Project Terminal Evaluation

UNDP-supported, GEF -funded Project

'Improving the Financial Sustainability of the Carpathian System of Protected Areas'

Romania

GEF Project ID: 3849 UNDP PIMS ID: 3458

Designated Institution: Ministry of Environment and Climate Change
Implementing Partner: National Forest Administration 'Romsilva'

Focal Area: Biodiversity (GEF 4)
Operational Programme: Financial sustainability

August 2014

Evaluator
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Acronyms and abbreviations used in the text

APR	Annual project report
AWP	Annual work plan
BAU	Business as usual
BD	Biodiversity
CDR	Combined delivery report
CO	UNDP Country Office
CNPAs	Carpathian Network of Protected Areas
CPAP	Country Programme Action Plan
EA	Executing agency
EBRD	European Bank for Reconstruction & Development
EC	Environmental compensation
EC	European Commission
ECLAC	Economic Commission for Latin America and the Caribbean
EIA	Environmental impact assessment
EU	European Union
GEF	Global Environment Facility
ha.	Hectare(s)
IA	Implementing agency
IP	Implementation partner
IUCN	International Union for the Conservation of Nature
M&E	Monitoring and evaluation
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MSP	Medium size project
NFA	National Forest Administration
NBSAP	National Biodiversity Strategy and Action Plan
NDP	National Development Plan
NEX	National execution
NGO	Non-governmental organization
NIM	National implementation.
NSC	National steering committee
NSRF	National Strategic Reference Framework
PA	Protected area
PES	Payment for ecosystem services
PIR	Project implementation review
PM	Project manager
PMO	UNDP Project Management Office
PMU	Project management unit
Prodoc	Project document
PSC	Project steering committee
SEM	Sustainable ecosystem management
SSA	Sector scenario analysis
SWOT	Strengths, weaknesses, opportunities and threats
tbd	To be determined
ToR	Terms of reference
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UoB	University of Bucharest
VAT	Value added tax
WB	World Bank
WWF	Worldwide Fund for Nature

Executive summary

Project summary and description

2. This UNDP-supported, GEF-funded medium sized project was implemented between November 2009 and June 2014, with the objective of securing the financial sustainability of protected areas in the Romanian Carpathians as a model for replication in the entire Carpathian Network of Protected Areas. The Carpathians are one of the most important regions in Europe for biodiversity, characterised by extensive areas of high nature conservation value forest and associated ecosystems, high botanical diversity, a near complete assemblage of characteristic European fauna and unique human cultures and cultural landscapes. The underlying logic of the project was that, with adequate financial resources, the Romanian Carpathian protected areas and the wider region would be on the path to greater financial sustainability and therefore would be able to secure long-term conservation of the region. Table 1 summarises basic data pertaining to the project.

Table 1 Project summary table

Project Title	**Improving the Financial Sustainability of the Carpathian System of Protected Areas in Romania**			
GEF Project ID	3849	**Financing**	*at endorsement (Million US$)*	*predicted at completion (Million US$)*
UNDP Project ID	Atlas: 72323 PIMS: 3458	**GEF financing:**	0.95	0.95
Country	Romania	**IA/EA own:**	0.02	0.02
Region	Europe& CIS	**Government:**	4.65 (including 1.86 in kind)	4.75 (all in kind)
Focal Area	Biodiversity	**Other (WWF):**	0.05 in kind	0.10 in kind
FA Objectives (OP/SP)	Biodiversity, Financial Sustainability	**Total co-financing:**	4.72	4.88
Executing Agency	Ministry of Environment and Climate Change (National Forest Administration)	**Total Project Cost:**	5.67	5.86
Other Partners involved	UNDP, WWF	**ProDoc Signature (date project began):**		27 November 2009
		(Operational) Closing Date:	Proposed: 31 Dec 2013	Actual: 30 June 2014

The project's stated overall objective was 'To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)'. Overall, it was expected that the US$1 million invested in this project could potentially generate additional revenue of $US5 million per year, with a net benefit of US$35 million over the next 10 years (using a 6% discount rate). To achieve this, the project included two components.

Component 1: Strengthening the supportive legislative framework and sustainable protected areas financing strategy. This focused mainly on improving the enabling environment in order to allow both long term central funding of protected areas, and generation of new sources of income to support long term funding at the central and local levels (mainly through payments of ecosystem services in various forms).

Component 2: Strengthening the institutional and individual capacities of management authorities and other local actors. This component focused on building institutional and individual capacities to understand and implement the measures developed under Component 1, both within the Romanian system of protected areas and more widely in other Carpathian countries.

3. The Designated Institution (DI) for project implementation was the Ministry of Environment and Climate Change (MoECC). The Implementation Partner (IP) was the National Forest Administration 'Romsilva', which administers 18 protected areas in the Carpathians under contracts with the MoECC.

4. The evaluation was conducted in accordance with the requirements of UNDP and GEF for terminal evaluations. An evaluation took place between 8 and 15 June 2014. Preliminary conclusions were presented to members of the Project implementation Unit in 13 June. The first draft was submitted on 3 August 2014. After taking into account comments and feedback the final version was submitted on 25 August 2014.

Evaluation results

5. Overall, the Project is rated as having moderate shortcomings. The rating therefore is **Moderately Satisfactory (MS)** (see Table 2). These findings are summarised in the next section and elaborated in detail in Section 3.

Table 2 Project Rating Summary.

Criteria Evaluated	Rating
OVERALL RATING*	**MS: Moderately Satisfactory (Moderate shortcomings)**
Monitoring and evaluation*	
Overall quality of M & E	**S**
M & E at project start up	MS
M & E Plan implementation	S
Implementation and execution*	
Overall quality of project implementation/execution	
MoECC	MU
FA	S
UNDP	S
Outcomes*	
Attainment of Overall Objective	MS
Quality of Outcome 1	MS
Quality of Outcome 2	S
Relevance**	R
Effectiveness *	MS
Efficiency*	S
Sustainability***	
Overall likelihood of risks to sustainability	ML
Financial risks	ML
Socio economic risks	ML
Institutional framework and governance risks	MU
Environmental risks	ML
Impact	Unable to assess

Rating scales used

***** Highly Satisfactory (HS): no shortcomings; Satisfactory (S): minor shortcomings; Moderately Satisfactory (MS): moderate shortcomings; Moderately unsatisfactory (MU): significant shortcomings; Unsatisfactory (U): major shortcomings; Highly Unsatisfactory (HU) Severe shortcomings.

** Relevant (R); Not relevant (NR).

*** Likely (L): negligible risks to sustainability. Moderately Likely (ML): moderate risks to sustainability. Moderately Unlikely (MU): significant risks to sustainability. Unlikely (U): severe risks to sustainability.

Summary of conclusions, recommendations and lessons

6. The overall objective of this project was '*To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)*'. Based on a strict assessment of the outcomes, outputs and specifically the targets set for the project, it has fallen well short of what was expected. However, the overall evaluation of this project is that it has in many respects been successful, with moderate shortcomings and is therefore assessed to be **Moderately Satisfactory (MS).** The achievements and shortcomings of the project and the mitigating factors considered are elaborated below.

7. This has been an important project, breaking new ground and using innovative approaches to address directly the perennial issue of 'paying for parks', which previously has only been subcomponent of protected

area projects in the Europe and CIS region. Consequently and inevitably, the project relied on approaches that were to some extent experimental. However, the expectations of the project in terms of outcomes and targets were high, partly because it was designed during a period of relative political stability and economic optimism in Romania. Given its experimental nature, the project would have benefited from a more cautious approach, from much more careful attention to target setting and to identifying less coarse, more specific indicators and measurables that would have enabled positive achievements to be more readily identified where implementation ran into problems. It would have also benefitted from inclusion of alternative approaches that were not so reliant on major central changes in law and policy (which can never be assumed).

8. Achievement of project objectives was significantly hampered by the impact of the global financial crisis on Romania, which prevented increases in direct funding for protected areas, and also by political shifts, institutional reorganisations, and regular changes in the senior level personnel responsible for implementation. These factors made implementation and development of high-level support and momentum for the project particularly challenging. The greatest impact was on the Ministry of Environment and Climate Change (MoECC), which was officially the Designated Institution (DI) responsible for project implementation, and which was also a critical 'gatekeeper' for approval of many of the new funding mechanisms proposed by the project. While the financial crisis made increased long term direct funding from the central budget of the MoECC unfeasible, many of the project's proposals focused on new sources of funding (mainly mechanisms for payments for ecosystem services). Even given the difficulties, more could have been expected of the MoECC as an Executing Agency in supporting these measures.

9. Day to day implementation of the project was led by a team within the National Forestry Administration (the designated Implementation Partner), which was generally effective and efficient in its work; most of the activities conducted under Outcome 2 were focused on five pilot protected areas administered by the NFA, ensuring particularly efficient implementation of the site-based elements of the project.

10. The team at the UNDP Country Office (and subsequent Project Management Office) provided excellent support in in overseeing, supporting and where necessary, guiding project implementation, and in working to secure and maintain high-level support for the project. UNDP personnel promoted an inclusive and collegiate culture among all those involved in implementation, keeping them informed, enabling their participation in meetings and encouraging communication and interaction between them.

11. The project team has had to adapt to many difficulties beyond its control, notably the impacts of the global financial crisis, government changes and regular reassignments of senior officials. Some of these problems might have been better overcome had the MoECC been more closely bound into the administration and supervision of the project, as the engagement and 'ownership' of the Ministry declined in the second half of the project.

12. In working to overcome the difficulties it was encountering, the project might usefully have taken more into consideration the advice coming from several quarters to diversify its rather centralised approach, to work more with local authorities and to include initiatives for local sustainable development linked to protected areas (alongside the existing measures for increasing the direct income of PAs). This could have reduced reliance on central systems and decision makers, promoted durable locally owned solutions and helped to build local support for protected areas.

13. The mid-term evaluation (MTE) provided a significant opportunity to take stock of the challenges faced by the project and to retune the project in order to focus on what was achievable, to develop new strategies for achieving the project outcomes and to modify indicators and targets in line with what was achievable. However, the recommendations of the MTE largely concerned redoubling existing efforts to implement the project in its current form.

14. Under Outcome 1, the anticipated modification of the legal framework to enable committed central funding for protected areas has not succeeded, and therefore no new flow of long-term funds has been established, despite elaboration of well-justified studies and proposals for a range of options for sustainable financing. While increased direct funding from the State budget was unfeasible after the financial crisis started, more progress could have been expected with the measures for generating new funding through PES and for using the National Environment Fund as a conduit for the new funding, since these had the potential to ease rather than increase the financial pressures on the Ministry. These major shortcomings have been partially

offset by two factors. First, there is better potential for mobilisation of new funds through proposed amendments to the Forest Code that would allow payments for ecosystem services (PES) based on watershed protection services, providing new funds to help compensate owners of private forests in protected areas. The amended Forest Code is awaiting approval. Second, the project has been successful in securing legal changes that have enabled provision of significant support from the MoECC (through co-financing and VAT subsidies) totalling over $4.5 million for the implementation of 27 EU funded SOP projects from 2010-2014, and that have ensured future similar support up to 2020. This does not equate to the committed long-term central budget support envisaged by the project, but it has provided an important short to medium term partial solution (at least up to 2020) to the PA funding problem, and has partially contributed to reducing the funding gap.

15. Several important accomplishments were made under Outcome 2. Individual capacities have been developed through a training programme on sustainable financial management of protected areas, supported by an online e-Platform for self-directed learning. An outstanding new online Financial Management System (FMS) has enabled protected area directors to develop accurate budgets linked to conservation outcomes, and to record and monitor income, expenditure and performance in relation to their management plans. The FMS has considerable potential for wider adaptation and adoption in PA systems in Europe and beyond. Business plans have been developed for the five pilot protected areas and implementation of these is underway. Some protected area teams are now establishing local funding partnerships and (in some cases) introducing entrance fees, but these achievements are limited by insufficient resources allocated to PA teams to implement the business plans as well as fulfilling their existing duties. A more formal and transparent procedure is required for use of money raised by protected areas, for the benefit of PA administrations, funding partners and the wider public. Establishment of a new national protected areas association (also acting as the Secretariat of the Carpathian Network of Protected Areas) has increased the likelihood of continuation of some of the project's initiatives. Despite its successes, however long-term institutionalisation and sustainability of many of the outputs from Outcome 2 is highly dependent on successful results from Outcome 1, which, as already documented, have been more limited.

16. The overall evaluation takes into consideration the contrasting evaluations of Outcomes 1 and 2, and critically their contribution to the overall objective of the project and the likelihood of sustainability. Major shortcomings in achieving some of the targets are in part offset by important achievements, and while the challenges encountered in the enabling environment of the project are also taken into consideration, they cannot be used to offset some of the shortcomings. The evaluation is not a reflection of the considerable efforts and dedication of those involved in implementing the project. Nor should the evaluation result diminish the important progress made in changing how protected area budgeting and financing is conducted in Romania, in taking first steps towards solving the problem of financial sustainability and providing an essential foundation and for highly necessary future projects of the same type. In any process of discovery and innovation, it is inevitable that early hypotheses will be flawed, that unexpected problems will be encountered and that some initial experiments will be unsuccessful; but eventual success would not happen without these early stages.

17. As a result of the evaluation, nine recommendations are made and seven lessons learned identified. These are listed in Table 3.

Table 3 Recommendations and lessons learned arising from the evaluation.

Recommendations for immediate/short term follow up actions
Recommendation 1: The UNDP Project Management Office should continue to work with the NFA and the MoECC to promote and secure approval for the proposed legal and administrative measures to enable direct funding of protected areas. Specifically efforts should be focused on: a) Enabling the National Environment Fund to act as a conduit for funding generated through payments for ecosystem services (PES) and other mechanisms.   b) Ensuring that the new Forest Code is approved with inclusion of the mechanisms incorporated in the draft for PES.
Recommendation 2: All the project partners should continue to work to ensure that the current and future SOP projects and other donor-funded activities build on the achievements of the project. In particular, the

MoECC and the NFA should ensure that the PES elements of future projects make use of and support further development of the initiatives established by this project.

Recommendation 3: The online Financial Management System should be further developed and institutionalised. The NFA should continue to require and extend its use. The MoECC should ensure implementation of the Ministerial Order 1,470 of the 12 June 2013 to require its use for budgeting and reporting in all protected areas including Natura 2000 sites. In order to facilitate this, it is vital that the new online management planning format of the MoECC is designed to be fully integrated with the FMS.

Recommendation 4: The NFA should establish and share a transparent policy and associated mechanisms for use of funds generated by protected areas. This should ensure that protected area personnel, funding partners and the wider public all understand how income is reinvested in protected areas. It is suggested that a suitable procedure is put in place by the NFA in consultation with the MoECC and making use of legal advice.

Recommendation 5: The NFA should increase the staffing capacity in its protected areas unit in order to support the protected areas in continuing the work of the project, specifically with respect to partnership building and fundraising, including development of local community based partnerships. This support does not have to be entitled a ‘Business Development Unit’ but it is necessary in some form.

Recommendation 6: The MoECC, NFA and donors should encourage and support the further development of the Protected Areas Association and should work with the Association to harmonise priorities and practices. Future projects and initiatives should be encouraged to channel some support to the Association in order to build its capacity and enable its continued growth and impact. This support could take the form of subcontracting some elements of projects and/or supporting direct applications by the Association for grants and projects. In particular, support should be sought for the translation and further promotion of the e-Learning platform developed by the project and hosted by the Association. In parallel, the Association should ensure the highest standards of professionalism, transparency and accountability in its work.

Medium to long term recommendations for future directions underlining main objectives

Recommendation 7: The uncertainties about the status, governance and management arrangements for protected areas need to be resolved as soon as possible. In the short to medium term, the NFA should be encouraged to continue its management of the Carpathian protected areas, with the incentive of guaranteed state support for core management costs (making use of one of the mechanisms proposed by the project). A detailed feasibility study should be made for a more permanent long-term solution that could include establishment of some protected areas as self-funding legal authorities and/or the establishment of agency for protected areas (an option that is again being considered by the MoECC).

Recommendation 8: The MoECC and/or the NFA should as a priority seek support for a new, complementary project designed to develop and test a more bottom-up approach to protected area support, aimed at building synergies for local development between protected areas and their surrounding communities. This should focus on one or two protected areas where there is real potential for locally driven development and PA support, possibly linking a protected area managed by the NFA and one managed by a Local Authority.

Recommendation 9: Support should be sought for further developing the Financial Management System and making it accessible to protected areas not just in the Carpathian region, but also globally. Although the system has been customised to some extent for use by the NFA, it is also sufficiently generic that it could (with minor modifications) be made available as an open source resource, promoted through UNDP’s network. The system has considerable potential for integration with modern management planning methodologies to produce a practical and usable ‘seamless’ system for thinking management, conservation goals, budgeting monitoring and financing.

'Lessons learned' from addressing issues relating to relevance, performance and success

Lesson 1: It is eventually unproductive to saddle projects with unrealistic targets, especially projects that are breaking new ground and are to some extent experimental in nature. Some of the targets established for this project were unfeasible from the start (e.g. > 1 million ha covered with ensured financial sustainability). Projects that are following a well-established track can (and should) include ambitious targets based on outcomes and impacts in the field. However, for projects such as this one, which are testing new approaches, many of the outcomes comprise as yet unproven hypotheses, and more attention should be given in the project design and targets to detailed monitoring and adaptive management. This should be recognised both by UNDP when developing new projects, and by GEF when evaluating them for approval.

Lesson 2: It is important to ensure that critical 'gatekeepers' for the success of a project are formally embedded in the project, thereby enhancing their ownership and commitment to its success. In this case, the MoECC was the critical gatekeeper for most of the projects major objectives, but their involvement as a major project partner became more limited, mainly as a result of the regular political changes in Romania and the regular turnover of senior decision makers in the Ministry.

Lesson 3: Projects should take care to ensure that indicators are defined so as to be readily measurable and clearly linked to outcomes and outputs. At the inception stage, projects should identify a set of more specific standard measurables that would help them to track progress of indicators. This makes reporting, monitoring and evaluation much more easy and useful.

Lesson 4: Projects should not rely on single track approaches and long chains of dependent essential activities to achieve broad objectives, especially where there are significant risks. Parallel programmes can increase the chance of success and provide alternatives when planned courses of action prove unfeasible. In the case of this project, all the most important outcomes hinged on the approval of major changes in national law and policy (this risk was recognised in the ProDoc). In such cases, it is important to have a 'Plan B' and even a 'Plan C' that can be implemented when Plan A is blocked. In this project, imaginative improvisation and adaptive management did enable some alternative routes to be found, but it would have been easier if those routes had been included in the plan.

Lesson 5: The Mid Term Evaluation provides a unique opportunity that should not be missed to review and where necessary to realign a project that is going off course or that is encountering significant difficulties. In the case of this project the MTE could have done a lot more to adapt the project to the difficulties it was encountering and to build on the successes it was achieving.

Lesson 6: This project has demonstrated that it is possible to achieve significant successes by making best use of both the existing skills and the potential of individuals within the national circle of stakeholders. In particular, identifying and investing in younger national specialists who show talent and potential, supported by international experts where necessary, can produce excellent outputs and provide lasting legacies for projects in terms of enhanced national capacity. Such individuals are often overlooked when recruiting national experts (due to lesser qualifications and less seniority), but 'bringing on' new national specialists is essential for maintaining long term national capacities and for avoiding 'brain drains' to other sectors or other countries.

Lesson 7: This project has demonstrated that a supportive, partnership-focused and inclusive approach from a UNDP Country Office can make a major contribution to the successes of a project, especially where significant difficulties are encountered. Taking the extra step beyond being a grant administrator can make a real difference.

1 Introduction

1.1 Purpose of the evaluation

18. According to the Operational Guidelines for GEF Agencies in Conducting Terminal Evaluations, GEF agencies are required to prepare terminal evaluations of all full size and medium size projects. The UNDP Evaluation Policy states that '*Project evaluations assess the efficiency and effectiveness of a project in achieving its intended results. They also assess the relevance and sustainability of outputs as contributions to medium-term and longer-term outcomes….project evaluation can be invaluable for managing for results, and serves to reinforce the accountability of project managers, COs, PTAs, etc. Additionally, project evaluation provides a basis for the evaluation of outcomes and programmes, as well as for strategic and programmatic evaluations and Assessment of Development Results (ADRs), and for distilling lessons from experience for learning and sharing knowledge.'* Furthermore the policy states that '*For UNDP supported GEF financed projects, the main focus of attention is at the outcome level, recognizing that global environmental benefit impacts are often difficult to discern and gauging outputs is straightforward but not sufficient to capture project effectiveness. Most UNDP supported GEF financed projects are expected to achieve anticipated outcomes by project closing. For GEF 4 (and subsequent cycle) projects, it is required, and for GEF 3 projects it is encouraged, that the evaluators assess the project results using indicators and relevant tracking tools.*'

1.2 Scope and methodology

19. This evaluation was conducted in accordance with the Terms of Reference provided by UNDP (see Annexe 1), and with the official guidance provided by GEF and UNDP, in particular UNDP's 'Guidance for conducting terminal evaluations of UNDP-supported, GEF-financed projects'. Further guidance was obtained through discussions with the UNDP Project Office (PO) and Project Management Unit (PMU) in Bucharest.

20. Before the evaluation mission, the UNDP PO supplied an extensive set of documents from the project. These were read and consulted before, during and after the evaluation mission (see Annexe 4). Further documentation subsequently requested was provided promptly. The UNDP PO proposed an itinerary and schedule of meetings for the mission, to which some modifications were negotiated, and there were also chances during the mission for unplanned discussions with a range of individuals. The final itinerary and list of persons consulted are included in Annexes 2 and 3. Under the ToR for the mission, the consultant was required to complete an inception report outlining the approach and methodology to be used, and to prepare an 'Evaluation Questions Matrix' (see Annexe 5).

21. A range of approaches were used in the evaluation; in general, meetings and discussions were conducted using an open and discussion-based approach rather an inquisitory style. Meetings took place according to the schedule with individuals and small groups; more confidential one-to-one discussions were used to discuss sensitive topics. The general approach taken was first to ask the respondent(s) to describe their work in relation to the project and what they considered to be its strengths and weaknesses. Discussions were then made more specific through a series of follow up questions and discussions based on: (a) the specific outcomes, activities and indicators in the Project Document; (b) documentation and reports read in advance of the meeting; (c) issues raised as a result of earlier meetings; and (d) personal experience of the evaluator. During interviews particular attention was paid to the approaches and processes used to implement the project and to outputs, impacts, legacy and sustainability of the project.

22. In order to reach a wider range of respondents and to provide some quantifiable results, two questionnaires prepared by the evaluator were distributed to key stakeholders. The first was a multiple-choice questionnaire focusing on the impact to the project; the second included a set of open questions encouraging personal reflections about the conduct and achievements of the project. The questionnaires and results are included in Annexe 6. All main international consultants to the project were contacted by email and invited to complete the questionnaire and send any comments; five provided feedback. A lengthy Skype discussion was held with the International Technical Adviser.

23. In line with guidance from UNDP, comments and observations are not directly attributed to individuals, but remain anonymous unless individuals explicitly provided permission to be quoted directly.

24. According to the GEF TE guidelines, a preliminary draft was submitted to UNDP CO on 3 July 2014. for an initial review in advance of broader consultation. Feedback collected by UNDP and the Project Management Unit was provided on 15 July 2104, after which an amended draft was circulated to all main project stakeholders for feedback. The final document submitted on 22 August 2014.

1.3 Structure of the evaluation report

25. The structure of the report generally follows that set out in the ToR, with some minor additions and reordering. The rating categories include those required by the UNDP guidance, extended to comply also with those used defined in the GEF Guidelines for Monitoring and Evaluation. The rating categories and criteria used are shown in Annexe 7.

