME ³) developed by the project, as a basis for meaningful monitoring of mid to long-term impacts of the PAs on Biodiversity, and effectiveness of management approaches being applied.	PC, PM, NPD
Recommendation 11: <u>Consideration of the potential need for “no cost” extension of project duration.</u>	PC, PM, NPD, UNDP CO, RTA

Key Lessons Learned	
<i>Lesson learned</i>	<i>Relevant to</i>
<u>Critical review pros and cons of “One step” MSP project development approach before application:</u> Though appropriate and advantageous in some situations the “one step” MSP development option comes with risks. There is a need to critically evaluate “pros and cons” at the start and ensure that sufficient technical capacity exists to make it a success.	RTA, UNDP CO
<u>Experienced TA input</u> – experienced international technical inputs (particularly during development and inception), though relatively costly, may also be critical to ensuring a project effectively addresses the real barriers and threats, and thereby achieves lasting impact. A realistic evaluation of the in-country/in-house technical capacity and the need for such support (risks from absence of such support) needs to be carefully considered and evaluated at concept and development stages.	RTA, UNDP CO, CNF, MEPA
<u>Be critical at inception phase, including basic project design and M&E:</u> Insufficiently critical review / analysis of project document strategy and impact monitoring system at inception can lead to wasted effort and funds and imperil project success.	RTA, UNDP CO, CNF, MEPA
<u>Adequately review and incorporate previous project TE recommendations and suggestions into relevant new project development:</u> Many of the previous FS MSP project TE recommendations and suggestions were specifically targeted to the current project – though some were used and applied, many were not, despite the apparent continued relevance.	RTA, UNDP CO, CNF, MEPA

³ Work done on Management Effectiveness Assessment Plans and development of ME indicators to assess 3-dimensional impact

1 Introduction

1.1 Purpose of the review

1. The Midterm Review (MTR) of the UNDP-GEF project “*Enhancing financial sustainability of the Protected Areas (PA) system in Georgia*” was carried out according to the UNDP-GEF Monitoring and Evaluation Policy. Thus, it was carried out with the aim of providing a systematic and comprehensive review and evaluation of the performance of the project to date by assessing its design, processes of implementation, achievement relative to its objectives. More specifically, the MTR aimed to assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document. On this basis, to 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 also reviewed the project’s strategy, and risks to sustainability.

1.2 Scope & Methodology

2. The approach for the MTR was determined by the Terms of Reference (TOR, see Annex I) and by the UNDP-GEF Guidance for conducting Midterm Reviews⁴. Thus, it was carried out with the aim of providing a systematic, evidence-based and comprehensive review of the performance of the project to date by assessing its strategy and design, processes of implementation and achievements relative to its objectives. As such, the MTR determined the progress of the project in relation to its stated objectives (through the assessment of results, effectiveness, relevance, sustainability, impact and efficiency), to promote learning, feedback and knowledge sharing on the results and lessons (both positive and negative) that can be learned from the implementation of the project to date. The MTR examined whether the implementation arrangements – including the relationships and interactions among the project’s partners, including the UNDP CO, MEPA, APA, CNF, NACRES, and beneficiary PA Administrations - are effective and efficient.
3. The MTR included a thorough review of the project documents and other outputs, financial plans and audits, monitoring reports, UNDP Project Document⁵ and CEO Endorsement document, GEF Sec. Review sheet, Inception Report, Project Implementation Reviews (PIR), monitoring tools (including, for example, Capacity Assessment Scorecard CAS, Financial Sustainability Scorecard FSC, PA Management Effectiveness Tracking tool METT), relevant correspondence and other project related material produced by the project staff or their partners.
4. The MTR also included a mission to Georgia between 29 August 11 September 2021 (see Annex II for the itinerary of the MTR mission). The mission followed a collaborative and participatory approach and included a series of structured and unstructured interviews, both individually and in small groups (see also Annex II for a list of the people met over the course of the MTR mission). Site visits were also conducted i) to validate the reports and indicators, ii) to consult with personnel in the pilot areas, local authorities or government representatives, project partners and local communities, and iv) to assess data that may only be held locally. Particular attention was paid to listening to the stakeholders’ views and the confidentiality of all interviews was stressed. Whenever possible, the information was crosschecked among the various sources. This included cross-checking feedback and opinions between different gender groups. In addition,

⁴ UNDP-GEF (2014) *Project-level Monitoring: Guidance for conducting midterm reviews of UNDP-supported, GEF-financed projects*.

⁵ This is a child project under the Food Security IAP, for which the PIF stage was not required (see GEF Sec. Review Sheet, page 3, column 3)

the review examined the achievements of the project within the realistic political, institutional and socio-economic framework of Georgia.

5. The strategic framework towards which the project is working formed an important part of the MTR review process.
6. The review was carried out according to the UNDP/GEF Monitoring and Evaluation Policy and, therefore, ratings were provided for: i) the progress towards results, by outcome and by the objective, ii) project implementation and adaptive management, and iii) sustainability (and the risks thereto) (see Annex III). Overall, there was an emphasis on supportive recommendations.
7. The MTR was conducted by one international and one national consultant. The consultants have been independent of the policy-making process, and the delivery and management of the assistance to the project; the consultants have not been involved in the implementation and/or supervision of the project.
8. The preliminary findings of the MTR were presented at a debriefing meeting at the end of the mission on 10th September 2021. The meeting was held at the CNF office in Tbilisi, but due to COVID19 considerations was attended online by APA and UNDP participants.
9. Finally, the MTR was carried out with a number of audiences in mind, including: Ministry of Environmental Protection and Agriculture MEPA (in particularly the Biodiversity and Forestry Policy Dept., and subordinate Agency of Protected Areas APA, as the main project beneficiary), CNF as the Responsible Party, UNDP-CO, UNDP-GEF RTA, and the GEF.

1.3 Structure of the review report

10. The report follows the structure of Project Evaluations recommended in the UNDP Evaluation Guidance for GEF-Financed Projects as given in Annex 5 of the TOR. As such, it first deals with the purpose of the review and the methodology used for the review (Section 2), a description of the project and the development context in Georgia (Section 3), it then deals with the Findings (Section 4) of the evaluation within four sections (Project Strategy, Progress Towards Results, Project Implementation and Adaptive Management, and Sustainability). The report then draws together the Conclusions and Recommendations (Section 5).

2 Project description and background context

2.1 Development context

11. The development context as described in the project document is as follows: Georgia's socio-economic transition since the 1990s was accompanied by unsustainable economic activities and over-use of biological resources, driven by poverty, lack of alternative livelihoods, irresponsible exploitation, limited knowledge, awareness, and understanding of nature's values, and ineffective legislation. As a result, Georgia's globally significant biodiversity, including in PAs, became increasingly threatened from (i) habitat loss, degradation and fragmentation, caused by the overexploitation of natural resources, including illegal logging, timber trade, fuel wood collection, grazing and infrastructure development; (ii) poaching and illegal wildlife trade; (iii) overfishing; (iv) pollution; and (v) invasive species. Increasingly also climate change has a notable impact on biodiversity and natural ecosystems. The cumulative impact from threats has reduced the ecological functioning and capacity of natural areas to provide key ecosystem services, and an overall loss of economic benefits accruing from biodiversity.

12. Under the leadership of the GoG, supported by national and international partners and donors, in the past decades significant progress is made with the expansion of the country's PA network, supported by legislative-institutional reforms. Today, Georgia is one of the few countries globally where protected areas (PAs) are a genuine high-level national priority, and the GoG has committed to increase the area under formal protection to 20% protection (from current 11.38% %) in the next 8 years.

2.2 Problems that the project sought to address: threats and barriers targeted

13. The paragraphs below (para's 14-20) are those taken from the project document to describe the threats and barriers that needed to be overcome by the project to achieve the stated **project objective** "*To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia*".
14. "Despite progress made, threats to globally significant biodiversity in Georgia from socio-economic development and climate change remain, exacerbated by the ineffective implementation and enforcement of legislation and policies.
15. **Three key barriers** to establishing an effective and efficient PA system in Georgia were identified:
- (i) Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system;
 - (ii) Weak capacity in efficient financial-administrative planning and effective operational management of the PA system; and
 - (iii) Lack of awareness and action amongst key sector institutions, communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses.
16. The current project, supported by incremental financial support provided by the Global Environmental Facility (GEF) under its Biodiversity Focal Area Objective 1: Improving the sustainability of protected area systems, is aimed at supporting the GoG in its efforts to address the identified barriers. As such, the project supports the Government's efforts to reducing threats to, and improving the in-situ conservation status of identified globally threatened biodiversity and related ecosystem services through effectively managing a national PA system, as agreed to under national plans and international commitments made, specifically the Convention on Biological Diversity (CBD).
17. The project is expected to fulfil its objective by delivering project activities in 3 inter-related and mutually complementary components:
- (i) *Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs).*
 - (ii) *Improved management and financial effectiveness demonstrated for targeted large-scale PAs.*
 - (iii) *Knowledge Management and monitoring and evaluation.*
18. GEF support for projects is intended to be "incremental" i.e. in this case, it provides additional financing to support existing national efforts to enhance the financial resources, especially from domestic revenues, and with it the management effectiveness and capacities for effective financial-operational and efficient budgeting based on improved information, knowledge and awareness - of an increasing number of target PAs that meet established criteria for KBAs.
19. As such, GEF incremental financing is intended to help increasing the effectiveness and sustainability of ongoing national efforts, particularly contributing to reducing threats to, and improving the in-situ conservation status of identified globally threatened biodiversity in the target PAs.

20. Based on the above strategy and analysis the project contains 3 Components corresponding to the 3 identified barriers, and total of 3 Outcomes (1 Outcome for each Component)⁶. Specifically, the Outcomes under each component are:
21. **Component 1:** Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs). This component contains one outcome, specifically “Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed” which would be achieved by 3 outputs (see diagram below).
22. This outcome is intended to address **Barrier 1:** Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system. The total budget allocated for achieving this outcome was USD 7,667,707 (78% of the grand project total), of which USD 7,098,516 (92% outcome budget) is co-financing and USD 569,000 was GEF project grant funds (8%). In fact, at the inception phase GEF funds were re-allocated from this Outcome to Outcome 2 and thus GEF funds currently allocated are reduced to USD 317,000 (approx. 4% of the grand total of the project and 20% of the total GEF grant financing contribution of USD 1,826,484).
23. In summary - the vast majority (92%) of funds allocated to this Outcome were from parallel financing (CNF and GoG) and constituted mainly PA recurrent costs and CNF salary support (plus some tourism development support). GEF funds was for TA support to ensuring new sustainable financing (identification of PA financing needs, sustainable financing opportunities analysis and their piloting, establishing of dedicated PA accounts). Overall, this outcome which was focused on sustainable financing, received approx. 20% of the overall GEF grant funds allocated to the project.
24. **Component 2:** Improved management and financial effectiveness demonstrated for targeted large-scale Pas. This component contains one outcome, specifically “Institutional capacity for financial and operational management, and for monitoring in target PAs is improved” which would be achieved by 4 outputs. This Outcome is intended to address **Barrier 2** identified in the project document, namely “Barrier 2: Weak capacity in efficient financial-administrative planning and effective operational management of the PA system”.
25. The planned total cost of this Outcome was USD1,688,793 (17% of the grand total of the project). The GEF project grant was originally USD1,082,294⁷ but this was increased at inception phase to 1,117,294 (64% of total GEF grant). USD625,000 was allocated as Co-financing (approx. 6% of the grand total and 37% of outcome 2).
26. This Outcome has the largest GEF funds allocation in the project (64% of total GEF grant) for TA support to: capacity needs assessment / building, establishment of effective management effectiveness monitoring (with most funds focused to BD monitoring indicators and mechanism for its sustained collection). GEF grant funds fully covered the first 3 outputs but Output 2.4 was fully co-financed.
27. **Component 3:** Knowledge Management and monitoring and evaluation. This component contains one outcome, specifically “Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values” which would be achieved by 2 outputs. This Outcome is intended to address **Barrier 3** identified in the project document, namely “Lack of awareness and action amongst key sector institutions, communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses”.

⁶ See Part II: Strategy, within the project document.

⁷ Incorrectly indicated in Outcome 2 text, page 16 as USD1,063,793 but in budget as USD 1,082,294 – this means total for Outcome 2 is also incorrect (should be USD 1,707,294, not USD1,688,793 as indicated

28. Total Cost of this Outcome in the original project document was USD110,000 (approx. 1% of the project grand total) of which only USD 25,000 was GEF project grant (1% of total GEF grant and the remaining was Co-financing (USD85,000). This was the smallest GEF funds Outcome allocation in the project. However, at inception phase this was increased with funds moved from Component 2 to USD 128,191 (7% of total GEF grant) to support Output 3.2 (Implementation of independent technical and financial monitoring program of 3-4 target PAs per year). Output 3.1 was entirely covered by CNF co-financing. This outcome as a whole had the smallest financial weighting.
29. A detailed review of the Outcomes, outputs and their financial weighting is provided in MTR Vol. 2 (Annexes). The analysis of the actual achievement of outputs and indicators under each of these outcomes, by the MT, is presented below (see Section 4.1).

2.3 Project Implementation Arrangements

30. Roles and responsibilities of the project's governance mechanism: The project is being implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Georgia signed on 1 July 1994, and the Country Program. The Ministry of Environmental Protection and Agriculture (MEPA), represented by Agency of Protected Areas-APA is the Implementing Partner. The Implementing Partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of GEF/UNDP resources.
31. However, considering 10-year experience, technical and financial resources management capacities, as well as successful implementation of the GEF IV previous project, the MEPA/APA and UNDP agreed to assign the Caucasus Nature Fund (CNF) as Responsible Party for the execution of the project activities.
32. The Caucasus Nature Fund is a Conservation Trust Fund, established with funding and technical support from BMZ (through KfW), Conservation International, WWF Germany and the Critical Ecosystems Partnership Alliance in 2007. Programmatically operating in Georgia since 2009, CNF is governed by an independent board of directors who direct an Executive Director based in Tbilisi, Georgia. The board was fully supportive of the decision to pursue GEF-6 funds. A description of CNF's mandate and operations can be found at following website: <http://caucasus-naturefund.org/>
33. **Project Board**: The PB (also called Project Steering Committee) is responsible for making by consensus, management decisions when guidance is required by the PM, including recommendations for UNDP/Implementing Partner approval of project plans and revisions, and addressing any project level grievances. The composition of the PB must include the following roles:
- Executive: The Executive is an individual who represents ownership of the project who will chair the PB. This role will be held by the NPD, appointed by MEPA/APA and supported by UNDP. Brief relevant stakeholders about project progress;
 - Senior Supplier: The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. The Senior Supplier for the project is Caucasus Nature Fund.
 - Senior Beneficiary: The Senior Beneficiary is an individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the PB is to ensure the realization of project results from the perspective of project beneficiaries. The Senior Beneficiary role is held by a representative of the government or civil society. The Senior Beneficiary is the Agency for Protected Areas under the Ministry of Environmental Protection and Agriculture.

34. **Project Coordinator (PC):** was hired on part-time basis through open tendering process, as per UNDP guidelines. He provides general coordination, liaison and oversight functions as well as assisting with monitoring of works and reporting/PIRs.
35. The RP (CNF) were expected to appoint a full-time staff member (Project Manager), to be the RP's representative in the PB and having authority to manage activities, as per the project work plan and accordingly the RPA. Initially, the PM was recruited part-time only, but this was changed to full time subsequently. The Manager is a position at the CNF and is responsible for day-to-day management and decision-making for the substantial parts of the Project and as described in the Responsible Party Agreement. The Manager has a background in project management and conservation.
36. The PC and CNF Project Manager have primary responsibility to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.
37. **Project Assurance:** The project oversight and quality assurance role are covered by the Environment and Energy Portfolio team Leader at the UNDP Country Office and Regional Technical Adviser at UNDP's Istanbul Regional Hub.
38. *Governance role for project target groups:* As the Implementing Partner is also the main beneficiary (APA through the Ministry of Environmental Protection and Agriculture), regular, monthly meetings, in addition to the PB meetings, were planned in the project document, to review progress, propose solutions to delays, and to ensure that there is real buy-in for not only the financial component of the project (governments co-financing commitment) but the important elements of capacity building and the introduction of novel financial instruments to support the increase in revenue of selected PAs. Strategic decisions and guidance will be provided by the PB but the IPs representative (the NPD) will be involved in regular visits to PA sites as well as have their capacity built by the PM throughout the life of the project.
39. In addition to permanent PB members, the Project was expected to invite other key stakeholders to the PB to ensure adequate level of consultation with key partners and apply transparency principles for the quality implementation of the agreed project work plan.
40. The total cost of the project is USD 9,785,000. This is financed through a GEF grant of USD 1,826,484, and USD 7,958,516 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.
41. Parallel co-financing: The actual realization of project co-financing will be monitored during the Terminal Evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Table 1: Parallel Co-financing

Co-financing source	Co-financing type	Co-financing amount	Planned Activities/Outputs	Risks	Risk Mitigation Measures
Government of Georgia	Cash	\$4,750,000	Salary support at PA level, operational costs, large scale infrastructure development	De-prioritization of nature protection; economic collapse	Continued advocacy for increased spending; raising public awareness;
Caucasus Nature Fund	Cash	\$3,008,516	Salary support, operational costs, small scale infrastructure investments, capacity building, biodiversity monitoring	Insufficient interest generated;	Professional Investment Advisor;
Bank of Georgia	Cash	\$200,000	Infrastructure development, communications, planning documents	Change in leadership; profit loss leading to reduction in CSR budget	Signing binding long term agreement;

2.4 Project timing and milestones

42. The project was planned as a five-year project (60 months) – the project commenced (Project document signature) in December 2018 and the projected end of project (EOP) date is therefore November 2023. This means that at the time of the MTR mission (September 2021) the project has been under implementation for 34 months and there are 26 months of project implementation remaining (i.e. just under half total duration). The other project milestones, including the project end date for the project, are indicated in Table . It should be noted that this project was developed without a PDFA grant (i.e. using a “one-step” process). Duration between the approval of the PIF (07.11.2017) and CEO Endorsement was just under one year.

Table 2. The project milestones including the projected end date for the project.

Milestone	Date
PIF Approval	07.11.2017
CEO Endorsement	17.08.2018
UNDP Project document signed	12.12.2018
Date UNDP project office operational	01.01.2019
National Project Coordinator appointed	01.01.2019
Inception Workshop	28.02.2019
MTR mission commences	29.08.2021
Projected EOP	30.11.2023

2.5 Main stakeholders

43. The Project Document identified the project’s key stakeholders⁸ and the table in the Project Document also describes their current mandate and their role and responsibility within the project. Annex F of the Project document includes the same stakeholder table plus the addition of details on how stakeholders will be engaged at key points during implementation and mechanisms (inception workshop, project board, PA management plan development processes, etc).
44. Private sector involvement is discussed only in the context of support to tourism development however (no review or identification of private sector engagement in regard to non-tourism related sustainable financing options). This is one example of a generally low practical consideration / vision of non-tourism financing opportunities in the project document (see limited financing for piloting new financing opportunities identified in Outcome 1, but numerous tourism development activities and substantial financing for them in both Outcome 1 and 2).
45. One key stakeholder missing from the stakeholder assessment is the Dept. Biodiversity and Forestry (BFD). This Dept. within MEPA has the overall supervisory role in BD sector including Policy development and implementation and monitoring. It is assumed that their absence from the stakeholder plan in the project document is due to the fact that it was not clearly established in this role at time of project preparation (the Ministry of Environmental Protection and Ministry of Agriculture had only recently merged) and thus were not identified as a key stakeholder. It is noted that the project is now working closely with this Dept. in the context of BD monitoring and that a representative is a regular member of the PB.
46. Below is a summary of the key stakeholders, as identified in the project document:

⁸ See the Stakeholder Engagement Plan presented on pg. 22 of the Project Document and stakeholder list in annex of project document.

Table 3: Key Stakeholders and Roles

Stakeholder	Role / interest
Ministry of Environmental Protection and Agriculture (MoEPA):	The MoEPA is the central executive agency in charge of environmental protection and support to sustainable development of the country in the field of environment.
<ul style="list-style-type: none"> Dept. Biodiversity and Forestry 	<p>Dept. within MEPA with overall supervisory role in BD sector, including protected areas, policy development and implementation and monitoring.</p> <p>Was not clearly established in this role at time of project preparation and thus not identified as a key stakeholder</p>
<ul style="list-style-type: none"> Agency for PA's (APA) 	Within the MoEPA the APA is responsible for the overall administration of Georgia's PAs, including annual governmental financing of operational costs to target PAs. The MoEPA and APA have a formally agreed long-term institutional arrangement with CNF on balance co-financing support to target PAs.
Local Protected Areas Administrations	Target PAs are the key organizations responsible for implementation of state policy on PA management on the ground. Target PA administrations are the key beneficiaries of government budget allocations in support of implementation of agreed management activities on-the-ground, as well as CNF's co-financial support to maintain and strengthen practical PA management in accordance with agreed priorities and budget.
Private sector	Private sector companies at the national, regional or local level may constitute sources of negative impacts on target PAs and the valuable biodiversity linked to them. Through targeted investments as well as sponsor contributions, the private sector also may provide opportunities to further strengthen PA financial sustainability and management effectiveness, as well as improve the livelihood of local communities.
Local authorities	Local authorities of municipalities in or near target PAs are responsible for local management and use of land and natural resources, including environmental protection as stipulated by relevant national legislation.
Local communities	Communities near target PAs are both sources for environmental pressures on PAs as well as beneficiaries from ecosystem services provided by PAs.
NACRES Centre for Biodiversity Conservation and Research	Nacres will be key for implementation of the biodiversity monitoring component supporting especially results on Component 2.
Donor organizations - non-governmental, governmental, multilateral	A broad selection of national and/or international non-governmental and multilateral organizations, including KfW, EU, TJS, GIZ, WWF, IUCN, FFI, CzDA and others have an established streamlined coordination and cooperation with the government of Georgia.
General public	The general public incorporates all citizens of Georgia, as well as short- and long-term visitors to the country.

3 Findings

3.1 Project Design

47. **Introduction:** This project appears to have been conceived during the final stages of the previous UNDP/GEF PA Sustainable Financing project⁹ in approximately 2016, as a follow-up project (it was commented on in that project TE report). It was developed using a “one-step” process that did not receive a PDFA grant to support the process of developing the project document based on the original approved PIF (which was approved in approx. November 2017). The project is funded from the biodiversity GEF Country allocation.
48. The product development process was undertaken principally by CNF (in-house plus one international consultant), plus support from UNDP CO regarding implementation aspects and standard requirements. Despite a lengthy gestation the project document’s final submission only just occurred in time for funding from the GEF6 cycle. The rushed final process is maybe some explanation for the project document issues discussed below.
49. The MTR team noted a wide range of unusual features regarding the final approved project document, relative to their experience (and to a similar GEF6 Sustainable Financing Project¹⁰ used as a comparison – comparison table of contents of the two project documents is provided in MTR Vol.2 Annexes). These included:
- Format used appeared to be incomplete / non-standard compared to authors experience and in comparison, to the similar Albanian project document (see below the substantial differences and rather condensed format used in Georgian document – for example, section headings and divisions are different, the Georgian document includes no specific “baseline analysis” section, Baseline/Alternative comparison table, etc.)
 - Extremely brief main text (51 pages not including annexes, compared to 140 pages without annexes of the Albanian project document mentioned), particularly in background/analytical sections (introductory context and analysis section leading up to the threats/barriers analysis is only 2 pages, compared to 5 in comparison project document, etc).
 - Unclear and at times very opaque language and text (for example: baseline section para. 19)
50. It is perhaps important to highlight that this is the 3rd UNDP GEF project in Georgia to address sustainable financing of the protected areas system – it is generally unusual for any country to receive more than one such GEF project grant, and thus the justification for any third such project needs to be very strong. In brief, the 1st such project (*Catalysing Financial Sustainability of Georgia’s Protected Areas System 2009-12*) was mainly targeted at establishing the legal and institutional environment for PA sustainable financing, and the 2nd project (*Ensuring sufficiency and predictability of revenues for Georgia’s protected areas system 2010-16*) targeted to the establishment and operational functionality of a conservation trust fund (CNF) to effectively support the financial sustainability of the PA system.
51. Both initial 2 projects demonstrated innovation and additionality with GEF grant funds supporting a substantial change in the baseline situation (particularly the latter project). In the case of this project it is not so clear if this is the case. As highlighted by the TE for the previous “parent” GEF4 project, there is some question as to whether the new GEF6 project should be eligible at all for GEF financing – to quote

⁹ Ensuring sufficiency and predictability of revenues for Georgia’s protected areas system in Georgia UNDP/GEF, MSP 2010-16
Enhancing financial sustainability of the protected area system in Albania, 2016-20

¹⁰ Enhancing financial sustainability of the protected area system in Albania, 2016-20

the TE report – “While doubtless adding a third financial sustainability project will be useful, there are questions about whether it really satisfies the core GEF philosophy and whether it really is the priority (Page 60, para. 125), and “Pg. xiv- there are questions about the relevance of a third GEF financial sustainability of the protected area system [i.e., the GEF-6 project]: does it satisfy GEF’s requirements for additionality, innovation and incremental reasoning?”.

52. Given the TE report’s highlighting of the issue, and the need to carefully and convincingly justify the “additionality, innovation and incremental reasoning” of the GEF6 project, it is unfortunate that these very issues are not well addressed in the project document (see below).

3.1.1 Analysis of Project Strategy (ToC) and Design

53. As briefly described above, the overall project document is very brief, in particular the sections providing background and context, threats and barriers analysis, baseline and alternative scenarios and thence the project objective, outcomes and outputs. As a result, it is the MTR team’s opinion that the analytical basis for the project strategy was inadequate in a number of ways, with knock on implications for the effectiveness of project outcomes to achieve the objective.
54. The project objective is very ambitious, and the use of the word “secure” in its text is surely unrealistic, particularly given the experience from the previous project (previous project objective was even more ambitious as it was “to secure long-term financial sustainability” of the whole Georgian PA system, not just the KBA component). The use of such unrealistic objectives is counterproductive as it sets up the project to strive towards impossible goals and inevitably fall short (as was the case in the previous project). More reasonable would have been the project title wording (to enhance) or a more forward orientated title such as “to secure the basis for...”. This would have then allowed for the development of more meaningful outcomes and outputs, and indicators for measuring impact.
55. In terms of the logical, accurate and realistic development of the project strategy, two main sets of issues concern the MTR team:
- Inadequate in-depth analysis of the baseline situation and barriers that need to be overcome in order to achieve a financially sustainable and managerially effective PA system
 - Unclear and unconvincing description of the alternative scenario compared to the baseline situation and how it justifies GEF incremental support (for example, see typical Baseline, Alternative scenario, increment table of Albanian GEF6 MSP Financial Sustainability of PA system project)
56. Background and analysis issues: Firstly, the historical context of the current PA system in Georgia is not well described and this is necessary in order to reach a root understanding of the issues facing it. For example, some important factors not articulated but necessary to understand are:
- that the current centralized PAs under APA came out of reforms approx. 15 years ago (2006/7) following a decade or so of instability following the collapse of the former Soviet Union, and was aimed at bringing PAs back under effective central control in order to curb high levels of threats, illegal activity and defunct PA administrations.
 - The PA area under APA has increased from approx. 2% in 2006 to 11.38% in 2021 of the country and GoG has committed to increase the area under formal protection to 20% protection in the next 8 years (see prodoc page 1, Brief description). New categories of PAs are also being added to the PA estate at local level (Protected Landscapes, etc. under municipalities). In short, the PA system has, and continues, to rapidly expand.
 - That since that successful reform step (creation of centralized system under APA), the PA system has received strong support from Government, but the political will for this has to a large extent been driven within the national tourism development context.
 - That since that reform to the PA system (i.e. its centralization), the situation in terms of rule of law, economic development, social stability, tourism development, etc. in the country has significantly improved - as a result there has been changes in the severity and nature of threats to PAs, and also new

management needs and challenges, as well as the increasing demands of new PAs being added to the estate.

- That there have been changes in the PA legislation and policy context, parent institutional changes (MEP to MEPA, etc) and an evolving of the type and character of PA categories and stakeholders (emergence and increasing numbers of protected landscapes, municipality stakeholders, etc.)
- The considerable past and ongoing levels of international donor support to the PA system generally (approx. USD 29.7 million between 2009/19¹¹), and APA managed PAs in particular, which has, in the short/medium term, helped cover the costs of expansion, but also perhaps inhibited the commitment to self-sufficiency (developed a level of donor dependence).
- The increasing number of PAs and coverage, and increased donor support has resulted in a substantial increase in APA staff and the resources that need managing.

All of the above has relevance in trying, at this point in time, to identify the current status of the PA system sustainability and effectiveness, what are the remaining barriers to achieving a self-sustaining and effective PA system, and what are the root causes of those barriers.

57. Clearly, despite admirable gains and advances in the Georgian PA system it is not yet a self-sufficient sustainable system that can achieve basic (or greater) levels of management (and thus ensure the long-term conservation and benefits of key biodiversity and related values). That being the case a realistic, objective and in-depth consideration of why this is still the case, given the opportunities and donor support received, would seem reasonable and necessary.
58. The MTR consider that the three barriers identified in the situation analysis were, in a general sense, accurate (i.e. Insufficient and insecure financing, weak capacity for the efficient financial-administrative planning and effective operational management of the PA system, lack of awareness and action among key stakeholders) – however, the root causes of these barriers, and therefore the issues to be addressed by the project to support a transition to a more positive scenario, were not as well analysed. This was most likely due in part to the inadequate description / analysis of the situation. Specifically, the MTR team would suggest the following: In terms of sustainable financing the analysis (document text and annex H) insufficiently identified some key issues and factors. For example:
- Although tourism can provide a means to generate revenue it is never likely to meet the full financial needs of the system as a whole. In fact, realistically, even in the most tourism attractive PAs it is unlikely to meet all costs, and at system level never likely to meet more than a small proportion – added to this reality is the fact that reliance on one source of revenue is inherently risky (as proved for PAs around the world by the Covid pandemic).
 - Consequent to the above, seeking alternative non-tourism options and opportunities for sustained and predictable financing becomes an obligation, not a choice. Though the analysis does discuss the need to diversify revenue/financing, it does not do so in so categoric terms. This ambivalence can be seen reflected in the relatively low level of emphasis and financial weight given in the project output/activities designed to address the barrier (the piloting of new/innovative options / approaches, including any related to tourism as well as others, was only allocated USD20,000 out of a total GEF grant of USD 1.82 million – the whole outcome was only allocated 32% of GEF grant funds). The same ambivalence and lack of ambition seems to have followed through into implementation (see section on progress and results).
 - *Awareness and understanding of PA values (apart from tourism) at senior government and political levels, private sector:* In the context of non-tourism opportunities and options such as increased state funding, PES, corporate responsibility, BD offsetting, debt-for-nature swops, etc. a critical “sub-barrier” is the general lack of awareness and understanding in all sectors of society, but particularly senior government policy and decision makers, politicians, large private sector actors, etc. to the full

¹¹ The MTR could not locate a complete systematic record of donor inputs to the PA system in Georgia – However, combined data from Dept. BD and Forestry and APA suggests that approx. USD 29.8 Million was invested between 2009-19, averaging approx. USD 3.2 Million/year – of this USD 3.2 million was from GEF/UNDP and USD 13.7 million from German Gov. (BMZ/KfW). MTR emphasises these are very rough estimates based on data available.

values and benefits of biodiversity (in terms of ecosystem services, climate change mitigation and adaptation, etc).

Currently, for understandable reasons (stemming from its original main reason for support), the value of PAs is seen by the majority in government, private sector, etc. largely in the context of tourism. This reality is reflected everywhere (for example, even a review of APA and CNF websites reveals little or no information on any of the PAs ecosystem service values, not a great deal of detail on global biodiversity value, but much on tourism aspects).

Clearly moving forward on the development of mechanisms that tap into the wider values and benefits of PAs from both state financing and private sector users of natural resources, demands a significant change in the current understanding and perception of biodiversity per se, and PAs function in protecting it specifically. This requires starting to move biodiversity conservation and ecosystem service preservation centre stage in Georgia's sustainable development policy context, and global convention commitments, as well as in terms of tourism. Though a challenging and long-term goal it is essential. This was not identified in the financial analysis section as a critical issue in this way, and thus little focused effort is included in the design to address it. The existing Outcome 3 is not based on this identified need (more a general vague need to increase local communities and wider public awareness and support).

- *Ecosystem Service valuation of the PA system* – this fortunately was identified in the financing analysis as an important need for providing basic data to demonstrate PA wider values to economy and sustainable development, and the meeting of international environmental obligations. Its crucial importance in terms of increasing commitment of key stakeholders (senior government, political system, private sector, etc.) for new financing options was perhaps less clearly understood and stated in the project document and integrated into Outputs (on awareness, etc)

59. In terms of the capacity needs of the PA system of Georgia, we believe the project situation analysis missed several key issues that are touched on above in para. 108. Some of these are:

- *PA system level capacity needs assessment and support*: Capacity assessment in the context of UNDP standard approach should look at system, institutional and individual levels and address needs identified at all those levels (as per the CAS). The MTR team would suggest that the systemic aspect of the project document analysis was inadequate.

As highlighted in para. 108 the PA system was last reorganized in 2006/7 (almost 15 years ago) but since then the national develop situation has changed significantly, legislation and policy has changed, the parent institution (MEP/MEPA) reformed, new categories of PAs emerged, the complexity and demands of managing multi-use zonated NPs, etc. have increased, the number of PAs and area covered has increased, etc. Plans in future to further increase the system to 20% of the country will multiply the challenges. The international context has also changed significantly, with the depth of the environmental threats to all countries becoming an international priority, including the global biodiversity crisis and its relationship to climate change mitigation and human survival.

Under these circumstances it would seem likely that some adjustment to the overall PA management system is very possibly necessary, and that this needs to be assessed. Furthermore, though APA in its current form has successfully presided over a growing PA estate, it still faces challenges and constraints, and there are various indicators that clearly suggest a sub-optimal system. For example, the rapid turnover of staff, both in HQ and at PA level (most significantly for a centralized system the high turnover of leadership), limited conservation background of HQ staff, structure that is still largely protection orientated and weak in terms of capacity to address other key management tasks (such as monitoring, natural resource management in traditional use zones, poor communication [rather than PR] with local stakeholders, etc.), mission drift in terms of dominance of tourism, etc. In the context of protected landscapes, there has been a vacuum of central policy and support (though this is now

being addressed by the BD and Forestry Dep. of MEPA) - if these new but important approaches are to flourish it is critical, they get such support.

Based on all the above, a logical, and we believe essential, focus of the project should have been on assessing and hence helping the strengthening of the overall PA system itself. If the system design and functionality is not appropriate, all other efforts are compromised. Given the ambitious PA area expansion plans (to 20% of the country), the recent merger of MEP and MoA to create MEPA, the emerging role of the BD and Forestry Dep. within MEPA, and the preparation of a PA Policy draft document (GIZ), the situation would seem ripe to look at the current situation and how “fit for purpose” the institutions and their operational mechanisms are under these new circumstances.

It maybe that with only minor adjustments and strategic changes in approach, the system can be made more sustainable and effective, or it may be that close analysis reveals a need for more substantial change – this cannot be known without first doing a systematic assessment. It is thus unfortunate that the project document analysis did not identify this issue as a priority, and subsequently incorporated it into the project design. This was we believe a significant missed opportunity to enhance the sustainability and effectiveness of the PA system in Georgia.

- Limitations in other capacity building analysis and subsequent Outputs/activities definition: One of the most obvious aspects of the PA system situation to any newcomer is the substantial number of donors supported TA projects for PAs over the last decades and ongoing. One feature of almost all these projects is capacity development and training. However, in almost all cases such efforts are focused at PA level (not HQ) and most are undertaken based on a project specific capacity needs assessment rather than in the framework of a long-term systematic training / capacity building programme. As actually state in the project document “On-the-job training and capacity building is *ad hoc* available, largely depending on donor support” (pg. 10. para.15).

The result is a repeating process of each project undertaking a set of trainings during its duration that are not sustained post project. Such efforts have brief impact, but it is not sustained, either because many of the staff leave (due to high turn-over) or after a period of time the capacity simply fades. This project-based approach does not seem in the long term a very cost-effective approach to PA system level capacity building. The project document analysis regarding capacity issues did not identify this as an issue and subsequently the majority of capacity development actions planned were very much “business as usual” (project based, not likely to have sustained impact). There would have been an opportunity, if this issue had been identified, for the project to incorporate actions towards the development of some form of long-term systematic training programme (for both HQ and PA levels). Apart from directly improving the sustained impact of such efforts and the longer-term capacity of the system, this would help future targeting by individual donor projects towards further strengthening an existing programme rather than re-inventing new activities for each project.

60. Baseline / Alternative (with project) Scenario description and justification for GEF incremental financing:

As previously mentioned the project has no specific “baseline” description section as is typically found in most UNDP GEF project documents (for example the comparison GEF 6 SF project in Albania, etc). There is a section entitle “Baseline Scenario” but then no section with “Alternative Scenario” and clear comparison of the two Text under the Strategy section (para’s 20-31) describe the expected impact of the project (i.e. a kind of alternative scenario description although it is not described as such - it is unhelpful that some of the text is very hard to understand i.e. see last sentence para.21). However, without having a clear means to compare the baseline and alternative scenarios and what specifically are the addition impacts, it is difficult to evaluate the incremental justification for GEF funds.

