



MID-TERM EVALUATION

NEW CONSERVATION AREAS IN THE PHILIPPINES PROJECT (formerly EXPANDING AND DIVERSIFYING THE NATIONAL SYSTEM OF TERRESTRIAL PROTECTED AREAS IN THE PHILIPPINES PROJECT)

Evaluation Period: **September 2010 – June 2013**

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PROJECT DETAILS

Project Title	Expanding and Diversifying the National System of Terrestrial Protected Areas in the Philippines Project (New Conservation Areas in the Philippines Project)
GEF Project ID	3530
UNDP Project ID	00071662
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Organizational Program	GEF-4 Strategic Program: BD-SP3
Executing Agency	UNDP
Other Partners Involved	NGOs, local government units, IP and local communities

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ACRONYMS AND ABBREVIATIONS

AD	Ancestral Domain
ADSDPP	Ancestral Domain Sustainable Development and Protection Plan
APR	Annual Project Report
BD	Biodiversity
BIR	Bureau of Internal Revenue
BPP	Biodiversity Partnership Project
BTr	Bureau of Treasury
CAR	Cordillera Administrative Region
CENRO	Community Environment and Natural Resources Office/r
CEO	Chief Executive Officer
CI	Conservation International
CLUP	Comprehensive Land Use Plan
CP	Certification of Precondition
CSO	Civil Society Organization
DAO	Department Administrative Order
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DILG	Department of Interior and Local Government
ECA	Environmentally Critical Area
EIS	Environmental Impact Study (System)
EMB	Environmental Management Bureau
EO	Executive Order
FFI	Fauna and Flora International
FGD	Focus Group Discussion
FLUP	Forest Land Use Plan
FMB	Forest Management Bureau
FMS	Financial Management Service
FPE	Foundation for Philippine Environment
FPIC	Free and Prior Informed Consent
GEF	Global Environment Facility
GIZ	German Technical Cooperation
ICC	Indigenous Cultural Community
ICCA	Indigenous and Community Conserved Areas
IEC	Information, Education and Communication
IP	Indigenous Peoples
IPAF	Integrated Protected Areas Fund

IPRA	Indigenous Peoples' Rights Act
KAP	Knowledge, Attitude and Practice
KBA	Key Biodiversity Area
KII	Key Informant Interviews
LGU	Local Government Unit
LGU-LCA	Local Government-managed/Local Conservation Areas
LRP	Local Responsible Partner
LSC	Local Steering Committee
M&E	Monitoring and evaluation
METT	Management Effectiveness Tracking Tool
MGB	Mines and Geo-sciences Bureau
MILALITTRA	Miarayon Lapok Lirongan Tinaytayan Tribal Association
MOA	Memorandum of Agreement
MTE	Mid-term Evaluation
NCIP	National Commission on Indigenous Peoples
NCPAG	National College of Public Administration and Governance
NewCAPP	New Conservation Areas in the Philippines Project
NGO	Non-government organization
NIPAS	National Integrated Protected Areas System
NPS-ENRMP	National Program Support for Environment and Natural Resources Management Project
PA	Protected area
PAFID	Philippine Association for Intercultural Development, Inc.
PAMB	Protected Area Management Board
PASU	Protected Area Superintendent
PAWB	Protected Areas and Wildlife Bureau
PAWCZMS	Protected Area, Wildlife and Coastal Zone Management Sector
PAWD	Protected Areas and Wildlife Division
PBCFI	Philippine Biodiversity Conservation Foundation, Inc.
PCU	Project Coordinating Unit
PENRO	Provincial Environment and Natural Resources Office/r
PES	Payment for Ecosystem Services
PIR	Project Implementation Review
PMU	Project Management Unit
PTFCF	Philippine Tropical Forest Conservation Foundation
RA	Republic Act
RED	Regional Executive Director
REECS	Resources, Environment and Economics Center for Studies, Inc.
RTD	Regional Technical Director

SAPA	Special Use Agreement for Protected Areas
SGP	Small Grants Programme
TOR	Terms of Reference
UNDP	United Nations Development Programme
UNEP-WCMC	United Nations Environment Programme – World Conservation Monitoring Center

EXECUTIVE SUMMARY

Introduction: NewCAPP and the MTE. Expanding and Diversifying the National System of Terrestrial Protected Areas in the Philippines Project (now known as New Conservation Areas in the Philippines Project or NewCAPP) is a five-year project intended to establish new management regimes for the conservation of terrestrial areas in Key Biodiversity Areas (KBAs) in the Philippines. This proceeds from the recognition that despite its critical importance to global environmental sustainability, the Philippine floral and faunal diversity is faced with several threats. The primary government response is the establishment of the National Integrated Protected Areas System (NIPAS) encompassing more than 200 PAs covering more than 5.4M has of land and water bodies. The NIPAS, however, is faced with three main barriers: (1) small coverage of PAs and underrepresentation of Mindoro, Greater Luzon, Greater Mindanao, Greater Negros Panay and Greater Sulu in the PA system; (2) limited capacities of DENR-PAWB and PAMBs for PA management; and, (3) limited financial sustainability owing to inadequate financial planning, budgetary management and revenue generation.

NewCAPP was thus designed to pilot new conservation areas that shall be outside the NIPAS but still part of the national protected area (PA) system. It has a three-pronged approach (outcomes): (1) establishing and/or enhancing alternatives/models on the ground; (2) capacitating key actors to enhance the management of these alternatives/models, and thereby also benefiting the managers of NIPAS sites in various parts of the country; and, (3) providing a policy basis for the existence, recognition and sustained support for – thus, mainstreaming - these models and the existing NIPAS sites.

The Project is being implemented in the following pilot sites: (1) Balbalan-Balbalasang National Park (ICCA); (2) Zambales Mountains (ICCA, and LGU-LCA in Mangatarem and Mt. Tapulao); (3) Mts. Irid Angelo and Binuang (ICCA); (4) Mts. Iglit Baco National Park (ICCA); (5) Polilio group of Islands (LGU-LCA); (6) Nug as Lantoy (LGU-LCA); (7) Mt. Nacolod (LGU-LCA); (8) Mt. Hilong-hilong (ICCA); (9) Mt. Kalatungan (ICCA); and, (10) Tawi-tawi Island (LGU-LCA).

Funded by the Global Environment Facility (GEF) and supported by the United Nations Development Programme (UNDP) with the Department of Environment and Natural Resources – Protected Areas and Wildlife Bureau (DENR-PAWB) as Executing Partner, the project commenced in September 2010 and will end in September 2014.

This is the Mid-term Evaluation (MTE) report of NewCAPP, to determine the project's progress towards achieving its target outcomes. It also aims to highlight issues requiring decisions and actions, and present initial lessons learned about project design, implementation and management. It covers the first two-and-a-half years of project implementation, specifically from September 2010 until June 2013.

The following methodologies were used: (1) Document Review; (2) Key Informant Interviews; and, (3) Stakeholder consultations. To a very limited extent, the evaluators also did site visits and observation of the conduct of project activities. Based on the criteria of bioregional representation, management

regime representation, representation as to progress in implementation, and accessibility, the following were chosen as sample sites for this study: (1) Kalinga Watershed; (2) Mts. Iglit Baco National Park; (3) Nug as Lantoy; (4) Mt. Kalatungan; (5) Mt. Hilong-hilong; and, (6) Mt. Nacolod.

The exercise determined the extent of the achievement of the Project; the need to refocus its activities and investments, if any; the efficiency of resource use; the direction for future investment of UNDP-GEF; the adequacy of the management and administrative arrangements to deliver the project; the degree of mainstreaming of the project in the implementing partner; the necessary focus of the project for its remaining implementation period; lessons from the project design and implementation and how they can be used in similar efforts; and the prospects of sustainability of initiatives and gains.

The MTE makes use of the rating system prescribed by the “Guidelines for GEF Agencies in Conducting Terminal Evaluations” (2008) and the “Project-Level Evaluation Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects” (2012). Five criteria are used in assessing the level of achievement of project outcomes and objectives, monitoring and evaluation (M&E), Implementing Agency and Executing Agency execution: Relevance, Effectiveness, Efficiency, (likelihood of) Sustainability, and (likely) Impact.

Outcomes are rated using a six-point scale for relevance, effectiveness, and efficiency, as follows: Highly Satisfactory (HS), Satisfactory (S), Moderately satisfactory (MS), Moderately unsatisfactory (MU), Unsatisfactory (U), and Highly unsatisfactory (HU). Relevance, which refers to (1) the extent the project/activity is suited to local and national development priorities and organizational policies and (2) the extent to which the project is in line with the GEF Operational Programs or strategic priorities under which the project is funded, is rated as either Relevant (R) or Not Relevant (NR). Sustainability is rated using a four-point scale: Likely (L), Moderately Likely (ML), Moderately Unlikely (MU), and Unlikely (U). Impact, which refers to actual or anticipated positive or negative changes in global benefit as verified by environmental stress and/or status change as well as sustainable development impacts, is rated using a three-point scale: Significant (S), Minimal (M), and Negligible (N). The key financial aspects of the project, including the extent of co-financing planned and realized, are also part of the evaluation.

Findings and Ratings. Overall, NewCAPP has made significant headways in the successful establishment of ICCAs and LGU-LCAs, two new modalities in natural resource management and conservation. It has produced key instruments in strengthening the capability of managers of protected area in NIPAS sites as well as those outside thereof. It has also made significant progress in setting up the necessities for ensuring sustainable financing of protected areas.

Project Design. The project is logically designed based on expert diagnosis of the gaps in biodiversity conservation in the Philippines. Its logic is simple but comprehensive: There is need to establish new modalities for biodiversity conservation recognizing the inapplicability of NIPAS. The effectiveness of these new modalities is hinged on two crucial factors: (1) the capacity of the managers to perform their functions; and, (2) the availability of funds to support sustained management, conservation and protection work.

NewCAPP was designed to stand on the gains of relevant initiatives in the past, is implemented in several bioregions in the country to see how the concepts work in different cultural and socio-economic conditions, and is intended to establish links and build partnerships with other biodiversity and ecosystem management initiatives. Its targets are measurable through an installed M&E system.

Rating: Satisfactory

Project Implementation. The Project continues to follow a systematic reporting and monitoring system as contained in the Project Document. What is lacking, however, are the Local Steering Committees (LSCs), which should be responsible for site level coordination and integration of the works of the project with local plans and activities. Instead, the Project worked with existing organizations and offices (local DENR offices, NCIP, Local Responsible Parties, etc.) that allowed the Project to move faster. The highlight of project implementation is the adaptive management exhibited by the Project. This is best depicted in the way the Project internalized the concept of ICCA.

Rating: Highly Satisfactory

Outcome 1. This is highlighted by the establishment or strengthening of ICCAs and LCAs, and the significant policy inputs turned in by the Project particularly on the adoption and protection of KBAs, the establishment of the National ICCA Consortium, and the continuing documentation of ICCAs. However, it is found that despite the impressive quality of the work in putting in place new management modalities, the Project has not met the required quantitative coverage of 400,000 has of land under new management modalities, the work on LCA is not moving as fast as the work on ICCAs owing mostly to the readiness and ability of the LGUs to adopt the concept, and that the policy direction remains unclear.

Rating: Satisfactory

Outcome 2. Under this Outcome area, the Project did a capacity assessment of the PAWB and the PAW Sector of the DENR, produced several knowledge products directed to local PA managers, conducted a study on Knowledge, Attitude and Practice (KAP), among others. Implementation of priority capacity development activities which resulted in the enhancement of capacities of selected DENR, LGUs, local communities, and indigenous peoples in environment protection, biodiversity assessment, and management planning; and increased appreciation by IPs and other national and local stakeholders of ICCA. METT Scorecards between March to April 2013 showed an average increase in METT ratings placed at 20%. Generally, there was an improvement in all aspects. Notable also is the integration of biodiversity concerns in LGU plans and adoption of conservation plans by relevant stakeholders. It is noted, however, that some quarters within the DENR, particularly the FMB and PAWCZMS at the regional and the field offices, feel that they were left out in capability-building. The PMU sees this as a result of weak coordination within the DENR system and the dynamics between DENR personnel. There is also need for a more decisive Communication Plan so that all the target audiences of the Project are reached. Lastly, NCIP needs to be more mainstreamed in the Project.

Rating: Satisfactory

Outcome 3. The Project is able to put on the table policy recommendations (SAPA, Sustainable PA Financing, IPAF guidelines) for sustainable PA financing. It is currently working on the business planning process for 18 PAs. The crown of the work here, however, is its support to the ongoing negotiations for a PES arrangement between an ICC in Mt. Kalatungan, represented by the local IP organization MILALITTRA, and the local waters users in Cagayan de Oro City. This anticipated PES agreement is important not only to ICCA managers but also to other PA managers as it shall be instructive in pursuing PES as a significant source of PA financing. Additionally, work in this outcome area should be viewed considering that the Project lost some PHP29M due to foreign exchange losses. Thus, the Project had to focus on helping source funding support for its sites to ensure continuity of efforts. Despite this funding debacle, which is not the fault of the Project, it is able to produce significant results.