2 Project description and development context

2.1 Project start and duration

26. Important dates and milestones in the development and implementation of the project are shown in Table 4. A no-cost extension was approved for the project on 30 May 2013, moving the closing date from 31 December 2013 to 30 June 2014. The extension was granted to provide time for the renegotiation of the protected area management contracts between the MoECC and the NFA (discussed in more detail in Section 3.3), with a view to discussing the proposed additional funding opportunities submitted by the project and to enabling potential inclusion of all or some of these provisions into the new contractual framework.

Table 4 Dates and milestones for the project.

Data/Milestone/Event	
GEF Project ID	3849
UNDP PIMS ID	3458
Project Document Signature	27 November 2009
Inception Report Published	May 2010
Mid Term Evaluation Report Published	August 2012
Final Evaluation	July 2014
Original planned closing date	31 December 2013
Approval of 6 month no-cost extension by UNDP Regional Office	30 May 2013
Actual closing date	30 June 2014

2.2 Context

27. The Carpathian Mountains cover an area of 209,256 km^2 in 7 countries, the Czech Republic, Poland, Slovakia, Ukraine, Hungary, Romania and Serbia,. The range includes Europe’s largest remaining natural mountain beech and beech/coniferous forest ecosystems and the largest overall area of pristine forest outside Russia. The Carpathians are also typified by extensive semi-natural habitats such as mountain pastures and hay meadows, the result of centuries of traditional low intensity land management. The extensive landscapes of interlinked natural and semi natural habitats support a corresponding diversity of species, as documented by the Carpathian Biodiversity Information System (http://www. carpates. org/cbis. html). The mountains support over half of the continent's populations of bears, wolves and lynx; European bison are being successfully reintroduced, and one-third of all European vascular plant species can be found in this region, 481 of which are unique to the Carpathians. The mountains form a ‘bridge’ between Europe’s northern forests and those in the south and west, acting as a vital corridor for the dispersal of plants and animals throughout Europe.

28. The Carpathians are also a rich cultural landscape, and are one of the last regions of Europe where links between culture and nature remain strong and widespread. The mountains are a home for diverse nationalities and ethnic groups which have developed and preserved rich and distinctive cultures, but which also share a common mountain heritage and traditions shared over centuries through trade, migration and transhumance. Many inhabitants of Carpathian countries feel a deep personal and cultural association with the mountains.

29. Water falling on the Carpathians feeds the rivers Danube and Vistula, through to the Black and Baltic Seas. More than 80% of Romania’s water supply (excluding the Danube), 40% of Ukraine’s supply and one third of the outflow of the Vistula originate directly from the range.

30. In order to secure its natural and cultural Carpathian heritage, Romania has established a network of 22 national protected areas in the range, covering over one million hectares; most are administered by the National Forest Administration (NFA) under contract to the Ministry of Environment and Climate Change (See Table 5). In addition, Romania has recently designated an extensive network of Natura 2000 sites in the Carpathians, in order to fulfil requirements of the European Birds and Habitats Directives.

Table 5 National Protected Areas in the Romanian Carpathians

Protected Areas		Administering Organisation	Total area (ha.)
National Parks			
1	Călimani	National Forest Administration	24,041.0
2	Cheile Bicazului – Hăşmaş	National Forest Administration	6,575.0
3	Cheile Nerei – Beuşniţa	National Forest Administration	36,758.0
4	Cozia	National Forest Administration	17,100.0
5	Domogled - Valea Cernei	National Forest Administration	61,211.0
6	Piatra Craiului	National Forest Administration	14,773.0
7	Retezat	National Forest Administration	38,138.0
8	Muntii Rodnei	National Forest Administration	46,399.0
9	Semenic - Cheile Caraşului	National Forest Administration	36,160.7
10	Buila – Vânturariţa	National Forest Administration	4,186.0
11	Ceahlău	County Council	8,396.0
12	Defileul Jiului	National Forest Administration	11,127.0
Nature Parks (IUCN Category V)			
13	Apuseni	National Forest Administration	75,784.0
14	Bucegi	National Forest Administration	32,663.0
15	Grădiştea Muncelului - Cioclovina	National Forest Administration	38,184.0
16	Porţile De Fier	National Forest Administration	115,655.0
17	Vânători Neamţ	National Forest Administration	30,818.0
18	Munţii Maramureşului	National Forest Administration	148,850.0
19	Putna – Vrancea	National Forest Administration	38,204.0
20	Geoparcul Dinozaurilor Ţara H.	University of Bucharest	102,392.0
21	Geoparcul Platoul Mehedinţi	Country Council	106,000.0
22	Defileul Mureşului Superior	No administration.	9,156.0
TOTAL			**1,002,570.7**
National Parks			**304,864.7**
Nature Parks			**697,706.0**

31. The original concept for this project goes back to 2006, when the Romanian Minister for the Environment participated in a Carpathian Convention Conference and pledged co-financing for GEF to support management of protected areas in the Carpathian Region. The eventual project, approved at the end of 2009, was designed to secure the financial sustainability of Romania's Carpathian Network of Protected Areas (CNPA) as a model for replication to the entire Carpathian Network of Protected Areas.

2.3 Problems that the project sought to address

32. The main direct threats to the globally significant biodiversity of the Romanian Carpathian mountains, and their underlying causes are summarised in Table 6.

Table 6 Overall threats to Carpathians biodiversity and their underlying causes

Main Direct Threats	Main underlying causes
Clearance of restituted forests for short term gain (around 50% of Romania's forests have been restituted). *It is estimated that about 30,000 ha of restituted forests have been clear cut, while around 100,000 ha are affected by partial illegal cuts.*	• Difficult economic conditions in rural areas. • Lack of compensation for use restrictions in private forests. • Unwillingness of owners to accept long harvest rotations, leading to clear cutting for immediate gain. • Pressure for investment opportunities in rural areas.
Illegal logging harvesting in State Forest Land.	

Habitat fragmentation, degradation and conversion. *Mainly through construction of roads, houses, tourism facilities, hydropower installations and other infrastructure.*	• Inadequate consideration of environmental priorities and values in planning decisions. • Lack of regulation and enforcement of existing laws. • Inadequate monitoring. • Gaps and inconsistencies on the legal framework. • Low political priority for environmental issues. • Impacts of the global financial crisis (This was not an issue when the project was conceived, but has subsequently served to amplify many of the threats).
Poaching and poorly regulated hunting of protected, rare and threatened species.	
Cessation of traditional management of grasslands.	

33. The protected area network of Romania should be serving as a means to remove and/or mitigate these threats in areas of particular importance, but the protected areas are limited in their ability to do this for a number of reasons including the following.

(i) Lack of capacity among protected area administrations for effective and efficient management. The overall management effectiveness tracking tool (METT) score for the 22 PAs in Romania was 53.8 in 2009, which is only just adequate and should be much higher.

(ii) Weaknesses and uncertainties in the system of top-level governance. The majority of PAs are administered by the National Forest Administration under contract to the MoECC, but this is not considered by many to be a permanent or entirely satisfactory arrangement. While the project was being planned, a separate protected area agency was established, but this was discontinued for reasons mainly connected with the financial crisis.

(iii) Lack of a clear framework for planning and management. In 2009, few if any protected areas were operating under approved management plans, and management plans that existed were not linked to budgets.

(iv) Inadequate financing. In 2009 only around 50% of what was required to implement basic conservation (pay salaries, utilities, fuel and basic equipment) was available, and protected areas received no direct funding from the national budget. A UNDP Financial Sustainability Scorecard for the Romanian PA system compiled during project preparation produced a score of just 33 (17%). In financial terms, the scorecard identified an annual funding requirement of approximately USD 9 million for basic management, and USD 15 million for optimal management (i. e. full implementation of all PA management plans). The actual annual income at the time was only USD 5 million, indicating funding gaps of USD 4 million (basic management) and USD 10 million (optimal management).

34. The project was quite unusual in that it focused not on direct threats, but on root causes, specifically the lack of financing for protected areas. The basic logic was that with improved and more reliable, targeted and efficiently used financing, protected areas could be better managed, threats reduced and biodiversity more effectively and efficiently conserved.

2.4 Overall objective of the project

According to the Project Document, the overall objective of the project was '*To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA*)'. The underlying logic was that with adequate financial resources the Romanian Carpathian PAs and the CNPAs will be on path to greater financial sustainability.

2.5 Main stakeholders

35. The main stakeholders identified for the project are listed in Table 7. Changes in the structures and responsibilities at government level meant that the precise titles and subordinations of some stakeholders changed in the course of the project.

Table 7 Stakeholders

Stakeholder	Roles and Responsibilities
2013-2014: Ministry of Environment and Climate Change(MoECC) 2009-2010: Ministry of Environment and Forestry (MoEF).	Central authority responsible for environmental protection in Romania, with responsibility for the legal and regulatory framework for natural resource management and for the system of protected areas. Designated Institution (DI) responsible for project implementation. The MoECC chaired the Project Steering Committee (PSC).

National Forest Administration (NFA) 'Romsilva'.	Implementing Partner (IP) for the project, responsible for overall attainment of project objectives and for day-to-day project implementation and associated administration (including financial management). The NFA administers 18 of the 22 Carpathian Protected Areas, including the five pilot sites for the project. The Protected Areas Unit of the NFA formed the Project Implementation Team, providing technical, administrative and financial management. The NFA was the major co-financing partner for the project.
Ministry of Tourism (MoT)	Assessment of tourism-business opportunities, and tourism based income options to support protected area tourism infrastructure and promotion and support for development of the necessary regulatory framework. Represented on the project National Steering Committee.
Ministry of Agriculture and Rural Development (MARD), National Water Agency, National Agency for Mineral Resources.	Other relevant Ministries and agencies with mandates and responsibilities for management of natural resources. Involved in development of means for diversifying PA financing, especially through payments for ecosystem services (PES) and measures for environmental compensation (EC).
Ministry of Public Finance.	Providing support for the assessment of the financial, legal and regulatory framework, and for the changes financial legislation to enable new means of financing protected areas. Represented on the project National Steering Committee.
18 Carpathian Protected Area Administrations under the NFA.	Key sites for project implementation through staff participation, logistical support, awareness campaigns, development of sustainable financing strategies and business plans and participation in training.
Five pilot protected areas/protected area clusters.	Five CNPA sites administered by the NFA were selected as 'pilot sites' for the development and implementation of project activities and testing of the tools developed through the project. These five sites were: Apuseni Nature Park, Maramures Mountains Nature Park, Piatra Craiului National Park, Retezat National Park, Vanatori Neamt Nature Park.
Carpathian Protected Areas administered by 2 County Councils.	Involvement in project implementation through staff participation, logistical support, awareness campaigns, development of sustainable financing strategies and business plans, participation in training.
Carpathian Protected Areas administered by the University of Bucharest (UoB).	Involvement in project implementation through staff participation, logistical support, awareness campaigns, development of sustainable financing strategies and business plans, participation in training. Through the UoB, academic endorsement of training content and an administrative platform to support PA practitioners involved in training.
WWF Danube Carpathian programme	Co-financing partner for the project, contributing to the capacity building component, experience sharing between projects, assessment and updating of the legislation and regulatory framework and lobbying for changes in policy and legislation. Represented on the project National Steering Committee.
National NGOs working in the Carpathians.	National environmental NGOs are stakeholders for a range of relevant activities of the project. NGOs include the ProPark Foundation, the Romanian Ecotourism Association and Coalition 2000.
Academic and research institutes	Providing information and expertise relevant to the objectives of the project.
Representatives of local communities	Participation in developing and implementing PA business plans and lobbying for compensation to forest land owners in protected areas.
National and local press and media	Cooperation on dissemination and public awareness activities.
Land owners	Involvement in actions to improve compensation payments for economic losses incurred by PA landowners and in developing PES schemes.
Private sector	Key stakeholders for development of business relationships and win-win partnerships with protected areas in order to improve PA financing. Represented on the project National Steering Committee.
UNDP Romania	Ensuring professional and timely implementation of the activities and delivery of the reports and other outputs identified in the project document. Co-ordination and supervision of project activities. Assisting and supporting the NFA in organizing coordinating and where necessary hosting all project

	meetings. Coordination of financial administration to realize the targets envisioned in consultation with the NFA. Providing technical backstopping and support for establishing of an effective network between project stakeholders, specialized international organizations and the donor community. Represented on the project National Steering Committee.

2.6 Overall approach

36. The overall approach taken by the project was to work through several linked stages at the central and the site levels to achieve the overall objective. A set of in depth economic studies using an innovative ‘Sector Scenario Analysis’ (SSA) approach previously piloted by UNDP and others in Latin America, was planned to establish the values of protected areas and identify new funding mechanisms. Changes in legislation drafted by the project would enable the new funding to be mobilised. A financing strategy would be developed with the NFA, and tested at five pilot protected areas (see Table 8), where a new financial management system would link budgeting and financial management to the objectives and outputs of site management plans. The pilot sites would also be supported to develop a range of market-based mechanisms to increase their incomes and reduce the funding gaps identified by the financial management system. The work and experience of the pilot sites would be disseminated to protected area clusters in Romania, and then to other Carpathian countries through a range of capacity development and awareness raising activities.

Table 8. Pilot protected areas and associated clusters

Pilot Sites	Associated clusters
1. Vanatori Neamt Nature Park (National Forestry Agency-NFA)	1. Ceahlau National Park (Neamt City Council) 2. Cheile Bicazului National Park (NFA)
2. Piatra Craiului National Park (NFA)	3. Bucegi Nature Park (NFA)
3. Maramuresului Mountains Nature Park (NFA)	4. Rodnei Mountains National Park (NFA)
4. Apuseni Nature Park (NFA) 5. Retezat National Park (NFA)	5. Gradistea Muncelului-Cioclovina Nature Park (NFA) 6. Geoparcul Dinozaurilor Hateg Nature Park (Bucharest University) 7. Calimani National Park (NFA)

2.7 Expected results and indicators

37. The Project Results Framework was originally designed with one overall objective and two outcomes, each with five outputs and sets of associated indicators. The inception workshop and the resulting inception report made some modifications to this design, changing the wording of some outputs and removing one (2.4) altogether (See Table 9).

Table 9 Project objectives, outcomes, outputs and indicators.

<table>
<tr><th>Outcomes</th><th>Original Log frame</th><th>Revised Log frame</th><th>Indicators</th></tr>
<tr><td></td><td colspan="2">Project Objective
To secure the financial sustainability of Romania’s Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)</td><td>1. Overall score of the Financial Score Card.
2. Trend in filling the funding gap.
3. Coverage of the Romanian Carpathian ecoregion with ensured financial sustainability.</td></tr>
<tr><td>Outcome 1: Supportive legislative framework and Sustainable PA Financing Strategy</td><td>Output 1.1: A set of by-laws developed and amendments to existing laws adopted.</td><td>Output 1.1: A set of by-laws and amendments to the existing legislation developed and promoted.</td><td rowspan="3">9. (As modified at inception) Number of sets of suggestions and regulations for the improvement of PA financing legislation, developed and promoted (to political decision makers).
10. Funding gap for the Romanian Carpathian PA system.
11. Amount of allocations from Ministry of Environment</td></tr>
<tr><td></td><td>Output 1.2: Sustainable Financing Strategy (SFS) for 22 large PAs in the Romanian portion of the Carpathians developed.</td><td>Output 1.2: Sustainable Financing Strategy (SFS) and Action Plan for 22 large PAs in the Romanian portion of the Carpathians developed.</td></tr>
<tr><td></td><td colspan="2">Output 1.3: Government commits to gradually increase funding (e. g. 20% yearly increases from 2007 level) for the targeted PAs.</td></tr>
</table>

<table>
<tr><td></td><td>Output 1.4: Model business plans developed to demonstrate specific market-based revenue mechanisms for 5 clusters of PAs in the Romanian Carpathians.</td><td>Output 1.4: Model business plans developed to demonstrate specific market-based revenue mechanisms for five clusters of PAs in the Romanian Carpathians (including Calimani National Park).</td><td rowspan="2">for Carpathian PAs.
12. Compensation payments to forest users.
13. Number and level of central budget transfers.
14. Number of cases for environmental compensation and level of fees.
15. Number of sites in Carpathians with business plans and cost-reduction strategies.
16. Number of sites with diversified market-based instruments for PA funding.
17. Number of cost-saving strategies in place at PA system level.</td></tr>
<tr><td></td><td colspan="2">Output 1.5: A set of PA diversified income-generation mechanisms (market and non-market options) validated in at least three PAs (Vanatori Neamt Nature Park, Piatra Craiului National Park and Maramuresului Mountains Nature Park).</td></tr>
<tr><td>Outcome 2:
Institutional and individual capacities of management authorities and other local stakeholders to realize sustainable financing of PAs developed</td><td>Output 2.1: A critical number of PA finance professionals (Minimum 33 staff, 3 from each PA including leading and cluster PAs) trained</td><td>Output 2.1: A critical number of PA finance professionals (Minimum 36 staff, 3 from each PA including leading and cluster PAs) trained</td><td rowspan="5">18. Number of PA staff trained in effective financial management of PAs.
19. Number of ‘Champion PA Finance Leaders’ graduated.
20. A Carpathian’s Association of PA Managers.
21. PAs conservation targets linked to programmes and activities through a functioning financial management system.
22. Metrics link conservation goals with costs.
23. Traceable expenses, costs, needs and gaps by program (Removed at inception) A PSA Management Committee established.
24. (Added at inception) At least four workshops organized across the Carpathian region to share experience.
(Removed at inception) Experience from lessons learned is periodically feed into yearly planning.</td></tr>
<tr><td></td><td>Output 2.2: A Carpathian National Association of Protected Area managers established</td><td>Output 2.2: A National Association of the Legal Entities Administrating the Protected Areas established:</td></tr>
<tr><td></td><td colspan="2">Output 2.3: Improved information management linking PA management plans (programs and activities) with financial management and accounting system</td></tr>
<tr><td></td><td>Output 2.4: A public PA management committee strengthened and with new mandate to monitor revenue and expenditure of PAs</td><td>Removed following the inception workshop</td></tr>
<tr><td></td><td>Output 2.5 Experience from lessons learned is periodically fed into yearly planning.</td><td>Output 2.5: Lessons and knowledge documented and transferred to key actors representing PAs from other Carpathian countries</td></tr>
</table>

3 Findings

3.1 Project design/formulation

3.1.1 Analysis of logical framework/results framework

38. The overall project concept was well justified, defining an innovative and necessary approach for UNDP implemented, GEF-funded projects in the region. Previous protected area projects had generally combined capacity building activities and investments at a pilot site with measures to strengthen institutional capacities and the enabling environment at the centre. Issues of financial sustainability were normally included only as a subcomponent of these projects. In contrast, this project focused primarily and from the start on financial sustainability, based on the assumption that this would then lead to improved and sustained management

effectiveness. The underlying methodology adopted was the Sector Scenario Analysis (SSA) approach, previously developed by UNDP and other agencies in Latin America.

39. The results framework reflects this approach; the three indicators for attainment of the overall objective all relate to securing long-term sustainable financing of protected areas. Component one focuses mainly on strategic aspects and on development, adoption and institutionalisation of measures, both to improve overall financing and to ensure that finance is effectively and efficiently used. Component two addresses the capacity of protected areas in the system to implement and sustain the measures developed under component one, and for those measures to be disseminated and adopted more widely. This is a logical and readily understandable approach and structure for tackling the perennial and critical challenge of 'paying for parks'.

40. The main shortcomings of the project design relate to the indicators and the targets. The overall targets set for the main objective are very ambitious in assuming that the project could, after two years, start to deliver measurable and substantial improvements in protected area financing. While improving the financial scorecard results was a reasonable expectation, a year-on-year reduction of the funding gap by 20% was a tall order. The expectation of delivering '*ensured financial sustainability*' for more than 1,000,000 ha. was highly optimistic and should not have been included; it is unlikely that any protected area system in the world enjoys such conditions. Consequently the target of ensured financial sustainability is given a lower weighting in this evaluation.

41. The inception meeting and report modified the first output and associated target of Component 1, removing the requirement for approval of new legislation (see Table 9), replacing it with a target that legislation would be developed and promoted. This was on the surface a sensible change, but it did not take into consideration that most of the other financial targets set by the project could only happen if the envisaged changes in policy and legislation were actually achieved. The target for reducing the funding gap for basic needs by 75% (from $4 million to less than $1 million) and for optimal needs by more than 50% (from $11 million to less than $6 million) does not tally with, and is even more demanding than, the overall target of a 20% annual reduction of the gap from the start of 2012. The expectations that the Ministry of Environment would increase central funding from zero to more than $1 million per year, and that compensation payments would be reinstated for forest owners in protected areas were also very demanding.

42. The remaining targets are generally more realistic, as their delivery would be more under the direct control of the main executors of the project. However, indicators are not comprehensively linked to outputs. There is no indicator and target for output 2.5 concerning documentation and knowledge transfer to other Carpathian countries, nor did the logical framework set indicators or targets specifically related to the eventual impact of project activities on the biodiversity of the Carpathians. The assumption was that improved finance would lead to improved performance by protected areas, which would in turn lead to better-conserved biodiversity, but there was no formal means established to measure this. Some indicators are insufficiently defined, for example 'trained person' and 'Champion PA Finance Leader'.

43. When the project was first conceived, the situation in Romania was very different from how it is now; government was quite stable, the country was undergoing a period of rapid investment and economic growth after joining the European Union, a new protected areas agency was being formed and a good foundation of protected area capacity had been developed through previous GEF projects. Despite this optimism, many of the targets set by the project were unrealistic; although it is important for projects to be ambitious and demanding, this was an innovative intervention, without any precedents in the region and addressing one of the most enduring and intractable problems in protected area management. A more cautious approach would have been preferable, and at least more care should have been taken in formulating the targets against which the project would eventually be evaluated.

3.1.2 Assumptions and risks

44. The project document includes a table of risks and mitigation strategies (Table 10). This correctly identifies as the highest risk that the measures proposed by the project would not be approved during its lifetime. This calls into question why (as discussed in the previous section) the financial targets were made so challenging and why the entire success of the project was based in such approvals. The main mitigation measure for the risk was awareness raising and communication, but it would have been preferable if a more specific 'Plan B' had been built into the project, whose results did not require central approval of new

legislation. The risk assessment does not predict the global economic crisis, but since the crisis and its impacts were not foreseen by many global economic experts, this is entirely excusable.

45. The project plan makes the assumption that central governance and administration of the protected area network would be stable and consistent, encouraged by the proposed establishment of a protected area agency. One of the project design team acknowledges that the weak and unclear institutional foundation for protected area management was insufficiently considered and should have been identified as a risk. It might have been useful to have included in the project more specific measures for supporting the establishment of a stable long-term institutional structure that could deliver the results expected by the project.

Table 10 Risks and mitigating measures from the project document

Risk	Rating	Mitigation Strategy
PA financing –low on the political agenda; suggested PA financing strategy, financial management plans and suggested fiscal mechanisms not approved during the lifespan of the project.	High	A strong communication strategy that will build political ownership from the beginning. Continuous dialogue and involvement of the political decision makers in order to prioritize the approval of the new legislative framework for sustainable PA financing.
Significant increases in external development pressure on the protected areas result in continued de facto open access to resources within them and in buffer zones.	Medium-low	Promote the political commitment to establish a strong and effective network of protected areas in the Carpathian Region under the Carpathian Convention and its ratification by member states, including Romania. Further, the process of developing the sustainable financing strategy and prioritizing financing mechanisms will be a highly consultative and supported by technical studies.
There is a low risk that some key stakeholders (public and private) have limited success in participating in co-management and sponsorship.	Low	Consultations, a strategic communication campaign, presentations on PA’s socio-economic benefits and PA benefits to public and corporate image will be conducted in order to involve institutions and private sector.
Governments of other range states are slow in using project results to further develop and implement activities to strengthen the financial sustainability of national PA systems in the Carpathians.	Low	As signatories to the Carpathian Convention other range states are fully committed to addressing the issue of financial sustainability. To ensure that technical-level representatives from other range states can benefit from the lessons and approaches piloted in Romania, the project (under Outcome 2) will include them in capacity development activities. An initial survey of PA stakeholders carry out during project preparation corroborates that there is initial political will amongst high-level government officials and civil society organizations to support the formulation and implementation of the sustainable finance strategy based on diversified revenue streams for the Romanian part of the CNPAs (See Annex K of the CEO Endorsement document).
Climate change undermines efforts to conserve the globally significant biodiversity within the Romanian Carpathians.	Low	Strengthening the financial situation of protected areas in the Carpathians so that PA management authorities can effectively carry-out conservation activities mandated in conservation management plans, to increase the resilience and adaptability of PAs to climate change impacts.