61. In comparison, the example Albanian SF GEF6 document has a baseline analysis section (under Part I of project document) but also under Part II Strategy, Project Rationale and Policy Conformity, a sub-section on “*Fit with GEF Focal Area Strategy and Programme*” and “*Rationale and Summary of the GEF Alternative*”. In this latter sub-section, the difference between the baseline scenario and alternative is clearly

described including a comparison table (3 columns: baseline scenario, alternative scenario, and an “increment” column that itemizes exactly what the additionality of the project is).

62. Given that this is the 3rd GEF SF project, and a direct follow on from a previous GEF SF, it was imperative that a very clear case and justification was made for GEF funding in this document. This was even highlighted by the TE of the previous project as an issue that needed to be addressed before moving forward. The fact that the case remained so opaque is unfortunate and brings into question how effectively the project review and approval process was carried out (as do other aspects of the project design discussed in this section of the report).

3.1.2 Analysis of Project the Strategic Results Framework Matrix and Indicators

63. The SRF is overall in accordance with standard format. However, there is some lack of clarity in the first column (Objective, Components / Outcomes) where only text of Components is used not the Outcomes as described under the Results and Partnership Section of the Project document. In many projects the component text and outcome text is synonymous (component text being a brief rendition of the outcome) and thus they can be used interchangeably without any real issue. However, in this project SRF the component text and outcome text differ (see comparison below). This may seem a rather pedantic point, however it does have implications for indicators (which should be measuring outcome and need to be clearly focused on that). It also adds a level of confusion, with knock on effect into the M&E reporting (PIR reports, MTR and in future TE). As discussed previously, in the context of the Title/objective the implications are more substantial (a vast difference between “enhancing financial/management sustainability and “securing” it).

Table 4: Comparison of Title/Objective, and Component/outcome texts

Project Title/Components	Project Objective/ Outcomes	Comment
<i>Title:</i> Enhancing financial sustainability of the Protected Areas system in Georgia	<i>Objective:</i> To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia	Objective is used in SRF Significant difference (between “to enhance” and “to secure”).
<i>Component 1</i> Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs)	<i>Outcome 1</i> Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed	Component is used in SRF Outcome differs in terms of specificity (12 PAs, 431,872 ha.). Implications for indicators used
<i>Component 2</i> Improved management and financial effectiveness demonstrated for targeted large-scale PAs	<i>Outcome 2</i> Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	Component used in SRF Wording different but approx. same meaning (more emphasis on monitoring)
<i>Component 3</i> Knowledge Management and monitoring and evaluation	<i>Outcome 3</i> Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values	Component used in SRF. Component wording does not describe the impact while Outcome does (increased awareness of values).

64. Indicators for measuring progress towards Outcomes and Objective: The UNDP-GEF monitoring and evaluation system is based heavily on the use of Objective and Outcome indicators to assess project progress. Furthermore, the indicators provide a clear basis for project implementers to understand what concretely they need to be trying to achieve -i.e. a means to help guide implementation and ensure activities

planned and executed are really heading towards the objective (or falling short and need to be reviewed/adapted – i.e. adaptive management). Thus, the choice of good indicators is a crucial one for both implementation and evaluation/adaption.

65. UNDP GEF indicators use the “SMART” approach i.e. Specific, Measurable, Achievable, Relevant and Time-bound¹²). Review of the project indicators in the SRF suggest that they fall short of the above in two main ways i.e. relevant and measurable. Apart from the use of component text rather than outcome text in the SRF (see above) numerous other substantial weakness in the indicator system were noted. A full review table of indicators is provided in the annex of the report, but a summary is included below as a basis for illustrating points in following paragraphs.
66. The three issues that emerge from the indicator review are: relevance, measurability and objectivity. The objective level indicators are the most critical for gaining a measure of whether the project is moving towards its final expected impact (i.e. Sustainable financing secured and effective management in place). Two out of 3 indicators for the objective do try to measure this: one regarding management effectiveness (Ind.1. mainly via METT) and one regarding sustainable financing (Ind.3. Financial Sustainability Scorecard). In addition, indicator one is principally based on METT but the MT target is zero – Elsewhere (Outcome 2) METT is again used but expectation is of change by MT. Thus, there starts to be a lack of clarity.
67. One indicator (out of three) used to measure Objective level impact (Indi.2 Socio-economic change of staff) is much less understandable as an objective level indicator. How practically does this measure progress to the objective? Overall, the MTR team would suggest that the objective is rather poorly served by the indicators used – indicator 1 is unclear and confusing to measure (as reflected by its reporting in the PIRs, etc) and of questionable objectivity, and indicator 2 seems to be of marginal relevance. The only clear indicator (Ind.3) also suffers objectivity issues.
68. The paramount question is – do these indicators provide a SMART basis for measuring progress towards the objective? and for helping implementers be guided and orientated to it? In the MTR team opinion this is not the case and, going forward, some additional indicators (perhaps based on a more realistic objective such as “enhancing” rather than “securing”) should be added to clarify actual progress towards the objective. For example, measure of effective management might be better served under the objective by use of Capacity Assessment Scorecard (CAS) that would measure system level capacity as well as at PA level. Other indicators could attempt to provide a measure, additional to the FSS, of impacts with long term implications for financial sustainability of the system or changing understanding of the values of PAs that would underpin political commitment to sustainability. Though challenging the MTR would suggest it is important to address the current weaknesses of the objective level indicators in order to both focus minds towards realistic achievements by EoP which will have the desired long-term impact, and to make the TE process effective.
69. Apart from additional objective level indicators there is the need to ensure that data for existing ones (both under objective and outcomes) are derived in a more “objective” and transparent manner i.e. that it is collected by “objective professionals” as specified in the MoV in the SRF.
70. Under Outcome 1 the MTR team has concern and some significant questions over some of the indicators and the implications of those questions. Firstly, it was noted in the PIR and MT status figures that GEF grant funds were used as part of the total reported for targets under indicator 4 (Increase in long-term annual funding to target 12 PAs). The MTR would suggest this is not correct as GEF funds are short term TA inputs during project duration and not sustainable long-term annual funding. This highlights the lack of clarity in how the indicator is to be measured. It also leads on to a more fundamental question (see below) about CNF inputs as “sustainable financing” (in view of the fact it is a time limited funding mechanism).

¹² The first criterion, **Specific**, means that the indicator needs to be narrow and accurately describe what needs to be measured. **Measurable** means that regardless of who uses the indicator it would be measured in the same way. **Achievable** (or attainable) means that collecting the data should be straightforward and cost-effective. **Relevant** requires that the indicator be closely linked to the relevant outcome. Finally, **Time-bound** means that there should be a timeframe linked to the indicator (such as the frequency with which it is collected or measured)

71. Secondly, Indicator 5 (number of target PAs regularly receiving full financing support): there are two issues here: a). it is unclear how it is measured (what precisely is meant by “full support” – this is mentioned in the project document numerous times but never exactly defined), b). there is the bigger question of relevance to the Outcome – in short, it could be questioned whether CNF inputs to supporting the PAs count as “sustainably financing” given the source is a sinking fund that will cease in 2030 (similar to issue raised above re. GEF grand funds not being valid) – thus, do CNF funds really measure increases in the PA system sustainability? If the answer to that is negative, then the whole indicator is not valid. This also has implications to Indicator 4 (Increase in long-term annual funding to target 12 PAs) as that also seems to be largely based on CNF inputs from the sinking fund.
72. The basic question that needs to be clarified is whether the CNF is a part of the PA system, or a separate entity whose purpose is to temporarily (over a fairly long time frame i.e. up to end of sinking fund in 2038) support the system to become sustainable? If the latter is the case, then there is indeed a question as to whether CNF inputs can be used as indicators of an outcome designed to measure an increase the financial sustainability of the PA system. The answer to that question has rather large implications for additionality of the project and how its success is measured.
73. The 3rd indicator for Outcome 1 measures the projects impact on tourism revenue streams – based on the points made above it is perhaps the only indicator to measure outcome impact. Unfortunately, it also suffers issues related to clarity of data (baseline appears to be an annual figure for 2017, but PIR/MT figures based on multi-year). In any case, the event of the Covid19 pandemic has rather nullified the value of this indicator but does highlight the risks of a system depending too heavily on a narrow revenue stream.
74. That point leads to the next – i.e. that there are no indicators under this outcome regarding other sources of financing. This again suggests an ambivalence / lack of real commitment in the project document towards really pursuing non-tourism financing options despite the necessity discussed previously. In relation to this, and recommendations regarding the need to follow up on more diversified financing options, the MTR team would recommend a need to add indicators related to this.
75. In summary, as in the case with the objective indicators, the MTR team do not feel that the Outcome indicators for Outcome 1 provided a clear and sufficient basis to meaningfully measure progress toward the outcome (Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed).
76. Under Outcome 2, Indicator 9 is considered not very useful as changes in status of species populations in the short duration of any project are somewhat meaningless. There is also a doubt concerning the application of the Capacity Assessment Scorecard (CAS) in indicator 7 – the indicator text specifies values for target PA's only, not the system as a whole¹³. If so, this was a significant absence given that the PA system in Georgia is quite centralized and only the “body” not the “head” was covered. There is therefore a need to clarify this indicator.
77. The impact of the above limitations and weaknesses of the indicators include:
- Unclear basis for project implementer to see what impacts and end situation they should be aiming for and adapt as appropriate project approaches and activities.
 - Confused / unclear basis for monitoring and reporting,
 - poor reflection of real project impacts on financial sustainability of the PA system and management effectiveness (doesn't highlight well real achievements and progress)
 - challenging basis to review the project fairly (PIRs, MTR, and TE stages).
78. Apart from the above, the indicators do throw up a variety of important questions / queries about fundamental issues regarding CNF role, the project design and what in reality constitutes “enhancing” the

¹³ Indicator 7: Level of institutional capacities for financial-administrative planning and operational management planning as measured by Capacity Assessment Scorecard (CAS) values for target PAs

sustainable financing and management effectiveness of the PA system in Georgia. Perhaps most important of these is to clarify if CNF “sinking funds” can be legitimately used to measure financial sustainability. In the MTR opinion this is misleading and not helpful as it obscures/reduces the actual challenge still faced in terms of “real” sustainable financing needed to bridge the gap once the sinking fund ceases in the future.

3.2 Progress Towards Results

3.2.1 Analysis of progress towards outcomes

79. The project CEO document was approved mid-August 2018 and project document signed mid December 2018 (2-month latter). The Project Coordinator (part-time) was hired on the 1st January 2019 and Project Manager on 9th January 2019 (but initially only on part-time basis). Other project support was provided in-house by CNF and thus by mid-January 2019 the Project implementation unit was established. However, the Responsible Party agreement (RPA) between UNDP and CNF was not signed until April 2019 and thus this would appear to be the date the project genuinely was “up and running”.
80. The Inception Workshop occurred on 28th February (approx. two months after project signing) and report finalized in March 2019. The 1st Project Board Meeting (PB) took place on the same day as the Inception workshop. The PB initial meeting clarified roles and voting rights and approved the 1st year AWP.
81. In short, the project start-up and establishment were carried out efficiently. However, it is clear that during initial months of project execution it was realized that CNF had underestimated the complexity and workload of the project management and the error of recruiting the PM on a Part-time basis. As a result, 1st quarter financial delivery was poor and there was a struggle to undertake the necessary technical tasks / organizational needed to initiate practical implementation (prepare TORs, follow UNDP procurement processes, etc). This challenge was effectively identified by the Project Coordinator and all parties (UNDP, CNF) worked together to address these “teething” issues, including the recruitment of the PM in April 2020 on a permanent basis, the bringing on board on a short term basis of an international technical consultant to help with TORs and similar issues, and allocation of more part-time CNF staff support. Thus, by the 2nd quarter of the project the project was operating reasonably effectively and has continued to gain experience and effectiveness (see analysis of financial delivery). Due recognition of the PM’s efforts towards this are necessary (given position was part-time for the 1st year).
82. Inception Report and Workshop: The inception report was well prepared and provided an effective basis for stakeholders invited to the inception workshop to be aware of detailed implementation plans and to agree to the suggested way forward, thus forming a basis for future effective implementation. It also provided the basis to work out and agree cooperation and collaborative implementation arrangement. A key output of the report was the formulation of Total Project Budget (TPB) and Technical Multi-Year Work Plan (TMYWP), translating expected Outcomes and Outputs into practical project implementation activities for the duration of the project, describing specific activities planned, type of contracting modality, and envisioned timing (Chapter V of Inception report).
83. Pragmatic changes to the budget and outputs were made and presented in the TMYWP. For example, during the project Inception Phase, UNDP, CNF and APA, as project beneficiary, agreed on topic and budget revisions, mainly aimed at strengthening readiness for tourism investment. Specifically, the project will focus on preparing STDFS only for those target PAs currently without such strategic documents. Another example was key budget re-allocations mainly following from recommendations by the project beneficiary to re-assign activities from component 1 to component 2 or component 3, respectively, to ensure their proper fit with strengthening target PA management capacities or monitoring and evaluation purposes.

84. However, one caveat regarding the effectiveness of the inception phase is the failure to adequately review the project document content and SRF (particularly indicators), identify, some or all the issues highlighted in this report, and take remedial steps to clarify the overall objective, better focus the priorities and adjust/clarify indicators in order to provide a clear basis for monitoring progress towards the outcomes and objectives. Recognition of the project documents analytical weakness, unclear/realistic objective, poor monitoring indicators, etc. at the inception stage, and steps to rectify them, could have potentially avoided some of the shortfalls now being identified, and provided a better basis for successful implementation. In this context the decision not to involve an overall project technical adviser with broad experience of such situations, who might have helped highlight these issues, was perhaps a mistake.
85. Based on the developed Total Project Budget (TPB) and Technical Multi-Year Work Plan (TMYWP) the project AWP was developed and approved by the PB (see above). Project full implementation can therefore be considered as commencing in March 2019 (approx. 2.5 months after signing). Each of the 3 project components contains 1 related outcome, achieved through a number of expected outputs.

Component 1: Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs)

86. The Outcome 1 under this component is described as “Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed” and is to be achieved through 3 outputs. This outcome is intended to address Barrier 1: Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system. This outcome has about 20% of GEF grant funds allocated.
87. Though it is not listed as a specific Output, most of the funds allocated to this Outcome are CNF/GoG co-financing inputs to the 12 target PAs (CNF “full support” and GoG recurrent cost funding). This is reflected by the fact that the main indicators for this outcome relate to this impact (indicators 4 and 5¹⁴), not to actual outputs cited in the project document.
88. Actual listed outputs are mainly financed by GEF grant funds and have one relevant indicator (indicator 6: increase in revenues generated from tourism activities in target PAs). However, one of the Objective level indicators (indicator 3: Increased PA system financing as measured by the Financial Sustainability Scorecard) is also relevant and is taken into consideration during assessment of progress towards outcome.

Conclusion and Rating of Progress Outcome 1:

89. The project has made good progress on the execution of activities under Outcome 1, despite the limitations and restrictions imposed by the onset of the COVID 19 pandemic in late 2019 / early 2020 and up to now, and progress, in those terms, is on track.
90. However, in terms of achievement of long-term impact the overall outcome is let down by the limited progress to identify and follow up on non-tourism sources of sustainable finance. The tourism activities supported, particularly the entrance fee piloting, may help to enhance tourism revenues but this will not address in future of the large gap between current PA financing and the needs for basic management (let alone optimal). The lack of progress on ESV study and policy brief is part of this wider lack of vision/ambition in terms of diversifying the revenue streams for the PA system (including making the case for increased state budget allocations).

¹⁴ Indicator 4: Increase in long-term annual funding to target 12 PAs, Indicator 5: Number of target PAs regularly receiving full financing support

91. Based on the indicators only, the MTR assessment is that the project is on track in regard to two out of three MT indicator targets but has not achieved one (out of 3). Specifically, this relates to Indicator 6: Increase in revenues generated from tourism activities in target PAs, which has been impacted by the COVID pandemic limitations on tourism. The rating for Outcome 1 is therefore “Moderately Unsatisfactory”.
92. This may seem unfairly harsh given the unforeseeable force majeure impact of Covid19. However, the MTR is basing this rating on additional factors relating to the implementation and progress under this outcome i.e. the limited progress and ambition to address a critical issue for the long term sustainable financing of the PA system, and which was expected to be pursued under Output 1.1 i.e. to diversify sustainable financing through identification and follow up of non-tourism options and opportunities. There has also been little or no progress so far on Output 1.2 (dedicated PA accounts). Furthermore, the Financial Sustainability Scorecard (used to measure objective indicator 3) suggests also that the project is not currently on track to really achieve long term impact under this outcome (MT FSC target of 50% not reach – change of 3% from baseline. FSC MT text reads “not enough evidence could be provided that would demonstrate that sustainability financing has been improved through strengthened institutional and legal framework or any new financing instruments initiated).
93. The rating for Outcome 1 escapes being Unsatisfactory because the project still has the time and opportunity to focus more attention and ambition to making progress on the issue of diversifying financing options before EoP. Recommendations in this regard are provided in the final section of this report.

Component 2: Improved management and financial effectiveness demonstrated for targeted large-scale PAs

94. The Outcome under this component is described as “Institutional capacity for financial and operational management, and for monitoring in target PAs is improved” and is to be achieved through 4 outputs. This outcome is intended to address Barrier 2: Weak capacity in efficient financial-administrative planning and effective operational management of the PA system. This outcome has the largest proportion of GEF grant funds allocated.
95. Two Outputs focus principally on capacity building (2.1. for overall capacity needs/plan, and actions at Central HQ level, and 2.3 at PA level). However, output 2.1 also has MP and OP related activities at PA level that were re-located from Outcome 1 at inception phase. Respectively, they have 13% and 17% of the GEF funds allocated to the Outcome.
96. Out of the remaining 2 outputs, one (2.2) focuses on Management Effectiveness Assessment tools/plans and BD indicators/monitoring system (as part of MEAP). This is the output with the largest GEF grant funds under this outcome (64% of outcome 2)
97. The other output (2.4) is titled “Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness”. About 6% of GEF funds for the outcome are allocated.

Conclusion and Rating of Progress for Outcome 2:

98. The project has made substantial results and progress under Outcome 2, notably in terms of establishing a sound basis for future biodiversity monitoring as a means to measure if PAs are having the desired (expected) impact. The work on more comprehensive impact monitoring (MEAP, etc.) has made initial strides but needs further follow up.

99. The project has made significant efforts to build APA HQ level financial management capacity and initiated some innovative approaches to HQ and PA level training have been initiated. It has significantly enhanced PA level management and operational planning through updates/revisions and is on track to achieve its targets in these terms. The approaches used during this have tapped into the national and PA specific FAs and used in-country technical experience.
100. However, the MTR would suggest that, though the above are enhancing capacity in some important aspects, and are improving the basis for future monitoring of the system impact and effectiveness, they do not address some of the fundamental issues facing the overall PA system and institutions, and its effectiveness/sustainability.
101. As previously discussed, there are indicators that the system overall is sub-optimal and possibly no longer well matched, in terms of its institutional structure and operational approaches, to the situation that has evolved since the last significant reorganization. The high turnover of staff at all levels undercuts the lasting impact of capacity building efforts, the PA Administration staff morale appear poor, the pressure to achieve tourism goals rather than conservation ones seem significant, etc. In short there are clearly issues at a system/institutional level that need addressing. In that context, while the efforts of the project are useful (particularly the basis for future impact monitoring) they risk not substantially improving the overall effectiveness of the system if that is not also addressed.
102. Based on the indicators only, the MTR assessment is that the project is on track in regard to all of the three MT indicator targets. However, this conclusion is considered compromised by the weakness of the indicators (see previous section).

Table 5: Comparison of System Outcomes in CAS at Start (CEO) and MT

Outcome	CEO score	MT score	Rhetorical questions/comments
There is a fully transparent oversight authority for the protected areas institutions	1	2	Not clear why this change? What was the justification? was it a product of the project?? There seems to be no effective oversight structure for APA at present.
Protected area institutions are effectively led	1	2	Given the ongoing changes that occurred in APA leadership this score would have remained the same?

103. Indicator 7 (based on CAS) should have provided the most relevant measure – however, given the previously discussed system level issues and concerns, there is some question as to whether the systemic outcome scores reflects very well real change at systemic level.
104. Combining all of the above considerations, the overall conclusion on the rating for Outcome 2 is “Moderately Satisfactory”, but the MTR would suggest that without more effort towards a system level impact the project will not in practice address many of the more fundamental issues facing the PA system longer term effectiveness and sustainability.

Component 3: Knowledge Management and monitoring and evaluation

105. The Outcome 3 under this component is described as “Knowledge management, monitoring and evaluation contributes to increased awareness of biodiversity” and is to be achieved through 2 outputs. This outcome is intended to address Barrier 3: Lack of awareness and action amongst key sector institutions,

communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses. This outcome is largely financed via co-financing (CNF) with small (USD 25,000) GEF grant funds allocation.

106. This Outcome is a curious mixture of an output on biodiversity awareness raising (output 3.1) and an output related mostly to monitoring (CNF financial and technical monitoring, and project monitoring activities such as the TE, etc).
107. Conclusion and Rating of Progress Outcome 3: Based on the indicators in the SRF the progress at MT can be concluded as on track. However, activities related to “*better community, stakeholder and societal awareness on the values of globally, nationally and locally important biodiversity and natural ecosystems in the country’s PAs*”, seem to be stalled at this point. Other activities are being executed effectively and on time. The overall rating for this outcome is therefore Moderately Satisfactory.
108. **Overall Rating of progress towards objective:** Based on the ratings applied to the 3 project Outcomes, taken together with other factors (given the weak SRF indicators) the MTR overall rating for project progress towards the objective is Moderately Satisfactory. However, this rating comes with many caveats – the most crucial is that without remedial action to address inadequate achievements by MT of Outcome 1 and 2, the project will risk not achieving the objective and will not substantially move the baseline forward i.e. it will have only marginal impact on long term sustainable financing for the PA system, and minimal sustained impact on the PA system financial and management effectiveness.

Table 6. The Project Results Framework showing the MTR status and the MTR comments and ratings (as per required format in TOR)

Project strategy Objective/outcome	Indicator ¹⁵	Baseline Level ¹⁶	Midterm Target ¹⁷	End of project target level	1 st PIR 2020	Midterm Level & Assessment ¹⁸	Outcome Achievement Rating ¹⁹	Justification for Rating
To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia	Mandatory Indicator 1 (Output 1.4.1 of UNDP SP): Natural resources that are managed under a sustainable use, conservation, access and benefit-sharing regime: a) Area of existing protected area under improved management (hectares) (i.e. the total area of 12 KBAs targeted by the project)	0 (2017)	0	431,872	This is a complex indicator which depends on fulfilment of number of activities under all 3 project components at all target protected areas during the entire project lifetime. Will be reported at the end of the project (as reported in the PIR)	Based on the evidence available, and within the limitations of the indicator itself, the MTR finds it hard to provide a meaningful judgment of progress towards target under this indicator. One of the issues is that no clear means for measuring progress towards what is an already vague indicator is specified. However, clearly PA level activities to train PA staff, update MPs and OPs, provide new equipment, develop new tourism infrastructure and address community concerns etc. are occurring. The PA METT and CAS suggests that management effectiveness <u>is</u> increasing in the 12 PAs. – thus, the MTR subjectively judges the progress towards this objective target is on track, but with some reservations.	MS	Based on the indicators only , the MTR assessment is that the project is on track to reach 2 of its objective indicator targets but is behind its target in terms of its MT target for indicator 3. Thus, the overall progress towards the project Objective is rated as Moderately Satisfactory (MS) . However, in practice there is some lack of clarity in terms of how well this reflects the project progress. The 2 “on track indicators” both suffer limitation, the first in meaningfulness, and 2 nd in relevance. The issues related to this, and other indicators/targets in the project SRF are discussed in more detail in the relevant sections of this report.
	Indicator 2: # of direct project beneficiaries, sex disaggregated. (# of workers at targeted PAs with improved socio-economic conditions)	0 (2017)	310	500	304 (273 men, 31 women) This indicator includes # of PA workers who receive salary top-ups paid by the Caucasus Nature Fund. It is assumed that increased income directly contributes to their improved social and economic conditions. Source: Agency of Protected Areas	309 (265 males, 31 females, 13 positions are vacant at the moment) The explanation and source of the data is the same as described in 1stPIR. Again, the MTR team struggled with this indicator (see relevant section of the report). How a measure of the number of staff receiving salary top ups constitutes a meaningful indicator for the overall objective (i.e. secure long-term financial sustainability and effective) of the project is very unclear. However, based on the indicator as it stands the project appears to be slightly ahead of its target at the MT point and on track		Indicator 3, based on the FS scorecard, is perhaps the strongest remaining indicator in terms of measuring progress towards the project objective. This indicates that progress on several critical issues for financial sustainability

¹⁵ Populate with data from the Logframe and scorecards

¹⁶ Populate with data from the Project Document

¹⁷ If available

¹⁸ Colour code this column only

¹⁹ Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

	Indicator 3: Increased PA system financing as measured by the Financial Sustainability Scorecard	43%	50%	Increase to at least 55%	Not applicable for the reporting period. The FSS will be updated as part of mid-term METT scorecard evaluation process which will be conducted during 2021	46% - The main reasons for not attaining the envisaged midterm target of 50% are outlined in the Comments section of the Part II of the FSC. Although the project demonstrates steadily increased financial support to PA system of Georgia (Part I) this was achieved through increased CNF inputs only. As reported in the 2 nd PIR, not enough evidence could be provided that would demonstrate that the sustainability financing has been improved through strengthened institutional and legal framework or any new financing instruments initiated - For example, the country still lacks fiscal instruments, such as tourism tax or similar that would promote PA financing; the system still lacks the laws or policies that would support to retain revenues at site level; Georgian PAs still don't have systematic approach for entrance fees and so on. Although, it mainly depends on the Government of Georgia's political will to make concrete and effective steps to make changes in this direction, the project aims to implement some of the activities in the 2nd half of its implementation (2021-2023), that would support this process further. Among such activities are the introduction of entrance fees in specific PAs and/or system wide; ecosystem services valuation study; introduction of "tourism levy" or its equivalent to specific PA as pilot mechanism for revenue generation, introduction of instrument that will support the partial retainment of revenues on site level. Source: Updated FSC, dd July 2021		are behind the level of progress expected at the MT point. The MTR would add that there are other indications that the project is not on track to achieving the full level of impact necessary to reach the project stated objective, and that some adjustment in focus and effort is required to better achieve this. Two issues stand out – the first relates to the limited progress and ambition in regard to identification and follow up to more diversified revenue options, particularly given the lessons that COVID 19 pandemic has taught concerning the narrow dependence on tourism. The 2 nd relates to an inadequate analysis and response to the PA capacity challenges faced – this limitation perhaps partly stems from the project document. These are discussed in depth within the relevant MTR report text and indicated in brief in this table against relevant outcome indicators, as well as covered in the conclusions and recommendations
Outcome 1	Description of Indicator	Baseline Level	Midterm target level	End of project target level	1 st PIR	MTR level		MTR rating and comments
Outcome 1: Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and	Indicator 4: Increase in long-term annual funding to target 12 PAs Unclear in terms of source or how it	USD650,000	USD800,000	USD950,000	USD 1,078,642 including \$854,472 from the Caucasus Nature Fund (CNF) and \$224,170 from GEF VI Project. Source: Agency of the Protected Areas and Caucasus Nature Fund	The progress towards the target reported by the project at MT is as follows “USD 1,665,198 mobilized in 2021 including USD1,165,202 by the Caucasus Nature Fund (CNF) and USD 499,996 by the project” Source: Agency of the Protected Areas and Caucasus Nature Fund However, the indicator 4 is stated as follows “Increase in long-term annual funding to target 12 PAs”		Based on the indicators only , the MTR assessment is that the project is on track in regard to 2 out of 3 MT indicator targets but has not achieved 1 out of 3 and is unlikely to achieve it. The overall Outcome 1 rating is therefore

<p>sustainably financed</p> <p>Indicators should be related to this</p> <p>34% of GEF funds</p>	<p>indicates project impact</p> <p>Doesn't say for example "due to increase in revenue generation" or "due to increase in state budget" or "due to additional CNF funds leveraged" etc</p>					<p>The MTR would suggest that under that definition it is not acceptable to include any GEF TA financing as it is neither long term or sustainable – it is a short-term TA investment to build such financing.</p> <p>Thus, we suggest this target has been incorrectly reported in PIRs to date and at MT. The accurate figure is therefore presumably USD 1,165,202 (CNF). This nonetheless exceeds the MT target of USD 800,000.</p> <p>However, part of the reason for this significant over target inputs by CNF has been in response to restricted revenue generation by APA during 2020 due to the impact on tourism from the COVID 19 pandemic. Therefore, in reality, if all sources of financing were counted, there would be a less positive picture. Presumably the unexpected increase in support in 2019/20 has some implications for support in subsequent years.</p> <p>For the above reasons this target is considered on track but with some caveats.</p>	<p>MU</p>	<p>considered as Moderately unsatisfactory (MU).</p> <p>This may seem unfairly harsh given the unforeseeable <i>force majeure</i> impact of Covid19. However, the MTR is basing this rating on additional factors relating to the implementation and progress under this outcome i.e. the limited progress and ambition to address a critical issue that was highlighted in the sustainable financing analysis in the project document, and expected to be pursued under Output 1.1 i.e. to diversify sustainable financing through identification and follow up of non-tourism, as well as tourism, options and opportunities. The risks involved of depending too heavily on any one revenue stream have been amply proven by the COVID 19 pandemic.</p> <p>It is indicative of the overall bias in the project that that the only specific indicator related to revenue generation is in the context of tourism. This, amongst other factors, may have influenced the project priority given to tourism over other options</p>
	<p>Indicator 5: Number of target PAs regularly receiving full financing support</p>	6	9	12	<p>10 of target PAs are regularly receiving full financing support (CNF and GEF-6 Project) as indicated by reported progress for Indicator 4 above.</p> <p>Source: The Caucasus Nature Fund.</p>	<p>As reported by the project</p> <p>"11 of target PA's are regularly receiving full financing support (CNF and GEF-6 Project) as indicated by reported progress for Indicator 4 above". Source: The Caucasus Nature Fund</p> <p>Again, the MTR team would suggest that it is not appropriate to use GEF TA funds as part any progress indicator related to financing.</p> <p>Nonetheless, this does not alter the basic fact that at the MT point, 11 PAs are receiving "full financial support" from CNF (i.e. salary top ups) which exceeds the MT target of 9 and is only 1 PA short of the EoP target of 12 PAs</p>		
	<p>Indicator 6: Increase in revenues generated from tourism activities in target PAs</p>	USD102,500	USD130,000	USD200,000	<p>291,000 GEL (equivalent of USD101,500 in Jan 2020)</p> <p>Source: Agency of Protected Areas.</p> <p>Reported figure includes revenues generated by all target protected areas from renting out the camping space, equipment, hotel rooms and rendering the tourist services (e.g. zip-line)</p>	<p>As reported by Project :</p> <p>"USD 168,601 of which USD 103,228 was generated in 2019; USD 43,749.61 in 2020 and USD 21,624.71 in the first half of 2021" Reported figure for 2021 includes revenues generated by all target protected areas from tourism and recreational related fees (camping, fishing permits etc)</p> <p>Source: Agency of Protected Areas.</p> <p>MTR team would suggest that the methodology for calculating baseline and thus subsequent targets was an annual one (i.e. baseline was for previous year before project document preparation, MT target would be annual figure for 2020 and EoP target annual figure for 2022). Thus, using a cumulative multi-year figures are not viable. In this case actual figure is USD 43,749.61 in 2020 compared to MT target of USD130,000</p> <p>At this point in time it is impossible to know fully the ongoing impact of COVID but is perhaps reasonable to assume tourism figures will remain depressed for some years.</p>		

Outcome 2	Description of Indicator	Baseline Level	Midterm target level	End of project target level	1 st PIR	MTR level		MTR rating and comments
Outcome 2: Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	Indicator 7: Level of institutional capacities for financial-administrative planning and operational management planning as measured by Capacity Assessment Scorecard (CAS) values for target PAs	Average: 30%, including Systemic 33% Institutional 31% Individual 21%	Average: 37%, including Systemic 40% Institutional 35% Individual 30%	Average: 50%, including Systemic 50% Institutional 42% Individual 44%	CAS is not available for the reporting period and will be updated at the project midterm; During the reporting period Management and operational plans for 2 PA's as well as Management effectiveness Assessment plans (MEAP) for another 2 PA's. These outputs are aimed to support long-term adaptive PA management in line with the current legal and regulatory framework for PA management in Georgia.	<i>As reported by the project:</i> Average: 40%, including: Systemic 44%, Institutional 44% , Individual 23% Exceeding the Average midterm target value was mainly defined by increase (exceeding) of the midterm targets on system-wide and institutional levels. This has been justified for example by improved skills for PA planning and management to which the project also contributed by various intervention, among them: training of the employees of financial department of APA in financial accountability and reporting via Oris Manager; elaboration of financial gap analysis and the methodology for estimation of the gap; elaboration of income generation opportunity analysis; involvement and on-job training of PA staff in development and revision of management plans of respective PAs, elaboration of 10-year biodiversity monitoring plan, drafting Biodiversity Monitoring Coordination Unit concept to name a few. As for individual PA level, the project could not obtain enough evidence to show that capacities and skills of individuals especially on-site level has been significantly changed since the baseline level. Unfortunately, due to Covid 19 pandemic situation and respective restrictions, the project has been also very limited to provide considerable and targeted capacity building initiatives (trainings, workshops, exchange programs etc) that would increase the capacities on individual level. By the end of 2021, the project plans to have functional E-learning platform to make sure that even if Covid 19 restrictions continue, individuals could be reached out and supported with adequate capacity building initiatives. MTR note: Data is compromised by independence of its collection. Questions (see text above) regarding increases in systemic capacity reported.	MS	Based on indicators alone, the project appears to be on track to meeting this Outcome impact (MET score almost reached EoP even at MT). The project has made significant progress in terms of establishing a sustainable basis for meaningful biodiversity status monitoring that can contribute to measuring the long term effectiveness and impact of the PA system. However, there are a). issues related to the meaningfulness of indicators, b). other factors and issues that suggest the project is <u>not</u> addressing some of the fundamental system / institutional issues and could more sustainably address the individual capacity needs of the system. Based on the above the MTR rating for Outcome 2 is "Moderately satisfactory".
	Indicator 8: Level of management effectiveness of target PAs as measured by METT score values	BKNP - 48; LPA - 48; VPA - 56; TPA/TPL - 56/41; MNP - 48; JNP - 47; KNP - 33; ANP - 43; KPA - 45; PsKPA - 24; MachNP - 47	METT scores for the 12 target PAs have increased by on average 4 points over the baseline	METT scores for the 12 target PAs have increased by on average 10 points over the baseline	METT scorecard is done 3 times: at project approval, at midterm and completion. Midterm METT scorecard results will be available in the beginning of 2022 (since entire 2021 should be covered); However, CNF for its grant disbursements purposes conducts METT evaluation of certain number of PAs. In 2020, the METT of LPA and MachNP was	VPA - bl:56, MT: 63 change= 7 TPA-bl 56, MT58: change = 2 TPL - bl 41, MT48: change = 7 JNP - bl47, MT53; change=6 KNP - bl33, MT45; change=12 ANP - bl43, MT 61; change=18 KPA - bl 45, MT53: change=8 Average increase: 8.5		Efforts to address more comprehensively the issues indicated above and in the MTR text, will be necessary to reach Satisfactory rating by TE. Additionally, clarification of indicators, and ideally the addition of new indicators that better measure impacts, are recommended.