Rating: Highly Satisfactory

Overall Rating. Given the impressive performance of the Project both in terms of delivering its outputs and outcomes as well as its capacity for adaptive management that allows it to take advantage of opportunities and surmount its financial challenges, the Project merits a Satisfactory rating.

Conclusions. The foundational work of the Project has been completed, such that the next half of Project implementation can already focus on strengthening and furthering its gains, tying loose ends, effecting sustainability mechanisms, and extracting and crystallizing the lessons from the experience into best practices and, hopefully, towards the development of policy, governance and practice.

Particularly, the following specific conclusions are worthwhile:

1. Overall, it can be said that the Project is gaining key successes in establishing a strong foundation for a more effective system in establishing and managing the remaining key biodiversity areas in the country. A case for ICCAs and LGU-LCAs is already being built by the Project despite the shortfall in its quantitative output (133,241 has). Already, the Project has established various typologies of ICCAs: ICCA within a PA, ICCA with overlaps with PA, ICCA without a CADT, ICCA outside of a PA but within a KBA, and ICCA within a KBA and within a portion of an existing PA. Similarly, target LGUs are buying the idea of LCAs, slowly incorporating it in their planning and governance processes.
2. The Project is already showing some potential impacts of its work, especially on ICCAs. Among these impacts are the peacebuilding potential of ICCAs among conflicting IP communities, the reawakening of the pride of IPs in their culture and indigenous knowledge system, and its potential for providing a platform for building productive inter-community relationships among ICCs. The ICCA is also a good starting point for a more informed AD planning process.
3. The key steps initiated by the Project are standardizing the operational system of PAMBs. Notably, the last METT of the PAs shows marked improvement in the management capacity for these areas, with an average increase ratings placed at 20%.

4. While the new management modalities introduced by the Project are good ideas on their own, the modalities remain unclear as to how and where they stand alongside other modes of NR conservation. There is yet no clarity on the role of the NCIP in ICCAs. Policy is especially crucial in the case of LGU-LCAs where constant changing of guards in LGUs poses risks to sustainability of LGU-sponsored natural resource conservation actions.
5. The Project is on its way to establishing the stage for financial sustainability of the sites, particularly with the PES negotiation of MILALITTRA with potential buyers (water users) in Cagayan de Oro creating a lot of energy in neighboring ICCs. The Projects is also ensuring continuity of funding support to sites through like-minded projects.

Lessons.

1. Many of the challenges that face the Project are actually bigger than the Project itself. While the Project is achieving much in its implementation, there are internal issues within DENR that must first be addressed. Also, mainstreaming the idea of ICCAs has to be approached by the DENR leadership working together with the NCIP. This matter also extends to the interpersonal dynamics among DENR staff, which is most apparent at the regional down to the community level.
2. This Project proves a good vehicle to exhibit government's openness to using new and appropriate NRM modalities, and DENR's sincerity to recognize the right and power of local communities and LGUs to take charge of their natural resources. It accommodates both the IPs/ICCs' desire to have their ADs recognized as well as government's need for a policy framework that will mainstream various management modalities into government work.
3. Project function of integrating the LCA/ICCAs into the FLUP is still an operational concern. Mainstreaming biodiversity concerns in the FLUP process remains a challenge due to the need of FMB personnel to veer away from business-as-usual by learning and factoring in biodiversity concerns in their processes.
4. The implementation of this Project is a good model for adaptive management. It allowed the Project to take advantage of opportunities that abound in this area of work. The adoption of ICCA as an approach to realizing the establishment and strengthening of IP/ICC managed areas is enlightening. Similarly, having realized that foreign exchange losses would prevent the Project to pursue its sustainable financing plans (Outcome 3), the Project decided to focus on partnering with other initiatives to ensure that these outputs can still be delivered.
5. The Php29M foreign exchange loss was beyond the control of the Project. This is a possibility to other projects especially considering the volatile Philippine economy and market.

Recommendations.

1. As a model-building initiative, the Project has delivered and can further this work in the remaining period of its operations. It is recommended that the UNDP and the GEF as well as the Project redefine the target of 400,000 ha under Output 1.2 as either the maximum area to be covered, or adopt the submission of the PMU to treat the 400,000 ha as merely the total landscape within which the Project shall pilot the modalities. The DENR, the DILG and the NCIP are invited to cooperatively replicate and expand the coverage of the models.
2. It is necessary that the project focus on closing work in the areas. As can be understood from the results of on-site data gathering, the local stakeholders are uncertain as to how the project will end in their respective areas. Nevertheless, it appears that for many, the completion of the local plans is sufficient as this would leave or provide a platform for future actions and interventions. It is best for the project to chart with stakeholders the end term of the interventions in each area, and plan out how support can be continuously streamed down to them beyond the project. A sustainability plan should be incorporated in the process.
3. Local communities involved in ICCA also expect to obtain benefits from the initiative. It is recommended that this be intentionally included in the Project's disengagement plans with communities. The PAWB/BMB and UNDP are also urged to include this aspect in successor biodiversity conservation initiatives.
4. Although a lot has been done with its policy work, the Project still needs to do policy articulation of its initiatives so as to identify their place in the whole natural resource management schema of the DENR. This might also entail working with other NGAs to effectively place these modalities in their (other agencies') policy frameworks. The vehicle/s for such policy mainstreaming should also be defined, taking heed of the need to ensure national support to ICCAs and LCAs, exploring possibilities within and outside the administrative structure. The Project can also help LGUs in developing their local ordinances and plans that include LCAs. In this regard the DILG should be a lot of help. Also, the Project might as well design a policy on PES.
5. The NCIP is undeniably an important player particularly in ICCAs. Engaging the NCIP into the ballgame thus remains a challenge, but a must, for the Project. A substantive deliberation with the NCIP is the synergy between the Project's ICCA approach and the AD management approach of the NCIP. Consistent with the earlier statement that this is a systemic challenge, the DENR has to build its institutional relationship with NCIP that can benefit all other DENR initiatives with NCIP concerns. Meanwhile, NCIP is urged to engage the Project on ICCA discussions, viewing ICCA as a component that can strengthen AD management, and the ICCA process as enriching ADSDPPs.
6. With the KAP done, the Project can now get down to preparing a detailed communication plan. Among the critical target audiences should be policymakers, services within the DENR structure, the DENR leadership, NCIP, DILG, and LGU leagues.

7. The Project should ensure that there are local co-management bodies to oversee and build on its gains. A practical and effective choice would be local bodies that are already institutionalized, such as the Local Development Board. This might even cause the local DENR offices to be mainstreamed into the local development bodies, allowing the DENR to have more impact on local environment and natural resources policies, programs and plans.
8. Considering the volatility of the PHP in the money market, future projects should better identify foreign exchange loss as a risk that they may be addressed at as early as the proposal stage, by doing any of the following: (1) use a more conservative conversion rate; (2) Government guarantee against foreign exchange losses; (3) treating foreign exchange gains as buffer funds; or (4) providing a conditional buffer amount for project funds quoted in foreign currency.
9. Since the Project is already showing considerable level of success in making a case for LGU-LCAs and ICCAs, it is ripe to start thinking about other modalities that can further the menu of options for local stakeholders beyond these two modalities. One modality that deserves attention should be Community Based-LCAs.

Chapter 1

INTRODUCTION

Purpose of the Evaluation

The Expanding and Diversifying the National System of Terrestrial Protected Areas in the Philippines Project (now known as New Conservation Areas in the Philippines Project or NewCAPP) is a five-year project intended to establish new management regimes for the conservation of terrestrial areas in Key Biodiversity Areas (KBAs) in the Philippines. The new conservation areas shall be outside the National Integrated Protected Areas System (NIPAS) but still part of the national protected area (PA) system. Funded by the Global Environment Facility (GEF) and supported by the United Nations Development Programme (UNDP) with the Department of Environment and Natural Resources – Protected Areas and Wildlife Bureau (DENR-PAWB) as Executing Partner, the project commenced in September 2010 and will end in September 2014.

The Mid-term Evaluation (MTE) is required to be undertaken at the end of the second year of implementation of the Project. The MTE will determine the project's progress towards achieving its target outcomes. It also aims to highlight issues requiring decisions and actions, and present initial lessons learned about project design, implementation and management.

Specifically, the objectives of the MTE are the following:

- Assess implementation progress and evaluate results and any early indication of impact;
- Strengthen the adaptive management and monitoring functions of the project, to provide a basis for decision-making on necessary amendments and improvements;
- Ensure accountability of resource use; and
- Document, provide feedback on, and disseminate lessons learned, so as to enhance organizational and development learning around the project

Scope and Methodology

Scope and timeframe of MTE

The MTE covers the first two-and-a-half years of project implementation, specifically from September 2010 until June 2013.

The MTE is an assessment of project performance so far, based against expectations set out in the Project Logical Framework/Results Framework, which provides performance and impact indicators for project implementation along with their corresponding means of verification.

Methodology

The MTE intended to make use of the following methodologies:

- Document Review
- Key Informant Interviews
- Stakeholder consultations
- Site Visits
- Observation of project activities

However, as can be gathered from the discussions below, lack of material time limited the evaluators from doing site visits and project activity observations.

Document Review. The evaluator reviewed documents pertaining to the Project to serve as bases for data gathering. These documents included the Project Document and CEO Endorsement, project reports – including Annual Reports (2010 Annual cum Inception Report, 2011 and 2012), APRs/PIRs (2011 and 2012), Quarterly Reports, project budget revisions, progress reports, GEF focal area tracking tools – Work and Financial Plans (2010, 2011 and 2012), other project files, reports of sub-national ICCA conferences (November 2011) as well as the Proceedings of the National ICCA Conference (March 2012), draft procedures for ICCA documentation, reports on FLUP Workshops (July and September 2012) and the draft modules for establishment of LCAs, NewCAPP technical bulletins, Capacity Assessment of PAW Sector report, the PA Financing Study commissioned by the Project, among others.

Key Informant Interviews. Key Informant Interviews (KIIs) allowed the evaluator to ask very specific and focused questions. Around 20 KIIs were conducted in line with this evaluation. The list of KII respondents are attached as ANNEX “B”.

Stakeholder consultations. Stakeholder consultations were done through Focus Group Discussions, which allowed for a more participatory evaluation process. At least one stakeholder consultation was held in each area visited that allowed the evaluator to elicit feedback from the local stakeholders. This has been essential in ascertaining the outputs and outcomes of the project on the ground and in eliciting insights from the stakeholders. The list of FGDs conducted is attached as ANNEX “C”.

Site visits. Site visits could have allowed the evaluators to see the work of the Project on the ground. However, due to lack of material time, site visits became impossible, except in the case of Mt. Kalatungan, where the evaluator was able to hold an FGD on-site. In other areas, FGDs were held outside of the sites. Nevertheless, the evaluators were able to talk to local stakeholders who took time out to sit down with the evaluators.

Owing to the limited timeframe, only a maximum of five sites were initially included in the evaluation, namely: Zambales Mountains, Mts. Iglit Baco National Park, Nug as Lantoy, Mt. Kalatungan and Mt.

Nacolod. In discussions with the Project management, however, Zambales Mountains was given up for Kalinga Watershed, and Mt. Hilong-Hilong was added. The sites that were visited were chosen pursuant to the following criteria:

- Bioregional spread - at least one area is visited in each bioregion except for Tawi-tawi (Sulu bioregion)
- Representation of management regimes
- Representation as to progress in implementation
- Accessibility of the area, considering the inclement weather condition during the MTE period coupled with the limited time for field visits

As a result, the following areas were chosen:

Area	Justification
Kalinga Watershed	Bioregion representation: Greater Luzon Management regime representation: ICCA Progress of implementation: Advanced Accessibility: High difficulty in accessing by land, but parties agreed to meet in Baguio City
Mts. Iglit Baco National Park (Mindoro Provinces)	Bioregion representation: Mindoro Management regime representation: ICCA Progress of implementation: Preliminary stages Accessibility: Relatively accessible by plane and land transport
Nug as Lantoy (Alcoy, Cebu)	Bioregion representation: Greater Negros Panay Management regime representation: LCA Progress of implementation: Preliminary stages Accessibility: Relatively accessible by plane and land transport
Mt. Kalatungan (Bukidnon)	Bioregion representation: Greater Mindanao Management regime representation: ICCA Progress of implementation: Advanced Accessibility: Relatively accessible by plane and land transport
Mt. Hilong-hilong (Agusan side)	Bioregion representation: Greater Mindanao Management regime representation: ICCA Progress of implementation: Advanced Accessibility: Accessible by land transport from Bukidnon, thus, dovetailed with trip to the latter
Mt. Nacolod (Southern Leyte)	Bioregion representation: Greater Mindanao Management regime representation: LCA Progress of implementation: Advanced Accessibility: Relatively accessible by plane and land transport

Attendance in project activities. Although these activities are beyond the covered period of the MTE, they nevertheless allowed the evaluator to observe the breadth and depth of the discussions, and give a more updated idea on the extent of project implementation. Attendance in Project activities also gave occasion for opportunistic interviews or interactions with other actors in the project.