3.1.3 Lessons from other relevant projects (e. g. same focal area) incorporated into project design

46. The main methodological approach adopted by this project for financial analysis of the values of protected areas was derived from one developed with support from UNDP in Latin America in partnership with UNEP, ECLAC, UNCTAD and the Secretariat of the Convention on Biological Diversity. Several previous projects in the Europe and CIS region had, in their later stages, started to link budgets with business plans, to identify funding gaps and to suggest means for filling them; but most had not gone so far as to mobilise new funding.

47. In Romania, the project was built on a sound foundation of capacity and experience established by two previous GEF projects focused on protected areas; the first had established the nucleus of three protected areas

with administrations under the NFA (Retezat National Park, Piatra Craiului National Park and Vanatori Neamt Nature Park), from which the national system 22 protected areas had grown. These three original protected areas were included as pilot sites in this project. The second project had built considerable capacity for many aspects of protected area management in two contrasting sites (one of which was a project pilot site) and had included the first protected area valuation exercise conducted in the country.

3.1.4 Planned stakeholder participation

The project was planned with stakeholder participation at three levels. Nationally, it was essential for the designated institution and the implementation partner to work closely with other relevant ministries and agencies, such as the Ministry of Public Finances, the Ministry of Tourism and the Water Management Agency. Engagement of national and international NGOs was also envisaged in order to enable wider consultations, far reaching awareness and dissemination and civil society support for measures proposed by the project. At the protected area level, the 22 CNPA sites were all considered to be stakeholders, linking to the five designated pilot sites. At the local level, the project design envisaged working directly with civil society organisations, formal and informal land-use rights holders, private landowners, the private sector and individuals in order to develop new, sustainable and mutually beneficial means for funding protected areas.

3.1.5 Replication approach

48. The project was based around a clearly expressed and logical replication approach. This involved developing tools and mechanisms for improved financial management, monitoring and income generation at five pilot protected area clusters, then promoting replication of this work across the other protected areas in the Romanian Carpathians, making use of the expertise developed at the pilot sites and providing training, support and guidance materials, including online training courses (Component 2, output (i)). Establishment of a Carpathian National Association of protected area managers was intended to provide long-term basis for adoption and promotion of institutionalisation of project outputs (Component 2, output (ii)). The project envisaged making the Romanian experience and the materials developed available more widely across the Carpathian network of protected areas in other countries (Component 2, output v). This third element could have been more specific about how the project would promote the achievements of the project at intergovernmental level through the Carpathian Convention.

3.1.6 UNDP comparative advantage

49. UNDP was a very good ‘fit’ for implementing this project. The main financial methodology used in the project had been developed with support from UNDP in Latin America. At the regional level, UNDP was implementing an extensive portfolio of GEF-funded projects related to protected areas and biodiversity, and had accumulated a high degree of expertise in project management and technical support at the regional office. In Romania, the project was entirely consistent with the UNDP Country Programme Document 2010-2012. The UNDP Country Office had led the implementation of a portfolio of GEF supported projects, including two protected area projects rated highly satisfactory in 2009 in their terminal evaluation. The Country Office had developed excellent working relations with the primary stakeholders involved in this project, including the MoEF/MoECC and the Implementing Partner, the NFA.

3.1.7 Linkages between project and other interventions within the sector

50. The project was well integrated with other interventions in the sector at national and regional levels. The project originally arose out of Romania’s participation in the Carpathian Convention, where Romania’s Government representative pledged the GEF 4 country allocation for a demonstration project for the region. Within the framework of the Carpathian Convention, the Secretary of the Carpathian Network of Protected Areas (CNPA) is also the director of Piatra Craiului National Park (one of the pilot sites in the project). He has been actively engaged involved in the project in many ways, allowing a close alignment of the project’s results to the Convention’s priorities and enabling a platform for sharing experiences among Carpathian PAs. Through the UNDP regional office and regional technical adviser, the project was able to learn from the experience of related projects across the entire Europe and CIS region. Within Romania, the involvement of the Ministry of Environment and Climate Change in the project was intended to ensure close alignment of project activities with developing sectoral policy and legislation. In the course of the project, Romania approved its National Biodiversity Strategy and Action Plan (developed under a UNDP/GEF project), which is compatible with the

main objectives of this project, and incorporates several of its specific objectives. The partnership of the project with the Worldwide Fund for Nature in Romania (WWF) enabled integration of its activities with complementary programmes led by the NGO sector.

3.1.8 Management arrangements

51. The project was implemented according to UNDP's rules and procedures for National Execution (NEX), now redefined as National Implementation Modality (NIM)[1].

52. Government responsibility for the project was originally assigned to the Ministry of Agriculture and Rural Development (MARD) (identified in the project document as the Designated Institution (DI) responsible for project implementation), working through the official Implementing Partner, the National Forest Administration (which at that time was under the responsibility of MARD). When responsibility for the NFA was transferred to the Ministry of Environment and Forests in 2009, the project also 'moved' to the new Ministry, in which the NFA was placed under the responsibility of the new Ministry's Department of Forests and Waters. In 2012, a further reorganisation created the Ministry of Environment and Climate Change (MoECC), which includes a 'delegated Minister within the Ministry' responsible for forests and waters (and therefore for the NFA).

53. As the Implementing Partner (IP), the National Forest Administration (NFA) was, responsible for overall attainment of project objectives, for day-to-day project implementation and associated administration (including financial management). The National Project Director has throughout been the Director General of the NFA. The Protected Areas Department of the NFA provided and hosted the Project Management Unit (PMU), comprising a project manager and a financial and administrative assistant, whose salaries were paid by the NFA as part of its co-financing to the project. Personnel changes in the NFA meant that the holders of the National Project Director position changed during the course of the project, but this change does not appear to have hampered implementation.

54. The Ministry of Foreign Affairs is the coordinating authority for UN technical cooperation with the government Romania and as such has participated in meetings of the National Steering Committee. This has provided an important element of continuity throughout changes taking place in the Environment Ministry.

55. A National Steering Committee (NSC)[2] was established, tasked with meeting twice a year, chaired by the NFA, with the role of monitoring progress, providing oversight on project implementation, approval of work plans and reporting, and providing a means for communicating and promoting the work of the project among primary stakeholders. The membership of the NSC included representatives from the MoEF/MoECC, the Ministry of Regional Development and Tourism, the Romanian MAB UNESCO Committee, the Ministry of Public Finance, the "Romanian Waters" National Administration, the National Environmental Protection Agency, the National Environmental Fund Administration, the Faculty of Forestry and Forest Operations (University of Brasov), the Forest Research and Management Institute, UNDP, WWF, civil society representatives. Some Committee meetings were also made open to a wider range of stakeholders.

56. The UNDP Country Office (CO) was responsible for overseeing project budgets and expenditures, recruiting and contracting project personnel and consultant services, procuring equipment (when not done by the IP), project evaluation and reporting, results-based project monitoring, and organizing independent audits to ensure the proper use of UNDP/GEF funds.

3.2 Project Implementation

3.2.1 Implementation context

57. While most multi-year projects have to adapt to political and economic change, implementation of this project took place during a particularly difficult period for Romania, and a highly challenging enabling environment. The global financial crisis caused a severe recession in Romania from 2009, leading to the need for a financing agreement for a loan of EUR 20 billion with the IMF, EU, EBRD and the World Bank, under

[1] The arrangement is abbreviated as NEX/NIM henceforth.

[2] Originally termed 'Project Oversight Committee' (POC) in the Project Document.

the conditions of reducing the budget deficit and freezing wages in the public sector. This rendered increased direct government investment in protected areas almost impossible.

58. Throughout the project, the political landscape in Romania underwent many changes, with several changes of government, reorganisation of ministries and changes of senior officials. This made it very difficult for the project to build awareness, understanding and support from key decision-makers and to develop the momentum required to bring about many of the planned changes in policy and legislation.

59. The project also took place within a period of change for both GEF and UNDP in Romania. As a member of the European Union, Romania no longer qualifies for GEF projects, and as result, there has not been an active GEF focal point in Romania since 2010. Since January 2013, UNDP's presence has been scaled back from a full Country Office to a Project Management Office, functioning without the presence of a Resident Representative, and with closure planned for 2015. These changes have had implications for aspects of the project, particularly in terms of high-level engagement and promotion of the project, although the UNDP CO has been supported by the UNDP regional office and HQ in terms of representation.

3.2.2 Partnership arrangements with stakeholders

60. Apart from the NFA, the main co-financing project partner was WWF, who signed a co-financing letter outlining their contributions to the partnership. WWF was regularly involved in the project and was represented on the National Steering Committee. The differing styles of awareness and advocacy work appropriate to WWF (an NGO) and UNDP and its government partners did raise some difficulties, but these were recognised early and resolved amicably.

61. The main official means for partners to work together at the central level was the National Steering Committee, but changes in personnel among the stakeholders and busy schedules meant that attendance at committee meetings was inconsistent to the extent that they were not as effective as they could have been. There were also numerous meetings and less formal interactions with the stakeholders; those consulted were all generally positive about their interactions with the project.

62. The project recognised that the Ministry of Public Finances was a very important partner and made considerable efforts to involve the Ministry and build the partnership. This only had limited success, and the Ministry normally only sent a junior representative to meetings and events. Given the financial crisis that Romania was undergoing at the time, it is understandable that the Ministry was only able to pay limited attention to protected area financing, but this did mean that engagement and support of the Ministry could not be achieved to the anticipated extent.

63. At the local level, development of partnerships was mainly led by teams of the pilot protected areas, predominantly related to their efforts to find partners with whom to develop 'win-win' arrangements that would lead to improved financial support. The results of these partnerships are discussed in Section 3.3. The project document also envisaged partnerships with the two protected area administrations managed by County Councils, stating that 'County Councils will be critical to develop financial models for other County Councils willing to administer protected areas'. However the project focused mainly on central authorities and on NFA administered protected areas, although County Councils were indirectly engaged by some of the protected area administrations, were involved in consultations on programming of tourism activities under EU funded projects, and participated in consultations over the protected area business plans.

3.2.3 Monitoring and evaluation

The ToR require an evaluation of monitoring using the following scale: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU).

Design at entry

64. The project did not prepare a separate monitoring plan, relying on the monitoring tools and procedures set out in the project document and institutionalised within UNDP. While these measures provided an adequate and generally effective means for monitoring, early development of a more detailed monitoring plan would have been useful in identifying and rectifying some of the errors and inconsistencies in the indicators, and in identifying a set of more specific measurables that could have been tracked throughout the project and that would have aided reporting monitoring, evaluation and adaptive management. Most crucially, more specific measurables and indicators should have been identified for (i) Measuring and quantifying the 'funding gap' for

protected areas in a consistent and verifiable way, and (ii) defining what constitutes 'sustainable financial management'.

65. Design at entry is rated as **Moderately Satisfactory (MS).**

Implementation

66. The starting point for monitoring and evaluation was the inception workshop, which took place on 22 April 2010, and the resultant inception report. The workshop brought primary stakeholders together to discuss and learn about the project, review the main elements of the logical framework, agree modifications to outputs and objectives and clarify mechanisms for project oversight and coordination.

67. Four quarterly progress reports were prepared each year. These comprised brief (half a page) narratives, documenting major activities conducted in the previous three months (as specified by the UNDP Regional Office). While recognising that increasing the reporting burden on projects can be counter-productive, it might have been useful to have made use of a more structured template for these reports that included headings such as: outstanding achievements, problems and issues encountered; and priorities for the next quarter.

68. UNDP made use of the ATLAS monitoring system module for tracking project progress, and reporting was made against the annual targets set up in the system. Comprehensive Annual Project Implementation Reports (PIRs) and Annual Project Reviews (APRs) were diligently prepared using the standard formats of UNDP. These included quantified assessments of the status of agreed indicators and narrative reviews of all project components. The UNDP Regional Office reviewed the PIRs, provided feedback, and each year rated the quality of reporting and of the overall PIR reports as Highly Satisfactory.

69. A large number of technical and thematic reports were produced by project consultants. These were checked and reviewed by the project team and UNDP.

70. Twice yearly meetings of the National Steering Committee (NSC) were intended to provide oversight of project progress and implementation, to enable communication between stakeholders and to identify strategies and actions to ensure effective and efficient implementation. Five meetings took place (9 November 2010; 2 July 2011; 13 December 2011; 16 October 2012; 5 March 2014). Minutes of the meetings included 'resolutions' setting out main points and agreed actions. Members of the UNDP CO and the NPD (or Deputy) attended all PSC meetings, but as discussed in the previous section, changing attendance at the meeting limited their usefulness and there was a certain amount of 'meeting fatigue', which led to other NSC meetings being cancelled due to lack of a quorum.

71. In order to address the shortcomings of the NSC, the project team organised a series of *ad hoc* meetings during 2013, coinciding with other key events, in order to capitalise on the presence of key individuals and to focus on specific outputs and issues.

72. The project held regular, minuted management meetings to review project progress and to plan ahead. Consultants and others involved in implementation were encouraged to attend and contribute to these meetings, which helped to develop a collegiate and team based approach to management and decision-making.

73. A mid-term evaluation was conducted in August 2012, resulting in an overall rating of 'Satisfactory' (see Table 11). The UNDP Country Office prepared and implemented responses to the four main recommendations made in the evaluation. It is self-contradictory that the MTE was generally positive about the chances of the project in achieving its objectives, while also identifying that the highest risk (lack of political support for increased funding) had manifested itself, and having rated progress towards Output 1.3: (Government commits to gradually increase funding for the targeted PAs) as Unsatisfactory. Given that many of the issues related to the enabling environment had manifested themselves by then, the MTE process should have been used as an opportunity to realign aspects of the project, revise indicators and targets and develop new strategies for achieving the targets.

Table 11 Summary of the ratings from the mid-term evaluation.

	Project Aspect Being Rated	Rating
1	Implementation Approach	Satisfactory
2	Country ownership/drivers	Satisfactory
3	Outcome/Achievement of objectives	Satisfactory

4	Stakeholder participation/public involvement	Satisfactory
5	Sustainability;	Moderately satisfactory
6	Replication approach;	Satisfactory
7	Financial management and Cost-effectiveness;	Satisfactory
8	Monitoring and evaluation	Satisfactory

74. The project team collated data for each specified indicator in the results framework for reporting in the PIRs, and also used the protected area management effectiveness tracking tool (METT) as an indicator, although it is not specified in the logical framework. Progress towards Output 2.4 was well documented, even though the results framework does not specify a relevant indicator. In some cases, the lack of clarity in indicators made tracking difficult, for example, it is not straightforward to determine what constitutes a '*trained person'* or whether or not an area is subject to '*ensured financial sustainability'*. Development of a monitoring plan would have enabled the team to identify more specifically what measurables could be used for these indicators.

75. Less formal means of tracking project progress have played an important role. The excellent relations established between the UNDP Country Office, the NFA, the project management unit, the consultants and the pilot protected areas resulted in almost continuous communication, sharing of information, identification of problems and barriers and development of solutions and workarounds. This exemplary approach, while difficult to specify and document systematically is (in the experience of this evaluator) critical for the smooth running and good morale of projects.

Adaptive management: changes to the project design and project outputs during implementation and use of feedback from monitoring and evaluation.

76. The project was active in adapting its directions and activities in response to changing external circumstances and lessons learned during implementation. Diligent completion of required monitoring reports enabled tracking of project activities and their effectiveness and impact.

77. The inception workshop enabled stakeholders to review the project plan and to discuss and agree a number of amendments to outputs and indicators (see Section 3.1.1).

78. Throughout its duration, the project was required to adapt almost continuously to changes in the mandates, structures and personnel of key partners. With each change, new relationships and capacities had to be developed, and considerable efforts were required to regain lost institutional knowledge and momentum of implementation. Despite the inevitable frustrations this caused, the project team was resilient and focused in their efforts to keep the project on track.

79. The UNDP team was also required to adapt to the change in status of their Country Office, and steps were taken to avoid any negative impacts on the project at operational level. In order to support continuation of effective and efficient project implementation, UNDP signed a letter of agreement for the provision of supporting services (ISS Letter), complementing the NFA project management unit's efforts by undertaking a major part of the procurement of goods and services and by strengthening coordination and supervision support.

80. Establishment of the Business Development Unit (BDU) was a major initiative unforeseen in the project document. Although criticised by some, and in the end not the success it was hoped to be, establishing the BDU was an imaginative response to the need to sustain and grow the development of partnerships to support protected areas.

81. The project responded well in changing the emphasis of its awareness and public relations activities from a "soft" approach focusing on building general awareness of public support, to a much more focused campaign supported by evidence gathered during implementation and targeted largely at decision-makers, whose support was essential for bringing about the policy and legal changes required for project success. Although some targeted activities were planned from the start, several of those consulted remarked that greater emphasis should been placed on this more targeted approach at the early stages.

82. The project had to be adaptive in its deployment of consultants. Where suitable international consultants could not be found or were not available, they were ably substituted by national specialists. With support from

the lead international consultant they were able to produce good quality outputs and develop their own individual capacities, providing an important legacy for the project.

83. An aspect where adaptive management might have been better employed was the approach and methodology used to understand, analyse and evaluate the values of protected areas. Some respondents noted a lack of flexibility in accommodating the perspectives and recommendations of experts and stakeholders in this respect. This issue is discussed in more detail in relevant parts of section 3.3.

84. Overall, the implementation of monitoring is rated as **Satisfactory (S).** Although monitoring of implementation was generally conducted effectively and results were used to inform adaptive management, the monitoring and evaluation process (as it relates to the achievement of project targets) was hampered by the lack of a more detailed monitoring plan and by the shortcomings of the MTE process.

3.2.4 Project Finance

Planning and disbursement

85. Financial transactions, auditing and reporting were conducted in compliance with national regulations and UNDP procedures for national execution. Each year, an annual work plan and budget (including cash flow projections) was developed by the PMU and the UNDP team, and submitted for endorsement to the National Steering Committee. Based on this, the NFA officially requested from UNDP advance funds for implementation of each component of the project for each quarter, accompanied by a financial report and acquittal of the previous advance. New advances were approved if at least 80% of the previous advance had been acquitted and if all prior advances had been fully acquitted. Special attention was paid to balancing disbursements and expenditure. The UNDP Country Office and the accountant from one of the pilot sites trained the administrative assistant in the PMU to report and record expenditures correctly. All parties expressed satisfaction that the system worked well, and that payments and reports were made in a timely manner. Attention to timeliness was particularly important since accounting at the NFA was in Romanian lei, and delays would have led to anomalies due to fluctuating exchange rates with the US dollar.

Procurement

86. Procurement of goods and services was conducted according to the procurement rules of both the Romanian government and of UNDP (for those activities carried out by UNDP under the ISS letter). Procurement processes were examined by the project auditors and were considered to have been conducted correctly. All physical assets (one vehicle and mainly IT equipment) will be transferred to the NFA at the end of the project.

Co-financing

87. Co-financing for the project comprised in-kind contributions from the NFA and from WWF-Romania; detailed in co-financing letters provided by both. The overall ratio of GEF financing to co-financing was 1:5. The NFA contribution covered costs of its Protected Area Department and a proportion of the costs of the protected areas participating in the project. The contribution was calculated annually and included in annual financial reports. The contribution of WWF covered costs of agreed activities to support implementation of the project and was also reported annually.

Audit

88. Although the Project Document states a requirement for an annual audit, subsequent NEX/NIM guidelines specify that projects need a financial audit at least once in their life span. The project was independently audited once, covering 2011 and some transactions in 2012. Two audit reports were prepared, covering expenditure of project funds both directly by UNDP and by the NFA. These identified few problems or irregularities, all of which were rapidly addressed and resolved (see Table 12). Expenditure by the NFA was also subject to the NFA's own internal controls audit procedures.

Table 12 Issues arising from Annual Project Audits

Audit date	Summary of issue identified	Notes	Response
FY 2011	1. DSA rates for consultants not correctly applied	Shortfalls reimbursed and systems amended.	Completed

	2. Budget overruns	Budgets updated as recommended	Completed
	3. Recording in 2012 of expenditure in 2011	Better formulation of deliverables so that the cut off principle can be observed	Completed
	4. Financial implications of closure of consultant contract	Formalization of procedures for consultants withdrawal /termination	Completed
	5. Recording in 2012 of expenditure in 2011	Better formulation of deliverables so that the cut off principle can be observed	Completed
	6. Missing documentation of expenditure	Documentation supplied	Completed
	7. Non recording of ISS services	Fees recalculated	Completed
	8. Inconsistent recording of expenditure in the CDR	Better observance of the COA	Completed
FY 2012	1. DSA rates for consultants not correctly applied	Shortfalls reimbursed and systems amended.	Completed
	2. Error in reporting on VAT expenditure	Error corrected	Completed
	3. Budget overruns	Budgets updated as recommended	Completed
	4. Consultant contract overruns not formalised. Payments not as scheduled Expenditure reported in different year	Noted	Ongoing: better monitoring of deadlines and deliverables
	5. Reimbursement of VAT in 2013	VAT reimbursements will be properly observed	Completed
	6. Inclusion of vehicle purchase in ‘Travel Expenses’ account	Correction of the budget line under which the purchase was recorded.	Completed.
	7. Lack of supporting documentation for 3 expenditures	Observance of UNDP procedures regarding supporting documents	Completed.
	8. Lack of supporting documentation for 1 expenditure	Observance of UNDP procedures regarding supporting documents	Completed.
	9. Small Discrepancy in ISS	Fees recalculated	Completed
	10. Small errors in recording expenditure in the CDR	Better observance of the COA	Completed

Financial Summary

89. Table 13 shows the predicted and actual expenditure of the project as of mid-May 2014. It is expected that by the closure of project accounts all the GEF and UNDP funds will have been disbursed. The table shows a typical slow rate of disbursement in the first year, followed by an acceleration of expenditure. In general, actual expenditure is quite close to that predicted; the calculated co-financing contributions of the NFA and of WWF are significantly higher than predicted.