					<p>conducted with the following results:</p> <p>LPA - 55.5</p> <p>MachNP - 42.</p> <p>In 2021, CNF will conduct METT for 6 PAs: Algeti, Kazbegi, Kintrishi, Javakheti, Tusheti and Vashlovani PAs. The results will be available by the end of 2021.</p>	<p>Note: by the end of June 2021 the METTs of 7 target PAs (out of total 12) were prepared, thus values for 7 PA are provided²⁰.</p> <p>MTR Note: The remaining 5 PA METT scores were provided after the initial draft of the MTR report in comments received (see footnote 20) and bring the overall average increase in score to 10.6 (target at MT was increase of average score by 4 and by EoP by 10).</p> <p>Thus, despite limitations of COVID pandemic, etc. it appears the Management Effectiveness of the 12 target PAs has been increased almost to the level expected by EoP. However, there are questions as to the sustainability of these capacity increases due to staff instability. Additionally, the MTR has general concerns as to the subjectivity of METT system and continuity – many of these PA's have had previous METT applied by previous projects but each project seems to establish a new one.</p>		
	Indicator 9: Key biodiversity values are conserved, and threats reduced by implementing harmonized Management Effectiveness Assessment plans ²¹ - see footnote for full text	Current status of populations and ecosystems as per individual METT.	Current status of populations and ecosystems as per individual baseline METT scorecards	Non-deterioration of populations of key species mentioned in the individual METT scorecards	<p>As explained above, the METT updated including status of populations & ecosystems will be conducted at midterm of the project. As for now, Management Effectiveness Assessment Plans were developed for Mtirala and Machakhela PAs. The indicator species for other 10 PAs will be selected in 2020 and monitoring of some of the species will start as well.</p>	<p>The individual METTs of 7 PAs show non-deterioration an/ or improvement of status of key biodiversity values as per baseline METT scorecards. Information from the remaining 5 PAs will be available by September 2021 and included in the 2022 PIR.</p> <p>MTR note - Multiple issues with this indicator render it essentially meaningless. In any case any indicator measuring species or ecosystem changes based on only a few years data has little real value.</p>		
Outcome 3	Description of Indicator	Baseline Level	Midterm target level	End of project target level	1st PIR	MTR level		MTR rating and comments
Knowledge management, and monitoring and evaluation contributes to increased	Indicator 10: Community, stakeholder and societal knowledge of and acceptance on biodiversity	Public awareness and outreach is ad hoc, knowledge	At least 4,000 people have taken notice of, or participate	At least 10,000 people have been given opportunity to take notice of,	Awareness raising Strategy and Action Plan was prepared by the project in the first half of 2020. Its implementation will start in the 2nd half of 2020 and	<p>FB posts only for UNDP/GEF PAs Financial Sustainability project– people reached 7,033</p> <p>FB posts CNF+Project – people reached 355,202</p> <p>Training and meeting participants - 189</p>		<p>Based on indicator alone the project is meeting the MT target and on track.</p> <p>However, the main question is what is the real outcome being</p>

²⁰ Comments received post initial draft included data for the additional 5 PA METT scores: BKNP bl 48, MT 56 change =6, LPA bl 48, MT 58 change =10, MtNP bl 41, MT 48 change 7, Psh-Kh bl 24, MT 56 change =32, MachNP BL47, MT=60 change =13. This brings the average increase in score up to 10.6.

²¹ (Species and ecosystem state indicators (baseline) have been included in the METT scorecards of each of the 12 targeted KBAs and are not repeated here to avoid redundancy. The project will aim to achieve non-deterioration/improvement in the population figures of those species, monitoring and reporting their state at final stage of project life.)

awareness of biodiversity values	values of, threats to, and approval for target PAs	of and support for target PAs is limited, their importance and benefits are poorly communicated in society	in, at least 4 targeted awareness raising activities and/or materials	or participate in, a variety of targeted awareness raising activities and materials on biodiversity values and benefits from Target PAs	the results of the outreach will be known afterwards during the 2021 PIR period. Several knowledge products developed during the reporting period include: - Management and operational plans for Borjomi-Kharagauli National Park and Javakheti Protected Areas - Tourism Investment Feasibility studies for the Borjomi-Kharagauli National Park and Javakheti Protected Areas - Financial Need Assessment for the Georgian Protected Areas System including Financial Sustainability Scorecard applied for 8 target PA's basic and optimal management scenarios - Finance Opportunity Analysis for the Georgian Protected Areas System: Screening of finance instruments to identify potential priorities. - Two Management Effectiveness Assessment Plan for Mtirala and Machakhela National Parks	MTR Note: Number of people “taken notice” or participated in meetings/trainings is not very meaningful measure of “stakeholder and societal knowledge of and acceptance on biodiversity values of, threats to, and approval for target PAs”. Events and trainings indicated seem mainly targeted to target PA levels and so doubtful impact at “societal” level. Questions remain as to project impact that translates into any substantive impact that benefits “financial sustainability of the system” or 2increased effectiveness of sustainable management”	MS	aimed for under this Outcome? and is the project achieving it? Based on the above, and the fact that no substantial systematic activities to follow up on the developed ARAP, or other efforts priority awareness raising related to PA system values to support SF, have occurred, the MTR rating for this outcome is only Moderately Satisfactory.

Indicator Assessment Key

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

3.2.2 Remaining barriers to achieving project objective

109. As discussed previously, the MTR feel one of the main initial barriers to achieving the project objective is the objective itself. This needs to be clarified and realistically expressed, so that all involved know clearly what it is they are aiming to achieve.
110. Clearly the “securing of sustainable financing” is not realistic in the framework of a 5-year project but securing the basis for future sustainable financing is. The project stakeholders, specifically CNF, BD and Forestry Dept. / APA, and UNDP need to undertake this clarification in order that everyone is “on board” with the scope and ambition of the objective, and then on that basis move forward.
111. Hopefully, based on this, there is then an agreement with the MTR finding that further efforts to follow up on future potential financing options, additional to tourism, are essential, and with that agreement, steps taken to do this.
112. Likewise, in terms of addressing the MTR finding regarding the need to look at the wider system and its “fitness for purpose”, having a consensus is critical. Follow up on this finding are likely to be challenging for the main beneficiary (i.e. APA) as it directly relates to their own institutional set-up and operation. In this context the project governance arrangements perhaps compound the challenge (see next section of the report).
113. However, any adjustments and / or reforms would ultimately be in APA (and all stakeholders) advantage, if it helps increase the effectiveness and sustainability of the PA system as a whole – thus, with a positive and constructive approach to any such assessment and follow up actions, perhaps under the auspices of the BD and Forestry Dept., it should be possible to overcome this barrier and to pursue a system analysis and plan within the remaining project framework. How far the project can support this process depends on remaining time and budget -i.e. a 1st phase assessment and agreement on necessary steps only? – or follow-up with those steps as well?. These are decisions for the project partners.

3.2.3 Governance and Management arrangements

114. The governance and implementation arrangements, as per the project document, were briefly described in Section 2.3. of this report. Overall, they are typical of UNDP GEF National Implementation modality (NIM) projects, except in terms of the fact that the national implementer (MEPA through APA), in agreement with UNDP, assigned actual execution to CNF as “responsible party”.
115. It is noteworthy that experience and lessons from the previous UNDP GEF project involving APA and CNF was applied (in line with the previous FS project TE recommendations) in terms of the management arrangements and CNF role as “Responsible Party” being better formalized, and standard financial planning and disbursement procedures put in place. The identification and inclusion of the part-time “Project Coordinator” role to support the Project Manager and UNDP Environment Unit with general coordination, liaison and oversight functions, as well as assist with monitoring of works and reporting/PIRs, has been a significant benefit.
116. It is also noted that it was not considered necessary to include the role of a Technical Advisor (CTA, etc.) as CNF was considered able to supply the technical capacity necessary. In hindsight this was possibly misguided and is an issue discussed further in other sections of the report.
117. One aspect of the governance structure that is not in accordance with the normal standard approach in such projects is the fact that executive and senior beneficiary roles are both held by the same entity (APA). Standard UNDP GEF project governance structures clearly separate these two functions (for good reasons which are described in the project document text - pg. 39, para’s 14, 19). In brief, the role of the Executive is “to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering

outputs that will contribute to higher level outcomes. The Executive has to balancing the demands of beneficiary and supplier”, while “the Senior Beneficiary’s “primary function within the PB is to ensure the realization of project results from the perspective of project beneficiaries”. In essence, the Executive is the higher-level authority with strategic/policy responsibilities and authority, while the Senior Beneficiary is the main subordinate agency/body responsible directly for implementation in its and fellow beneficiaries’ interests. The MTR team believes that the combination of both roles can, and did, create some difficulties, tensions and a challenge for addressing some of the more strategic level issues faced by the project, and did not facilitate either the effectiveness of the PB in that context, or the effective working relationship between the Senior Beneficiary and Senior Supplier. This same issue was raised during the TE of a previous UNDP GEF FS Project²².

118. The above situation, combined with the somewhat unusual execution arrangement (APA assigning execution to CNF as RP), has created a perhaps unclear division of roles and relationships, and limited the oversight possibilities of the MEPA.

Table 7. The members of the Project Board

#	Name	Position	Institution
1.	Ms. Anna Chernyshova	Acting Resident Representative	UNDP Georgia
2.	Ms. Nino Antadze	Environment and Energy Team Leader	UNDP Georgia
3.	Ms. Tamar Khakhishvili	<i>National Project Director</i> , Deputy Chairwoman	APA
4.	Mr. David Iosebashvili	Acting Chairman	APA
5.	Mr. Toma Dekanoidze	Deputy Chairman	APA
6.	Mr. Karlo Amrigulashvili	Head of Biodiversity and Forestry department Head of BFD	Ministry of Environmental Protection and Agriculture
7.	Ms. Nino Tkilava	Head of Environment and Climate Change Department/GEF Focal Point	Ministry of Environmental Protection and Agriculture
8.	Mr. Tobias Muenchmeyer	Executive Director	CNF
9.	Ms. Tea Barbakadze	Country Director	CNF
PB Observers			
9.	Ms. Eka Kakabadze	National Coordinator	GFA Consulting Group GmbH (KFW Project: Support Program for Protected Areas)
10	Maka Bitsadze	Conservation Officer	WWF Caucasus

119. The national Project Executive Board (PBe) has met five times over the life of the project so far. The PB appears to have worked effectively within the constraints of its establishment i.e. the fact that the Executive (and thus the chairperson of the PB) is the same as the Senior Beneficiary. The MTR believes this constraint has contributed to the project weakness to address the more strategic long-term issues that arose during implementation.

²² *Catalysing Financial Sustainability of Georgia’s Protected Areas System UNDP GEF 2009-21* Pg. 42“(a)the composition of the PB should include other members than the implementing partners, i.e. APA and UNDP in this case. As the different functions of the PB have been slightly merged in the case of this project, the executive and beneficiary role were both held by APA, while the supplier and assurance roles were taken by UNDP. This has prevented the PB from responding to the needs of the project with regards to the decision-making process. (b) clear definition in the roles and responsibilities of the Project manager and that of the Project Director should be respected. Although in principle these roles were clear and complementary, in reality, the project manager had no level of decision making even if clearance has been already granted by the PB for the execution of specific activities. This has caused extensive pressure on all project team (PMU/APA/UNDP) as well as the contractors”.

120. The project implementation unit is composed of project Manager (paid from project funds i.e. GEF grant funds), and an assistant (paid by CNF). In addition, there is a part-time Project Coordinator (project paid -see section 2.3 for details of tasks/role). Minor additional support on financial issues is provided by CNF staff and the UNDP E&E portfolio's Program associate, mainly dealing with the review and approval of RP's financial reports and budget revisions.
121. As previously discussed, the PM was initially employed on a part time basis, but this was transitioned to full time once the scope of work became evident. The PM and PC are both to be congratulated on being able to manage what must have been a very challenging project inception and initial operational phase, and transition to a reasonably effective implementation after a period of learning and adjustment.
122. A challenge facing the PM at the start was the limited in-house technical capacity and experience of CNF. As a result, an international consultant was recruited by CNF on a short-term basis during early implementation to support preparation of the inception report and initial activity planning and TORs etc. Though this step undoubtable helped the initial start-up, it was perhaps inadequate to ensure the longer term technical directional support the PM and PC needed in order to keep the project focused on the expected objective level impact, and to counter pressures towards focusing on short term results rather than long term impact on sustainable financing and management effectiveness of the PA system.

Table 8. The members of the Project Implementation Unit, including position and period within the position.

Name	Position	Employment dates – From	Employment dates – To
Paid by Project			
Tamar Pataridze	Project Manager, CNF	09.01.2017	31.12.2022
Harald Leummens	International technical expert	14.01.2019	13.10.2019
		01.09.2020	01.02.2021
Irakli Goradze	UNDP project coordinator, part-time	01.01.2019	31.12.2021
Paid by CNF			
Lika Kalmakhelidze	Program Assistant, CNF	18.01.2021	31.12.2021
Tatyana Rossen	International conservation adviser	01.02.2021	31.01.2022

123. The UNDP-CO's senior management, and in particular the Energy & Environment Portfolio Team, has maintained strong interest and support to the project, evidenced by the high level of inputs during the early stages of implementation (regarding "teething issues faced in implementation) and participation in PBs and various events held by the project.
124. The gender balance within the project, including leadership roles, is noteworthy. For example, the Project Board is over 50% female and both the PB leadership and PM are women.

3.2.4 Work planning

125. Work planning was carried out on the basis of an overall multi-year workplan and budget, developed during the inception phase. Based on this an “responsible party agreement” (RPA) was signed annually between CNF and UNDP (following approval by the PB). This RPA included an annual budget and workplan of activities, plus a schedule of payments to CNF by UNDP on a quarterly basis. The quarterly transfers were only eligible if 80 % delivery (disbursement) of funds had been achieved during the previous quarter by CNF. As detailed previously, initial start up capacity limitations in CNF presented challenges in achieving this in initial stages and a “no-cost extension” request / RPA amendment had to be carried out during the initial year to address these issues. Subsequently (RPA 2 and 3) the situation appears to have normalized.
126. The RP’s also include standard formats for quarterly and annual reporting by CNF to UNDP and the PB. These appear to have been prepared fully and diligently.

3.2.5 Project Finance and Co-finance

127. At the time of the MTR (September 2021), the project had spent a total of USD 920,144 out of a total budget of USD 1,826,484 of the GEF grant funds – in other words almost exactly half of the total GEF grant.

Table 9: Total project expenditure to date relative to the budget in the Project Document.

	TOTAL by MTR			Project overall budget (Project document)	
Outcome	Budgeted (Jan 2019 – Dec 2021) ²³	Actual (Jan 2019 - June 30, 2021)	% spent	Total budget	% spent at MT
1	406,460	339,238	83%	569,190	60%
2	692,897	502,741	73%	1,082,294	46%
3	0	13,120	-	25,000	52%
Proj Mgt	90,100	65,044	72%	150,000	43%
Total	1,189,457	920,144	77%	1,826,484	50%

128. The project Budget is divided based on the Components and thus has 3 implementation sections and 1 Project Management section. During inception phase some substantial re-allocations between Components was undertaken to respond to discrepancies in the project document between activities in components and funds allocated.
129. Financial delivery (actual compared to budgeted) averaged around 77% during the initial half of the project. This relatively low figure is mainly due to poor delivery during the initial year of operation. However, at MT more than half (60%) of Outcome 1 total budget has been spent, while just under half (46%) of Outcome 2 has been spent.

²³ Note: The “budgeted” amount covers full year 2021, while actual includes expenditure by mid-year

Table 10. The project expenditure by Outcome by MTR - All figure in USD.

		YR1			YR2			YR 3		
Outcome		Budget ²⁴	Actual	% spent	Budget	Actual	% spent	Budget	Actual (spent by the mid-year)	% spent by June
1	Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs)	96,000	65,629	68%	152,730	193,710	126%	157,730	79,899	50%
2	Improved management and financial effective-ness demonstrated for targeted large-scale PAs	158,500	47,218	30%	334,949	242,926	73%	199,448	212,597	107%
3	Knowledge management and monitoring and evaluation contributes to increased awareness of biodiversity's value	0	4,939		0	4,326		0	3,855	
4	Project Management	30,200	36,017	119%	29,700	19,767	67%	30,200	9260	
Total		284,700	153,802	54%	517,379	460,730	89%	387,378	305,612	78%

130. **Financial Audit:** A financial “spot-check” was carried out by the AGIC company in November 2020 and raised no significant auditing issues.
131. **Co-financing:** The project co-financing at CEO totalled USD 7,958,516 of which the majority (4,750,000 or about 60%) was national government parallel financing (PA system budget), with CNF inputting about 38% (3,0008,516) in financial and TA support to the PA system (increasing “full support” to target PAs, and TA within the framework of the project). The Bank of Georgia was committed to input USD 200,000 (specific infrastructure related support to PAs).
132. Actual delivery of co-financing by GoG and CNF by MT exceeds expectation considerably, with 93% and 122% respectively. This is mainly a reflection of the crisis exceeded by COVID pandemic and subsequent collapse of tourism revenues. As a result, both GoG and CNF have injected additional “emergency” funds to ensure PA staff salaries and basic recurrent costs continue to be covered and management maintained. CNF emergency support was discussed with project parties and agreed before implementation and was clearly highly beneficial in ensuring PAs remained solvent and operational. However, it is somewhat unclear what implications this has for the remainder of the project – it is the MTR’s understanding that

²⁴ Note: In “budgeted” column the Project document amounts are indicated. Although, the budgeted amounts according the annual workplans were changing based on the budget revisions, for reporting purposes the actual spending is compared to the project document amounts. The “Actual spending” cover period to June 30, 2021 (doesn’t include 3rd quarter advance payment to the Responsible Party – CNF)

CNF will still ensure that the levels of inputs foreseen annually during and post project will still occur as planned (not so clear if GoG matching funding will also be available).

Table 11. The planned value and actual expenditure, to date, of co-finance (all figures in USD)

Sources of Cofinance	Name of Cofinancer	Type of Cofinance	Amount confirmed at CEO endorsement (USD)	Actual Amount at MTR	Actual % of Expected Amount
Recipient Country Government	Government of Georgia	Public Investment	4,750,000	4,430,520	93 %
Private Sector	Bank of Georgia	In-kind	200,000	126,987	64%
Civil Society Organization	Caucasus Nature Fund	Grant	3,008,516,	3,674,357	122%
Totals			7,958,516	8,231,864	103%

3.2.6 Project-level Monitoring & Evaluation Systems

133. The project's M&E framework is similar to the majority of UNDP-GEF projects with a USD 41,000 allocated for project monitoring. One significant difference was the absence of a planned MTR in the original M&E Plan, however this was added at the inception stage (funds re-allocated to Component 3 from other components to cover the cost).
134. The main limitation for the project effective M&E has been the weakness of the SRF indicators which has proved a challenge to preparation of the PIR's. It is unfortunate that the issues regarding how indicators were measured were never addressed at the inception phase or noted (and acted on) during review of the PIRs.
135. An additional weakness has been the unclear objectivity of data collection and updating of the various mandatory Tracking Tools. On the positive side, the FS scorecard has helped to highlight questions regarding actual impact of the project on FS.
136. In summary, the M&E processes was executed with good intent but was hamstrung from the start by the weakness discussed with the SF (the ultimate basis for meaningful monitoring). Thus, the M&E System is considered only marginally satisfactory, and recommendations are included for addressing issues identified

3.2.7 Stakeholder engagement

137. Stakeholder analysis is contained within the Project Document and the main stakeholders are identified, with a broad description of their mandate, as well as their identified role and responsibilities within the project.
138. Overall, the MTR finds that stakeholder engagement has been effective and included extensive consultation within activities, including at PA community level. However, in some cases there is an obvious need for further such consultation (as in the case of the SMART technology introduction where increased consultation with end users i.e. the PA level staff is considered essential). In some cases, though

consultation has been extensive, the final outcomes or decisions have perhaps not necessarily reflected all stakeholders' positions due to the project governance structure.

3.2.8 Reporting

139. The project reporting requirements are covered under Section VII (M&E Plan). As with most such projects the key project reporting requirements and responsibilities are:
- An annual report based on the Annual Workplan – Project manager (in this case RPA with corresponding RPA quarterly and annual report)
 - Above RPA annual report also includes Annual financial report
 - The UNDP/GEF Project Implementation Report (annual) – Project Coordinator and Project manager, UNDP CO and RTA.
 - Two periodic independent review reports (midterm and terminal) – independent consultants (originally only TE)
 - Periodic reports to project board (when it meets) – project manager, chair of committee, UNDP E&E representative.
140. In addition to the above there are a range of internal project reporting mechanisms within CNF and APA.
141. The main finding of the MTR is that the project internal reporting system is robust and effective at the project level in terms of activity/financial reporting, but due to the SRF indicator issues, ineffective at the higher M&E impact levels. This has been compounded by inadequate critical review of initial PIRs that would have highlighted at an earlier stage the numerous challenges of the SRF indicators and their measurement.

3.2.9 Communications & Knowledge Management:

142. Internal communication within the project at central level appears to be effective with close contacts and frequent meetings between the PM and APA staff and key contractors (such as NACRES). Communication to the field sites (i.e. PAs) may require improvement in some cases (for example the issue of SMART related concerns at PA level could have been pre-empted by better communication).
143. Communication outside of the project (with other key stakeholders) also seems to have been effective in most cases. However, the limited progress with the awareness raising plan has constrained wider communication of the project core messages and principles. As discussed elsewhere there is a need for greater focus on communicating the full values of biodiversity and PAs, particularly in the context of engendering support to diversify financing options.
144. The MTR would suggest (and this was also highlighted by the capacity assessment carried out by the project) that APA would benefit from engaging in more close and coordinated communication with regional and local authorities where PAs are located in order to maximize coordinated actions and mutually beneficial outcomes (examples would include the Adjara Government, and particularly the Adjara Tourism department, and municipalities).

3.2.10 Gender Aspects and project response

145. It is not entirely clear to the MTR on what analytical basis the GEN2 Gender Marker was allocated to the project, except perhaps the fact that it is UNDP Georgia current policy to allocate this level to all projects

(see text from project document Annex. G: Gender Analysis and Action Plan²⁵). The GEN2 marker coder states that gender equality is not the main objective of the project, but the project promotes gender equality in a significant and consistent way”. Based on this it is expected that the project therefore will strive to maintain a gender balance by ensuring the full participation of women in meetings and workshops as well as integrating their participation in decision making processes, individually or through local women groups.

146. In Annex G, in addition to general text on how the project should strive to achieve the above, the project included a 5-point activity plan with targeted directional actions (see MTR Vol 2 for commented copy of the plan). Comments are made on the basis of interviews with the PM and others, and observations during the mission.
147. The main overall conclusion is that the project is striving in a non-specific manner to provide equal opportunities to women in all activities (i.e. non-discriminatory approach) and in the context of local community related actions is taking active steps (i.e. specifically addressing gender issues and women empowerment) in TORs for consultants and contractors. Furthermore, gender balance and women representation is noticeably present in the project team and project board (both PM and NPD/Chairperson of the board are female) and in the consultants and contractors employed.
148. Only 1 indicator in the project includes any specific gender sensitive aspect (Objective Indicator 2: # of direct project beneficiaries, sex disaggregated. (# of workers at targeted PAs with improved socio-economic conditions), and as this depends on PA existing staffing gender balances, is not very meaningful in that regard.
149. Currently the project has undertaken no specific gender issues / priority assessment or enacts any specific monitoring of gender impacts or women empowerment due to activities. At this point in the project, with increasing levels of field activities potentially having some impact, such assessment and monitoring would be useful as a basis for identifying what further actions might be useful.

3.3 Sustainability

150. The main objective and intent of the project is to have sustainable impacts and benefits for the Georgian PA system through a). increased financial sustainability, b). increased management effectiveness that addresses threats effectively (including socio-economic threats and pressures). Prospects and risks to the sustainability of the projects interventions at the midterm point are assessed in that context. It should be emphasised that the assessment is at MT only and that with corrective actions the assessment maybe very different by TE stage.

3.3.1 Financial Risks to Sustainability

151. The overall sustainability of the project is largely linked to the impact in the long term on financial sustainability of the PA system. In terms of support to tourism related revenue generation the MTR considers the sustainability is likely, although there are significant risks related to a). the stability / predictability of the tourism sector generally, b). the over development of tourism in PAs to the detriment of biodiversity objectives.
152. However, as discussed previously, tourism revenue alone will be unlikely to suffice to make the PA system sustainably and adequately financed. Thus the inadequate addressing of the need to diversify the basis for future financing of the PA system renders the financial sustainability of the project at MT unlikely.

²⁵ It is a UNDP goal that all projects be assessed as “GEN2” for their gender marker.

3.3.2 Socio-economic risks to sustainability

153. Socio-economic risks for the PA system are closely linked to current and future pressures from local communities on PAs. The project is addressing these issues through focused efforts to ensure local communities' benefit from the opportunities PAs can bring (in terms mostly of tourism) and through building of awareness and understanding of PAs values.
154. However, the MT would suggest that some of the key socio-economic risks still stem from a PA system that is not entirely adapted to addressing the core management tasks required. For example, a frequent aspect of the work highlighted by PA administrations during interviews was the need for constant communication and potential conflict avoidance (or resolution) with local communities. Issues of natural resources supply or access often were the root of such issues. A very significant amount of effort was being devoted by PA staff to achieving this communication and solving these resource use issues in order to avoid them evolving into serious threats and issues. However, the current organizational structure both in PA Administrations and HQ is largely protection orientated. As a result, protection staff (the majority) have to become deeply involved in these other tasks, or Natural resource and visitor staff are overwhelmingly taken up with dealing with such things (at detriment to other duties).
155. In short, the MTR would suggest there are basic system / institutional level issues still pending as a result of management needs evolving over the past decade, while organizational structures remain the same. Thus, though the project interventions help address some of the immediate socio-economic issues and risks, the limited effort to review/refine the overall system perhaps does not impact the longer term risks.
156. In conclusion the MTR would rate socio-economic sustainability as moderately likely (though with some doubts in the long term)

3.3.3 Institutional Framework and Governance Risks to Sustainability

157. As pointed out by the TE of the former UNDP GEF FS project "The institutional risks to sustainability are as strong as the institutions involved: the CNF, the government structures and the non-state actors". While the strength of CNF and most of the non-state actors (such as NACRES) is not in doubt, there are concerns that the state structures are less stable and less sustainable currently. Numerous indicators to this have been cited in previous text. As this specific issue has not been addressed so far, the MTR conclusion is that there remain risks to the institutional and governance framework of the PA system in Georgia, and if they remain unaddressed sustainability is only moderately likely.

3.3.4 Environmental Risks to Sustainability

158. Broadly, the project is supporting a reduction in environmental risks rather than increasing them and so contributing to environmental sustainability of the PA system.
159. However, two potential areas of concern do exist – a). the potential (and to some extent already experienced) negative impacts of tourism (an issue highlighted in the previous UNDP GEF TE), and b). natural resource use in traditional use zones.
160. In terms of the former, the main concern is the level of dominance pursuing tourism development in PAs has in the management effort of APA and the wider development planning context. Many of the proposals put forward for tourism development do not seem to adequately recognize that a). that tourism is mainly a tool to help generate revenue for supporting the main conservation and ecosystem service functions of PAs, not as an objective in itself. b). PAs are attractive to most tourists because of their innate

natural values, not because of exotic infrastructure – in fact such infrastructure will undercut the very values that make the PAs attractive. Tourism development therefore has to balance the revenue (and awareness) benefits with negative impact. The MTR would suggest that the approach is currently not in balance, and at this time there is a very real risk that such pressures will (are?) causing inappropriate and damaging impacts. In this context, the necessity to “reposition” or “rebrand” the purpose of PAs seems necessary (i.e. clarify and reinforce understanding of the main purpose of PAs), and subsequently pursue both more appropriate tourism development and other diversified sources of financing.

161. In terms of natural resource use in PAs the MTR considers that currently there is a risk that the PA system institutional structures have not evolved sufficiently to effectively respond to some key management tasks, such as critical resource access and use by local communities. The MTR was impressed by several examples of efforts by PA level staff themselves to find pragmatic solutions to the two most frequent issues faced - fuel wood supply and grazing. Both have shown examples where, when PA administrations, local communities and municipalities collaborate, mutually beneficial solutions can be found. However, from an institutional point of view these key tasks are under emphasised and under resources. These were solutions found through PA staff initiative or donor project support, not through the systematic and focused efforts of the system.
162. In conclusion the MTR would rate the environmental sustainability of the PA system as moderately likely (but in need of efforts to curtail or reverse emerging risks or weaknesses).
163. Overall conclusion on sustainability: Based on the above cumulative assessment the MTR would rate the project likely sustainability of impacts at the MT stage, as only moderately likely (and core impact on sustainable financing as unlikely).

4 Conclusions and Recommendations

4.1 Conclusions

164. Despite the largely negative tone of the report, it is necessary to highlight that the MTR team fully recognizes that the PA situation in Georgia is demonstrably superior to very many countries and has received an impressive level of support and commitment from government, civil society and the donor community.
165. Furthermore, the hard work and dedication shown by almost all parties involved with the project (CNF staff, particularly the project manager, APA, contractors, and UNDP) and the quality of much of that work, is fully acknowledged. Undoubtable, significant results have been achieved. However, despite all these good efforts, the overwhelming conclusion is, regrettably, that the project is not sufficiently on track, at MT stage, to achieve its objective.
166. The main reasons for this are, in the opinion of the MTR team, related to the poor design of the project document. Specifically, a poor situational analysis leading to an inadequate identification of root causes to the barriers identified. As a result, the outcomes were generally accurate, but the outputs to achieve these outcomes were poorly focused and did not directly address some of the key root causes to the barriers.
167. The project objective “To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia” was unrealistically ambitious, and the discrepancy between it and the project title “Enhancing financial sustainability of the Protected Areas system in Georgia” facilitated the lack of clarity about what the projects expected goal actually was.
168. Though not possible to change the objective at this stage, it is recommended to clarify its meaning, in order to more precisely understand what the project will realistically attempt to achieve during its remaining duration– for example, that the objective is to significantly enhance PA system financial sustainability/management effectiveness, or in other words, that it seeks to help secure in the future PA system financial sustainability/management effectiveness. This clarification then allows to aim at achievable results – some, such as establishing long term basis for monitoring impact are already viable in project time frame, but others may relate issues that can only be initiated during the project (such as diversification of financing).
169. One of the repercussions of the poor design was a lack of broad long-term strategic vision and approach – i.e. a recognition of the situational context at this time and the role that the project could play in shifting the development trajectory in a positive direction / move the situation significantly forward. This lack of strategic vision resulted in “tinkering” with more immediate short-term issues rather than addressing the more fundamental long-term ones (such as diversified financing and effective system level actions for improving management, oversight/governance of the expanding PA estate).
170. The weakness of the project document was compounded by a). project governance arrangements that biased focus towards short term beneficiary needs rather than long term strategic changes, b). insufficient input of broader technical advice at inception phase and during implementation that could have identified the shortcomings and instigated necessary re-focus.
171. The Project is on course to achieve a considerable number of its expected impacts and will therefore have measurable impact on “enhancing financial sustainability and management effectiveness of the PA system” – however, on its current course the project will miss opportunities to have larger and more far reaching impact and will not address a number of key barriers to future sustainability/effectiveness of the PA system (sufficient SF and effective management system).

172. At a broader scale (i.e. outside of project direct focus) there is a need to clarify roles of CNF and donor support to better coordinate and orientate support towards the long-term establishment of a self-sufficient and effective PA system. There is a need to increase focus on system level rather than PA level, on building self-sufficiency rather than dependence, and systematic support to these ends rather than short term interventions. There needs to be a road map, or exit strategy, for donors and government – i.e. a long term agreed and coordinated plan for transition from donor support to a fully independent self-supported system at some reasonable point in the future.

4.2 Recommendations

173. A number of suggestions and recommendations have been made throughout the MTR report. In this section, the most critical recommendations and suggestions are summarised and highlighted but the project team should consider all the additional suggestions made in the sections above.
174. Formal recommendations have been summarized in tables below and are divided into those mainly relevant to UNDP GEF/UNDP CO, and those mainly relevant to the project (for action by the project regarding implementation during the 2nd half of the project). Additional to the formal recommendations, several “suggestions” of less formal nature have been made (i.e. not mandatory).
175. In addition to the recommendations and suggestions of the MTR, a table of the still relevant recommendations / suggestions of the Terminal Evaluation (TE) of the previous project (Ensuring sufficiency and predictability of revenues for Georgia’s protected areas system) is included.
176. The MTR recommendations, together with some explanatory text and suggested steps for application, are detailed below (see also summary tables).

4.2.1 Recommendations on Project Development, design and Review process

177. **Recommendation 1:** Undertake a review to identify factors that contributed to the weak project development and review process which resulted in poor project design and monitoring issues, lack of clarity for justification of GEF incremental support, etc., and apply learn lessons learned.
178. Within the report the MTR has highlighted various weaknesses in the project document ranging from non-standard formats, unclear language, etc, to poor situation analysis and thence project strategy development, and unclear incremental cost analysis/baseline and alternative definition. In the MTR Team’s experience (as developer, implementer and evaluator), it is extremely unusual that such a project proposal would have been approved without further requirements for revision and strengthening. It is assumed that, very likely, there were two contributing factors: a). the one-step development process i.e. no PDFA grant and opportunity for an experienced GEF project development expert to help better shape the document, b). the time overrun and need to submit before the GEF6 funding window expired. However, we believe it would be helpful for UNDP GEF to learn from this experience in order to avoid in future, and thus a review and lessons learned exercise is recommended.
179. **Recommendation 2:** Better recognition and application of the previous project TE findings and recommendations in subsequent projects (particularly a “follow-on” project such as the project under review in this MTR).
180. This project is to a large extent a “follow on” project from the “*Ensuring sufficiency and predictability of revenues for Georgia’s protected areas system*” project (2010-16). The initial concept/proposal for the current project was already prepared at the time the TE was carried out (2016) and the TE report went to great lengths to target recommendations towards strengthening the final proposal for this project. As has been highlighted in the previous text, many of these recommendations were not applied in the design of the

project (though some such as those relating to implementation arrangements and interest on GEF funds, etc. were applied). Probably the most critical issue of concern raised by the TE report was regarding the actual justification of the new proposal for GEF funds. Another important concern was regarding the advisability of CNF focus shifting to TA provision (as opposed to concentrating and strengthening the PA financing role). Many of the issues and concerns raised by the TE have, to some extent or other, proven insightful during this project.

181. **Recommendation 3:** Future projects should ensure better division / separation of roles in the project management arrangement order to ensure effective governance and strategic focus, and facilitate timely decision making.
182. As noted in the relevant report text, the project Executive role and project Senior Beneficiary role were combined. This was also the case in the two previous SF projects and the issue and problems related to this highlighted in the TE for the “*Catalysing Financial Sustainability of Georgia’s Protected Areas System*”. The same issues and problems have re-occurred in the current project, in particular the shared role has, the MTR believe, limited the strategic vision of the project leadership and constrained the commitment for addressing the longer term holistic issues facing the PA system in Georgia. It is therefore strongly recommended that these roles are kept separate in any future projects.
183. **Recommendation 4:** Ensure the availability of broad based and experience technical advice to UNDP GEF projects at key points of development and implementation (in particular proposal development, inception phase, midterm)
184. As noted in previous sections of the report, the availability of someone with an in-depth knowledge and experience of PA management and the UNDP GEF approach would have potentially avoided numerous problems and enhanced project implementation effectiveness and cost efficiency. This issue was also highlighted in the TE report for the “*Catalysing Financial Sustainability of Georgia’s Protected Areas System*”. Such input is particularly critical at certain points in the project cycle, specifically at development stage (to ensure reasonable design and focus on root cause issues), at inception phase (to ensure project design, etc. is adequate, identify / rectify issues at the outset, and help develop the road map for implementation that will meet the ultimate objective), at midterm (to help keep the project on track and address issues raised in MTR), and in terminal phases (to ensure effective exit strategy, lessons learned and maximum sustainable impact). Availability of a CTA or similar can be crucial for these reasons and because he/she can help ensure the project strategic focus and direction is maintained and short-term pressures to deviate are resisted.
185. In this context the decision that no such additional technical support was needed was probably an error by all parties, and a product perhaps of a consultation and review process with CNF and APA that failed to adequately recognize the technical challenges faced, or the benefits additional technical experience could bring. The HACT review process applied by UNDP was contributory to this as it did not adequately review and assess the technical aspects and needs. There is often a tendency for project proposers/initiators to over-estimate their technical capacity to implement GEF projects. In addition, very often the additional costs involved of employing experienced technical advisory services (such as part time CTA, etc) are a disincentive to doing so – however, such costs are minimal compared to a project losing technical direction. In conclusion, the MTR would suggest that, in future such projects, a more careful (and independent) review of the “in-house” technical experience is necessary and, if any doubts exist, play safe by ensuring some broad technical experience is available at critical points in the project cycle.