The evaluator joined the First Steering Committee Meeting of the Philippine ICCA Consortium and the NCIP Orientation with BPP.

Key Evaluation Questions

The questions that the MTE asked were the following:

- To what extent have expected results and outcomes been achieved?
- Is there a need or opportunity to refocus any of the planned activities to make the UNDP-GEF investment more effective?
- How efficient has the use of resources been to produce outputs and results?
- Which areas of work should the UNDP-GEF investment target to deliver sustainable impact beyond the current program period?
- Are the management and administrative arrangements necessary and adequate to fully deliver the project?
- How embedded is the project in the implementing partner and in the sector?
- In light of recent developments and other donor activity in the sector, how can the project provide a strategic focus considering the remaining resources and implementation period?
- What important lessons can be brought to bear in the design and implementation of similar programs?
- How can project learnings and experiences enhance the underlying assumptions about the role of conservation areas in biodiversity conservation?
- What are the prospects for sustainability? What are the risks and how can these be effectively managed till the remaining period of implementation?

Rating System

The MTE makes use of the rating system prescribed by the “Guidelines for GEF Agencies in Conducting Terminal Evaluations” (2008) and the “Project-Level Evaluation Guidance for Conducting Terminal Evaluations of UNDP-Supported, GEF-Financed Projects” (2012). It is noted that these documents prescribe for terminal evaluation. However, these prescriptions can also be adapted to mid-term evaluation. It is logical that some, if not many, of the expected outcomes shall not be apparent at this time. Thus, the evaluator shall comment on the likelihood of the outputs to produce the desired outcomes.

Five criteria are used in assessing the level of achievement of project outcomes and objectives, monitoring and evaluation (M&E), Implementing Agency and Executing Agency execution:

- **Relevance.** Were the project’s outcomes consistent with the focal areas/operational program strategies and country priorities?

- **Effectiveness.** Are the actual project outcomes commensurate with the original or modified project objectives? If the original or modified expected results are merely outputs/inputs, the evaluators should assess if there were any real outcomes of the project and, if there were, determine whether these are commensurate with realistic expectations from such projects.
- **Efficiency.** Was the project cost effective? Was the project the least cost option? Was project implementation delayed, and, if it was, did that affect cost effectiveness? Wherever possible, the evaluator should also compare the costs incurred and the time taken to achieve outcomes with that for similar projects.
- **Sustainability.** This will address the question of the likelihood of sustainability of outcomes at project termination, i.e., the likelihood of continued benefits beyond the project. The likelihood of sustainability shall be tested against endogenous and exogenous risks (financial, sociopolitical, institutional framework and governance, environmental).
- **Impact.** This will measure the extent to which the project is achieving impacts or progressing towards achieving impacts.

The evaluation of relevancy, effectiveness, and efficiency are as objective as possible and include sufficient and convincing empirical evidence. In addition, it takes into consideration broader aspects such as country ownership, mainstreaming, sustainability and catalytic role.

Outcomes are rated using a six-point scale for relevance, effectiveness, and efficiency, as follows:

- **Highly satisfactory (HS).** The project had no shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.
- **Satisfactory (S).** The project had minor shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.
- **Moderately satisfactory (MS).** The project had moderate shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.
- **Moderately unsatisfactory (MU).** The project had significant shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.
- **Unsatisfactory (U).** The project had major shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.
- **Highly unsatisfactory (HU).** The project had severe shortcomings in the achievement of its objectives in terms of relevance, effectiveness, or efficiency.

Relevance, which refers to (1) the extent the project/activity is suited to local and national development priorities and organizational policies and (2) the extent to which the project is in line with the GEF Operational Programs or strategic priorities under which the project is funded, is rated using a two-point scale, as follows:

- **Relevant**
- **Not Relevant**

Sustainability is rated using a four-point scale, as follows:

- **Likely (L).** There are no negligible risks that affect this dimension of sustainability.
- **Moderately Likely (ML).** There are moderate risks that affect this dimension of sustainability.
- **Moderately Unlikely (MU).** There are significant risks that affect this dimension of sustainability.
- **Unlikely (U).** There are severe risks that affect this dimension of sustainability.

Impact, which refers to actual or anticipated positive or negative changes in global benefit as verified by environmental stress and/or status change as well as sustainable development impacts, is rated using a three-point scale, as follows:

- **Significant (S)**
- **Minimal (M)**
- **Negligible (N)**

Financials

The key financial aspects of the project, including the extent of co-financing planned and realized, are also part of the evaluation. Variances between planned and actual expenditures will need to be assessed and explained. Results from recent financial audits, as available, will be taken into consideration.

Outputs of the MTE

The following have been delivered by the evaluator:

1. Inception Report, which triggered a meeting with the Project Team to finalize the work plan
2. A presentation of the results of, and impressions from, the site visits, done shortly after the completion thereof
3. A first draft
4. Presentation of results during the stakeholder conference in Angeles City in December 2013, and the Project Board in Quezon City in February 2014.
5. The Final Report

Chapter 2

PROJECT DESCRIPTION AND DEVELOPMENT CONTEXT

NewCAPP is an initiative to expand the coverage of conservation areas by protecting terrestrial ecosystems beyond the coverage of the NIPAS Act (Republic Act 7586) as part of the national PA system, through a three-pronged approach: (1) establishing and/or enhancing these alternatives/models on the ground; (2) capacitating key actors to enhance the management of these alternatives/models, and thereby also benefiting the managers of NIPAS sites in various parts of the country; and, (3) providing a policy basis for the existence, recognition and sustained support for – thus, mainstreaming - these models and the existing NIPAS sites.

Project background and rationale

The Philippines, with its extensive floral and faunal diversity, is critically important to global environmental sustainability. The Philippine archipelago hosts more than 52,177 described species more than half of which are endemic. Additionally, discovery of new species is one of the highest in the world.

However, Philippine biodiversity is also one of the most threatened in the world. Threats include habitat destruction, land conversion, overharvesting, mining and infrastructure development. Underlying these threats are weak law enforcement including the low risk of punishment vis-à-vis potential benefits of illegal activities; tenure problems; and under- or non-valuation (monetary) of natural resources, especially in relation to lucrative natural resource-based industries such as mining.

The government responds to these threats by way of the NIPAS, where all areas protected under earlier statutes are placed under the national PA system, which is being managed by the DENR. With more than 200 PAs covering more than 5.4M has of land and water bodies, the DENR is constrained to prioritize its efforts to identify global priorities for conservation. Prioritization is anchored on the 1997 Philippine Biodiversity Strategy and Action Plan, which identified key biogeographic regions based on floristic, faunistic and geological composition of geographic areas in the country. The said strategy and action plan was updated in 2002, and further refined in 2006 with the identification of KBAs, the latter based on criteria of vulnerability and irreplaceability. The KBA prioritization exercise identified 128 KBAs, 117 of which are terrestrial areas.

The long-term solution for biodiversity conservation in the Philippines' terrestrial areas is accelerated expansion and improved representation of the terrestrial PA network to protect biodiversity in KBAs while optimizing their ecological service function, under effective and sustainable adaptive management. These should rest on three pillars: (1) comprehensive ecological coverage for biogeographical representativeness and strengthened links to surrounding landscape; (2) adequate capacities and improved management effectiveness of PA management bodies; and (3) sustainable financing of PAs.

However, barriers to achieving said conditions abound:

- The existing PA system is not well prioritized or biogeographically representative due to the small coverage of PAs and the glaring inadequate overlap between PAs and KBAs. Among the large island groups, Mindoro, Greater Luzon, Greater Mindanao, Greater Negros Panay and Greater Sulu are underrepresented in the existing PA system. Although similarly underrepresented, Palawan's PAs are nevertheless already receiving support from donors and/or NGOs.
- Limited capacities of DENR-PAWB and PAMBs for PA management.
- Limited financial sustainability owing to inadequate financial planning, budgetary management and revenue generation.

Project targets

Thus, in response to the above problems, NewCAPP targets the following outcomes and outputs:

Outcome 1 - PA system of the Philippines has been expanded under new and diverse management regimes (ancestral domain, local government and community managed areas) to cover an additional 400,000 has of KBAs and with enhanced potential for further expansion.

This Outcome aims to increase the total coverage of protected areas from 2,606,285 has to 3,006,285 has, or an increase of 2% (from 8% to 10%) in terrestrial protected areas, thereby increasing the overlap of protected areas and KBAs from 35% to 40%. This shall be done through (Output 1.1) the institutionalization of new conservation area regimes as part of the national PA system; (Output 1.2) piloting these "new-type" PAs covering 400,000 has; and, (Output 1.3) establishment of a five-year program for an accelerated expansion of the national PA system using these terrestrial conservation area regimes based on the criteria established under Output 1.1.

At the outset, Outcome 1 identifies three management regimes: (1) Indigenous Peoples-Conserved Areas (ICCA); (2) Local Government-managed Areas (LGU-LCA), which include Critical Habitats prescribed by the Wildlife Protection and Conservation Act (Republic Act 9147); and, (3) local community-managed areas. However, for lack of a good model for community-managed areas, the project now focuses on the first two management regimes. Six of the project's model sites represent ICCAs, and four represent LCAs, as shown in the following table:

Area	Biogeographic Region	Management Regime
Balbalan-Balbalasang National Park	Greater Luzon	ICCA
Zambales Mountains	Greater Luzon	ICCA and LGU-LCA (in Mangatarem and Mt. Tapulao)
Mts. Irid Angelo and Binuang	Greater Luzon	ICCA
Polilio group of Islands	Greater Luzon	LGU-LCA
Mts. Iglit Baco National Park	Mindoro	ICCA
Nug as Lantoy	Greater Negros Panay	LGU-LCA
Mt. Nacolod	Greater Mindanao	LGU-LCA
Mt. Hilong-hilong	Greater Mindanao	ICCA
Mt. Kalatungan	Greater Mindanao	ICCA
Tawi-tawi Island	Sulu	LGU-LCA

Outcome 2 - Improved conservation effectiveness through enhanced systemic, institutional and individual capacities.

Outcome 2 seeks to enable DENR-PAWB and local PA managers to better manage PAs by: (Output 2.1) increasing the capacity of DENR-PAWB and its regional offices to provide technical assistance to NIPAS sites and new conservation areas by pursuing a program for capacity development for PAWB; (Output 2.2) entering into partnerships with local stakeholders in the pilot sites for the harmonization/ interfacing of their plans that will promote the conservation objectives of protected areas; (Output 2.3) enhancing the management capacities in the new conservation areas being piloted; (Output 2.4) revising the operational manual for national PAs and preparing new manuals for the new conservation areas; (Output 2.5) establishing new M&E frameworks proceeding from the experiences of new conservation areas while still widely promoting the METT; and, (Output 2.6) enhancing support from key stakeholders and decision-makers for the management of the national PA system and new conservation areas through directed Information, Education and Communication (IEC) program.

Outcome 3 - Enhanced financial sustainability of the terrestrial PA system.

This aims to build the tools and capacities of PA managers for financial management and resource mobilization by: (Output 3.1) piloting economic valuation in three of the pilot sites, thus providing bases for setting of user fees, payment levels for payment for ecosystem services (PES), among others; (Output 3.2) improving the sustainable financing tools and capacities of the DENR-PAWB; (Output 3.3) developing resource mobilization in three of the pilot sites; (Output 3.4) developing site-level tools for business planning and cost-effective management in three of the pilot sites; and, (Output 3.5) deriving lessons from the pilot sites herein by documenting their experiences and, from there, developing a learning manual to guide other conservation areas.

Monitoring and Evaluation

Project monitoring and evaluation has been designed in accordance with established UNDP and GEF procedures. The Project Results Framework provides performance and impact indicators for project implementation along with their corresponding means of verification. The METT, Capacity Assessment Tool, and Financial Scorecard will be used as instruments to monitor progress in PA management effectiveness and capacity to manage and finance the national PA system. Baseline METT scores, and baseline financing and capacity scorecard results were taken at the inception around which the project's M&E is built.

The M&E plan includes: inception report, project implementation reviews, quarterly and annual review reports, mid-term, and final evaluation.

Project Financing

The whole project costs US\$11.037M, with principal financing from GEF in the amount of US\$3.5M. Co-financing is provided by UNDP (US\$1.044M); the Philippine Government (US\$2.741); and NGO, LGUs and local communities (US\$3.752).