Table 13 Summary of predicted and actual project expenditure (rounded to nearest $US)

GEF SUPPORT			2010	2011	2012	2013	2014 up to May	Total (May 2014)	Total predicted at completion	
COMPONENT 1	Planned		$128,000	$135,500	$62,000	$52,000	$-	$377,500		
	Actual		$21,549	$141,813	$122,351	$99,560	$4,299	$389,572		
COMPONENT 2	Planned		$113,000	$223,500	$90,000. 00	$56,150	$-	$482,650		
	Actual		$7,708	$98,434	$110,350	$175,690	$27,416	$419,598		
PROJECT MANAGEMENT	Planned		$14,000	$28,350	$19,500. 00	$28,000. 00	$-	$89,850		
	Actual		$9,588	$8,643	$2,678	$26,934.40	$2,168	$50,011		
ADJUSTMENTS	Planned		$-	$-	$-	$-	$-	$-		
	Actual		$1,703	$7,256	$-94	$1,088.27	$-	$9,954		
TOTAL GEF	Planned		$255,000	$387,350	$171,500	$136,150	$-	$950,000		
	Actual		**$40,548**	**$256,147**	**$235,284**	**$303,273**	**$33,882**	**$869,135**	**$950,000**	
OTHER FUNDS			**2010**	**2011**	**2012**	**2013**	**2014**	**Total**		
UNDP CASH	Planned		$5,000	$5,000	$5,000	$5,000	$-	$20,000		
	Actual		*$-*	*$17,606*	*$1,700*	*$-*		*$19,306*	**$20,000**	
NFA (In kind)	Planned		$1,161,685	$1,161,685	$1,161,685	$1,161,686	$-	$4,646,741		
	Actual		*$-*	$1,720,000	$1,720,000	$600,000. 00	*$710,000*	*$4,750,000*	*$4,750,000*	
WWF (In kind)	Planned		$20,000	$20,000	$7,000. 00	$3,300	$-	$50,300		
	Actual		*$20,997*	*$38,500*	*$38,870*	*$7,553*		*$105,920*	*$105,920*	€1 = $1.4
TOTAL OTHER FUNDS	Planned		$1,186,685	$1,186,685	$1,173,685	$1,169,986	$-	$4,717,041		
	Actual	**Total**	**$20,997**	**$1,776,106**	**$1,760,570**	**$607,553. 00**	**$710,000. 00**	**$4,875,225**	**$4,875,920**	
		Cash	*$-*	*$17,605.59*	*$1,700*	*$-*	*$-*	*$19,306*	$20,000	
		In Kind	*$20,997.20*	*$1,758,500*	*$1,758,869*	*$607,553*	*$710,000*	*$4,855,920*	$4,895,920	
PROJECT TOTALS			**2010**	**2011**	**2012**	**2013**	**2014**	**Total**		
PROJECT TOTALS	Planned		$1,441,685	$1,574,035	$1,345,185	$1,306,136	$-	$5,667,041		
	Actual Total		**$61,545**	**$2,032,252**	**$1,995,854**	**$910,826**	**$743,882**	**$5,744,360**	**$5,825,920**	
		Cash	*$40,548*	*$273,752.49*	*$236,984.43*	*$303,273*	*$33,882*	*$888,440*	$970,000	
		In Kind	*$20,997*	*$1,758,500*	*$1,758,870*	*$607,553*	*$710,000*	*$4,855,920*	$4,855,920	

3.2.5 Implementation by UNDP and implementation partners

The ToR require an evaluation of implementation and execution using the following scale: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU).

UNDP

90. The team at the UNDP Country Office (and subsequent Project Management Office) are considered by almost all those consulted to have done a very good job in overseeing, supporting and where necessary, guiding project implementation. Project activities, outputs and meetings were well documented, and apart from a slow start (normal for such projects), implementation took part in a timely and well-organised manner, procurement was conducted efficiently and payments made on time. The main difficulties mentioned concerned securing the services of consultants specialising in protected area finance; there is a relatively small number of such experts in the world and most of them are very busy. Consequently the project encountered delays at times due to difficulties in recruiting and deploying the right people at the right time. The CO worked hard to resolve these issues and to ensure that all of the required deliverables were eventually produced, in some cases substituting very capable national consultants where suitable international expertise was not available.

91. The downsizing of UNDP's presence in Romania in 2013 from Country Office to Project Management Office may have limited its ability to mobilise high-level support and to address critical issues with senior government officials, as there was no Resident Representative after the change. Some interviewees considered that UNDP may have '*lost influence'*, at a time when high-level interventions may have increased the chances of acceptance of some of the projects legal and policy proposals. The situation was not helped by the lack of an active GEF focal point in the government.

92. UNDP addressed the issues related to the extended political crisis in a number of ways. Regular meetings were held with high-level Ministry representatives in order to advocate for the legal amendments promoted by the project (during 2012 there were four Ministers of Environment). In 2013, UNDP led a dedicated national conference on the proposed legislative amendments and a special conference with private sector representatives. Protected areas management and financing were also raised as issues during UNDP-led post-2015 Development Agenda civil society consultations. From 2013 onwards, UNDP encouraged the NFA increasingly to take the lead in negotiations for the proposed legislative amendments in order to support improved country ownership.

93. At the operational and institutional partnership levels, the UNDP PMO adopted an exemplary approach to supporting this complex project. Team members paid close attention to developing good working relations with the NFA, the protected area administrations and other stakeholders and consultants, maintaining regular contact and making themselves available to provide assistance and support. UNDP personnel promoted a collegiate culture among all those involved in implementation, keeping them informed, enabling their participation in meetings and encouraging communication and interaction between them; this helped maintain morale and underpinned the project's achievements thorough some challenging periods.

Implementation and execution by UNDP is rated as **Satisfactory (S)**

Implementation partners

94. The performance of the implementation partners has been quite mixed, due in part to the continued lack of a definitive and stable foundation for governance and administration of protected areas in Romania, and to the complex institutional relationship between the NFA and the MoECC. This requires some explanation. The MoECC is the central authority for environmental protection in Romania, and consequently has overall responsibility for protected areas. Individual protected areas are administered by custodians under contracts with the MoECC; the main custodian is the NFA, which administers 18 protected areas. Officially, the NFA falls under the MoECC, but it is a separate State Enterprise under the supervision of the 'sub Ministry' for Forests and Waters. As a quasi-autonomous State Enterprise, the NFA has less direct responsibility for policy development, budgeting, or legislation (although it may have some significant influence). Protected areas are not the core business of the NFA (forestry is), it receives no direct funding for

administering Protected Areas from the Ministry and covers basic management costs from its own resources (although it is able to offset those costs from its taxable profits).

95. It was entirely logical for the NFA to be the implementing partner (IP) for the project, but it was probably an error for the NFA to also act as the Designated Institution, as this was done under the assumption that the NFA was part of its 'parent' ministry, which was the official Designated Institution. Consequently, both the National Project Director and the Project Manager were employees of the NFA, with neither having a formal role in the main structure of the Ministry. For example, although the project document states that the NSC should be chaired by the Environment Ministry, it was in fact chaired by the NFA. Although the regular reshuffling of Ministry staff made the appointment of a NPD very difficult, this situation led to a built-in 'disconnect' between the operational and policy strands of the project.

The NFA

96. The NFA did a generally good job in implementing the project. The work of the Project Management Unit in the Protected Areas Department was generally appreciated, and the team made particular efforts to ensure that protected areas, directors and administrations contributed to and learned from the project and worked towards assimilating and institutionalising the new approaches developed. The NFA maintained a good working relationship with UNDP, and the General Director of the NFA was supportive. This enabled many of the protected-area focused objectives of the project to be achieved.

97. However, as explained in the paragraph 95, the NFA was limited in its ability to lobby in the MoECC for the changes in policy, legislation and financial procedures proposed through the project. First, it is not an integrated part of the Ministry, and second, since its main business is forestry, it was unlikely to prioritise expending its political capital on protected area issues. Some of those consulted considered that despite this, the NFA made insufficient effort to follow through the proposals of the project, both internally and with the MoECC. It was suggested that lobbying for change would have been the interest of the NFA, because of the opportunities to make protected areas more financially self-sufficient and to resolve the long-standing problem of compensating private forest owners subject to management restrictions. As a commercial operation that is currently subsidising protected areas, the NFA could understandably see the generation of new income for PAs as an opportunity to reduce its own costs, rather than to increase the overall budgets of PAs. Furthermore, the NFA also has the option of choosing not to renew its contracts, thereby avoiding all the costs and focusing on its profitable core business. Withdrawal from contracts has been discussed for all NFA's protected areas, and has been mooted for at least three of them (those with the least amount of forest cover). Several individuals in NFA were asked why the NFA continues to bear the costs of protected area management; the answers were (i) a desire to maintain a good image; (ii) a wish to maintain the integrity of the forest estate; and (iii) the fact that the costs were bearable because they could be offset against taxable profits (although the Ministry of Finance has reportedly called this concession into question). It is to be commended that these reasons continue to suffice, but the precise future of the network of protected areas is somewhat uncertain under the current arrangement.

98. Implementation and execution by the NFA is rated as S**atisfactory (S)**

The Ministry of Environment and Climate Change

99. The expectation of the project was that the Ministry would support and promote the adoption of the proposals for the legal and policy changes that were developed, but this has been highly problematic. One respondent summarised the view of several in stating that '*halfway through the project, the Ministry lost ownership and interest, and after then, things became more difficult'*. The project team and UNDP held and facilitated numerous meetings and consultations with the Ministry, and provided well-developed proposals, supported by a wide range of detailed studies, justifications, evidence, and documentation. These were appreciatively received, but none of the major proposals for enabling long term central funding for protected areas has been adopted. The main reason given for this by respondents has been '*lack of political will'*, but several more specific reasons can be identified. The high turnover of senior personnel in the Ministry prevented continuity and dissipated institutional knowledge; the biodiversity office of the Ministry is understaffed and the seven staff working on protected area issues are almost entirely occupied with the

establishment of Romania's network of Natura 2000 sites; budget cuts resulting from the financial crisis have severely damaged the chances of 'ring fenced' direct funding for protected areas from the Ministry's budget. In addition, there is no GEF focal point for Romania (this position is normally held within the central authority for the environment); and the MoECC itself has quite limited influence compared with other Ministries.

100. Aware of the limited chance for securing direct budget support, the project proposed various measures to secure new permanent long term funding. One of the main instruments proposed was adopting various PES schemes to contribute new sources of income to the National Environment Fund, which would then ring-fence a proportion of its expenditure for protected areas. Although the National Environment Fund is administered through the MoECC, it was not possible for the project to persuade the administrators of the fund to adopt or even test the proposals, even though they presented real opportunities to generate entirely new sources of funding for protected areas (therefore not drawing on existing budgets). Responses to questions during the evaluation mission as to the reasons for this were either critical of the Fund or opaque. Despite this, many respondents still consider that the best chance of addressing the sustainable funding of protected areas was through the National Environment Fund, and that they might be more responsive in the future.

101. The Ministry was far more responsive to proposals to support project based funding for protected areas. A legislative amendment was approved that that allowed the Ministry to cover the VAT on co-financing costs of EU funded SOP projects, thereby enabling a large portfolio of projects to go ahead.

102. It could also be argued that the current status quo (with the NFA managing and paying for most of the protected areas), has been the best option for the Ministry during difficult times, enabling it to 'park' the issue until conditions improve. If the designated institution for the project had been the Ministry itself (not the NFA through the Ministry), and the National Project Director had been a senior figure in the Ministry, there might have been better project ownership, more engagement and a better chance for proposals making progress. However, the high turnover of staff at the Ministry during the project period may also have limited the effectiveness of this approach. Alongside this, had the planning of the project had better recognised the fragile and underdeveloped foundation that existed in the central governance and administration of the protected area network, some of these issues might have been better predicted and mitigated.

103. There is a chance that some of these problems could be resolved within the next year to 18 months, because two factors may encourage a resolution. First, the NFA has still not fully renewed its management contracts and may consider withdrawing from contracts for at least three sites; this may motivate the MoECC to look for new sources of funding and reconsider some of the proposals of the project. Second, in 2015 the European Commission will be conducting an evaluation of Romania's performance in the management of Natura 2000 sites; the possibility of a negative evaluation may also help to unblock some of the proposed new funding mechanisms.

104. Implementation and execution by the MoECC is rated overall as **Moderately Unsatisfactory (MU);** Ownership of the project was less than ideal, and many of the 'keystone' outcomes of the project that were dependent on the actions of the Ministry were not achieved. Clearly, the difficult political, institutional and financial circumstances had a major impact on the situation and rendered mobilisation of direct budget support very difficult. Under these circumstances, the approval of the VAT support for co-financing of SOP projects was a significant achievement. However, the inability of the Ministry to respond more positively to the proposed entirely new sources of funding (though PES) and to making use of the National Environment Fund to manage and disburse income from PES were missed opportunities that could have gone a long way towards ensuring long term sustainable funding for protected areas.

3.3 Project Results

105. The ratings in the summary tables in this section are based in part on the official indicators, but also take into account a wider assessment by the evaluator, based on information gathered during the mission, additional unplanned activities and outputs from the project, and an overall assessment of the extent to which each component has achieved its stated outcome.

3.3.1 Evaluation of achievement of the Project Objective

'To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas'.

106. Achievement of the overall project objective has had moderate shortcomings and is therefore evaluated as **Moderately Satisfactory (MS)** (see Table 14). The financial sustainability of Romania's Carpathian protected areas cannot be said to have been secured, although good progress has been made in developing a foundation for sustainability and in mobilising significant short to medium term project funding for protected areas.

Table 14 Summary of results based on indicators for the project objective.
Rating scale used: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU); Unable to Assess (U/A)

Overall objective	Indicators	Baseline measure	Target	Final measure	Rating	Overall Rating
To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)	**1. Overall score of the Financial Score Card**	Component 1: 15 (19%) Component 2: 15 (24%) Component 3: 3 (5%) **Overall: 33 (17%)**	Overall: 50%	Component 1: 42 (44%) Component 2: 42 (71%) Component 3: 27 (38%) **Overall: 111 (49%)**	**S**	**MS**
	2. Trend in filling the funding gap	Stagnant	From Dec 2011, financial gaps are being gradually reduced a rate of 20% per year	Year on year change in the gap from the financial scorecard (minimum requirements). 2009-2010: +21% 2010-2011: +16% 2011-2012: -1% 2012-2013: -13% Overall change: +20% Change from 2011: 14% Mobilisation of project based support has reduced the funding gap in the short – medium term.	**MS**	
	3. Coverage of the Romanian Carpathian ecoregion with ensured financial sustainability	0 ha	> 1 million ha.	Estimated: 0 ha with ensured financial sustainability 300,000 ha with significantly improved potential for financial sustainability 700, 000 ha with some improved potential for financial sustainability	**MU** (lower weighting)	

Financial scorecard

107. The final scorecard assessment indicates that the target has very nearly been met, although a closer examination of the scorecard shows results from the three components are rather unbalanced, and that component one (legal and regulatory framework) and component three (tools for revenue generation by PAs) fall short of the target, while component two (business planning and tools for cost effective management)

comfortably exceeds it. The scorecard can only provide a generalised overview of the financial situation of protected areas, and any criteria-based scoring system is to some extent reliant on subjective opinions, as it can often be difficult to differentiate between two scoring criteria. Several respondents mentioned that the scorecard was too generalised to give a real indication of the situation, but in the absence of any other indicators it has to be taken into account. Overall achievement of this indicator is rated as **Satisfactory** (S), although the subsequent indicators provide a more in-depth assessment of the situation concerning protected area financing.

Trends in closing of funding gaps at the national level

108. Assessment of this element of the project is not straightforward, as it depends on how the funding gap is defined and measured. As previously mentioned, tracking and evaluation of this aspect of the project would have been much more easy and reliable if adequate indicators had been identified at an early stage, either during preparation of the ProDoc or during development of a detailed monitoring plan. The following sections assess the result from a number of perspectives, all of which are valid in some way.

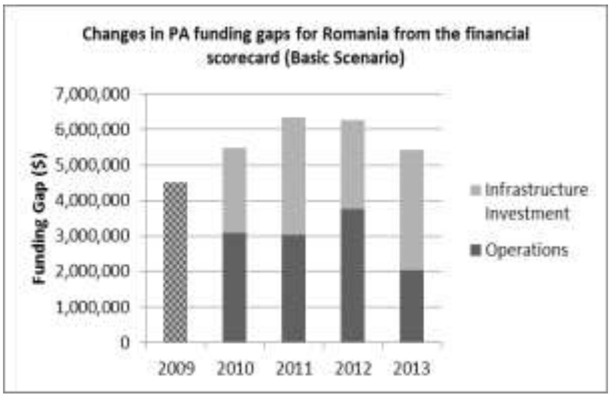
Figures from the financial scorecard

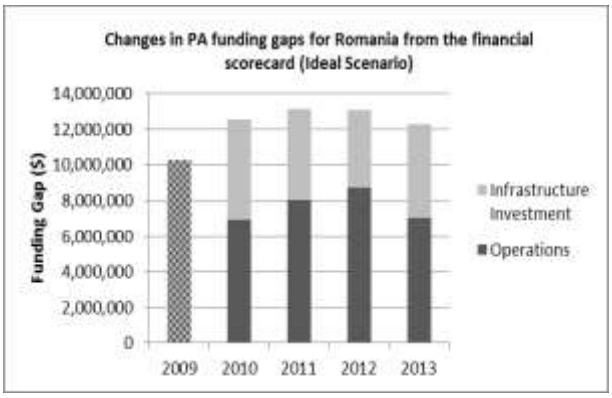
109. The most consistently collected information during the lifetime of the project was the annual completion of the financial scorecard, which includes a specific quantification of the gap between actual protected area income, and minimal and ideal requirements for expenditure (split between operations and infrastructure). The results from the scorecard appear in Figure 1, and show that from 2009-2013 the funding gap has increased in both scenarios, but that the gap has decreased since a peak in 2012, mainly as a result of significant reductions in operational costs. Based on this evidence, the reduction of the funding gap envisaged in the project document has not been achieved; although there is some evidence of a gradual reduction of the gap from December 2011, this is nowhere near the 20% per year target. In the course of discussions of these results during the mission, respondents offered a range of interpretations and supplementary information to explain these results. Some respondents commented that the financial scorecard uses generalised aggregated data and does not provide a sufficiently accurate assessment of the real situation. This may be the case, but it is the only consistently measured indicator for the targets set by the project. If the figures in the scorecard were considered to be unreliable, more accurate means should have been established at an early stage to measure changes in the funding gap.

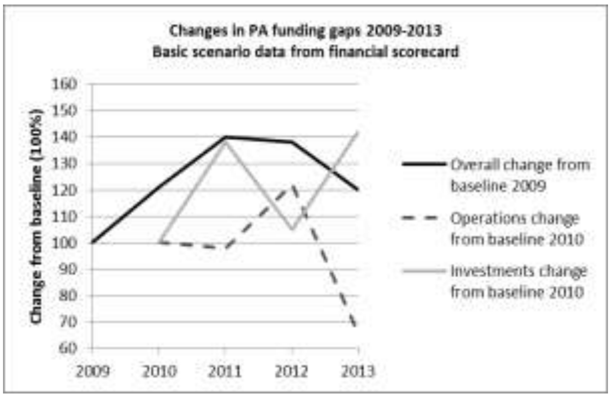
110. The rapid increase in the funding gap between 2009 and 2011 has been attributed to the increased financial commitment associated with the establishment of Natura 2000 network, which in Romania is considered to be part of the protected area system. In order to provide a clearer measure of changes in the funding gaps, the scorecard assessments used by the project should have separated the figures for Natura 2000 sites and for State protected areas.

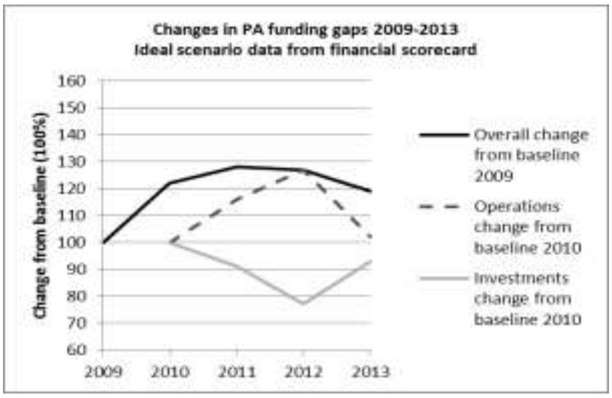
111. It has not been possible to explain the major changes and differences between the funding gaps for operations and investments shown in the scorecards between 2012 and 2013. While the reduction in the funding gap for operations might seem encouraging, it could be explained by a major decline in expenditure as much as by a major increase in income.

Figure 1 Changes in the funding gap in the course of the project according to the financial scorecard.









Availability and security of income

112. The current 'funding mix' for protected areas is summarised in Table 15. More details about the components of the funding mix are provided under the assessment for Outcome 1. Income for PAs has increased as a result of its interventions of the project, but the foreseen long-term solutions (i.e. a 'ring-fenced' budget for PAs from the MoECC and/or a substantial flow of income from payments for ecosystem services) have not materialised.

Table 15 Overview of the current 'funding mix' for protected areas

Source of funding	Purpose	Impact on funding gap.	Security and sustainability
NFA	Basic recurrent costs of management. Some investments.	Net increases directly reduce the funding gap. Costs are offset by the NFA against taxable profits and therefore a proportion can be considered state funding in the form of tax foregone.	Reliant on NFA's continued willingness to pay. Uncertainty about renewal of management contracts, especially in PAs with little forest cover.
MoECC	Co-financing and VAT support on multilateral and bilateral projects.	Up to $4.5 million support provided, leveraging much larger project expenditure. Investments may not relate directly to needs identified in PA management plans and therefore may not contribute towards closing the gap.	Under the PA Law, MoECC is required to fund PAs 'within the limit of the available budget'. Co-financing and VAT support appears to be secure for the next EU funding period (up to 2020).
Donors	According to criteria of donors and agreed programmes and projects.	Investments may not relate directly to needs identified in PA management plans and therefore may not contribute towards closing the gap.	Variable; the chances of continued EU support are very high. GEF funding is no longer available.
Income generated at the site	To cover PA management costs.	Will close the funding gap if expenditure is linked to priorities in the management plan.	Dependent on the initiative of PA teams. Direct and opportunity costs are incurred by PA team fund raising activities. Potential differences between PAs.

113. Even with increased income, the funding gap is only closed when expenditure is used to cover current predicted costs, not to pay for new project activities and investments not included in the management plan. For example, a grant of $1 million to construct a protected area visitor centre does not reduce the funding

gap by $1 million, unless the budget and financial plan of the protected area had specified that amount for that particular investment; instead it adds $1 million to both the income and expenditure columns. Indeed, construction of a large visitor centre may serve to increase the funding gap, because operation and maintenance of the centre will increase the recurrent costs of the protected area, and cost recovery from increased tourism income is by no means guaranteed. Some of the SOP supported activities have definitely covered planned non-recurrent protected area activities (for example, support for baseline surveys and preparation of management plans), but few are likely to have any impact on reducing recurrent operational costs.

114. On balance, achievement of this target is rated as **Moderately Satisfactory (MS).**

Coverage with ensured financial sustainability

115. As discussed in section 3.1.1, the expectation of more than 1,000,000 ha with '*ensured financial sustainability*' was highly unrealistic from the start, and the Project Document provides no definition of ensured sustainability and no measurables. In the absence of these, a very rough assessment is made of what has been achieved:

- Area with <u>ensured</u> financial sustainability: 0 ha.
- Area with <u>significantly improved potential</u> for financial sustainability: approx. 300,000 ha. (Pilot protected areas).
- Area with <u>somewhat improved potential</u> for financial sustainability: approx. 700,000 ha. (Other protected areas).

Consequently this indicator is evaluated as **Moderately Unsatisfactory (MU),** but less weight is given to this assessment as to the others, given the difficulty in measuring it.

Management Effectiveness

116. The underlying assumption of this project was that improved finance would lead to improved management effectiveness, but no indicators of management effectiveness were formally included. However, the project commendably conducted management effectiveness tracking tool (METT) assessments at the beginning and end of the project, which do enable some 'before and after' comparisons. The results are shown in Table 16, and include overall METT scores and scores for the three questions in the METT assessment, which directly concern financing of the protected areas (questions, 15, 16 and 17).