Table 12. The summary of MTR Project Development, Design and Review Recommendations

Recommendations	Responsibility
Project design and approval process	
Recommendation 1: Undertake a review to identify factors that contributed to the weak project development and review process which resulted in poor project design	RTA

and monitoring issues, lack of clarity for justification of GEF incremental support, etc., and apply learn lessons learned.	
Recommendation 2: Better recognition and application of the previous project TE findings and recommendations in subsequent projects (particularly a “follow-on” project such as the project under review in this MTR).	RTA, UNDP CO
Project Governance and oversight	
Recommendation 3: Future projects should ensure better division / separation of roles of project management arrangement order to ensure effective governance and strategic focus, and facilitate timely decision making.	UNDP CO
Recommendation 4: Ensure the availability of broad based and experience technical advice to UNDP GEF projects at key points of development and implementation (in particular proposal development, inception phase, midterm).	UNDP CO, RTA

4.2.2 Recommendations on Project Implementation Issues

186. **Recommendation 5:** Clarify the realistic objective of the project and the broad expected impacts in its timeframe and post project (and on this basis revise and add to SRF indicators in order to provide a basis for meaningful impact monitoring).
187. This recommendation is aimed primarily at helping the project implementers to clarify more clearly what, ultimately, they are aiming to achieve with the project. As previously discussed, the difference in the project title and objective, combined with poor indicators and unclear project alternative scenario, has blurred what is realistically the goal of the project. Currently, in terms of financial sustainability of the PA system, the MTR has argued it is not aiming to achieve enough to significantly change the situation from the baseline. It will potentially enhance the existing tourism financing, but that on its own will not establish the basis for sufficient sustainable financing to bridge the financing gap that was identified. Realistically the project cannot of course “solve” all this issue and secure the additional financing in its duration – but it can start to lay the basis for this. This, therefore, the MTR would argue has to be the clear goal in this regard.
188. Likewise, the project is currently on track to significantly enhance some aspects of the management effectiveness situation (such as impact monitoring as basis for adaptive management, some capacity building, etc.) but is not adequately addressing wider system barriers. The MTR would argue therefore that it will only slightly enhance the situation, but not substantially change the baseline and not initiate a trajectory to a more effective and sustainable system. The goal in this context would to be the initiation of systematic efforts to adjust/reform the PA system and develop longer term systematic capacity enhancement mechanisms that will live beyond project duration.
189. If this greater clarity on the practical objective can be agreed, it should substantially help to ensure the longer terms strategic direction of the project is understood/accepted and improve ambition and vision of efforts to reach the goals. As a basis to better measure progress the recommended adjustments and enhancements to the SRF indicators will help focus these efforts and allow a more practical and meaningful measure of progress. Some indicative steps are provided under the recommendation (table 13) to facilitate the project implementers to initiate this recommendation (suggestions, not mandatory recommendations).
190. **Recommendation 6:** To systematically identify and pursue a diversified basis for ensuring the future availability of predictable, sufficient and sustainable financing for the PA system. (Expected impact: basis for achieving diversified (reliable) and sufficient sustainable financing for PA system in future 5-10 years)
191. The reasoning behind this recommendation is, hopefully, clear from previous text. In brief, tourism alone will not meet the financial gaps identified and efforts to initiate other options need to be seriously initiated now if this situation is to be changed. There are 2 suggested interrelated steps under this

recommendation: the first relates to proceeding with gathering key data needed to justify and argue the wider values and benefits of biodiversity generally (ecosystem service values, socio-economic and sustainable land issue values, etc.), and PAs in that context. The second involves revisiting the initially shortlist 34 options in the SF Options analysis, in the light of longer-term strategic vision for the sustainable financing of the PA system, and with the understanding that many can only be initiated during the project time frame.

192. **Recommendation 7: Design and instigate a systematic awareness (not PR) campaign** on the full values of BD and PA system to national sustainable economic development and global environmental crisis efforts, targeted at senior government decision makers, political groups, civil society. *Intended impact:* greater recognition and commitment of decision makers and policy planners to the adequate financing of the PA system, its integration into wider sustainable development planning, the acceptance and willingness of the private sector to contribute, and political / society pressure towards these aims.
193. This recommendation builds on the previous one in the sense that it will be essential to achieve greater awareness and understanding at senior government decision making level (including economic planning and financial sectors), and in the private sector, of the genuine importance and benefits of biodiversity conservation to future sustainable development, and the meeting of global CC and biodiversity obligations. There is therefore a need to leverage factual evidence of ecosystem service values, international commitments and all other relevant arguments, to increase the support and commitment of political and senior decision makers in government, the private sector and society as a whole (through targeted awareness rising). The combined implementation of recommendations 6 and 7 is expected to initiate progress along a road towards achieving more sufficient and sustained funding of the PA system from state, private sector, tourism and international BD and CC funding mechanisms (which are destined to grow rapidly in the future).
194. **Recommendation 8: Design and establish a long-term, systematic programme for training and skills enhancement of HQ and PA staff** on core competencies necessary to implement basic management of PAs- *Expected impact:* basis for long term systematic strengthening PA system capacity.
195. The reasoning behind this recommendation is also covered in previous text. In brief, there is a need to move from a largely ad hoc project driven capacity development system to a systematic “in-house” programme of training, that ensures continuity of impact. The exact form and mechanisms for the suggested national Training Programme for PA’s will depend on specific options and opportunities available and require extensive consultation during design process – various options were proposed by different interviewees during the MTR field visits (site based training in collaboration with other state agencies, computer based platforms, combination of the two, etc.). The most important issues are that it should: a). be reasonably sustainable (at least for the next 10 years or so- i.e. need state or CNF financial support), b). address the core capacity needs of HQ and PA staff, c). be systematically applied to lift overall capacity of staff. The basic curriculum can be augmented by *ad hoc* donor interventions but not substituted by it. Innovative and cost-effective mechanisms such as those the project is developing (online training modules, etc.) can form valuable cost-effective tools, combined with more traditional classroom/practical field training. The establishment of such a national and long-term training programme will have substantially better and more cost-effective impact than the current mainly *add hoc* approach. Within the CNF context it is a model that could be replicated regionally.
196. **Recommendation 9: Undertake an assessment of the overall existing PA system**, in the context of current circumstances and future needs (recent PA Policy document for example), as a basis for identifying possible reforms and adjustments to improve “fitness for purpose”, and future managerial and financial effectiveness and sustainability - *Expected impact:* basis for post project strengthening of PA system effectiveness and sustainability.
197. This, together with the recommendation on SF, is potentially the most far reaching and most difficult of the MTR recommendations. However, as previously discussed, achieving the future sustainability and

effectiveness of the PA system general, and specifically APA managed areas, depends on ensuring the most appropriate system (institutions and operational structures, etc.) are in place. If not, all efforts to support, state or otherwise, will be ineffective. Thus, despite the challenges of its execution, the MTR team feels this is a necessity at this time, and a crucial contribution the project can make towards the project objectives. A set of “indicative steps” is suggested below. The Dept. for BD and Forestry, within the MEPA, is proposed as the most appropriate partner in this effort. It should be emphasised that the final approach used depends on pragmatic opportunities and possibilities the PC and PM can identify in this regard. In order to have sufficient objectivity during the assessment process, the suggestion is to use an international expert with a managerial systems design and organization background, ideally paired with a PA expert – potentially someone with combined such experience might be found. Of course, such decisions rest with the project and have to be planned in the context of remaining budget. One of the key outcomes of this process should be the identification of a suitable governance and oversight structure for the PA system as a whole, or APA component at least (i.e. A PA Governance council or Board chaired by senior government figure, and with representatives of all key stakeholders including NGO and donors). This is a significant gap in the system currently.

198. **Recommendation 10:** Clarify the practical application of the Management Effectiveness Indicator system (MEAPs, etc) developed by the project, as a basis for meaningful monitoring of mid to long-term impacts of the PAs on Biodiversity, and effectiveness of management approaches being applied.
199. As discussed in previous text, there seems to be a limited appreciation of the value and application of the MEAP’s work done and how the approach can be applied. This is perhaps an understandable aspect of the “short-termism” that can easily affect consideration of activities with longer term benefits – however, for all concerned there is a need to have some basis over the long term to judge impact of efforts and funds. As highlighted by the consultant involved, biodiversity indicators alone will only tell part of the story and it is also necessary to measure changes in threats/pressures and effectiveness of management effort. (in order to see biodiversity changes in context and judge what management works). Various options potentially exist (use of indicators to review/assess PA MPS at each update cycle, independent periodical application by CNF or a BD monitoring coordination unit once established, etc). The MTR recommendation is that this needs to be clarified and appropriate actions taken by EoP.
200. **Recommendation 11:** Consideration of the potential need for “no cost” extension of project duration. A number of the key recommendations made above imply a significant “revisiting” of outputs and activities (specifically capacity needs assessment of the overall PA system design, and the Sustainable financing options identified in the SF Options and opportunities report). Under these circumstances, once the project parties have agreed the concrete steps for applying the recommendations, they will need to also identify if and how feasible it will be to make a “no cost” extension of project duration.
201. *Financial challenges of recommendations:* It is recognized that the above recommendations bring some challenges in term of both financing and time available. However, the indicative steps suggested have tried to identify possible actions that will have impact but are still feasible. In some cases, activities with limited progress to date (PA trainings, or awareness raising, etc.) could be re-allocated (towards national training programme, or targeted decision-making awareness raising, etc.). Ultimately, it will depend on the project implementers to maximize the extent recommendations are implemented given the constraints.

Table 13: MTR Project Implementation Recommendations:

Recommendations		Responsibility
Objective and Indicators		
Recommendation 5: <u>Clarify the realistic objective of the project and the broad expected impacts in its timeframe and post project (and on this basis revise and add to SRF indicators in order to provide a basis for meaningful impact monitoring).</u>		PC, PM, NPD, RTA, PB
	<i>Indicative steps</i>	

1.1	Prepare a clarification note on Project objective and the realistic expected impact both by project EoP and post project (i.e. the project strategic impact to PA financing and effective management).
1.2	<u>SRF indicator clarification and addition</u> : review all existing indicators, clarify their meaning and means of measurement, relevance for assessing project realistic impact (as previously clarified under A1). Identify additional indicators to fill gaps in the monitoring of expected impacts and achievement of objective.
1.3	<u>Present and agree the project objective and indicators clarification</u> to UNDP GEF RTA and the project Board for endorsement as basis for future implementation.
Outcome 1: Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed	
Recommendation 6: To systematically identify and pursue a diversified basis for ensuring the future availability of predictable, sufficient, and sustainable financing for the PA system. <i>Expected impact:</i> basis for achieving diversified (reliable) and sufficient sustainable financing for PA system in future 10 years.	PC, PM, PB, NPD
<i>Indicative steps</i>	
2.1	<u>Carry out the planned ESV studies and policy brief preparation</u> as basis for: <ul style="list-style-type: none"> pursuing non-tourism related financing options in the future (base data of wider values to justify state funding and CRS/PES, etc) base data for instigating a targeted awareness and support building campaign for the PA system
2.2	<u>Revisit the SF opportunities analysis with more ambition and vision</u> – and on this basis: <ul style="list-style-type: none"> identify additional non-tourism options which have potential in the future to generate additional PA financing (i.e additional to the existing 3 non-tourism related options selected) identify the key steps and actions needed in order to bring the selected non-tourism options to fruition in the long term select the key initial steps the project can support to begin the process of bringing these options to fruition in the future (in the context of time and budget) Implement the above steps selected Plan how initial steps for specific FS options can be further supported post project (in consultation with GoG, CNF, main PA system donors and other relevant parties)
Recommendation 7: Design and instigate a systematic awareness (not PR) campaign on the full values of BD and PA system to national sustainable economic development and global environmental crisis efforts, targeted at senior government decision makers, political groups, civil society. <i>Intended impact:</i> greater recognition and commitment of decision makers and policy planners, private sector and society as a whole, to the adequate financing of the PA system, and political / society pressure towards these aims.	PC, PM, NPD
Outcome 2: Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	
Recommendation 8: Design and establish a long-term, systematic programme for training and skills enhancement of HQ and PA staff on core competencies necessary to implement basic management of PAs <i>Expected impact:</i> basis for long term systematic strengthening PA system capacity	PC, PM, NPD
<i>Indicative steps</i>	
3.1	<u>Identify options and mechanisms for establishing a long-term systematic national training programme for the PA system in Georgia</u> (APA, PA administrations, PL's, etc.), and selection of most viable, in consultation with MEPA/APA (PAs), relevant municipalities, PA system donors (CNF, KfW, WWF, etc) , and other key stakeholders

3.2	<u>Develop a concept for the establishment of the selected long-term PA system Training Programme option/mechanisms</u> , including financing and support required to be sustainable. Finalize agreed concept in consultation with stakeholders	
3.3	<u>Develop a detailed plan for the step by step establishment of the National PA system Training programme</u> , including roles and contributions of key stakeholders to its technical and financial maintenance.	
3.4	<u>Develop the core curriculum for the National PA system Training Programme</u> and mechanisms for delivery.	
3.5	<u>Road map for Functional establishment of national PA system Training Programme</u> : Identify sources of financing and technical support to operationally establish and further develop the national PA system Training programme <i>post project</i>	
Recommendation 9: <u>Undertake an assessment of the overall existing PA system</u> , in the context of current circumstances and future needs, as a basis for identifying possible reforms and adjustments to improve “fitness for purpose”, and future managerial and financial effectiveness and sustainability <i>Expected impact:</i> basis for post project strengthening of PA system effectiveness and sustainability.		PC, PM, BFD, PB
	<i>Indicative steps</i>	
4.1	<u>Agree Scope of PA system assessment/recommendations</u> : Agree in consultation with the Biodiversity and Forestry Department the scope of an overall review of Georgia PA management system (based on the existing PA Policy document, ongoing policy reform efforts by the BFD, etc.)	
4.2	<u>Undertake a PA management system assessment (and recommendations)</u> based on current / future management needs and the wider national context policy context (suggested team to include international system specialist, international PA specialist, national experts)	
4.3	<u>Workshop and consultations on recommendations</u> proposed for PA system adjustment/reform to build consensus and agreement of key stakeholders on steps necessary	
4.4	<u>Identify of post project mechanisms and approaches to support ongoing efforts to coordinate and follow up on recommendations</u> regarding priority PA system adjustment of reforms needed to effectiveness and sustainability.	
Recommendation 10: <u>Clarify the practical application of the Management Effectiveness Indicator system (MEAPs, etc)</u> developed by the project, as a basis for meaningful monitoring of mid to long-term impacts of the PAs on Biodiversity, and effectiveness of management approaches being applied.		PC, PM, NPD
A1	<i>Indicative steps</i>	
5.1	<u>Agree how the ME indicators developed (BD status, threats/pressures/ management effort) can be best integrated and applied in the PA system</u> – as part of PA management Plan review and updating process? (i.e. applied at end of each MP duration?), by CNF alone as part of their impact monitoring every 5 or 10 years, as part of national BD monitoring system (independently applied periodically?).	
5.2	Based on above clarification – actions to follow up.	
Recommendation 11: <u>Consideration of the potential need for “no cost” extension of project duration.</u>		PC, PM, NPD

202. **Still Relevant Recommendations from previous TE Report** “Ensuring sufficiency and predictability of revenues for Georgia’s protected areas system (2010-16) - The recommendations focused primarily on the forthcoming GEF-6 proposal (i.e. project currently at MTR).

Table 14: Extracts from TE Report UNDP GEF FS Project 2010-16.

<i>TE Recommendation</i>	<i>Comment provided</i>
TE Recommendation 1: <i>Technical assistance vs. provision of funding alone?</i>	There have been various suggestions that there should be a greater emphasis on technical assistance. The TE is less certain of this – provided that there are other mechanisms for delivering technical assistance.
TE Recommendation 2: <i>Beware the influence</i>	There has been a perceived shift towards a protected area estate that has a predominant focus on tourism (coupled with the revenue generation that is associated with tourism) – which may be as a result of such influences. This, in turn, has the potential to lead to inadvertent impacts.
TE Recommendation 3: <i>Establish a national level “board” or steering committee.</i>	There is a need for some national level management body, steering committee or advisory board for the CNF to enhance a feeling of ownership; as stated above, this could grow out of the GEF-6 PB. The terms of reference and mandate of such a body should be clearly and carefully defined.
TE Recommendation 4: <i>Measuring impact</i>	in the future (GEF-6) project, there are a few parameters that should be monitored in the GEF-6’s results framework, including: <ul style="list-style-type: none"> • The rate of staff turnover – with analyses to determine factors influencing staff turnover – e.g., using exit interviews of leaving staff (as the salary top-ups should reduce the rate of staff turnover) • The annual spending per unit area. Thus, while CNF and APA have these data, they should be reported in the GEF-6 PRF. This surely is a key indicator not only for this project but also for the GEF-6 project. This should be calculated across the system as a whole (determining the overall catalytic effect of CNF) but also per unit area within each of the selected protected areas. This should be carried out to determine whether PA budgets are also increased in line with inflation. • Not only the number of people being trained but the impact that the training has had and how it is being used.
TE Recommendation 6: <i>Redress the imbalanced system of salary top-ups.</i>	There are imbalances with the system of provision of salary top-ups that should be addressed – through a process led by APA ²⁶ .
TE Recommendation 7: <i>Criteria for selecting participant PAs.</i>	The criteria for selecting participating PAs should be reviewed and made transparent and widely understood
TE Recommendation 11: <i>Other funding mechanisms should be explored – however challenging that might be.</i>	There are other important sources of revenue and other mechanisms for achieving financial sustainability for protected areas which should be explored – including payment-for-ecosystem-services (PES – including engaging stakeholders such as the Ministry of Energy) and co-management, delegated management or contracted management of protected areas

Supplementary suggestions:

203. The supplementary suggestions indicated below are 2nd level issues that the MTR has mentioned or identified during the review, and though not of highest priority to the achievement of the project objective, are still felt important to highlight. Some are self-explanatory or covered in previous text, but some are perhaps less clear and are provided with additional clarification in paragraphs post table.

²⁶ **MTR note:** The BDF was not established at the time the TE was written – under current circumstances it would be more logical that decisions on such policy issues are decided at this level now, not by APA (or by an APA Governing Council if such an institution was created to provide oversight and governance).

Table 15: Supplementary Suggestions

Suggestion		Responsibility
Suggestion 1: Address the concerns and issues of PA staff in regard to impact and implications of SMART technology introduction in order to avoid poor utilization.		
	<i>Indicative steps</i>	
6.1	Carry out brief review of the issues and concerns of PA staff on SMART introduction.	
6.2	Clarify realistic relevance and basis for the concerns raised and if necessary, take actions to address	
6.3	Integrated into SMART training materials a specific response to the issues and concerns raised and encourage questions and clarifications.	
Suggestion 2: <u>Socio-economic surveys of PA communities</u> - Seek to a) widen the benefits accrued from PA community socio-economic studies through the inclusion of data that is relevant to threats/pressures indicators (i.e. data that can be used for measuring changes in threats level due to socio-economic changes), b). identify means (financial and organizational) by which such surveys can become a long-term repeated (periodic) monitoring effort.		PC, PM, NPD
Suggestion 3: <u>Donor (or at least CNF) long term exit plan:</u> identify a point in future when system needs to become self-sufficient and level of support transitioned from system support to focused thematic/high priority support. This requires mapping out a roadmap from CNF and other donors to transition support step by step towards full independent operation by APA of PAs		CNF, WWF, KfW, UNDP, and other donors
Suggestion 4: <u>Issues raised by TE on need to adjust CNF support criteria and approach</u> (more incentive based, less dependency risk, etc): this is a difficult but fundamental change required and thus additionally highlighted in the supplementary suggestion section, as well as in previous section that highlighted still relevant TE recommendations. It is also linked to the process of setting out an exit strategy (see previous suggestion).		CNF, APA, MEPA
Suggestion 5: <u>Preparation of guidelines / recommendations for PAs to adapt to new forestry policy/legislation</u> in terms of firewood extraction and supply to local dependent communities.		PC, PM, NPD
Suggestion 6: <u>Preparation of TA advice document on Principles and guidelines for managing pastures in PAs</u> , and integration to relevant MPs/Ops and training materials		PC, PM, NPD
Suggestion 7- <u>Develop more streamlined process / guidelines for management plan updating</u> (i.e. for review/revision after MP cycle completed) instead of using guideline for 1 st preparation of MPs.		PC, PM, NPD
Suggestion 8 – CNF to clarification of co-financing, and the baseline/alternative scenario table before the TE (see examples from other similar UNDP / GEF projects of Baseline/alternative/increment tables)		CNF, PM, PC

204. **Suggestion 3:** Donor (or at least CNF) long term exit plan: Theoretically, support to the sustainability of the Georgian PA system assumes that such support is not open ended – it continues until such time as the system is self-sufficient and can stand on its own feet. Of course in reality donor support of one kind or another is likely to continue BUT it is important to set a target date for when that support shifts from “holding the system up” (as it does to an extent now – a good example is the recent COVID19 emergency

support situation), to when it shifts to smaller scale thematic or high priority add on support to an already self sufficient system capable of achieving at least “basic” management effectiveness on its own. In CNF’s case the “sinking” fund provides some orientation (i.e. 2030). Setting such a point in future would help focus all stakeholder’s attention and commitment to addressing the barriers to a self -sustaining and effective system with perhaps more realism and urgency than exists now.

205. **Suggestion 5:** Preparation of guidelines / recommendations for PAs to adapt to new forestry policy/legislation in terms of firewood extraction and supply to local dependent communities. During the mission a practical management issue was highlighted by a number of PA level interviewees regarding the new approach being introduced regarding fuel wood distribution i.e. to move from former permit system where users (local community) were required to enter forests and self-extract, to a system where forestry units will extract and distribute/sell fuel wood to local communities from dedicated sites. This approach has numerous advantages over the former one, in particular it places the extraction process in the hands of the forest managers (not ill equipped and untrained local people).
206. However, it does bring an added responsibility to those who manage forests that are source of fuel wood, including some PAs. It maybe that with the new system the demand / need of local communities for PA sourced fuel wood declines (as supply from other sources improves) – however, in those situations where this is not the case, PAs will need to meet this responsibility – as demonstrated in various PAs, the failure to meet local peoples basic need for winter heating and cooking fuel wood is a recipe for conflict and dissatisfaction. The MTR would suggest that the project is well placed to support APA in reviewing this potentially challenging development and identify what real risks it entails and what actions are needed in specific PAs to avoid later issues.
207. **Suggestion 6:** Preparation of TA advice document on Principles and guidelines for managing pastures in PAs, and integration to relevant MPs/Ops and training materials: Grasslands traditionally used in the past in PAs are a complex issue: on the one hand maintaining the natural values and biodiversity may necessitate continuing that grazing (i.e. a biodiversity management requirement), on another hand it may be an important part of local socio-economic/ livelihoods, and cultural heritage (which are also important considerations for PA management), and lastly it may be valuable source of revenue generation. In order to properly address this complexity, the PAs have to apply sufficient management effort and resources and to apply important principles of sustainable pasture management within the existing rules and regulatory framework. There has been much donor input to trying to address the issues (GIZ in Tusheti, Clima-East EU project in Vashlovani, etc) but currently the MTR is not convinced the lessons and implications are fully translated into PA’s management at either APA HQ or specific area levels. The suggestion therefore is the project to look at this issue in the specific relevant PAs and to develop a set of guidelines and principles to be applied, and ideally integrate those into PA MPS/Ops and HQ capacity building.
208. **Suggestion 7-** Develop more streamlined process / guidelines for management plan updating (i.e. for review/revision after MP cycle completed) instead of using guideline for 1st preparation of MPs. This suggestion came from consultants involved in updating management plans – they said it was inefficient and unnecessary to follow the MP guidelines that currently exist as they are designed for preparation of 1st MPs for a PA, not for simple updating. As a result, they require a lot of unnecessary actions when doing MP updating. The suggestion is therefore to have a reduced and more streamlined process for updating MPs (less time consuming, more focused, less expensive).
209. **Suggestion 8** CNF to clarification of co-financing, and the baseline/alternative scenario table before the TE: As was highlighted in the MTR, the baseline/alternative scenario (and the specific difference) is not well described in the project document (no standard table for example). Likewise, the co-financing situation is rather complex and unclear, and further complicated by the provision of “Covid emergency funds” as that impacts funds available later, etc. In order to facilitate the understanding and review at TE stage the suggestion is to clarify all of the above between MT and TE.

4.3 Key Lessons Learned for Future Projects

Table 16 - Key Lessons Learned	
<i>Lesson learned</i>	<i>Relevant to.</i>
<u>Critical review pros and cons of “One step” MSP project development approach before application:</u> Though appropriate and advantageous in some situations the “one step” MSP development option comes with risks. There is a need to critically evaluate “pros and cons” at the start and ensure that sufficient technical capacity exists to make it a success.	RTA, UNDP CO
<u>Experienced TA input</u> – experienced international technical inputs (particularly during development and inception), though relatively costly, may also be critical to ensuring a project effectively addresses the real barriers and threats, and thereby achieves lasting impact. A realistic evaluation of the in-country/in-house technical capacity and the need for such support (risks from absence of such support) needs to be carefully considered and evaluated at concept and development stages.	RTA, UNDP CO, CNF, MEPA
<u>Be critical at inception phase, including basic project design and M&E:</u> Insufficiently critical review / analysis of project document strategy and impact monitoring system at inception can lead to wasted effort and funds and imperil project success.	RTA, UNDP CO, CNF, MEPA
<u>Adequately review and incorporate previous project TE recommendations and suggestions into relevant new project development:</u> Many of the previous FS MSP project TE recommendations and suggestions were specifically targeted to the current project – though some were used and applied, many were not, despite the apparent continued relevance.	RTA, UNDP CO, CNF, MEPA


Signed:

M. Anstey



Date: 15/12/22

R. Kardava



Date: 15/12/22

ANNEXES DIRECTLY RELATED TO MTR ANALYSIS

Annex 1: Table Overall summary of Outcomes and Output - expected results and financial weightings:

Annex 2: Comparison of table of context of UNDP Georgia FS MSP project (GEF6) and UNDP Albania FS MSP project (GEF6)

Annex 3: Table Indicators Review

Annex 4: Rough Estimates of Donor Support to PA system in Georgia 2009-2019

Annex 1: Table Overall summary of Outcomes and Output - expected results and financial weightings:

Outcomes	Products/results from Outputs	GEF	%	Co-financing	%	Total	%
1: PAs effectively and sustainably financed	<ul style="list-style-type: none"> A range of sustainable financing mechanisms designed and piloted for target PAs (1.1) the piloting in 3 PAs of dedicated PA accounts (1.2) Sustainable tourism development and financing strategies (STDFS's) including operational revenue generation schemes, for at least 9 target PAs (1.3) “Full CNF support” plus matching GoG inputs increased from 6 to 12 KBA PAs²⁷ 	569,191	32%	7,098,516	89%	7,667,707	79%
2: Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	<ul style="list-style-type: none"> providing TA to all target PAs on financial-administrative & operational planning, budgeting and accounting (2.1) establishing a better basis to monitor actual impact of improved PA financing and effective management, and subsequent adaptive management (MEAP, BDM) -2.2 design and implement a suite of targeted capacity building and related TA initiatives to strengthen target PAs' operational management (2.3) Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened (2.4) 	1,082,294	59%	625,000	8%	1,707,294	17%
3: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values	<ul style="list-style-type: none"> the development and implementation of awareness raising plan (entirely financed by CNF). the project will support CNF's established successful technical and financial monitoring program of 3-4 target PAs per year Terminal evaluation 	25,000	1%	85,000	1%	110,000	1%
Proj-Man		150,000	8%	150,000	2%	300,000	3%
Overall		1,826,485		7,958,516		9,785,000	

From the above table it can be seen that Outcome 1 receives the largest overall weighting financially (approx. 79%) – however, the majority of this is co-financing mainly related to CNF “full support” to PAs (even though this is not an actual indicated output).

In terms of GEF Grant funds, Outcome 1 on sustainable financing is only 32% of the total. The largest GEF grant weighting of 59% is for Outcome 2 (effective management through capacity development and improved monitoring). Of this a majority goes to monitoring, particularly biodiversity indicators, initial implementation and establishment of BDCU. Outcome 3 (awareness, CNF monitoring and TE) gets the smallest financial weighting (1% of the grand total of funds).

²⁷ This was not a specified output but is an expected result in the SRF

Annex 2: Comparison of table of context of UNDP Georgia FS MSP project (GEF6) and UNDP Albania FS MSP project (GEF6)

<i>Albanian SF GEF 6 Project Format</i>	<i>Georgia SF GEF 6 Project Format</i>
Acronyms and Abbreviations Section I: Elaboration of the Narrative Part I: Situation Analysis Context and global significance Threats, root causes and impacts Long-term solution and barriers to achieving the solution Baseline analysis Stakeholder analysis Part II: Strategy Project Rationale and Policy Conformity Project Objective, Outcomes and Outputs/Activities Key Indicators, Risks and Assumptions . Cost Effectiveness Project consistency with national priorities/plans Sustainability and Replicability Part III: Management Arrangements Project Implementation Arrangement Financial and other procedures Part IV: Monitoring and Evaluation Plan and Budget Monitoring and reporting Monitoring and evaluation budget and work plan Part V: Legal Context Section II: Strategic Results Framework (SRF) Section III: Total Budget and Workplan Section IV: Additional Information	I. <u>Acronyms and abbreviations</u> Error! Bookmark not defined. II. <u>Development Challenge</u> Error! Bookmark not defined. III. <u>Strategy</u> Error! Bookmark not defined. IV. <u>Results and Partnerships</u> Error! Bookmark not defined. V. <u>Project Management</u> Error! Bookmark not defined. VI. <u>Project Results Framework</u> Error! Bookmark not defined. VII. <u>Monitoring and Evaluation (M&E) Plan</u> Error! Bookmark not defined. VIII. <u>Governance and Management Arrangements</u> Error! Bookmark not defined. IX. <u>Financial Planning and Management</u> Error! Bookmark not defined. X. <u>Total Budget and Work Plan</u> XI. <u>Legal Context</u> 49 XII. <u>Risk Management</u> Error! Bookmark not defined. XIII. <u>Annexes</u> Error! Bookmark not defined.

Annex 3: Table Indicators Review

Objective /Outcome	Indicator	Comment and issues
Project Objective: To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia	Mandatory Indicator 1 (<i>Output 1.4.1 of UNDP SP</i>): Natural resources that are managed under a sustainable use, conservation, access and benefit-sharing regime: a) Area of existing protected area under improved management (hectares) (i.e. the total area of 12 KBAs targeted by the project)	There is an a). but no b). ? Means to measure is unclear – if METT is main basis then why target at MT is zero ? This lack of clarity is reflected in PIR reporting for this indicator Issue: measurability METT measures only changes in effectiveness at PA level not at overall level – CAS would have been more appropriate here ? Issue – relevance (to whole system)
	<u>Indicator 2</u> : # of direct project beneficiaries, sex disaggregated. (# of workers at targeted PAs with improved socio-economic conditions)	The MTR team struggle to understand how the socio-economic conditions of PA staff is considered a key measure of progress towards the Objective (To secure long-term financial sustainability and effective management of PA system). Issue: Why is this so relevant in this context ?
	<u>Indicator 3</u> : Increased PA system financing as measured by the Financial Sustainability Scorecard	This indicator is standard and SMART – however, MTR team understanding is that not “undertaken by conducted by objective professionals” which may bring into question its objectivity. This needs clarifying/addressing by TE. Issue: objectivity
<i>Outcome 1</i> : Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed	<u>Indicator 4</u> : Increase in long-term annual funding to target 12 PAs	Indicator wording is general and not clear if referring to all funding (state, CNF and revenue, etc) or just CNF, etc. Not clear how the target figures were selected and what exactly is the basis for measuring/reporting. These unclaritys are reflected by the fact that in PIR GEF grant funds are included as part of “increase in annual long term funding”. Issue: measurability
	<u>Indicator 5</u> : Number of target PAs regularly receiving full financing support	Indicator is unclear – what precisely is meant my “full support” – this is mentioned in the project document numerous times but never exactly defined (though “light support” is defined on pg 11 footnote 14). Essentially this is a purely CNF activity but MoV only mentions APA records. Issue: measurability. It could also be questioned whether CNF inputs to supporting the PAs count as “sustainably financing” given the source is a sinking fund that will cease in 2030 – thus, do CNF funds really measure increases in the PA system sustainability? Issue: relevance
	<u>Indicator 6</u> : Increase in revenues generated from tourism activities in target PAs	This is the only indicator under this Outcome that really reflects a measure of change in PA system sustainable financing. However, not clear in prodoc how baseline was reached – is it figure for a sample year (or years) prior to project start – subsequently its not clear how to calculate MT and EoP targets. This unclarity is reflected in the PIR. In fact the baseline (as found out during MTR mission) was based on 2017, but PIR and MT figures are cumulative (mulita-year) which is not comparable. Issue: measurability.

		It is also noteworthy that no indicators for non-tourism revenue generation were included (i.e. resource use, state funds, offsets/compensation, PES, etc) – again a reflection of ambivalence / lack of conviction in terms of diversifying PA revenue streams in the long term future.
<i>Outcome 2:</i> Institutional capacity for financial and operational management, and for monitoring in target PAs is improved	<i>Indicator 7:</i> Level of institutional capacities for financial-administrative planning and operational management planning as measured by Capacity Assessment Scorecard (CAS) values for target PAs	Standard CA scorecard –
	<i>Indicator 8:</i> Level of management effectiveness of target PAs as measured by METT score values	Standard ME tracking tool.
	<i>Indicator 9:</i> Key biodiversity values are conserved and threats reduced by implementing harmonized Management Effectiveness Assessment plans (Species and ecosystem state indicators (baseline) have been included in the METT scorecards of each of the 12 targeted KBAs	<p>This indicator is quite wordy and difficult to exactly understand. Does it suggest that the inclusion of ME indicators in METT will provide basis to understand effectiveness of management and thereby allow adaption in future to improve management in the future – and thereby increase effectiveness in future ? If so it is a little convoluted.</p> <p>Also, how will inclusion of these ME indicators in the METT impact management adaption unless METT is part of some periodic review and adjustment process in the long term (post project)? Is that the intention?</p> <p>Finally, any indicator that intends to measure the impact on species / ecosystems through changes in a project such as this (short) lifetime is inherently unrealistic.</p> <p>Altogether unclear on how the indicator measures the impact towards the Outcome.</p>
<i>Outcome 3</i> Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values	<i>Indicator 10:</i> Community, stakeholder and societal knowledge of and acceptance on biodiversity values of, threats to, and approval for target PAs	<p>This indicator fails in almost all ways the SMART criteria. Firstly, the indicator itself is unclearly worded so it is not very understandable. Secondly, the targets are bizarre (4000 people have taken notice of?)</p> <p>Lastly, does it measure the expected impact of the Outcome? The answer to this is difficult partly because the expected impact of the outcome is also not well defined in the project document.</p> <p>Main issue: relevance</p> <p>2nd issue Measurability (taken notice of?)</p>

Annex 4: Rough Estimates of Donor Support to PA system in Georgia 2009-20019 (based on tables and summaries provided to R. Kardava Sept. 2021)

<i>Currency</i>	<i>Amount</i>	<i>Amount in USD (approx.)</i>
USD	9,728,705	9,728,705
Euro	15,288,060	19,874,478
GEL	323,611	161,805
<i>Total</i>		<i>29,764,988</i>

NB average 1.3 USD / Euro, 2 GEL/USD during period 2009 and 2019 based on internet sourced figures

Average of just under 3 million USD/year

GEF/UNDP - 3,200,000 USD

BMZ/KfW – 10,500,000 Euro (13,650,000)

VOLUME 2 – ANNEXES

Annex 1: MTR ToR (excluding ToR annexes)

Annex 2: Ratings Scales

Annex 3: MTR mission itinerary

Annex 4: List of persons interviewed

Annex 5: List of documents reviewed

Annex 6: Signed UNEG Code of Conduct form

Annex 7: Signed MTR final report clearance form

Annex 8: Review of Overall Project Output Activity

Annex 9: Summary of Impact at project sites/actual on-ground activities

Annex 10: Overview of GEF PA Sustainable Financing Projects carried out in Georgia

Annex 11: In-depth Review of Project Progress and Achievements by Outcome and Output by MT.

Annex 12: Gender Activity table (with MTR comments on status)

Annexed in a separate file: Audit trail from received comments on draft MTR report

Annex 1: MTR ToR (excluding ToR annexes)

Terms of Reference for ICs and RLAs through /GPN ExpRes

Services/Work Description: UNDP-GEF Midterm Review (MTR) of the medium sized project

Project/Programme Title: “Enhancing financial sustainability of the Protected Area system in Georgia” (PIMS#6138)

Consultancy Title: Mid-term review consultant - evaluator

Duty Station: Home based with field visit to Tbilisi and, if possible, to the project sites in Georgia.

Duration: 22 working days within the 3 months period

Expected start date: August 1, 2021 (preparatory work). From September 6th - site visit to Georgia.

1. BACKGROUND

See attached UNDP-GEF Midterm Review Terms of Reference

2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED WORK

See attached UNDP-GEF Midterm Review Terms of Reference

3. Expected Outputs and deliverables

See attached UNDP-GEF Midterm Review Terms of Reference

4. Institutional arrangements/reporting lines

See attached UNDP-GEF Midterm Review Terms of Reference

5. Experience and qualifications

I. Academic Qualifications:

At least Master’s degree or equivalent in Biodiversity Conservation, Natural Resource Management, Environmental Management, or other related areas.

II. Years of experience:

- At least 10 years of experience in providing consultancy or management services to the environmental projects preferably in biodiversity conservation, protected areas management or financing.

- Experience in monitoring and evaluating UNDP/GEF or other international development agencies' projects, preferably in protected areas and/or biodiversity conservation in the region/country.
- Knowledge of the institutional arrangements and politics underpinning the protected areas of Georgia is a strong asset;

III. Language:

Fluency in English both written and spoken and technical writing skills in English

IV. Competencies:

- Strong analytical skills;
- Excellent team working skills;
- Ability to communicate effectively in order to communicate complex, technical information to both technical and general audiences;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Highest standards of integrity, discretion and loyalty

6. Payment Modality

Payment to the individual contractor will be made based on the actual number of days worked, deliverables accepted and upon certification of satisfactory completion by the manager.

UNDP-GEF Midterm Review

Terms of Reference

1. INTRODUCTION

This is the Terms of Reference (ToR) for the UNDP-GEF Midterm Review (MTR) of the medium sized project titled “Enhancing financial sustainability of the Protected Area system in Georgia” (PIMS#6138) implemented through the UNDP, which is to be undertaken in 2021. The project started in December 2018 and is in its third year of implementation.. 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*.

(http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance_Midterm%20Review%20_EN_2014.pdf).

2. PROJECT BACKGROUND INFORMATION

While in recent years significant progress was made on a broad specter of institutional and legislative reforms, including on environmental protection and nature conservation, and the area under formal protection was significantly expanded, three key barriers remain to establishing an effective and efficient PA system in Georgia: **Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system; weak capacity in efficient financial-administrative planning and effective operational management of the PA system and Lack of awareness and action amongst key sector institutions, communities, media and the public of risks from biodiversity and ecosystem losses.**

The project seeks to support the Government of Georgia in addressing the identified barriers by sustainably increasing available financing to an increasing number of Priority PAs, by improving capacities for effective financial-operational and efficient budgeting based on improved information and strengthening knowledge and awareness on the importance of biodiversity and PAs in maintaining important ecosystem services. The project will fulfill its objective by delivering project activities in 3 inter-related and mutually complementary components, focusing on (i) financial sustainability of sub-system of PAs representing KBAs; (ii) Improved management and financial effectiveness demonstrated for targeted large-scale PAs; and (iii) Knowledge Management and monitoring and evaluation,

Through increased financial resources, especially from domestic revenues, and improved management effectiveness of target PAs, the project will particularly contribute to reducing threats to, and improving the *in situ* conservation status of identified globally threatened biodiversity in target PAs that meet established criteria for Biodiversity Areas, including (i) recognized Important Bird and Biodiversity Areas (IBAs); (ii) approved and candidate Emerald Sites; (iii) the Caucasus Endemic Bird Area; and (iv) tentative World Heritage Sites, covering 431,872 ha of the ecologically representative PA network in Georgia. Dedicated Management Effectiveness Assessment plans will allow to better plan and implement targeted, on-the-ground conservation and threat reduction measures assuring maintaining populations of globally threatened species at least at their 2017 level, as well as valuable species endemic to Georgia and the Caucasus Ecoregion.

Impact of Covid 19

Georgia

Stringent measures, including curfews, a ban on public transport, lockdowns, and border closures in early 2020 allowed the country to contain the pandemic’s spread. However, the easing of measures in the summer contributed to a significant second surge later in the year, and Georgia became one of the 20 most affected countries in the world in terms of reported cases per million population. The authorities enacted a second

strict lockdown from end-November to early February 2021, leading to a reduction of COVID cases and permitting a gradual reopening of the economy starting in March 2021.

As of May 1st, 2021 the government-imposed night curfew (9.00 pm to 5 am) is in place. International flights are open to Georgian airports in Tbilisi, Kutaisi and Batumi. Further information about COVID related situation can be obtained from the website: <https://stopcov.ge/en>

As of May April 30th, the COVID statistics in Georgia are as follows:

- Total confirmed cases: 310 310
- Deaths: 4110
- Recovered: 290767

The project team will provide additional information and assistance in planning of travel if required.

Project

COVID pandemic and associated restrictions had medium impact on project. Most affected were the capacity building component and public awareness activities, as well as public consultations in relation to various studies, due to the safety considerations for events and gatherings. Where applicable the online meeting platforms were used. Other project activities involving the deskwork and field visits (e.g., design and implementation of tourism investment projects, biodiversity monitoring etc.) were least affected. Overall, project is on track and no serious delays have occurred.

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. It (MTR) will focus on the effectiveness, efficiency and timeliness of project implementation; will present initial lessons learned about project design, implementation and management. The MTR will also review the project's strategy, its risks to sustainability. Findings of this MTR will be incorporated as recommendations for enhanced implementation during the final half of the project's term.

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 Social and Environmental Screening Procedure/SESP, the Project Document, project reports including annual 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/Core Indicators submitted to the GEF at CEO endorsement, and the midterm GEF focal area Tracking Tool/Core Indicators that must be completed before the MTR field mission begins.

The MTR team is expected to follow a collaborative and participatory approach¹ ensuring close engagement with the Project Team, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), UNDP Nature, Climate and Energy (NCE) Regional Technical Adviser (RTA), and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR² Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to; executing agency, senior officials, key experts and consultants, Project Board, project stakeholders, relevant regional and local government and CSOs, etc. Additionally, the MTR team is expected to conduct field missions to several project sites located in different regions of Georgia (Kakheti – Lagodekhi PAs, Samtskhe-Javakheti – Borjomi-Kharagauli PA's, Ajara – Mtirala, Mskheta-Mtianeti – Kazbegi PAs.) or via virtual means depending on the COVID-19 situation and travel restrictions that would apply at that time.

If all or part of the MTR is to be carried out virtually then consideration should be taken for stakeholder availability, ability or willingness to be interviewed remotely. In addition, their accessibility to the internet/computer may be an issue as many government and national counterparts may be working from home. These limitations must be reflected in the final MTR report.

A short validation mission may be considered if it is confirmed to be safe for staff, consultants, stakeholders and if such a mission is possible within the MTR schedule. Equally, qualified and independent national consultants can be hired to undertake the MTR and interviews in country as long as it is safe to do so.

The specific design and methodology for the MTR should emerge from consultations between the MTR team and the above-mentioned parties regarding what is appropriate and feasible for meeting the MTR purpose and objectives and answering the evaluation questions, given limitations of budget, time and data. The MTR team must use gender-responsive methodologies and tools and ensure that gender equality and women's empowerment, as well as other cross-cutting issues and SDGs are incorporated into the MTR report.

The final methodological approach including interview schedule, field visits and data to be used in the MTR must be clearly outlined in the Inception Report and be fully discussed and agreed between UNDP, stakeholders and the MTR team.

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.

¹ For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see [UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results](#), 05 Nov 2013.

- 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.
 - Were relevant gender issues (e.g. the impact of the project on gender equality in the programme country, involvement of women's groups, engaging women in project activities) raised in the Project Document?
- 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 ³	Baseline Level ⁴	Level in 1 st PIR (self-reported)	Midterm Target ⁵	End-of-project Target	Midterm Level & Assessment ⁶	Achievement Rating ⁷	Justification for Rating
------------------	------------------------	-----------------------------	--	-----------------------------	-----------------------	---	---------------------------------	--------------------------

³ Populate with data from the Logframe and scorecards

⁴ Populate with data from the Project Document

⁵ If available

⁶ Colour code this column only

⁷ Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

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.
- Do the Executing Agency/Implementing Partner and/or UNDP and other partners have the capacity to deliver benefits to or involve women? If yes, how?
- What is the gender balance of project staff? What steps have been taken to ensure gender balance in project staff?
- What is the gender balance of the Project Board? What steps have been taken to ensure gender balance in the Project Board?

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?

Sources of Co-financing	Name of Co-financer	Type of Co-financing	Co-financing amount confirmed at CEO Endorsement (US\$)	Actual Amount Contributed at stage of Midterm Review (US\$)	Actual % of Expected Amount
		TOTAL			

- Include the separate GEF Co-Financing template (filled out by the Commissioning Unit and project team) which categorizes each co-financing amount as ‘investment mobilized’ or ‘recurrent expenditures’. (This template will be annexed as a separate file.)

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?
- Review the extent to which relevant gender issues were incorporated in monitoring systems. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.

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?
- How does the project engage women and girls? Is the project likely to have the same positive and/or negative effects on women and men, girls and boys? Identify, if possible, legal, cultural, or religious constraints on women’s participation in the project. What can the project do to enhance its gender benefits?

Social and Environmental Standards (Safeguards)

- Validate the risks identified in the project's most current SESP, and those risks' ratings; are any revisions needed?
- Summarize and assess the revisions made since CEO Endorsement/Approval (if any) to:
 - The project's overall safeguards risk categorization.
 - The identified types of risks⁸ (in the SESP).
 - The individual risk ratings (in the SESP).
- Describe and assess progress made in the implementation of the project's social and environmental management measures as outlined in the SESP submitted at CEO Endorsement/Approval (and prepared during implementation, if any), including any revisions to those measures. Such management measures might include Environmental and Social Management Plans (ESMPs) or other management plans, though can also include aspects of a project's design; refer to Question 6 in the SESP template for a summary of the identified management measures.

A given project should be assessed against the version of UNDP's safeguards policy that was in effect at the time of the project's approval.

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 & Knowledge Management:

- 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.
- List knowledge activities/products developed (based on knowledge management approach approved at CEO Endorsement/Approval).

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:

⁸ Risks are to be labeled with both the UNDP SES Principles and Standards, and the GEF's "types of risks and potential impacts": Climate Change and Disaster; Disadvantaged or Vulnerable Individuals or Groups; Disability Inclusion; Adverse Gender-Related impact, including Gender-based Violence and Sexual Exploitation; Biodiversity Conservation and the Sustainable Management of Living Natural Resources; Restrictions on Land Use and Involuntary Resettlement; Indigenous Peoples; Cultural Heritage; Resource Efficiency and Pollution Prevention; Labor and Working Conditions; Community Health, Safety and Security.

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 in the MTR report for evidence-based conclusions, in light of the findings.

Additionally, the MTR team is expected to make recommendations to the Project Team. 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 (Expansion and Improved Management of the Achara Region's Protected Areas)

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)	

6. TIMEFRAME

The total duration of the MTR will be approximately 22 days over a period of 12 weeks (with up to 12 days for MTR mission in Georgia), starting approximately August 1st and shall not exceed five months from when the consultant(s) are hired. The tentative MTR timeframe is as follows:

TIMEFRAME (with reco)	ACTIVITY
1-06-2021	Application closes
1-07-2021	Select MTR Team
01-08-2021	Prep the MTR Team (handover of Project Documents)
01-08-2021 to 05-08-2021	Document review and preparing MTR Inception Report
06-08-2021 to 31-08-2021	Finalization and Validation of MTR Inception Report- latest start of MTR mission
06-09-2021 to 17-09-2021	MTR mission (up to 12 days): stakeholder meetings, interviews, field visits ⁹
17-09-2021	Mission wrap-up meeting & presentation of initial findings- earliest end of MTR mission
20-09-2021 to 01-10-2021	Preparing draft report
18-10-21 to 22-10-21	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)
1-11-21	Preparation & Issue of Management Response
12-11-21	Expected date of full MTR completion

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

7. 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: (15-08-21)	MTR team submits to the Commissioning Unit and project management
2	Presentation	Initial Findings	End of MTR mission: (12-09-11)	MTR Team presents to project management and the Commissioning Unit
3	Draft Final Report	Full report (using guidelines on content outlined in Annex B) with annexes	Within 3 weeks of the MTR mission: (31-09-21)	Sent to the Commissioning Unit, reviewed by RTA, Project Coordinating Unit, GEF OFF
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 1 week of receiving UNDP comments on draft: (15-10-21)	Sent to the Commissioning 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.

8. MTR ARRANGEMENTS

⁹ If the MTR will be carried out virtually, the “MTR mission” period can be extended by a week or two, however the number of working days will be remaining the same.

The principal responsibility for managing this MTR resides with the Commissioning Unit. The Commissioning Unit for this project's MTR is UNDP Georgia.

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, including UNDP project coordinator and CNF Project Manager, will be responsible for liaising with the MTR team to provide all relevant documents, set up stakeholder interviews, and arrange field visits. If all or part of the MTR is to be carried out virtually the Commissioning Unit and Project Team in supporting the implementation of remote/ virtual meetings. An updated stakeholder list with contact details (phone and email) will be provided to the MTR team.

9. TEAM COMPOSITION

A team of two independent consultants will conduct the MTR - one team leader (with experience and exposure to projects and evaluations in other regions globally) and one team expert, usually from the country of the project. 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.

10. ETHICS

The MTR team will be held to the highest ethical standards and is required to sign a code of conduct upon acceptance of the assignment. This MTR will be conducted in accordance with the principles outlined in the UNEG 'Ethical Guidelines for Evaluation'. The MTR team must safeguard the rights and confidentiality of information providers, interviewees and stakeholders through measures to ensure compliance with legal and other relevant codes governing collection of data and reporting on data. The MTR team must also ensure security of collected information before and after the MTR and protocols to ensure anonymity and confidentiality of sources of information where that is expected. The information, knowledge and data gathered in the MTR process must also be solely used for the MTR and not for other uses without the express authorization of UNDP and partners.

11. PAYMENT MODALITIES AND SPECIFICATIONS

10% of payment upon satisfactory delivery of the final MTR Inception Report and approval by the Commissioning Unit

40% upon satisfactory delivery of draft MTR report to the Commissioning Unit

50% upon satisfactory delivery of the final MTR report and approval by the Commissioning Unit and RTA (via signatures on the MTR Report Clearance Form) and delivery of completed MTR Audit Trail

Criteria for issuing the final payment of 50%¹⁰:

¹⁰ The Commissioning Unit is obligated to issue payments to the MTR team as soon as the terms under the ToR are fulfilled. If there is an ongoing discussion regarding the quality and completeness of the final deliverables that cannot be resolved between the Commissioning Unit and the MTR team, the Regional M&E Advisor and Vertical Fund Directorate will be consulted. If needed, the Commissioning Unit's senior management, Procurement Services Unit and Legal Support Office will be notified as well so that a decision can be made about whether or not to withhold payment of any amounts that may be due to the

- The final MTR report includes all requirements outlined in the MTR TOR and is in accordance with the MTR guidance.
- The final MTR report is clearly written, logically organized, and is specific for this project (i.e. text has not been cut & pasted from other MTR reports).
- The Audit Trail includes responses to and justification for each comment listed.

12. APPLICATION PROCESS

The project uses the GPN/ExpRes ONE ROSTER selection process with applicable recruitment rules and procedures in relation to hiring a consultant on IC contract.

evaluator(s), suspend or terminate the contract and/or remove the individual contractor from any applicable rosters. See the UNDP Individual Contract Policy for further details:
https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PSU_Individual%20Contract_Individual%20Contract%20Policy.docx&action=default

Annex 2: Ratings Scales

Ratings for Progress Towards Results: (one rating for each outcome and for the objective)		
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 (HU)	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.

Ratings for Project Implementation & Adaptive Management: (one overall rating)		
6	Highly Satisfactory (HS)	Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as “good practice”.
5	Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for only few that are subject to remedial action.
4	Moderately Satisfactory (MS)	Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action.
3	Moderately Unsatisfactory (MU)	Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action.
2	Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management.
1	Highly Unsatisfactory (HU)	Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management.

Ratings for Sustainability: (one overall rating)		
4	Likely (L)	Negligible risks to sustainability, with key outcomes on track to be achieved by the project’s closure and expected to continue into the foreseeable future
3	Moderately Likely (ML)	Moderate risks, but expectations that at least some outcomes will be sustained due to the progress towards results on outcomes at the Midterm Review
2	Moderately Unlikely (MU)	Significant risk that key outcomes will not carry on after project closure, although some outputs and activities should carry on
1	Unlikely (U)	Severe risks that project outcomes as well as key outputs will not be sustained

Annex 3: MTR Mission Itinerary

Day/date	Item	Comment form MTR Team
- day 1 (Monday, August 30):	- initial meeting MTR team - intro meeting with PM (Tamar Pataridze) - meeting at UNDP CO - meeting with Project national director, key APA staff	11:00 14:00 – CNF Tamar Pataridze 15:30 - Online meeting with Nino Antadze 17:00 - APA - Tamar Khakhishvili (Deputy Chairman, Project national director), Irakli Goduadze (former expert, currently head of the financial dep), Toma Dekanoidze (Deputy Chairman)
- days 2 (Tuesday, August 31)	- Meeting with senior CNF representatives (as you think appropriate), in depth meeting with PM and key project staff to review project implementation as a whole, meeting with CNF conservation adviser if available.	11:00 to 14:00 at CNF: Tobias, Tamar and Tea 16:00 - NACRES - Irakli Shavgulidze (Chair of NACRES - Project consultant/contractor for various studies, specifically on Biodiversity Monitoring), Bejan Lorkipanidze (Team leader of monitoring of selected indicators), Kakha Artsivadze
Day 3 (Wednesday, September 1)	- meeting with relevant project staff and consultants in Tbilisi regarding Outcome 1	11:00 (online) – Hugo van Zyl (Key international consultant for Project Component 1: Enhancing Financial Sustainability of the PA system) 12:30-13:30 (online) PMO - Lika Inashvili, Mariam Chachua 15:00-15:45 - PMCG (online) - Mikheil Kukava (Project consultant on alternative revenue generation study (introduction of bed levy in Tusheti PL))
Day 4: (Thursday, September 2)	- meeting with relevant project staff and consultants in Tbilisi regarding Outcome 2 and 3	10:30 – Tamar Pataridze 14:00 (online) - NGO Environment and Development - Kakha Bakhtadze (Project consultant in several assignments including preparation of Javakheti PA Management Plan, Capacity Building component (development of online learning platform) 16:00 (online) - NGO ecotone - Rusudan Chochua (Project consultant in studies Entrance Fee introduction (CNF co-financing) and Socio-economic assessment) 17:00 (online) - SEED Georgia - Levan Butkhuzi 19:00 (online) – Tobias Garstecki (Was involved in development of Management Effectiveness assessment plans for Mtirala and Machakhela PAs. Also in updates of several PAs Management Plans)
Day 5 - 9: (September 3rd-to 7th)	field sites for 5 days	Schedule Indicated in the table below
Day 10 (Wednesday, September 8)	Meetings with key project partners (other PA projects, etc), consolidation of information gathered	11:00 – KfW - Levan Tsitskishvili 12:00 - MEPA - Karlo Amirgulashvili
Day 11: (Thursday, September 9)	Meeting with CNF project team, drafting of initial findings and recommendations, any additional meetings as required	10:30 (online) - Jernej Stritich (Slovenia) NGO Ecotone (consultant in studies Entrance Fee introduction (CNF co-financing), Socio-economic assessment) 12:00 - Tanya Rosen at CNF office 14:00 (online) - WWF - Maka Bitsadze 16:00 - Nino Antadze
Day 12- (Friday, September 10)	Debriefing of mission - presentation of provisional findings and recommendations to key stakeholders (CNF, UNDP, APA) and discussion.	14:30 (online) – representatives from CNF, UNDP, APA

SITE VISITS

Algeti PA – site visit: Sept 3

Avto Mchedlidze	Director of Algeti National Park
Lusine Dostibegian	NGO – Tetrtskaro Youth Center, also ranger at Algeti She led the process of creating the short video on PAs under CNF small grants programme

Tusheti PA (Akhmeta) – site visit: Sept 4

Vakhtang Giunaidze - Alvani	Director, Tusheti Protected Areas
Lado Kakhoidze – Alvani	Director, Tusheti Protected Landscape
Anzori Gogotidze - Alvani	Related to Outcome 2, but can be available to meet in Alvani (Preparation of PA Management Plans, technical audits of selected Pas); He is ex-director of Tusheti NP; also member of Tusheti PAs Friends Associations as well as newly created Georgian Protected Areas Association ; He has been involved in updated of Tusheti PA, Tusheti PL, Mtiaralla and Lagodekhi management plan updates

Machakhela PA – site visit: Sept 5 (mostly travel) – Sept 6 (meetings)

Irakli Goradze	UNDP
Giorgi Kuridze	Director, Machakhela National Park
Gulo Surmanidze	Machakhela-Mtirala PAs Friends Association
Tina Zoidze	Head of Ajara Tourism Department

Borjomi PA – site visit: Sept 7

Levan Sabanidze & Natia Muladze	Director of Borjomi Kharagauli National Park
Levan Tabunidze	Freelancer, Former Director of PA, NGO Green Borjomi, NACRES (SMART, Management Plan)
Marina Khujadze	Borjomi Municipality – She was recommended by Natia Muladze as she is the one involved in tourism related activities in the municipality
Mariam	General Manager of Kokhta Rooms Hotel, the members of the group of locals discussing tourism related issues in the region

Annex 4: List of persons interviewed

Organization	Representative
UNDP	Nino Antadze Irakli Goradze
CNF	Tamar Pataridze Tobias Muenchmeyer Tea Barbakadze Tanya Rosen
APA	Tamar Khakhishvili Irakli Goduadze Toma Dekanoidze
NACRES	Irakli Shavgulidze Bejan Lorkipanidze Kakha Artsivadze
PMO	Lika Inashvili Mariam Chachua
PMCG	Mikheil Kukava
International Experts/Consultants	Hugo van Zyl Tobias Garstecki
NGO Environment and Development	Kakha Bakhtadze
NGO Ecotone	Rusudan Chochua Jernej Stritich
SEED Georgia	Levan Butkhuzi
MEPA	Karlo Amirgulashvili
KfW	Levan Tsitskishvili
WWF	Maka Bitsadze
Algeti National Park	Avto Mchedlidze (Director)
NGO – Tetrtskaro Youth Center	Lusine Dostibegian (in addition: ranger at Algeti PA)
Tusheti Protected Areas	Vakhtang Giunaidze (Director)
Tusheti Protected Landscape	Lado Kakhoidze (Director)
Consultant, member of Tusheti PAs Friends Associations and Georgian Protected Areas Association	Anzor Gogotidze
Machakhela National Park	Giorgi Kuridze (Director)
Machakhela-Mtirala PAs Friends Association	Gulo Surmanidze
Ajara Tourism Department	Tina Zoidze
Borjomi Kharagauli National Park	Levan Sabanidze (Director) Natia Muladze
Freelancer, a member of NGO Green Borjomi and NACRES	Levan Tabunidze
Borjomi Municipality	Marina Khujadze
Business sector - Kokhta Rooms Hotel in Bakuriani	Mariam (General Manager)

Annex 5: List of documents reviewed

Documents Provided by Project:

- Audit Spot check report
- Asset transfer to APA reports
- Awareness Raising Action Plan
- Biodiversity monitoring reports
- Capacity Assessment Report and Capacity Building Plan
- CNF Technical/financial audit reports
- GEF Tracking tools (CAS, FS, METT, etc)
- HACT report
- Inception Report
- Javaheti MP Update/revision
- MEAP reports and clarification note
- PA Financial Gap Analysis
- PA Income Generation Opportunities Report
- Project Coordinator reports
- Project Board Meeting minutes
- PIRS
- Project Document
- Project PIF RP Annual and Quarter reports
- RP Agreements with UNDP
- TE reports for x 2 previous FS projects
- TOR For Entrance Fee Study

Other documents / information reviewed

Albanian UNDP GEF PA Financial Sustainability project document (GEF project database)

Georgia – Biodiversity Financing Plan

(https://www.biofin.org/sites/default/files/content/knowledge_products/The%20Biodiversity%20Finance%20Plan%20%28BFP%29%20-%20Georgia.pdf)

CNF and APA website materials (<https://www.caucasus-naturefund.org/>, <https://apa.gov.ge/en/>)

Annex 6: Signed UNEG Code of Conduct form¹¹

Evaluators/Consultants:

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

MTR Consultant Agreement Form

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

Name of Consultant: Mark Anstey

Name of Consultancy Organization (where relevant): _____

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

Signed at Gex (Place) on 02/08/21 (Date)

Signature: _____


¹¹ www.undp.org/unegcodeofconduct

Annex 7: Signed MTR final report clearance form

MTR Report Clearance Form

(to be completed by the Commissioning Unit and UNDP-GEF RTA and included in the final document)

Midterm Review Report Reviewed and Cleared By:

Commissioning Unit (M&E Focal Point)

Name: _____

Signature: _____ Date:

Regional Technical Advisor (Nature, Climate and Energy)

Name: _____

Signature: _____ Date:

Annex 8: Review of Overall Project Output Activity (based on Annex 3 of Project Inception report, PIR/Annual RTA reports and interviews)

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
Project Objective: To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia”.			1,826,485			
COMPONENT 1: Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs)						
Outcome 1: Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed			371,000			
Output 1.0: Expertise support			76,000			Added during inception
1.0.1	Thematic expertise support	Thematic expertise support by CNF staff to thematic activities under outcome 1 Budget changes: reallocation for IC, LC and TR; BAC: IC (\$15,000), LC (\$55,000); TR (\$5,000)			PM salary; HL – ToR development; travel expenses Harald Leummens consultant finished now	
1.0.2	Kickoff/inception event	Project kick-off event and 1 st PEB meetings: Budget changes: no changes; BAC: WS – kick-off meeting (\$1,000)			Done – see inception report	
Output 1.1: A range of sustainable financing mechanisms designed and piloted for target Pas			85,000			
1.1.1	Policy brief on Ecosystems Services Valuation (ESV)	ESV study, policy brief and information materials to highlight the economic values of the target PA network, its biodiversity and ecosystems, in providing direct and indirect services beneficial to society. The study will build and expand upon available studies for target PAs, notably for BKNP, MtNP and Tusheti PAs (ECFDC, 2012; WWF, 2012; UNDP/GEF, 2010; TEEB 2013 & 2016) and others. Coordination with UNDP BIOFIN initiative. Budget changes: n/a; BAC: n/a			Planned to be launched this year Depends on agreement with APA; WWF will be also involved in the discussions Delayed with it (wanted in 2020) but struggle with it because not sure what APA wants Have some similar studies already but don't use them	This closely link to a). strengthening message and evidence of overall PA system values Which in turn linked to: b). diversifying revenue sources and improving sufficiency and predictability of financing.

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
					So trying now what such study should do as useful to	
1.1.2	Analysis of current financing, financing needs for basic and optimal management, at least 6 PAs	Development of Template and Action Plans for financial planning analysis; Analysis and report on projected PA funding needs and gaps Budget changes: no changes; BAC: IC (\$10,000); LC (\$20,000); WS (\$5,000)			<ul style="list-style-type: none"> - <i>Financial Need Assessment</i> for the Georgian Protected Areas System - <i>Financial Sustainability Scorecard</i> applied for 8 target PA's basic and optimal management scenarios 	Carried out by National consultant with support of international financing expert
1.1.3	Opportunity Analysis of revenue generating instruments, identification of priorities	Review of suitable already piloted and/or innovative revenue generating instruments, stakeholder consultations for the recommendations on priority financial instruments to increase PA revenue generation and address gaps Budget changes: increased budget for IC, LC and WS; BAC: IC (\$10,000); LC (\$15,000); WS (\$5,000)			<p>PIR 2020: <i>Finance Opportunity Analysis</i> for the Georgian Protected Areas System: Screening of finance instruments to identify potential priorities – See RPA Annual Report 19-20</p> <p>Conclusion Report - the following priority options at this time:</p> <p>1. Friends Associations (FAs) contribution enhancement</p>	<p>Limited vision and ambition of final selected priorities.</p> <p>Continued focus on tourism as the priority.</p> <p>Only follow up has been on tourism related activities / pilots – in any case prodoc only allocated 20,000 for pilots which suggest there was always limited ambition.</p> <p>Strengthening state funding through better justification / evidence of PA values not identified as a priority to pursue</p> <p>APA did not see this as priority – project and other actors seek to support FAs in other ways – eg. use them for tasks such as MP</p>

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
					<p>2. Corporate Social Responsibility (CSR) contribution and sponsorships increases</p> <p>3. Sale of advertising opportunities introduced</p> <p>4. Introduction of a local tourism levy in TPL</p> <p>5. Concessions for the development and operation of camping and picnicking areas in TPL</p>	<p>and OP updates – try to keep alive and active and build capacity</p> <p>No steps planned -</p> <p>International Consultant identified need to follow up on ecosystem service valuation as basis for initiating steps in this regard</p> <p>No plans to follow up</p> <p>Followed up (see below) – PL more open to opportunities than APA</p> <p>Followed up (see below)</p> <p>Entrance fee – this was already pre-identified in the prodoc.</p> <p>Pasture revenue – not consider “new” by APA so not included in priority list – many broader non-revenue related issues involved so</p>

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
						<p>may also need work to establish clarity / guidelines</p> <p>Emerging Natural resource issue – fuelwood extraction – new Forestry legislation/policy requires change of collection system (agency based for sale in central locations not extraction by communities based on permits) – PAs need to work out how to do this</p>
1.1.4	TA to prepare detailed feasibility studies for pilot implementation	<p>Detailed feasibility studies to guide pilot implementation of selected prioritized financial instruments as proposed in the Opportunity Analysis (activity 1.1.4)</p> <p>Budget changes: no changes; BAC: LC (\$20,000)</p>			Feasibility study on the introduction of a local eco-tourism levy for Tusheti Protected Landscape	Only in PL - None of the opportunities identified for APA was selected piloting in APA areas
Output 1.2: Dedicated PA accounts (allowing to retain revenue at the PA) in full piloted at 3 Pas			10,000			
1.2.1	Assess opportunities for earmarking site-based income generated and retainment by PAs	<p>As per Project Document Annex N: Review of barriers and alternatives for the current practice of PA income being merged into one PA estate pool; assess opportunities for earmarking site-based/self-generated income generated and retaining such financial revenues by the individual target PAs; including review of current legislation and proposal of changes for earmarking site-based income generated and retaining in PAs.</p> <p>Budget changes: reduced budget for LC, additional budget for WS; BAC: LC (\$7,500); WS (\$2,500)</p>			Planned by the end of the project	

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
Output 1.3: Sustainable tourism development and financing strategies, including operational revenue generation schemes, are prepared and implemented for at least 9 target PAs, with additional income from tourism in target PAs delivered			200,000			
1.3.1	Sustainable Tourism Development and Financing Strategies prepared for 6 PAs, updated for 3 PAs	Preparation of STDFS by LC with overall guidance of methodology provided by IC; application of CNF developed approaches, includes development of costed Action Plans/design projects for investment (activity 1.3.2) Budget changes: additional budget, clarification of BAC; BAC: IC (\$30,000); LC (\$105,000); WS (\$5,000)			<i>Feasibility Studies/Business Plans for BKNP and JPA with short list of sustainable tourism project ideas that have potential of additional oncome generation for respective administrations;</i> <ul style="list-style-type: none"> - <i>Tourism Investment Feasibility study</i> for the Kvabiskhevi gorge in Borjomi-Kharagauli (Architectural/engineer project) - <i>Tourism Investment Feasibility study</i> (Camping Architectural/engineer project + CNF/ZRDA grant) and picnicking Sites in Tusheti Protected Landscape (Development of detailed technical/ architectural design project for selected 5 camping sites in TPLA) - <i>Detailed architectural/ engineering project for Javakheti eco-lodges</i> ToR is almost finished 	Not strategies because APA says we have already – so need products / concrete plans to do tourism things – so feasibility studies/business plans, thence infrastructure projects
1.3.2	Preparation and investment in tourism	Development of PA eco-tourism products and services, in support of PA revenue generation			Finalized Nedzvi trail with respective touristic infrastructure	Link with community is – activity is intended to provide

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
	products and services offered by PAs or surrounding communities	Budget changes: GEF: no changes; BAC: MG (\$60,000)				lililhood alternative so they don't have to do illegal things – way of addressing high conflict situation Covid has delayed Community will be given management of campsite etc.
1.3.3	Entry Fees Feasibility study	As per Project Document Annex N Budget changes: n/a; BAC: n/a			PIR 2021: Technical Assessment and Implementation Plan for the Introduction of Entrance Fees at Ajara protected Areas- just started	
1.3.4	Capacity building campaign on local tourism products investment opportunities: business plans, promotional products, marketing	Strengthening awareness of and support to PA and community initiatives on Investment in selected eco-tourism products and services (e.g. support to business plan development, grants) Budget changes: n/a; BAC: n/a			Nothing so far as cnf funds and due to covid emergency funds put on hold – 2022, 2023	
1.3.5	Design and pilot a tourism services payment system	As per Project Document Annex N Budget changes: n/a; BAC: n/a			Plan to do electronic payment system for entrance fee and other services – cnf funded not gef – pending entrance fee – planned if necessary end period	
Outcome 2 Institutional capacity for financial and operational management, and for monitoring in target PAs is improved			1,177,294	64% total bud		
Output 2.0 Expertise support			75,000			
2.0.1	Thematic expertise support	Thematic expertise support by CNF staff to thematic activities under outcome 2 Budget changes: reallocation for IC, LC and TR; BAC: IC(\$15,000), LC (\$55,000); TR (\$5,000)			PM salary; HL – ToR development; travel expenses	
Output 2.1: CNF's PA Management Support Group established providing technical assistance to all target PAs on financial-administrative & operational planning, budgeting and accounting, including regular financial and technical audits completed for all target PAs at least every 3rd year			150,000	13% of Outcome		PA Management Support Group – Activities don't specify creation of this group

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
						and its not indicated as a result anywhere – what is it ?
2.1.1	Development/revision of Management Plan for priority target PAs	<p>Activity and budget re-allocated from ProDoc TBWP and MYWP outcome 1, to ensure streamlining with Project Document descriptive explanatory text for outcome 2 (output 2.1). Target PA Management Plans and linked short-term Operational Plans are the respective overall and specific planning instruments guiding project investments in strengthening management capacity at the central and PA level, as such inclusion of these activities fit best under outcome 2. With most target PAs having some form of management plan, this activity will focus on revision of existing MPs, for which IC guidance is not required.</p> <p>Budget changes: budget reallocated from outcome 1, reduced budget, reduced input IC; BAC: LC (\$45,000); WS (5,000)</p>			<p>PIR 2020: Management plans for Borjomi-Kharagauli National Park and Javakheti Protected Areas</p> <p>RPA2&3</p> <p>Finalized working drafts of TPA and VPA management plans</p> <p>Tusheti PL management plan</p> <p>Mtirala and Lagodekhi MPs</p>	<p>National FA and free lance consultants, involving when possible PA FAs – example Mtirala MP which is ongoing</p> <p>One issue – guidelines on 1st MP preparation but not on subsequent revisions/ updates – to repeat same Process as 1st each time perhaps not cost effective or necessary ?</p>
2.1.2	MP-linked detailed short-term operational plans	<p>Activity and budget re-allocated from ProDoc TBWP and MYWP outcome 1, to ensure streamlining with Project Document descriptive explanatory text for outcome 2 (output 2.1). Target PA Management Plans and linked short-term Operational Plans are the respective overall and specific planning instruments guiding project investments in strengthening management capacity at the central and PA level, as such inclusion of these activities fit best under outcome 2. With most target PAs having some form of operational plan, this activity will focus on revision of existing OPs, for which IC guidance is not required.</p>			<p>PIR 2020: operational plans for Borjomi-Kharagauli National Park and Javakheti Protected Areas</p> <p>PIR 2021 operational plans for Tusheti and Vashlovani Protected Areas</p> <p>Tusheti PL management plan</p> <p>Mtirala and Lagodekhi MPs</p>	<p>Financial template for op plans that fits both APA and CNF needs and standardize for the system in future</p> <p>As project plans to do all Pas by end it can roll out</p>

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
		Budget changes: reallocation from outcome 1, reduced budget, reduced input IC; BAC: LC (20,000), WS (\$5,000)				
2.1.3	Comprehensive review of existing capacities, past initiatives, capacity needs, materials available at system and target PA level; development of Project Action Plan for capacity building under 2.1.4 and 2.3.1	<p>Preparatory activity for the development of capacity building plans, training materials and delivery of TA for the implementation of awareness raising activities and training at central (activity 2.1.4) and PA level (activity 2.3.1); Building on available capacity assessment studies, as such no IC needed.</p> <p>Budget changes: reduced budget; BAC: LC (\$12,500); WS – workshops (\$2,500)</p>			<p>PIR 2020: <i>the PA system Capacity Analysis Report (CAR)</i> needs of the system in general and target PAs in particular - reviews existing capacities, identifies capacity needs <i>and</i> <i>Capacity building action plan (CBAP)</i> - suggests the Capacity building action plan to enable adaptive PA management and contribute to increased financial and operational management effectiveness</p> <p>The following six main directions were defined within the action plan:</p> <ul style="list-style-type: none"> - Effective mechanisms for human resource management; - Mechanisms for effective coordination and cooperation within APA and administrations; - Strengthening financial sustainability of the system; Public relations and effective communication; - Strengthening functions and competences of territorial administrations; - Mechanisms for effective implementation and evaluation of management plans/operational plans. 	<p>Many issues and questions.</p> <p>1. No attempt to analyse the overall PA system and to identify system level barriers or challenges.</p> <p>For example: a). system is evolving with new categories and new actors – what support do these new aspects require ? what adjustments to the overall policy and institutional mechanisms are needed to support the combined system to develop ?</p> <p>b). Challenges and capacity needs of APA – have centralized system – situation and complexity of managing it has evolved – has central Administration evolved and strengthened sufficiently to lead this (shift from mainly control functions to increasing technical support functions) – some indicators would suggest probably not – i.e. high turn over of leadership and staff, low relative investment in donor support to centre compared to PA sites, limited relevant technical background of staff,</p>

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
						<p>feedback of many stakeholders.</p> <p>Origin of lack of sufficient system analysis – inadequate background and analysis of threats to sustainability and barriers etc. in prodoc ?</p> <p>CAPA not happy with CAS because they say they knew most of it already and didn't need telling – needed support to address.</p> <p>Seems very much "business as usual" response – i.e. focused very much on individual capacity needs and like previous projects ad hoc training interventions.</p> <p>For individual level – need long term systematic training programme to be set up.</p>
2.1.4	Strengthen systemic, institutional and individual capacities at system level (APA) CENTRAL LEVEL	Strengthening systemic, institutional and individual capacities at central level in (i) financial and business planning and budgeting; (ii) accounting and financial control practices; (iii) tendering and procurement processes; and (iv) reporting and auditing procedures. Trainings will be tailor designed, based on the assessment and capacity development plan (activity 2.1.3); Training materials will be developed by IC and LC, using AVP, training will be conducted under CS contract.			<p><u>PIR 2021</u></p> <p>Development the online training platform and online courses for the Agency of protected areas</p> <p>training of the employees of financial department of APA in</p>	<p>accounting and reporting system – Irakli wants policy to ensure future application</p> <p>Most positive output – online training programme modules (concept based on existing UNDP training approach such as BESAFE, etc). Good new tool – but only</p>

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
		Budget changes: reduced budget; BAC: IC (\$7,500); LC (\$14,500); AVP (\$5,000); CS (\$33,000)			financial accountability and reporting via Oris; <u>RPA2&3</u> Expert secondment to BFD EY training for APA's Financial unit staff Accounting and reporting policy and procedures document for APA's financial unit Fire management in APA office (i.e. equipment and evacuation, etc.)	addressing part of individual capacity issue. MA - online training should be compulsory for hq staff also Hard to understand justification of this support
Output 2.2: Standardized Management Effectiveness Assessment plans developed for and implemented in at least 9 target PAs, improving management interventions in response to key biodiversity values and threats identified			756,794	64% outcome 2		
2.2.1	Development of standardized target PA-specific Management Effectiveness Assessment plans	MEA plans will be developed in accordance with CNF-established practice by LC guided by IC based on PA-specific WS, including identification of key flora, fauna species, habitats and threats at PA level, and development of protocols for monitoring key indicators. Budget changes: no changes, additional IC for methodological supervision; BAC: IC (\$20,000); LC (\$35,000); WS (\$5,000)			PIR 2020: <i>Management effectiveness Assessment plans</i> (MEAP) for 2 PA's Mtirala and Machakhela National Parks The method of MEAP implies three-dimensional monitoring of – a) status (species and habitats); b) pressures/threats and c) responses/management actions As the result, MaNP and MtNP have the selected indicators for all three dimensions and detailed protocols for the monitoring of selected indicators.	Agreed to integrate indicators/monitoring into MPs rather than keep as separate plans – not so clear but if not needs clarifying and follow up. At minimum CNF could start incorporating into its own impact monitoring

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
					<u>RPA2&3</u> Finalized short-lists of species indicators for 12 targeted PAs 10-Year plan for selected species indicators monitoring Protocols for selected species indicators monitoring	See explanatory note from consultant on benefits plus difference to existing mechanisms such as METT
2.2.2	Field-based assessments of selected indicators (flora, fauna, habitat, threats) using innovative techniques	Implementation of the 4-year biodiversity monitoring program based on plans developed under activity 2.2.1; contractual services for organizations with relevant monitoring expertise. Budget changes: no changes; BAC: CS (\$583,794)	583,794	77% of output 2.2, 50% outcome 2, 32% entire budget	Final reports on Chestnut and Chestnut blight monitoring in Machakhela Draft report on monitoring of Bezoar Goat, Caucasus Tur, Red Deer, Pastures in Vashlovani, Algenti and Javakheti, Invasive species and Ungulates in Ajara PAs Purchased equipment for monitoring, including batteries for video traps Forest ecological monitoring in Mtirala and Kintrishi; started in August 2021 Methodology and protocol Trout monitoring in BKNP, Mtirala and Kintrishi -Inception report Birds' monitoring -Inception report	GEFR funds and want to start in all PAs at least Same study will be conducted in Mtirala and Kintrishi

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
					Phytopathology study in BKNP - Progress report	
2.2.3	TA and capacity building on participatory monitoring approaches	Promotion of the participatory monitoring approach, integrating efforts of PA scientific and ranger staff with community interest groups: volunteers, local NGOs and citizen groups, scientific institutes, students, hunters, forestry staff, women; MYWP “Support to conservation activities at PA level” (redirected from outcome 1). Budget changes: n/a; BAC: n/a			CNF cofinancing – draft TOR but needs refinement – planned implementation 2022 PM - Hopefully will be started this year	Was initially piloted under a previous UNDP / GEF project in Mtirala NP (Strengthening Ajara PA system project) with NACRES and FA. Experience and challenges/lessons learned need to be used
2.2.4	Design study on establishment of a biodiversity monitoring unit at selected host organization	As per Project Document “Establish biodiversity monitoring unit”. Budget changes: reduced budget, reallocation of BAC; BAC: IC (\$20,000); LC (\$20,000); WS (\$5,000)			<u>RPA2&3</u> Created Core team for development of BMU concept Consultation meetings with stakeholders on possible options on BMU by the core group BMCU concept paper finished and submitted to the Ministry	Concept done – end of year political agreement on way forward, next year detailed operational plan from legal basis, coordination, etc very detailed practical – so called business plan Cnf funds Thought to partner with WWF and already discussed
2.2.5	TA and technical support to ensure operations of the Biodiversity Monitoring Unit	As per Project Document, MYWP, TBWP “Establish biodiversity monitoring unit” and “Technical support to ensure implementation”. Budget changes: reduced budget, specification of BAC; BAC: LC (\$40,000); EQ – Equipment (\$28,000);				Establishment and initial operation also be supported by cnf so hope all up and running by project end or soon after See above
Output 2.3: A suite of capacity building activities and technical assistance on operational management is designed, institutionalized, and implemented for all target PAs PA LEVEL			195,500	17% of outcome		Institutionalized would suggest some long term sustained systematic programme – not the case
2.3.1	Targeted capacity building and related TA	Strengthening systemic, institutional and individual capacities at PA level on the			<u>RPA2&3</u>	MTR observation that institutional analysis at PA

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
	to strengthen PAs' operational management	<p>following themes (as relevant per target PA): PA management planning, patrolling & law enforcement, pasture management, infrastructure & assets maintenance, conflict resolution, waste management, communication & outreach, climate change impact assessment & mitigation. Trainings will be tailor designed, based on the assessment and capacity development plan (activity 2.1.3); Training materials will be developed by IC and LC, using AVP, training will be conducted under CS contract.</p> <p>Budget changes: increased budget for CS on conducting capacity building; BAC: IC (\$10,000); LC (\$20,000); AVP (\$7,500); CS (\$98,000)</p>			<p>Pilot video training on illegal logging and law enforcement for rangers (with reading materials)</p> <p>Priority topics for Video trainings to be developed</p> <p>SMART trainings</p>	<p>level not really done – i.e. is PA structure, deviations, staffing in line with actual management programmes and efforts needed ?</p> <p>Site visits suggest this is not an issue well considered so far – example – effort level for dealing with natural resource use process/management, communication with local communities and monitoring not commensurately allocated resources (dedicated staff etc) as protection. As result protection staff gaining increasing complexity and work load.</p>
2.3.2	Introduction of new technology for patrolling	Activity and budget re-allocated from outcome 1, to streamline linkages across activities			Purchased SMART equipment for entire team engaged in patrolling	SMART issues – insufficient communication on purpose and practice – unexpected

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
		aiming to strengthen PA management through awareness raising and actions (patrolling). Budget changes: reallocation from outcome 1, no changes; BAC ITE (\$60,000)			in BKNP,, LPA, MaNP, MtNP, Kintrishi NP, Algeti, Pshav-khevsureti, Kazbegi, Tusheti and TPLA SMART training for BKNP, LPA and APA smart officers and rangers ; Planned SMART trainings for MaNP, MtNP, Kintrishi NP, Algeti, Pshav-khevsureti, Kazbegi, Tusheti and TPLA; also Vashlovani and JPA Procured walkie-talkies for Abastumani area in BKNP	impact is staff concerns and fears about “control” Risks of monitoring system that depends very heavily on SMART
2.3.3	Development climate change vulnerability assessment and adaptation plans for pilot PAs	As per Project Document outcome 2– actions on strengthen climate change adaptation: proposed preparatory study to advise on CC adaptation actions in target PAs, specifically monitoring and preparedness, towards envisioned purchase of ITE/equipment, Materials & Goods under activity 2.3.4. Budget changes: n/a; BAC: n/a			PIR 2021: Climate Change Vulnerability Assessment and Adaptation Plans for pilot target PAs in Georgia Just started for Tusheti, Kazbegi and Phav-khevsureti	Tobias G recruited will have inception meeting in October, finish next year. Use it how ? – see next activity
2.3.4	Strengthen target PAs climate change monitoring and adaptation: improving stationary weather monitoring; obtaining firefighting equipment	As per Project Document outcome 2 – actions on strengthen climate change adaptation; monitoring and preparedness in pilot PAs based on recommendations from activity 2.3.3 Budget changes: n/a; BAC: n/a				
Output 2.4: Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness			0			

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
2.4.1	Community engagement activities contributing to improved PA management effectiveness and acceptance on values and importance of PAs	Strengthening the involvement of community representatives and stakeholder groups in development of planning documents, specifically tourism development strategies, PA Management Plans and Operational Plans, to ensure their voices being heard and opinions incorporated during planning processes. Budget changes: n/a; BAC: n/a			Socio-economic study on benefits for locals RPA 2&3 Annual report Finalized ToR on socio-economic study to analyse the impact of COVID 19 on income for local population living in adjacent territories to PAs	Assessment of local community socio-economic benefits from 4 protected areas focused on tourism and natural resource use and on support for local community income opportunities Seen as one means to provide evidence of benefits that PAs bring. Suggest equally valuable as means to identify and monitor threats and adaptive PA management to respond Suggestion – include indicators on threats to feed into MEAP
2.4.2	Pilot initiatives to increase local household income in order to reduce pressures on PAs	As per project Document Budget changes: n/a; BAC: n/a			Assessment of local community socio-economic benefits from 4 protected areas focused on tourism and natural resource use and on support for local community income opportunities	Plan to pilot any concrete suggestions – gender aspect also covered
Outcome 3: Knowledge management, monitoring and evaluation contributes to increased awareness of biodiversity values						
<i>Output 3.1: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values</i>			0			

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
3.1.1	Elaborate community engagement and awareness raising plans for at least 3 Target PAs	Preparatory study for the selection of priority awareness raising initiatives among stakeholder groups at national (activity 3.1.2) and PA/community (activity 3.1.3) levels. Budget changes: n/a; BAC: n/a			PIR 2020: <i>the awareness raising action plan</i> (ARAP) -CNF with its own financial contribution	<p>Due in part to weak analysis of issues and needs in Prodoc I believe inadequate focus on the priority to increase awareness and understanding of wider values of PAs and BD (additional to tourism) and the key target audiences for such messages.</p> <p>Some innovative suggestions on mechanisms / approaches but not entirely convincing.</p> <p>Neither PM or UNDP PC convinced ARAP as it stands of much practical follow up value</p> <p>A need to clarify project awareness priorities and intended impact and relaunch targeted efforts in this regard</p> <p>Linkage to diversifying sustainable financial opportunities should be a priority.</p>
3.1.2	Implement awareness raising plans to promote target PAs and biodiversity values at national level	Based on 3.1.1: implementation of priority awareness raising activities to contribute to the improved PA management effectiveness and acceptance on values and importance of PAs nationwide. Budget changes: n/a; BAC: n/a			<p>educational videos on:</p> <ul style="list-style-type: none"> - the PA rangers, developed by the regional NGO Tetritskaro Youth Centre under the CNF's small grant program (part of the CNF's co-financing to the project) - law enforcement and in the forest PA's developed under the PA 	All good but ad-hoc and not part of any strategic awareness campaign or programme aimed and measurable impact that furthers financing or man. Effectiveness.

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
					<p>capacity building component by the NGO “Environment and Development” (part of the Online training platform development) https://www.youtube.com/watch?app=desktop&v=azbKU_XYFf4&feature=youtu.be</p> <p>Besides, with financial support from the CNF and in cooperation with NACRES and Tbilisi ZOO the NGO Science and Environmental Education Development (SEED) has prepared a Series of Social media videos on PA’s, biodiversity monitoring etc. (https://www.facebook.com/seedgeorgia), Total reach of people by the videos was estimated as 369,572</p> <p>Co-Financing of the UNESCO event with the VIP guests</p>	
3.1.3	Implement awareness raising plans to promote target PAs and biodiversity values at PA site/community level	Based on 3.1.1: implementation of priority awareness raising activities to contribute to the improved PA management effectiveness and acceptance on values and importance of PAs among communities in the vicinity of PAs. Budget changes: n/a; BAC: n/a			Not clearly planned at present	Intention is to Involve FAs and thus part of objective is to strengthen their role
Output 3.2: Implementation of independent technical and financial monitoring program of 3-4 target PAs per year			128,191			
3.2.1	Support CNF’s established successful technical and financial monitoring program of 3-4 target PAs per year	In line with focus of outcome 3 - Knowledge management, M&E - this activity and corresponding budget was re-allocated from output 2.1 (“Technical and Financial Audits completed for each target PA at least every 3rd year”) and TBWP outcome 1 (“Costs for partnership contracts with local NGOs under			<u>RPA2&3</u> Finalized Financial audits BKNP, JPA, LPA and	

Note	Project activity	Comments on detailed activities and changes from ProDoc	\$	%	Status at MTR	Comment
		Component 1 aiming at technical monitoring tasks”). In line with CNF’s established practice, separate CS contracts are considered, for Technical Audit and Financial Audit, respectively. Budget changes: reallocation from outcome 1; BAC: CS (\$23,769); CS (\$59,422)			technical audit of BKNP, JPA, LPA (2019) LPA, VPA, MtNP, MaNP (2020) In 2021 – Algeti, Kintrishi, Kazbegi, Pshav-khevsureti, Vashlovani PAs (technical and financial audits)	
3.2.2	Conduct a Mid-Term Review	Additional activity as proposed by UNDP Budget changes: allocations from savings; BAC: IC (\$15,000); LC (\$5,000)				
3.2.3	Conduct a Terminal Evaluation	As per project Document Budget changes: no changes; BAC notes: IC (\$20,000); LC (\$5,000)				

Abbreviations:

BAC	Budgetary Account Code (Atlas)
IC	International Consultants (individuals)
LC	Local Consultants (individuals)
CS	Contractual Services-Companies
TR	Travel
WS	Workshop, Training & Conferences
INV	Investment / Grant
AVP	Audio-Visual & Print
PS	Professions Services
MIS	Miscellaneous
MG	Materials & Goods
ITE	Information technology Equipment
DPC	Direct Project Costs (UNDP)

Annex 9: Summary of Impact at project sites/actual on-ground activities

Location (region, district, sub-district)	PA category/ies	Summary of key activities completed or ongoing	Relevant outcome/output in prodoc (see the note at the bottom of the table for detailed outcome/outputs)	Notes / explanations (if required)
Site 1. Borjomi-Kharagauli NP				
Samtskhe-Javakheti Region, Georgia	I/II/III/IV	Feasibility Study - revenue generating tourism investments/business plans done PMO	Outcome 1, Output 1.1: A range of sustainable financing mechanisms designed and piloted for target PAs	Final Report; some of the proposed projects under development and/or implementation; Nedvi and Qvabiskhevi Project Ideas came from this report
		Kvabiskhevi complex architectural project	Outcome 1, Output 1.3 Sustainable tourism development and financing strategies, including operational revenue generation schemes, are prepared and implemented for at least 9 target PAs	Ongoing; in the final stage; once technical details are finally agreed, the project will be delivered to APA so that they start the process to identify the company for actual construction.
		Nedzvi touristic trail infrastructure- trail; shelter, camping sites	Outcome 1, Output 1.3	Finished and opened officially; is already visited by visitors;
		Evaluating the population trend of Velvet Scoter (<i>Melanitta fusca</i>) breeding at Lake Tabatskuri and assessing the direct causes of the Velvet Scoters poor reproductive success to determine the need for special conservation efforts; Monitoring of Black Grouse (<i>Lyrurus mlokosiewiczii</i>) and Caspian Snowcock (<i>Tetraogallus caspius</i>) population trends; Monitoring of the Woodpecker community	Outcome 2, Output 2.2	Ongoing / the expert will finish data collection in September, 2021; Data analysis and final reporting – September – December, 2021.
		Red deer count in Borjomi-Kharagauli protected areas; Pasture monitoring in Ktsia-Tabatskuri area	Outcome 2, Output 2.2	Inception/progress report available. Fieldwork finished/Preliminary analysis done in progress report
		Phytopathological study	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Monitoring of Trout	Outcome 2, Output 2.2	Ongoing / the expert provided inception report. Will finish work by December 2021
		SMART Trainings of SMART officer and rangers/ Reports on trainings and photos	Outcome 2, Output 2.3	APA plans to formally launch SMART in PAs from January 2022; till then all relevant administrations will be receiving

				technical assistance and trainings as needed.
		Providing Abastumani area with Motorola Solutions DP4401E 2-Way Portable Radio Set and all necessary other equipment	Outcome 2, Output 2.3	Abastumani areas equipped with necessary high-end technology that provides them with unlimited coverage for communication especially in emergency situations These radio sets were used very effectively to find the lost tourists in Abastumani area;
		Updated MP and OP	Outcome 2, Output 2.3	Finished
Site 2. Algeti National Park				
Kvemo Kartli Region, Georgia	II/III	Pastures ecological monitoring	Outcome 2, Output 2.2	Ongoing/ Nacres did the first round of situation analysis; next steps are being planned together with APA. Inception/Progress report available
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early September but was postponed because of Covid situation.
Site 3. Lagodekhi Protected Areas				
Kakheti Region, Georgia	I/IV	Red deer survey: Counting red deer in + faecal pellet group decay experiment	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Socio Economic Study	Outcome 2, Output 2.4 (CNF co-financing)	Ongoing / Expert started the work (July 2021-March 2022)
		SMART Trainings of SMART officer and rangers/ Reports on trainings and photos	Outcome 2, Output 2.3	APA plans to formally launch SMART in PAs from January 2022; till then all relevant administrations will be receiving technical assistance and trainings as needed.
		MP revision and OP updating	Outcome 2, Output 2.3	Ongoing
Site 4. Tusheti Protected Areas				

Kakheti Region, Georgia	I/II	Bezoar goat (<i>Capra aegagrus</i>) and East Caucasian tur (<i>Capra cylindricornis</i>) survey	Outcome 2, Output 2.2	Inception/Progress reports available. Works are ongoing. Nacres will finish another round of field work and data collection by early November 2021; Reporting in December, 2021;
		Climate Change Vulnerability Study	Outcome 2, Output 2.3 (CNF co-financing)	Ongoing / just contracted expert, preparation phase (August 2021-April 2022)
		Socio Economic Study	Outcome 2, Output 2.4 (CNF co-financing)	Ongoing / Experts just started the work (July 2021-March 2022)
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early September butut was postponed because of Covid situation.
		Management Plan revision and OP updating	Outcome 2, Output 2.3	Ongoing / experts working on MP
Site 5. Vashlovani Protected Areas				
Kakheti Region, Georgia	I/II/III	Monitoring on pastures including in Samukhi valley (outsied of PA administration boundaries)	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Monitoring of Egyptian vulture (<i>Neophron percnopterus</i>), Griffon vulture (<i>Gyps fulvus</i>) and Black Stork (<i>Ciconia nigra</i>) in Eagle Canyon; Monitoring of Common Pheasant (<i>Phasianus colchicus</i>) population	Outcome 2, Output 2.2	Ongoing / the expert will finish data collection in September, 2021; Data analysis and final reporting – September – December, 2021.
		MP revision and OP updating	Outcome 2, Output 2.3	Ongoing
Site 6. Pshav-Khevsureti Protected Areas				
Mtskheta-Mtianeti Region, Georgia	I/III/IV	Climate Change Vulnerability Study	Outcome 2, Output 2.3 (CNF oo-financing)	Ongoing / just contracted expert, preparation phase (August 2021-April 2022)
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early September but was postponed because of Covid situation.

		Monitoring of the Woodpecker community	Outcome 2, Output 2.2	Ongoing / the expert will finish data collection in September, 2021; Data analysis and final reporting – September – December, 2021.
		Bezoar goat (Capra aegagrus) and East Caucasian tur (Capra cylindricornis) survey	Outcome 2, Output 2.2	Ongoing / Nacres will finish another round of filed work and data collection by early November, 2021; Reporting in December, 2021;
Site 7. Mtirala National Park				
Adjara Region, Georgia	II	MP revision and OP updating	Outcome 2, Output 2.3	Ongoing
		Chestnut Blight Study	Outcome 2, Output 2.2	Ongoing / Contracting expert
		Socio Economic Study	Outcome 2, Output 2.4 (CNF oo-financing)	Ongoing / Experts just started the work (July 2021-March 2022)
		Entrance Fee Study	Outcome 1, Output 1.1 (CNF oo-financing)	Ongoing / Experts just started the work (July 2021-March 2022)
		Forest Ecological Monitoring	Outcome 2, Output 2.2	Ongoing / Contracting expert
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early Septemeber but was posponed because of Covid situation.
		Monitoring of Invasive Alien Plant Species and ungulate monitoring via intensive camera trapping	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Monitoring of Trout	Outcome 2, Output 2.2	Ongoing / Contracted Trout expert and start the monitoring process (July -December, 2021)
Site 8. Machakhela National Park				
Adjara Region, Georgis	II	Chestnut Blight Study	Outcome 2, Output 2.2	Finished

		Procurement of SMART gadgets	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early Septemeber but was posponed because of Covid situation.
		Monitoring of ungulate monitoring via intensive camera trapping	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Entrance Fee Study	Outcome 1, Output 1.1 (CNF co-financing)	Ongoing / Experts just started the work (July 2021-March 2022)
Site 9. Tusheti Protected Landscape				
Kakheti Region, Georgia	V	Camping sites design - Detailed architectural projects for 5 potential camping sites	Outcome 1, Output 1.1, 1.3	One of the projected camping sites, Varda Vake will de constructed with the support from USAID "Zrda"project and CNF grant agreement
		MP revision and OP updating	Outcome 2, Output 2.3	Ongoing/Almost finished
		Bezoar goat (Capra aegagrus) and East Caucasian tur (Capra cylindricornis) survey	Outcome 2, Output 2.2	Ongoing / Nacres will finish another round o filed work and data collection by early November, 2021; Reporting in December, 2021;
		Socio Economic Study	Outcome 2, Output 2.4 (CNF oo-financing)	Ongoing / Experts just started the work (July 2021-March 2022)
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early Septemeber but was posponed because of Covid situation.
		Leasing procedures document for TPLA	Outcome 1, Output 1.1	Final draft
		Tourism Levy Study - Legal analysis and best practices available for TPLA	Outcome 1, Output 1.1	If TPLA agrees to move forward despite all challenges outlines in the legal analysis, the project will continue technical support
Site 10. Javakheti National Park				
	II/IV	MP and OP update	Outcome 2, Output 2.3	Finished

Samtskhe-Javakheti Region, Georgia		Feasibility Study - revenue generating tourism investments/business plans done PMO	Outcome 1, Output 1.3	Final Report; some of the proposed projects under development and/or implementation; Eco-lodges project idea came from this report
		Pastures ecological monitoring	Outcome 2, Output 2.2	Inception/Progress report prepared. Fieldwork finished/Analysis part almost finished
		Eco-lodges design project document	Outcome 1, Output 1.3	Ongoing / To receive no-objection from APA on ToR, announce the tender, select company and develop the project (December, 2021)
Site 11. Kazbegi National Park				
Mtskheta-Mtianeti Region, Georgia	II/III	Socio Economic Study	Outcome 2, Output 2.4 (CNF oo-financing)	Ongoing / Expert just started the work (July 2021-March 2022)
		Climate Change Vulnerability Study	Outcome 2, Output 2.3 (CNF oo-financing)	Ongoing / just contracted expert, preparation phase (August 2021-April 2022)
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3	SMART officers and rangers will be trained; the training was scheduled in early September but was postponed because of Covid situation.
		Monitoring of Bearded vulture (<i>Gypaetus barbatus</i>), Eurasian griffon vulture (<i>Gyps fulvus</i>), Bearded Great Rosefinch (<i>Carpodacus rubicilla</i>) and Guldenstadt's Redstart (<i>Phoenicurus erythrogastrus</i> ,	Outcome 2, Output 2.2	Ongoing; Inception report available. The expert will finish data collection in September, 2021; Data analysis and final reporting – September – December, 2021.
Site 12. Kintrishi Protected Areas				
Adjara Region, Georgia	I/V	Monitoring of Trout	Outcome 2, Output 2.2	Ongoing / the expert provided inception report. Will finish work by December 2021

		Chestnut Blight Study	Outcome 2, Output 2.2	Ongoing / Contracting expert
		Forest Ecological Monitoring	Outcome 2, Output 2.2	Ongoing / Contracting expert
		Procurement of SMART gadgets for administration	Outcome 2, Output 2.3.	SMART officers and rangers will be trained; the training was scheduled in early Septemeber but was posponed because of Covid situation.
		Monitoring of Invasive Alien Plant Species and ungulate monitoring via intensive camera trapping	Outcome 2, Output 2.2	Fieldwork finished/Preliminary analysis done in progress report
		Entrance Fee Study	Outcome 1, Output 1.1 (CNF co-financing)	Ongoing / Experts contracted and just started the work (July 2021-March 2022)

NOTE:

Outcome 1 Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed

Output 1.1: A range of sustainable financing mechanisms designed and piloted for target PAs through a pool of financial resources from government and non-governmental sectors under the Caucasus Nature Fund (CNF). Income generated through suitable financing mechanisms, including from entry fees, concessions, and revenue sharing mechanisms from natural resources use, will support target PAs in strengthening management effectiveness.

Output 1.2 Dedicated PA accounts (allowing to retain revenue at the PA) in full piloted at 3 PAs. Amendment to legislation prepared to allow for establishment of such accounts for the whole PA system, and submitted for Government's approval. NOT ACHIEVED

Output 1.3: Sustainable tourism development and financing strategies, including operational revenue generation schemes, are prepared and implemented for at least 9 target PAs

Outcome 2 Institutional capacity for financial and operational management, and for monitoring in target PAs is improved

Output 2.1: CNF's PA Management Support Group established providing technical assistance to all target PAs on financial-administrative & operational planning, budgeting and accounting, including regular financial and technical audits completed for all target PAs at least every 3rd year.

Output 2.2: Standardized Management Effectiveness Assessment plans developed for and implemented in at least 9 target PAs, improving management interventions in response to key biodiversity values and threats identified.

Output 2.3: A suite of capacity building activities and technical assistance on operational management is designed, institutionalized, and implemented for all target PAs on the following themes (as relevant per target PA): PA management planning, patrolling & law enforcement, pasture management, infrastructure & assets maintenance, conflict resolution, waste management, communication & outreach, climate change impact assessment & mitigation.

Output 2.4: Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness. This will involve (illustratively) systematic involvement of communities in development of tourism and protection projects, as well as pilot initiatives to increase local household income in order to reduce pressures on PAs.

Outcome 3 Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values

Output 3.1: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values. This will be achieved through the development and implementation of awareness raising plan.

Output 3.2: Implementation of independent technical and financial monitoring program of 3-4 target PAs per year

Annex 10: Overview of GEF PA Sustainable Financing Projects carried out in Georgia

<i>Project</i>	<i>Start</i>	<i>End</i>	<i>Budget</i>	<i>Impl. actors</i>	<i>TE rating</i>	<i>Barriers</i>	<i>Main Objective and Outcomes Expected</i>	<i>Expected results (from TE of 1st two projects)</i>	<i>Actual impact (from TE of 1st two Prjts)</i>	<i>Key TE recommendations/ comments relevant too 3rd SF project</i>
Catalysing Financial Sustainability of Georgia's Protected Areas System	May 2009	Aug 2012	25.735m <i>GEF</i> 0.797m <i>GoG</i> 10.384m <i>Other</i> 1.895m	UNDP APA	MS	legal, regulatory and policy barriers; weak institutional and individual capacities as well as know-how barriers.	Objective: To improve the financial sustainability of the protected area system in Georgia - Enabling legal and policy environment for sustainable PAs financing - Capacity development for more cost-effective PA management - Testing site-level revenue generation mechanisms	In summary – to creating the enabling environment for achieving financial sustainability of the Protected Areas System mainly by addressing legal, policy, regulatory barriers But also capacity/know-how Indicators Improved financial sustainability of PAs measured by the FSC Improved management effectiveness of the 35 PAs (381,969.76 ha) as measured by RAPPAM tool	PA Network Sustainable Financing Plan (PNSFP prepared but not officially adopted ? Amendment to existing PA legislation, including sub-laws and regulation adopted, to facilitate implementation and enforcement of the PNSFP – progress on some not others (see TE for detail) Training programme on PA financing for APA up and running – training done, but no sustained hosting Internal APA policies and standards improved and APA staff from headquarters and 23 regional offices trained in PA financing	The composition of the PEB should include other members than the implementing partners, i.e. APA and UNDP in this case - the executive and beneficiary role were both held by APA Provision of necessary strategic oversight and technical support needed Disconnecting the implementation of project activities from APA's policy processes Adoption of relevant monitoring and evaluation system and impact indicators

									Business planning approach model tested at Tusheti	
									Tourism and other NRM based concessions piloted in Tusheti PA	
Ensuring sufficiency and predictability of revenues for Georgia's protected areas system	July 2010	Dec . 2016	5,734,000 GEF: 1,000,000 GoG: 2,435,000 CNF/ BoG: 2,299,000	UNDP APA CNF	HS	i) sufficiency and predictability of revenue sources, and ii) capacities and cost-effectiveness of site management.	<u>overall objective:</u> “to secure long-term financial sustainability of the Georgian PA system i) ensuring sufficiency and predictability of revenue sources for the PA system and ii) raising cost-effectiveness and capacities of PAs.	In summary-project was to support establishment of a conservation trust fund with the aim of strengthening the PA system and sust. financing Expected results: <u>Establishment of the Caucasus Nature Fund with different financial and funding mechanisms.</u> Includes: i) the capitalisation of an endowment fund and ii) as necessary, the continued existence (and possible replenishment) of a sinking fund. In other words, the project will help catalyse more long-term funding for protected areas within the Caucasus region (with a	Overall, the project has mostly delivered what it set out to deliver. The objective of the project – “to secure long-term financial sustainability of the Georgian PA system” has only been partially achieved but the project has significantly contributed to this objective and many lessons have been learned. the GEF grant came at a time when the CNF was being built and the GEF grant facilitated this process. the GEF grants most significant role in this bigger picture was as a catalyst or building block for CNF's success	Page 60, para. 125 - While doubtless adding a <i>third</i> financial sustainability project will be useful, there are questions about whether it really satisfies the core GEF philosophy and whether it really is the priority Page xiv (R1) and Page 61, Para. 128: The question is whether the CNF is the best mechanism to deliver such technical assistance when there are other mechanisms for delivering technical assistance that may well be much better than the CNF. As such, the TE would argue that the CNF should focus on getting its core business absolutely perfect – and catalyse outstanding technical assistance from other partners (both state and non-state). Page 62, para. 129: shift in Georgia towards a protected area estate that has a predominant focus on tourism... has the potential to lead to inadvertent impacts Page 65, para. 144 - There are other important sources of revenue and other mechanisms for achieving financial sustainability for protected areas. – and the TE

								<p>specific focus on Georgia).</p> <p><u>Testing models of delivery of funding to protected areas</u></p> <p>Mechanisms for delivering funding from CNF to the protected areas will be tested and optimal mechanisms for fund delivery selected. In addition, agreement should be reached on what costs the CNF should cover.</p> <p><u>Finding mechanisms that increase the cost-effectiveness of protected area management.</u></p> <p>In other words, the efficiency at a protected area level should be demonstrably increased.</p>		<p>urges that these are further explored</p> <p><i>Page xiv (R£) - Establish a national level “board” or steering committee.</i> There is a need for some national level management body, steering committee or advisory board for the CNF to enhance a feeling of ownership; as stated above, this could grow out of the GEF-6 PEB.</p> <p><i>Page xv (R4): Measuring impact.</i> There is a need for all partners in the PA system of Georgia to come up with a meaningful biodiversity (or other ecological) indicators. Further to this, in the future (GEF-6) project, there are a few parameters that should be monitored in the GEF-6’s results framework (see TE for detail)</p> <p><i>Page xv (R 11):</i> Other funding mechanisms should be explored – however challenging that might be.</p>
Enhancing financial sustainability of the Protected	Oct. 2018	Sept. 2023		UNDP APA CNF		Insufficient and insecure financing to sustainably address	Objective: To secure long-term financial sustainability and effective management to conserve globally	In summary project was to a). secure (enhance) KBA PAs financial sustainability, b). effective		

Area system in Georgia						<p>recurrent costs of maintaining the PA system;</p> <p>Weak capacity in efficient financial-administrative planning and effective operational management of the PA system;</p> <p>Lack of awareness and action amongst key sector institutions, communities, media and the public, of risks from biodiversity and ecosystem losses.</p>	<p>significant biodiversity of target protected areas in Georgia”</p> <ul style="list-style-type: none"> - Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs) - Improved management and financial effectiveness demonstrated for targeted large-scale PAs. - Knowledge Management and monitoring and evaluation 	<p>management, and c) increased support by national/local stakeholders through:</p> <p>Financing:</p> <ul style="list-style-type: none"> - Identification, testing and piloting of new /existing financing mechanism - Sustainable tourism development and financing strategies (STDFS's) including for at least 9 target PAs - “Full CNF support” plus matching GoG inputs increased from 6 to 12 KBA PAs¹² <p>Man. Effectiveness:</p> <p>Capacity building - financial-administrative & operational planning, budgeting and accounting</p>		
------------------------	--	--	--	--	--	--	--	--	--	--

¹² This was not a specified output but is an expected result in the SRF

								<p>better basis to monitor actual impact of improved PA financing and effective management, and subsequent adaptive management</p> <p>implement a suite of targeted capacity building and related TA initiatives to strengthen target PAs’ operational management</p> <p>Community, stakeholder and societal acceptance on values and importance of target PAs</p> <p>Increase Support: implementation of awareness raising plan</p>		
--	--	--	--	--	--	--	--	---	--	--

Annex 11: In-depth Review of Project Outcomes, Outputs and financial weighting:

The paragraphs below are those taken from the project document to describe the threats and barriers that needed to be overcome by the project to achieve the stated **project objective** “*To secure long-term financial sustainability and effective management to conserve globally significant biodiversity of target protected areas in Georgia*”

“Despite progress made, threats to globally significant biodiversity in Georgia from socio-economic development and climate change remain, exacerbated by the ineffective implementation and enforcement of legislation and policies.

Three key barriers to establishing an effective and efficient PA system in Georgia were identified:

Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system;

Weak capacity in efficient financial-administrative planning and effective operational management of the PA system; and

Lack of awareness and action amongst key sector institutions, communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses.

The current project, supported by incremental financial support provided by the Global Environmental Facility (GEF) under its Biodiversity Focal Area Objective 1: Improving the sustainability of protected area systems, is aimed at supporting the GoG in its efforts to address the identified barriers. As such, the project supports the Government’s efforts to reducing threats to, and improving the in-situ conservation status of identified globally threatened biodiversity and related ecosystem services through effectively managing a national PA system, as agreed to under national plans and international commitments made, specifically the Convention on Biological Diversity (CBD).

The project is expected to fulfil its objective by delivering project activities in 3 inter-related and mutually complementary components:

- (i) *Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs).* The project will strive to increase domestic revenue streams through analysing, designing and piloting a set of suitable sustainable financing mechanisms, preliminary including from entry fees, concessions, and revenue sharing mechanisms from natural resources use. By investing in Sustainable Tourism Development and Financing Strategies (STDfs) and related operational investment plans, the project will establish a supportive environment for alternative revenue generation, for target PAs as well as nearby communities, from providing services related to sales of (organic) small-scale local agricultural products (including from beekeeping), handicrafts, guesthouses, guide services, transportation, etc.
- (ii) *Improved management and financial effectiveness demonstrated for targeted large-scale PAs.* Additional income generated will support target PAs in strengthening their management effectiveness, through implementation of priority species and habitat monitoring and conservation activities, patrolling, updated management and financial planning, boundary and zoning rearrangements, and targeted research as appropriate. To reduce or eliminate possible conflicts, and strengthen socio-economic and ecological benefits from PAs, the project will adopt a participatory approach for activities related to resource use, conflict management, monitoring, and tourism, to ensure that local communities, land and natural resources users as well as community leaders can voice their opinion and consensus can be negotiated, with specific focus on promoting income-generating alternative livelihood initiatives with due consideration for biodiversity conservation in or around target PAs.

(iii) Knowledge Management and monitoring and evaluation.

GEF support for projects is intended to be “incremental” i.e. in this case, it provides additional financing to support existing national efforts to enhance the financial resources, especially from domestic revenues, and with it the management effectiveness and capacities for effective financial-operational and efficient budgeting based on improved information, knowledge and awareness - of an increasing number of target PAs that meet established criteria for KBAs

As such, GEF incremental financing is intended to help increasing the effectiveness and sustainability of ongoing national efforts, particularly contributing to reducing threats to, and improving the in-situ conservation status of identified globally threatened biodiversity in the target PAs.