Project Management Organization

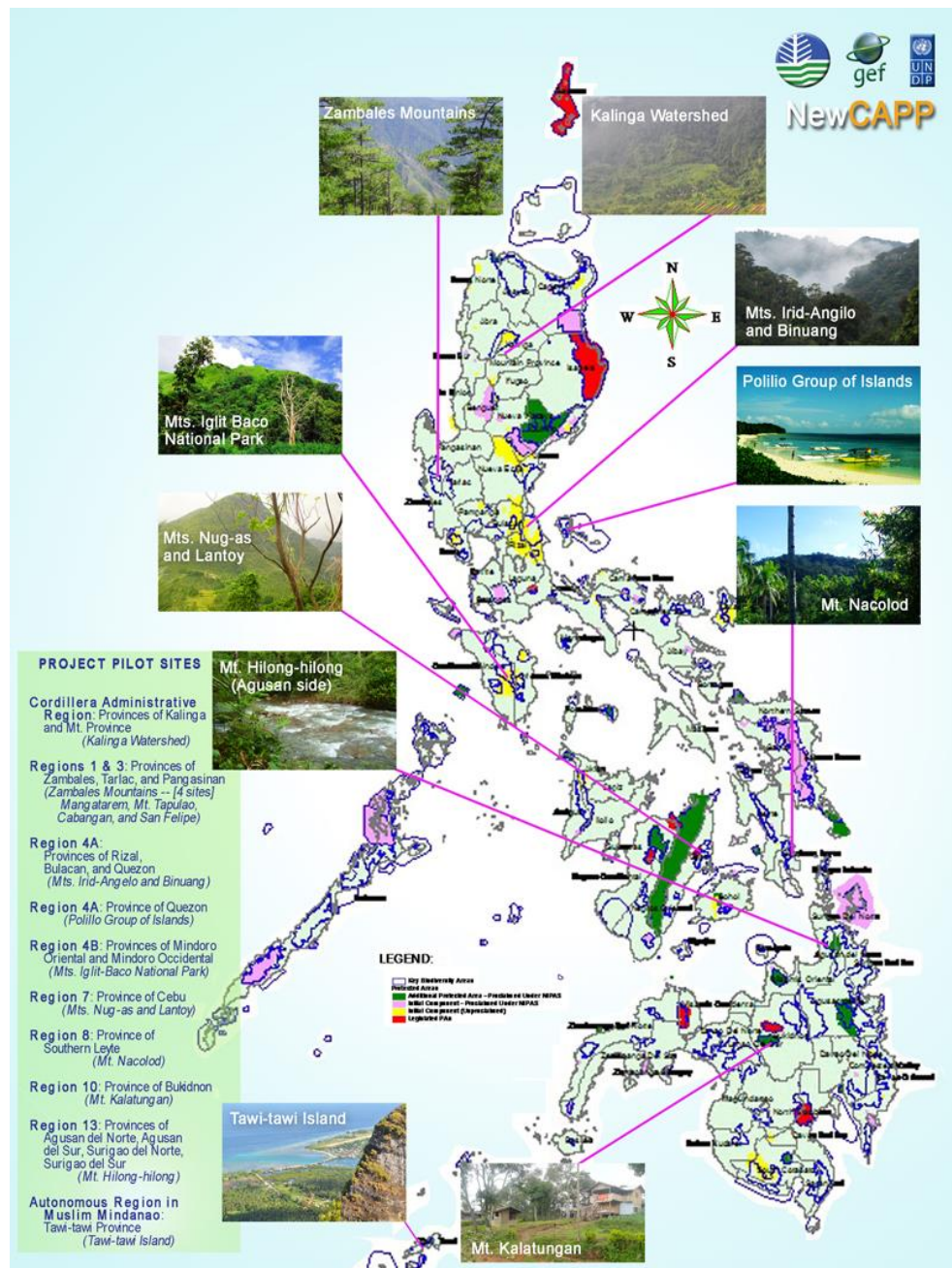
The project is being implemented by the DENR-PAWB (Implementing Agency) in close coordination with the NCIP, Leagues of Provinces, Cities and Municipalities, national NGOs (e.g., Haribon Foundation, Foundation for Philippine Environment [FPE], Philippine Biodiversity Conservation Foundation [PBCFI], Fauna and Flora International [FFI], Philippine Tropical Forest Conservation Foundation [PTFCF]), research and academic institutions, local NGOs, indigenous peoples organizations, local communities, and provincial governors, mayors and local legislative bodies.

A Project Board and a Project Management Unit (PMU) within PAWB propel the project at the national level. The Project Board provides overall guidance for the project throughout implementation. It is composed of the DENR, PAWB, NCIP, Leagues of Provinces, Cities and Municipalities, a representative from national NGOs chosen from among themselves, a representative from the IP community from the civil society organizations, NEDA and UNDP. The PMU, for its part, performs overall project administration and coordination with project sites and relevant organizations.

The DENR regional offices, particularly the Protected Area and Coastal Zone Management Sector, are designated as Regional Coordinators and act as extensions of the PAWB in monitoring and evaluating site based activities. They work in close coordination with the Local Responsible Partners (LRPs), although in some sites, the DENR regional or provincial office may be designated as the LRP. The LRPs implement the project on the ground.

Meanwhile, the UNDP is responsible for technical and financial management of the project in close collaboration and consultation with the PAWB.

NewCAPP Pilot Sites



Chapter 3

FINDINGS

Project Results

Project Design

The project is logically designed based on expert diagnosis of the gaps in biodiversity conservation in the Philippines, responding to the urgency being posed by continued biodiversity destruction/loss. Its logic is simple but comprehensive: There is need to establish new modalities for biodiversity conservation as the DENR itself recognizes the inapplicability or unacceptability of the NIPAS in many areas, and the effectiveness of these new modalities is hinged on two crucial factors: (1) the capacity of the managers to perform their functions; and, (2) the availability of funds to support sustained management, conservation and protection work.

NewCAPP was designed to stand on the gains of relevant initiatives in the past, pursuing the aspects of those initiatives that build models for new NR management modalities. Thus, the LGU-LCA experience of the Philippine Biodiversity Conservation Foundation, Inc. (PBCFI) and the Polillio Island Biodiversity Conservation Foundation, Inc. in the municipalities of Polillio Islands, Quezon Province was mainstreamed for adaptation in other areas. The ownership and management of IPs/ICCs of their ancestral domain, pursuant to the IPRA, became the platform for IP/ICC conserved areas, later on adopted by the Project as ICCAs.

Project sites are located in several bioregions in the country to see how the concepts work in different cultural and socio-economic conditions. More importantly, these locations (Mindoro, Greater Luzon, Greater Mindanao, Greater Negros Panay and Greater Sulu) are among the large island groups that are underrepresented in the existing PA system.

The project is designed to establish links and build partnerships with other biodiversity and ecosystem management initiatives. Thus, today, the Project is strengthening its links with various donor organizations, e.g., FPE and PTFCF, UNDP-GEF's Biodiversity Partnership Program (BPP), GIZ-PAME, and USAID B-WISER. PAME has adopted the ICCA and LCA. Also, the Project's partnership with WB-GEF NPS ENRMP is expected to progress into cooperation in the policy aspects of PA financing. The planned complementation with BWISER is also expected to provide a more strategic partnership in finding ways to address other issues in PA financing at a broader scale.

The Project was designed in such a way that it has measurable targets and an M&E system by which its progress and success can be measured. An implementation system that allows for participatory decision-making has been designed and put in place, except that the Local Steering Committees (LSC) were not setup, the Project opting for close coordination with the local offices of the DENR.

Project Implementation

The Project continues to follow a systematic reporting and monitoring system as contained in the Project Document. All the reports were submitted on time, except that some progress reports from the sites came in late. It is however noted that these site-based projects are not directly implemented by the PMU but by its partner institutions. Be that as it may, all site reports were submitted.

What is lacking, however, are the Local Steering Committees (LSCs), which would have served as counterparts of the Project Board, except in Polilio Islands where the LCA Management Councils are established in each municipality. Pursuant to the Project Document, the LSCs should be responsible for site level coordination and integration of the works of the project with local plans and activities. Instead, the Project worked with existing organizations and offices (local DENR offices, NCIP, Local Responsible Parties, etc.). With this, the Project was able to move faster with its business of putting up and strengthening LGU-LCAs and ICCAs on the ground. The downside, however, is that there may be no institutionalized multi-stakeholder group/co-management body that will oversee and build on the gains of the initiatives after the Project life, assuming of course that these bodies will continue to exist and operate after the Project.

If there is one significant highlight of project implementation, it is the fact that the Project was able to do adaptive management. It is noted here that the Project Document does not at all mention ICCAs as one of its approaches. However, it is clear in the Document that the Project intends to work with IPs/ICCs with respect to their ancestral domains. The idea of ICCAs in fact came later in the process. However, the Project was able to build its work around the concept of ICCAs and went on to make impressive accomplishments in this area. It is hoped that the same can be done with regards LCAs.

Outcome 1

Outcome 1. PA system of the Philippines has been expanded under new and diverse management regimes (ancestral domain, local government and community managed areas) to cover an additional 400,000 has of KBAs and with enhanced potential for further expansion, with the following Outputs:

- (Output 1.1) the institutionalization of new conservation area regimes as part of the national PA system;
- (Output 1.2) piloting these “new-type” PAs covering 400,000 has; and,
- (Output 1.3) establishment of a five-year program for an accelerated expansion of the national PA system using these terrestrial conservation area regimes based on the criteria established under Output 1.1.

As of June 2012, NewCAPP was able to establish 15,036 hectares as conservation areas (7,921 hectares in Polillo established as Local Conservation Area; and 7,115 hectares declared as ICCAs, i.e., 4,000 hectares in Mt. Kalatungan, and 3,115 hectares in Cabangan, Zambales). The documentation of ICCAs is

being finalized and will be submitted to UNEP-WCMC for registration. If considered, it will bring the total number of ICCAs in the Philippines registered in the Global Database to four. Moreover, about 120,613 hectares (48,899 hectares LGU-managed, and 71,714 hectares of ICCAs) are in various stages of establishment as conservation areas. These areas are located in 400,000 hectares of KBAs covered by the Project.

An Executive Order (EO) for the protection of KBAs through other management regimes and Department Administrative Order (DAO) on adopting the list of Key Biodiversity Areas were drafted and presented to PAWB and DENR Policy Studies Division. Following suggestions, the draft DAO was revised for wider discussion with Forest Management Sector, FMB and other stakeholders.

The Project co-sponsored the LGU co-management workshops organized by UP Los Baños in January 2012. The draft EO was discussed among PAWB Senior staff; and inputs provided both to the DENR and the UPLB. The Project also participated in the discussion and provided inputs in the revision of the Joint Memorandum Circular between DENR and DILG. Discussions with Environment Management Bureau (EMB) were held to include KBAs in the list of environmentally critical areas (ECAs).

As part of the development of a national program on ICCAs, a series of sub-national workshops were held in November 2011 involving 185 IP organizations to develop the national ICCA program. These workshops galvanized the understanding of ICCAs among the IP communities, and secured their support for its adoption. Key results include: (i) heightened advocacy by IP groups to support ICCA, (ii) guiding principles for collaborative work on ICCA and action plans; (iii) initial list of ICCAs in the Philippines; and (iv) additional expressions of interest for documentation and registration of ICCA in various sites.

The consultation process for the development of a national program on ICCA culminated in the First National ICCA Conference which was held on March 29-30, 2012; and was preceded by an IP-government dialogue on March 27; and a Symposium on March 28. A total of 233 participants attended the event, consisting of legislators, government agency representatives, development partners, civil society, academe, and indigenous peoples. There was overwhelming support expressed by the development organizations, legislators and agencies for ICCAs. A key feature of the event was the presentation of the Manila Declaration by the IP representatives, outlining the guiding principles of partnership, and the support required to sustain their ICCAs. Various donor organizations, such as ADB, WB, PTFCE, FPE, IFAD, expressed their interest to support and/or consider ICCAs in their existing and future programs.

The Project is now coordinating with partners to implement follow up actions from the National Conference on ICCA. Draft Concept Paper on ICCA Consortium and Discussion Notes on ICCA Registry prepared and discussed with NGO partners.

A new pilot site has been identified in San Felipe, Zambales. This brings the number of pilot sites within the Zambales KBA to four - Cabangan, Zambales; Mt. Tapulao, Mangatarem, and San Felipe. In all, this brings the total project sites to 13 (eight ICCAs and five LGU-managed). The pilot areas are in different

stages of establishing/recognizing conservation areas. In the ICCA pilots - Mt. Kalatungan and Cabang, Zambales - the IP communities have declared 7,115 hectares of ICCAs and Community Conservation Plans have been prepared. They are now in the final stages of putting together the documentation for the submission to the UNEP-WCMC for registration in the Global Database for ICCAs.

The following table shows the Status of Documentation and Recognition in ICCA and LCA Pilot Sites:

Pilot Sites	Area (ha)	Status
ICCAs		
Mts. Iglit Baco	33,000	MOA with local partner, AnthroWatch has been signed, and activity planning completed with IP community. The schedule of 3D mapping and research is planned for July, 2012
Cabangan, Zambales	3,115	Established. Community Conservation Plan prepared.
San Felipe, Zambales	5,000	MOA with local partner, KASAPI has been signed, and community action planning has been scheduled, to form IP community counterpart team
Balbalasang Balbalan National Park	18,714	Banao and Balatoc IP groups have agreed to set aside their boundary conflicts and resolved to have their ICCAs documented, but not touching on the disputed territories. Community orientations have been completed, and community action planning are being organized to form IP counterpart team
Hilong hilong	5,000	MOA with local partner, PAFID is being worked out following IP community resolution seeking support from the Project
Irid Angelo	10,000	IP community has issued a resolution seeking support from NewCAPP to document their ICCAs. This follows after a long process of dialogue to clarify concerns on the LGU initiatives at preparing forest land use plans covering their ancestral domain. A training on ICCA has been scheduled in July to capacitate LRPs and local communities on the ICCA process undertaken by the 2 pilots
Mt. Kalatungan	4,000	Established. Community Conservation Plan prepared.
LCAs		
Polillo	7,921	Established conservation areas through local legislation and demarcation. Two more municipalities have agreed to expand local conservation areas in the group of islands
Mangatarem (part of Zambales KBA)	5,723	LGU has issued a local Resolution endorsing the establishment of critical habitat
Nug as Lantoy	15,786	3 LGUs have signed MOA with DENR to establish biodiversity conservation corridor; studies on going to inform preparation of management plan. Municipal Biodiversity Conservation Teams are being created
Mt Nacolod	14,000	Biodiversity assessment completed and discussed with local stakeholders, which demonstrated strong support to establish protected area, particularly with discovery of two new species
Tawi tawi islands	5,000	Studies are on going to inform formulation of local conservation plan; LGU has created Joint management Committee for Bud Bongao Conservation Area
Mt. Tapulao (in Zambales KBA)	5,982	LGU has issued resolution endorsing the NewCAPP and establishment of conservation area; preparations for biodiversity assessment on going
TOTAL	133,241	

It is apparent that the Project is on its way to accomplishing much of its targets under Outcome 1. However, the following are noted:

1. The total area covered by the project is still far from its quantitative commitment of 400,000 ha. It appears that there is misunderstanding between the UNDP and the Project Management Unit on this matter. The PMU claims that there had been an earlier agreement that the 400,000 ha commitment should mean that the Project shall be implemented within a 400,000 ha area of KBAs, that is to say that they are not required to actually cover the whole 400,000 ha. This, however, does not appear in any of the documents so far reviewed by the evaluators. Absent such proof, the latter are constrained to stand by the finding that the Project failed to meet its quantitative target in this regard. Having said that, it is nevertheless noted that the Project is doing good progress in the area that it has so far covered.
2. While the Project seems to be moving fast with regards ICCAs, the work in LCAs seems lagging behind. It is noted here that there is uneven progress among the LGUs in Mt. Nacolod in establishing their LCAs. During the FGD conducted with the concerned LGUs in the Nacolod area, it was apparent that some of them are just in the process of “getting into” the Project despite the relatively long period that the Project has been working with them. It is, thus, a matter of readiness on the part of the LGUs to mainstream the Project initiatives in their governance processes. It is noted that the LGUs in Nacolod are fresh from the intervention of GIZ, which requires them to make some adjustments on the approaches of the two projects. During the discussion, the respondents were talking about the differences in the mapping technology used by the REDD+ Project and the one being introduced by NewCAPP. RED Manolito Ragub of DENR-R8, for his part, opines that the project is not moving fast enough because it is too conscious of its step-by-step process. On the other hand, the PMU argues that a systematic approach is necessary to ensure sufficient information upon which to prepare the plan, and that there is common understanding among the stakeholders of the issues that should be addressed in the planning process. There is also need to get newly elected LGU officials into the Project. Similarly, the Project has to reestablish its partnership with the local policymaking bodies. Thus, newly-elected Provincial Governor of Southern Leyte, Hon. Roger Mercado, admitted that he does not know much about the Project. The Southern Leyte Board also has a draft provincial ordinance on locally protected areas, but the document remains very much a draft and should benefit more from Project intervention. In reverse, however, the work in Nug as Lantoy and Polilio appear to be on track. This can be explained by previous initiatives that prepared Nug as Lantoy and Polilio Islands for the Project’s intervention. For one, CBCFI has long been working in the Cebu area and PBCFI in the Polilio Islands. As early as 1968 there was already a concern on conserving the forest through the Southern Cebu Reforestation Project legislation (RA 4715 authored by Congressman Ed Kintanar). Similarly, the support of other donors in the past (eg. Ecogov assisted in the FLUP formulation in Alcoy and Dalaguete, Cebu Upland Project of GIZ, upscaling forest restoration by FPE, etc) has already sensitized the LGUs there. Polilio also has benefited from forest conservation actions and other donor conservation

assistance in the past. A project entitled Pioneering Community Based Conservation Sites in the Polilio Islands was developed and implemented from 2005 to 2008, with funding from the Darwin Initiative through Flora and Fauna International and PBCFI. The project enabled and facilitated the implementation of what is now known as the Local Conservation Areas with 10 separate LCAs totaling 7,000 ha declared in Polilio Islands. The LCA scheme was formally initiated in November 2007 via the concurrent issuance of local government ordinances by all three municipalities in the mainland of Polilio which was affirmed and approved by the Sanguniang Panlalawigan of Quezon Province. Except for the very recent intervention of GIZ, Nacolod has had no such prior experience. This uneven baseline has resulted in an imbalance between the results of the work in ICCAs and LCAs. It is observed that whereas there is much national and international work with regards ICCAs, there is no clear movement with regards the institutionalization of LCAs as well as establishing a five-year program for them.

3. The policy direction of the Project remains unclear. This is the observation of many policy thinkers interviewed by the evaluator. UNDP Regional Adviser Joseph D'Cruz, while appreciative of the Project's groundbreaking work in ICCAs, calls on the Project to be clear as to where it intends to bring its initiatives. Is it policy? If so, then, what sort of policy is this? What will be the thrust of this policy? For his part, DENR Undersecretary Manuel Gerochi is of the opinion that by introducing new national resource management modalities, NewCAPP adds to the confusion of natural resource management modes in the country. It is, however, good in that it introduces new approaches that some local stakeholders may resort to, for in the final analysis, it is the local governments and stakeholders that will manage the resources, with the DENR merely acting as coach and advocate. To be truly effective in the long run, NewCAPP has to be clear on how it intends to mainstream its initiatives.

Outcome 2

Outcome 2. Improved conservation effectiveness through enhanced systemic, institutional and individual capacities of DENR-PAWB and local PA managers, by:

- (Output 2.1) increasing the capacity of DENR-PAWB and its regional offices to provide technical assistance to NIPAS sites and new conservation areas by pursuing a program for capacity development for PAWB;
- (Output 2.2) entering into partnerships with local stakeholders in the pilot sites for the harmonization/ interfacing of their plans that will promote the conservation objectives of protected areas;
- (Output 2.3) enhancing the management capacities in the new conservation areas being piloted;
- (Output 2.4) revising the operational manual for national PAs and preparing new manuals for the new conservation areas;
- (Output 2.5) establishing new M&E frameworks proceeding from the experiences of new conservation areas while still widely promoting the METT; and,
- (Output 2.6) enhancing support from key stakeholders and decision-makers for the management of the national PA system and new conservation areas through directed Information, Education and Communication (IEC) program.

The Capacity Assessment of PAWB and PAW Sector, which includes the validation of the Capacity Development Scorecard, was completed in January 2012. Implementation of priority capacity development activities resulted in the enhancement of capacities of selected DENR, LGUs, local communities, and indigenous peoples in environment protection, biodiversity assessment, and management planning; and increased appreciation of ICCA by IPs and other stakeholders at the national and local levels.

Based on the updating of the METT Scorecards between March to April 2013, there was an increase in METT scores from the baseline in all the sites, with an average increase in METT ratings placed at 20%. Generally, there was an improvement in all aspects.

Also noted is the integration of biodiversity concerns in LGU plans and adoption of conservation plans by relevant stakeholders. Among these are the adoption of ICCA community conservation plan by Mt. Kalatungan PAMB and LGU, the integration of the conservation area in the LGU Forest Land Use Plan (FLUP) by Mangatarem, the processes initiated for the integration of the Cabangan, Zambales ICCA community conservation plan with the Ancestral Domain Sustainable Development and Protection Plan (ADSDPP), and the discussions held with GIZ and FMB to integrate biodiversity considerations in FLUPs, particularly in KBAs located in forest lands.

Knowledge management products have also been developed and targeted events have been organized in support of project activities and new approaches to expand the PA system, involving around 600 key stakeholders. At the national level, ICCA conferences were conducted to popularize ICCA as well as to establish the ICCA Consortium. Preparations are also underway for the First State of the National PA System Report. The Project website also generates an average of 65,000 hits and 1,000 visitors per month since its operation in September 2011.

A Knowledge, attitude and practice (KAP) study has also been commenced (actually, the evaluators were able to see the PowerPoint presentation of the completed KAP study during the report writing phase). The study identifies various stakeholders from the national (e.g., policymakers: Congress and Senate) to the local levels. It also explores various messages for each of these target publics.

Indeed, the Project has done notable work in Outcome 2. The following are noted:

1. The capacity and/or capability-building effort of the Project is entangled in the internal dynamics of the DENR. During interviews, this Project aspect is seen by many stakeholders to remain a weakness. The RTD for PAWCZMS of DENR-CAR for instance, laments that the Project going directly to local stakeholders has failed to capacitate the DENR regional offices to provide technical assistance to ICCAs, which are numerous in CAR. On the other hand, it should be noted that the RTD does not seem to involve himself in NewCAPP field activities but one of his senior staff is deeply involved in day-to-day activities of the Project. In Southern Leyte, the PENRO is not as involved in the project as NewCAPP wants him to be because the RTD is the lead coordinator for the project and there is a rift between the PENRO and the RTD. The PENRO

said that the Project coordinates with his office only on a per need basis. However, a number of his staff are involved in field activities. In the case of the Provincial Government of Southern Leyte, the KII with the Governor showed that the latter is not personally aware of the Project. Coordination by NewCAPP is made directly with the Provincial ENRO.

Meanwhile, the DENR-FMB is apprehensive of the Project because it advocates for the inclusion of biodiversity concerns in FLUPs without building the capacity of FMB to integrate BD in its planning work. FMB Asst. Dir. Mayumi Natividad shares the Project's advocacy that the integration can only happen when there is Project intervention in the process, i.e., FMB personnel are also adequately trained on BD concerns intervention. However, it seems that the FMB Director has a different opinion on the integration of BD in FLUP.

The PMU, however, argues that the above sentiments are borne not by Project shortcomings but by coordination concerns. For one, there is a DENR-PAWCZMS coordinator in DENR-CAR who is expected to ensure mainstreaming of Project work in the regional office. Secondly, there are dynamics among the DENR units/staff in Southern Leyte that affects coordination. Thirdly, the Provincial Government of Southern Leyte is a late entrant because of the change in the gubernatorial post during the last elections. Chief Technical Adviser Eleazar attests that as of the report writing phase, said provincial government is already very much into the Project. Lastly, as to the matter of the integration of biodiversity concerns in the FLUP process, the PMU said that the Project capacitated relevant FMB personnel at the national and the local levels. However, these personnel were subsequently given other assignments that prevented them from making good use of their training.

2. While the aforementioned KAP study is a good start, there is still lack of a directed IEC program/plan that will enable the Project to sell the idea of these new resource management and conservation modalities to specific target publics. From a systems viewpoint, the KAP study is an input to a more decisive plan/program that will direct the path of the Project in achieving its desired IEC outcomes. Although an IEC plan/program is not specified in the plan, it is deemed essential in achieving and enhancing support or key stakeholders and decision-makers.
3. There is also an observed absence of the NCIP in the Project equation. It is understood by the evaluators that the Project had made several attempts to not only coordinate but work hand-in-hand with the NCIP even at the inception stage, but to no avail. While the Project should be credited for that, despite its "failure" to convince NCIP to work with it at the national level, the fact remains that the NCIP is an essential part of this initiative. The challenge for the Project is communicating ICCA to the NCIP as something that is consistent with ancestral domains, that it in fact enhances the implementation of the IPRA, as is its intent. New NCIP Executive Director Marlea Muñoz insists that the IPRA framework is the integrity of ancestral domains and not just a portion thereof, as in the case of most, if not all, ICCAs.

The need to work with NCIP is also underscored by the need to secure the IPs/ICCs' Free and Prior Informed Consent (FPIC). The IPRA mandates that any project planned in ADs should first secure a Certification Precondition (CP) from the NCIP attesting to the FPIC of the IPs/ICCs who own the AD. As a matter of procedure, the Project acted on formal or expressed requests from IP communities for support in ICCA documentation. In some cases where the regional NCIP has been supportive, community validations were made. However, in others where NCIP acted as "gatekeepers" of the IP rather than as facilitator and development partner, the CPs were not secured. In some cases, the IP groups insisted that they do not need FPIC or CP since they own the process of ICCA documentation.