Table 16 Changes in protected area in METT scores and scores for METT Financial Elements 2009 and 2014 (pilot protected areas are shown in **bold**)

Protected Area	METT Score	Financial Questions 15/16/17	METT Score	Financial Questions 15/16/17	METT Score	Questions 15/16/17
	2009		2014		Change 2009 - 2014	
Apuseni Nature Park	**61**	**5**	**61**	**4**	=	-
Maramures Mountains Nature Park	**67**	**6**	**72**	**7**	+	+
Piatra Craiului National Park	**64**	**6**	**80**	**8**	+	+
Retezat National Park	**66**	**6**	**76**	**6**	+	=
Vanatori Neamt Nature Park	**67**	**6**	**67**	**6**	=	=
Bucegi Park Nature Park	60	5	71	6	+	+
Buila-Vanturarita National Park	42	4	59	3	+	-
Calimani National Park	46	6	66	5	+	-
Ceahlau National Park	62	6	72	6	+	=
Cheile Bicazului-Hasmas National Park	55	5	60	5	+	=
Cheile Nerei Beusnita National Park	52	3	55	4	+	+
Cozia National Park	59	5	67	4	+	-
Defileul Jiului National Park	34	3	60	4	+	+
Defileul Muresului Superior Nature Park	-	-	(57)	(6)		

Domogled-Cerna Valley National Park	53	5	62	5	+	=
Geoparcul Dinozaurilor Tara Hategului Natural Park	42	3	47	3	+	=
Grădiștea Muncelului -Cioclovina Nature Park	56	6	55	6	-	=
Iron Gates Nature Park	54	4	78	7	+	+
Platoul Mehedinti Geopark	37	2	41	3	+	+
Putna-Vrancea Nature Park	46	4	52	5	+	+
Rodna Mountains National Park	58	5	65	4	+	-
Semenic - Cheile Carasului National Park	49	6	65	5	+	-
AVERAGE	**53. 8**	**4. 8**	**63.4**	**5. 0**	+	+

117. The results show that the overall average METT score has increased by nearly 10 points, which is encouraging, but that there are major variations between the sites. In three of the pilot protected areas the score has increased significantly in the past five years, while in the other two it has not changed. The biggest improvements have been at Iron Gates Natural Park and at Defileul Jiului National Park. For the financial elements of METT, the overall average has increased marginally, but has remained unchanged for two of the pilot parks and decreased for one. Some of those consulted suggested that not too much significance should be given to these results, because the METT assessments were conducted by the Park Directors themselves, not by independent assessors (although the scores were validated by the NFA PA Unit against reports, monitoring records, financial records etc.). METT does have its flaws (mainly related to lack of weighting), but does provide a general indication of trends. The rather mixed results fall short in places of what might be expected over five years, but are difficult to explain. It is to be hoped that the NFA will continue to use METT assessments in order to track future progress of the protected areas, as future assessments may pick up progress related to project achievements that has yet to 'trickle down' to all protected areas.

3.3.2 Evaluation of Outcome 1.
'Supportive legislative framework and sustainable PA financing strategy'

Table 17 Summary of results based on indicators for Outcome 1.

Outputs	Indicators	Baseline measure	Target	Final measure	Indicator Rating	Output rating
1.1: A set of by-laws and amendments to the existing legislation developed and promoted.	Number of sets of suggestions and regulations for improving PA financing legislation, developed and promoted to decision makers.	0	5	At least 12 detailed proposals made. 7 not approved. 4 approved (all relating to co-financing and support for EU and bilateral funding). 1 pending.	**MS**	**MS**
1.2: Sustainable Financing Strategy and Action Plan for 22 large PAs in the Romanian portion of the Carpathians.	No specific indicator set.	n/a	n/a	SFS drafted in 2013, but not yet finalised or adopted by the MoECC or NFA.	**S**	**S**
1.3: Government commits to gradually increase funding (e.g. 20% yearly increases from 2007 level) for the targeted PAs.	Funding gap for the Romanian Carpathian PA system.	$4 M (basic) $11 M (optimal)	<$1 M (basic). <$5 M (optimal).	From the financial scorecard: basic/optimal **2009:**$4,526,061$/$10,280,903 **2010:**$5,477,978/$12,537,502 **2011:** $6,334,474/$13,156,256 **2012:** $6,260,273/$13,082,055 **2013**: $5,444,002/$12,265,784 Short –medium term funding gap potentially reduced due to mobilisation of EC support.	**MS**	**MS**
	Amount of allocations from Ministry of Environment for Carpathian PAs.	0	By Dec. 2013, central budget allocation of> $1 million.	No permanent commitment to central budget allocation. Co-financing and VAT support provided by MoECC for EU funded projects totalling ca US$4.5 million in 2010-2014.	**S**	
	Number and level of central budget transfers.	None	Twice a year by Dec. 2011.	No approval or transfers as envisaged. Co-financing and VAT support has been provided by the MoECC for EU SOP projects.	**MS**	
	Compensation payments to forest users.	App.30%	40% (Dec. 2013)	None to date. (New mechanism to generate funds proposed through amendment to the Forest Code awaits approval).	**MS**	
	Number of cases for environmental compensation and level of fees.	None	3 by Dec. 2013	No compensation or off setting mechanism yet established. (New mechanism proposed through amendment to the Forest Code awaits approval).	**MS**	
1.4: Model business plans developed to demonstrate specific market-based revenue mechanisms for 5 clusters of PAs in the Romanian Carpathians.	Number of sites in Carpathians with business plans and cost-reduction strategies.	0	5 by Dec. 2013	5. All pilot PAs have business plans. 5 site based cost saving strategies in place based on the business plans and use of the FMS.	**S**	**S**
1.5: A set of diversified PA income-generation mechanisms (market and non-market options) validated in at least 3 PAs.	Number of sites with diversified market-based instruments for PA funding.	0	Min 3	5+ PAs have introduced a range of new income generation mechanisms.	**S**	**S**
	Number of cost-saving strategies in place at PA system level.	0	>10	No overall cost saving strategy in place at the system level, although monitoring of the FMS has enabled better monitoring of costs and efficiencies.	**MS**	

Output 1.1: A set of by-laws and amendments to the existing legislation developed and promoted

Indicator: Number of sets of suggestions and regulations for improving PA financing legislation, developed and promoted to decision makers

118. The project made commendable efforts to identify needs for improved legislation, to draft proposals and to promote their adoption. A national legal consultant was effectively engaged to draft proposals in the correct legal format. The project approached the issue from a range of angles, developed well-thought-through and detailed technical proposals, held numerous meetings and consultations, and initiated an imaginative awareness campaign aimed at convincing decision makers of the value of sustainably managed protected areas (described in more detail in paragraph 123 onwards). The proposals made, and their current status are summarised in Table 18, showing mixed results. In response to the lack of progress, the project took the pragmatic decision in 2013 to focus only on two priorities: (i) Negotiations on the contractual arrangements for PA management between the NFA and the MoECC (including means for enabling central funding transfers) and (ii) implementation of a PES/EC scheme through the proposed amendments to the Forestry Code. Although fully developed and promoted, neither of these initiatives has been adopted in the lifetime of the project, although there is a reasonable chance that the latter may be approved.

Table 18 Summary of proposals for changes in legislation and regulations made by the project.

Year	Legal Proposal	Purpose	Results
2011	Modification of Emergency Ordinance OUG 196/2005 enabling PA administrators to deduct PA management costs from the required annual contribution of 2% the total forest exploitation value (timber value) to the National Environmental Fund.	To make more money available to the NFA for PA management.	Not approved.
	Modification of Article 30 of Law 49/2011 allowing 25% of the income generated by the PAs to go to the envisaged National Agency for Protected Areas (NAPA).	To generate funding for the NAPA.	Not approved (NAPA was never established).
	Formulation of Article 18, which would have established the possibility for the MoEF/CC to co-manage PA administrations.	To enable the MoEF/CC to directly finance PAs a co-manager.	Not approved.
	Government Ordinance 120/2010 enabling the MoEF/CC to pay the VAT on co-financing of EU funded projects submitted by PA administrations.	To encourage and enable PA administrations to submit proposals and thereby mobilize resources for infrastructure and management.	Approved.
	Government Ordinance allowing PA Administrations to be co-financed in Life + projects by the MoEF/CC.	Enabling financing of PA related activities by the MoEF/CC.	Approved.
2012	Governmental Decision for the financing of PA Administrations (implementing art.30 of Law no.49/2011 concerning PA Administration).	To enable direct financing of PAs.	Not approved.
	Governmental Decision concerning the Sectoral Operational Programme for Environment (SOP) that would increase the pre-financing proportion from 10% to 20% and decrease the discount rate from reimbursement tranches from 30% to 20%.	Improved incentives for PA administrations to submit projects to be financed through SOP Environment, and consequently increased financing of biodiversity management and conservation work.	Uncertain.
	Normative act to enable the National Environment Fund to benefit from national PES/EC mechanisms in the fields of tourism, bottling water and the residual impact of mineral resource exploitation.	To generate funds for the National Environment Fund that could be used to finance conservation and protected areas and offset the proposed reductions in the 2% levy on forest owners.	Not approved.
	Enabling creation in the 2013 State budget of a separate budget category for the expenses necessary for biodiversity conservation and PA management.	To enable direct cash transfers, and enable the central public authority for the environment to meet its legal obligations to fund biodiversity	Not approved.

		conservation.	
2013	Making sponsorship of protected areas by businesses and individuals tax deductible.	To encourage donations and private and corporate philanthropy.	Not approved.
	Amendment of the Forestry Code to introduce a water based PES/EC scheme based on the beneficiary pays principle. Income would be used to provide income for the Agro forestry and Land Use Fund (managed by the forestry department of the Ministry of Environment).	To provide resources to compensate private forest owners whose activities are restricted.	Not yet approved.

119. The major successes under this outcome relate to changes in legislation enabling co-financing and VAT support from the MoECC for SOP projects in the protected areas. This achievement is further discussed in the evaluation of Output 1.3.

120. The most common reason given for why so many changes in legislation were not approved was '*lack of political will'*. When the issue was examined in more depth, the main explanations given related to the financial crisis in Romania, the weak capacity and limited influence of the MoECC, and the limited lobbying ability of the NFA. These factors are examined in more detail in section 3.2.5.

121. Most respondents considered that, without more focused support from the MoECC, there was not much more the project could have done to change the situation. However, one specific issue was mentioned. The proposal for a blanket 2% levy on tourism enterprises to be paid to the National Environment Fund (as part of normative act to enable the National Environment Fund to benefit from national PES/EC mechanisms) was strongly opposed by tourism authorities and the tourism sector, attracted media criticism and undermined the chances of adoption of the proposed normative act. The PMU is adamant that negotiations and discussions did take place with the tourism sector on this issue, and they were surprised by the opposition to the measure when it was published. The tourism sector is reportedly not opposed to supporting protected areas, but much prefers direct payment by tourists (e.g. through a bed tax collected by hotels) to blanket taxation of tourism enterprises. It is not clear why this approach was not raised or identified earlier, but bed taxes are widely used elsewhere and had this alternative been identified and explored earlier, an important source of revenue generation for protected areas might have been established with sector support.

122. More generally, the concept of PES and many of the mechanisms proposed are quite new in Romania, and their adoption and acceptance required a major change in thinking, both at the government level and among stakeholders. As one respondent said '*we are not yet ready for this approach'*. The project used internationally accepted methods to quantitavely value environmental services in Romania and estimate the potential income that could be derived from various payment systems (see Output 1.2 below). However, when the cost of environmental services has been discounted for so long, introduction of payment mechanisms is understood by many to be just a new form of state taxation and is therefore unpopular politically and publicly. This resistance is amplified when stakeholders do not see direct benefits resulting from their payments. Some respondents considered the aggregated figures produced to be unfeasibly high and 'just theoretical'.

Awareness campaigns

123. The main strategy for addressing the risk that the proposals of the project would not be supported was to raise awareness, particularly among decision-makers, about the benefits delivered by the protected area system and the potential income that could be generated for management. A number of approaches were used.

124. In 2011, a communication strategy and action plan were finalized, which included a range of public awareness-raising actions and events targeted at the general public, including a celebration of the European Day of the Parks organized by the NFA and the project team at the Romanian Parliament. The project also used the imaginative approach of recruiting a team of national 'Protected Areas Ambassadors', public figures from various backgrounds who received communications and PR training to enable them to deliver targeted messages on the importance of securing the long-term future of Romania's protected areas. Other activities

included a new website for the Park Administrations Association, development of a presence on Facebook, creation of a database of friends of the project and press releases and publications.

125. A press conference hosted by the UNDP Country Office in December 2011 provided an opportunity for members of the National Steering Committee to hold discussions with private sector businesses about ecosystem services and the need for better financing the PA's, while meetings with also organised with private companies as well as other potential partners in PES mechanisms.

126. In 2013 the project initiated, through a contractor, a second, much more focused campaign based around the results of the Valuation Study prepared by the project under the banner '*put a value on nature'*. This used a range of media to increase awareness of the specific values of protected areas among the general public and to lobby for legislative and administrative and financial support from three categories of important stakeholders: Parliament members, government officials and private companies willing to invest. The campaign comprised an online campaign, a website and almost 200 personalised direct messages for politicians and senior private sector figures containing an imaginative educational tool (a so-called ecosystem elements origami box) and a personalised letter. The campaign achieved quite good penetration, generated a good amount of media attention, with more than 60 positive articles appearing in the press. Around half the recipients of the personalised letters were contacted personally and were generally positive about the campaign. However, some respondents considered that the campaign was underfunded and that it took place too late to have a significant impact on policy; it would have been better to have started much earlier, but it was dependent on project outputs that took time to produce.

127. Project partners, WWF felt that by engaging outside contractors to lead the campaign, insufficient use was made of their campaigning and advocacy expertise. The (justifiable) concern from the project's point of view was that WWF's more direct and forceful style would be incompatible within a project owned by the government and supported by UNDP.

128. In 2014 the project commissioned production of an excellent 'Infographic' (animated presentation), outlining the objectives and accomplishments of the project in a clear and engaging way. This was very well received at the concluding joint conference of the project.

Evaluation

129. In summary, although a comprehensive and professionally developed range of legal measures was proposed and actively promoted and supported by awareness campaigns, only changes releasing short to medium -term funding were approved, and proposals for long term and potentially sustainable proposals failed to secure approval. However, even if not approved at the moment, the proposed measures are still 'on the table', the key stakeholders are aware of them. If means can be found to continue to promote, improve and refine them, there is still a chance that they will be approved in some form in the future. As mentioned in Section 3.1.1, the inception process modified this first output and associated target, removing the requirement that the proposed changes would be approved. However, securing changes in the law was a fundamental prerequisite for the overall objective of the project and for the other outputs under Outcome 1. Therefore the success of securing approval does to some extent have to be taken into consideration when evaluating this output. Consequently the output is evaluated as **Moderately Satisfactory (MS).**

Output 1.2: Sustainable financing strategy and action plan developed for 22 large protected areas in the Romanian portion of the Carpathians

130. Production of the sustainable financing strategy was the endpoint of a set of studies and evaluations conducted by the project with support from both international and national consultants.

131. A cornerstone for the strategy was the report '*An assessment of the contribution of ecosystems in protected areas to sector growth and human well-being in Romania',* hereinafter referred to as the Valuation Study. This used the 'Sector Scenario Analysis' (SSA) approach to estimate the economic values of the five pilot sites from the perspective of five different sectors: tourism, forestry and hunting, carbon sequestration, agriculture and food production, and water. SSA compares the values of the ecosystems of the protected

areas under two different scenarios for each sector: i) Business as usual (BAU) which assumes that management continues as it is and ii) Sustainable ecosystem management (SEM), which assumes that funding and capacity are available to meet basic optimal protection needs so that ecosystem health improves and the flow of benefits increases. The overall result of the study (see Table 19) suggests that the total cumulative benefit of adopting SEM over 25 years was €2.794 billion, and that since many of the ecosystem services are already operating at close to the SEM level, by far the greatest additional benefit is likely to be derived from tourism (€2.627 billion). The implication of this is that efforts to maximise the economic potential of protected areas should focus mainly on developing and promoting sustainable tourism. Other areas where significant benefits could be derived from improved management related to water supply, food and agricultural products, regulation of and disaster avoidance/mitigation.

Table 19 Summary of potential ecosystem values for the 5 pilot sites over 25 years- 2011- 2035 (million Euros)

ES Type	Service	BAU Value (P @10%,	SEM value (PV@10%,	NPV (PV SEM – PV BAU) @10%,	Total cumulative benefit under SEM
Provisioning Services	Food / agriculture products	174.00	190.00	16.00	83.90
	Wood & NTFPs	77.30	74.50	-2.80	-2.80
	Water supply (reduced treatment costs associated with regulating services of soil erosion and water flow regulation)	176.3	177.2	0.90	35.40
	Source of energy (fuel etc.)	0.00	0.00	.-	0.00
Regulating Services	Regulation of GHGs	14.40	20.20	5.80	33.30
	Micro-climate stabilization	0.00	0.00	-	0.00
	Soil erosion and water regulation (storage and retention) related to disaster mitigation	10.80	14.40	3.60	17.50
	Nutrient retention	0.00	0.00	-	0.00
Cultural Services	Spiritual, religious, cultural heritage	0.00	0.00	-	0.00
	Educational	0.00	0.00	-	0.00
	Recreation and ecotourism	787.20	1,282.90	494.80	2,626.80
	Landscape and amenity	0.00	0.00	-	0.00
	Biodiversity non-use	0.00	0.00	-	0.00
	TOTAL	**1,440.70**	**2,000.60**	**556.40**	**2,794.10**

132. The study has generated a lot of interest and positive impressions at the potential values of protected areas, but has also attracted some criticisms. Some respondents felt the study could have usefully considered other valuation methodologies and approaches alongside the SSA approach; while the project team did consider this, it was decided that it would necessitate more data gathering and processing and would not have altered the final result in any significant way. Concerns were also expressed that insufficient attention was given to adapting the SSA approach to the situation in Romania and to taking into consideration input from national and local stakeholders. The counterargument to this has been that the project was set up to test and use the SSA approach, and that deviating from it could have stretched resources too thinly and resulted in several incomplete studies rather than one comprehensive one. Some respondents considered that the assumptions used and resulting values under SEM are too high to be credible. The report acknowledges that the figures might be overestimated, as assumptions and estimates were required for some valuation calculations. The report also explained that the study should be seen as a starting point for using the approach rather than a definitive evaluation, and that future studies should work to refine the estimates. However, it is

usual for readers of such studies to focus on the headline figures and not the underlying rationale. Ideally, and had resources been available, it might have been productive to conduct a much more in depth study of one protected area (or one sector) in order to 'calibrate' the overall results.

133. Although the study recognises that shifting from BAU to SEM incurs costs, it does not calculate those costs in detail or include them in the scenarios, merely stating that the benefits would greatly outweigh the costs and assuming that many of the infrastructure investment costs (especially in the tourism sector) would be covered under externally funded projects. It would have strengthened the study and made it more convincing if it had factored in the costs of sustainable tourism development in more detail for at least one of the protected areas, taking into account the need for investments in infrastructure, personnel, capacity development, mitigation of environmental impacts and overheads and running costs.

134. The study does not assess the values of cultural services (apart from tourism and recreation) and explicitly records the values of these cultural services as zero under both BAU and SEM. Although these values are difficult to quantify, they relate to the fundamental reasons why so many Romanians cherish the landscapes and ecosystems of the Carpathians. While resource constraints may have prevented a detailed assessment of these values, giving the impression that they have zero value could potentially alienate many of those whose support is essential for the long term future of protected areas. It would be preferable if the values were entered as 'not assessed' instead.

135. Despite these concerns, this is an important and valuable study that underpins many of the other achievements of the project (sustainable financing strategy, business plans, awareness programmes). The report was not completed until quite late in the project, due to challenges in acquiring the required data and to changes in the consultant team; had it been made available earlier, more time might have been available to make wider use of its results and to produce and finalise the sustainable financing strategy.

136. As well as making use of the valuation study, development of the sustainable financing strategy took place in parallel with, and using information from development of the business plans for the five pilot areas (see Output 1.4), and the strategy document has a similar structure to the business plans.

137. The final draft strategy was delivered in August 2013. It is clearly structured, explaining the main principles of sustainable financing for protected areas, outlining the current situation for protected area financing in Romania, clearly presenting five non market-based and three market-based mechanisms for closing the funding gap, estimating the potential income from those mechanisms (see Table 20) and providing directions and an action plan for implementing these options. Several respondents considered that although useful, the strategy promotes unrealistic financing solutions, specifically donation boxes and establishment of a trust fund. As a consequence, these mechanisms have now been removed from the final draft submitted to the NFA for approval. Many other of the solutions proposed are practical, realistic and feasible (to the extent that they have been assimilated into business plans and already being used). It was also mentioned that the figures included for potential income and for potential numbers of visitors are unfeasibly high. The revised version submitted to the NFA includes more conservative estimates.

Table 20 Potential income 2013-2017 from Carpathian Protected Areas (from the Sustainable Financing Strategy)

Financial mechanisms	Potential income
Market based	
Efficient entry passes policy	€5,552,233.23
Concessions and special concessions	€35,476.36
Bison farm and zoo	€23,042.65
Carbon scheme	€362,500
Subtotal	***€5, 973, 252.23***
Non Market based	
Government annual increase 2013-2017	€0
Partnerships	€781,666.58
CNPA Trust Fund (2017)	€150,000
Spare currency donation boxes	€500,000
Subtotal	***€1,431,666.58***
TOTAL ESTIMATED	**€7,404, 918. 81**

138. These are impressive figures, but are considered by many to be major overestimates, while some of the proposed mechanisms (notably the carbon scheme, trust fund and donation boxes) were generally thought to be unfeasible. It is a concern that this table explicitly states that even with a zero increased contribution from the MoECC, the Carpathian protected areas could earn more than €1 million per year from 2013. This could inadvertently give the impression that there is in fact no need for an increased central budget allocation, and that parks can earn the money they need for themselves; the concern was explicitly raised by some in the NGO community who are campaigning for increased central budget support.

139. The strategy promotes the establishment of a 'business development unit' (BDU) to actively promote and support implementation of the strategy at the protected area level. The consensus was that the BDU would best be housed within the Carpathian Protected Areas Association, and the project agreed to support the engagement of a specialist to test the BDU concept and to actively seek and secure significant partnership funding on behalf of the protected areas. However, it proved difficult to find and agree on the right person for the job, and the initiative did not lead to any significant new financing (although it did provide some support to protected area directors who had identified potential partnerships).

140. The draft Sustainable Financing Strategy document was completed in late 2013, mainly due to accumulated delays in production of prerequisite studies and reports. Had it been published much earlier, the project could have conducted a widespread review and consultation process and more actively promoted and supported its adoption and implementation by the NFA. The Strategy has now been translated into Romanian, revised and submitted for official approval by the NFA and subsequently to the MoECC for approval for use by the NFA as a Business Oriented Management Tool, to be implemented locally by the PAs under NFA management.

Evaluation

141. Overall, this output is evaluated as **Satisfactory (S*)***, with only minor shortcomings.

Output 1.3: Government commits to gradually increase funding (e. g. 20% yearly increases from 2007 level) for the targeted PAs

142. This output is one of the most critical to the attainment of the overall objectives of the project and several indicators are attached to it.

Indicators: Funding increases, reduction of the funding gap and central budget transfers and allocations

143. A strict assessment of the success indicators established by the project shows that no separate budget line for protected areas has been approved by the MoECC and established for protected areas, no central transfers have been made for protected area management, and no long term commitments have been entered into by the MoECC for budget allocations as envisaged. However the legal changes promoted by the project have enabled provision of significant alternative sources of support from the MoECC (through co-financing and VAT subsidies) totalling over $4.5 million for the implementation of 27 EU funded, SOP projects from 2010-2014, and ensured future similar support up to 2020. This does not equate to the committed long term central budget support envisaged by the project, but it has provided an important short to medium term partial solution (at least up to 2020) to the PA funding problem.