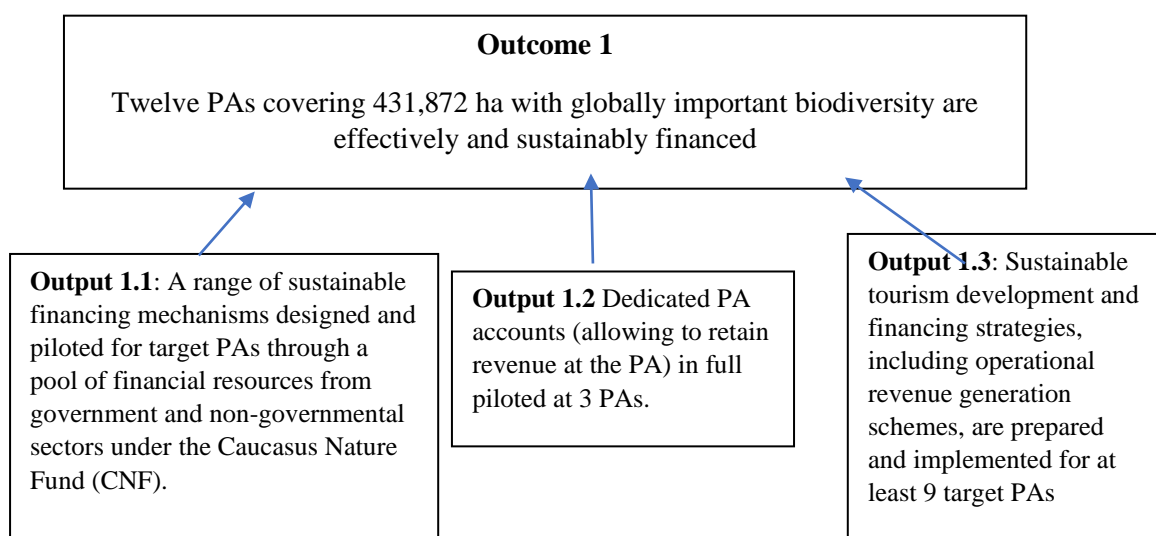
Based on the above strategy and analysis the project contains 3 Components corresponding to the 3 identified barriers, and total of 3 Outcomes (1 Outcome for each Component)¹³. Specifically, the Outcomes under each component are:

Component 1: Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs). This component contains one outcome, specifically “Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed” which would be achieved by 3 outputs (see diagram below).

This outcome is intended to address **Barrier 1:** Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system

The total budget allocated for achieving this outcome was USD 7,667,707 (78% of the grand project total), of which USD 7,098,516 (92% outcome budget) is co-financing and USD 569,000 was GEF project grant funds (8%). In fact, at the inception phase GEF funds were re-allocated from this Outcome to Outcome 2 and thus GEF funds currently allocated are reduced to USD 317,000 (approx. 4% of the grand total of the project and 20% of the total GEF grant financing contribution of USD 1,826,484).

In summary - the vast majority (92%) of funds allocated to this Outcome were from parallel financing (CNF and GoG) and constituted mainly PA recurrent costs and CNF salary support (plus some tourism development support). GEF funds was for TA support to ensuring new sustainable financing (identification of PA financing needs, sustainable financing opportunities analysis and their piloting, establishing of dedicated PA accounts). Overall, this outcome which was focused on sustainable financing, received approx. 20% of the overall GEF grant funds allocated to the project.



¹³ See Part II: Strategy, within the project document.

Output 1.1 is described in the project document as “A range of sustainable financing mechanisms designed and piloted for target PAs through a pool of financial resources from government and non-governmental sectors under the Caucasus Nature Fund (CNF). Income generated through suitable financing mechanisms, including from entry fees, concessions, and revenue sharing mechanisms from natural resources use, will support target PAs in strengthening management effectiveness through implementation of priority species and habitat conservation activities, patrolling, management and financial plan updates, boundary and zoning rearrangements, and research at PAs as appropriate.

The project intent was to “design and pilot a range of sustainable financing mechanisms for strengthening and diversifying financial resources generated from domestic revenue streams in support of the long-term sustainable management and effective conservation of biodiversity in at least 12 globally important target PAs in Georgia.

The project would then pilot and introduce innovative approaches to generate additional funding from domestic revenue streams. To achieve this output a set of five activities / results were planned:

- (i) Policy brief on Ecosystems Services Valuation (ESV) to highlight the economic importance of the target PAs’ biodiversity and ecosystems for society.
- (ii) Analysis of current financing, and financing needs for basic and optimal management, for at least 6 target PAs to identify finance gaps and realistic funding needs in support of PA financing strategy to 2030.
- (iii) Opportunity Analysis of suitable already piloted and/or innovative revenue generating instruments, describing legal, institutional and political barriers and opportunities, as well as potential financial gains.
- (iv) Identification, in close consultation with government and community stakeholders, of priority financial instruments for piloting in selected target PAs; and
- (v) For selected prioritized financial instruments, preparation of detailed feasibility studies for subsequent pilot implementation and adoption.

Suitable financial mechanisms preliminary identified in the project document included

- (i) unified system of entry fees for Georgia’s PA system,
- (ii) concession and lease fees, e.g. for pasture use, sustainable logging fuel wood and timber in support of community livelihood;
- (iii) benefit or revenue sharing mechanism for community based natural resources use, including PA-certified products;
- (iv) Payments for Ecosystem Services, e.g. for hydropower and hydrological (i.e. flood retention) services, water supply;
- (v) biodiversity offsets; and
- (vi) tourism taxes on overnight stays in target PA buffer zones.

Where relevant, the project intended to upscale piloted or established practices that successfully demonstrated their capacity to generate financial revenues in PAs, e.g. auctioning of pasture use rights and hotel services, entry fees, and concession agreements on tourism products in PAs, like trails, zip lines, cafeteria, etc.

GEF funds for Output 1.1 (focused on sustainable financing needs and opportunities) equalled approximately 23% of the total GEF budget for Outcome 1.

Output 1.2 of the project relates to the piloting in 3 PAs of dedicated PA accounts (allowing to retain revenue at the PA). The purpose of this output is described in the prodoc as follows: “in order to strengthen incentive for generating additional income at the target PA level, the project will also investigate alternatives for the current practice of PA income into one PA estate pool (managed by the PA Agency and re-investing this back into PAs based on ‘needs assessment’). Even though, under the current practice 90% of revenues are reinvested back into PAs, the fact that individual PAs may not necessarily receive back the income they raised, means de facto decoupling linkages between staff and PA efforts to collect additional income and actual state financial support received - in other words, does not provide an incentive.

Specifically, the project will assess opportunities for earmarking site-based income generated and retaining such financial revenues by the individual target PAs in full, through dedicated accounts, CNF-level PA accounts, dedicated PA-based Financial Investment Funds (FIF). These dedicated accounts will be tested on at least 3 PAs during the life of the project, whereupon the refinement to the current revenue-reinvestment mechanism legislation will be prepared (as amendment) and submitted to Government for approval.

GEF funds for Output 1.2 (focused on piloting dedicated PA accounts) equalled approximately 3% of the total GEF budget for Outcome 1.

Output 1.3 was specifically targeted to preparation of Sustainable tourism development and financing strategies (STDFS's) including operational revenue generation schemes, for at least 9 target PAs. Implementation of these STDF's was envisaged under Outcome 2¹⁴.

The development of STDFSs was to build on existing CNF's established practice of developing detailed Tourism Development Strategies (TDS) for target PAs, including Borgomi-Kharagauli NP, Javakheti PAs and Vashlovani PAs, since 2015.

To strengthen and expand the preparatory work conducted on TDS in recent years, specifically, the project planned to:

- (i) Prepare sustainable tourism development and financing strategies for at least 6 target PAs for which no prior TDS was developed, and expand already developed TDS for 3 target PAs, to ensure harmonized approach in packaged investment planning, including detailed finance strategy for site-based revenue generation.
- (ii) Prepare an Entry Fees Feasibility study that, building on the Opportunity Analysis on revenue generating instruments and in-country consensus on appropriateness of expanding the current site-based entry fee payment system, will (i) present a founded assessment of incomes and expenditures in target PAs which collect entry fees; (ii) propose a harmonized development plan for the step-wise rolling out entry fee collection systems to at least 6 other target PAs.
- (iii) Elaborate and conduct a capacity building campaign on local tourism products investment opportunities for local civil society – municipal agencies, households, individuals and the private sector – to share knowledge and promote the development of services and products for tourism inside and outside target PAs, in close consultation and cooperation with parallel regional development programs planned or ongoing.
- (iv) Design and pilot a tourism services payment system, diversified for target PAs' offer and variable pricing, in modes of payments, including traditional site-based and digital, robust in practical use, as well as cost-effective, simple and manageable. The payment system shall

¹⁴ Line 4, paragraph 43, page 16 of Project document - Project support under outcome 2, including implementation of the STDFSs, will provide domestic revenue streams from sustainable tourism initiatives

be linked, as appropriate, with state domestic revenue collection systems as well as FIF and/or CNF dedicated accounts for individual target PAs.

The implementation of PA-specific STDFS in at least 6 target PAs was envisioned to provide annually at least US\$200,000 in additional revenues to the PA system from year 5 of the project (output 1.2), with an increasing trend during project implementation.

CNF and State Financial support to the 12 target PAs: The project document contains no specific output or set of activities related to the continuation and increase of the CNF direct financial support to the target PAs or commensurate state financing changes.

However, in the textual details provided under Outcome 1, it is stated: “Considering the salary raises for Georgian PA staff from January 2018, CNF has instituted a flat fee for all staff, though is working with APA to develop a system of rewarding higher performing staff, and instituting this system throughout the PAs”. It is not clear if this is an expected result during the project.

Additional to the above, it is stated that “In line with CNF Statutes approved by CNF Board, including representatives of the Government of Georgia as key donor to CNF, and agreed with the Government of Georgia, the co-financing rules comply that any CNF contribution to a target PA’s annual operational costs to be released, this contribution at least needs to be matched by government financing to the target PA. Accordingly, the Government of Georgia shall provide financial support specifically to the target PAs in the matched annual amount of US\$950,000, or US\$4.8 million by EOP”.

GEF funds for Output 1.3 (focused on Sustainable tourism development and financing strategies (STDFS’s) equalled approximately 54% of the total GEF budget for Outcome 1.

The majority of the parallel co-financing for Outcome 1 (and project as a whole) relates to this Output in the context of CNF “full support” (salary top-up, etc.) and matching GoG financing (see paragraph 39 above - USD 4.8 million from CNF over 5 years, matched by GoG, totalling 9.6 million)

Expected impact and indicators for Outcome 1: in paragraph 44 of the project document the impact of the 3 outputs towards the Outcome is described as follows:” Project activities under component 1 by EOP will:

increase PA financing as per the financial sustainability scorecard from 43% in 2017 to at least 55% (*MTR note – not specified but presumably by EoP*);

reduce the annual funding gap for basic management in Georgia's PA system from US\$1.8/3.7 mln in 2017/2019 to US\$0.6/2.5 mln; (*MTR note –not specified when but presumable 2023/2025*)

increase in the number of target PAs regularly receiving full financing support from CNF from 6 in 2017 to at least 12 (*MTR note –presumably by EoP*); and

increase annual revenues generated through sustainable tourism activities in target PAs from US\$100,000 in 2017 to at least US\$200,000 (*MTR note – presumably by EoP*)

Paragraph 38 also states “The piloting of financial instruments in target PAs will..... result, during the project and until 2030, or 8 years beyond EOP the capacity of funding for 12 globally important target PAs through CNF will amount to US\$12.4 mln, compared to US\$8.0 mln under the baseline scenario to 8 target PAs”. However, it is not clearly described anywhere under Outcome 1 text how this result is achieved and as noted elsewhere in the report some lack of clarity on this issue.

The Strategic Results Framework (SRF) contains 3 indicators to measure impact of Outputs towards achievement of Outcome 1:

- i. *Indicator 4:* Increase in long-term annual funding to target 12 PAs (baseline: 650k, MT target: 800k, EoP target: 950k),

- ii. *Indicator 5: Number of target PAs regularly receiving full financing support (bl: 6, MT;9, EoP:12), (MTR note – “full support” refers to CNF salary top-ups etc)*
- iii. *Indicator 6: Increase in revenues generated from tourism activities in target PAs (bl: 102k, Mt: 130k, EoP:200k)*

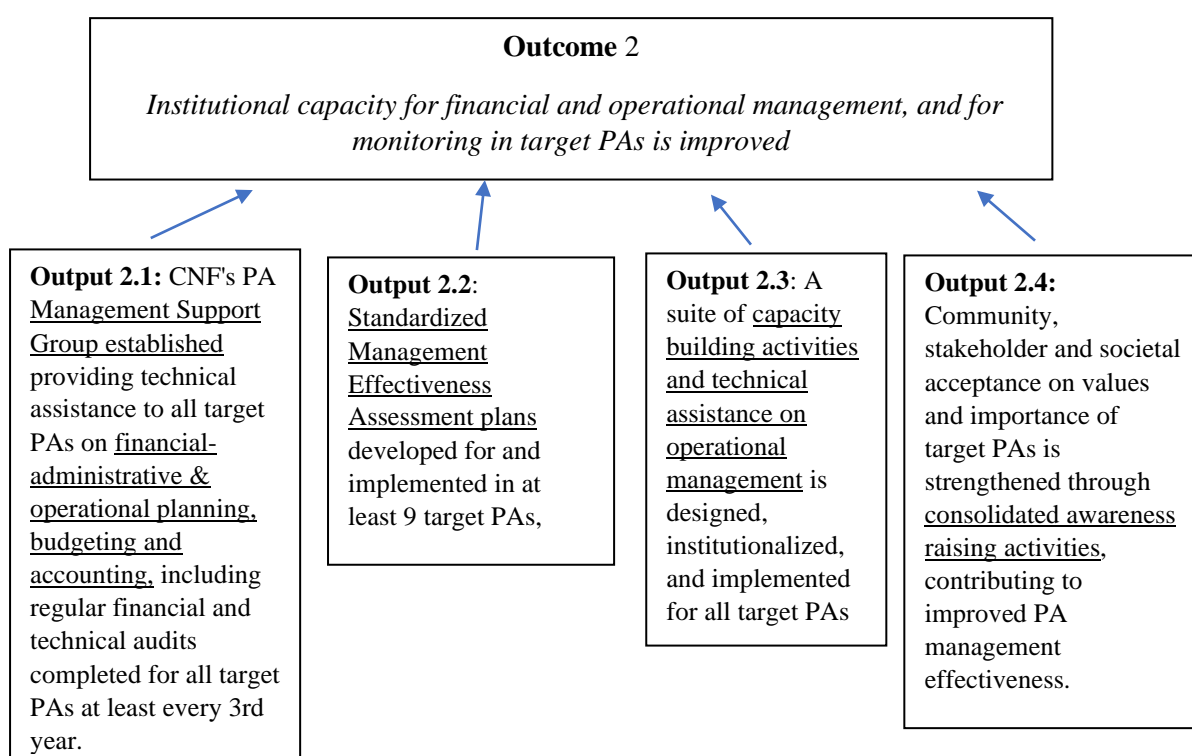
Curiously, only one of these indicators relates to impact of specific outputs under Outcome 1 financed by GEF funds (i.e. indicator 6 which measures change in tourism generated incomes). The other 2 indicators measure changes in CNF direct financial inputs which, though perhaps leveraged by the project, are not direct impacts of activities/outputs described in Outcome 1.

Component 2: Improved management and financial effectiveness demonstrated for targeted large-scale PAs. This component contains one outcome, specifically “Institutional capacity for financial and operational management, and for monitoring in target PAs is improved” which would be achieved by 4 outputs (see diagram below).

This Outcome is intended to address **Barrier 2** identified in the project document, namely “Barrier 2: Weak capacity in efficient financial-administrative planning and effective operational management of the PA system”.

The planned total cost of this Outcome was US\$1,688,793 (17% of the grand total of the project). The GEF project grant was originally US\$1,082,294¹⁵ but this was increased at inception phase to 1,117,294 (64% of total GEF grant). US\$625,000 was allocated as Co-financing (approx. 6% of the grand total and 37% of outcome 2).

This Outcome has the largest GEF funds allocation in the project (64% of total GEF grant) for TA support to: capacity needs assessment / building, establishment of effective management effectiveness monitoring (with most funds focused to BD monitoring indicators and mechanism for its sustained collection). GEF grant funds fully covered the first 3 outputs but Output 2.4 was fully co-financed.



¹⁵ Incorrectly indicated in Outcome 2 text, page 16 as US\$1,063,793 but in budget as USD 1,082,294 – this means total for Outcome 2 is also incorrect (should be USD 1.707,294, not US\$1,688,793 as indicated)

Output 2.1: This output envisages the establishment by CNF of a PA Management Support Group to provide a mechanism for providing technical assistance to all target PAs on financial-administrative & operational planning, budgeting and accounting. This will include carrying out regular financial and technical audits by independent teams (contracted by CNF) for all target PAs at least every 3rd year.

The text provided in the project document under this output describes how the project will deliver hands-on capacity building and related TA to target PAs and the PA system as a whole on suitable approaches and techniques to strengthen financial-administrative planning and accountancy, cost-effectiveness and revenue generation, as well as programmatic operational planning, towards an improved financial effectiveness of overall PA management.

Relevant activities relate to strengthening systemic, institutional and individual capacities in:

- (i) financial and business planning and budgeting;
- (ii) accounting and financial control practices;
- (iii) tendering and procurement processes; and
- (iv) reporting and auditing procedures.

As a result of the above, the project support will improve abilities of target PAs to timely request and spend allocated funding, including the absorption of additional funds from piloted and innovative revenue generating mechanisms under Output 1.1. The effectiveness of capacity building efforts will be monitored by means of Technical and Financial Audits completed for each target PA at least every 3rd year.

GEF funds for Output 2.1 (focused on strengthening on financial-administrative & operational planning, budgeting and accounting effectiveness) equalled approximately 13% of the total GEF budget for Outcome 2. Parallel financing GoG is presumably in-kind staff time, etc.

Output 2.2: This output appears to relate to establishing a better basis to monitor actual impact of improved PA financing and effective management, and subsequent adaptive management. (though this is not stated very clearly). This was planned in at least 9 target PAs.

Text under the output states: “To strengthen target PA capacities in effective management towards improved conservation outcomes, the project will formulate and implement standardized target PA-specific Management Effectiveness Assessment plans (output 2.2). Specifically, the project will:

Design studies on biodiversity values, pressures and threats, and related management interventions that will guide the selection of suitable quantitative site and/or management level indicators.

Promote field-based assessments of selected indicators using innovative techniques, in support of obtaining reliable and actual information on the effectiveness of alternative management interventions to reduce threats and improve the status of globally important species and their habitats”.

The sustainability of the field-based assessment of biodiversity values, pressures and threats reduction and related improvement of PA management effectiveness towards strengthening conservation outcomes is secured through a 2-staged financing approach. For the duration of the project, activities under **output 2.2** are financed from the project, after which for a period of another 5 years CNF commits to a US\$650,000 follow-up investment to maintain the Management Effectiveness Assessment system. As such a full 10-year monitoring cycle is completed, needed to reliably assess biodiversity trends, ecosystem health and PA management effectiveness, to support developing informed and effective targeted threat reduction or conservation action plans.

GEF funds for Output 2.2 (focused on formulating and implementing standardized target PA-specific Management Effectiveness Assessment plans) equalled approximately 64% of the total GEF budget for

Outcome 2. Out of this approx. 77% (USD 583,794) was allocated to Activity 2.2.2 “Field-based assessments of selected indicators (flora, fauna, habitat, threats) using innovative techniques” which aims to implement field-based assessments of selected indicators (flora, fauna, habitat, threats) using innovative techniques. Therefore, it is worth noting that, in GEF funding terms, Output 2.2 (mainly activity 2.2.2) is far and above the Output with highest financial weighting in the whole project.

Output 2.3: Text related to this output states “the project will design and implement a suite of targeted capacity building and related TA initiatives to strengthen target PAs’ operational management.

Using proven effective instruments, including short training courses, professional mentoring, exchange programs and learning visits as well as targeted TA as appropriate, the capacity of target PAs in relevant thematic fields will be strengthened. Depending on priorities identified for individual target PAs, relevant themes include the development of management plans, patrolling and law enforcement, pasture management, infrastructure and asset maintenance, conflict resolution, waste management, and effective communication and outreach, climate change impact assessment and mitigation”.

Studies related to climate change vulnerabilities and possible management responses was also envisaged under this output (“The assessment of biodiversity values and threats in target PAs will incorporate the cross-cutting issue of the impacts on biological resources and biodiversity from anticipated climate change, including measures for mitigation and adaptation”).

GEF funds for Output 2.3 (focused on design and implementation of a suite of targeted capacity building and related TA initiatives to strengthen target PAs’ operational management) equalled approximately 17% of the total GEF budget for Outcome 2.

Output 2.4: Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness Text related to this output states: “Implementation will use a participatory approach, integrating efforts of PA scientific and ranger staff with community interest groups: volunteers, local NGOs and citizen groups, scientific institutes, students, hunters, forestry staff, women, etc., with targeted capacity building and TA provided as appropriate. Participation of community and stakeholder groups in development of tourism and protection projects, as well as pilot initiatives to increase local household income in order to reduce pressures on PAs, will be ensured. Extensive and systematic awareness raising activities will be carried out to contribute to the improved PA management effectiveness and acceptance on values and importance of target PAs. Funding of this Output was covered entirely by CNF co-financing.

Expected impact and indicators for Outcome 2: in paragraph 52 of the project document the impact of the 4 outputs towards the Outcome is described as follows” Overall, under component 2 capacity building and TA shall be delivered to at least 12 target PAs as well as the overarching PA system and its management authorities as appropriate. The project will build and expand upon the efforts of multiple actors towards achieving financial sustainability of individual PAs and the PA system at large.

The effective implementation of activities under component 2 shall ensure that, compared to the 2017 baseline values, by EOP:

- (i) the standardized Capacity Scorecard (CAS) values for systemic, institutional and individual capacities in Georgia’s PA system on average increase from 30% to at least 50%;
- (ii) METT scores for individual target PAs on average shall increase by at least 10 points; and

- (iii) populations of globally important species, such as East Caucasian Tur (*Capra cylindricornis*), Bezoar goat (*Capra aegagrus*) and Caucasus Red deer (*Cervus elaphus maral*) increase or are stable.

The Strategic Results Framework (SRF) contains 3 indicators to measure impact of Outputs towards achievement of the Outcome, which approximately equvalate to the above 3 points.

Component 3: Improved management and financial effectiveness demonstrated for targeted large-scale PAs. This component contains one outcome, specifically “Institutional capacity for financial and operational management, and for monitoring in target PAs is improved” which would be achieved by 4 outputs (see diagram below).

This Outcome is intended to address **Barrier 3** identified in the project document, namely “Lack of awareness and action amongst key sector institutions, communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses”.

Total Cost of this Outcome in the original project document was US\$110,000 (approx. 1% of the project grand total) of which only USD 25,000 was GEF project grant (1% of total GEF grant and the remaining was Co-financing (US\$85,000). This was the smallest GEF funds Outcome allocation in the project. However, at inception phase this was increased with funds moved from Component 2 to USD 128,191 (7% of total GEF grant) to support Output 3.2 (Implementation of independent technical and financial monitoring program of 3-4 target PAs per year). Output 3.1 was entirely covered by CNF co-financing. This outcome as a whole had the smallest financial weighting.

Output 3.1: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values. This was to be achieved through the development and implementation of awareness raising plan (entirely financed by CNF).

Output 3.2: Implementation of independent technical and financial monitoring program of 3-4 target PAs per year – specifically, “the project will support CNF’s established successful technical and financial monitoring program of 3-4 target PAs per year, such that by EOP for each target PA there will be at least 2 financial and technical monitoring reports (FTMR’s) available, suitable for ensuring compliance as well as providing a feedback mechansim on management effectiveness”. From other sections of the project document it is evident that this Output will also include the Terminal Evaluation (no Mid term Review was originally planned).

Expected impact of Outcome 3: It is stated in the text related to Output 3.1 in the project document that “the ability to successfully strengthening of financial sustainability and management effectiveness of the PA system also depends on better community, stakeholder and societal awareness on the values of globally, nationally and locally important biodiversity and natural ecosystems in the country’s PAs, the beneficial services natural ecosystems and biodiversity in PAs provide to people, and the threats human activities may cause to these values” – presumably the expected impact is therefore greater awareness of Biodiversity values at all levels and support for PAs. Activities under Output 3.2 are said to be “suitable for ensuring compliance as well as providing a feedback mechansim on management effectiveness (the FTMR’s)” and “the findings and recommendations of this TE will represent valuable knowledge management product that would be used not only by UNDP and GEF but also other stakeholders “.

The Strategic Results Framework (SRF) contains one indicators to measure impact of Outputs towards achievement of the Outcome, specifically “Indicator 10: Community, stakeholder and societal knowledge of and acceptance on biodiversity values of, threats to, and approval for target PA’s and the EoP target for the indicator is “At least 10,000 people have been given opportunity to take notice of, or participate in, a variety of targeted awareness raising activities””

Annex 12: In-depth Review of Project Progress and Achievements by Outcome and Output by MT.

Component 1: Financial sustainability of sub-system of PAs representing Key Biodiversity Areas (KBAs)

The Outcome 1 under this component is described as Twelve PAs covering 431,872 ha with globally important biodiversity are effectively and sustainably financed” and is to be achieved through 3 outputs. This outcome is intended to address Barrier 1: Insufficient and insecure financing to sustainably address recurrent costs of maintaining the PA system. This outcome has about 20% of GEF grant funds allocated.

Though it is not listed as a specific Output, most of the funds allocated to this Outcome are CNF/GoG co-financing inputs to the 12 target PAs (CNF “full support” and GoG recurrent cost funding). This is reflected by the fact that the main indicators for this outcome relate to this impact (indicators 4 and 5¹⁶), not to actual outputs cited in the prodoc.

Actual listed outputs are mainly financed by GEF grant funds and have one relevant indicator (indicator 6: increase in revenues generated from tourism activities in target PAs). However, one of the Objective level indicators (indicator 3: Increased PA system financing as measured by the Financial Sustainability Scorecard) is also relevant and is taken into consideration during assessment of progress towards outcome.

Output 1.1: A range of sustainable financing mechanisms designed and piloted for target PAs (GEF grant - USD85,000). A summary of activities and results for this Output by MT is provided below

<i>Activity</i>	<i>Details</i>	<i>Progress / status</i>
1.1.1: Policy brief on Ecosystems Services Valuation (ESV)	ESV study, policy brief and information materials to highlight the economic values of the target PA network, its biodiversity and ecosystems, in providing direct and indirect services beneficial to society. The study will build and expand upon available studies for target PAs,	Delayed (planned in 2020). Rescheduled 2021 Main issue: lack of agreement on purpose and focus of studies / policy brief. Some such studies already exist but not perceived as useful
1.1.2: Analysis of current financing, financing needs for basic and optimal management , at least 6 PAs	Development of Template and Action Plans for financial planning analysis; Analysis and report on projected PA funding needs and gaps	- <i>Financial Need Assessment</i> for the Georgian Protected Areas System - <i>Financial Sustainability Scorecard</i> applied for 8 target PA's basic and optimal management scenarios Carried out by National consultant with support of international financing expert
1.1.3 Opportunity Analysis of revenue generating	Review of suitable already piloted and/or innovative revenue generating instruments, stakeholder consultations for the recommendations on priority	<i>Finance Opportunity Analysis</i> for the Georgian Protected Areas System: Screening of finance instruments to identify potential priorities – See RPA Annual Report 19-20 Conclusion of Report - the following priority options at this time:

¹⁶ Indicator 4: Increase in long-term annual funding to target 12 PAs, Indicator 5: Number of target PAs regularly receiving full financing support

instruments, identification of priorities	financial instruments to increase PA revenue generation and address gaps	6. Friends Associations (FAs) contribution enhancement 7. Corporate Social Responsibility (CSR) contribution and sponsorships increases 8. Sale of advertising opportunities introduced 9. Introduction of a local tourism levy in TPL 10. Concessions for the development and operation of camping and picnicking areas in TPL Entrance fee – this was already pre-identified in the prodoc. And covered under other Output 1.3 Pasture revenue – not consider “new” by APA so not included in priority list
1.1.4: TA to prepare detailed feasibility studies for pilot implementation	Detailed feasibility studies to guide pilot implementation of selected prioritized financial instruments as proposed in the Opportunity Analysis (activity 1.1.4) (\$20,000)	Feasibility study on the introduction of a local eco-tourism levy for Tusheti Protected Landscape None of the opportunities identified by APA were selected for piloting

Output 1.1 addresses one of the two core purposes of the project i.e. securing/significantly enhancing long-term sustainable financing for the PA system. Activities to complete this crucial building block to project success were thus mostly planned for completion during the initial half of the project duration in the project Multi-year workplan (and inception MYWP).

As detailed above, the key initial tasks of calculating in detail the current financial needs/deficit of the target PA’s for basic and optimal management, and subsequently the carrying out of a Finance Opportunity Analysis for the Georgian Protected Areas System (Screening of finance instruments to identify potential priorities) were done in a timely and very professional manner by a team of one international and one national experts.

The Financial needs assessment revealed the depth of the financing gap for even basic management (in case of APA managed areas ranging from 27% to 119% and averaging around 70%. For Tusheti PL the figures were more extreme (442%). In other words, most PAs need more than double the current financing to meet even basic management effectiveness. To reach optimum levels they need close to 3 or 4 times the financing. For PLs the situation is even more extreme. In the MTR team opinion these results are perhaps a little exaggerated given the relatively good financing Georgian PAs receive compared to many comparable countries. However, the assessment is a stark reminder of the “mountain to climb”, but also a highly useful basis and incentive to start the process. The financing opportunities assessment then systematically reviewed the international experience and options and shortlisted 34 options that could be considered relevant to Georgia. On this basis a consultative process was used to filter options and select those priority ones for further follow up by the project. It was at this stage that the MT team feel there was a significant failure of vision and ambition.

Out of 34 options initially identified, only 6 were shortlisted for further follow up, and out of those only 3 were not directly related to tourism – of these 3 non-tourism related options only one (CRS) has perhaps some potential to significantly impact future increase in available financing. Additionally, of the 6 options identified it has been only the tourism related ones that have been followed up and piloted (feasibility study on the introduction of a local eco-tourism levy for Tusheti Protected Landscape).

In the opinion of the MTR team this was a failure to meet the fundamental objective of the project. As discussed previously, the choice NOT to begin pursuing additional options to tourism is essentially neutralizing any possibility to bridge, in the future, the significant financing gaps revealed by the FNA. As discussed previously, tourism alone will not do that (in either financial terms or predictability). Reasons for this failure lie in the understandable pre-occupation of APA (the main party in this selection process) to meet the PA system short term financial needs and to “go with what they know”. A general overall bias in the country in regard to the “value” of PAs being mainly tourism related, probably contributed. In truth, tourism revenue has shown a significant

opportunity to increase available financing over recent years. However, that growth has its limits and it will never do more than solve part of the financing gap faced (in addition having risks of potential negative impacts if not properly managed). There was therefore an obligation, at this point in time, to have a longer term and more strategic vision and ambition – despite the many challenges of pursuing new options there is literally no other choice.

It recognized that many of the options seem very abstract and unrealistic to the Georgian realities and situation – however, so did the tourism potential 10 years ago. Undoubtedly, many of the options may not work out, and many may take a long time to mature and pay off in terms of real financing benefits – however, in the long term, as with tourism, some will reap benefits, but only if the steps to achieving them is started now.

Activity 1.1.4 under this Output 1.1 is related to follow-up piloting of the new financing options identified. As mentioned above, only one such option has been followed up so far. The very limited funding attached to this activity highlights the lack of ambition generally shown to pursuing new options for long terms sustainable, sufficient and predictable financing. In terms of the option being piloted (feasibility study on the introduction of a local eco-tourism levy for Tusheti Protected Landscape), it would seem the feasibility study essentially concluded the option was not viable. However, the MTR team had the impression that the consultant involved perhaps did not have the appropriate background and understanding of what was required and as a result the opportunities in this context were rather narrowly reviewed. Thus, though at this point there does not seem much potential to pursue this option further, the project may consider still following it up through other efforts.

Activity 1.1.1 under this Output related to undertaking an ESV study of the PA system and on this basis deriving a policy brief and information materials to highlight the economic values of the target PA network, its biodiversity and ecosystems, in providing direct and indirect services beneficial to society. The study was intended to build and expand upon past available studies for target PAs. This activity would have been expected as complimentary or follow up to the Opportunities Analysis (as it relates to many of the potential options such as CRS and PES, debt for nature swaps, etc.). No progress was made on this activity by the MT.

The fact it has not been initiated yet presumably relates to the low priority given by the project beneficiary (APA) to those options and thus minimal use of such studies/policy brief, etc. This was confirmed by the reported reason for delay in undertaking the study/s i.e. that APA and other parties are unclear as to the scope and focus of any such activity (and perhaps also value of the activity at all). In the MTR team opinion (confirmed by the opinion of the international financing consultant who assumed it would be underway as basis for pursuing the CRS option selected), this area of activity is an essential part of the “ground work” for pursuing non-tourism related financing options, including the justification of enhanced state budgets. In that context it also a key basis for raising awareness and understanding in society generally as to value of bd and PA system in that context, and in particular the senior level decision makers in the country. In this context, the MTR provides recommendations on how this activity should be prioritized during the remainder of project implementation and some approaches for doing so.

In conclusion, most activities under this output were efficiently and very professionally carried out by the project and consultants employed (the exception being the ESV work), but due to lack of recognition of the essential need to diversify financing, and a lack of longer term strategic vision and ambition, the project has not significantly changed the situation so far from the baseline (i.e. it has neither significantly enhanced SF or “secured” it in the long term).

Output 1.2: Dedicated PA accounts (allowing to retain revenue at the PA) in full piloted at 3 PAs (GEF grant – USD10,000). A summary of activities and results for this Output by MT is provided below.

Activity	Details	Progress / status
1.2.1 Assess opportunities for earmarking site-based income generated and retainment by PAs	As per Project Document Annex N:; assess opportunities for earmarking site-based/self-generated income generated and retaining such financial revenues by the individual target PAs;	Planned by the end of the project

Output 1.2/Activity 1.2 1 was a rather specific initiative aimed at piloting in 3 areas the allowing of PAs to retain all or part of revenues generated for its own enhancing financing (currently all revenue returns to central budget and thence back to APA HQ). This has been one of the ongoing suggestions for some years in the context of “de-centralizing” some management responsibilities to PA levels and to incentivising PA Administrations activities. It is not clear from Prodoc and elsewhere when exactly this activity was envisaged. Currently the PM expects not to initiate until towards the closing stages of the project (if at all). Indeed, the MTR doubts that this particular activity is viable or necessarily very useful in isolation (i.e. if not part of more systematic changes to relationship/ roles of APA HQ and PA administrations).

Output 1.3: Sustainable tourism development and financing strategies, including operational revenue generation schemes, are prepared and implemented for at least 9 target PAs, with additional income from tourism in target PAs delivered (GEF grant 200,000). A summary of activities and results for this Output by MT is provided below.

Activity	Details	Progress / status
1.3.1: Sustainable Tourism Development and Financing Strategies prepared for 6 PAs, updated for 3 PAs	Preparation of STDFS by LC with overall guidance of methodology provided by IC; application of CNF developed approaches, includes development of costed Action Plans/design projects for investment (activity 1.3.2)	<ul style="list-style-type: none"> • <i>Tourism Investment Feasibility study</i> for the Kvabiskhevi gorge in Borjomi-Kharagauli (Architectural/engineer project) • <i>Tourism Investment Feasibility study</i> (Camping Architectural/engineer project + CNF/ZRDA grant) and picnicking Sites in Tusheti Protected Landscape (Development of detailed technical/ architectural design project for selected 5 camping sites in TPLA) • <i>Detailed architectural/ engineering project for Javakheti eco-lodges</i> ToR is almost finished
1.3.2: Preparation and investment in tourism products and services offered by PAs or surrounding communities	Development of PA eco-tourism products and services, in support of PA revenue generation	Finalized Nedzvi trail with respective touristic infrastructure (Borjomi-Kharagauli NP)
1.3.3: Entry Fees Feasibility study	As per Project Document Annex N	PIR 2021: Technical Assessment and Implementation Plan for the Introduction of Entrance Fees at Ajara protected Areas- just started
1.3.4: Capacity building campaign on local tourism products investment opportunities: business plans, promotional products, marketing	Strengthening awareness of and support to PA and community initiatives on Investment in selected eco-tourism products and services (e.g. support to business plan development, grants)	Nothing so far as cnf funds and due to covid emergency funds put on hold – 2022, 2023
1.3.5: Design and pilot a tourism services payment system	As per Project Document Annex N	Plan to do electronic payment system for entrance fee and other services – cnf funded not gef – pending entrance fee – planned if necessary end period

Originally Activity 1.3.1 was intended to develop STDFS’s for 6 PAs and update existing ones for 3 more (9 in total). However, many STDFS already done between time project was drafted and time it started (see inception report). As a result, APA requested refocus on products/concrete plans – thus more emphasis on specific tourism developments / infrastructure. So far, the project has supported development of 2 architectural/engineer projects for: the Kvabiskhevi gorge in Borjomi-Kharagauli; and camping /picnicking Sites (x5) in Tusheti Protected

Landscape). Additionally, TOR for detailed architectural/ engineering project for Javakheti eco-lodges is almost finished and contractors recruited this year.

Activity 1.3.2 also focuses on tourism developments but with more focus on ensuring community benefits (and thus reduced threats from community). Specifically, the project supported the development of the Nedzvi trail with respective touristic infrastructure (Borjomi-Kharagauli NP). Link with community is that the activity is intended to provide livelihood alternative so alternative to illegal activity/incentive to obey regulations. Identified as means to address a high conflict situation. The COVID pandemic restrictions caused some delay.

Activities 1.3.3 and 1.3.5 are interrelated – the first addresses the issue of designing and introducing on a pilot level NP entrance fees (Mtirala and Machakhela NPs in Adjara). This has large potential to increase some PA earnings as despite large numbers of visitors many PAs earn very little revenue from them currently (Mtirala being a good example). Given the high numbers (and growing impact) of visitors to Mtirala NP it makes sense to pilot at this location. Though Machakhela NP currently has low visitor figures the application may be useful to test/evaluate benefits in context of less popular PAs. A TOR was developed for this activity by the international finance consultant (involved in FS opportunities etc.) and is of good quality. A contractor has been recruited to undertake the study and prepare recommendations and has just initiated work. The activity is therefore considered on track but has the risk that little time will remain during project duration to properly pilot and fine tune as basis for wider role out.

Activity 1.3.5 relates to the development of an electronic payment system for online payment of entrance fee and other PA services. Implementation is pending the completion of the entrance fee study. The MTR team would question why this extremely feasible and useful activity needs to await completion of the above study given that a). some PAs under APA already have entrance fees or payed services, b). designing the basic software/internet framework should be possible anyway (and then finalized once concrete approach to entrance fees is decided). It is recommended therefore to proceed with this activity as soon as possible.

Activity 1.3.4 is apparently aimed at strengthening awareness of and support to PA by communities, plus community initiatives on Investment in selected eco-tourism products and services (e.g. support to business plan development, grants). This activity seems somewhat a duplication of activity 1.2.2, except with more emphasis on awareness. No activities have been undertaken to date as CNF funds planned for this were diverted to the “COVID emergency” support provided by CNF to APA in 2020. Activities are planned still in 2022/3

Conclusion and Rating of Progress Outcome 1:

The project has made good progress on the execution of activities under Outcome 1, despite the limitations and restrictions imposed by the onset of the COVID 19 pandemic in late 2019 and up to now, and progress in those terms is on track.

However, in terms of achievement of long-term impact the overall outcome is let down by the limited progress to identify and follow up on non-tourism sources of sustainable finance. The tourism activities supported, particularly the entrance fee piloting, may help to slightly “enhance” tourism revenues but this will not address in future of the large gap between current PA financing and the needs for basic management (let alone optimal). The lack of progress on ESV study and policy brief is part of this wider lack of vision/ambition in terms of diversifying the revenue streams for the PA system.

Based on the indicators only, the MTR assessment is that the project is on track in regard to two out of three MT indicator targets but has not achieved one (out of 3). Specifically, this relates to Indicator 6: Increase in revenues generated from tourism activities in target PAs, which has been impacted by the COVID pandemic limitations on tourism. The overall rating for Outcome 1 is therefore considered as Moderately satisfactory (MS).

This may seem unfairly harsh given the unforeseeable force majeure impact of Covid19. However, the MTR is basing this rating on additional factors relating to the implementation and progress under this outcome i.e. the limited progress and ambition to address a critical issue for the long term sustainable financing of the PA system, and which was expected to be pursued under Output 1.1 i.e. to diversify sustainable financing through identification and follow up of non-tourism options and opportunities. There has also been little or no progress so far on Output 1.2 (dedicated PA accounts). Furthermore, the Financial Sustainability Scorecard (used to measure

objective indicator 3) suggests also that the project is not currently on track to really achieve long term impact under this outcome.

The rating for Outcome 1 is therefore “Moderately Unsatisfactory” - the rating escapes being Unsatisfactory because the project still has the time and opportunity to focus more attention and ambition to making progress on the issue of diversifying financing options before EoP. Recommendations are provided in this regard in the final section of this report.

Component 2: Improved management and financial effectiveness demonstrated for targeted large-scale PAs

The Outcome under this component is described as “Institutional capacity for financial and operational management, and for monitoring in target PAs is improved” and is to be achieved through 4 outputs. This outcome is intended to address Barrier 2: Weak capacity in efficient financial-administrative planning and effective operational management of the PA system. This outcome has the largest proportion of GEF grant funds allocated.

Two Outputs focus principally on capacity building (2.1. for overall capacity needs/plan, and actions at Central HQ level, and 2.3 at PA level). However, output 2.1 also has MP and OP related activities at PA level that were re-located from Outcome 1 at inception phase. Respectively, they have 13% and 17% of the GEF funds allocated to the Outcome,

Out of the remaining 2 outputs, one (2.2) focuses on Management Effectiveness Assessment tools/plans and BD indicators/monitoring system (as part of MEAP). This is the output with the largest GEF grant funds under this outcome (64% of outcome 2)

The other output (2.4) is titled “Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness”. About 6% of GEF funds for the outcome are allocated.

Output 2.1: CNF's PA Management Support Group established providing technical assistance to all target PAs on financial-administrative & operational planning, budgeting and accounting, including regular financial and technical audits completed for all target PAs at least every 3rd year PA Management Support Group(GEF grant - USD85,000).

This is rather a wordy output, but basically can be summarized as “capacity building on financial-administrative & operational planning, budgeting and accounting”. Despite mentioning target PAs in the title, the main capacity building focus was at APPA HQ level. Due to changes at inception phase MP and OP preparation/updating were added under this Output, and these aspect focus on PAs. A summary of activities and results for this Output by MT is provided below.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
2.1.1 Development/revision of Management Plan for priority target PAs	Activity and budget re-allocated from ProDoc TBWP and MYWP outcome 1, to ensure streamlining with Project Document descriptive explanatory text for outcome 2 (output 2.1). Target PA Management Plans and linked short-term Operational Plans are the respective overall and specific planning instruments guiding project investments in strengthening management capacity at the central and PA level, as such inclusion of these activities fit best under outcome 2. With most target PAs having some form of management plan, this activity will focus on revision of existing MPs, for which IC guidance is not required.	Management plans for Borjomi-Kharagauli National Park and Javakheti Protected Areas <u>Ongoing:</u> Finalized working drafts of TPA and VPA management plans,, Mtirala and Lagodekhi MPs National FA and free-lance consultants, involving when possible PA FAs – example Mtirala MP which is ongoing

2.1.2MP-linked detailed short-term operational plans	As above	Operational plans for Borjomi-Kharagauli National Park and Javakheti Protected Areas operational plans for Tusheti and Vashlovani Protected Areas Tusheti PL , Mtirala and Lagodekhi ongoing
2.1.3 Comprehensive review of existing capacities, past initiatives, capacity needs, materials available at system and target PA level; development of Project Action Plan for capacity building under 2.1.4 and 2.3.1	Preparatory activity for the development of capacity building plans, training materials and delivery of TA for the implementation of awareness raising activities and training at central (activity 2.1.4) and PA level (activity 2.3.1); Building on available capacity assessment studies, as such no IC needed.	The <i>PA system Capacity Analysis Report (CAR) prepared</i> - needs of the system in general and target PAs in particular - reviews existing capacities, identifies capacity needs and <i>Capacity building action plan (CBAP)</i> plan to enable adaptive PA management and contribute to increased financial and operational management effectiveness Follow up on plan limited by COVID19 restriction
2.1.4 Strengthen systemic, institutional and individual capacities at system level (APA) CENTRAL LEVEL	Strengthening systemic, institutional and individual capacities at central level in (i) financial and business planning and budgeting; (ii) accounting and financial control practices; (iii) tendering and procurement processes; and (iv) reporting and auditing procedures. Trainings will be tailor designed, based on the assessment and capacity development plan (activity 2.1.3); Training materials will be developed by IC and LC, using AVP, training will be conducted under CS contract.	Training of the employees of financial department of APA in financial accountability and reporting via Oris; Accounting and reporting policy and procedures document for APA's financial unit - to ensure future application – i.e. system capacity Expert secondment to BFD Ernst&Y training for APA's Financial unit staff Fire management in APA office (i.e. equipment and evacuation, etc.) Hard to understand justification of this support

Progress on the new or updated management plans and operational plans for the target PAs appears to be occurring at a steady rate and is on track. The strategic use of the National Friends Association and free-lance experienced consultants (some with PA management experience themselves), who are then involving individual PA FAs, is a good approach towards building FA capacity and ensuring wider stakeholder consultation. The development of financial template for OPs, that fits both APA and CNF needs and standardize for the system in future, is a pragmatic development, and if the project can roll out to all target PAs as plan will have positive impact. No specific “CNF's PA Management Support Group” as mentioned in the output text appears to have been established but in effect such a group has been less formally gathered under the national FA umbrella.

One issue raised was the rather “heavy” procedure mandated for the MP development (developed by former EU Twinning project) – it was pointed out that this was designed principally for the 1st time a PA prepared a MP, but such a process was not necessary for subsequent MP updating (at end of each planning cycle). It may be worth clarifying this issue and developing a more “streamlined” methodology for MP updates in future.

In terms of capacity development, the project recruited a contractor to undertake a “Capacity Needs Assessment” and based on this, prepare a “Capacity Building Action Plan”. The project analysed the capacity building needs of the system in general and target PAs in particular. The idea of the analysis was to review all previous capacity building initiatives for PA system and identify still existing gaps based on the materials collected as well as interviews conducted. Based on the analysis the action plan how to meet those needs was also developed. The following six main directions were defined within the action plan: effective mechanisms for human resource management; mechanisms for effective coordination and cooperation within APA and administrations; strengthening financial sustainability of the system; Public relations and effective communication; strengthening functions and competences of territorial administrations; mechanisms for effective implementation and evaluation of management plans/operational plans. During interviews in the field it was evident that HR issues are indeed a priority (for example, currently PA Directors have little formal decision of staff recruitment, plus very high turn over of staff probably relates to some extent from weak HR practices). The issue of coordination and communication between APA and PA administrations was also an evident issue.

Though a competent assessment, in many ways the approach seems to have been somewhat similar to numerous previous such capacity assessments under different previous projects, with the positive exception that perhaps more focus was put on identifying institutional needs at the HQ (APA) level. Two issues that the MTR feel were not well addressed have been touched on during previous discussion of the project document – these were: a). the need to develop a longer term more systematic approach to training and skills development, rather than ad hoc one highlighted in the prodoc, b). the need to look at the overall systemic capacity and institutional “fitness for purpose” under current national circumstances and management demands of the PA estate. The reasons these issues were not well addressed by the contractor is presumably because they were not required in the TOR, which in turn was presumably due to little emphasis on these as priorities in the project document (see previous discussion).

The most extensive capacity support provided to date under this outcome has been targeted to APA HQ and has been supporting central institutional capacity to operate more effectively and efficiently – activities have included: training of the APA financial dept. on financial accountability and reporting via Oris by Ernst&Young; and development of accounting and reporting policy and procedures document for APA’s financial unit. This support is institution system focuses and so hopefully less likely to be nullified by staff turn overs. Additionally, one member of staff was seconded to the Biodiversity and Forestry Policy and Monitoring Dept. to presumably gain experience and facilitate future understanding and coordination.

One final activity under this output remains appears to the MTR as not entirely appropriate use of GEF grant funds, namely the support provided for a fire management plan in APA HQ office (i.e. equipment and evacuation, etc.). It is difficult to clearly understand the justification for this particular intervention (how does it relate to project output or objective?).

Output 2.2: Standardized Management Effectiveness Assessment plans developed for and implemented in at least 9 target PAs, improving management interventions in response to key biodiversity values and threats identified (USD 756,794).

As described previously, this output has the highest financial weighting of GEF grant funds (64% outcome 2, about 40% total GEF Grant). Of this, around 32% of total budget and 50% of Outcome 2 is for Activity 2.2.2 (BD 4 year monitoring plan). The output’s overall aim is to establish a sound and meaningful basis for monitoring and evaluating actual impact over time of the PA system towards its biodiversity and ecosystem service objectives i.e. i.e. to know if the status of BD in and around PAs and to know why that status exists (what are the trends, why those trend exist, and what adaption is needed, if any). A summary of activities and status at MT is provided below.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
2.2.1 Development of standardized target PA-specific Management Effectiveness Assessment plans	MEA plans will be developed in accordance with CNF-established practice by LC guided by IC based on PA-specific WS, including identification of key flora, fauna species, habitats and threats at PA	<p><i>Management effectiveness Assessment plans (MEAP) for 2 PA’s Mtirala and Machakhela National Parks</i></p> <p>The method of MEAP implies three-dimensional monitoring of – a) status (species and habitats); b) pressures/threats and c)</p>

	level, and development of protocols for monitoring key indicators.	<p>responses/management actions As the result, MaNP and MtNP have the selected indicators for all three dimensions and detailed protocols for the monitoring of selected indicators.</p> <p>Finalized short-lists of species indicators for 12 targeted PAs</p> <p>10-Year plan for selected species indicators monitoring</p> <p>Protocols for selected species indicators monitoring</p>
<p>2.2.2 Field-based assessments of selected indicators (flora, fauna, habitat, threats) using innovative techniques</p> <p>77% of output 2.2, 50% outcome 2, 32% entire budget</p>	<p>Implementation of the 4-year biodiversity monitoring program based on plans developed under activity 2.2.1; contractual services for organizations with relevant monitoring expertise.</p>	<p>Final reports on Chestnut and Chestnut blight monitoring in Machakhela</p> <p>Draft report on monitoring of Bezoar Goat, Caucasus Tur, Red Deer, Pastures in Vashlovani, Algenti and Javakheti, Invasive species and Ungulates in Ajara PAs</p> <p>Purchased equipment for monitoring, including batteries for video traps</p> <p>Forest ecological monitoring in Mtirala and Kintrishi; started in August 2021 Methodology and protocol</p> <p>Trout monitoring in BKNP, Mtirala and Kintrishi -Inception report</p> <p>Birds' monitoring -Inception report</p> <p>Phytopathology study in BKNP - Progress report</p>
<p>2.2.3 TA and capacity building on participatory monitoring approaches</p>	<p>Promotion of the participatory monitoring approach, integrating efforts of PA scientific and ranger staff with community interest groups: volunteers, local NGOs and citizen groups, scientific institutes, students, hunters, forestry staff, women; MYWP “Support to conservation activities at PA level” (redirected from outcome 1).</p>	<p>CNF co-financing – draft TOR but needs refinement – planned implementation 2022 PM - Hopefully will be started this year</p>
<p>2.2.4 Design study on establishment of a biodiversity monitoring unit at selected host organization</p>	<p>As per Project Document “Establish biodiversity monitoring unit”.</p>	<p>Created Core team for development of BMU concept</p> <p>Consultation meetings with stakeholders on possible options on BMU by the core group</p> <p>BMCU concept paper finished and submitted to the Ministry</p> <p>Concept done – end of year political agreement on way forward, next year detailed operational plan from legal basis, coordination, etc very detailed practical – so called business plan</p>

		<p>Cnf funds</p> <p>Thought to partner with WWF and already discussed</p> <p>Establishment and initial operation also be supported by cnf so hope all up and running by project end or soon after</p> <p>See above</p>
2.2.5 TA and technical support to ensure operations of the Biodiversity Monitoring Unit	As per Project Document, MYWP, TBWP “Establish biodiversity monitoring unit” and “Technical support to ensure implementation”.	

The major effort (both financially and time wise) has gone into biodiversity monitoring i.e. development of indicators and monitoring plan, initiation of the plan to apply indicators in practice and establish a baseline, develop a concept for a national biodiversity monitoring unit (BMU) to ensure sustainability and system level application of data (with a mandate for all BD, not just that within PAs). NACRES was contracted to develop the indicators, plan and national BD monitoring unit concept (this was already pre-established in the prodoc). Ongoing field surveys to initiate application of the indicators in PAs are being implemented by a range of partners, including NACRES, Ilia University and others. There are ongoing efforts and discussions between major stakeholders (WWF, CNF, MEPA, NACRES, etc) on the establishment of the BMU, provisionally under the Biodiversity and Forestry Policy and Monitoring Dept.

In short, the project has made very significant progress on the establishment of a meaningful basis for the cornerstone aspect of overall monitoring of PA impact (i.e. status of biodiversity) and laid the basis for systematic BD monitoring at national scale. NACRES is to be commended for the quality and efficiency of its efforts in this regard, and all parties for efforts to find a mechanism for ensuring the long-term BD monitoring programme is sustained. The main remaining task to achieve during the remainder of the project is to agree and establish the sustainable mechanism for ensuring the long term systematic collection of data (critical as without this no real benefit will accrue). In this process it is important APA’s role and capacity, particularly at HQ level, is developed to effectively meet its responsibilities within the wider BD monitoring (i.e. it does not become side-lined by wider national level efforts).

The practical impact of activities related to the wider “Management Effectiveness” assessment and monitoring is less clear at MT. The project has undertaken quality work to develop 2 pilot / demonstration “Management Effectiveness Assessment Plans” (MEAP’s) for two PAs (Mtirala and Machakhela NPs) and through this process worked through many of the practical application issues. The concept is that BD monitoring alone cannot adequately provide a full picture of the PA system impact and that three-dimensional monitoring of – a) status (species and habitats) i.e. bd monitoring; b) pressures/threats and c) responses/management actions, is necessary. Thus, the pilot activity on MEAP went beyond “dimension” a). to identify indicators for b). and c). The Project is planning to support an actual monitoring of at least some of selected indicators for MaNP and MtNP in the coming years.

It is clear from RP reporting and discussions during the MT mission, that there remains some confusion and lack of clarity on how in practice to apply the approach. To quote from RP 1st annual report “during the working process on MEAPs, the Project has made some observations for further discussion and deliberation – for some of the stakeholders, the title *Management Effectiveness Assessment Plans* sounds confusing and leaves room for misunderstanding or misinterpretation. Therefore they advised to think of alternative title for the activity; in addition to that, in their opinion developing a separate new document that identifies status, threats and response indicators and provides detailed methodology for actual monitoring might be redundant since all these aspects should be duly reflected and integrated in the Management Plans of administrations that are main guideline documents. Therefore, the recommendation is the project works in this direction and finds the way to appropriately reflect these aspects in management plans or other existing documents instead of creating a new one”. The consultant involved in this activity prepared a very helpful and illuminating clarification document on the purpose,

difference of the approach from METT, etc. as part of project efforts to clarify the value and application of the approach.

Clearly there are still issues to solve in terms of the practical application of the MEAP approach and how it can be applied in the future to strengthen long term impact monitoring of the PA system and management effectiveness in practice.

Output 2.3: A suite of capacity building activities and technical assistance on operational management is designed, institutionalized, and implemented for all target PAs (USD 195,500, 17% of outcome).

This output is where most of the PA level capacity building effort of the project is being implemented. This output also includes a focus on climate change vulnerability assessment and response (the activities in the project that justified CC GEF funds allocation to the project). In overall Outcome 2 terms the financial inputs from GEF grant are relatively small (approx..17%). A summary of activities and status at MT is provided below.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
2.3.1 Targeted capacity building and related TA to strengthen PAs' operational management	Strengthening systemic, institutional and individual capacities at PA level on the following themes (as relevant per target PA): PA management planning, patrolling & law enforcement, pasture management, infrastructure & assets maintenance, conflict resolution, waste management, communication & outreach, climate change impact assessment & mitigation. Trainings will be tailor designed, based on the assessment and capacity development plan (activity 2.1.3); Training materials will be developed by IC and LC, using AVP, training will be conducted under CS contract.	<p>COVID19 restricted / limited activities in the field</p> <p>Innovative “online” training modules concept and initial development (Development the online training platform and online courses for the Agency of protected areas)</p> <p>Pilot video training on illegal logging and law enforcement for rangers (with reading materials</p> <p>educational videos on:</p> <ul style="list-style-type: none"> - the PA rangers, developed by the regional NGO Tetritskaro Youth Centre under the CNF's small grant program (part of the CNF's co-financing to the project) - law enforcement and in the forest PA's developed under the PA capacity building component by the NGO “Environment and Development” (part of the Online training platform development) <p>https://www.youtube.com/watch?v=azbKU_XYFf4&feature=youtu.be</p>
2.3.2 Introduction of new technology for patrolling	Activity and budget re-allocated from outcome 1, to streamline linkages across activities aiming to strengthen PA management through awareness raising and actions (patrolling).	<p>Purchased SMART equipment for entire team engaged in patrolling in BKNP,, LPA, MaNP, MtNP, Kintrishi NP, Algeti, Pshav-khevsureti, Kazbegi, Tusheti and TPLA</p> <p>SMART training for BKNP, LPA and APA smart officers and rangers ;</p> <p>Planned SMART trainings for MaNP, MtNP, Kintrishi NP, Algeti, Pshav-khevsureti,</p>

		Kazbegi, Tusheti and TPLA; also Vashlovani and JPA Procured walkie-talkies for Abastumani area in BKNP
2.3.3 Development climate change vulnerability assessment and adaptation plans for pilot PAs	As per Project Document outcome 2– actions on strengthen climate change adaptation: proposed preparatory study to advise on CC adaptation actions in target PAs, specifically monitoring and preparedness, towards envisioned purchase of ITE/equipment, Materials & Goods under activity 2.3.4.	Climate Change Vulnerability Assessment and Adaptation Plans for pilot target PAs in Georgia Just started for Tusheti, Kazbegi and Phav-khevsureti Tobias G recruited will have inception meeting in October, finish next year. Use it how ? – see next activity
2.3.4 Strengthen target PAs climate change monitoring and adaptation: improving stationary weather monitoring; obtaining firefighting equipment	As per Project Document outcome 2 – actions on strengthen climate change adaptation; monitoring and preparedness in pilot PAs based on recommendations from activity 2.3.3	

It is not clear to the MTR if trainings planned under this output were going to be based on the previously prepared Capacity Action Plan developed under output 2.1 but it is assumed this was the case. In the event COVID19 restrictions and limitations have curtailed field level trainings during the 1st half of the project. In response, the project has attempted to develop “remote” mechanisms to deliver capacity building including development of video training materials (illegal logging, enforcement topics), and a very interesting and innovative distance learning approach i.e. the development of “online” training platform and online courses for the APA – this was stimulated by experience using some of UNDP/UN system training resources and identification that similar approaches could be applied to PA training and skills maintenance. Developing such a platform and courses that are really effective will be a challenge, but one well worth trying as the approach has numerous positive aspects: it can become a long term tool to address systematic training needs which can be gradual built on as require, it is low cost to implement (only requires user to have internet access and minor platform management costs, staff training will be monitorable and repeatable, etc. This approach is still at the early stage of development (pilot courses being identified and drafted, etc), but the MTR commend the initiative and support its further development and testing.

The project is also following up on some past initial efforts to introduce SMART technology for increasing effectiveness of patrolling and monitoring data collection. This has included to-date the purchase of equipment for 10 PAs (Machakalla and Mtirala already had such equipment from previous UNDP GEF project), and initial training in 2 pilot PAs and APA HQ. The project is therefore on track to roll out and test the approach in all 12 target PAs by EoP. However, some unexpected challenges have been encountered in terms of perception by PA level staff of the likely impact and implications of data collected through SMART and how it will be applied. As discussed elsewhere this needs to be addressed along with onther technical challenges for practical field application.

In terms of the climate change related activities under this output, these have only recently been initiated with recruitment of an international and national consultant recently, who are expected to be initiating practical work currently. It is expected that these tasks will be completed on trac by EoP.

Output 2.4: Community, stakeholder and societal acceptance on values and importance of target PAs is strengthened through consolidated awareness raising activities, contributing to improved PA management effectiveness

This output was entirely covered by CNF co-financing. It contains only 2 activities – see table below for summary of planned activities and status at MT.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
2.4.1 Community engagement activities contributing to improved PA management effectiveness and acceptance on values and importance of PAs	Strengthening the involvement of community representatives and stakeholder groups in development of planning documents, specifically tourism development strategies, PA Management Plans and Operational Plans, to ensure their voices being heard and opinions incorporated during planning processes.	Assessment of local community socio-economic benefits from 4 protected areas focused on tourism and natural resource use and on support for local community income opportunities Seen as one means to provide evidence of benefits that PAs bring. Finalized ToR on socio-economic study to analyse the impact of COVID 19 on income for local population living in adjacent territories to PAs
2.4.2 Pilot initiatives to increase local household income in order to reduce pressures on PAs	As per project Document	Plan to pilot any concrete suggestions from above socio-economic surveys – gender aspect also covered

Progress to-date reported under this output seems to include only the contracting of a company to undertake socio-economic surveys in communities around 4 PAs. However, it is assumed that other aspects indicated under this output in the activities (involvement of community representatives, etc. in PA planning documents, tourism strategies, etc.) have been achieved under previous Outputs.

The main purpose of the socio-economic surveys appears to be to identify the level of benefits these communities receive from tourism opportunities brought by the PAs. This is seen as providing evidence for justifying PAs, and is indeed a useful indicator of one of the benefits PAs can have in the rural development/ socio-economic context. However, as discussed elsewhere in the report, the MTR would suggest that numerous other benefits can be gained – for example, such surveys can also help identify socio-economic issues that may indicate pressures and potential threats to the PAs and thus provide useful data for monitoring pressure/threats, plus opportunity for pro-actively taking management actions to address/neutralize – as such they can be part of both “effective management” monitoring and management adaption. If, as the MTTR would recommend, such surveys are intended to become a repeated part of periodical monitoring, these added facets can be incorporated. What is not clear at this point is the long-term plans with such surveys – i.e. if they are expected to become a repeated periodic exercise (which then requires some mechanism to sustain) or if they are an *ad hoc* activity during the project. Additional to the originally planned socio-economic surveys, additional efforts to identify the COVID19 impacts have been initiated.

As follow up to the socio-economic surveys, Activity 2.4.2 indicates “Pilot initiatives to increase local household income in order to reduce pressures on PAs”. This seems rather similar to previous activities (for example. 1.3.2 and 1.3.4). However, in any case these have not been initiated yet as socio-economic surveys are still ongoing.

Conclusion and Rating of Progress Outcome 2:

The project has made a number of substantial results and progress under Outcome 2, notably in terms of establishing a sound basis for future biodiversity monitoring as a means to measure if PAs are having the desired (expected) impact. The work on more comprehensive impact monitoring has made initial strides but needs further follow up.

The project has made significant efforts to build APA HQ level financial management capacity and initiated some innovative approaches to HQ and PA level training have been initiated. It has significantly enhanced PA level management and operational planning through updates and is on track to achieve its targets in these terms. The approaches used during this have tapped into the national and PA specific FAs and used in-country technical experience.

However, the MTR would suggest that, though the above have enhanced capacity in some important aspects and developed a basis for future monitoring of the system impact and effectiveness, they do not address some of the fundamental issues facing the overall PA system and institutions, and its effectiveness/sustainability.

As previously discussed, there are indicators that the system overall is sub-optimal and possibly no longer well matched, in terms of its institutional structure and operational approaches, to the situation that has evolved since the last **significant** reorganization. The high turnover of staff at all levels undercuts the lasting impact of capacity building efforts, the PA Administration staff morale appear poor, the pressure to achieve tourism goals rather than conservation ones seem significant, etc. In short there are clearly issues at a system/institutional level that need addressing. In that context, while the efforts of the project are useful (particularly the basis for future impact monitoring) they risk not substantially improving the overall effectiveness of the system if that is also not addressed.

Based on the indicators only, the MTR assessment is that the project is on track in regard to all of the three MT indicator targets. However, this conclusion is considered possibly compromised by the weakness of the indicators (see previous section) and their updating.

Table x: Comparison of so System Outcomes in CAS at Start (CEO) and MT

<i>Outcome</i>	<i>CEO score</i>	<i>MT score</i>	<i>Comment</i>
There is a fully transparent oversight authority for the protected areas institutions	1	2	Not clear why this change? What was the justification? was it a product of the project ?
Protected area institutions are effectively led	1	2	I would think given the ongoing changes that occurred in APA leadership this score would have remained the same ?

1. Indicator 7 (based on CAS) should have provided the most relevant measure – however, there is some question as to whether the systemic outcome scores really reflects very well real change at systemic level (see table above).
2. Combining all of the above considerations, the overall conclusion on the rating for Outcome 2 is “Moderately Satisfactory”, but the MTR would suggest that without more effort towards a system level impact the project will not in practice address many of the more fundamental issues facing the PA system longer term effectiveness and sustainability.

Component 3: Knowledge Management and monitoring and evaluation

The Outcome 3 under this component is described as “Knowledge management, monitoring and evaluation contributes to increased awareness of biodiversity” and is to be achieved through 2 outputs. This outcome is intended to address Barrier 3: Lack of awareness and action amongst key sector institutions, communities, media and the public, including tourists, of risks from biodiversity and ecosystem losses. This outcome is largely financed via co-financing (CNF) with small (USD 25,000) GEF grant funds allocation.

This Outcome is a curious mixture of an output on biodiversity awareness raising (output 3.1) and an output related mostly to monitoring (CNF financial and technical monitoring, and project monitoring activities such as the TE, etc).

Output 3.1: Knowledge management, and monitoring and evaluation contributes to increased awareness of biodiversity values (CNF financed). A summary of activities and results for this Output by MT is provided below

The wording of output 3.1 suggests a community only focus but text in prodoc is much broader i.e. “better community, stakeholder and societal awareness on the values of globally, nationally and locally important biodiversity and natural ecosystems in the country’s PAs, the beneficial services natural ecosystems and biodiversity in PAs provide to people, and the threats human activities may cause to these values”. The activities related to this output basically include developing awareness raising plans, and then implementing them at national level and at least 3 PA local/site levels.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
3.1.1 Elaborate community engagement and awareness raising plans for at least 3 Target PAs	Preparatory study for the selection of priority awareness raising initiatives among stakeholder groups at national (activity 3.1.2) and PA/community (activity 3.1.3) levels.	<p><i>The awareness raising action plan (ARAP) -CNF with its own financial contribution</i></p> <p>ARAP - Some innovative suggestions on mechanisms / approaches but not entirely convincing.</p> <p>Neither PM or UNDP PC convinced ARAP as it stands of much practical follow up value</p> <p>A need to clarify project awareness priorities and intended impact and relaunch targeted efforts in this regard</p> <p>Linkage to diversifying sustainable financial opportunities should be a priority.</p>
3.1.2 Implement awareness raising plans to promote target PAs and biodiversity values at national level	Based on 3.1.1: implementation of priority awareness raising activities to contribute to the improved PA management effectiveness and acceptance on values and importance of PAs nationwide. Budget changes: n/a; BAC: n/a	<p>With financial support from the CNF and in cooperation with NACRES and Tbilisi ZOO the NGO Science and Environmental Education Development (SEED) has prepared a Series of Social media videos on PA’s, biodiversity monitoring etc. (https://www.facebook.com/seedgeorgia), Total reach of people by the videos was estimated 369,572</p> <p>Co-Financing of the UNESCO event with the VIP guests</p> <p>All good but ad-hoc and not part of any strategic awareness campaign or programme aimed and measurable impact that furthers financing or man. Effectiveness.</p>
3.1.3 Implement awareness raising plans to promote target PAs and biodiversity values at PA site/community level	Based on 3.1.1: implementation of priority awareness raising activities to contribute to the improved PA management effectiveness and acceptance on values and importance of PAs among communities in the vicinity of PAs.	<p>Not clearly planned at present</p> <p>Intention is to Involve FAs in implementation and thus part of objective is to strengthen their role</p>

The existing ARAP is rather unfocused and unclear in terms of its intended / expected impacts and contains some interesting but rather unconvincing approaches. The Project would appear to share the feeling that the ARAP is not currently a very practical basis for instigating practical actions.

Awareness raising at community level is also covered under previous outcomes and outputs. The MTR also previously identified a critical need to focus awareness building activities to support an understanding at senior decision-making levels on the broader values of biodiversity and ecosystem services (and PA role in conserving).

Thus, the MTR suggestion is that future efforts should focus mainly on the latter. This needs to be integrated with activities related to better evaluating the broader values (ESV, etc) of PAs. It needs to include adjustment to the main messages being broadcast by all active parties (CNF, APA, etc.), together with very targeted awareness building initiatives focussed to key players in key institutions and sectors relevant (parliament, cabinet of ministers, ministries for national development planning, economy, finance, foreign affairs, etc.), as well as political parties and the private sector (Chamber of Commerce's in Georgia, particularly those with international connections and dealing in relevant sectors such as hydropower, etc). Apart from values in the national Georgian context the global relevance of Georgia's rich biodiversity and relatively high forest coverage needs to be highlighted and contextualized in the context of global treaties and efforts to address the multiple biodiversity, land degradation and climate change crisis that are growing international priority issues.

Output 3.2: Implementation of independent technical and financial monitoring program of 3-4 target PAs per year 128,191. A summary of activities and results for this Output by MT is provided below.

<i>Activity</i>	<i>Explanatory text</i>	<i>Progress at MT</i>
3.2.1 Support CNF's established successful technical and financial monitoring program of 3-4 target PAs per year	In line with focus of outcome 3 - Knowledge management, M&E - this activity and corresponding budget was re-allocated from output 2.1 ("Technical and Financial Audits completed for each target PA at least every 3rd year") and TBWP outcome 1 ("Costs for partnership contracts with local NGOs under Component 1 aiming at technical monitoring tasks"). In line with CNF's established practice, separate CS contracts are considered, for Technical Audit and Financial Audit, respectively.	Finalized Financial audits BKNP, JPA, LPA and technical audit of BKNP, JPA, LPA (2019) LPA, VPA, MtNP, MaNP (2020) In 2021 – Algeti, Kintrishi, Kazbegi, Pshav-khevsureti, Vashlovani PAs (technical and financial audits)
3.2.2 Conduct a Mid-Term Review	Additional activity as proposed by UNDP	In process
3.2.3 Conduct a Terminal Evaluation	As per project Document	

This output seems to be partially aimed to support CNFs ongoing technical and financial monitoring programme that supports disbursement of funding activities to PA's. As this was an ongoing part of CNF activities, and is funded by CNF, it was not clear why this was included in the project document as an activity. However, that aside, the MTR did ascertain during the mission that such financial and technical audits were occurring and generating data and information on both use of CNF funds and the on ground situations at PAs. In some cases, this does seem to have revealed some concerning situations in regard to equipment provided but not use, etc. and more worryingly even evidence of inappropriate / illegal activities within PAs for which sanction appeared to have been received from HQ. Certainly, the MTR believes that such audits are a critical requirement for both guiding CNF support but also for increased transparency of the system (especially given the minimum oversight mechanisms for APA

currently in place). Any future system assessment will very likely identify such oversight mechanisms and mechanisms of “checks and balances”, need strengthening in future.

The remaining 2 activities under this outcome relate to independent review and evaluation as per the M&E plan. In fact the MTR was not an original requirement – this was organized very efficiently and timely.

Conclusion and Rating of Progress Outcome 3: Based on the indicators in the SRF the progress at MT can be concluded as on track. However, activities related to “*better community_stakeholder and societal awareness on the values of globally, nationally and locally important biodiversity and natural ecosystems in the country’s PAs*”, seem to be stalled at this point. Other activities are being executed effectively and on time. The overall rating for this outcome is therefore Moderately Satisfactory.

Annex 13: Gender Activity Plan (with MTR comments on status)

	Gender Mainstreaming Objective	Gender Mainstreaming Activity	Comment at MT
1	To strengthen women's capacities in policy/decision making, management, planning and implementation of PA system policies, planning and financing at the central level.	Actively engage women in building capacity for central level PA system managers and officials, within APA, the Ministry of Environmental Protection and Agriculture, and other sector agencies as relevant.	Women involvement is evident within APA and at PA level. However, the project is not documenting at present how this is being <u>actively</u> pursued <i>per se</i> .
2	To enhance capacity, skills and competence of women target PA staff in technical aspects related PA management planning and implementation, including monitoring, enforcement and community outreach.	Capacity building, training and mentoring programs are conducted for skills development activities for women staff of target PAs, in support of strengthening target PA management effectiveness.	Women staff are currently not being targeted specifically for training as far as MTR was aware (i.e. there is a non-discriminatory selection of staff for training based on position rather than gender <i>per se</i>).
3	To promote communities' women's participation in target PA management planning and implementation towards effective conservation of biodiversity and the sustainable use of natural resources.	Support capacity building, engagement and advocacy of women - individuals and from relevant organizations - in communities in/near target PAs on management planning processes and practices, for effective conservation and sustainable use of natural resources based on equity and engagement.	Gender issues and specific focus on facilitating women empowerment is being highlighted in relevant TORs (consultants and contractors)
4	To promote women's engagement in tourism-related livelihood activities in target PAs.	Capacity building and training programs and other skills development activities for relevant target groups of rural women from communities in/near target PAs on opportunities to generate additional income from tourism-related services, e.g. guest houses, organic farming, certification, etc.	Ditto above
5	To enhance women's knowledge and understanding on values, threats and importance of target PAs, biodiversity and beneficial ecosystem services provided, through innovative communication strategy and awareness raising activities provided.	Develop gender-focused awareness raising products – i.e. social media, exhibitions, public events, as appropriate - focusing on women's role, responsibilities and opportunities in strengthening attention to, and management effectiveness of target PAs as part of Georgia's focus on sustainable development.	No specific actions as far as MTR is aware.