It is unfortunate that in some circumstances CPs were not secured because it can be seen as a violation of law. However, considering the efforts the Project had exerted to coordinate with the NCIP, it will be foolhardy to put the blame on the Project. The evaluators are aware that many government development and natural resource conservation projects are in a similar situation allegedly because of the complicated and lengthy (more aptly, the FPIC process has no definite timeframe) FPIC process. Any finger-pointing will be of no use at this point as this is certainly a systemic matter larger than the Project. It is noteworthy at this point that during the planning and inception of the Project, NCIP's FPIC guidelines were different. In early 2012, NCIP issued NCIP Administrative Order No. 3 (2012) revising and rationalizing its FPIC/CP guidelines. This set of guidelines notably renders a facilitated CP process for development projects to be undertaken by national government agencies in cooperation with the NCIP, as in the case of the Project. Quite notable also is the current efforts of the NCIP leadership to reach out to other government agencies, CSOs, grant-making institutions and their projects. It is hoped that situations of this sort can be prevented or avoided in future similar undertakings.

Outcome 3

Outcome 3. Enhanced financial sustainability of the terrestrial PA system, through:

- (Output 3.1) piloting economic valuation in three of the pilot sites, thus providing bases for setting of user fees, payment levels for payment for ecosystem services (PES), among others;
- (Output 3.2) improving the sustainable financing tools and capacities of the DENR-PAWB;
- (Output 3.3) developing resource mobilization in three of the pilot sites;
- (Output 3.4) developing site-level tools for business planning and cost-effective management in three of the pilot sites; and,
- (Output 3.5) deriving lessons from the pilot sites herein by documenting their experiences and, from there, developing a learning manual to guide other conservation areas.

A National Protected Area Financing Consultant was engaged to assess constraints in design and implementation of existing policies with the end in view of improving PA financing. The result of the study is a set of recommendations to unbundle the constraints faced by three sites selected as case studies. In addition to this, focus was given to improving the efficiency of IPAF operations, improve access by PAs to the Fund, and increasing the level of revenues by established PAs. Attention was given to address two key areas identified: (i) streamline and simplify the IPAF procedures; and (ii) provide avenues for exchange of best practices in PA financing across sites. A review of IPAF collections, procedures, and status of all 240 PAs was undertaken by the Project. A Technical Brief was prepared summarizing the findings and disseminated to DENR, DBM, and Bureau of Treasury. In response to the gaps identified, five cluster workshops were organized, involving 120 PAs and more than 200 participants; to develop their capacities in accessing IPAF. As a result, a draft IPAF Operations Manual was prepared. However, this was overtaken by the passage of RA 10629, which provides for automatic retention by the PA of 80% of its income. The Project is now working on the development of the implementing rules of this landmark law.

But the real highlight of the work of the Project on IPAF reform and in this outcome area is the ongoing negotiation between the IP community in Mt. Kalatungan, represented by its IP Organization MILALITTRA, with local businesses for a Payment for Environmental Services (PES) arrangement, where the local businesses shall pay the ICC for protecting the forests. According to leaders of the IP community, the local businesses became open to negotiations having realized that the devastation wrought by Typhoon Sendong in Cagayan de Oro City in the recent past must have been due to the destruction of their forest cover. The Project is providing technical support to the IP community through REECS and PAFID.

NewCAPP is also assisting the PAWB in the design and implementation of a Sustainable PA Financing Study to be funded by the World Bank under the National Program Support to Environment and Natural Resources Management Program (NPS-ENRMP). This study will prepare business plans for 18 PAs and will help these implement selected actions.

Project Rating

Project Design

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	HIGHLY SATISFACTORY	SATISFACTORY	LIKELY	SIGNIFICANT	SATISFACTORY

The Project design attempts to address the need for more strategies to arrest biodiversity loss in the country, using tested modalities (IP governance systems and LGU-LCAs in Polillio, Quezon). It is able to cover a lot of ground with its relatively small budget.

Grounded on customary laws and practices, the ICCAs are highly likely to be sustained. Similarly, LGU-LCAs have the likelihood of being sustainable given that the Project is designed to lay down appropriate policies. With the remaining time, the Project has opportunity to further its efforts at sustainability by influencing national policies. In fact, it is recognized that much policy initiatives have been done at the national level.

That the modalities are replicable in various ICCs and LGUs and have bases in existing Constitutional and legal frameworks, they are likely to have significant impacts.

Project Implementation

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	HIGHLY SATISFACTORY	HIGHLY SATISFACTORY	MODERATELY LIKELY	SIGNIFICANT	HIGHLY SATISFACTORY

Project implementation is flexible, adjusting to realities on the ground and grabbing opportunities offered by situations. This is well demonstrated in the case of ICCA, which, as discussed elsewhere in this document, was adopted as an approach to operationalize the IP/ICC conserved areas after the commencement of Project implementation. Flexibility has allowed the project to cope with problems in implementation through an impressive display of adaptive management.

Although some activities went beyond the budget, they are justifiable as the Project took advantage of opportunities (ICCA activities) for maximum output.

Project planning, M&E and reporting are done regularly and on time.

Outcome 1. PA system of the Philippines has been expanded under new and diverse management regimes (ancestral domain, local government and community managed areas) to cover an additional 400,000 has of KBAs and with enhanced potential for further expansion

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	SATISFACTORY	SATISFACTORY	MODERATELY LIKELY	SIGNIFICANT	SATISFACTORY

Despite his sharp critique of the Project's policy direction, USec. Gerochi appreciates the introduction of various modes of natural resource management. After 20 years, he admits that the management framework espoused by the NIPAS Act has proven to be ineffective in many areas. Sec. Juan Romeo Nereus O. Acosta agrees that LCAs and ICCAs recognize local stakeholders as the rightful managers of their natural resources. ICCAs and LCAs provide bases for IPs/ICCs and LGUs, respectively, in asserting their will against unwanted development or exploitation of their natural resources.

Indeed, a trailblazing project like NewCAPP offers a breath of fresh air in the country's decades-long natural resource management problems.

The idea of local co-management is no doubt a timely one considering the real conflicts brought about by the concurrence of NIPAS Act with the Local Government Code and the IPRA. As observed by PAWB Dir. Theresa Mundita-Lim, the institutionalization of ICCAs and LCAs should augur well for the resolution of jurisdictional conflicts at the local level in the realm of resource management and conservation. The LCA offers more ownership to local stakeholders and increases the prospects of effective enactments of agreed conservation management priorities.

The effectiveness, however, will have to be worked on in the next half of Project implementation. As observed, there are some shortcomings in the speed of the work especially on LCAs as well as in meeting the quantitative commitment on the coverage of the Project. This is compounded by the observation that the Project remains faced with the challenge of defining its policy direction.

With the meager financial resources of the Project, it is in fact impressive that it is able to cover a vast area from various ecoregions in the country. Nevertheless, there appears to be slow movement in the area of LCA implementation. This should be the focus of work in the remaining period of the Project.

Following the idea that ICCAs cover grounds that are sacred to IPs, then, there is great possibility for their sustainability. It is noted that the Project is working doubly hard to ensure that these areas will not be compromised. The story is different though with regards LCAs. Sec. Acosta and USec. Gerochi both recognize that the changing of guards at the local level can destabilize LCAs. It is thus important for the Project to identify areas of intervention to ensure their sustainability. Both Sec. Acosta and UNDP's Ms. Amelia Supetran think in terms of building a strong constituency for LCAs (as is for ICCAs) to ensure compulsion to LGUs to maintain and continuously respect their LCAs. In addition, Sec. Acosta suggests that these modes of management might as well be made part of the legacy of President Benigno Aquino III to ensure continued financial and technical support from the national government. USec. Gerochi, for his part, believes that the best policy intervention is the land use law, the bill for which is now filed in the Legislature. By the compelling nature of law, the national government and LGUs will be forced to support LCAs and ICCAs when they are included in the national land use plan.

The evaluator recognizes the efforts of the Project to mainstream these modalities in policy. According to Atty. Durban, consultant for law and policy, the Project is consciously mainstreaming these modalities into local development plans. In addition, drafts have already been given to EMB to include the protection of ICCAs and LCAs in the EIS System. A draft DAO providing for ICCAs and LCAs is also in the works.

It is similarly submitted that the importance of the work of this Project is likely to produce significant impact both at the national policy environment and the lives of local communities. For one, the IPs are agog about the pride their ICCAs have engendered or awakened in them and their youth. In various occasions, the IP leaders who participated in the FGDs said that identifying, mapping and planning for their ICCAs have given them a renewed sense of pride in their being IPs. They point to registration in the international registry as most important as that is tantamount to international recognition of their ICCAs

and their rights thereto. There are of course counter arguments being presented by policy advocates, for inclusion in any international or national registry would not produce the protection needed to sustain these areas. These worldviews, although different, are not conflicting. It is the challenge for the Project to ensure that the policy track is also satisfied.

The adoption of LCA into the policy framework will have great impact on resource management. It is noted that the LCAs are mostly outside of the NIPAS sites. They are in fact being pursued using the Local Government Code – an insistence on the powers of the LGUs over natural resources within their territories. Currently, the DENR and DILG have a joint memorandum circular 2003-01 which allows DENR/LGU co-management of forestland in the framework of the FLUP. The success of LCAs in the policy realm will therefore likely reconfigure the relationship of the DENR (especially the FMB) with LGUs. However, as pointed out above, there still is a lot of intervention needed to push this both at the local and the national levels.

Outcome 2. Improved conservation effectiveness through enhanced systemic, institutional and individual capacities of DENR-PAWB and local PA managers

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	SATISFACTORY	SATISFACTORY	MODERATELY LIKELY	SIGNIFICANT	SATISFACTORY

That there is clamor for institutional and individual capacity/capability-building only means that Outcome 2 scores highly on relevance. The new ideas being presented by the Project indeed requires re-orientation and retooling of conservation workers in government as well as their partners. However, the effectiveness of the Project in this area remains wanting because of the slow paced work here. It is noted that the inclusion of other actors at the regional and provincial levels is wanting. Notable also is the absence of a definitive communication plan for the Project that will deliver its message/s to its potential constituencies/partners, e.g., policymakers. Thus, effectiveness and efficiency ratings are adversely affected.

Despite that, however, it is submitted that the sustainability of the work under Outcome 2 is still likely considering the spread of work, i.e., covers various areas in various parts of the country. This is supported by capacity/capability-building programming based on scientifically-gathered data. It is hoped that this will be pursued to the next level in the next half of the project.

What works very well for this Project is the fact that it works with local managers, i.e., IPs and LGU technical persons.

Outcome 3. Enhanced financial sustainability of the terrestrial PA system

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	HIGHLY SATISFACTORY	SATISFACTORY	LIKELY	SIGNIFICANT	HIGHLY SATISFACTORY

There is also no question as to the relevance of Outcome 3 if only for the fact that Sustainable Financing has been a problem area in natural resource management for the longest time. Even with the foreign exchange losses of the Project, it was able to exhibit management flexibility to cope with the funding debacle. The Project is on its way to achieving a PES agreement that, by the end of the Project, is likely to create a model of a platform for sustainable financing for areas protected by local communities. By all measures, the potential inspiration and enlightenment to other local communities and governments that the blossoming PES arrangement that MILALITTRA is likely to enter into is already a significant contribution to the menu of realistic options for the continued financing of protected areas in general, i.e., whether NIPAS sites or not. Particularly, the progress of the work here, as well as the hope it brings, gives more reason for the ICCAs becoming a uniting/rallying point for many IP communities. In this regard, the ICCA Consortium becomes more relevant as the IPs/ICCs' vehicle for unity, learning and empowerment.

The flexibility of project management is further emphasized in the Project's efforts to find other sources of funding to ensure the pursuit of its target outcomes beyond what its already limited budget can finance.

With regard to developing resource mobilization for pilots sites, the Project has so far been able to leverage PHP12,300,113.31 in kind and cash from various partners, raised PHP 22,104,695.55 in 2012-2013, for a total of PHP34,404,808.

Given resource and time constraints, the Project strengthened its links with FPE and PTFCF to accommodate the requests by other IP communities. Thus far, the Project, in partnership with some LRPs was able to commence the formulation of proposals for the Talaandig, Higaunon and Manobo tribes. Discussions are also underway to seek additional support from PTFCF to enable the Menuvu and Cabangan IP communities to implement their community conservation plans. These will be pursued in the next year of project implementation.

In 2011, incidentally, the Project also supported an IP organization in Tubo, Abra to seek financing from the UNDP-SGP under its fourth cycle. The outcome of such approval was documentation and mapping of their ICCA following the procedures developed under the Project.

Thus, with the movement of Project implementation, it is likely that the targets under this Outcome area shall be satisfied despite budgetary limitations. It is in this light that the management approach in this regard merits a Highly Satisfactory rating.