144. The extent to which this new funding has reduced the funding gap is difficult to assess, as no consistent data are available that measure or track the funding gap (as already considered in Section 3.3.1). From one perspective, the additional expenditure of over $4.5 million could be said to have closed the funding gap of $1 million per year and enabled protected areas to benefit from a wide range of activities to improve their effectiveness and efficiency. On the other hand, and as previously explained, the funding gap is only closed if planned expenditure is covered. While considerable SOP project expenditure has been directed towards new and previously unforeseen investments (e.g. visitor centres), many of the SOP projects have also conducted significant work directly related to primary management needs of protected areas (notably baseline surveys and development of management plans) and have therefore at least offset future costs of the protected areas in conducting this work.

Indicator: Number of cases for environmental compensation and level of fees

145. Instruments have been developed and proposed by the project that would enable such compensation to be paid, both through a levy paid to the environmental fund by mineral extraction companies and through a water-based PES scheme related to hydropower lakes in protected areas. Provision for the latter is included in proposed changes to the Forest Code and there is some optimism that these mechanisms will be approved.

Indicator: Compensation for forest owners

146. The main route envisaged by the project to enable this was the previously mentioned 'beneficiary pays' amendment to the Forestry Code, that would enable establishment of a PES/EC compensation scheme targeted at forest owners, possibly administered through the Special Fund for Improving the Agro-forestry Land Use. Mobilisation of this mechanism is dependent on the approval of the proposed amendments to the Forest Code.

Evaluation

The project has conducted studies and developed economic arguments and instruments for improving PA financing and closing the funding gap. The anticipated mechanisms for permanent long term financing for PAs have not been achieved. Given the financial crisis it could not be expected that the MoECC would be able to increase direct funding, but better progress could have been expected with the mobilisation of new PES funding through the National Environment Fund. Never-the-less, significant new funding has been mobilised to enable implementation of EU supported PA projects. In addition, the foundations have been put in place for mobilising payments for ecosystems services through proposed amendments to the Forest Code, which are yet to be approved. Despite the difficulties that it has encountered, achievement of this output is evaluated as having only moderate shortcomings and is therefore evaluated as **Moderately Satisfactory (MS).**

Output 1.4: Model business plans developed to demonstrate specific market-based revenue mechanisms for 5 clusters of PAs in the Romanian Carpathians

Indicator: Number of sites in Carpathians with business plans and cost-reduction strategies

147. Business plans have been prepared for all five pilot PAs using a common structure (see Table 21). Development of the final plans included a round of stakeholder consultation. Importantly, the business plans are integrated with the management plans for the protected areas, the budgets developed for implementing the management plans, and the computerised financial management system (FMS) designed to record income and expenditure against planned activities. This has enabled protected area directors to see clear links between activities, budgets, funding gaps and opportunities for increasing and diversifying income. Directors have found the business plans very useful in guiding them towards feasible opportunities and potential partnerships for increasing funding. A few of the recommended fundraising approaches were considered to be unrealistic (although many have proved to be quite feasible). A more serious concern is that since no additional budgets or human resources have been allocated for implementing the business plans and fundraising, making the best use of them places an additional strain on already limited resources and diverts some PA staff from their core duties. Establishment of the Business Development Unit by the project was intended to address this issue; although the BDU has not materialised, an alternative means of supporting business plan implementation (and specifically developing funding partnerships) is required, as a certain amount of investment is required to realise the potential of the plans.

Table 21 Table of contents of protected area business plans

1. Background
2. Conservation goals, objectives, operations & investments
3. Financial situation, barriers, needs and gaps
4. Financial strategies (revenue options)
4.1. Non-market mechanisms
4.2. Market-based mechanisms
5. Cost-saving strategies
6. Funding priorities

7. Economic impact
8. Management and reporting
9. Implementation plan, cost and performance indicators

148. The budgets and business plans elaborated for the five pilot parks all include strategies for cost saving, mainly through improved efficiency and more targeted use of the limited funds that are available. Directors of all the pilot protected areas stated that the FMS was particularly useful in helping them to plan and monitor allocation and monitoring of staff time to ensure improved efficiency. However the following observation in mid-term evaluation report remains true '*cost reduction strategies…. will become more effective once the optimum level of financing is reached. So far, the PAs are still underfinanced and there is little applicability for measures that involve maximum impact and minimum costs since all management or conservation measures are implemented at minimum costs'*.

Evaluation

149. This output is evaluated as **Satisfactory (S)**, with only minor shortcomings.

Output 1.5: A set of diversified PA income-generation mechanisms (market and non-market options) validated in at least 3 PAs.

Indicator: Sites with diversified market-based instruments for PA funding

150. The project has had far more success at the protected area level than at the central level in identifying and mobilising new sources of funds. Alongside support and guidance provided by the project, the NFA has instructed that protected areas should aim to cover 5% of their budgets through local funding initiatives and partnerships. Consequently, all five pilot protected areas and some other Carpathian protected areas have successfully introduced, or are about to introduce market based instruments for protected area funding (see Table 22). This exceeds the target of three sites, and in all cases there is considerable potential for increasing the funding in future years.

151. Figures provided by the project following a request during the evaluation mission suggest that these new sources of income appear to be closing the funding gap for protected areas quite significantly. When aggregated across all the Carpathian protected areas the funding gap appears to be only 23% of what it was in 2010, and some sites appear to have made a significant surplus. This is encouraging, but three major factors have to be taken into consideration

a) Almost 50% of the income to the protected areas has been from project funds. In 2013, the total contribution by NFA was $3.325 million, locally generated funds amounted to $0.422 million and externally funded projects contributed $3.633 million. This shows a continued high dependency on project funds, which are not normally considered to be sustainable sources of financing (and which are not considered as future sources of income in the business plans).

b) As explained, project funds do not close the funding gap if the activities they support do not feature in the management plans and associated budgets of the protected areas. For example, expenditure of project funds on a high specification visitor centre in Bucegi, while very welcome, cannot be assumed to have created the reported surplus of over $585,000 in 2013.

c) There is a lack of a common understanding about the use and management of the income generated locally by protected area administrations. Several respondents were of the opinion that locally generated income was being withheld from protected area budgets by the NFA, resulting in no net gain for the protected areas. In response to this issue the Director General of the NFA has clarified in writing that this is not the case, stating that *'The incomes generated by the Park Administrations are used by them directly – without being returned to NFA – for expenses related to the purchase of field equipment, office equipment, investments in infrastructure or the organization of awareness events'*. The apparent misunderstandings about the use of locally generated funds suggest that clearer guidance and appropriate transparent procedures are required to make clear to NFA staff, funding partners, the general public as to how locally derived income is used.

Table 22 Examples of income generation by protected areas

Protected Area	Methods used	Income (2013) Approximate: converted from RON to USD
Retezat National Park.	Entrance Tickets. Accommodation. Use of logo on park maps. Permits.	$27,000
Vanatori Neamt Nature Park.	Products with park logo. Concessions, fees and permits. Contract services. Donation of food for animals by supermarket chain.	$24,000
Apuseni Nature Park.	Charges for cave visitation ((over 87,000 visitors).	$5,200
	Herb harvesting: approx. 850 tonnes per year. Partnership with herbal products company.	Potential income USD 0.75- 1.25 per kilo.
Maramures Nature Park.	Revenue sharing by tourist steam train enterprise in the Park.	$22,000
Piatra Craiulu National Park.	Entrance fees (1 month only). Sales.	$1,000 $3,600
Bicaz Gorges Hasmas Mountain National Park.	Entrance fees. Endorsement and use of logo by mineral water procedure. Sponsorship of environmental education event by cement company. Sponsorship of fuel for anti- poaching activities by hunting association.	$1,900
Bucegi Natural Park.	Entrance fees.	To be implemented in 2014
Iron Gates Natural Park.	Guided cave tours.	$39,000

Indicator: Number of cost-saving strategies in place at PA system level

While protected area directors have started to monitor costs and look for economies at the site level, such approaches (as recommended in the Sustainable Financing Strategy) have not yet been systematically adopted at the system level. Clearly it is in the interest of the NFA (which is in effect subsidising management of protected areas) to avoid unnecessary expenditure, but since the protected areas are severely underfunded , cost saving though budget cuts is not desirable from the perspective of the protected areas. Therefore the main means for cost saving should be improving efficiency of the use of the limited funds that are available, and the strategy does make some suggestions for this. The establishment of the online financial management system and the ability of the protected areas units in the NFA centrally to access financial information from protected areas is enabling it to analyse activity and expenditure, to exercise cost control and guide protected area directors and accountants towards more efficient use of staff time and resources

Evaluation

152. There has been significant success in some protected areas in securing new local sources of income, although the mechanisms for allocation and use of this income are underdeveloped. Overall, this output is evaluated having only minor shortcomings and is therefore **Satisfactory (S).**

Overall approach adopted for Outcome 1

153. Although the approach taken by the project has followed an established methodology, several respondents have suggested that it was rather narrow, formulaic and insufficiently flexible or contextualised to the situation in Romania. There is resistance among some NGOs to what is seen as the commercialisation of protected areas, and objections to the proposed (quite low) entry fees being introduced by NFA (although there is much less resistance to charging for specific services). These concerns are amplified by the

continuing view in some quarters that the NFA is more focused on profitable forestry than protected areas. However, the NFA has done much in recent years to change this perception through increasing professionalization of its protected area management, and these changes are now being recognised by many former critics.

154. Although it is inevitable that there will be resistance to new ideas and changes, there is a more fundamental underlying issue. Carpathian protected areas are not isolated and unpopulated 'venues' for visitation in the way that most major parks are in the USA. They are integral parts of a cultural landscape in which natural and human values are combined, and are in many ways inseparable; consequently there is cultural resistance to the concept of paying for access to cherished landscapes. Many people may be uncomfortable with a business-based approach that considers them as 'users' buying 'ecosystem services', or that targets 'low hanging fruit' for income generation. It is quite possible that these perceptions will change over time (a questionnaire conducted during the project indicated that there is a relatively high 'willingness to pay' among tourists), but the message from some civil society stakeholders is that the general public needs to be better convinced that their financial contributions are bringing real benefits and making a positive impact to management and protection of the Parks on behalf of all citizens. Concerns about the NFA 'earning' money from protected areas or about the MoECC avoiding its legal responsibilities could be effectively countered with a clear and transparent policy on how income is used, by demonstrable improvements in the quality and effectiveness of management resulting from increased income, and by more public participation in local development linked to protected areas.

155. Concerns have also been raised by some that the project focused almost entirely on the protected areas and the NFA as the primary 'business units', generating, managing and spending income to implement their management plans. It was suggested that partnership should go beyond raising money to reduce funding gaps, and that the project could have adopted a more inclusive and multifaceted range of approaches, seeing protected areas as a catalyst for local development, working with local government and communities to 'grow' the local economy in ways that will build long term broad–based social and financial support for protected areas and their communities. An example of this approach is the system of certification of ecotourism destinations operated through the Ecotourism Association of Romania. The counterargument to this view, is that the project was designed to explore and achieve a defined set of solutions through a specific and proven methodology, and that broadening its scope, although perhaps desirable, would have diverted attention and fairly limited resources from its goals. This argument might have carried more weight had there been more success enclosing the funding gap centrally. While there is no certainty that including a more flexible and locally based approach would have had any more success, the project could have paid more heed to the concerns and suggestions coming from NGOs and specialists and embraced a 'Plan B', that at least tested some more locally driven, community based approaches in one of the pilot sites or in a Local Authority administered protected area. This would have also provided an alternative path to financial sustainability that was less reliant on central decision making.

Overall evaluation for Outcome 1

156. Achievement of the outcome was been hampered by its very ambitious targets. Significant progress has been made by the project in building awareness and understanding of the financial challenges facing protected areas, the benefits that protected areas provide and the means by which values can be quantified and in many cases monetised. At the central level, and partly as a result of factors beyond the control of the project, it has not been possible to convert these concepts into the envisaged mechanisms for delivering long-term sustainable financing. While delivery of increased direct funding was rendered virtually impossible by the financial crisis, more progress could have been made towards adoption of mechanisms to generate new sources of funding through PES, mobilised through the National Environment Fund which is under the direction of the MoECC. The mechanisms proposed by the project have been documented in detail and remain available for later adoption. Through the interventions of the project, significant short to medium term support for protected areas has been mobilised (at least until 2020). At the protected area level, good progress has been made in identifying and mobilising sources of local financial support, but there is a need to be clearer about how new sources of income are used and to let the paying public know how their

contributions are leading to better protection and management and also to provide much better logistical support to protected area teams tasked with finding new sources of funding. The project has closely followed a well-respected methodology for economic assessment, but could have incorporated more locally based approaches to building local social and financial support for protected areas, thereby reducing reliance on decisions made in the difficult enabling environment at the centre. Overall achievement of this outcome is currently evaluated as **Moderately Satisfactory (MS)**, with only moderate shortcomings. It is possible that approval of the Forest Code with inclusion of the proposed mechanisms for PES could be approved this year, which would be a significant achievement.

3.3.3 Evaluation of Outcome 2

‘Institutional and individual capacities of management authorities and other local stakeholders to realize sustainable financing of PAs developed’

157. The results from Outcome 2 are summarised in Table 23.

Table 23 Summary of results based on indicators for Outcome 2.

Outputs	Indicators	Baseline measure	Target	Final measure	Indicator Rating	Output rating
2.1: A critical number of PA finance professionals (Minimum 36 staff, 3 from each PA including leading and cluster PAs) trained.	Number of PA staff trained in effective financial management of PAs.	0	At least 33 by Dec. 2012.	More than 60 personnel attended training events. Over 1500 person/ days of training delivered.	**S**	**S**
	Number of ‘Champion PA Finance Leaders’ graduated.	0	11 by Dec 2011.	‘Champion PA Finance Leaders’ not defined. At least 12 personnel considered to be highly competent in use of the tools and methods developed by the project.	**S**	
2.2: A National Association of the Legal Entities Administrating the Protected Areas established.	A Carpathian’s Association of PA Managers.	0	One by Dec. 2011.	Established.	**HS**	**HS**
2.3: Improved information management linking PA management plans (programmes and activities) with financial management/accounting system.	PAs conservation targets linked to programmes and activities through a functioning financial management system (FMS).	No	Yes (By Dec 2010).	Yes.	**HS**	**HS**
	Metrics link conservation goals with costs.			Yes.	**HS**	
	Traceable expenses, costs, needs and gaps by programme.			Yes.	**S**	
2.4: Removed	A PSA Management Committee.			n/a	**Not assessed**	**Not assessed**
2.5: Lessons and knowledge documented and transferred to key actors representing PAs from other Carpathian countries.	At least four workshops organized across the Carpathian region to share experience.	0	4 workshops.	5 + events.	**S**	**S**

Output 2.1 A critical number of PA finance professionals (minimum 36 staff, 3 from each PA including leading and cluster PAs) trained)

Indicators: Number of PA staff trained in effective financial management of PAs and number of 'Champion PA Finance Leaders' graduated

158. The project conducted an extensive programme of training aimed at building capacities to understand the new approaches adopted by the project and to make use of the tools developed (see Table 24). The training events were supplemented by coaching and mentoring sessions conducted bilaterally during the financial analysis with each park director and accountant. It would have been preferable if the two indicators had been more specifically defined, determining more precisely in terms of competence, what constitutes a '*trained person'* or how a '*champion PA finance leader*' can be judged to have '*graduated*'. Maintained training records of individuals would have facilitated tracking and eventual verification (and even certification) of the progress and competence of individuals. Never-the-less, the fact that the Financial Management System is being used is an indication that the directors and financial specialists of all 22 protected areas have developed the skills and knowledge required. Additionally, those in the five pilot parks have a much increased understanding of the principles and practices of accurate budgeting linked to management plans, and of detailed monitoring of management activity and associated costs and benefits. The directors are using their new competences to good effect, and the head of finance of one of the pilot protected areas has become the focal point and centre of expertise is the development and use of the financial management system.

159. One of the legacies of the project is a professionally developed and presented on-line 'e-Learning platform' on sustainable financial management of protected areas, hosted by the website of the Carpathian Network of Protected Areas (http://e-learning.carpathianparks.org/login/index.php). The course grew out of a project-supported regional needs assessment of both capacity development needs and preferred learning methods. It has four modules (Introduction to Financial Sustainability; Financial Sustainability for Site-Protected Areas; Financial Sustainability for Protected Area Systems; Policy & Financial Mechanisms), each with a set of lessons that include instructional pages, exercises, examples and self-assessment tests. This course was highlighted by some as a particularly useful product of the project, and it has been promoted to other countries in the Carpathians. It is certainly an innovative and useful product, but it would benefit from some improvement and refinement. The language and terminology it uses is (in the opinion of this evaluator) rather complex and technical for the non-specialist. More importantly, it is currently only available in English; its potential will only be fulfilled if it translated into Romanian and other regional languages. Translation was considered by the project, but the expense was prohibitive for a product not originally foreseen and budgeted for; it is to be hoped that another project will adopt and further test and refine the system. It is too early at this stage to have any data on registrations or usage of the resource.

Table 24 Capacity development events supported by the project.

Year	Capacity development event	No of participants
2010	Financial analysis methodology.	30
2011	PAs Administration Association establishment meeting & pilot parks financial analysis.	20
	Regional workshop on financial analysis.	14
	Regional workshop on financial analysis.	12
	Regional workshop on financial analysis.	15
	International workshop on PA sustainable financing.	37
	Financial Management System workshop.	62
	Business planning methodology.	15
2012	Communication training for PAs representatives.	18
	Training working on approaches to demonstrate the value of the Carpathian system of PAs.	32
	Accounting procedures workshop.	24
	Park administration business planning and financial strategy workshop.	47
	National Conference: Exploring the potential for private sector partnerships in the Carpathian	50

	Protected Areas.	
2013	Economic valuation of protected areas in Eastern Europe,	7
	National Conference - Public politics on financing Carpathian Protected Areas.	64
	Conference of the Carpathian Network of Protected Areas :'Challenges and opportunities in the Carpathian protected areas'.	16
	Business planning and Financial Information Management System (FIMS) software meeting.	55
	E-learning & sustainable financial strategy meeting.	33
	The 2nd International Workshop on Sustainable Financing of Carpathian Protected Areas.	54
	Workshop with PA accountants and FIMS software company.	32
2014	Workshop with Park Directors for the improvement of the management plans.	59
	Workshop with targeted Park Directors (Domogled-Valea Cernei, Semenic-Cheile Carașului, Cheile Nerei-Beușnița, Defileul Jiului, Buila Vanturarita and Lunca Mureșului) for the improvement of management plans.	22
	Working group representatives of National and Natural Parks Cozia, Defileul Jiului, Comana, Putna Vrancea for the review of management plans.	6
	Working group representatives of National and Natural Parks Maramures, Rodnei, Vanatori Neamt, Cheile Bicazului, Apuseni for the review of management plans.	6

Evaluation

This output is evaluated as **Satisfactory (S)**, with minor shortcomings related to the tracking and verification of the training programme.

Output 2.2 A National Association of the Legal Entities Administering Protected Areas established

160. The 'National Association of Legal Entities Administrating Protected Areas' was legally established in 2011, with support from the project and using seed money from a private donor. The Association is chaired by the current Director of Piatra Craiului National Park. Its main objectives are: i) to provide a common platform for lobbying by the protected area sectors for improvements in the management of the PA system; ii) to support improvement of professional standards among PA personnel; iii) to develop and implement small projects in support of the PA network; iv) to raise awareness about the protected area network, its values and the benefits it brings.

161. Currently the Association has 24 members: 22 protected areas, the NFA and Administration of the Danube Delta Biosphere Reserve. Since its establishment, the Association has represented protected area administrations in the project and joined the project team in consultations and meetings with the MoECC and other national stakeholders. The project attempted to base the proposed Business Development Unit within the association, but it was probably too early in the development of the Association to expect it to be able to support a BDU at this stage.

162. The Association has also assumed the role of the Coordination Unit of the Carpathian Network of Protected Areas, hosting the CNPA website; it has negotiated an annual support package from a company in the energy sector to help it fulfil this role.

Evaluation

This output is evaluated as **Highly Satisfactory.** It is an important and original achievement with potential for continuing many of the activities of the project.

Output 2.3: Improved information management linking PA management plans (programs and activities) with financial management/accounting system

Indicators: PA conservation targets linked to programmes and activities through a functioning financial management system (FMS); Metrics link conservation goals with costs ;Traceable expenses, costs, needs and gaps by programme.

163. This output has been one of the most outstanding and durable achievements of the project, as shown in the results of the questionnaire. Development of the FMS took place through a number of well-planned stages, from data gathering, through design to software development, training and implementation, under the

guidance of the international lead consultant, but increasingly led by the chief accountant from one of the pilot protected areas. The software development work was done by a local company.

164. Setting up the FMS starts with the management plans developed by the protected areas; each activity is costed and grouped into programmes and subprogrammes standardised across the system. Budgets are then generated both for minimum and for ideal achievement of conservation goals. In this way, activities, income and expenditure can be allocated to specific programmes and subprogrammes, progress towards conservation goals can be tracked, financial performance monitored and funding gaps identified. A menu-driven online timesheet completed by staff enables management activities to be more accurately tracked and associated with costs and sources of funding. FMS functions online; protected area directors and heads of finance and staff (with appropriate access permissions) have learned to use the system at site level, and data from FMS can be aggregated and monitored at the central level.

165. The NFA now requires all protected areas under its administration to use the system, which is also being strongly promoted for adoption by administrations of Natura 2000 sites under the MoECC. One disadvantage of the system is that it has to be operated in parallel with the central accounting system of the NFA, which creates extra work for protected area administrations, but this was considered worthwhile taking into account the usefulness of the system.

166. FMS is an important product that has been shown to work and to be practically useful; as such, it could be adapted for use in many countries. It has already been demonstrated to other CNPA countries. It is hoped that the NFA, as 'owner' of the FMS , will continue to use and develop it. It is also hoped that the MoECC, which is already requiring the use of the system for Natura 2000 sites, will ensure that the new online management planning system that it is developing is entirely integrated with FMS.

Evaluation

This output is evaluated as **Highly Satisfactory**

Output 2.4 A public PA management committee strengthened and with new mandate to monitor revenue and expenditure of PAs

167. This output was removed during the inception process with the following justification: '*The participants suggested to remove this output and add the tasks of this 'Committee' to the established 'Association of Legal Entities Administering Protected Areas' envisaged under Output 2.2. Moreover, nearly all of the tasks of the Committee are enacted under current legislation and creation of a new body responsible for the financial audit would not be justifiable, considering that the Association can perform all of the tasks. '* Consequently this output is not evaluated.

Output 2.5: Lessons and knowledge documented and transferred to key actors representing PAs from other Carpathian countries

168. Following the inception workshop, this output replaced the previous output of '*Experience from lessons learned is periodically feed into yearly planning*' and adds an important regional dimension to the project.

169. The project's dissemination plan revolved around the establishment of a 'learning community of protected areas in the Carpathians' which, while originally conceived to be a quite broad programme, was subsequently focused on disseminating and promoting adoption of the tools developed by the project for improved financial planning and management of protected areas. The main channel for this work has been the Carpathian Network of Protected Areas, at whose Steering Committee Meeting in March 2012, a core working group on financial management was established. Currently, six Carpathian countries have nominated representatives for the working group.

170. Dissemination activities were intensified in 2013. In January the project team and the pilot parks presented their work as a case study at a training course in Germany on protected area valuation. In April, personnel from the project participated in the second CNPA meeting in Slovakia. The financial analysis methodology developed by the project was presented, and generated interest from other countries. As a result, coaching was subsequently provided to staff from two protected areas and from the Nature Protection

Agency in Slovakia. In November, the project organised and hosted a CNPA international knowledge fair in Sinaia Romania. The event was attended by more than 50 representatives from 6 Carpathian countries, national experts and international consultants. The discussions revolved around PES mechanisms and case studies, providing evidence of how sustainable management of Carpathian protected areas can support productivity in key economic sectors such as tourism, forestry and agriculture. The eLearning platform on sustainable financing of protected areas was presented at the meeting and feedback solicited from participants.

171. The project results were presented to the Carpathian Convention meetings in Prague in 2013 and will be included in CoP meeting agenda for September 2014. The results were also presented and discussed in June 2014 at the joint final conference in Poiana Brasov of the EU funded BioRegio Carpathians project and this project.

172. The National Association of Legal Entities Administrating Protected Areas established with support from the project is now fulfilling the role of the CNPA Secretariat and hosting the e-learning module, providing good potential for further dissemination and hopefully adaptation and adoption of project achievements elsewhere in the region.

Evaluation

173. Overall this output has been well implemented. Project results have certainly been disseminated to other countries in the region, but they have been transferred to a rather lesser extent, although there is a reasonable likelihood that project outputs will be adopted elsewhere in the region in the future. Consequently it is evaluated as **Satisfactory (S).**

Overall evaluation for Outcome 2

Completion of the outputs and achievement of the objectives for Outcome 2 have been better than for Outcome 1, largely because they were much more within the control of the project implementation team and not so subject to unforeseeable external factors. The work has made good progress towards professionalising protected area management, and in particular financial planning and management in the Romanian Carpathian and potentially beyond. The development and implementation of the FMS is the standout achievement. Overall, this outcome is evaluated as **Satisfactory (S).**

3.4 Summary assessment based on UNDP evaluation criteria

The following assessments follow the requirements of UNDP for terminal evaluations.

3.4.1 Relevance

Rating Scale Used: Relevant (R); Not relevant (NR).

174. The project directly addressed the underlying cause of many of the main threats to the conservation and sustainable use of protected areas (and associated biodiversity) in Romania. The need for the project was clearly demonstrated by the identification of major funding gaps for protected areas and by confirmation that it was in line with the international commitments and national priorities of the Romanian government. The project is rated as **Relevant (R).**

3.4.2 Effectiveness

Rating scale used: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU).

175. Based on the detailed assessments of the achievement of the planned outcomes of the project in Section 3.3.3 effectiveness of the project is rated as **Moderately Satisfactory (MS).**

3.4.3 Efficiency

Rating scale used: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU).

The project has been implemented in a generally efficient manner. The overall ratio of GEF financing to co-financing was 1:5 and the budget and resources made available to the project have been appropriately used, Delivery was rather slow in the first year, and problems with finding the right specialist consultants at the right times meant that important outputs were delivered late, which did affect the ability of the project to make use of the results in pursuit of its objectives. The main impediment to efficiency was the difficult political and economic situation in Romania during the implementation of the project, which hampered achievement of the many of the objectives. Efficiency is rated as **Satisfactory (S).**

3.4.4 Country ownership

In line with UNDP, guidance this aspect is not rated.

176. The project was developed with a high degree of country ownership; it was born out of an initial proposal from the government of Romania and was developed in close association with government ministries and the National Forest Administration. Two national specialists worked closely with an international expert to prepare the project document. The project is in line with a range of national commitments and policies and builds on previous GEF projects in Romania, the results of which have been extensively assimilated into national systems of protected area governance and management.

177. The project worked hard to maintain ownership and engagement of major stakeholders, but this proved challenging in a time when personnel and structures of ministries frequently changed. In particular, ownership and engagement by the Ministry of Environment and Climate Change declined in its last two years, this was also partly due to their lack of a direct formal role in project management. The fact that many of the legal changes essential for project success have not been approved indicates that Romania has not taken full ownership of the outputs of the project, although there is some optimism that at least some of the proposals will eventually be adopted.

3.4.5 Mainstreaming

In line with guidance from UNDP, this aspect is not rated

178. The sectoral approach taken by the project in evaluating the values of protected areas and identifying opportunities for business partnerships, payments for ecosystem services and for environmental compensation demonstrates inbuilt sectoral mainstreaming. The economic valuation exercise also took into consideration the importance of protected areas in disaster prevention and mitigation. Mainstreaming in terms of local populations was less evident due to the generally centralised approach adopted; more could have been done to develop local ‘bottom up’ measures to maximise synergies between protected areas and their local communities.

3.4.6 Sustainability

Rating scale used: Likely (L): negligible risks to sustainability. Moderately Likely (ML): moderate risks to sustainability. Moderately Unlikely (MU): significant risks to sustainability. Unlikely (U): severe risks to sustainability.

179. Several of the project's important outputs are yet to be formally adopted or institutionalised, for example proposals for changes in legislation, and a range of mechanisms for enabling payments for ecosystem services to be collected and distributed to protected areas. There is a risk that without further support these important proposals will lose momentum. The UNDP PMO is committed to encouraging and supporting the project partners to approve these changes, but will close in 2015. It is also in the interests of the NFA to resolve the financial issues, and they are likely to continue to lobby for improved central financing, although the other option for them would be to withdraw from management of protected areas, which would be a severe setback. Significant new investment is coming to Romania through both EC SOP projects and bilateral support from the Norwegian government. It is hoped that resources from these investments will be used to see through what this project has started; it is encouraging that some of the funding is earmarked for PES.

180. At the protected area level, financial sustainability is improving for several sites as local sources of funding are identified, although for this trend to continue the NFA needs to provide on-going support for the PA teams.

181. Overall therefore, this aspect is evaluated as **ML (Moderate risks).**

Socio economic risks

182. The project has adopted a rather technical and centralised approach to addressing financial challenges to protected area management, and there are risks that wider society may not accept some of the measures proposed. There are positive signs that people are prepared to contribute to the costs of protected areas (mainly as visitors) and that some businesses are seeing the value of collaborating with protected areas. However, such support will only continue if people are confident that their contributions are being correctly used, if they can see a corresponding improvement in the quality of PA management, and/or if they consider that they are benefiting from their contributions. For example, a guesthouse owner in one protected areas is reported to have stated that he was seeing no benefit or competitive advantage in paying to use the park logo in his marketing. Protected area managers are having to overcome concerns among rural communities about the benefits of living in or near a protected area, about the motives of the NFA and about protected areas in general, exacerbated by the lack of compensation for affected forest owners and the establishment of the Natura 2000 network. This aspect is assessed as **ML (Moderate risks).**

Institutional framework and governance risks

There is currently no certainty that the period of political and economic difficulty being endured by Romania is over; and consequently no guarantee that the problems that have limited the effectiveness of the project will not continue.

More specifically, there is continued uncertainty about the precise status and mechanisms for central governance of protected areas in Romania. While the MoECC clearly has overall responsibility for protected areas, it currently relies on the NFA as the main direct funder. It cannot be assumed that the NFA will continue to support protected areas to the extent it does, unless formal means exist to allocate more funding centrally and/or more new mechanisms for generating PA funding are mobilised. The NFA may seek to withdraw partially or completely from protected area management, which would be a major setback. The precise status of the protected areas administered by the NFA could also be clearer; as one respondent mentioned '*the protected areas are partly legal authorities, partly commercial enterprises and partly branches of a state owned company, but are not definitively any of these'.* One solution could be establishment of a national protected areas agency; such an agency was briefly established in 2009 and is now again being seriously considered at a high level in the MoECC, although several respondents considered it unlikely to happen.

As long as uncertainties about the central responsibilities, governance modalities and status of protected areas continue, it will be difficult for some of the changes proposed by the project to be adopted and sustainably institutionalised. Consequently this aspect of sustainability is rated as **MU (Significant risks to sustainability)**.

Environmental risks

The main environmental risk to the sustainability of this project, as recognised in the project document, is that environmental degradation of protected areas will significantly reduce their values and therefore the amounts of money that could be generated through payments for ecosystem services. Despite some major pressures and threats, the protected areas remain in a fairly good condition and the Valuation Study concluded that the difference between Business as Usual and Sustainable Ecosystem Management is quite small for many sectors. Consequently this aspect of sustainability is rated as an **ML (Moderate risks).**

3.4.7 Impact

Assessing the eventual impact of this project on globally important biodiversity is not straightforward, since the project is designed to address a root cause of biodiversity loss and it will take some time for the results to produce any measurable changes. No specific impact indicators were set of the project, although the use of the management effectiveness tracking tool does provide some generally neutral to positive indications. The evaluation mission did reveal some indications of the impact of the project on biodiversity. These relate to the much improved ability of protected area administrations to deploy staff more effectively and the ability track staff activities so as, for example, to be able to provide documentary evidence to be used in cases against violators in protected areas. These signs are encouraging, but overall at this stage it is possible to evaluate the impact and assign a rating. Consequently the evaluation is **U/A** (**Unable to Assess)**

4 Conclusions, recommendations & lessons

4.1 Summary and overall evaluation

183. . The overall objective of this project was ‘*To secure the financial sustainability of Romania’s Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)*’. Based on a strict assessment of the outcomes, outputs and specifically the targets set for the project, it has fallen well short of what was expected. However, the overall evaluation of this project is that it has in many respects been successful, with moderate shortcomings and is therefore assessed to be **Moderately Satisfactory (MS).** The achievements and shortcomings of the project and the mitigating factors considered are summarised in the Summary of Conclusions on page 6.

184. The overall evaluation takes into consideration the contrasting evaluations of Outcomes 1 and 2, and critically their contribution to the overall objective of the project and the likelihood of sustainability. Major shortcomings in achieving some of the targets are in part offset by important achievements, and while the challenges encountered in the enabling environment of the project are also taken into consideration, they cannot be used to offset some of the shortcomings. The evaluation is not a reflection of the considerable efforts and dedication of those involved in implementing the project. Nor should the evaluation result diminish the important progress made in changing how protected area budgeting and financing is conducted in Romania, in taking first steps towards solving the problem of financial sustainability and providing an essential foundation and for highly necessary future projects of the same type. In any process of discovery and innovation it is inevitable that early hypotheses will be flawed, that unexpected problems will be encountered and that some initial experiments will be unsuccessful; but eventual success would not happen without these early stages.

Table 25 Evaluation summary

Criteria Evaluated	Rating
OVERALL RATING*	**MS: Moderately Satisfactory (Moderate shortcomings)**
Monitoring and evaluation*	
Overall quality of M & E	**S**
M & E at project start up	MS
M & E Plan implementation	S
Implementation and execution*	
Overall quality of project implementation/execution	
MoECC	MU
FA	S
UNDP	S
Outcomes*	
Attainment of Overall Objective	MS
Quality of Outcome 1	MS
Quality of Outcome 2	S
Relevance**	R
Effectiveness *	MS
Efficiency*	S
Sustainability***	
Overall likelihood of risks to sustainability	ML
Financial risks	ML
Socio economic risks	ML
Institutional framework and governance risks	MU
Environmental risks	ML
Impact	Unable to assess

Rating scales used

* Highly Satisfactory (HS): no shortcomings; Satisfactory (S): minor shortcomings; Moderately Satisfactory (MS): moderate shortcomings; Moderately unsatisfactory (MU): significant shortcomings; Unsatisfactory (U): major shortcomings ; Highly Unsatisfactory (HU) Severe shortcomings.
** Relevant (R); Not relevant (NR).
*** Likely (L): negligible risks to sustainability. Moderately Likely (ML):moderate risks to sustainability. Moderately Unlikely (MU): significant risks to sustainability. Unlikely (U): severe risks to sustainability.

4.2 Recommendations for short term measures to follow up/reinforce initial benefits from the project

185. Based on the findings of the evaluation, the following short-term follow up actions are recommended.

Recommendation 1: The UNDP Project Management Office should continue to work with the NFA and the MoECC to promote and secure approval for the proposed legal and administrative measures to enable direct funding of protected areas. Specifically efforts should be focused on:

a) Enabling the National Environment Fund to act as a conduit for funding generated through payments for ecosystem services (PES) and other mechanisms.

b) Ensuring that the new Forest Code is approved with inclusion of the mechanisms incorporated in the draft for PES.

Recommendation 2: All the project partners should continue to work to ensure that the current and future SOP projects and other donor-funded activities build on the achievements of the project. In particular, the MoECC and the NFA should ensure that the PES elements of future projects make use of and support further development of the initiatives established by this project.

Recommendation 3: The online Financial Management System should be further developed and institutionalised. The NFA should continue to require and extend its use. The MoECC should ensure implementation of the Ministerial Order 1,470 of the 12 June 2013 to require its use for budgeting and reporting in all protected areas including Natura 2000 sites. In order to facilitate this, it is vital that the new online management planning format of the MoECC is designed to be fully integrated with the FMS.

Recommendation 4: The NFA should establish and share a transparent policy and associated mechanisms for use of funds generated by protected areas. This should ensure that protected area personnel, funding partners and the wider public all understand how income is reinvested in protected areas. It is suggested that a suitable procedure is put in place by the NFA in consultation with the MoECC and making use of legal advice that includes the following.

- A legal statement clarifying the ownership of income generated at PAs.
- A standard clear explanation to donors, financing partners and the paying public (visitors) as to how their contributions will be used. This should include an opportunity for donors and funding partners to specify if they wish how they want their contributions used; either for a defined purpose (restricted funds) or to support general management costs (unrestricted funds).
- A requirement that income generated and retained by PAs should be prioritised for use to support activities foreseen and budgeted in their management plans, unless specific permission is given to the contrary.
- Definition of a specified proportion of unrestricted income secured by protected areas that can be used by the NFA to supplement the budget of the PA Unit and to finance a special fund for emergencies and for use to support non income generating protected areas.

- A requirement for transparent accounting and reporting so that all donors (including the paying public) can see how their contributions are being used.
- A policy document and guidance that addresses and explains these and other pertinent issues.

Recommendation 5: The NFA should increase the staffing capacity in its protected areas unit in order to support the protected areas in continuing the work of the project, specifically with respect to partnership building and fundraising, including development of local community based partnerships. This support does not have to be entitled a 'Business Development Unit' but it is necessary in some form.

Recommendation 6: The MoECC, NFA and donors should encourage and support the further development of the Protected Areas Association and should work with the Association to harmonise priorities and practices. Future projects and initiatives should be encouraged to channel some support to the Association in order to build its capacity and enable its continued growth and impact. This support could take the form of subcontracting some elements of projects and/or supporting direct applications by the Association for grants and projects. In particular, support should be sought for the translation and further promotion of the e-Learning platform developed by the project and hosted by the Association. In parallel, the Association should ensure the highest standards of professionalism, transparency and accountability in its work.

4.3 Medium to long term recommendations for future directions underlining main objectives

Recommendation 7: The uncertainties about the status, governance and management arrangements for protected areas need to be resolved as soon as possible. In the short to medium term, the NFA should be encouraged to continue its management of the Carpathian protected areas, with the incentive of guaranteed state support for core management costs (making use of one of the mechanisms proposed by the project). A detailed feasibility study should be made for a more permanent long-term solution that could include establishment of some protected areas as self-funding legal authorities and/or the establishment of agency for protected areas (an option that is again being considered by the MoECC).

Recommendation 8: The MoECC and/or the NFA should as a priority seek support for a new, complementary project designed to develop and test a more bottom-up approach to protected area support, aimed at building synergies for local development between protected areas and their surrounding communities. This should focus on one or two protected areas where there is real potential for locally driven development and PA support, possibly linking a protected area managed by the NFA and one managed by a Local Authority.

Recommendation 9: Support should be sought for further developing the Financial Management System and making it accessible to protected areas not just in the Carpathian region, but also globally. Although the system has been customised to some extent for use by the NFA, it is also sufficiently generic that it could (with minor modifications) be made available as an open source resource, promoted through UNDP's network. The system has considerable potential for integration with modern management planning methodologies to produce a practical and usable 'seamless' system for thinking management, conservation goals, budgeting monitoring and financing.

4.4 'Lessons learned' from addressing issues relating to relevance, performance and success

Lesson 1: It is eventually unproductive to saddle projects with unrealistic targets, especially projects that are breaking new ground and are to some extent experimental in nature. Some of the targets established for this project were unfeasible from the start (e.g. > 1 million ha covered with <u>ensured</u> financial sustainability). Projects that are following a well-established track can (and should) include ambitious targets based on outcomes and impacts in the field. However for projects such as this one which are testing new approaches, many of the outcomes comprise as yet unproven hypotheses, and more attention should be given in the project design and targets to detailed monitoring and adaptive management. This should be recognised both by UNDP when developing new projects, and by GEF when evaluating them for approval.

Lesson 2: It is important to ensure that critical ‘gatekeepers’ for the success of a project are formally embedded in the project, thereby enhancing their ownership and commitment to its success. In this case, the MoECC was the critical gatekeeper for most of the projects major objectives, but their involvement as a major project partner became more limited, mainly as a result of the regular political changes in Romania and the regular turnover of senior decision makers in the Ministry.

Lesson 3: Projects should take care to ensure that indicators are defined so as to be readily measurable and clearly linked to outcomes and outputs. At the inception stage, projects should identify a set of more specific standard measurables that would help them to track progress of indicators. This makes reporting, monitoring and evaluation much more easy and useful.

Lesson 4: Projects should not rely on single track approaches and long chains of dependent essential activities to achieve broad objectives, especially where there are significant risks. Parallel programmes can increase the chance of success and provide alternatives when planned courses of action prove unfeasible. In the case of this project, all the most important outcomes hinged on the approval of major changes in national law and policy (this risk was recognised in the ProDoc). In such cases it is important to have a ‘Plan B’ and even a ‘Plan C’ that can be implemented when Plan A is blocked. In this project, imaginative improvisation and adaptive management did enable some alternative routes to be found, but it would have been easier if those routes had been included in the plan.

Lesson 5: The Mid Term Evaluation provides a unique opportunity that should not be missed to review and where necessary to realign a project that is going off course or that is encountering significant difficulties. In the case of this project the MTE could have done a lot more to adapt the project to the difficulties it was encountering and to build on the successes it was achieving.

Lesson 6: This project has demonstrated that it is possible to achieve significant successes by making best use of both the existing skills and the potential of individuals within the national circle of stakeholders. In particular, identifying and investing in younger national specialists who show talent and potential, supported by international experts where necessary, can produce excellent outputs and provide lasting legacies for projects in terms of enhanced national capacity. Such individuals are often overlooked when recruiting national experts (due to lesser qualifications and less seniority), but ‘bringing on’ new national specialists is essential for maintaining long term national capacities and for avoiding ‘brain drains’ to other sectors or other countries.

Lesson 7: This project has demonstrated that a supportive, partnership-focused and inclusive approach from a UNDP Country Office can make a major contribution to the successes of a project, especially where significant difficulties are encountered. Taking the extra step beyond being a grant administrator can make a real difference.

Annexes

Annexe 1 Terms of reference

Full terms of reference for the evaluation are available from UNDP; they closely follow the ToR recommended in UNDP Guidance for Conducting Terminal Evaluations of UNDP-supported, GEF-financed Projects.

Annexe 2 Itinerary

Date/time	Activity	Location
Sunday 8 June	Arrival.	London-Bucharest
Monday 9 June		
am/pm	Briefing meeting at UNDP. Discussions with the Project team.	Bucharest
	Discussions with the Project team: achievements to date, the Project's log frame and indicators.	
Tuesday 10 June		
am	Meetings at the Ministry of Environment and Climate Change, NFA Romsilva, National Administration of Waters.	Bucharest
pm	Meetings at the Tourism Authority and at the Ministry of Environment.	Bucharest
Wednesday 11 June		
am	Meetings with project consultants.	Poiana Brasov
	Meeting with National Association of PA Administrators.	Poiana Brasov
pm	Meetings with NGOs.	Poiana Brasov
Thursday 12 June		
am/pm	Final conference of projects (GEF and Bioregio) Presentations and project results.	Poiana Brasov
	Various *ad hoc* meetings with consultants and other project stakeholders.	Poiana Brasov
Friday 13 June		
am	Meetings with directors of the 5 Pilot Parks.	Poiana Brasov
pm	Feedback and wrap up meeting with Ms Monica Moldovan.	Poiana Brasov
Saturday 14 June		
am	Wrap up meeting with Project Manager and UNDP team.	Poiana Brasov
pm	Return to Bucharest.	
Sunday 15 June	Depart.	Bucharest - London

Annexe 3 List of persons consulted

The following individuals contributed to the evaluation process.

Consultees (in alphabetical order)	Organisation
Participants in interviews and discussions during the evaluation mission	
Mr Zoran Acimov	Director of Retezat National Park.
Mr Octavian Arsene	National Tourism Authority.
Mr. Alin Birda	Chief Accountant Maramures Nature Park. Project consultant (financial).
Ms Catalina Bogdan	Director of Maramures Nature Park.
Mr Costel Bucur	WWF Danube Carpathian Programme.
Ms Cristina Bucureasa	UNDP, GEF projects PR assistant.
Mr Andrei Blumer	Romanian Ecotourism Association.
Mr. Sebastian Catanoiu	Director of Vanatori Neamt Nature Park.

Ms. Ramona Cherascu	Ministry of Environment and Climate Change.
Ms Antoinella Costea	NGO ‘Coalition 2000’.
Mr Adam Craciunescu	General Director of NFA Romsilva.
Mr Catalin Dragonescu	State Secretary for Forests, Ministry of Environment and Climate Change.
Ms Alin Frim	Personal Adviser to the Minstirer for Environmental and Climate Change.
Ms Alexandra Ghenea	UNDP GEF Project Task Leader.
Mrs Anne Juganaru	State Secretary, Ministry of Environment and Climate Change.
Mr. Dragos Mihai	Head of Project Management Unit. Head of PA Unit. National Forest Administration.
Ms. Monica Moldovan	UNDP Head of Programme.
Mr Alin Moş	Director of Apuseni Nature Park.
Mr. Robert Pache	Project Assistant, National Forest Administration, PA Unit.
Mr. Bogdan Popa	Project national consultant (protected area financing).
Mr Cristian Rusu	National Administration for Waters.
Ms Ioana Savulescu	Project national consultant (legal).
Ms Erika Stanciu	ProPark Foundation.
Mr Florea Trifoi	Project national consultant (business development).
Mr. Mircea Verghelet	Director of Piatra Craiului National Park. Head of the Protected Areas Association. Chair of the CNPA Steering Committee. National consultant (learning community).
Mr Felx Zaharia	Deputy Director for International Law and Treaties, Ministry of Foreign Affairs.
Mr. Mihai Zotta	Former project manager. Lead national project consultant. Director of the Carpathia Foundation.
Interviewed by Skype (20 June 2014)	
Mr Marlon Flores	Senior International Policy Adviser.
Provided information and responses by email	
Ms Camille Bann	International financial consultant.
Ms Lucy Emerton	International financial consultant.
Mr Todd Slater	International instructional design specialist.

Annexe 4 List of documents reviewed

Guidance materials and general background

- UNDP Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects www.undp.org/evaluation/documents/guidance/gef/undp-gef-te-guide.pdf
- GEF Monitoring and Evaluation policy (http://gefeo. org/gefevaluation. aspx?id=140)
- UNDP/GEF Monitoring and Evaluation Policy (http://www. undp. org/gef/monitoring/index. html).
- Measuring Results of the GEF Biodiversity Programme (http://www. thegef. org/gef/node/2229)

Project documentation

- GEF approved project document.
- Project Inception Report.
- Project Mid Term Evaluation Report.
- Project Quarterly Reports.
- Annual Project Reports.
- Project Implementation Reviews.
- Management Effectiveness Tracking Tool assessments.
- Financial Scorecard assessments.
- Steering Committee Meeting Minutes.

Technical Reports and Outputs

Numerous reports were consulted., including the following:

- Business plans for the five pilot protected areas (2013-2014).
- Business Development Opportunities for Romania's Carpathian Network of Protected Areas.(2012).
- An assessment of the contribution of ecosystems in protected areas to sector growth and human well-being in Romania. Final report (2012).
- Business Development Opportunities for Romania's Carpathian Network of Protected Areas.(2012)
- Protected Area System Sustainable Financing Strategy (2013).
- Legislative proposals prepared by the project.