Overall Rating

Relevance	Effectiveness	Efficiency	Sustainability	(Likely) Impact	OVERALL RATING
RELEVANT	SATISFACTORY	SATISFACTORY	LIKELY	SIGNIFICANT	SATISFACTORY

As stated, the Project is on its way to exhibiting ICCA and LGU-LCA as effective natural resource management modalities outside of, but expanding, the national protected areas system. Some loose ends in its policy and IEC work have to be tied together and this is what the Project can work on in the remaining period of implementation, along with completing its work in LGU-LCAs.

The likelihood of sustainability of initiatives remains high despite the financial challenge it met along the way (which is not of its doing) because of its investments in sustainable financing in terms of laying down the policy framework therefor as well as its work in PES. The likelihood of sustainability of these efforts are, however, hinged not so much on policy but on the high possibility that the stakeholders will continue on with these initiatives. It is doubtless that policy will have to do with sustaining these modalities, as is being emphasized in the discussions under Outcome 1. As it is right now, the adoption of LGU-LCA and ICCA in the menu of biodiversity conservation modalities of the DENR remains unclear. What really works for these initiatives – at least while we are waiting for the policy environment to be more conducive – is the buy in of IPs/ICCs and the LGUs. Realizing that ICCAs affirm their powers in relation to their ancestral domains, the IPs/ICCs commit to protect these areas. The creation of the nationwide ICCA Consortium also establishes a strong support system for these IP communities. Meanwhile, target LGUs have allocated funds to prepare their local forestland use plans and integrate them in their local land use and development plans.

Financial Use and Management

The Project exceeded budgets in the implementation of some activities due to unforeseen related activities that are required to produce the desired results. This is particularly the case of the National ICCA Conference and the preparation of the State of PA Management Report, to cite a few. While the National ICCA Conference was carried out as scheduled, the budget allocated was deemed insufficient due to the need to conduct preparatory workshops and symposium to improve advocacies; prepare and disseminate printed materials and proceedings; and provide additional services. The State of the PA Management Report on the other hand, entailed budget expense beyond what were allocated due to under estimation of the cost required to prepare the report, the extent of consultations necessary; the necessity for the national and international launch as well as the publication of the report. Nonetheless, it is believed that these resources contributed greatly to the realization of set objectives of the activities.

Chapter 4

CONCLUSIONS, LESSONS LEARNED AND RECOMMENDATIONS

Conclusions

Much has been raised about the ineffectiveness of the NIPAS Act in meeting its bottomline, i.e., protecting biologically important areas in the Philippines. NewCAPP is an attempt at widening the menu of options for biodiversity protection and conservation by introducing two new management modalities towards achieving the NIPAS Act bottomline, without disturbing the law: LCA-LGU and ICCA. These modalities are not covered by the NIPAS Act but find their bases in other pieces of legislation – the Local Government Code and Wildlife Protection and Conservation Act for LGU-LCA, and the IPRA for ICCA. In fact, more than relying on the IPRA, IP communities anchor the strength of their ICCAs on their customary laws and practices. Thus, it can be said that one of the more profound successes of NewCAPP is the mainstreaming and concretization of the critical role of customary laws in biodiversity conservation.

Halfway through its implementation, NewCAPP has already established its role in innovating on approaches in biodiversity conservation. Substantial work has been done during the first half of Project implementation. It is the conclusion of this report that the foundational work of the Project (data gathering and analysis, establishment of project on the ground, policy analysis and policy intervention design, partnership-building, protocols, etc.) has been completed, such that the next half of Project implementation can already focus on strengthening and furthering its gains, tying loose ends, effecting sustainability mechanisms, and extracting and crystallizing the lessons from the experience into best practices and, hopefully, towards the development of policy, governance and practice.

Particularly, the following specific conclusions are worthwhile:

1. ***Building a foundation for effective NR management.*** Overall, it can be said that the Project is gaining key successes in establishing a strong foundation for a more effective system in establishing and managing the remaining key biodiversity areas in the country. A case for ICCAs and LGU-LCAs is already being built by the Project despite the shortfall in its quantitative output (133,241 has). For a pilot project where model building is the ultimate objective, this should be sufficient enough. The cooperation and enthusiasm being exhibited by target IP communities shows that establishing ICCAs is not only doable but is very acceptable to them. Already, the Project has established various typologies of ICCAs: ICCA within a PA, ICCA with overlaps with PA, ICCA without a CADT, ICCA outside of a PA but within a KBA, and ICCA within a KBA and within a portion of an existing PA. The analysis of the nuances of these typologies is something to look forward to at the end of the Project.

Similarly, target LGUs are buying the idea of LCAs, slowly incorporating it in their planning and governance processes, albeit in varying paces. The remaining time of the Project provides opportunity to further cement these models into the realm of expanded PAs (i.e., beyond those described by the NIPAS Act) in the Philippines.

2. ***Potential impacts of ICCA are already showing.*** The Project is already showing some potential impacts of its work, especially on ICCAs. In northern areas, the ICCA approach is showing potential for peace building among conflicting IP communities. In Kalinga Watersheds, the long-winded boundary dispute between two disputing tribes has been put on the table courtesy of the Project. The boundary dispute may still be subsisting, but today, the two tribes – that almost engaged in a bloody war against each other – can talk about their plans for their ICCAs, without compromising their respective positions and interests, but with higher hopes of settling, their dispute. This experience presents hopes in other areas where boundary disputes among tribes exist. In Abra, for instance, the IPs are also taking advantage of the ICCA intervention to peacefully settle their boundary disputes. In Mindanao, meanwhile, the documentation of ICCAs and their global registration is reawakening the pride of IPs in their culture and IKSP. The participants in separate FGDs conducted there said that they and their children are amazed to realize how valuable their culture and traditions are. Not a few testified that their children have become interested in their tribes' histories, even flaunting about their being IPs. During the FGD conducted among ICCA partners in Davao City, the IP leaders were discussing the possibility of cross-visits among them so they could learn from one another. The ICCA thus also has potential of providing a platform for building productive inter-community relationships among ICCs.

The systematic approach of ICCA management planning as exhibited by the Project also provides a good starting point in, or otherwise richly informs, the AD planning process. The IPs have become more confident to embark on preparing or updating their ADSDPPs because of their experience in ICCA management planning.

This development is inspiring in the sense that there may still be other modalities yet to be explored, and other emerging approaches that have to be strengthened. Among them are the community-led LCAs (other than ICCAs), supposedly among the targets of this Project but had to be let go of for the meantime due to lack of existing models/platforms. The evaluators believe though that given the limited budget of the Project, it was best to put this modality aside for the moment.

3. ***Marked improvement in PA management capacity.*** The Project is making headway in the capacity development in the sector, and in catalyzing interventions in PA financing. The Project has initiated key steps towards improving the PA management system in the country. It has commenced work in standardizing the operational system of PAMBs, drafted the competency standards for PA managers, and improved the Biodiversity Monitoring System. In fact, the last METT of the PAs shows marked improvement in the management capacity for these areas, with an average increase ratings placed at 20%.

4. ***The policy direction for the new modalities remains unclear.*** The importance of policy work in the introduction and institutionalization of new management modalities is indubitable. When the project ends what will be left is the policy or the law that should sustain the areas and continue on the idea of these modalities. While good ideas on their own, the modalities remain unclear as to how and where they stand alongside other modes of NR conservation, e.g., NIPAS, and operate within the protected area system. How can these areas be operationalized outside NIPAS but within the PA system? How can these areas be mainstreamed within the DENR? How will it flow into government's menu of conservation and development tools (e.g., CLUP at the local level, or the planned National PA System Master Plan at the national level)? How will the sites be managed especially because they have concerns that are shared with other government entities, particularly the NCIP, the DILG and the LGUs? These all go back to the need for appropriate policies. There is yet no clarity on the role of the NCIP in ICCAs, although understandable considering the state of the NCIP now, it is still a critical consideration; the project should be able to articulate the parameters for NCIP involvement and how this involvement, if any, shall be realized.

The matter of policy is especially crucial in the case of LGU-LCAs. Experience tells us that constant changing of guards in LGUs poses risks to sustainability of LGU-sponsored natural resource conservation actions. This Project now relies on the Critical Habitats provisions of the Wildlife Resources Conservation and Protection Act (Republic Act No. 9147). Whether this is sufficient in the long run is something that must be studied and established by the Project. Mr. Rudy Aragon, NewCAPP NRM Specialist, is of the opinion that using RA 9147 might be too cumbersome because it requires a rigorous scientific study and approval of the Secretary of DENR to declare an area as critical habitat (see Sec. 25, RA 9147).

5. ***The Project is on its way to establishing the stage for financial sustainability of the sites.*** The investments of the Project in developing national policies on PA financing is setting the stage for sustainable financing of PAs. While it is true that the potential model for PES is not within the project site, it is nevertheless shown during the field visit that the progress of the MILALITTRA negotiations for PES with potential buyers in Cagayan de Oro is creating a lot of energy in neighboring ICCs, foremost in the nearby project site in Mt. Kalatungan. It is hoped that said PES negotiation would soon bear fruit and be documented that it may inspire and guide other ICCA holders in particular, and natural resource managers in general, towards their goal of creating wealth from their conservation efforts.

Noteworthy, too, is the Project's initiative to ensure continuity of funding support to sites through like-minded projects. It is hoped that these forthcoming projects shall build on the initiatives of NewCAPP that can help build our body of knowledge on sustainable financing for community-led conservation initiatives.

Lessons

The following lessons can be culled from the Project in progress:

1. ***The Project as systemic concern.*** A glaring realization in the implementation of this Project is that many of its challenges are actually bigger than the Project itself. The introduction of new natural resource management modalities, although good, is actually causing confusion on the PA management approaches of the DENR, according to USec. Gerochi and Director Edwin Domingo of FASPO. Director Domingo opines that DENR must set its priorities right. He is of the opinion that it is useless to expand conservation work in other areas when there is very little success to show in the existing areas. Director Domingo suggests that a national road map in PA work, similar to SCREMP in the coastal areas, can help set the direction and priorities for biodiversity conservation. In the eyes of FMB, it is overlapping with forest (those outside the NIPAS) management modalities and reduces the forest areas managed by the bureau. Thus, while the Project is achieving much in its implementation, there are internal issues within DENR that must be addressed. Apparently, there is need for a decisive act within DENR to integrate its various functions from the local to the national levels so that all its bureaus and services are united in terms of what DENR is supposed to achieve with regards biodiversity and natural resource management. Additionally, mainstreaming the idea of ICCAs is a matter that will have to be approached from an institutional perspective by the DENR leadership working together with the NCIP.

This matter also extends to the interpersonal dynamics among DENR staff, which is most apparent at the regional down to the community level. There were sentiments raised in some areas that the skills and other technical benefits of the project do not redound to key personnel in the regional and local offices, or that some key personnel (e.g., PENROs) are not updated on the details and progress of Project implementation due to poor coordination among DENR staff.

2. ***Different worldviews.*** This is particularly true in the case of ICCAs where IP communities reached by the Project view the latter with utmost satisfaction. As borne out by the various FGDs, global and national recognition of ICCAs already affirm IPs' sense of political and cultural empowerment and integrity. For government, however, this is not enough. What is needed is the policy framework that will mainstream this modality into government work, which in turn will ensure continued recognition of ICCAs for political, technical and financial support. This Project, therefore, provides an opportunity – as it now does – for the marriage of these two worldviews. It is in fact a plus point for government that DENR is the one that implements this Project, as it proves government's openness to using new and appropriate natural resource management modalities. More importantly, it shows DENR's sincerity to empower, nay, recognize the right and power of, local communities and LGUs to take charge of their natural resources.

3. ***The Project as an operational concern.*** Project function of integrating the LCA/ICCAs into the FLUP is still an operational concern. Within the DENR system, this is still difficult for DENR personnel, such as CENROs and PENROs, to do the integration. The experience of the Project in mainstreaming biodiversity concerns in the FLUP process remains a challenge due to the need of FMB personnel – who have been mainly concerned with forestry matters – as well as the CENROs and PENROs – at whose level DENR work is integrated – to veer away from business-as-usual by learning and factoring in biodiversity concerns in their processes. There are only very few examples of good DENR and LGU collaboration on the ground. In the past, DENR and LGUs functioned independent of each other. Good working relationship between DENR and LGUs need to be fostered for LCAs to be successful.

4. ***Adaptive management as good practice.*** The implementation of this Project is a good model for adaptive management. It allowed the Project to take advantage of opportunities that abound in this area of work. The adoption of ICCA as an approach to realizing the establishment and strengthening of IP/ICC managed areas is enlightening. It will be recalled that the operationalization of IP/ICC managed areas was hazy at the start of Project implementation. It was only upon determined research that ICCA was introduced to the Project by the Philippine Association for Intercultural Development, Inc. (PAFID). Realizing the potentials of ICCA for greater national impact, the Project pursued national and international work, benefitting more IP communities. Similarly, having realized that foreign exchange losses might prevent the Project to pursue its many other activities using its own budget, the Project decided to focus on partnering with other initiatives to ensure that these outputs can still be delivered, and explore continuity of funding support for the individual sites beyond the Project life.

5. ***Funding as an implementation hurdle.*** Unfortunate was the foreign exchange losses of the project, totaling around Php29M. This has resulted in losing at least nine months of activities according Regional Adviser JD Cruz. Foreign exchange is a function of the market, over which the Project does not have control. This fate is a similar possibility for other projects especially considering the volatile Philippine economy and market. It may well be good advice to provide for a buffer fund in projects so as to enable them to cope in like situations.

Recommendations

In view of the foregoing, the following are recommended:

1. ***Focus on the qualitative gains of the Project.*** As noted under Outcome 1, the Project fell short of its quantitative target of 400,000 ha pilot sites. Especially considering the shortened Project life, it will be unlikely that the target will be met in the remainder of the Project timeline. On the other hand, it is noted that the Project is doing good progress in establishing the sites and mainstreaming the management modalities that it advocates. ICCA, for instance, has taken a big leap from virtual oblivion in the Philippines to being a battle cry for many IP communities. The IP and CSO partners explicitly credit and thank the Project for this achievement. The LCAs are

also gaining ground and is expected to move faster in the second half of implementation. As expressed by UNDP's Ms. Supetran, the meat of the Project is to make a case for these modalities that they may be mainstreamed in policy and practice. In this respect, the Project is very likely to succeed. Besides, the 133,241 ha currently being worked on, is already sizeable. If any, the 400,000 ha may be considered as too "ambitious" a target considering that the Project is intended for piloting.

It is, thus, recommended that the UNDP and the GEF as well as the Project redefine the target of 400,000 ha under Output 1.2 as either the maximum area to be covered, or adopt the submission of the PMU to treat the 400,000 ha as merely the total landscape within which the Project shall pilot the modalities.

Meanwhile, the DENR, the DILG and the NCIP are invited to take advantage of the momentum of this groundbreaking Project, and cooperatively replicate and expand the coverage of the models so as to meet the 400,000 ha target herein (and hopefully larger) beyond the Project life. This should be part of their targets under their respective departmental plans.

2. ***Chart the termination of project involvement in sites.*** With the shortened time of the project for on-site work, it is necessary that the project focus on closing work in the areas. As can be understood from the results of on-site data gathering, the local stakeholders are uncertain as to how the project will end in their respective areas. Nevertheless, it appears that for many, the completion of the local plans is sufficient as this would leave or provide a platform for future actions and interventions. It is best for the project to chart with stakeholders the end term of the interventions in each area, and plan out how support can be continuously streamed down to them beyond the project. A sustainability plan should be incorporated in the process.

Also an essential component of these plans should address the strong clamor of local stakeholders, especially the IPs/ICCs, for a clear trickle down of benefits of community-driven natural resource management in terms of household income and the wellbeing of individual community members by including interventions for livelihood support to enable them to enjoy the economic consequences of their conservation work.

3. ***Help ensure community benefits for sustainability of conservation efforts.*** Among the expectations of local communities, particularly IPs/ICCs that have been involved in the ICCA campaign of the Project is obtaining benefits from the initiative, not necessarily in a direct manner but more so as a product of the recognition of ICCAs. For instance, the PES that is already seeing light for the MILALITTRA in Mt. Kalatungan is starting to raise hopes for many other IP communities. In this regard, it is recommended that community benefits be intentionally included in the Project's disengagement plans with communities over and above the funds that may be raised for PA management. The PAWB/BMB and UNDP are also urged to include this aspect in successor biodiversity conservation initiatives.

4. ***Continue and strengthen policy work.*** The Project has indeed done a lot with its policy work. What needs to be worked on, however, is the policy articulation of the initiatives of the Project so as to identify their place in the whole natural resource management schema of the DENR. This might also entail working with other NGAs to effectively place mainstream these modalities in their (other agencies') policy frameworks. For instance, should it be found that LCAs can be treated under the Wildlife Conservation Act management scheme, then, it should be so articulated in policy terms and mainstreamed into the DENR and DILG policies. Necessarily, the institutional and financing mechanisms for their continued management should be expressed. Similarly, ICCA may well be expressed in policy terms that apply not only within the DENR but also within the framework of the NCIP. The vehicle/s for such policy mainstreaming should also be defined, taking heed of the need to ensure national support to ICCAs and LCAs, exploring possibilities not only within the administrative structure, but outside thereof. For instance, USec. Gerochi suggests that these modalities be inputted in the national land use bill. A concrete option of course is the ICCA bill of Rep. Teddy Baguilat. For his part, Sec. Acosta suggests that LCAs and ICCAs be included as among the legacies of the present dispensation, through an Executive Order. It would be worthwhile for the Project to identify sponsors that can facilitate the issuance of an Executive Order.

Incidentally, the Project can also help LGUs in developing their local ordinances and plans that include LCAs in particular and biodiversity conservation in general. The local ordinances crafted by Polilio LGUs can serve as a template for other LGUs to emulate. In this regard the Project should collaborate strongly with DILG, along with the LGU leagues to help campaign for the recognition of LCAs and ICCAs by local governments as well as in advancing the ideas of these new management modalities for national policy development.

Since it has already shown some promise in the area of PES, the Project might as well design a policy on PES. Such policy is expected to benefit not only the Project sites but many other poor communities (not only IPs/ICCs) that protect and conserve the natural resources on which they depend.

Indeed, the policy environment may not be as friendly to the Project's advocacy as we may want it to be. However, being a project, its best contribution under the circumstances is to provide a basis for the eventual adoption of its models into the policy realm. It is the expected role of the concerned actors within the DENR, particularly the PAWB, to elevate these policy recommendations into draft policy instruments and lobby within the DENR and the Office of the President for their adoption. Ultimately, of course, the arena for a more permanent adoption of these modalities shall be the Philippine Congress, where the DENR is expected to lobby with a united stand.

5. ***Continue working on and with NCIP.*** The evaluator recognizes the efforts that have been exerted by the Project in involving the NCIP in the Project in a profound manner. The NCIP, on the other hand, is apparently constrained by its low absorptive capacity, both in terms of

finances and human resources. This difficulty is understandably beyond the Project. Despite that, however, the NCIP is undeniably an important, if not indispensable, player particularly on matters concerning ICCAs. Getting the NCIP into the ballgame thus remains a challenge for the Project. What might work for the Project is the new development in the internal management of the NCIP. The NCIP now has a new Chairwoman and Executive Director. It is also noted that the new NCIP management has opened its doors to partnerships with projects and programs of other NGAs and CSOs affective and involving IPs, by initiating a series of dialogues with them. The evaluator is cognizant of the Project's laudable participation in this initiative. This is indeed a good "new start" for the Project, and thus must be pursued. The purpose of this exercise may no longer be for the Project itself but for future initiatives along the lines of ICCAs, as certainly the ICCA initiative ought to be carried on by the DENR-PAWB/BMB beyond the lifetime of the Project or through other future projects. An expected substantive aspect of the deliberation with the NCIP is the synergy between the ICCA approach of the Project's PA management modality with the AD management approach of the NCIP as mandated by the IPRA.

But then again, there is recognition that partnership-building with the NCIP – and with other relevant NGAs for that matter – is bigger than the Project. It is a systemic challenge. Therefore, it is the DENR that has to pick up the real challenge of building this institutional relationship with the NCIP. Indeed, approaching this matter from an institutional perspective will not only benefit the Project and its fruits but all other initiatives of the DENR where NCIP concerns have to be taken into consideration. The DENR should thus exert efforts to put an appropriate policy instrument in place, e.g., a MOA with the NCIP, or a policy directive if deemed needed, to effect this partnership.

Meanwhile, the NCIP is urged to continuously engage the Project on ICCA discussions. As an unsolicited input, the ICCA may be viewed as a component that can strengthen AD management by IPs/ICCs. It is noted that initiatives of this kind fall within the FPIC rules of the NCIP, the latest of which is NCIP Administrative Order No. 3, s. 2012. That this process is at the heart of the ongoing discussion of the NCIP with various initiatives right now is appreciated. It is hoped that the FPIC process will be made cognizant of the developmental nature of the ICCA approach, and make the process more manageable for IPs/ICCs. Better yet, the ADSDPP process may be made cognizant of ICCA (its elements) as a strategy for enriching ADSDPPs.

6. ***Build on the KAP study and develop an IEC Plan.*** With the KAP done, the Project can now get down to preparing a detailed communication plan. What is commendable with the KAP is that it identifies the target audiences of the Project. It is observed that the Project is heavy on policy development of the two new management modalities that it introduces. In this regard, a policymaker-directed communication plan is recommended. In this regard, policymakers are recommended to be among the primary target publics of the Plan. It is understood from the KAP that policymakers refer to national lawmakers (House of Representatives and the Senate). This is useful. However, it is also recommended that along with national lawmakers, policymakers in the Executive Branch be also included as they may present faster solutions to

the policy needs of the Project. The lawmakers of the Legislative Branch will be useful for long-term, beyond-the-project policy pursuits for these management modalities. With shorter time left to the Project, it is recommended that the communication plan also include initiatives that can be pursued beyond the Project life.

Not to be forgotten, too, are the services within the DENR structure, which need to be targeted. The FMB, for instance, has to be persuaded to fully internalize biodiversity conservation to be part of its forestland use planning processes. The MGB, for its part, has to be persuaded to take into consideration the biodiversity impacts of mining, should they happen in areas subject of the Project. On the whole, however, the real target should be the DENR leadership in whose hands largely lies the synergy or balance between biodiversity conservation and environmental protection on the one hand, and responsible natural resource utilization on the other hand.

Other government agencies have to be targeted as well. The NCIP should be foremost of them, if only to explain ICCAs as an exercise of IP rights warranted by the IPRA, and the consistency of ICCAs with AD recognition and management.

Also important are the DILG and the LGU leagues. They can be powerful allies in mainstreaming LCAs and ICCAs in local development policymaking and planning as well as in national policy development.

The communication plan should also ensure that all layers of governance are taken into consideration. There have been instances, as reported in KIIs and FGDs conducted, where the regional offices of the DENR and provincial governments are not reached or informed by the Project.

7. ***Ensure local co-management bodies to oversee and build on gains.*** This will ensure that the gains of the Project are continued on after its termination. This could have been the role of the LSCs (see discussion above) beyond the Project. . This co-management body could be similar to the LCA Management Council established in each municipality in Polilio, which is co-chaired by the mayor and a DENR officer with council member representatives from relevant local NGOs and POs. However, it is also recognized that bodies that are driven by projects can have an ad hoc existence, i.e., they die out after funding support is gone. This is often the case where the representatives to, or members of, the body are also swamped with other tasks. In this regard, it might be a wiser option to tap existing local development boards/councils whose work is relevant to the Project's initiatives to perform this mandate. Indeed, it might be a more practical and effective choice to resort to local bodies that are already institutionalized, such as the Local Government Code mandated Local Development Board. This might even cause the local DENR offices to be mainstreamed into the local development bodies, thereby allowing the DENR to have more impact on local environment and natural resources policies, programs and plans. This is especially important because of observations during interviews that local DENR offices hardly work with local governments and stakeholders.

8. **Identify ForEx loss as risk in future projects.** Considering the volatility of the PHP in the money market, future projects should better identify foreign exchange loss as a risk that they may be addressed at as early as the proposal stage. Some recommendations on this are:
- a. For projects that are funded in foreign currency, a more conservative conversion rate should be adopted. It will be recalled that when the Project Document of NewCAPP was prepared, the USD was very strong, thus, a high conversion rate was adopted. However, at the commencement of the Project, the PHP strengthened apparently due to the victory of Pres. Benigno Simeon C. Aquino III in the then recent presidential election.
 - b. The Philippine Government should guarantee projects against foreign exchange losses so as to ensure that project targets are met.
 - c. Should currency conversion result in gains, such gains should be treated as buffer funds to cover losses.
 - d. Project funds quoted in foreign currency should provide a conditional buffer amount, which may be used in situations of foreign exchanges losses.
9. **Look forward to working on other modalities.** Since the Project is already showing considerable level of success in making a case for LGU-LCAs and ICCAs, it is ripe to start thinking about other modalities that can further the menu of options for local stakeholders beyond these two modalities. One modality that deserves attention should be CB-LCAs. CB-LCAs are presently more popular in the coastal and marine environments where community-established and -managed Marine Protected Areas are commonplace. In the terrestrial/forestry realm, perhaps a good start would be to work with communities that take care of mangrove forests, or are CBFMA or PACBRMA holders. Agreements between LGUs and communities for the latter to manage communal forests may also be a possibility. An equally exciting proposition is the protection of privately owned lands – an idea that was entertained during project formulation. All these, however, will have to be pursued in future projects.