Online materials

- E-Learning Platform http://e-learning.carpathianparks.org/login/index.php
- Online Financial Management System.

Annexe 5 Evaluation Question Matrix

Evaluative Criteria Questions	Indicators	Sources	Methodology
Relevance: How does the project relate to the main objectives of the GEF focal area, and to the environment and development priorities at the local, regional and national levels?			
1. How relevant is the project to GEF Biodiversity Focal Area.	GEF Strategy.	GEF Biodiversity Focal Area Strategy. ProDoc	Documentation review
2. To what extent has the project been aligned with the overall policies and strategies of Romania?	Contents of policies and strategies	ProDoc MTE report	Documentation review Questioning/discussion
3. To what extent has the project been aligned with relevant sectoral policies?	Policies of relevant sectors (water, tourism etc.)	Policy documents ProDoc. MTE Report	Documentation review Questioning/discussion
4. To what extent has the project been aligned with the specific needs and priorities of the focal protected areas?	Objectives in PA management plans	PA Management Plans	Documentation review Questioning/discussion
5. To what extent was the project designed to meet the needs and expectations of other stakeholders?	Various	Documents Individual opinions	Documentation review Questioning/discussion Questionnaire
Effectiveness: To what extent have the expected outcomes and objectives of the project been achieved?			
6. To what extent has the overall objective been achieved	OVIs	APRs/PIRs Individual opinions	Review reports. Verify during meetings and discussions. Questionnaire
7. To what extent were the specific planned outcomes and outputs achieved? (Outcome 1: Outputs 1-5; Outcome 2: Outputs 1-4)	OVIs Additional indicators may be identified.	APRs/PIRs. Reports Individual opinions	Review reports. Verify during meetings and discussions. Questionnaire
8. What were the mitigating factors that might explain why outcomes and objectives were not fully achieved?	Identify measurables and specifics if possible	Interviews, discussions, reports	Questioning/discussion
9. Have there been any additional outcomes or achievements resulting from the project? (unforeseen outcomes, synergies, 'hard to measure' outcomes)	Identify measurables if possible	Interviews, discussions, reports	Questioning/discussion Questionnaire
Efficiency: Was the project implemented efficiently, in-line with international and national norms and standards?			
10. Have project finances been correctly and effectively disbursed and accounted for?	Correct accounts	Financial reports Audit reports	Examination of documentation Questioning/discussion
11. Was management, coordination and monitoring proactive, efficient, adaptive and appropriate	Various	APRs/PIRs. Other reports Individual opinions	Examination of documentation Questioning/discussion. Questionnaire
12. Were the resources and inputs converted to outputs in a timely and cost-effective manner?	Various	APRs/PIRs. Other reports Individual opinions	Examination of documentation Questioning/discussion. Questionnaire
13. Was the project implemented in a transparent and collaborative way that promoted participation and ownership?	Various	Documentation Minutes of meetings Individual opinions	Examination of documentation Questioning/discussion Questionnaire
Sustainability: To what extent are the financial mechanisms and tools, institutional development, international policies sustaining long-term project results?			
14. Are the training and learning materials being used in Romania (or elsewhere)?	Examples of adoption and use	APRs/PIRs Interviews, discussions. Reports	Examination of documentation Questioning. Questionnaire

Evaluative Criteria Questions	Indicators	Sources	Methodology
15. Are the business plans being used and updated and are business planning approaches being adopted?	Usage and updating of the BPs	APRs/PIRs. Interviews, discussions. Reports	Examination of documentation Questioning/discussion. Questionnaire
16. To what extent has the work and accomplishments of the project and the changes that it has brought about been absorbed and adopted by the beneficiaries?	Examples of adoption	APRs/PIRs. Interviews, discussions. Reports	Examination of documentation Questioning/discussion. Questionnaire
17. Have any of the changes in policy/legislation/regulations proposed by the project been officially adopted/enacted?	Official changes in policy, legislation, regulations etc.,	APRs/PIRs. Interviews, discussions. Reports	Examination of documentation Questioning/discussion; Questionnaire
Impact: Are there indications that the project has contributed to, or enabled progress toward improving the financial sustainability of Protected Areas?			
18. Has overall funding for each of the focal PAs increased significantly?	Change in income	Statistics from the PAs	Examination of documentation Questioning/discussion
19. Has government (central) funding for protected areas increased significantly?	Increase in allocations		Examination of documentation Questioning/discussion
20. Are the focal protected areas now benefitting from more diverse sources of funding?	New sources and amounts		Examination of documentation Questioning/discussion Questionnaire
21. Has the overall management effectiveness of the focal PAs improved	Improved METT Scores	METT assessments	Examination of documentation Questioning/discussion
22. Has financial sustainability of Romania's Protected Areas improved	Improved UNDP Financial sustainability scorecard	Scorecard	Examination of documentation Questioning/discussion
23. Have there been any measurable biodiversity benefits from the project	Various	Various	Examination of documentation Questioning/discussion

Annexe 6 Questionnaire used and summary of results

Improving the Financial Sustainability of the Carpathian System of Protected Areas **Terminal Evaluation. Questionnaire** **Please take some time to complete the following questionnaire or any parts of it you wish to. It will help to make the evaluation as comprehensive as possible. You do not need to record your name.** **Part A General Questionnaire on project effectiveness**						
Please indicate how much you agree with each of the following statements by circling the appropriate number. ***1: Strongly Agree 2: Agree 3: Neither agree nor disagree 4: Disagree 5: Strongly Disagree*** ***0: Don't know/don't have an opinion/don't understand***						
Thank you for your help.						
As a result of the activities of the project …	**AGREE**		**DISAGREE**			**n/a**
Overall funding for the focal PAs has increased significantly	1	2	3	4	5	0
Central government funding for protected areas has increased	1	2	3	4	5	0
The legal basis for sustainable PA financing has improved	1	2	3	4	5	0
Protected areas have better capacity to raise, retain and manage income	1	2	3	4	5	0
Protected areas are mobilising more diverse options for funding	1	2	3	4	5	0
Protected area staff have a better understanding and knowledge of financial planning and management	1	2	3	4	5	0
Protected areas are using the funding they have more efficiently	1	2	3	4	5	0
Protected area business plans are being used as the basis for financial planning and monitoring	1	2	3	4	5	0
Protected area management plans are better linked to budgets and business plans	1	2	3	4	5	0
Protected areas are better able to share information and address common issues	1	2	3	4	5	0
Authorities are better recognising the value of the services provided by protected area ecosystems	1	2	3	4	5	0
Other protected areas in Romania are adopting the approaches and methods used by the project	1	2	3	4	5	0
Other Carpathian countries are adopting the approaches and methods used by the project	1	2	3	4	5	0
The achievements of the project will be maintained and continued in the future	1	2	3	4	5	0
Overall, the project was well organised and managed	1	2	3	4	5	0
Other Remarks						

Part B. Reflective questionnaire Please try to answer any/all the following questions as specifically as possible according to your personal opinion. If you need more space to answer a question, please use the other side of the page, indicating the question/answer number.

1	**What do you consider the most important achievements of this project?**
1.1	
1.2	
1.3	
1.4	
1.5	
2	**What elements of the project could have been more effectively implemented? What fell short of your expectations?**
2.1	
2.2	

2.3	
2.4	
2.5	
3	**What elements or activities do you think should have been included in the project, but were not?**
3.1	
3.2	
3.3	
3.4	
3.5	
4	**What aspects of the project do you think will have a lasting impact ?**
4.1	
4.2	
4.3	
4.4	
4.5	
5	**What should be the priorities for following up the work of the project in order to ensure the sustainability of its achievements?**
5.1	
5.2	
5.3	
5.4	
5.5	
6	**Please record any other comments that you would like to make.**
6.1	
6.2	
6.3	
6.4	
6.5	

Part C. What is your connection to the project? Please circle the most appropriate answer.							
Project supervision, management administration, oversight.	Project consultant or technical adviser	Protected Area Manager or Staff Member	Private sector	Local community member	Official of National or Regional Government or Agency	Other/Member of public, civil society	Do not wish to answer

Figure 2 Results from questionnaire 1 (27 respondents)

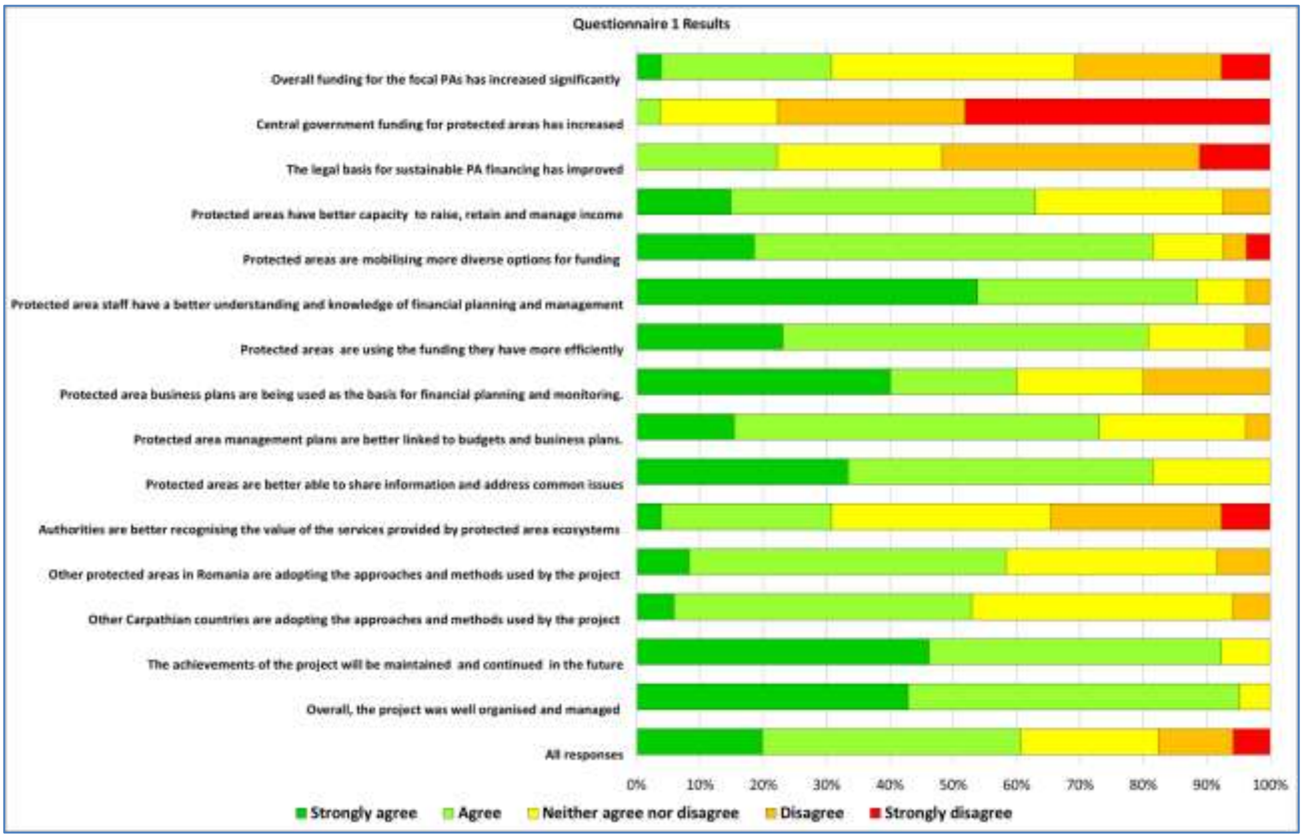


Table 26 Questionnaire 2 Results

1. What do you consider to be the most important achievements of this project?	Number of times mentioned
Financial management system and its linkage to the management plan	12
Improved communication between PAs	8
Financial analysis/Financial resources identification	4
Business plan	4
Improving financial sustainability/increased income	4
Proposals for changes in legislation (PES and Environmental Fund)	4
Increased capacity and awareness among PA staff on financial sustainability/planning/management	4
Improved partnerships	4
eLearning modules	3
Identification of human resource needs and tracking of staff time	2
Creation of the Protected Areas Association	2
International cooperation	2
Ecosystem valuation study	1
Improved awareness among communities	1
Best practice examples	1
Local authorities have better appreciation of values of PAs	1
PA staff understand that funding is being sought to support their work	1
Providing a baseline assessment and scenario analysis based on available information very useful for illustrating an analytical approach and for highlighting data requirements.	1
2. What elements of the project could have been more effectively implemented? What fell short of your expectations?	
Fund raising efforts and development of business partnerships	4
More contribution from central government to PAs	4
Money raised is deducted from income, so no net increase in PA budgets	3
Everything was good	3
More lobbying at central level	2
Stronger staff training required	2
Lack of political support for the proposed legislative changes for PES	1

More effective/better timed public awareness campaign	1
Closer cooperation between decision makers, at local, administrative and national levels	1
Helping better use of honey pot sites	1
More amendments to legislations	1
Linkages between management plans and business plans	1
Number of partnerships concluded during project implementation are in line with requirements but still too low.	1
Funding amounts (funding levels) within the partnerships is still low.	1
More pilot parks	1
More experience exchange for pilot parks	1
PES mechanisms as a basis for the partnership contracts are difficult to identify, negotiate, and evaluate as a financial value for both PAs and PFs, which are looking for simple and rapid solutions and do not have qualified personnel for such activities	1
The commencement and accomplishment of project activities according to deadline and work plan was very weak indeed	1
As the project was somewhat ambitious in its aspirations, this may well have had an impact on overall delivery.	1
Technical aspects of valuation and financing mechanism identification and planning were expected to take place according to rather formulaic approach, which was not necessarily appropriate for application in Romania without some modification (including, importantly, input from national and local stakeholders)	1
3. What elements or activities do you think should have been included in the project, but were not?	
Improved legal framework and provisions for funding	2
Improved capacity at NFA to support the project	2
Obligatory management effectiveness assessment	1
Park accountants should have been more directly involved in activities	1
More ecological education	1
More lobbying for fund raising	1
More communication with future business partners	1
Periodic newsletters for project partners	1
Study trips	1
A mechanism to keep central authorities involved in the project	1
A previously concluded/under implementation pilot partnership agreement – including a complex PES and a high value – to inspire both protected areas and the business sector.	1
Securing higher level political support for the project and its outputs	1
The design of financing instruments relied heavily on a rather “technical” approach. A more holistic approach was lacking.	1
4 What aspects of the project do you think will have a lasting impact	
Financial management system	13
Partnerships	3
The association of PAs administrations	3
Better capacity to raise income	2
Financial analysis	1
income generating activities	1
Business plans	1
Entry fees	1
Better awareness of internalising the externalities of PA administration activity	1
Cooperation of administrations of PAs	1
Possible replication in other PAs	1
Better understanding of management and financial planning	1
Unitary management and planning for Romanian PAs	1
Transnational cooperation between PA professionals	1
Awareness that the parks need financing	1
Improved financial sustainability of PAs	1
Management plans for all PAs	1
Streamlining PA management revenues and expenses	1
Briefing and informing PA staff	1
Attention from State authorities to PAs	1
The awareness of the PAs that they could find funding from the business sector!	1
The simple framework offered to PAs for identifying, negotiating and finally concluding partnerships.	1
Income generating activities	1
Hopefully a broader understanding of the full range of services provided by PAs and their importance to the economy and welfare	1
5 What should be the priorities for following up the work of the project in order to ensure the sustainability of its achievements?	

Pushing and lobbying for the PES legal framework	3
Continues activities of the project	2
Continuing to apply the developed mechanisms	1
A high level of involvement and initiative of park administrations to use the results of the project and develop partnerships	1
Apply taxes to increase income	1
Replicate good practices	1
Respect and make use of the statistics that have emerged from the project	1
Use knowledge to lobby for funding	1
Use of business plans by PA administrations	1
MoE should adopt the project results and recommendations	1
Training on human resources	1
Continue monitoring activities	1
Expand international cooperation	1
Involvement of stakeholders in financially sustaining the parks	1
Continue awareness on ecosystems services for communities	1
Initiatives for state financing of the activities of the management plan	1
Initiatives for establishing the eligibility of PA administrations for all EU funded projects on tourism and tourism and infrastructures and to Environment Fund Projects	1
Continue improving financial mechanisms for Ecosystem Services	1
Maintain 22 PAs in Romsilva for at least 5 years	1
Change and update legislations	1
Training for PA management specialists	1
Maintain awareness of central authorities of need to finance PAs	1
Administrative adaptation of the PAs. Identification/employment and training of a business marketing specialist within PAs, or at least at PAA level.	1
Administrative strengthening at PAs level	1
Development of PES legislative framework	1
Publicity campaigns; Image campaigns ; creation of a positive image for PAs.	1
Continuing to apply the developed mechanisms	1
Pushing and lobbying for the PES legal frame	1
Ongoing data collation and analysis needed to increase confidence in findings.	1
Please record any other comments that you would like to make?	
Central authority lost ownership of project	1
This was a great project that was slow to but new to everyone	1
Thee future is unpredictable s	1
Congratulations to the project team. They have given their all in spite of adverse factors	2
With support and mediation by BDS, meetings and discussions between PAs and PFs were still ongoing at the work completion time, but with the hope that some/most of the partnership proposals negotiated there could be signed in the next period, and contribute to achievements of the BDS work.	
The project was fairly ambitious in terms of its aspirations as regards the introduction of new PA financing instruments, and may have under-estimated the needs to deal with the political economy for ensuring that such approaches are mainstreamed into decision-making. The amount of time that such instruments typically take to set up and become operational can be substantial. Likewise, significant high-level buy-in (which may take quite some time and effort to secure) is usually required.	

Annexe 7 Evaluation ratings table

Overall objective
To secure the financial sustainability of Romania's Carpathian network of PAs, as a model for replication to the entire Carpathian Network of Protected Areas (CNPA)

Indicators	**Baseline measure**	**Target**	**Final measure**	**Rating**
1. Overall score of the Financial Score Card	Component 1: 15 (19%) Component 2: 15 (24%) Component 3: 3 (5%) **Overall: 33 (17%)**	Overall: 50%	Component 1: 42 (44%) Component 2: 42 (71%) Component 3: 27 (38%) **Overall: 111 (49%)**	**S**
2. Trend in filling the funding gap	Stagnant	From Dec 2011, financial gaps are being gradually reduced a rate of 20% per year	Year on year change in the gap from the financial scorecard for the minimum required for management. 2009-2010: +21% 2010-2011: +16% 2011-2012: -1% 2012-2013: -13% Overall change: +20% Change from 2011: -14% Mobilisation of project based support has reduced the funding gap in the short term.	**MS**
3. Coverage of the Romanian Carpathian ecoregion with ensured financial sustainability	0 ha	> 1 million ha.	0 ha with ensured financial sustainability 300,000 ha with significantly improved potential for financial sustainability 700, 000 ha with some improved potential for financial sustainability	**MU**

Outcome 1: Supportive legislative framework and sustainable PA financing strategy

Output	**Indicators**	**Baseline measure**	**Target**	**Final measure**	**Indicator Rating**	**Overall Rating**
1.1: A set of by-laws and amendments to the existing legislation developed and promoted	Number of sets of suggestions and regulations for improving PA financing legislation, developed and promoted to decision makers	**0**	5	At least 12 detailed proposals made. 7 not approved. 4 approved (all relating to co-financing and support for EU and bilateral funding). 1 pending	**MS**	**MS**
1.2: Sustainable Financing Strategy (SFS) and Action Plan for 22 large PAs in the Romanian portion of the Carpathians developed.	No specific indicator set	n/a	n/a	SFS drafted in 2013, but not yet finalised or adopted by the MoECC or NFA	**S**	**S**
1.3: Government commits to gradually increase funding (e. g. 20% yearly increases from 2007 level) for the targeted PAs	Funding gap for the Romanian Carpathian PA system	$4 M (basic) $11M (optimal)	<$1 M (basic) <$5 M (optimal)	From the financial scorecard: basic/optimal **2009:** $4,526,061$/$10,280,903 **2010:**$5,477,978/$12,537,502 **2011:** $6,334,474/$13,156,256 **2012:** $6,260,273/$13,082,055 **2013**: $5,444,002/$12,265,784	**MS**	**MS**

				Short term funding gap potentially reduced due to mobilisation of EC support.		
	Amount of allocations from Ministry of Environment for Carpathian PAs	0	By Dec. 2013, central budget allocation of > $1 million	No permanent commitment to central budget allocation. Co-financing and VAT support provided by MoECC for EU funded projects totalling ca US$4.5 million in 2010-2014	**S**	
	Number and level of central budget transfers.	None	Twice a year by Dec. 2011	No approval or transfers. Co-financing and VAT support provided for EU funded projects.	**MS**	
	Compensation payments to forest users	App.30%	40% (Dec. 2013)	None. (New PES/EC mechanism to generate funds proposed through amendment to the Forest Code awaiting approval)	**MS**	
	Number of cases for environmental compensation and level of fees	None	3 by Dec. 2013	None. No compensation or off setting mechanism established. (New PES/EC mechanism proposed through amendment to the Forest Code; approval)	**MS**	
1.4: Model business plans developed to demonstrate specific market-based revenue mechanisms for 5 clusters of PAs in the Romanian Carpathians	Number of sites in Carpathians with business plans and cost-reduction strategies	0	5 by Dec. 2013	5. All pilot PAs have business plans. 5 site based cost saving strategies in place based on the business plans and use of the FMS	**S**	**S**
1.5: A set of diversified PA income-generation mechanisms (market and non-market options) validated in at least 3 PAs .	Number of sites with diversified market-based instruments for PA funding	0	Min 3	5+ PAs have introduced a range of some new income generation mechanisms, but PA budgets are adjusted by NFA to offset income so no guaranteed net gain.	**S**	**S**
	Number of cost-saving strategies in place at PA system level	0	>10	No overall cost saving strategy in place at the system level, although monitoring of the FMS has enabled better monitoring of costs and efficiencies.	**MS**	
Outcome 2: Institutional and individual capacities of management authorities and other local stakeholders to realize sustainable financing of PAs developed						
Output	**Indicators**	**Baseline measure**	**Target**	**Final measure**	**Indicator Rating**	**Overall Rating**
2.1: A critical number of PA finance professionals (Minimum 36 staff, 3 from each PA including leading and cluster PAs) trained	Number of PA staff trained in effective financial management of PAs	0	At least 33 By Dec. 2012	More than 60 personnel attended training events. Over 1500 person/ days of training delivered.	**S**	**S**
	# of 'Champion PA Finance Leaders' graduated	0	11 by Dec 2011	'Champion PA Finance Leaders' not defined. At least 12 personnel are considered to be highly competent in use of the	**S**	

				tools and methods developed by the project		
2.2: A National Association of the Legal Entities Administrating the Protected Areas established:	A Carpathian's Association of PA Managers	0	One by Dec. 2011		**HS**	**HS**
2.3: Improved information management linking PA management plans (programs and activities) with financial management/accounting system	PAs conservation targets linked to programmes and activities through a functioning financial management system (FMS)	No	Yes (By Dec 2010)		**HS**	**HS**
	Metrics link conservation goals with costs.				**HS**	
	Traceable expenses, costs, needs and gaps by program			.	**S**	
2.4: Removed	A PSA Management Committee			n/a	**n/a**	**n/a**
2.5: Lessons and knowledge documented and transferred to key actors representing PAs from other Carpathian countries	At least four workshops organized across the Carpathian region to share experience	0	4 workshops	5 + events	**S**	**S**

Annexe 8 Evaluation Consultant Agreement Form

Evaluators:

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

Evaluation Consultant Agreement Form

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

Name of Consultant: __Michael R Appleton______________________________________

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 *Methwold* on *26 May 2014*

Signature: