



EVALUATION OF USAID/ECUADOR'S SUSTAINABLE FORESTS AND COASTS PROJECT

Evaluation report

August 2013

This report was prepared for the review of the United States Agency for International Development (USAID). It was prepared by Mentefactura CIA LTDA.

Acronyms

CCAM	Caja Agroecológica de Ahorro y Crédito Muisne (Agroecological Savings and Credit Bank in Muisne)
CIIFEN	Centro Internacional para la Investigación del Fenómeno de El Niño (International Research Center on the El Niño Phenomenon)
C&D	Conservación y Desarrollo (Conservation and Development Organization)
FAN	Fondo Ambiental Nacional (National Environmental Fund)
FECCHE	Federación de Centros Chachi del Ecuador (Federation of the Chachi Centers of Ecuador)
INP	Instituto Nacional de Pesca (National Fisheries Institute)
KRA	Key Result Area
MAE	Ministerio del Ambiente de Ecuador (Ecuador Ministry of Environment)
MAGAP	Ministerio de Agricultura, Ganadería, Acuacultura y Pesca (Ministry of Agriculture, Livestock, Aquaculture and Fisheries)
M&E	Monitoring and Evaluation
NGO	Non-governmental Organization
NTFP	Non-timber Forest Products
PA	Protected Area
POT	Plan de Ordenamiento Territorial (Land Management Plan)
POAM	Plan de Ordenamiento Ambiental (Environmental Land Use Plan)
PIR	Project Intermediate Result
PMP	Project Monitoring Plan
RA	Rainforest Alliance
SB	Socio Bosque (Forest Partnership)
SFC	Sustainable Forests and Coasts Project

SOW

Statement of Work

U.S.

United States of America

USAID

United States Agency for International Development

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Executive Summary

The United States Agency for International Development (USAID)/Ecuador Sustainable Forests and Coasts Project (SFC) is a biodiversity conservation effort for the Ecuadorian Coast. The project is implemented within the framework of the USAID Biodiversity Code that demands that investments in productive activities need to support biodiversity conservation objectives as an overriding principle.

SFC commenced in 2009 and is expected to be completed in 2014. The project focuses on four ecosystems: 1) coastal rainforest of the Choco bio-geographic region; 2) dry forests along the central and southern coast; 3) mangroves, and 4) other near-shore coastal/marine areas. Each of these ecosystems harbors biodiversity that has been dramatically reduced in recent decades. The strategic components, or Project Intermediate Results (PIRs) of this project are threefold: 1) to improve biodiversity conservation in critical habitats by designing resource management strategies that address biodiversity threats and strengthening the capacity of stakeholders to implement natural resource management best practices in critical terrestrial and coastal marine areas (especially in habitats located in government protected areas (PAs)); 2) to improve local livelihoods by supporting priority activities that ensure sustainable use of the resource base for commodities in the value chain, 3) to nurture and develop partnerships formed for ongoing support to biodiversity conservation.

The project is implemented by Chemonics International Inc, in conjunction with different partners and sub-contractors. The project was initially planned for a total period of performance of five years with a three-year base period and two one-year optional periods that were subject to good performance and availability of funds. It began collaborating with six main subcontractors. Over the course of time, contractual arrangements with some partners were terminated, while others were added. Currently the project is working with four subcontractors and one grantee.

In order to review the project's accomplishments, and in anticipation of possible follow up activity in the biodiversity field, USAID determined that an evaluation of SFC should be undertaken.

USAID expects this assessment will help the project to further progress towards achieving its goals and to determine key needs in ensuring a successful completion of the project, and to inform the development and execution of future efforts supported by USAID to conserve biodiversity and tropical forests in Ecuador. The evaluation sought to: 1) assess the project's performance and

impact at both the output and the outcome levels, and the internal and external factors that led to success and challenges encountered by the project. Furthermore, the evaluation aimed to: 2) determine the extent of the sustainability and reliability of project activities. Finally, the evaluation sought to: 3) contribute to the understanding of how to improve subsequent project activities and to inform the decision making process regarding future conservation activities in coastal areas and in the country.

The evaluation process found that the project is on the way to achieving its intended results. The project has had significant success in areas such as the building of coalitions, conservation agreements and concessions to ensure biodiversity conservation in critical areas, and Protected Area (PA) management (PIR 1 and 3). While there are some encouraging results related to economic development activity designed to encourage better conservation practices (PIR 2), overall success in this area is considered to be mixed.

One of the aspects of the SFC Project that resonated with the evaluation team was the level of stakeholder engagement. The project has strong support from all current partners at the local, regional and national levels. This includes implementing organizations and government departments. Very good relationships have been established between project staff and community level project beneficiaries. The project has been credited with giving visibility to marginalized rural communities.

Regarding the project design, one of the fundamental assumptions of the project is that people living in and around critical habitats would have an incentive to conserve biodiversity if they could benefit from the sustainable use of natural resources. Even though the original assumptions are still relevant, the initial expectations of what can be achieved, were too ambitious considering the short timeframe for implementation and the initial circumstances and structural barriers found in communities to be engaged in project activities.

The decision to support coastal and forestry issues simultaneously is regarded as innovative by many stakeholders and represents an interesting template for learning and advancing the conservation agenda in Ecuador. The project team's responsive attitudes towards the needs and requests of beneficiaries, and its consistent pattern of behavior translated into good programming results. The decision to work with established practices and to associate the project with successful programs such as Socio Bosque (SB) brought predictability and strong engagement. The

project has also consistently aligned itself with government policies and sought to address the needs and priorities of the Ecuadorian Government.

While the results-based approach has certainly been a success, it has encountered some problems. Some implementing partners expressed a concern that there is sometimes a rush for results when it is counterintuitive to what is taking place in the field, i.e. pressures were experienced between the pace in which communities could assimilate and internalize technical assistance and the project's relatively short time frame. Additionally, this concern can be attributed to the fact that several project subcontractors had not been accustomed to delivering concrete results within a defined time frame.

There is also concern that the approach to spread the resources across a wide portfolio of projects denies the possibility of developing more high profile activities. The project instead could have engaged more and expanded in the activities where it proved to be successful from the beginning. This would include activities like access to SB and to develop investment plans for the SB incentive, crab monitoring and stock management and best management practices.

Many local beneficiaries and their respective implementing agencies stated that the project allowed them the necessary latitude to determine project activities and respond to changes in the communities at the project sites. Government representatives appreciated that the project has been flexible in terms of responding to emerging circumstances and reacting to stakeholder needs. The reliance on providing ongoing guidance and technical support, as opposed to simply transferring large amounts of financial support or large purchases for logistical purposes proved to be both an effective and efficient use of project resources. Assistance was selectively provided to avoid dependence.

However, there is a difference in opinion between the project and its stakeholders regarding the urgency to find ways to develop and enforce more income generating opportunities and support value added processing facilities with improved environmental protection standards. The evaluation team regards as a bottleneck the fact that the project design provides no financing mechanism to support good practices to speed up certain commercialization processes.

Among key partners and beneficiaries, there was not a universal understanding that the program was ending soon. With approximately one more year to go, SFC should focus on specific strategies

to strengthen the sustainability of the results achieved. This includes a comprehensive approach towards disseminating the lessons learned and promoting learning platforms.

In general, the project has a favorable record in terms of sustainability. This is due to a number of factors including the extensive capacity development of project leaders and of government representatives and institutions, and the strengthening of and contribution to legitimizing community organizations and establishing their legal recognition. The focus on training and capacity development has been successful from a sustainability standpoint in that many of the skills being developed at the community, organizational and individual levels can be applied beyond the project's termination. Beneficiaries acknowledge their personal growth in terms of improving their decision making capabilities in areas like participatory planning, administration, planning in general and understanding how to carry out effective meetings. Skills and technical capacity were developed to plan and carry out activities related to forestry and agriculture. There is sense of local ownership of activities and control by beneficiaries and government representatives. The project has also made important strides in building networks and coalitions, a number of which will be well placed to continue nurturing project activity or other endeavors that promote community well-being.

The analysis of strengths and weaknesses per PIR revealed that the project's strengths include its ability to leverage additional funding, its focus on building networks and coalitions, the support provided in improving the management of PAs, and on national legal and policy matters (PIR 1 and PIR 3).

As for PIR 2, a significant number of activities were developed creating an important source of lessons for future projects; however, their impact is less visible and sometimes diffuse. Despite the fact that productivity and product portfolios have increased, the necessary connection to target markets has not been established in most cases in a sustainable manner. The scaling up of positive experiences in terms of including more small-scale farms would be beneficial especially in cases where the combined production volume of organic agricultural products of participating farms could be combined to meet the minimum amount demanded to sell on the market on more favorable terms. Creating such market access would help to create a strong understanding of the potential of good practices close to PAs and biodiverse areas in general and ensure the sustainability of the project activities related to these good practices.

The Chemonics team is doing an adequate monitoring job with detailed reports covering the project's achievements. Reporting does reveal that no specific strategies or structured actions are in place to increase the participation of women in the project in a way that can be properly monitored. SFC reports in September 2012 that 3,260 women have improved their economic circumstances, but there is no economic baseline to confirm this. Out of the 3,657 people trained in natural resource management, 802 were women, but there is no detailed information on how effective the training of participants has been.

With regards to the participation of minority groups the project should be recognized for its emphasis on working with minority groups. The majority of the project beneficiaries are minorities (indigenous, Afro-Ecuadorians and "montubios").

While the project's performance can be evaluated with a high degree of certainty at this point in time, its ultimate impact on biodiversity conservation can only be realized through a long-term commitment to the project sites. The evaluation found that the project had an important conservation impact through monitoring of the state of the crab stocks in the Gulf of Guayas. These studies have generated data critical to resource management and feature pioneer case studies with high replicability for other regions and resources. The studies support national efforts to design sustainable use schemes of biodiversity inside and outside of PAs. However, to enable the replication and scaling up of these activities and experiences, a long-term commitment needs to be ensured to promote and further the lessons learned. Finally, a clear positive impact on biodiversity conservation was achieved through the support to protected area (PA) management, such as tourism and land use regulations, and support to the development of control and surveillance schemes.

Regarding future opportunities for USAID conservation and sustainable forestry actions, there is still an important demand for technical assistance and mentoring among the different actors working on the Ecuadorian coast. There is no other organization currently perceived as capable of filling the role currently played by SFC. The evaluation team sees the importance of continued USAID involvement in collaborating with the Government of Ecuador to support the coastal areas of Ecuador, prioritizing the current project sites to demonstrate the benefits of long-term commitment including the sustainability of the results achieved. In addition, integrated coastal management is recommended as a future priority especially in terms of developing and implementing new tools and capacities to help align local and national planning. There is also need

for strengthening territorial planning of the Ecuadorian Coast at a regional scale incorporating variables such as climate change, oceanic policies, sustainable fisheries and infrastructure with the overall development.

Moreover, the evaluation recommends to build on the success of the project and to put an emphasis on the development of more sustainable market linkages, the promotion of small-scale agroforestry production processes, and the development of holistic management systems of farms and community land. This includes identifying ways to make the protection of biodiversity more financially beneficial, which go beyond the SB model of economic incentives and include creating access to new markets or generating higher prices for local sustainably produced products, such as ivory nut, crabs or agricultural products.

Future projects of USAID should explore options for promoting new types of partnerships, e.g. with initiatives that are more focused on the improvement of agricultural productivity and developing approaches and practices that respect environmental protection and economic diversification simultaneously. In order to establish these approaches on a significant scale, knowledge and continuous technical support for improved agricultural practices and the possibility to fund the purchase of additional equipment is necessary. This goes beyond the mandate and possibilities of a biodiversity project like SFC. Thus, it is recommended to introduce new stakeholders, such as the Ministry of Agriculture (MAGAP) or non-governmental organizations (NGOs) working in the agricultural sector as part of the project design or to design a separate agricultural project that can build on the best management practices of the project that establish a proven track record of success.

Finally, it is recommended to continue providing technical assistance especially regarding human resource development and applied research concerning biodiversity conservation. This includes support to protected area management, the establishment of biodiversity inventories, information and strategies for climate change adaptation, and the sustainable use of natural resources (such as fisheries, ivory nut etc.).

1 Evaluation Purpose and Objectives

The SFC Project will end in 2014 and, in light of this fact, USAID expects this evaluation will help the project progress towards achieving its goals and help determine key needs in ensuring a successful completion of the project. USAID also intends to use this evaluation to help inform the

development and execution of its future efforts to conserve biodiversity and tropical forests in Ecuador.

The evaluation of the SFC Projects may also be of importance to a broad range of stakeholders from USAID, the Government of Ecuador, national and international NGOs and possibly other donor agencies working in the conservation and environment fields.

The SFC project is unique for a number of reasons. It has worked in geographic zones that traditionally are not targeted by donor agencies in Ecuador for projects related to conservation and biodiversity protection. In terms of financial resources, it is not a significantly large project, but it is ambitious in terms of what it has been trying to achieve. The project's operational design, with its emphasis on results and the focus on coaching and providing technical support represents a particular approach to the delivery of development assistance. This project also sought to nurture a broad range of stakeholder engagement and build alliances on the critical issues of conservation and biodiversity protection.

The complete evaluation Statement of Work (SOW) can be found in Annex 1. Outlined below are the specific purpose and objectives of the evaluation:

- Gather and analyze information regarding the performance of the Sustainable Forests and Coasts Project (SFC) in terms of assessing the project's performance and its impact at both the output and the outcome levels. Specifically, the evaluation seeks to analyze and come to conclusions regarding:
 - Community and site level results and broader results at a provincial or national level.
 - Understanding and analyzing the internal and external factors that lead to success and challenges encountered by the project.
- To analyze information and come to conclusions regarding the sustainability and replicability of project activities in areas like:
 - Ability of the project to instil and/or reinforce conservation patterns and more sustainable and beneficial uses of local natural resources, and encourage the development of conservation knowledge and awareness related to project activity.

- Building capacity (local, provincial and national governmental institutions, NGOs, local associations etc.) to strengthen protected area and natural resource management at different levels.
- Encourage and nurture engagement and improved attitudes concerning related conservation practices.
- The third and final objective of the evaluation process was to gather and analyze information to better understand how to:
 - Improve subsequent project activities supported by the SFC.
 - Inform the decision making process regarding future conservation activities in coastal areas and in the country.

Information was collected on the following questions that were presented in the original SOW and can be found in Annex 2:

1. To what extent is the project on target to achieve its intended results?
2. Does the initial project design (and the assumptions on which it was based) still make sense?
3. What are the priority activities for the remaining period of the project to achieve success and what changes, if any, should the project make to ensure the timely organized closure of its work?
4. To what extent will the project's activities be able to continue after the close of the project, and might there be steps that the project can take to ensure greater sustainability? Sustainability was considered from the standpoints of financial viability, stakeholder ownership, institutional relationship, attitudinal disposition of stakeholders, and long-term influence on practices in the conservation and biodiversity fields.
5. What are the respective views of USAID, relevant Government officials at the local and national levels (e.g. Ministry of Environment, Guayas Provincial Government), implementers, and beneficiaries with respect to strengths and weaknesses in the design, implementation, and management of the project's activities?
6. What are the key tools, threats, and opportunities that USAID should consider regarding conservation and sustainable forestry actions in coastal Ecuador? For example, are there new threats to coastal ecosystems, or threats that were not adequately addressed by the project, that need to be considered by USAID as opportunities for future investments?

2 Project background

Conserving biodiversity is a long-standing U.S. foreign assistance priority in Ecuador. The country's coastal and Protected Areas (PA) are home to some of the world's richest biodiversity. However, Ecuador has one of the highest deforestation rates in Latin America, and the country's economic development model exploits natural resources at an unsustainable rate. Impoverished, marginalized communities living near PA have limited access to basic services, infrastructure, communication and transportation. The results are increased pressure on the natural environment and degradation that increases the vulnerability of biodiverse areas.

USAID/Ecuador's environment program seeks to help conserve Ecuador's biodiverse areas while improving livelihoods in neighboring communities. The project is implemented within the framework of the USAID Biodiversity Code that demands that investments in productive activities need to support biodiversity conservation objectives as an overriding principle.

Specifically, the program aims to increase the participation of Ecuador's citizens in the management of their natural resources, improve governance in national parks, and generate economic alternatives for local residents through sustainable agroforestry practices, ecotourism, and environmentally friendly fisheries. USAID/Ecuador is also helping people qualify for benefits under the Government of Ecuador's SB (Forest Partnership) conservation incentive program. This program offers a financial incentive to landowners who voluntarily commit to maintaining natural forest cover for at least 20 years.

The USAID/Ecuador Sustainable Forests and Coasts Project (SFC) is a biodiversity conservation effort for the Ecuadoran Coast. The project focuses on four ecosystems: 1) coastal rainforest of the Choco biogeographic region; 2) dry forests along the central and southern coast; 3) mangroves, and 4) other near-shore coastal/marine areas. Each of these ecosystems harbors biodiversity that has been dramatically reduced in recent decades. Through the objectives noted above, the project also expects to make a contribution in the area of adaptation to climate change.

The project's intervention strategy is aligned with the Government of Ecuador's conservation and development policies. In particular, the project works in close coordination with the Ministry of Environment (MAE) (primarily the Undersecretary for Marine and Coastal Management), MAGAP's Undersecretary for Fisheries, and provincial governments.

The project was initially planned for a total period of performance of five years, with a three-year base period and two one-year optional periods subject to good performance and availability of funds. The project began collaborating with six main subcontractors: Rainforest Alliance (RA), Conservación y Desarrollo (C&D), EcoBiotec, Ecolex, Altrópico and the Coastal Resources Center of the University of Rhode Island. Over the course of time, contractual arrangements with four partners were terminated, while two partners were added. Currently, the project is working with C&D, Altrópico, the International Center for Research on the El Niño Phenomenon (CIIFEN in Spanish) and the grantees Bioeducar and EcoCacao.

The project's implementation strategy remains focused on reducing the following four main threats to biodiversity conservation in six priority sites along the coast of Ecuador: (1) Loss and/or alteration of critical habitats; (2) Climate change; (3) Lack of economic alternatives, and (4) Insufficient institutional capacity for biodiversity conservation. For each of the project sites a set of specific threats have been identified that are addressed through targeted activities to reduce the pressure on local ecosystems.

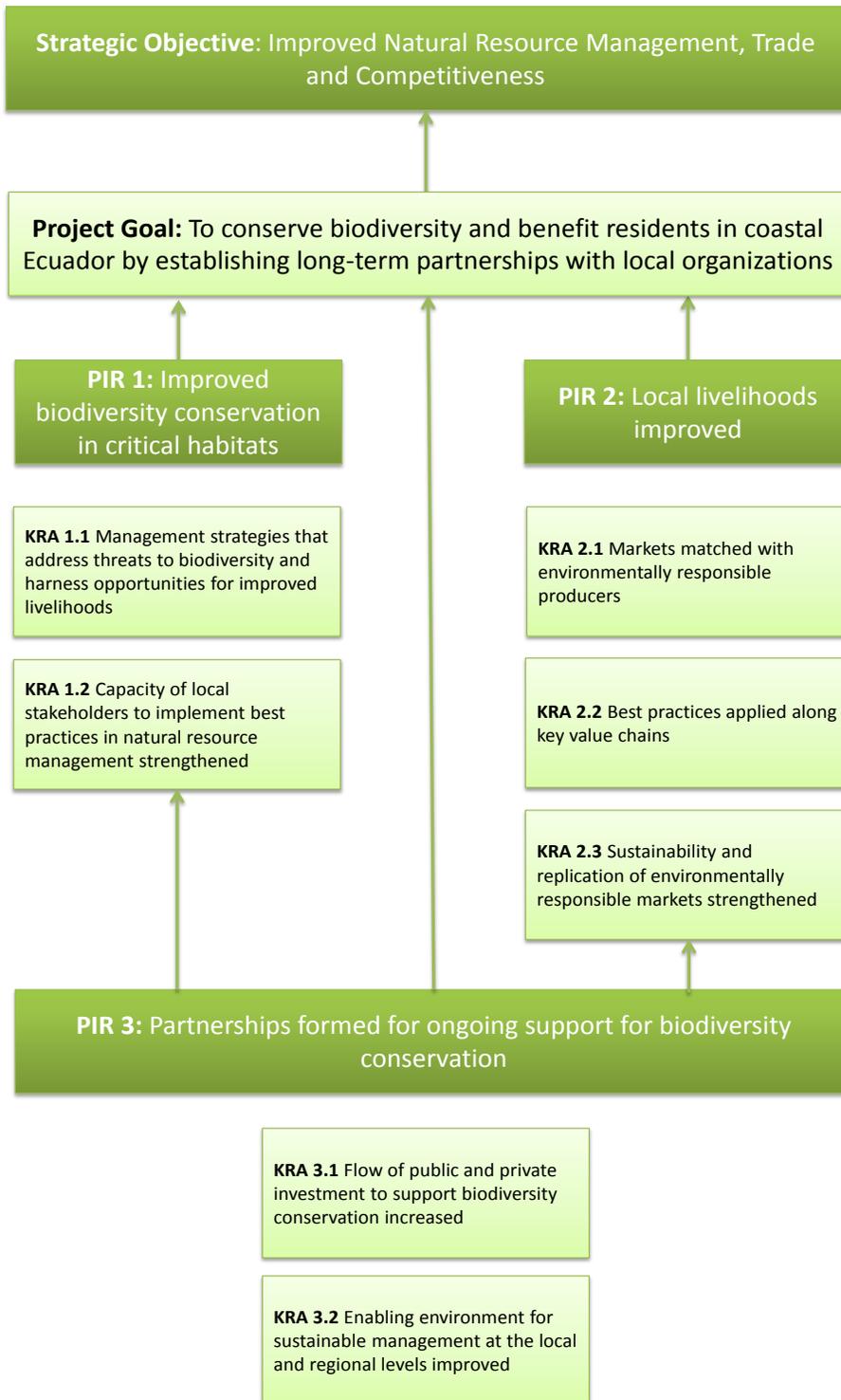
Currently, the project's activities are being implemented in six geographic areas important for biodiversity in the coastal region of Ecuador, which cover the four different target ecosystem types, as mentioned in the contractual agreement:

- 1) Gran Chachi Reserve and its buffer zone (coastal rain forest)
- 2) Galera San Francisco Marine Reserve and its coastal watersheds (coastal rainforest and coastal/marine area)
- 3) Machalilla National Park and the Ayampe River watershed (dry forest and coastal/marine area)
- 4) Gulf of Guayaquil (Churute Mangrove Ecological Reserve, El Salado Mangrove Wildlife Production Reserve, and mangrove concessions) (mangroves)
- 5) Chongón Colonche Protected Forest (dry forest)
- 6) Province of Guayas (mangroves and coastal/marine area)

At the highest level, the project goal matches the USAID/Ecuador Strategic Objective: Improved Natural Resource Management, Trade, and Competitiveness. The project defines three intermediate results, which in turn define key result areas that feed into the annual strategy and activity planning (Graph 1). Project intermediate result 1 (PIR 1) reflects the project's primary

objective, which is biodiversity conservation. All project activities are linked to this PIR and are based on the need to conserve the last remnants of ecosystems and critical habitats on the Ecuadoran Coast. Because many of the primary threats stem from human pressures exacerbated by poverty and the lack of economic alternatives, the objective of PIR 2 is to reduce such threats by creating incentives for conservation and improving the living conditions of local communities in and/or around critical ecosystems. The third component (PIR 3) consolidates and promotes partnerships to leverage public and private funding to ensure the financing and sustainability of project initiatives (Work Plan 2010).

Graph 1 Strategic Objective, Project Intermediate Results and Key Result Areas (Source: Contract, USAID 2009)



A more detailed description of each Key Result Areas and the respective activities envisioned by the contractual agreement between Chemonics Inc. and USAID can be found in Annex 2.

3 Methodology

The methodology for the evaluation was designed to develop different lines of evidence through three distinct means:

The first element of the evidence gathering process began with a desk review of project documentation including contracts, work plans, Performance Monitoring Plans (PMPs) etc. (for a complete list see Annex 3). Document review remained an ongoing feature of the entire evaluation as new material was constantly presented during the process. The document review process was complemented by an on-going dialogue with the Chemonics Team and USAID, in order to ensure that all issues and concerns regarding the evaluation process were addressed on an iterative basis.

The second line of evidence was developed by establishing direct dialogue with project stakeholders in the guise of key informant interviews and focus group discussions. The latter were primarily used with project beneficiaries at the community level. In a small number of cases, semi-structured interviews were conducted with small groups of individuals, such as those representing government departments or associations, such as the ivory nut producers in the Machalilla National Park. A complete list of the individuals and institutions interviewed or consulted can be found in Annex 4.

The final line of evidence that was developed is a result of observations and analysis made by the evaluation team during the field visit phase of the evaluation. In support of the evaluation, field visits were completed in all six of the project locations.

In every circumstance the evaluation sought to guarantee that triangulation of information sources took place by ensuring that the information found in documents and opinions expressed by participants were validated by other lines of evidence. An important part of the triangulation process involved the evaluation team comparing notes and discussing findings on evaluation themes.

While the members of the team were divided to interview and visit different sites, there was a shared objective defined by the interview questions and a constant dialogue between members of the evaluation team concerning findings and observations.

The evaluation team was also mandated to look specifically at the participation of women and minority groups in the project including Afro-Ecuadorians and Chachi people. The team took the necessary steps to ensure that the opinions of women and minority groups were solicited regarding their involvement, benefits received, and perception of the project.

3.1 Risks and Limitations of the Evaluation Methodology and Coping Measures

A key concern with this evaluation was the short time period for commencing and completing all evaluation related responsibilities. This was a particular concern with the field work that required visiting all main project sites and to conduct a reasonable number of interviews and focus groups with project subcontractors and beneficiaries to substantiate the findings of the document review.

For the preparation of the field work the recommendations and logistical support of the Chemonics project team were therefore required to plan and prepare the site visits in time especially taking into account visits to rural areas with difficult access conditions, and to organize the focus groups at each site.

In addition, the evaluation team considers it important to state that the evaluation process did not allow for a thorough review of the documentation of every site activity of the project's large number and broad range of activities that have been implemented over the years. However, several examples for each type of project activity have been reviewed, their respective implementation sites have been visited to verify the findings of the literature review, and observations have been complemented by the interviews with a representative cross-section of people. Although all the activities could not be reviewed in depth, the Chemonics project team provided detailed data and information on the achieved project results and there is no reason to doubt the accuracy of these results.

It is also worth noting that some indicators used by the project and the level of results reported were found to be somewhat problematic. The definition of different indicators and their measurement units changed over the course of the project due to USAID requirements. Therefore, the comparison of achievements over the years was difficult in some cases. This is

certainly an area where improvements could be made in the future, but depends on decisions made by USAID in Washington.

4 Findings

The evaluation finds that the SFC project has met expectations. There is generally widespread, although not unanimous, agreement among stakeholders that the project has successfully achieved meaningful results. The evaluation process supports this assessment.

The following section provides a summary of the project activities and results, and highlights some key successes. The section also answers the six evaluation questions outlined in the SOW, and third, discusses the strengths and weaknesses of the project per PIR.

4.1 Summary of Project Activities and Results

The SFC project implemented a significant variety of project activities. The following is a summary of the key accumulative results as of September 30, 2012 as detailed in the most recent project progress report¹:

- 38,745 hectares (ha) of natural forest have been protected through the SB Program for which 9.1 M USD in cash-for-conservation payments have been committed, benefiting over 11,000 people.
- As part of technical assistance to meet SB requirements for applying for conservation incentives, to date, the Project has provided legal and technical assistance with land titling for 6,864 ha (406 ha in Esmeraldas and 6,458 ha in Ayampe), which benefited 495 people and has resulted in increasing property values by approximately 170%, an equivalent of 1,441,524 USD.
- 295,816 ha are under monitoring and oversight systems in the Churute Mangrove Ecological Reserve, Centros Chachi Sabalito, Capuli, Guadual and Calle Manza, the Ayampe River Watershed, Machalilla National Park and the Galera San Francisco Marine Reserve
- 26,920 ha are under new mangrove concessions (representing over 80% of concession areas in the Gulf of Guayaquil) and successfully renewed a concession with 1,284 ha.

¹ FY12 SEMI-ANNUAL PROGRESS REPORT APRIL 2012 – SEPTEMBER 2012 USAID SUSTAINABLE FORESTS AND COASTS

- 2,889 ha of forest under protection/regeneration, including 1,333 ha in Esmeraldas.
- 11,120 people have improved their economic circumstances. This includes 8,740 people who participated in SB economic incentives to protect forest. In addition, 120 people were assisted as a result of new commercial relationships facilitated for red crab pulp processors in the Gulf of Guayaquil, 1,830 people as a result of improved agricultural management practices, 30 people benefiting from improved tourism resources (recycling centers in Las Tunas) and 430 people as a result of improved practices of non-timber forest products.

The following activities were reviewed in depth by the evaluation team which concluded that the activities were good to excellent, in terms of their implementation and results achieved and in terms of the strong support they receive from beneficiaries and stakeholders.

- Pilot parcel of land to demonstrate sustainable forestry management practices in Dos Mangas, Chongón Colonche.
- Repositioning mangrove concessions as an effective biodiversity management tool and realizing new concessions in the Gulf of Guayaquil (Churute, Mondragón, Escalante, Balao, 6 de Julio).
- Promotion of the use of good or best management practices in agriculture and forest management in multiple locations (Galera-San Francisco, Ayampe watershed, Chongón Colonche, Gran Chachi Reserve).
- Creation of the licensing arrangement for ivory nut harvesting in Machalilla National Park.
- Use of community banking to promote sustainable agroforestry practices (Galera-San Francisco).
- Support and coaching to PA managers (Machalilla, Manglares Churute, Manglares el Salado, Galera-San Francisco).
- Support to municipalities in environmental education and territorial planning (Jipijapa).
- Participatory monitoring of mangrove fisheries (Gulf of Guayaquil).
- Building of mangrove concessionaire's coalitions in the Gulf of Guayaquil.
- Support for the development and implementation of investment plans for the Programa SB in multiple locations (Gran Chachi Reserve, Ayampe watershed, Chongón Colonche).

4.2 Findings Related to the Key Evaluation Questions

4.2.1 To what extent is the project on target to achieve the intended results?

The evaluation process found that the project is on the way to achieving its intended results. The project has had significant success in areas such as the building of coalitions, conservation agreements and concessions to ensure biodiversity conservation in critical areas, and PA management (PIR 1 and 3). While there are some encouraging results related to economic development activity designed to promote better conservation practices (PIR 2), overall success in this area is considered to be mixed. The quality of agricultural products and non-timber forest products (NTFP) clearly has improved. This is due to the implementation of organic agricultural practices and improved harvesting practices of NTFP, e.g. not to harvest unripe ivory nut or the trimming of cane straw plants. However, because there is only a small number of actual operative market linkages in general the improvement of income generation based on these products remains weak.

One of the aspects of the SFC Project that resonated with the evaluation team was the level of stakeholder engagement. The project has strong support from all current partners at the local, regional and national levels. This includes implementing organizations and government departments. Good relationships have been established between project staff and community level beneficiaries who generally base their opinion on their very specific project experiences rather than the overall impact of the project for Ecuador. When these individual perceptions are collected, it creates a generally positive perception of the project in terms of what is being accomplished and how the project team is going about fulfilling its mandate.

Some of the project stakeholders involved in the work on mangrove concessions felt that the project team was not able to sufficiently expand the assistance available as the demand for this help increased due to the project's success and the inclusion of more beneficiaries in the project. The red crab associations that joined the project at a later stage such as Isla Escalante or Isla Mondragon felt they were not served with the same support as associations that had joined the project earlier like 6 de Julio and Balao. It is worth mentioning that the change in the project's organization from working with the National Fishery Institute (INP for its acronym in Spanish) through a sub-contractor to working directly with INP created savings that allowed for amplifying

and monitoring the work on crab concessions without impairing the activities in other project sites.

In the remaining time the project should focus on strengthening administrative and planning capacities of the community directives and associations responsible for the management of mangrove concessions and SB incentives, as well as of the community members supported in best management practices who have not been able to fully implement the suggested practices. In general, it is necessary to ensure that local capacities, especially in those communities that only recently received support from the project based on their own decision to join the project at a later stage, are able to continue the activities promoted by the project after its completion.

The project also needs to ensure that the stakeholder coalitions that have been established will continue to function by promoting and furthering the leadership of the MAE in the organization of meetings and activities. These stakeholder coalitions are designed to serve as leading actors to promote the continued implementation of best management practices, natural resource monitoring efforts and establishing market linkages for economic related activity.

In addition, the project team should continue its efforts in supporting PA managers with the establishment of regulations for land use, and tourism and fisheries. Various processes have been initiated but require further nurturing.

4.2.2. Does the initial project design (and the assumptions on which it was based) still make sense?

The evaluation regards the project design as the initial contractual agreement between Chemonics Inc. and USAID as well as the first multiannual work plan for 2010 - 2012.

Within three months of signing the contract a site and activity selection process was implemented that included rapid ecological and socio-economic assessments of future project sites, as were established as deliverable in the contract. Based on the results of this participatory process that involved USAID officials and representatives of partner organizations and that was guided by the principle of identifying areas with high biological diversity and need for conservation support, the work plan 2010 -2012 was established. This project document presents a list of threats that have been identified for each project area, as well as a definition of opportunities regarding the socio-

economic situation analyzed during the rapid assessments, and the activities derived from these threats and opportunities that would be implemented in the timeframe of three years.

The evaluation found that apart from the rapid assessments that were mostly focused on specific topics in each project site, there is no other consolidated document showing a detailed analysis of the threats listed in the 2010 – 2012 work plan that would indicate how these lists came about or give a more detailed insight into the characteristics of each threat. Thus, it is difficult to determine what progress has been made in each site in addressing the identified threats.

One of the fundamental assumptions of the project is that people living in and around critical habitats would have an incentive to conserve biodiversity if they could benefit from the sustainable use of natural resources. This assumption led to the design of strategies aimed at reducing poverty and dependence on unsustainable resource use practices by generating and promoting economic alternatives as a means for reducing threats to biodiversity conservation. Even though the original assumptions are still relevant, the initial expectations of what can be achieved, as expressed in the contractual agreement, were too ambitious considering the short timeframe for implementation and the initial circumstances of communities to be engaged in project activities. The selection of sites was based primarily on biodiversity criteria which meant working in rural communities in and around critical habitats that faced structural barriers related to poverty. Structural barriers such as the low level and quality of existing capacities and infrastructure, clearly defined and impacted what could be achieved concerning the establishment of sustainable livelihoods and economic alternatives. In hindsight local subsistence economies are not likely to become exporters or certified producers in two or three years as was initially intended.

The original design found in the contractual agreement placed little attention on the risks and difficulties arising when trying to encourage local rural communities towards proactively engaging in the market economy. Business skills, knowledge, attitudes and values were promoted without sufficient attention and understanding of cultural and social risks. Expectations expressed in this contractual agreement regarding what could be achieved, especially regarding PIR 2, already experienced a certain downscaling and adaptation to the reality at the project sites in the work plan for 2010.

The most successful aspect of the original design is the decision to work on the Ecuadorian Coast. In recent years this geographic region has become a national priority for biodiversity conservation. It harbors 13 out of the 15 new PAs created since 2007. Another key assumption of the project is that if management capacity within the PAs is strengthened and conservation coalitions are built, conservation will be more effective. The new PAs created an emerging need for technical capacities and assistance in biodiversity conservation and networking. While an increasing need to protect the coastal areas has become increasingly clear, the level of international cooperation demonstrates a marginal interest in the subject. This makes the commitment of USAID all the more important.

Connecting the forest and coastal areas has created an interesting template for learning and advancing the conservation and biodiversity agenda in Ecuador. The SFC Project has also been operational in both rural and small urban areas adding to the opportunity for learning and establishing benchmarks in a variety of circumstances. Urban areas included the municipalities of Jipijapa, Puerto Lopez and Pajan where educational campaigns and territorial planning was supported.

While the results-based approach has certainly been a success, it has encountered some problems. Some implementing partners expressed a concern that there is sometimes a rush for results when it is counterintuitive to what is taking place in the field. Certain implementing partners reported that they experienced pressures between the communities' ability to assimilate and internalize technical assistance and the project's relatively short time frame. The evaluation team was presented with one case where all the necessary elements were in place for project success at the community level but time was needed for the implementing organization and community members to sort matters out. The partner felt there was unneeded pressure by SFC to implement more quickly than was necessary. Additionally, the concern expressed can be attributed to the fact that several project subcontractors had not been accustomed to delivering concrete results within a defined time frame.

Similarly, concerns were voiced that sometimes there are too many activities being encouraged at the same time. The approach to spread the resources across a wide portfolio of projects denies the possibility of developing more high profile activities. The project instead could have engaged more and expanded in the activities where it proved to be successful from the beginning, i.e. supporting access to SB and developing investment plans for the SB incentive, crab monitoring and

stock management, as well as best management practices for ivory nut. A further investment into these types of activities would have been more beneficial than investing in tourism development, marketing and sale of fruits and sustainable forestry demonstration parcels.

It would have been more beneficial for the project to have specific activities defined from the onset to focus action and investment instead of trying a variety of activities that lead to a too long learning curve with repeated experiments to confirm potential of error or success. In certain cases it would have been more efficient to work with experienced partners who have demonstrated knowledge on which mechanisms will work and those that will not. This is especially true in the case of activities under PIR 2 since the Chemonics team lacked experts with specialized experience in rural economics, social development and matters related to business development.

The decision to work with established practices and associate the project to successful programs such as SB was a good decision. It brought predictability and strong engagement. Equally, the project has also consistently aligned itself with the institutional policies and needs and priorities of governments at all levels in the country. The project activities have offered the chance to complement and validate national policies.

The notion of flexibility came up regularly throughout the evaluation process as a positive trait of the project. Many local beneficiaries and their respective implementing agencies felt the project allowed them the necessary latitude to determine project activities and respond to changes in the communities at the project sites. Government representatives stated they have appreciated that the project has been flexible in terms of responding to emerging circumstances and being receptive to stakeholder needs. An example of this would be the support given to the development of policy and environmental land use plans.

The reliance on providing ongoing guidance and technical support, as opposed to simply transferring large amounts of financial support or large purchases for logistical purposes, proved to be both an effective and efficient use of project resources. Assistance was selectively provided to avoid dependence. To ensure commitment, every time the project grants resources for the implementation of certain activities the requesting party has to reciprocate the investment. It has worked as follows: “We will buy you the boat but you have to buy the motor and commit to ensuring proper maintenance and covering the operation costs”. These types of arrangements appear to be working.

However, there is a difference in opinion between the project and its stakeholders regarding the urgency to find ways to develop and enforce more income generating opportunities and support the acquisition of value added processing facilities with improved environmental protection standards. Some stakeholders expressed the idea that the investment in protecting the environment should result in additional pro-active approaches to generating income. The evaluation team regards as a bottleneck the fact that the project design provides no small-scale financing mechanism to support good practices to speed up certain commercialization processes such as for organic cacao. There was also no project partner capable of complementing efforts on this point.

4.2.3 What are the priority activities for the remaining period of the project to achieve success, and what changes, if any, should the project make to ensure a timely organized closure of its work?

Among key partners and beneficiaries, there was no universal understanding that the program was ending soon. With approximately one more year to go SFC should focus on specific strategies to strengthen the sustainability of the results achieved. This includes a comprehensive approach towards disseminating the lessons learned and promoting learning platforms. The project was very ambitious in terms of addressing a high number of activities. It is now time to transform this experience in learning tools and case studies aimed at replication and scaling up the most relevant results and those with the most potential.

New staff and authorities in the Ministry of Environment could benefit greatly from the accumulated experience in key processes such as the implementation of the PAs management model and scaling up conservation incentives like the ivory nut model in Machalilla National Park.

4.2.4 To what extent will the project's activities be able to continue after the close of the project, and might there be steps that the project can take to ensure greater sustainability?

Besides from the overriding concern regarding the communication of the exit strategy, the project has a generally favorable record in terms of stimulating conditions to ensure sustainability. There are no situations, for example, of an ongoing unhealthy reliance on unrealistic financial support. There has been extensive capacity development in terms of increasing the capabilities of project leaders and strengthening the administrative capacities of community organizations in places like San Miguel and Mondragon through support provided to District Governments. The project has

also made important strides in building networks and coalitions that will be well placed to continue nurturing project activity or other related activity such as other community level projects. The most promising and relevant examples include the coalition between INP and 26 crab associations in the Gulf of Guayaquil. The coalition is led by the INP that analyzes the crab monitoring data collected by the associations. Due to the leadership of the INP, the coalition is in a promising situation to continue after the end of the project. Different non-governmental organizations and the Ministry of Environment set up the stakeholder coalitions in the Chachi Reserve and the Ayampe River area, respectively. The activities of both groups are focused on providing continuous technical assistance to communities receiving the SB incentive. There are promising indications of being able to sustain the efforts of the project given the support and connection with SB.

The focus on training and capacity development has been successful from a sustainability standpoint in that many of the skills being developed at the community, organizational and individual levels can be applied beyond the project's termination. Beneficiaries acknowledge their personal growth in terms of improving their decision making capabilities in areas like participatory and general planning, administration and understanding how to carry out effective meetings. The project invested heavily into human resource development. An important set of skills and technical capacity were developed to organize and plan activities related to forestry and agriculture. These skills can also be transferred to other project activity or organizations. There is the case of Ecocacao, where members of the organization received specific training regarding the implementation of best management practices for the conservation of watersheds and soil care as well as organic cacao production. These technically trained members will stay in the area and are committed to promoting the adoption of the sustainable practices amongst both members of Ecocacao and other cacao farmers and associations in the region. In the case of the crab association 6 de Julio in the Gulf of Guayas, the women who compose this association have been trained in hygienic processing of crab pulp and are providing their product to several restaurants and hotels in the area. They are administrating their business on their own and managing their commercial relationships by themselves.

In general, the degree to which beneficiaries and government representatives have embraced and accepted the activities proposed by the project is positive from both a sustainability and ownership standpoint. There is a sense of local ownership of activities and control by beneficiaries

and government representatives. Concepts such as environmental sustainability and the need for low impact practices are encouraged and broadly understood. Also heartening is the consensus surrounding climate change and its negative impact and the need to address it.

To ensure greater sustainability further support should be considered for the last year of the project for the current project areas that still reveal needs in terms of capacity development. This is equally true at all levels, government, community and individual beneficiaries. Further capacity development is especially necessary in the case of communities that accessed the SB program recently and have not yet to establish local capacities for administration and accounting of the incentive they receive through SB. Furthermore, crab associations that recently were granted a mangrove concession still have to learn a great deal more regarding administrative matters like reporting to the government concerning the conservation status of their respective concessions. Finally, due to recent changes in the Provincial Departments of the Ministry of Environment and several PAs, the project should consider the implementation of capacity development activities aimed at the new staff members and decision makers in these institutions.

4.2.5 What are the respective views of USAID, relevant Government officials at the local and national levels (e.g. Ministry of Environment, Guayas Provincial Government), implementers, and beneficiaries with respect to strengths and weaknesses in the design, implementation, and management of the project's activities?

Consultation with USAID, Government, project implementers, and project beneficiaries revealed that the overall perception of stakeholders of the project tends to be positive.

The principal strengths mentioned during interviews include the following:

- Careful planning process to assess governmental priorities and subsequently coordinate actions at different levels based on complementing state efforts and creating mutual benefit. Project plans were not developed in isolation and then presented and approved by authorities. Instead, the planning process involved authorities at all times and responded to specific needs that complemented the State's capacities and resources.
- Flexibility to respond to emerging needs and opportunities.
- Understanding of the operation and logic behind biodiversity conservation in the Ecuadorian coast and the broader context.
- Demonstration of strength in decision making and problem solving with multiple stakeholders.

- Cautious public profile, i.e. the project does not intend to be a protagonist or to call direct attention to itself but rather it prioritized being a partner for national and regional authorities. Most coalitions and participation spaces generated by the project were led by the Ministry of Environment.
- The project exploited the fact that there are very few cooperation actors working on the Ecuadorian coast, filling an unattended niche for technical assistance. Personalized assistance and coaching provided by high level individuals proved to be successful and was a determining factor in generating trust and a cooperative relationship based on complementing governmental capacities.
- The project selected winning initiatives aligned with national priorities such as SB and mangrove concessions leaving little space for risks or uncertainty. This was a good decision.
- The project has been credited with opening channels and opportunities to participate in stakeholder coordination and decision making with regards to natural resource management. This was seen through the case of the INP and mangrove concessionaires and the ivory nut users at Machalilla National Park.
- SFC was critical in increasing knowledge and understanding the current state of crab fisheries in the areas supported by the project. Increasing technical capacities for monitoring natural resources is a cornerstone for sustainable use and there is strong potential for replication in other geographic areas and in different fisheries.
- The project contributed to legitimizing community organizations by increasing their access to government agencies and programs and establishing legal recognition for them through such means as gaining legal status, land ownership, bank accounts, accounting mechanisms, and tax certificates. This has allowed communities to operate formally and in a transparent manner. This enhanced their opportunities to access Governmental services and benefits.

The weaknesses recognized by stakeholders include the following:

- The expectations in the original design for improving household level income were too high given the time constraints, and the fact that target groups are severely affected by poverty created additional barriers for effective engagement.

- Although SFC is not a procurement project, the absence of specific resources to purchase equipment (e.g. for small-scale processing facilities or for the management and surveillance of protected areas) or to provide credit limited the opportunity to accelerate or consolidate certain key productive processes which resulted in several occasions in a less fluid response towards emerging needs.
- The skills of the Chemonics project team could have been more balanced. This would have been especially beneficial in terms of promoting sustainable livelihoods. The lack of special expertise in social issues, rural economics, and matters related to business development led to long learning curves regarding which kind of economic activity would be accepted and could be successfully implemented by local communities. This also affected gender participation in project activities.
- Productive projects were a response to the assumption that pressures on biodiversity were based on the absence of economic alternatives. The project however, was not able to prove that increased income would lead to more sustainable uses of natural resources. This causal assessment will require a longer Monitoring and Evaluation (M&E) timeframe than a 5-year project but the absence of a proper economic baseline places a considerable challenge in terms of measuring impact and effectiveness with this regard.
- A number of stakeholders mentioned that SFC was not always collaborative in coordinating activities or demonstrating a willingness to cooperate with other NGO's engaged in the Ecuadorian coast. This attitude was also mentioned in relation to other USAID initiatives. Although to seek cooperation and mutual agreements and support with other organizations working in the same geographic area was not a mandate of the project contract, SFC could have used these opportunities to share lessons learned and possibly promote the scaling up or replication of its most relevant and successful activities.

4.2.6. What are the key tools, threats, and opportunities that USAID should consider regarding conservation and sustainable forestry actions in coastal Ecuador? For example, are there new threats to coastal ecosystems, or threats that were not adequately addressed by the project, that need to be considered by USAID as opportunities for future investments?

The evaluation concludes that there is still an important demand for technical assistance and mentoring among the different partners and beneficiaries targeted by SFC. This is particularly true in the case of the actors working on the Ecuadorian coast where no other organization is currently

perceived as being capable to filling the role played by SFC. Authorities would actually like to expand the current support received through the project's institutional strengthening activity into other areas like strategic planning.

Protected forests (*Bosques protectores*) were also recognized as priorities for biodiversity conservation in Ecuador where USAID could play an important role. SFC already supported some preliminary activities aimed at documenting the current situation.

Almost 30% of the Ecuadorian PA system was created after 2007 (MAE, 2013). Most of these new PAs are located along the coast and are still in an early development phase. The overall capacity of PA management in the coast is still weak at a time when demand for human talent and technical support for new PAs is multiplying.

Based on stakeholder interviews fisheries were identified as a key priority for future cooperation projects. For example, there is a demand to expand the monitoring of crabs to other geographic regions such as El Oro Province, but authorities would also like to see an integral approach in terms of assessing simultaneously other mangrove resources such as shells, Jaiba crabs and mussels. At the same time, other marine fisheries should be prioritized in terms of promoting tools and governance for sustainable use as well as to gain evidence about the viability of these resources.

In addition, integrated coastal management is recommended as a future priority especially in terms of developing and implementing new tools and capacities to align local and national planning. There is need for strengthening territorial planning of the Ecuadorian Coast at a regional scale where variables such as climate change, oceanic policies, sustainable fisheries and infrastructure can be properly incorporated into an overall development approach.

4.3 Analysis of project strengths and weaknesses by PIR

There is clear evidence that the project is on track in meeting the objectives proposed for PIR 1 (improved management strategies for biodiversity conservation and best management practices) and PIR 3 (establishment of stakeholder coalitions, co-financing and supporting an enabling environment for sustainable management). Regarding PIR 2, the project activities show mixed results and clear weaknesses. The evidence is described below.

4.3.1 PIR 1 Improved management strategies for biodiversity conservation and best management practices

The focus of PIR 1 is promoting biodiversity conservation practices that already have a proven track record of experience in effective implementation in Ecuador. The extensive use of the SB program and support for mangrove concessions as mechanisms to encourage conservation would be the best examples of these practices. This is not to say that the project was devoid of innovative practices but its major strength lies in supporting established programs that offer greater opportunities to complement governmental priorities. This ensures continuous support of decision-makers for project activities which is crucial for successful implementation and sustainability.

The support provided as part of PIR 1 in improving the management of PAs was mentioned as a strength of the project by several stakeholders such as representatives of provincial and national biodiversity departments of the Ministry of Environment and by park directors. The National Park in Machalilla, the Ecological Reserve Manglares Churute, and the Ecological Reserve Manglares El Salado are three examples of this. The project enabled the Machalilla Park Management to develop a strategy for tourism management and control and surveillance that was based on a realistic understanding of circumstances and assisted in the development of a work plan that slowly enabled the management team to introduce order and enforcement capacity. In the case of the Churute Reserve a proposal for the regulation of fishery activities was elaborated and for the Galera San Francisco Reserve the procurement of basic control equipment was supported.

A management effectiveness analysis of the National Protected Area System, implemented by the Ecuadorian Government in 2012 (MAE, 2013), showed that the whole protected area system of Ecuador achieved an average result of 52% of management effectiveness. Compared to this, the average effectiveness of the coastal protected areas is 51% and 51.8% for the four PAs supported by the project (Machalilla National Park, Galera San Francisco Marine Reserve, El Salado Mangrove and Wildlife Production Reserve, the Ecological Reserve Manglares Churute). This suggests that there is still room for improvement of overall management effectiveness of these four PAs although there has been an improvement in control and surveillance schemes and regulation of land use. Interestingly, there is also a large difference in management effectiveness among these four areas. Whereas Machalilla National Park achieves a result of 61% and is among the 10 PAs with the best results, the Manglares Churute Reserve barely achieves 35% effectiveness placing it

among the PAs with lowest results. Thus, it can be concluded that there is still a differentiated need for support in these four PAs, as well as in other coastal PAs to be able to improve their management effectiveness and, thus, their biodiversity conservation efforts.

Some examples of innovative practices that have helped to achieve the objectives of PIR 1 include the project “Sin dejar rastro” (“Leaving no trace”) in Machalilla National Park that aims at preventing the negative impacts of tourism through the signing of an agreement by each tourist that visits the park not to leave any garbage behind. Another example is the project “Sembrar agua” (“To plant water”) in the Galera-San Francisco site which seeks to provide a stable supply of irrigation water through a combination of conservation measures in micro-watersheds. Other examples include the creation of water collection pools, reforestation activities, and the agreement on commercial use of the ivory nut harvested in the Machalilla National Park that grants exclusive user rights to local communities with clear regulation regarding the harvesting methods. Another key innovation supported by the project is the participatory monitoring of crabs, which increased the state’s capacity to gather information and allowed an inclusive approach in terms of analysis and dissemination of monitoring results.

At a more institutional level SFC provided effective support in the building process of the Undersecretary of the Coastal and Marine Resources. The licensing agreement to allow ivory nut harvesting/extraction in the Machalilla Park is considered to have a positive impact from an institutional perspective in terms of channeling stakeholders through a legal/policy process to a successful conclusion. The project’s focus on capacity building in provincial governmental institutions, for example regarding the forest control system in the MAE Santa Elena, provided for a continuous progress towards effective management of natural resources. The project’s contribution to improving the governance of PAs and the introduction of new laws and policies also add to sustainability.

4.3.2 PIR 3: Establishment of stakeholder coalitions, co-financing and supporting an enabling environment for sustainable management

One of the objectives of PIR 3, building networks and coalitions, demonstrates another strength of the project. This aspect of the project was appreciated by stakeholders and perceived as an important building block towards sustainability. The project has been able to display leadership and a subtle touch in encouraging networking and developing coalitions and relationship building

among different groups and levels of private and public stakeholders. It has centred its main coalition building activity on supporting seven conservation coalitions that have been formed and are now operating with various degrees of success:

- 1) Stakeholders in Gran Reserva Chachi
- 2) Stakeholders in Esmeraldas
- 3) Crabbing Associations in Mondragón
- 4) Stakeholders in Ayampe
- 5) National Fishery Institute and Crab Associations Coalition in the Gulf of Guayaquil
- 6) Four Crab Associations to jointly manage 4,434 hectares of mangroves for Isla Escalante in the Gulf of Guayaquil
- 7) Stakeholders in the Chongón Colonche Protected Forest.

The precise nature of the coalitions can take a variety of forms in terms of their size, structures and levels of activism. A few, such as the Crabbing Associations in the Gulf of Guayaquil, have very modest ambitions to protect the interest of local fishers while promoting biodiversity protection. One of the more engaged coalitions is led by the INP that coordinates and implements red crab stock analysis research in which over 26 crabbing organizations are participating. The evaluation did not reveal any major concerns regarding the project's efforts to build these conservation coalitions.

The project has also achieved the objectives of PIR 3 through the modest to strong coordination of the project's activities with municipalities (Puerto Lopez, Jipijapa), provincial governments (Manabí, Esmeraldas, Santa Elena and Guayas) and parish governments. While coordination with the municipality of Puerto Lopez and the provincial government of Guayas was rather limited, cooperation with the municipality of Jipijapa and other provincial governments was pro-active. There is, of course, coordination with governmental institutions including the MAE and the INP. Both institutions acknowledge SFC as a key partner and expressed their interest to further expand the support received to other geographical areas. Also interest was stated in addressing new challenges such as in the case of INP to expand the participatory monitoring program to other fisheries.

Another strength of the PIR 3 elements of SFC is its ability to leverage additional funding. As of 2012, \$ 14,307,976 in funds was leveraged for a variety of conservation and biodiversity activities.

Most of this stemmed from the Government's SB initiative with some additional sources such as Conservation International (see Annex 5 for a complete breakdown). In the case of SB co-financing works with the understanding that the benefits are to accumulate over a 20- year period according to how SB operates. In addition, it is worth mentioning that the project does not only report cases of co-financing agreement directly between the SFC project and another private or public institution. The project also reported funding provided by other organizations for activities supported by SFC as co-financer if this co-financing agreement with the other organization was organized and signed by a third party such as the Ministry of Environment.

On the other hand, the project omitted reporting various cases of monetary or in kind co-financing of beneficiaries of the project in support of different activities which would have increased the amount of funds leveraged. Thus, in general, it is difficult to establish if the project is currently over - or underreporting the co-financing of its activities and it is strongly recommended to better define how and under which conditions contributions of other private or public actors should be reported.

Finally, as part of the objectives of PIR 3 the project contributed to improved environmental governance through its support for improving laws, policies, strategies, plans, agreements and regulations that address climate change (mitigation or adaptation) and/or biodiversity conservation. These institutional elements of the enabling environment for sustainable development are listed below. The project was initially open to, but not explicitly aimed at providing support to national policy making. This additional support came about due to emerging governmental priorities that were adequately channeled by SFC. The additional support on the following matters is due to the positive results previously achieved by the project.

- 1) Forestry law proposal
- 2) Manual for Protected Areas Management
- 3) Support with the development of Environmental Land Use Plans (POAM for their acronym in Spanish)
- 4) Proposal for managing commercial Ivory nut harvesting presented and cooperative agreement signed as a result.
- 5) Ordinance for Security Council in Puerto Lopez
- 6) Ordinance for Environmental Management Unit in Puerto López

7) Ordinance for Land Management Plans (POT for their acronym in Spanish) approval in Jipijapa with Environmental Land Use Plan Activities

Although the Ministry acknowledges receiving support for the first two policy contributions listed above, these policies are yet to be enacted. The forestry law proposal requires approval from the National Assembly. The discussions surrounding it probably occur during the Assembly term that started in May 2013. The PA management model has published an official publication with formal training and other implementation measures planned for the coming months. These processes are now in the hands of new authorities. Since these policies are not fully institutionalized their sustainability is not secured. This creates a reasonable level of uncertainty for their future. On the other hand, since SFC did not aim originally to promote or influence national public policy as a major component of the project strategy, the results achieved were not institutionalized to a higher degree. This would have occurred through systemic tools such as Ministerial Decrees, National Plans, Implementation Manuals, and other legally binding tools.

4.3.3 PIR 2: Local livelihoods improved

The focus of PIR 2 is to improve local livelihoods by supporting priority activities that ensure sustainable use of the resource base for commodities in the value chain. The observations and testimonies regarding the success and effectiveness of the activities and results for PIR 2 are mixed. This is partly due to the selection of sites based primarily on biodiversity criteria. This implied working in rural communities in and around critical habitats that faced structural barriers related to poverty within a rather limited project timeframe.

One of the project's main objectives with regards to PIR 2 is to guarantee conservation of the resource base as the first phase of the production chain. Consequently, it was considered necessary to first define the resource and determine the stock. The next step involved defining the norms for guaranteeing rational use and establishing the regulatory framework before analyzing and implementing commercialization for non-traditional goods. The project implemented this particular approach in the case of crabs and partly in the case of ivory nut thereby creating a strong case and a benchmark example for future efforts to use and commercialize non-traditional goods in the future.

There is also clear evidence that the promotion of several best management practices to improve the quality and productivity of agricultural activities have been successful in all project sites. These

include the promotion and adoption of practices such as the production of bio-fertilizers, crop rotation, counter-slope seeding, and watershed protection.

However, the promotion of tourism and the implementation of agro-forestry systems and/or sustainable forest management did not show the expected results. In addition, the project shows a clear weakness regarding the establishment of commercial linkages for organic agricultural products.

The intention to support the development of a regional tourism strategy in the Ayampe and Chongón Colonche area - in cooperation with municipalities and hotels - did not show the expected results due to political controversies that developed between the different stakeholders. Thus, the project decided to focus on small-scale tourist businesses such as the Dos Mangas community tourism project which proved to be a viable economic option to support local community development.

The project intended to promote sustainable forest management systems in the project sites. This particular activity proved not to be viable because the farms in the area of Ayampe and Chongón Colonche are far too small to implement a successful forest management system. The problem was compounded by the distance to potential markets and the situation of timber value chains that include a high number of middlemen that are involved in establishing viable marketing operations. The SFC project analyzed the market conditions and limitations. This led to the decision to not move ahead with the intended activity. Their study contributed to the understanding of conditions that need to be met to successfully implement sustainable forest management systems.

While the project has clearly shown strong results in terms of the numbers of individuals benefiting from the assistance, several are not performing as well as could be and thus are not generating the expected additional economic benefits. This is partly due to the cultural situation of the target populations who manage subsistence systems and are not used to promoting and selling goods in a market situation. At the same time, the distances of the communities at the project sites to potential markets and the existing infrastructure can be regarded as major obstacles to the successful promotion and selling of goods. Conversely, circumstances were observed through the evaluation whereby individuals were supported in the decision making process regarding the investment of SB funds leading to the decision to grow a particular plant

(cacao in the community of Guadual and San Miguel, for example). After planting, there was little ongoing technical support on how to ensure their proper care. Subsequently diseases of the plants could not be managed in a proper way and a large part of the harvest was lost.

It was not possible to examine the ins and outs of every commercial undertaking, but in general terms the commercial approach demonstrated limited success. There is no quantitative information available on the number of individual money making undertakings that are not performing as expected.

The project identifies 17 commercial linkages that have been facilitated by the project in such areas as organic cacao, fruits, vegetables, live crabs, crab pulp and ivory nut extraction. The project reports that a commercial linkage has been facilitated if a sales contract, commitment, or an invoice has been issued. This means that a commercial linkage is considered to be established even if no sales occur. Very few market linkages have been established that actually show a proven track of sales.

Out of the 16 market linkages that have been reported for 2012,

- 9 are reported to still function in 2013,
- For 5 linkages a proven track of sales has been provided (2 for ivory nut, 1 for timber, 2 for crab sales) with a total sales value of 9961.30 USD for 2012,
- 1 consists of cooperation agreements that explicitly states the obligation of Nova Monda to buy at least 4000 pounds of organic cacao from Ecocacao, of which 2000 pounds were bought at the price of 180 USD/100 pound,
- 8 are backed by a cooperation agreement, which does not include any commitment to actually buy the product subject to the agreement (fruits, vegetables, ivory nut),
- 1 consists of the provision of a vendor space on the Jipijapa municipality market and does not actually prove an established market linkage,
- 1 consists of the establishment of a community bank to support the marketing and sales effort of the agricultural producers in Ayampe and does not actually prove an established market linkage.

If a commercial linkage only functions on a very irregular basis neither economic security nor stable development is created for the project's beneficiaries. Nor is there any indication if the linkage will continue to function in the future. Interviews with key informants of partner organizations underlined the need for a stronger focus on the creation and enforcement of production and productivity support and value chains to link organic farmers with markets. Visits to pilot parcels in the Ayampe and Chongón Colonche site confirmed that while project beneficiaries were certainly satisfied with the technical support received for improving the agricultural production of their parcels, support to establish sales in potential markets was lacking. It was stated that while the quality of their products improved, there was still no market to sell them at a price that justified the extra effort of additional labour and time needed to treat the plants and the soil.

In a similar case the Ecocacao farmers confirmed that they were now able to produce organic cacao of a high quality thanks to the support of SFC. However, they still do not have an opportunity to process their product and sell it at a better price on a potential market. It was mentioned by the SFC team that instead of providing consistent but small amounts of funding to small associations a future project should consider creating a provincial or regional association or strengthening one of the smaller existing ones to be able to bring together a sufficiently large number of producers. This would ensure the production of the required amount of cacao to enter important national or international markets thereby ensuring a stable price level to all participating producers. It would also demonstrate the validity of the continuous application of environmentally friendly agricultural practices among the beneficiaries which would support the overall objective of biodiversity conservation. Smaller associations such as Ecocacao are not able to cover the costs of managing an association with the prices they receive on the current market. In addition, small cacao farmers, such as the ones that form these small associations, lack the commercial expertise to manage an intermediary association successfully. This kind of support could help to make the USAID investment in Ecocacao more sustainable over the long-term.

In general, regarding PIR 2 the project in various cases has not passed pilot study stage (pilot parcels of best management practices regarding forest management, pilot communities to implement bee keeping, or to process ivory nut, etc.). Lessons learned were not included in the project's strategy to provide the technical support needed to achieve a significant enough

production scale and a sustainable means of establishing and maintaining market linkages. This is a concern from a sustainability standpoint.

The scaling up of positive experiences of organic agricultural production in terms of including more small-scale farms would be beneficial in cases where the combined production volume of organic agricultural products is still not enough to meet the minimum amount demanded to sell to certain buyers or markets. The NGO Conservación y Desarrollo (C&D) stated for example, that it would be necessary to include up to 60 more small-scale farms in the organic production portfolio to produce the amount of vegetables and fruits required to sell at a higher price to national potential markets. In general terms, it would not only be beneficial for biodiversity conservation to promote the transformation of current agricultural practices to organic methods of small-scale farms but it would also establish a good example of how farmers operating in biodiverse sensitive areas can achieve the necessary economies of scale when selling organic products.

Several participants perceived that they would have to go back to their old habits, i.e. the application of chemical fertilizers, herbicides and pesticides which, in their eyes, ensures faster growth and a larger harvest volume although at a lower quality. This would ensure a stable income but would put the project's objectives in jeopardy. SFC has gathered evidence that this perception is not valid. It is therefore recommended to disseminate the information collected by the project to support the beneficiaries' long-term adherence to the new agricultural management practices.

Annex 6 provides a summary of the different activities the project has developed and implemented on the project sites, including examples of successful implementation, failures or difficulties faced, and the detailed role of the Chemonics project team in the implementation of these activities. A qualitative overview of the impact on biodiversity conservation, activities implemented to ensure sustainability of the results, and recommendations made by the project team for future activities linked to the achieved results are also presented in the aforementioned annex.

4.4 Women and Minority Group Participation

The overall picture of women's participation in the project is quite positive considering the cultural constraints related to gender balance in most of the sites where the project operates. During the evaluation, good examples of female participation were observed. In San Miguel in the province of

Esmeraldas for example, the administration of the tourism infrastructure project is led by a group of women. Furthermore, women played an integral part in the administration and establishment of the Agroecological Savings and Credit Bank in Muisne (CCAM). Specifically in these cases the evaluation team encountered several female project participants that were actively engaged and were able to openly share information regarding their role and perspective on the project.

However, in light of cultural constraints where the role of women is most defined by managing the household and raising children and not by contributing to household income, the project did not design or implement specific measures to include women in project activities such as female project facilitators. The development of business models aimed at women or educational strategies to strengthen the position of women in community organizations was also absent. Although there was no contractual agreement to do so, it would have been beneficial to consider and implement such measures. The only activity the project team implemented to encourage female participation was the planning of workshops or training activities at a time where women could have the possibility to participate without compromising their daily obligations. Of the 3,657 people trained by the project in natural resource management, 802 were women. However, no information was available on how effective this training of women has been. The project has only generated two isolated case studies concerning the successful inclusion of women in the project. These case studies do not provide reliable information on the project's overall performance regarding gender issues. There could be a monitoring activity added to do follow up work of women who received training and that actually are implementing the content learned in their daily lives.

In terms of minority groups, the project should be recognized for its inclusion of such groups. The majority of the project beneficiaries are minorities (indigenous, Afro-Ecuadorians and "montubios"). The evaluation team, for example, met with a very well organized Afro-Ecuadorian group in San Miguel, Esmeraldas. The Chemonics team, due to their long-standing experience in the different project sites, is working very well with the distinct cultural characteristics of the localities and the challenges and opportunities that are presented.

4.5 Project Monitoring and Evaluation

Overall, the project is doing an adequate job with monitoring its progress. The progress reports are detailed and the Monitoring and Evaluation (M&E) specialist responded effectively to all

requests regarding any issue related to project performance. According to the project's records, the project is achieving and in certain circumstances surpassing its targets. Nevertheless, there are some issues regarding the project's use of indicators and monitoring progress. Comparing the project goals as stated in the Project Monitoring Plan (PMP) 2009 and PMP 2012 with the annual work plans and result reports, there were some occasions where targets and results were reported with diverging numbers (see Annex 7). One general comment concerning the measurement of indicators 1.1. and 1.2 is that although it is not a deliverable used to measure the project's performance, it can be regarded as an area of possible improvement concerning how the number of hectares under improved management is defined. The project regards the entire project site under improved management as long as the general average result of all activities together passes a certain limit established by the project, which omits if single activities were successfully met or not. The evaluation team recognizes the high standard and effort made to establish several monitoring criteria that have to be met before an area can be included under the indicator of "improved management". But beyond the general difficulty in defining appropriate indicators and measurement guidelines, it has to be noted that guidelines like this one might lead to an overstatement of success. Moreover, the results oriented approach and the subsequent evaluation methodology might create an incentive to expand the number of hectares under SB but does not encourage follow up and capacity building to maintain the conservation commitment.

In addition, the measurement of people or households with increased economic benefits relies to a large extent on perceptions of the people interviewed and only in the cases of maximum and minimum economic benefits reported by the sample population, a thorough analysis of the amount of benefits received by the respective household is undertaken. In the rest of the cases only the perception of one person of a respective household is considered enough to measure success. As perception is a rather weak indicator of economic performance; the evaluation team encourages the review of this measurement method. At the moment, the only way to improve this measurement is by collecting data on current income and to compare it to control farms that did not participate in the project's activities or control communities not receiving the incentive of SB. For future projects with an economic component, it is strongly recommended to establish an economic baseline with a practical and manageable level of rigor, and compare the development of the economic benefits, e.g. income, per household on an annual basis.

The evaluation team was constantly asking if there is a difference between communities participating in the project and those with no project involvement. The feedback provided by direct and indirect project stakeholders was that project communities were generally better off. However, apart from the case studies of certain households mentioned there is no solid evidence of this. Having strong information and data available on this matter would appear to be in the interest of the project team.

In addition, the evaluation team strongly recommends monitoring and documenting activities that did not show the expected results as these can be important case studies and provide lessons learned for future projects.

4.6 External factors

There were circumstances impacting on the project that went beyond the control of the project team:

- Rotation of PA managers affects long-term viability of the activities and affects sustainability of key processes and project activities.
- Environmental constraints, such as the climatic factors that impacted kapok wool production or the loss of soil nutrients through the implementation of the practice of terracing.
- USAID administrative procedures such as contract length limit the possibility to develop a long-term approach and commitment. This creates insecurity about the duration of the project
- Land tenure and parcel size that impaired a successful implementation of SB at a significant scale and of forest management systems at farm level.
- Structural constraints faced by targeted communities such as accessibility, capacities and infrastructure.

5 Overall Conclusions

The project has had an overall positive impact on the Ecuadorian coast and has been successful in achieving the majority of its goals proposed up to the moment of the evaluation. The fact that people have responded so favourably to SFC should be taken as a good indication that the project has identified areas where there is openness and a commitment towards better biodiversity protection and conservation. The interest in determining ways to generate income through better

conservation practices is also highly encouraging because it is contributing to the country's conservation strategy.

The creative added value of SFC was not in the selection of activities but in the manner in which project activity was carried out in terms of facilitating a favourable interaction between beneficiaries, implementing organizations and governmental departments. Strong goodwill exists to improve conservation and biodiversity practices and this should be encouraged even further.

Equally encouraging is that the project was in fact embraced by Ecuadorian Government representatives. With the Government of Ecuador increasingly able to finance its own development activities there would seem to be a number of possibilities that could be envisaged to further the foundation established by SFC through an approach that relies largely on providing quality technical support to stakeholders to carry out very specific mandates. It is true that the project demonstrated that directing expenditures in relatively small amounts can be done in an effective manner. However, although the project is not a procurement-oriented project, there are some circumstances where openness to using financial resources with less restriction would have been more beneficial.² Another option would be to encourage a greater use and replication of the financial tools that were developed such as community banks like CCAM in Esmeraldas and Codesarrollo in Ayampe that can support entrepreneurial activity that is tied to improving better biodiversity protection and conservation. Although SB proved to be a great project asset, it does appear that Ecuadorian stakeholders are also looking for other pro-active incentives for protecting nature, such as the expansion of mangrove concessions or other types of natural resource concessions that will allow opportunities for economic gain.

Governmental actors gave the evaluation team the impression that they would like to see future USAID projects extended to other geographical areas to cover other PAs, such as the PAs in Pacoche, Santa Elena, Corazón y Fragatas and Mache Chindul. Before considering this, it is important to recognize that the current programming areas of SFC require further assistance. The project has started a lot of good initiatives but many are seen as being still full of untapped potential as opposed to being close to reaching their full potential. There are opportunities for more activities and demonstrations for future project activity that could provide better examples

² The perception of many project stakeholders is that there are severe limitations on what can be purchased through a USAID project based on USAID policy and guidelines.

for Ecuador moving forward. This would include the exploration of how licensing agreements similar to the ivory nut production in the Machalilla National Park can be established in PAs.

Currently, there is no other project similar to SFC in Ecuador and it has clearly struck a chord. There is also no other project foreseen that could bring about what SFC is accomplishing. This is not to say that there are no other types of cooperation, but they do not carry the weight of SFC. It has established a broad template of areas to be considered for future activity. The strengths and effectiveness of many elements of the SFC is a good cause to consider the project as a starting point for the future planning of USAID activity.

Regarding PIR 1, the project achieved the goals set for improved biodiversity management through initiatives that supported national conservation programs such as SB and mangrove concessions, as well as through a continuous support for PA management and the promotion of best management practices for agricultural activities.

Regarding PIR 2, the project shows mixed results concerning the improvement of local livelihoods by supporting priority activities that ensure sustainable use of the resource base for commodities in the value chain. While there is clear evidence that the promotion of several best management practices to improve the quality and productivity of agricultural activities have been successful in all project sites, activities to establish sustainable market linkages and generate additional household income did not meet the expectations.

As for PIR 3, the project demonstrates a strength regarding the establishment of networks and stakeholder coalitions. This aspect of the project was appreciated by all stakeholders and perceived as an important building block for sustainability. Another strength of the PIR 3 elements of SFC is the project's ability to leverage additional funding. As of 2012, \$ 14,307,976 in funds was leveraged for a variety of conservation and biodiversity activities.

In contrast to the project's performance, it is hardly possible at this point in time to evaluate the project's impact on biodiversity conservation since this will only be visible over the long-term and depends to a high degree on the commitment to permanence and continued efforts. It is however discernible that the project had an important impact through the participatory monitoring of the state of natural resources. This is especially evident with the crab stocks in the Gulf of Guayaquil and the characteristics and management of ivory nut plants in Machalilla National Park and the Chongón Colonche area. These studies generate information and are pioneer case studies with

high possibility for replication in other regions and for other natural resources to support national efforts to design sustainable natural resource use schemes of biodiversity inside and outside of protected areas. However, to enable the replication and scaling up of these activities and experiences, long-term commitment needs to be ensured to promote and further lessons learned. Finally, an obvious impact on biodiversity conservation was achieved through the support to PA management such as tourism and land use regulations and support to the development of control and surveillance schemes. In this case, due to staff rotation in the protected areas, there is a constant risk that lessons learnt and knowledge will get lost with the rotation of park managers. This risk is especially increased due to a lack of established and written policies concerning the management of protected areas.

6 Lessons Learned

The principal lessons learned from SFC include its importance for biodiversity conservation on the Ecuadorian coast, the inclusion of the Ecuadorian Government in project activity planning, as well as lessons learned for future project design regarding expectations and objectives for economic development components.

Part of the project success derives from its approach towards planning. Instead of preparing a plan internally and seeking government support afterwards, SFC assessed needs with local and provincial authorities first and presented cooperation alternatives based on mutual interest. Later on, this cooperation was extended to national authorities after the project had proven to be successful on the ground. The general perception of authorities at all levels confirms that this approach is more inclusive and encourages commitment towards addressing national needs and priorities.

The project should be credited for strengthening USAID's operations in the Ecuadorian coast. The relationships and accomplishments found during the evaluation process should be considered as an important step towards a longstanding commitment to working in this geographic region.

Although the original project's expectations were met, the extent of the support was limited by the relatively short life span of the project and several activities could require further assistance and support from USAID after SFC is over. The role of international cooperation in Ecuador has changed in recent years. Most of the major sources of cooperation funding available for environmental activity are currently co-managed by the Ministry of Environment. Harmonization

and alignment with national priorities and political emerging needs seems to be the only possible way to succeed in today's environmental scenario. USAID projects in Ecuador do not mobilize large amounts of resources and are not co-managed by national authorities like the case of the German Cooperation. USAID makes a greater contribution at a different scale, prioritizing action oriented initiatives in local areas partnering with governments and civil society to increase capacities and transfer human talent.

Some impacts of the project might not be long-lasting. Most of the reasons of this assumption are related to a weakness regarding tools and guidelines to incorporate sustainability into planning, implementation and decision-making. This leads to conclusions regarding a number of lessons learned:

(a) The absence of a clear definition from the beginning when the project would end, introduced uncertainty for the different stakeholders.

(b) The uncertainty regarding who will be responsible for the follow-up of existing activities, particularly concerning the study and management of natural resources (e.g. ivory nut) and promotion best management practices. Stakeholders and beneficiaries might not identify a responsible entity to take the lead after project funding is over.

(c) The perception is that project targets were too ambitious considering that the lifetime of the projects was maximum five years and there was great uncertainty regarding new phases or extensions. Since several activities were conducted in the short run and the overall duration of the project was short, there is very little time to ensure sustainability in the long run (myopia).

(d) Little attention was placed in the design phase on the risk to monetize and incorporate rural communities towards market economy. Business skills, knowledge, attitudes and values were promoted without sufficient attention to cultural and social risks and this type of programming should be avoided. It is probably unrealistic to expect people who have never thought of running a business to succeed in a few years, but they could gain skills towards being able to do that. The fact that these projects are located in hot spots and protected areas usually creates additional difficulties in achieving financial sustainability. Therefore, it should not be a surprise that only a few productive activities and processes remain in place after time.

There is a current discussion within USAID regarding the combination of biodiversity conservation and economic growth. At the moment, there is no common understanding about which type of projects and activities can be financed through biodiversity earmarked funds (Annex 9). To achieve both, economic and biodiversity related goals and results, is a clear challenge regarding the strict conditions that biodiversity earmarked funding implies. The USAID Biodiversity Code demands that investments in productive activities need to support biodiversity conservation objectives as an overwriting principle. They are not intended to support economic development or improved living conditions in the first place, only if they in turn contribute to biodiversity conservation. This puts a strong limit on the ability to support productive processes and the investment in scaling up production to support local livelihoods.

Facing time constraints and budget limitations for the design and implementation of projects it seems not very recommendable to include objectives and components of poverty alleviation and improvement of productivity in USAID projects that have a short duration since these components require long-term commitment. Thus, it would be more feasible and promising to focus on areas where USAID capacities could offer an important support to national needs such as technical assistance, human capacity development and applied research which would all contribute to improving biodiversity conservation in Ecuador. On the other hand, if USAID expects to continue working on poverty alleviation and structural changes, a different type of contract design would be recommended. This would envision long-term commitment from the beginning with the respective amount of budget and avoids a rush for results that can be counterproductive in working with local communities.

By continuing the support for sustainable production and commercialization of NTFP (cap straw, ivory nut) and organic cacao positive results can be generated in the long term; however, under current socio-economic circumstances of the beneficiaries, it should not be expected that major economic income changes and major changes in market structures will occur within the limited project timeframe.

7 Recommendations

7.1 For the Project Team

- To continue the project with a focus that recognizes what has been achieved to date and what is needed to ensure long-term sustainability of project activities. To achieve this it will be important to document the lessons learned and recommendations in a more didactic and policy-relevant manner for future protected area management to avoid loss of information due to a high rate of staff rotation.
- To put a strong emphasis on ensuring the sustainability of established market linkages.
- To monitor and document activities that are not working out or examples of failures to capture information on lessons learned for future projects.

7.2 For USAID

- To continue to collaborate with the Government of Ecuador to support the coastal areas of the country on conservation matters, follow up the most successful activities such as mangrove concessions, SB and technical assistance to PAs, and orient the design of future projects to the interests and priorities of the Ecuadorian Government.
- To continue providing technical assistance, especially regarding the development of human resources and applied research concerning biodiversity conservation in but not limited to the following areas:
 - Biodiversity inventories and research on natural resource stocks (e.g. ivory nut, cap straw, kapok wool and fisheries).
 - Adaptation to climate change.
 - Scientific impact modelling (e.g. of climate change and vulnerability).
 - Develop and implement new planning tools and capacities to align the National Plan of “Buen Vivir” with local and national planning for integral coastal management and conservation of protected areas.
 - Support of the two new national universities, Yachay and Universidad Amazónica, which will take the lead in biodiversity research.
- To continue to work with communities that only recently receive support from SFC as well as to support NFTP and fishery products that require the establishment of more market-

oriented management procedures, now that a sustainable level of use has been proven, e.g. crabs.

- To support the development of further incentives for communities to continue protecting mangroves and forests, as well as sustainable use of natural resources.
- To continue exploring options for promoting new types of partnerships that can lead to opportunities to leverage further financing.
- To promote access to financial resources for conservation friendly economic activities and support efforts to strengthen existing tools and capacities for the establishment of microenterprises (e.g. community banks and other credit facilities).
- Instead of providing consistent but small amounts of funding to small agricultural associations, consider creating a provincial or regional association or strengthening one of the smaller existing ones to create the economies of scale through a sufficiently large number of producers that will improve profit margins and establish new marketing opportunities.
- To support and further participatory monitoring of natural resources, multiply the existing governmental capacity to manage natural resources and increase awareness and technical skills along various value chains as a means of presenting fully realized success stories. This kind of technical assistance is considered a priority for future collaboration in the Ecuadorian Coastal area.
- To develop projects that support reforestation and enrichment of existing forests as a means to create economic alternatives for local communities.
- Given US expertise in the field, to support tourism management in Pas and the improvement of control and surveillance schemes and land use regulation in PAs.
- To implement an integral management approach for farms that promotes conservation of biodiversity (enhancing forest quality by restoring and enriching forests in combination with managing ivory nut and cane for economic purposes).
- To continue working with communities that former and current USAID projects have been supporting (e.g. communities receiving SB incentives and consolidate their management plans) and providing support for PA management in Ecuador, especially the regulation of land use and use of natural resources in the PAs (agriculture, fisheries, tourism etc.). Specifically, to support PAs that do not receive support from other donors.

- To select project staff and seek cooperation with organizations that have strong expertise in topics such as economic development, community development and other critical areas to avoid long learning curves or try-and-error-experiments by the implementing party.
- To consider including the Ministry of Agriculture (MAGAP) as a government counterpart and partner for future projects. This ministry is definitely more closely involved in activities such as good agricultural practices. This would create a greater possibility of leading into follow up activities that could promote the adoption of these practices in other areas of the country.
- To include an explicit gender approach in the project design that is clearly integrated into the definition of objectives and target group activities and the selection of project sites.
- To include an explicit gender approach in the planning and implementation of activities that incorporates the planning of workshops specifically targeted at women to give them the opportunity to speak their mind, engage female facilitators and design project activities specifically focused on women.
- To plan the project's duration with the maximum timeframe possible and include a contractual possibility to shorten it in case of budget restrictions, rather than initially planning for a short project period with the possibility to be extended annually. New projects should focus from the beginning on what is possible to achieve considering the timeframe.
- To establish indicators and deliverables linked to building capacity of the local people to participate in markets that can complement indicators and deliverables related to market links and income.
- To include the construction of a baseline and a detailed threat analysis in the activities to be implemented by the contractor. This will create the ability to analyze the validity of the initial assumption that pressures to biodiversity are based on the absence of economic alternatives over the long term.
- To improve the project's monitoring and evaluation practice in relation to tracking the involvement of women and minority groups in the project and the effectiveness of their involvement with a special focus on the economic benefits derived by these beneficiary groups.

- To extend the number of indicators used to monitor the project's activities that can measure a broader range of context variables (politics, behaviour of other actors, economic development, social conditions etc.).
- Where possible, include control communities at the time of the establishment of the baseline to provide for possibilities for comparison and better measurement of a project's impact.
- To clearly define when a financial or in kind contribution by a third party can be or has to be reported as co-financing of project activity.
- To establish cooperation amongst USAID projects as a condition in the contract design to strengthen USAID's conservation portfolio and enhance the sustainability of future projects.

Annex 1 Statement of Work

1 INTRODUCTION

Following USAID Evaluation Policy of January 2011, the mid-term performance evaluation of the USAID/Ecuador Sustainable Forests and Coasts Project has two main purposes: accountability to stakeholders and learning to improve effectiveness (USAID Evaluation Policy, Bureau for Policy, Planning and Learning: January 2011). This performance evaluation is meant to contribute towards both of these purposes, measuring progress towards project goals and providing information to inform future decision making.

C.2 BACKGROUND

Ecuador is counted among the earth's mega-diverse countries and holds one of the highest concentrations of species worldwide. The country's rich ecosystems are fragile and have been exposed to increasing anthropogenic pressures during the past decades.

The average annual deforestation rate is 1.8%. The high demand for luxury products such as lobster, sea cucumbers and tropical timber contributes to the overexploitation of flora, fauna and marine life.

Productive activities, including extensive agriculture, shrimp farming, and timber extraction, contribute to and exacerbate this environmental degradation and represent significant threats to biodiversity. This is especially the case for coastal forests, mangrove and coastal ecosystems.

The principle underlying causes of these problems are: (i) the inequitable access to and use of natural resources; (ii) the reliance on an economic model based on intensive natural resource exploitation and the lack of economic alternatives, especially in case of the rural population; and (iii) the lack of institutional and governance capacity to manage the country's natural resources. In order to overcome these problems, it is imperative to prioritize ensuring sustainable use of the resource base for commodities in the value chain and developing sustainable economic models to ensure local livelihood, improving the legal, institutional and financial structures and capacities in order to enable the integrated and participatory management and sustainable use of the natural resources; and, ensuring a concerted effort and investment in activities that aim at minimizing the loss and alteration of habitats through private public partnerships.

In order to ensure the validity and effectiveness of the activities being carried out by the project, it has been deemed necessary to conduct a midterm evaluation of the project's performance.

A key focus of the evaluation will be to assess the sustainability of the achievements of the project to date and to determine the strengths and lessons learned of the project to be built into the design of future strategies and activities for conservation of biodiversity and tropical forests in Ecuador.

DESCRIPTION OF THE FORESTS AND COASTS ACTIVITIES

Project Objective

The Sustainable Forests and Coasts project seeks to conserve biodiversity in critical habitats along the Ecuadorian coast and benefit communities that live in and/or around these areas.

Site-based work should be tied to improvements in national-level policies. All funds must be attributable to USAID's formal definition of biodiversity programs (see: http://www.usaid.gov/our_work/environment/biodiversity/code.html)

Regions

The project focus on the following geographic areas that were prioritized based on their importance for biodiversity: 1) Gran Reserva Chachi and its buffer zone, 2) Galera San Francisco Marine Reserve and its related watersheds, 3) Machalilla National Park and the Ayampe River Watershed, 4) Gulf of Guayaquil (including the Churute Mangrove Ecological Reserve, the El Salado Mangrove Wildlife Production Reserve and the mangrove concessions), 5) Chongon-Colonche Protected Forest and 6) the Guayas Province.

The strategic components of this project are:

I. Improve biodiversity conservation in critical habitats: Implement activities under the strategy for minimizing the loss and/or alteration of habitats, including remnants of high biodiversity areas, through improved management and rehabilitation of critical terrestrial and coastal marine areas (especially in habitats located in government protected areas), public policy advocacy, and climate change adaptation measures.

II. Improve local livelihoods: Support priority activities that ensure sustainable use of the resource base for commodities in the value chain. Some examples of this are monitoring red crab stocks to ensure their sustainable harvesting and surveillance and control for the protection of mangroves, which are the resource base for the red crab value chain that generates some US\$65 million for over 4,000 families.

Another example is improving incomes through the application of improved forest resource extraction methods, the application of best practices in natural resource management, and access to economic incentives such as the Government of Ecuador conservation initiative *Socio Bosque*.

III. Partnerships formed for ongoing support to biodiversity conservation:

Support centers on empowering the Ministry of Environment (MAE), local governments, grassroots organizations (such as EcoCacao and the Federation of the Chachi Centers of Ecuador (FECCHE for its Spanish wording)) and other institutions (such as the National Institute of Fisheries) to play a leadership role in conservation coalitions promoted by the project. In addition, the project provides technical assistance on environmental policy to the MAE, for example, support to develop a draft Forestry Law in the Environmental Code, regulatory modifications of the Biodiversity chapter, and the reworking of key chapters on Climate Change and Environmental Services, the development of a new model to manage the Protected Areas, and the development of a Provincial Climate Change Strategy for the Guayas province.

Contract No. EPP-I-00-06-00013-00 T.O. 377 was awarded on June 12, 2009 to Chemonics International Inc. Sub partners included Rainforest Alliance, University of Rhode Island and local organizations: Conservación y Desarrollo, EcoBiotec, Ecolex and Altropico. Furthermore, additional local organizations also became project sub partners: CIIFEN, BioEducar, Instituto Nazca and EcoCacao. This is a cost plus fixed fee completion type task order for a total period of performance of five years, three years base period and two one-year option periods. The estimated completion date is June 14, 2014. The total estimated cost ceiling of this contract including the option periods is approximately \$15,000,000.

Given that this project will end in approximately 15 months, USAID intends to assess its progress towards project goals, determine key needs in ensuring a smooth step down of the current program, and also identify how to build on the strengths of this program to address future needs and priorities. To inform this process and future strategies, USAID will carry out this evaluation to

examine key questions relating to the effectiveness of performance and sustainability of the achievements of the Sustainable Forests and Coasts program and other issues that will help inform the development and execution of future activities to conserve biodiversity and tropical forests in Ecuador.

OBJECTIVES OF THE EVALUATION

The purpose of this contract is to conduct an evaluation to:

1. Examine the effectiveness of the performance and sustainability of the achievements of the USAID Sustainable Forests and Coast project.
2. Determine the priority activities for the remaining period of the project to achieve success.
3. Explore options for future activities to conserve biodiversity and tropical forests at the national level, in particular in Coastal Ecuador.

SCOPE OF WORK

I. TECHNICAL APPROACH AND IMPLEMENTATION PLAN

Ecuador's rich biodiversity faces increasingly serious threats including deforestation, climate change, the expansion of areas dedicated to livestock and agriculture, and the presence of contaminants. These threats arise from a lack of environmental policies, weak enforcement of existing laws and regulations, incomplete land tenure systems, limited management capacity, and few alternative economic opportunities.

Evaluation Questions

To generate relevant findings, conclusions, and recommendations, below are listed the primary evaluation questions, which USAID considers essential to assessing the performance of the Sustainable Forests and Coasts Project and to inform future programs development and implementation.

1. To what extent is the project on target to achieve the intended results?
2. Does the initial project design (and the assumptions on which it was based) still make sense?
3. What are the priority activities for the remaining period of the project to achieve success, and what changes, if any, should the project make to ensure the timely organized closure of its work?
4. To what extent will the project's activities be able to continue after the close of the project, and might there be steps that the project can take to ensure greater sustainability?
5. What are the respective views of USAID, relevant Government officials at the local and national levels (e.g., Ministry of Environment, Guayas Provincial Government), implementers, and beneficiaries with respect to strengths and weaknesses in the design, implementation, and management of the project's activities?
6. What are the key tools, threats, and opportunities that USAID should consider regarding conservation and sustainable forestry actions in coastal Ecuador? For example, are there new threats to coastal ecosystems, or threats that were not adequately addressed by the project, that need to be considered by USAID as opportunities for future investments?

Implementation Plan

In general, the implementation of the evaluation will be guided by a participatory and inclusive approach that will rely on a strong mix of data accuracy and a reasonable level of stakeholder's participation. The evaluation process will come to clear conclusions regarding the various project

phases and activities concerning their contribution towards the project's initial objectives and to identify and understand the factors contributing to both success and failure. The analysis of the results of each phase will focus on the outputs and outcomes achieved in the communities in the project sites. The team will encourage a close relationship and active interaction with the local USAID office, the Project Implementer, the Ministry of Environment, local organizations (such as EcoBiotec, Ecolex, Instituto NAZCA, BioEducar, CIIFEN, Instituto Nacional de Pesca, Conservacion y Desarrollo, and EcoCacao) and local communities participating in the project's activities.

As a **first key task** the team will construct the evaluation framework that combines the six key evaluation questions. This initial exercise should define the scope, extent and qualitative and quantitative key indicators that are fundamental to evaluating the sustainability and effectiveness of USAID investments and interventions concerning the achievement of the goals proposed in the logical framework of the Project and its achievement of long-term conservation of Ecuador's coastal biodiversity and the support of sustainable local development that builds on stakeholder needs. The evaluation framework will use the logical framework of the Project to base the development of qualitative and quantitative indicators on the initial project goals and indicators given by this framework. Basing the elaboration of this framework on the initial logical framework will support especially, but not exclusively, the answering of the evaluation questions 1, 3 and 4.

According to the Sustainable Development Strategies: Resource Book, (2000) the following are the key areas to be observed when analyzing sustainability; hence, the team will use them to analyze the sustainability of USAID environmental investments:

1. Strategic management: (environmental, economic, social)
2. Communication and awareness-raising mechanisms
3. Financial resources, mobilization and allocation
4. Information systems: tracking trends, issues, needs; research and analysis
5. Monitoring and accountability mechanisms
6. Negotiation and conflict management
7. Participation mechanisms
8. Prioritization, planning and decision making mechanisms
9. Change management mechanisms including pilot activities

In addition, the team will look into **the impact** of the Project concerning the management effectiveness of the supported protected areas, capacity building of protected area staff and in the communities participating in the Project regarding the management of the local production processes and business planning, adequateness of local production processes and business planning concerning market demand and environmental sustainability, tools for effective management and revenue generation; and the impact on biodiversity conservation in the project sites.

Furthermore, the influence of **external factors** (new threats to biodiversity conservation, local and national politics, economic developments etc.) on the project's performance will be analyzed to support the answering especially of the evaluation questions 2 and 6. Where possible, **quantitative indicators** for each of the key areas will be developed and measured. Where this is not possible, a qualitative analysis will be conducted. This is especially the case concerning the perception of USAID and Government representatives, partner organizations and community representatives.

The development of the **evaluation framework** aims at producing a solid evaluation tool facilitating an integral evaluation process of the project, linked to the guiding questions presented

in the terms of reference. It will feed into the development of an **evaluation matrix** that will be mainly based on the six evaluation questions, and which will be used to focus the review of existing secondary sources as well as to guide in depth and semi **structured interviews** with qualified **key informants**. In addition, further questions will be developed specifically for interviews with important **stakeholders and local community representatives**.

Moreover, it will establish **focus groups** in some of the communities of the project to evaluate in a participatory manner the success of the project and to collect the suggestions for future activities directly from the implementing partners and beneficiaries. This will also help the team to gain a firsthand overview and impression of the effectiveness of activities at different project sites. This analysis will be undertaken in a certain number of communities, which will be selected in coordination with USAID in consultation with the project implementer.

Four **workshops** with focus groups will be held, where representatives of local communities, local governments and partner organizations will be brought together for one day to discuss performance, effectiveness and impact of the Project in the different project sites.

Based on the results of the field visits, interviews and focus groups **profiles of the communities, projects and activities in protected areas** of the Project will be developed, that will be based on the criteria and indicators of the evaluation framework and which will **feed into the evaluation of the Project's impact and sustainability** and help to develop recommendations for future activities.

The Contractor will undertake a **comparison study** between these communities and a select number of communities close to the project intervention sites that are not part of the project's activities. These control communities would have not benefitted or been influenced by the Project. In choosing the comparison communities the focus will be identifying communities that are as similar as possible to those participating in the project. This should provide another vehicle for identifying both negative and positive impacts of the project. Another possible point of reference for the evaluation would be to visit surrounding communities that have been the focus of some form of development assistance that could be considered as trying to achieve similar impacts in terms of improving overall community or household wellbeing. This could provide perspective on effectiveness of the Sustainable Forests and Coasts Project on such matters as stakeholder engagement and the overall soundness of the project design. For both comparison and project communities, profiles will be developed that will outline and analyze the current situation in these communities. From these community profiles a **Meta analysis** will be conducted that will focus on the Sustainable Forest and Coasts Project and its impact. This process will lead to a small number of **key recommendations** that are practical in orientation that will be beneficial both to the project and participating communities, USAID and the Ministry of the Environment in Guayaquil, Esmeraldas, Manabi and Quito.

An **initial or pilot project** and comparison community will be visited to test the questionnaires that will be used in each community. After these initial visits further modifications will be made to the questionnaire. It is felt that a ratio of 3 to 1, project to comparison communities will be adequate. The control communities that will be selected may not be representative from a statistical point, but will provide USAID with a benchmark that will enhance future evaluation activity of the project.

Once the evaluation results are gathered from the project sites, the Contractor will focus on **external factors** (opportunities and threats) influencing the sustainability of the results, as well as the **identification of potential strategies and activities for the remaining time of the project and possible future conservation and sustainable forestry actions in coastal Ecuador**.

The Contractor will also rely on **secondary sources of information**, including existing project plans, progress reports, technical documents, performance monitoring plan, data quality assessments

and other sort of analyses. In addition, the Contractor will review any other available data sources provided they contain useful information and that would assist greatly in shaping the evaluation.

Information collection

The literature review will rely primarily on analysis of existing information and assessment reports, which will include the programmatic data sources provided by USAID, as well as, project reports of prime and subcontractors/sub grantees at the different project sites. In addition to the interviews with key informants, to get access to the mentioned reports, the Contractor will seek direct contact with other local project managers and representatives of the different organizations that generated such information. This will provide the opportunity to ask further questions about their experience and perceptions.

Analysis

The information will be synthesized and analyzed by the Contractor to gather the elements for a first draft evaluation report, including the major findings. After the review and feedback from USAID on the initial evaluation report, a subsequent draft of the evaluation report will be submitted to a limited number of key people, such as local USAID's partners that were interviewed during the information gathering phase to validate the report's findings. This will create appropriation and build consensus regarding the findings of the evaluation report.

One main objective is to arrive at a small number of recommendations that are practical in nature and that reflect a realistic understanding of the achievements of the project to date, and help to identify influencing factors and the possibilities for making improvements in project performance in remnant of project implementation and future USAID investments in coastal Ecuador. During the development of the evaluation report, special attention will be given to include recommendations that are harmonized and aligned with current and future USAID's policies and strategies.

Draft final report

A refined document containing structured elements will be shared and discussed bilaterally with key people that were interviewed in the first phase. More specific level of detail and additional information that may be needed to prepare the final report and other documents as well will be obtained through rapid meetings with experts and other organizations that were involved in the process.

II. PERFORMANCE PLAN

The Contractor's performance will be evaluated based on the completion of specific tasks as outlined in the contract, adherence to the work plan, and reports submitted to the COR, as follows:

1. Planning Meeting. The Contractor must have a planning meeting with USAID/ Environment Team to commence the evaluation. This meeting will take place in Quito, Ecuador at USAID offices. The Contractor must schedule this meeting with the COR. One of the key outcomes of this meeting must be the finalization of the Evaluation Design (including a work plan) for approval based on this SOW.

2. Pre-evaluation meeting. The Contractor must conduct a pre-evaluation meeting with Chemonics to present an overview of how the evaluation will be carried out, including

methodology, as well as to define lines of communication among the evaluation team, the project team and USAID. The Contractor must schedule this meeting in coordination with the COR.

3. Evaluation design including work plan. Please refer to number one above. The Contractor must submit this document for the COR approval within two days after the planning meeting.

4. Draft Performance Evaluation Report and Ideas for the future. The Contractor must submit this report in English and Spanish to the COR within 21 business days after the initial meeting. This will include a face-to-face meeting. USAID will provide feedback in five business days after receipt. This draft report will have clear assessment of overall progress (achievements and challenges, if any, and ideas for future USAID investments), conclusions, recommendations, and address the priority questions discussed above.

5. Final Performance Evaluation Report and Ideas for future USAID investment in Coastal Ecuador and at the national level. The Contractor must make a presentation of the findings and recommendations to the USAID/Environment team, other USAID and U.S. Government officials. Based on feedback from the presentation, the Contractor must then submit a final draft report to the COR. After one calendar week, USAID will provide feedback to the Contractor to finalize the performance evaluation report.

a. The final report must be in English and Spanish and no longer than 40 pages total, excluding annexes.

b. The final report must address all evaluation questions included in this SOW and comments received from USAID on the Draft Performance Evaluation Report.

c. The final report must represent a thoughtful, well-researched and well-organized effort to objectively evaluate what worked in the project, what did not and why, and the opportunities for future USAID investment in coastal Ecuador.

d. Evaluation methodology must be explained in detail in the report itself and all tools used in conducting the evaluation will be included as an annex.

e. Evaluation findings should be presented as analyzed facts, evidence and data and not based on anecdotes, hearsay or the compilation of people's opinion. Finding should be specific, concise and supported by strong quantitative or qualitative evidence.

f. The final report must include action-oriented, practical and specific recommendations assigning or designating the implementer to improve performance as appropriate and for the remainder of the Task Order. Also, the report must include same type of recommendations for USAID future investments in coastal Ecuador and at the national level, as appropriate.

g. Evaluation finding will assess outcomes and impact on males and females, indigenous and afro Ecuadorian groups, and people with disabilities (as relevant).

h. Limitations to the evaluation must be disclosed in the Final Report, with particular attention to the limitations associated with the evaluation methodology (selection bias, recall bias, unobservable differences between comparator groups, etc.).

i. Annex requirements: The evaluation report should include as an annex the performance evaluation statement of work. Data sources need to be properly identified and listed in an annex and in accordance with (d) above, all tools used to conduct the evaluation must be included as an annex.

j. Within one week of completion, the Contractor must submit one original and 10 copies in both languages, English and Spanish of the Final Report to the COR and one copy to the USAID Development Experience Clearinghouse (DEC):

Email (the preferred means of submission) is: docsubmit@usaid.gov or online:

<http://dec.usaid.gov> or through the U.S. Postal Service Delivery to the following address:
USAID Development Experience Clearinghouse
Document Submissions
M/CIO/ITSD/KM
Ronald Reagan Building M.01-010
U.S. Agency for International Development
Washington, D.C. 20523-6100
USA

6. Final Public Presentations. At the conclusion of the work, the Contractor must conduct debriefings (presentation/discussion of final report) for USAID/ Environment team, other USAID and U.S. Government officials, project implementers, and other relevant stakeholders as USAID deems appropriate, to discuss major findings and recommendations.

Annex 2 Project Description

Project Intermediate Results and Key Result Areas according to the contractual agreement between Chemonics Inc. and USAID

PIR 1 concerning improved biodiversity conservation in critical habitats reflects the project's main objective, which is biodiversity conservation. All project activities tie into this PIR and address the need to conserve the last remnants of ecosystems and critical habitats on the Ecuadoran Coast.

This PIR includes two Key Result Areas (KRAs):

KRA 1.1 aims at the design of management strategies that address threats to biodiversity and harness opportunities for improved livelihoods. The overarching objective of the activities under this KRA is to create incentives for conservation through efficient management coalitions based on networks of consensus-building and information-sharing among stakeholder groups that develop response strategies to biodiversity threats and management systems, which include surveillance and enforcement. The intervention strategies for this KRA were designed around participatory demonstration projects focused on (1) integrated watershed management that generates water resources to coastal-marine ecosystems, (2) improved management of mangrove concessions and rainforests, and (3) responses to climate change. Activities to achieve this key result include the development of agro-forest-pasture systems that foster best management practices and the interconnectedness of critical habitats, and the facilitation of access to compensatory payment mechanisms for biodiversity conservation, particularly the Programa Socio Bosque.

KRA 1.2 aims at developing and strengthening capacity of local stakeholders to design and implement best practices in natural resource management and respond effectively to threats to biodiversity. It seeks to enable land owners, including community lands, and PA managers in the project sites to secure control over land and resources. In addition, it aims at creating explicit incentives, developing overall PA management strategies and preparing business plans for improved management of tourism. Where land tenure is identified as an obstacle to economic development or threat to biodiversity, it seeks to work with communities to verify and strengthen understanding of their legal rights to land and natural resources.

PIR 2 focuses on the improvement of local livelihoods through economic alternatives, such as sustainable agroforestry-pasture and fishery systems, and creation of incentives for conservation for the poor communities that affect biodiversity conservation in and/or around critical ecosystems in the project sites. It aims at improving, expanding and building capacity and partnerships along value chains based on biodiversity-friendly agriculture, fisheries, wood products, NTFP, tourism and other promising markets, while promoting gender equity. Where demanded by the market, it aims to pursue appropriate certification tools.

This PIR includes three KRAs:

KRA 2.1 aims at creating linkages between markets and environmentally responsible producers. This KRA drives value chain development starting from the market and fosters new enterprise development where needed. The result shall be integrated markets from producer to consumer based on customized best management practices by producers and intermediate processors. The KRA aims at identifying buyers and anchor companies, facilitating visits to and negotiating agreements with producers to increase revenues through better markets, better marketing, improved quality control standards, and certified products. In doing so adherence to environmental and quality standards shall be ensured, and a fair price paid to producers shall be guaranteed. Value chains shall be consolidated by providing strategic technical and financial advice to anchor firms and producers alike to prepare scalable business plans as management tools.

KRA 2.2 fosters the application of best practices along value chains, which involves working with products in existing value chains as well as products characterized by low volume and poor quality, but with the potential to be linked to local markets. This KRA focuses on increasing the capacity of value chains to add value and provide benefits to all its members. The technical assistance offered seeks to improve quality and environmentally friendly production through best management practices and increase value of products and services, through support ranging from strengthening producer groups to training to accessing capital to improving processing facilities to expanding production, thereby creating incentives for conservation.

KRA 2.3 aims at strengthening the sustainability and replication of environmentally responsible markets by ensuring sustainable links between environmentally responsible

producers and markets and biodiversity conservation. The sustainability of these links is sought through the establishment of trade relationships with international traders, local buyers, and export-import businesses to work together in value chain and cluster development, and promotion of best practices that are not project-dependent. It seeks to promote certification processes for agriculture, wood products, tourism, fisheries, and NTFP to expand markets.

Finally, **PIR 3** is concerned with consolidating and promoting partnerships for ongoing support for biodiversity conservation to leverage public and private funds in order to ensure the financing and sustainability of project activities and build institutional capacity.

This PIR includes two KRAs:

KRA 3.1 aims at increasing the flow of public and private investment to support biodiversity conservation by identifying and fostering new, non-traditional funding sources for conservation, such as public-private partnerships, by developing innovative businesses in areas with high levels of biodiversity providing potential investors with verifiable information on the social, economic, and ecological benefits of certification or other BMP systems, market trends for certified products, how certification can hedge risks, and how technical assistance can be built into investments, and through the development and support of payment mechanisms for environmental services, such as carbon sequestration, to ensure sustainability of these activities after project end.

KRA 3.2 focuses on creating and enabling environment for sustainable management at the local and regional level. It is centered on consolidating partnerships, building institutional capacity, coordinating actions and supporting and encouraging government ministries (mainly the MAE and potentially others related to project activities) to actively participate in and eventually lead assessments and analyses, preparation of manuals and curricula. It also aims at providing technical assistance for the development of successful strategies, policies and management plans related to project areas and initiatives.

The project's performance and results are measured through a monitoring and evaluation system that relies on a number of indicators linked to most of the KRA as given in the project framework (Annex 7).

Annex 3 Project documentation reviewed

- Annual Work Plans and Organizational Charts 2009 – 2013
- Coalition Bulletins Ayampe and Esmeraldas
- Project Bulletins 2010 – 2013
- Case Study Success Stories
- Contract and Amendments
- Gender Case Studies
- Biannual Reports 2009 - 2013
- Technical Reports 2009 - 2013
- Protected Area information material
- One Pagers and Pamphlet on Project Activities
- Project Monitoring Plans 2009 and 2012
- Prior Evaluation Reports
- Political Management Proposals for Machalilla National Park
- Publications

Annex 4 List of stakeholders interviewed and participant lists of focus group discussions

Institution	Person interviewed	Position
Ministry of Environment Quito	Isabel Endara	National Director of Biodiversity
Ministry of Environment Quito	Tanya Villegas	Subsecretary of National Patrimony
Ministry of Environment – Programa Socio Bosque	Max Lascano	Program Coordinator
Ministry of Environment – Programa Socio Bosque	Freddy Quiroz	Program technician
Ministry of Environment – Programa Socio Bosque	Nelly Pilamunga	Program technician
Subsecretariat for Marine and Coastal Management	Nelson Zambrano	Subsecretary of Marine and Coastal Resources
Subsecretariat for Marine and Coastal Management	Xavier Carchi	Managing Director of Marine and Coastal Resources
Subsecretariat for Marine and Coastal Management	Ignacio Cordero	Program technician
Subsecretariat for Marine and Coastal Management	Sebastián Paredes	Program technician and Protected Area Manager El Salado
Subsecretariat for Marine and Coastal Management	Jorge Samaniego	Director of the BID GEF Program for Marine and Coastal Conservation
Provincial department of the Ministry of Environment Santa Elena	Robinson Rojas	Subdirector of Forest Resource Management
Provincial department of the Ministry of Environment Manabí	Roddy Macias	Provincial Director
Provincial department of the Ministry of Environment Manabí	Wilton Zambrano	Director of Forest Resource Management
Machalilla National Park	Fernando Vera	Protected Area Manager
Reserva Ecológica Manglares Churute	Diego Rosado	Protected Area Manager
Municipality Jipijapa	Lourdes Chele	Environmental Director
Prefecture Guayaquil	Raúl Carvajal	Environmental Department
Prefecture Guayaquil	Roberto Urquizo	Environmental Department
SETECI	Iván Martínez	Leader of Evaluation Department
INP	Edwin Moncayo	Director
INP (Programa Cangrejo Rojo)	Fedra Zolano	Technician
INP (Programa Cangrejo Rojo)	María Peña	Technician
INP (Programa Cangrejo Rojo)	Fabricio Garcia	Technician

INP (Programa Cangrejo Rojo)	René Zambrano	Technician
INP (Programa Cangrejo Rojo)	Iván Cedeño	Technician
Altrópico	Jaime Levy	Director
Altrópico	Christian Rodas	Technician
Altrópico	Santiago Montaña	Technician
Conservación & Desarrollo	José Valdivieso	Director
Conservación & Desarrollo	Patricio Yucta	Technician
EcoCacao	Telmo Macías	President
EcoCacao	William Vera	Technician
EcoCacao	Raúl Vera	Technician
CCAM Muisne	Mónica Godoy	Subdirector
Ecobiotec	Segundo Coello	Director
Ecolex	Manolo Morales	Director
NAZCA Institute	Juan Carlos Medina	Technician
Rainforest Alliance	Mark Donahue	Executive Director
Conservation International	Roberto Ulloa	Expert for Biodiversity Conservation
Conservation International	Xavier Chalén	Expert for Marine Biodiversity Conservation
SFC	Claudio Saito	Director
SFC	Leah Armstrong	Operations Director
SFC	Cristobal Rodas	Alliance Development Specialist
SFC	Manfred Altamirano	Institutional Strengthening Specialist
SFC	Manuel Bravo	Protected Area Consultant
SFC	Augusto Pinzon	Watershed Management Specialist
SFC	Henry Quiñoz	Evaluation and Monitoring Specialist
SFC	Walter Palacios	Subdirector
SFC	Cecilia Araujo	Field assistant Machalilla and Ayampe
USAID	Paola Zavala	Mission Environment Officer/Disaster Relief Specialist
USAID	Rocio Cedeño	Project Manager
USAID	Heather Huppe	EDGE Environment Team Leader
USAID	Edward Lawrence	Environment, Democracy & Governance Office Director
USAID	Hugo Ramos	Economic Growth Office
USAID	María Lorena Correa	Economic Growth Office

		Director
Asociación Río Matapalo	Máximo Chilán	President
Beneficiario privado Socio Bosque en Pedro Pablo Gomez	Luis Aranea	Private landowner
APAREBAFIE	Julian Murcial	President
Comunidad Dos Mangas	Angel Merchán	President
Fishermen association Soledad Grande	Víctor Pacheco Silva	President
Guadual Community (Socio Bosque beneficiaries)	Wigilio Guañapar	President
Guadual Community (Socio Bosque beneficiaries)	Santiago Montaña	Guardabosque
Guadual Community (Socio Bosque beneficiaries)	Sergio Simarón	Community member
Guadual Community (Socio Bosque beneficiaries)	Jesús Sañapa	Community member
6 de Julio Association	Patricia Flores	President
6 de Julio Association	Margarita Villacís Sabando	Shop owner
	Arnaldo Rodriguez	Consultant and ex-assistant director of SFC

Participant register for Focal Group Discussions

Focus Group 1: Crab Associations Gulf of Guayaquil

Participants:

Luis Lopez	President Association 6 de julio
Angel Beltrán	President Association Balao
Alonso Mejillones	President Association Nuevo Porvenir
Rafael Olivo	Manager Association 6 de Julio
Diego Vasquez	Manager Association Nuevo Porvenir
Ignacio Molme	Vice President Association Nuevo Porvenir

Focus Group 2:

Communities San Miguel y Chispero in Gran Reserva Chachi

Rocio Nazareno	Rocio
Elvira Luz Corozo N.	Elvira Corozo.
Merlin Nazareno	Merlin Nazareno
segundo Medina	Manuel
Maria Nazareno Lopez	Manuel
Livia Nazareno	Manuel
Angel Nazareno	Manuel
Rosendo Nazareno Ayovi	Rosendo
Luis Alberto Nazareno	Amf.

Focus Group 3:

EcoCacao in Galera-San Francisco

Barbudo - eduardo - R	Barbudo
Luis GONZALEZ	Luis GONZALEZ
William Vera B.	William Vera
Ela de 23, 20/	Ela de 23, 20/
Leguis, Castro	Leguis, Castro
Dominic Bay	Dominic Bay
Jose M. Vasquez	Jose M. Vasquez
Eduardo CASTRO	Eduardo CASTRO
Segundo E. Vera	Segundo E. Vera
Betty Boni Amelio	Betty Boni Amelio
Raul Vera Bermudez	Raul Vera Bermudez
Amos de Bon	Amos de Bon
Telmo Macias	Telmo Macias
Magdaly Queiroz S.	Magdaly Queiroz S.

Focus Group 4:

Community Las Crucitas in Manabí

Alomhe		Firsona
Jessenia Pelay	x	Alomhe
Franklin Pelay	-	Franklin Pelay
Jasual Melero		Pasual & Melero
Elio Pelay		Elio
Williams Pelay	x x	Williams Pelay
Anibal Franco	x	Anibal Franco
Mercedes Chameay		Mercedes & Chameay
Silvia Pelay		Silvia
Abba Motel	x	
Molly Franco		Molly Franco
Silvia Franco		
Mirker Franco		

Annex 5 List of project results as of September 2012

The Project continued reducing threats to biodiversity conservation in six priority sites along the coast of Ecuador. The following is a summary of results to date through September 30, 2012:

- 38,745 hectares (ha) 2 of natural forest being protected under the Socio Bosque Program for which 9.1M USD in cash-for-conservation payments have been committed, benefiting over 11,000 people.

- As part of technical assistance to meet Socio Bosque requirements for applying for conservation incentives, to date the Project has provided legal and technical assistance with land titling for 6,864 ha (406 ha in Esmeraldas and 6,458 ha in Ayampe), which will benefit 495 people and result in increasing property values by approximately 170% -- 1,441,524 USD in total value. This semester the Río Blanco community received their title for 1,652 hectares, benefiting 93 people. In addition, in Manabí five families received their land titles for a total of 703 hectares.

- 295,816 ha under monitoring and oversight systems:
 - Churute Mangrove Ecological Reserve/Concessions, 65.110ha
 - Centros Chachi Sabalito, Capuli, Guadual and Calle Manza, 8.108 ha
 - Ayampe River Watershed/ Machalilla National Park: 167.977 ha
 - Galera San Francisco Marine Reserve, 54.621 ha

- 26,920 ha under new Mangrove Concessions (representing over 80% of concession areas in the Gulf of Guayaquil) and successfully renewed a concession with 1.284 ha.

- 2,889 ha of forest under protection/regeneration
 - Ayampe River Watershed, 1.556 ha
 - Esmeraldas, 1.333 ha

- 11,120 people with increased economic benefits:
 - 8740 people as a result of the Project's assistance in obtaining Socio Bosque economic incentives as well as resources obtained from the PMRC for surveillance of mangrove concessions.
 - 120 people as a result of new commercial relationships facilitated for red crab pulp processors in the Gulf of Guayaquil.
 - 1,830 people as a result of improved management practices (ECAs).
 - 30 people benefiting from improved tourism resources (recycling centers in Las Tunas)
 - 430 people as a result of improved practices for non-timber products (ivory nut sales).

- 3,657 People trained (2,855 men and 802 women) in natural resource management and initiating improved practices:
 - 301 in La Gran Reserva Chachi,
 - 877 in Galera San Francisco,
 - 1,063 in Ayampe
 - 1,416 Gulf of Guayaquil

- 16 new commercial linkages
 - 1) Las Delicias (linked with Ivory nut buyer, Alen Bosligua)
 - 2) Ecocacao Producer's Association (linked with Hotel Club del Sol for sales of tropical fruit)
 - 3) Ecocacao Producer's Association (linked with Hotel Tiburon)
 - 4) Ecocacao Producer's Association (linked with Hotel Hotel Siona)
 - 5) Ecocacao Producer's Association (linked with Hotel Cielo Azul)
 - 6) Ecocacao Producer's Association (linked with Hotel Aldea Mar)
 - 7) Crab Women Association 6 de Julio (linked with Marrecife)
 - 8) Crab Women Association 6 de Julio (linked with Unipark)
 - 9) Crab Women Association 6 de Julio (linked with Rey de las Ostras)
 - 10) Producers from the Upper Ayampe River Watershed ECAs (linked with the municipal market in Jipijapa to sell produce)

- 11) Producers from Vueltas Largas - Venta de hortalizas a hoteles de la zona
 - 12) Producers from El Corocito - acuerdos de comercialización en el mercado de Jipijapa
 - 13) Ecocacao Producer's Association (exporting organic cacao to Nova Monda)
 - 14) Dried ivory nut in Ayampe (4 collection centers with local buyer)
 - 15) Ivory nut beads (animelas y tajada) in Ayampe (La Crucita community with local buyer)
 - 16) Timber products in Ayampe (Family from San Francisco with small exporter)
- 156 model integrated farms implementing integral farm management plans for 4,060 ha.
 - 96 Ecocacao Producer's Association (3,204 ha)
 - 60 in Ayampe (856 ha)
 - 5 Conservation coalitions formed and operating:
 - 1) Stakeholders in Gran Reserva Chachi,
 - 2) Stakeholders in Galera San Francisco,
 - 3) Crabbing Associations in Mondragón,
 - 4) Stakeholders in Ayampe,
 - 5) National Fishery Institute and crab associations in Gulf of Guayaquil. Also helped form a coalition among Four Crab
 - Associations to Jointly Apply and Manage 4,434 hectares of mangroves on the Escalante, Puerto Arturo, Mosquiñaña and San Francisco islands in the Gulf of Guayaquil.
 - Continued strong coordination with:
 - 1) Municipalities: Puerto Lopez, Jipijapa, and Paján;
 - 2) Provincial Governments: Manabí, Esmeraldas, and Guayas;
 - 3) Juntas Parroquiales: Quingue, Galera, San Francisco Del Cabo, Pedro Pablo Gómez;
 - 4) Ministries: MAE, Ministry of Tourism (MINTUR), and Ministerio de Agricultura, Ganadería, Acuacultura, y Pesca (MAGAP);
 - 5) National Fishery Institute (INP);
 - 6) National Bureau of Aquatic Spaces (DIRNEA);

7) Ecuadorian Navy's Oceanography Institute (INOCAR)

- 14,307,976 USD in Funds Leveraged for Biodiversity Conservation:

Community/Landowner	Source	Amount in USD
Alianza Cangrejeros Sur - Isla Mondragón	Alianza Sur - Mondragón	18,609.00
	MAE	19,620.00
Antonio Carrasco	MAE Socio Bosque	4,026.00
Asociación de Cangrejeros	Balao Asociación Balao	13,700.00
	MAE	14,360.00
Asociación de Concheros Costa Rica	Asociación Costa Rica	15,500.00
	MAE	15,330.00
Asociación de cangrejeros 6 de Julio	Asociación Seis de Julio	12,060.00
	MAE	19,081.15
Centro Chachi Calle Manza	MAE Socio Bosque	160,876.00
Centro Chachi Capuli	MAE Socio Bosque	910,481.60
Centro Chachi Corriente Grande	MAE Socio Bosque	815,812.80
Centro Chachi El Encanto	MAE Socio Bosque	553,198.80
Centro Chachi Guadual	MAE Socio Bosque	376,945.60
Centro Chachi Pichiyacu	MAE Socio Bosque	258,802.40
Centro Chachi Sabalito	MAE Socio Bosque	559,891.80
Centro Chachi Tsejpi	MAE Socio Bosque	592,077.00
Chispero	MAE Socio Bosque	99,751.80
Comuna Dos Mangas	MAE Socio Bosque	691,675.43
Comuna Febres Cordero	MAE Socio Bosque	376,000.00
Comuna Loma alta	MAE Socio Bosque	755,459.43
Comuna Playa de Oro	MAE Socio Bosque	1,013,864.00
Comunas Vueltas Largas y Rio Blanco	MAGAP	6,800.00
Costa Ecuatoriana	BID	4,000,000.00
Diego Tirira	MAE Socio Bosque	7,200.00
Filemón Magallán	MAE Socio Bosque	12,840.00
Finqueros de Galerita	Groenhart	5,000.00
Finqueros socios de EcoCacao	EcoCacao y otros	104,156.14
Global	CI Internacional	15,000.00
	Corporación Andina de Fomento	24,000.00
Godefridus de Koning	MAE Socio Bosque	12,312.00
Gran Reserva Chachi y Area de Influencia	CI Internacional	70,000.00
	Fundación Mc Artur	14,250.00
	GIZ	20,100.00
Guttembert Moreno	MAE Socio Bosque	1,560.00
Hosterías de la zona (14)	MINTUR	57,950.00
Ines Elvira Echavaarria Uribe	MAE Socio Bosque	1,098.00
Jorge Alejandro Chila Bolaños	MAE Socio Bosque	4,128.00
José Abel Briones	MAE Socio Bosque	18,672.00
Juan Carlos Galarza Dávila	MAE Socio Bosque	34,820.00

Judith Jane Barrett	MAE Socio Bosque	33,952.00
Junta parroquial de Pedro Palo Gomez y recinto Vueltas Largas.	Gobiernos locales de Manabi y Puerto López	3,750.00
Juntas parroquiales de Galera, Quingue y San Fco.	PROFORESTAL	4,000.00
Luis Cruz	MAE Socio Bosque	71,660.00
Manuel Pallares	MAE Socio Bosque	16,098.00
Margarita Teodora Baque	MAE Socio Bosque	8,100.00
Mariano del Jesús Zambrano Ortiz	MAE Socio Bosque	22,110.00
Municipio de Jipijapa	Municipio de Jipijapa	68,400.00
Martin Couell	MAE Socio Bosque	11,466.00
Pablo Espinoza Romero	MAE Socio Bosque	53,016.00
Parque Nacional Machalilla	CI Internacional	310,000.00
	Fundación WildAid	7,000.00
	MAE	507,000.00
Primitivo Pihuave	MAE Socio Bosque	40,300.00
Reserva Manglares Churute	MAE	310,720.00
Reserva Marina Galera San Francisco	CI Internacional	190,900.00
	ECOLAP	5,970.00
	FFI	150,000.00
	FFLA	20,000.00
	Fundación Lighthouse	70,000.00
	Fundación WildAid	15,000.00
	Nazca	27,190.00
	TNC	40,000.00
San Miguel	MAE Socio Bosque	561,546.93
Sigríd Vásconez	MAE Socio Bosque	13,680.00
Teodulio Plúa	MAE Socio Bosque	21,882.00
Wilson Hernán Merino Machado	MAE Socio Bosque	17,226.00

- Supported development and formally proposing three municipal ordinances: i) creation of a security committee in Puerto Lopez, ii) creation of an environmental management division in Jipijapa and iii) approval of the Territorial Management Plan (POT for the Spanish acronym) for Jipijapa.
- 426.133 ha under improved management
 - 1) 239.290 ha of terrestrial ecosystems
 - 2) 186.843 ha of marine ecosystems

- 112.944 hectares under Environmental Land Use Plans (POAMs for the Spanish acronym) with local governments/communities leading local environmental planning in:
 - 1) Ayampe River Watershed: 61.257 ha
 - 2) Coastal Watersheds by Galera San Francisco Marine Reserve: 34.260 ha
 - 3) Centro Chachi Capulí: 13.929 ha
 - 4) Centro Chachi Hoja Blanca: 3.498 ha

- In response to a request by the MAE, during the first half of FY12 the project provided high level guidance and technical assistance for policy development to the Sub-Secretary for Natural Patrimony, which included (1) restructuring the forestry policy as needed to be incorporated into the new Environmental Code, (2) restructuring the section on biodiversity in the Environmental Code and (3) incorporating chapters on environmental services and climate change within the section on Institutional Framework in the Environmental Code, which have been formally presented for the Government of Ecuador's review and approval. Also conducted and presented two studies to guide alignment of national program in biodiversity and climate change within the new Environmental Code. Under the climate change study key steps were identified that will be necessary to align the national climate change plans for mitigation and adaptation with the required decentralization of land use planning that is advancing in Ecuador. The study for biodiversity identified that the current administrative structure for protected areas is a limitation to effective protected area management. The project helped the MAE develop a national level Manual for Protected Area Operational Management, which it is helping pilot in three protected areas, and is currently helping analyze management status of protected forests.

- The project has helped authorities analyze and respond to climate variability. It first conducted a climate change vulnerability analysis for the El Salado Mangrove and Wildlife Production Reserve, which borders the city of Guayaquil and helped develop adaptation measures both for El Salado and Machalilla National Park. The project then led implementation of key adaptation measures, which included training local government representatives, journalists, and youth on climate change vulnerability and adaptation and how to involve decision makers in reducing climate risks. In addition to workshops, the project used a virtual (web based) classroom to distribute training and reference materials and provide a space for participant discussions. The

training contained modules on climate change adaptation measures, trends in Ecuador, and risk management, among others. As a result, the project has raised awareness on climate risks and vulnerability and provided tools for communities and local governments to mitigate, manage, and respond to climate risks. The project is currently helping the Guayas Provincial Government develop the Provincial Strategy for climate change adaptation measures.

Annex 6

Activities of the project, success stories, failures, value added by SFC, results, sustainability and recommendations

	What are salient examples of a successful implementation of the activities and why?	What are examples of activities that did not show the expected results and why?	What is the actual contribution of CB to each activity and the results obtained? (added value, additionality, innovation)	What are the general results/the impact of the activity concerning biodiversity conservation?	What are features of the activities that promote sustainability of the results obtained? What has been done to ensure sustainability?	Would you recommend to continue the activity after the end of the CB project and why? Do you have any further recommendations concerning the activity and its future implementation?
Type of activity	Success stories	Failures	Value added by CB	Results/Impact	Sustainability	Recommendations
Socio Bosque	<p>Chachi Reserve: The communities of Guadual and San Miguel due to their already existent high level of community organization (especially concerning the social control among community members)</p> <p>9 communities in Ayampe and Chongón Colonche</p> <p>Use of the SB incentive in Dos Mangas to establish and strengthen community tourism</p> <p>Management plans take into account specifically the role of women, in Dos Mangas they are part of the directive managing the SB incentive</p>	<p>The community of Capulí: because of a misuse of Socio Bosque resources due to a low level of social control, the community was temporarily expelled from the Program</p> <p>Machalilla NP The community of Aguas Blancas would not agree to sign a conservation agreement that would regulate their land use</p> <p>Galera San Francisco (Esmeraldas) Results in terms of area under SB achieved were much less than expected due to high fragmentation of property, property rights were not established, difficult to meet requirements for SB and too much effort necessary for too less area to be committed per agreement to SB</p>	<p>CB provided funds to Altrópico and Ecolex and cooperated with technical staff to extend the support to communities in gaining access to the SB program (socialization, support with administrative and legal requirements, elaboration of management plans), frequency of visits to communities could be increased to a regular weekly level, in the Chachi region all communities eligible for SB were supported to access the program</p>	<p>An indirect impact, the SB incentive allows for preserving natural forests, soil humidity is conserved in arid areas like Ayampe and Chongón Colonche, and helps to generate an appreciation of the value of forests</p>	<p>Chachi Reserve A stakeholder coalition between KfW, Altrópico, MAE, SB and CB was established that ensures cooperation and continuous support to the communities, led by Altrópico and SB representatives</p> <p>Chongon Colónche Stakeholder coalition with communities, CIIFEN, CB, MAE to support best management practices and SB incentive management</p> <p>Training was provided to a variety of people of each community concerning accounting and administration, to ensure that if the directives change there are always people that are able to comply with the SB administrative requisites</p> <p>However there are still huge differences among the communities concerning their ability to manage the incentive themselves</p> <p>Training to MAE staff to support forest management and the management of SB incentives</p>	<p>Continue the support to communities within SB and consolidate management plans and provide for economic alternatives that generate savings</p> <p>Strengthen and set up more community banks</p> <p>Include communities in Chongón Colonche that are still not receiving SB incentives because they lack the landowner title</p> <p>To continue working with the communities that various projects already have been working with</p> <p>Enrich the remnant forests, there is a high potential for agroforestry with cacao and valuable species in degraded forests</p> <p>Fish farming with local species</p> <p>Support the restoration program of SB</p> <p>Not recommended to continue efforts in Esmeraldas, since area is too much fragmented and property rights not established</p>
Mangrove concessions	<p>Assistance to access to mangrove concessions (a governmental initiative), support to already established concessions (management and control</p>		<p>Technical assistance to facilitate access to concessions, CB contracted a technical to support concessionaries (12 in</p>	<p>The mangrove coverage has been conserved, in some places mangroves have been recovered, sensitization of</p>	<p>Since it is a governmental initiative there is support and interest from governmental officials that will continue</p> <p>Currently there are activities to look for</p>	<p>Definitely should be continued in other provinces, one of the most effective instruments to protect mangroves, continued interest of MAE to incentivize further concessions</p>

	and surveillance plans) In 2009 there were 4 concessions, now there are 13, covering almost the entire Gulf of Guayaquil, all communities and associations supported received the concession		total, 7 on a regular basis) Establishment of links to institutions to support the management and research (INP, INOCAR) CB helped in simplifying the administrative requirements (reports) and establishing management plans, control and surveillance plans CB provided control and surveillance equipment	fishermen and communities to protect their resource base	resources, a local institution or organization that will continue the support once CB ends Assigning of exclusive user rights enhances conservation efforts of communities (intrinsic motivation) Cooperation among associations concerning control and surveillance lowers costs and there are almost no incremental costs to manage concessions for communities, except for writing the reports Recently granted concessions will require further technical support after the project ends	Grant further concessions to mangrove area in the Gulf that is still not covered by concessions, concessions to communities in El Oro Develop further incentives for communities to continue protecting mangroves (something like SB, National Environmental Fund (FAN) resources, or carbon credits) Apply concessions system to other fishery resources (such as lobster in Galera San Francisco)
Crab monitoring	The whole crab fishery sector in the Gulf of Guayas is monitored at a very low cost due to the inclusion of crab fishermen in the monitoring		CB designed a valid and reliable monitoring procedure, provided training to fishermen on how to collect data, published the information collected	A very reliable baseline of the crab stock has been created that supports the sustainable management of this resource, generation of awareness for stock management	The inclusion of the INP in the monitoring activities and their leadership in the collection and interpretation of data provides for the sustainability of this activity	The monitoring procedure should be replicated for other fishery resources and in other provinces
Best Management Practices (Agriculture)	Chongón Colonche and Ayampe 100% of the farms that are supported apply at least one of 16 best management practices introduced Most commonly adopted practices: contra slope seeding, organic fertilizers, compost, decrease of chemical products, mix of different crops for more stable income and to conserve soils Galera-San Francisco each of the participating farmers dedicated a zone	Adoption of practices depends on available human and financial resources Chongón Colonche and Ayampe Terracing practices did not work out because soils are poor and terracing impacts soil nutrients in the upper layers negatively Galera-San Francisco To have pasture and livestock is equal to economic success, to reforest pasture is therefore considered as not desirable in the	CB provides funds to partners, such as Conservación y Desarrollo, and technical assistance to promote and train in best management practices	Less use and impact of agrochemicals, increase in soil fertility, especially long-term, increase in soil humidity, protection of watersheds through reforestation	In various cases family members start adopting the BMP visible in pilot parcels Partially still not sustainable since markets are still lacking, mobilization is a big limiting factor Ecocacao: The local technical staff is very well trained and will continue to promote and spread the best management practices developed	Continue with promotion of organic cacao, with 1 - 2 qq/harvest per family they complement their income without having to amplify their activities and cut trees Promotion of products with middle men who come to buy the products Replicate the experience of CCAM with the same environmental focus and continue technical support to CCAM

	<p>of his land exclusively to conservation, especially next to watersheds</p> <p>Critical areas next to watersheds were reforested</p> <p>Small dams were created in seasonal watersheds to collect and save water for drought periods ("seeding water")</p> <p>Elaboration of bio fertilizers, decrease in use of agrochemicals</p> <p>Pasture was converted into agroforestry systems</p>	<p>current cultural perspective</p>				
<p>Sustainable Forestry Management/Restoration</p>		<p>11 farm management plans were elaborated, only 2 were approved by the authorities, also forest management in general is not very promising due to the small size of the farms, distance to potential markets, the number of intermediaries and landowner issues etc.</p>				<p>Not continue, at least not in the Chongon Colonche and Ayampe area, because farms are too small and forests too degraded, could be interesting for the Chachi Reserve</p> <p>Implement a reforestation program</p> <p>Introduce agroforestry systems to protect watersheds</p>

<p>Improved use of NTFP</p>	<p>Chongón Colonche and Ayampe Pilot parcels and demonstration of best management practices for ivory nut, cacao, cap straw</p> <p>Ecocacao in Galera San Francisco</p>	<p>Kapok wool due to climate conditions that impaired commercial harvest</p>	<p>Inventories of species populations, development of criteria for best practices in management and harvesting, training of local middle men to offer higher prices to collectors, support in the establishment of marquees to add value to the product</p> <p>Facilitation of experience exchange</p> <p>Ecocacao: the taboo was broken to not support in concrete terms, support was given to improve productivity (high quality plants, plants to diversify economic activities, such as oranges, papaya etc.), including forest species</p>	<p>Better quality products and healthy plants</p> <p>Galera San Francisco Some farmers did already change their behavior, recovering soil, there is a more stable water supply in the whole area</p>	<p>Some communities, like Las Crucitas in Ayampe, do already have all necessary capacities to continue working on harvesting and processing ivory nut to get a higher market price without the project's help</p> <p>Protection of the ivory nut was included in community normative</p> <p>Ecocacao: environmentally friendly production systems are already part of their policy and will continue after the end of the project</p>	<p>Continue working with: cacao in Esmeraldas ivory nut in Ayampe, cane in Chongón Colonche</p> <p>Ivory nut: there is need for more complementary studies in cooperation with universities to investigate the ecologic behavior of this species, continue to work on processing ivory nut and establishing market linkages, education to avoid further elimination of male ivory nut plants</p> <p>The MAE should implement a better control of the resource use within PA and in the area of influence, issue permits for sustainable use of resources</p> <p>Implement an integral management of the forests, improving their quality, restore and enrich them in combination with managing ivory nut and cane for economic purposes</p> <p>Establish more market linkages to sustain the interest to conserve and manage the plants</p>
<p>Strengthening value chains and market linkages</p>	<p>Gulf of Guayaquil: establishment of market linkages for the 6 de Julio association in the Gulf of Guayaquil to several hotels and restaurants Improvement of the processing of crab pulp of the 6 de Julio association (the only association profiting from established market linkages in the Gulf of Guayaquil at the moment)</p> <p>Galera San Francisco (Esmeraldas): Ecocacao: sell to Apoca in Atacames</p>	<p>Gulf of Guayaquil: there has been the intention to set up a professional crab pulp production facility for the women of 6 de Julio, but the feasibility study only took into account an economic perspective, lacking a focus on social feasibility (high maintenance costs to be borne by the women, daily habits and family compromises of the women that defines their daily schedule were not coincide with the requirements of managing a plant, level of</p>	<p>CB supported the training and development of improved processing of crab pulp, supported the establishment of market linkages with restaurants, conducted market research and established market plans for crab pulp production</p>		<p>Market studies are replicable for other fishery resources</p> <p>The 6 de Julio association is working autonomously, there is no more need for support by CB, the market linkages established still work</p> <p>Co-investment strategies in the establishment of processing facilities supports the commitment of the women to continue working</p>	<p>Gulf of Guayaquil: support other crab associations with the establishment of market linkages, replicate the 6 de Julio example Certification of crab products and support with access to funding or credits to set up functioning micro enterprises Instead of trying to set up associative enterprises support the development of family enterprises that then will employ other members of their communities</p> <p>Galera San Francisco (Esmeraldas): Bear in mind that the aid projects do not change lives, they give some technical assistance and small funds, but do not provide for profound changes, what helps farmers most is</p>

		<p>organization among the women was too low to manage a professional enterprise), thus several women dropped out of the association, a couple of them set up a functioning micro enterprise instead</p> <p>Galera San Francisco: sale of fruits to local hotels, causes too much cost in comparison to low income generated, demand too volatile, depending on tourism seasons</p>				<p>the provision of high quality plants and tools to support production and productivity</p> <p>Establish a larger association of producers, a regional or provincial one, which is able to produce the amounts necessary for successful commercialization at a scale that generates a sustainable level of income for all members and guarantees fair and stable prices for all members</p> <p>Not establish small associations anymore or leave commercialization to farmers who do not have the capacities to commercialize their product and where production volume is too low to generate fair prices and meet demand and to cover their costs</p> <p>Support in concrete terms, not limit the aid too much to intangible support</p>
PA Management	<p>Technical assistance to the Machalilla National Park, El Salado, Churute Reserve, Galera San Francisco Marine Reserve</p> <p>Machalilla: support with improving tourism management and infrastructure through a participatory process with guides, park rangers and operators, acceptable regulations were established</p> <p>Support from the provincial director and the protected area manager, also in political matters, a lot of collaboration to support the improvement of infrastructure, technical support from other</p>	<p>Delays and impact on effective management due to repeated changes of PA managers in El Salado, Galera San Francisco and Churute</p> <p>Restrictions due to lack of capacities of new OA managers and lack of financial resources in El Salado</p>	<p>Technical assistance with management and control proposals, plans and regulations, support with training activities, support with establishment of contacts, search for funding</p> <p>Galera San Francisco: small financial support to specific activities</p>	<p>Improvement of control and surveillance procedures to better protect natural resources</p> <p>Machalilla: more bird nests on the Isla de la Plata, vegetation in Los Frailes and other sites of tourism is recovering</p>	<p>With the approval of the regulations, management will be improved on a long term, but there will always be a need for continued technical support to protected areas</p> <p>Some activities introduced and supported by CB are already habits of the park rangers, infrastructure is well maintained, park managers in Machalilla National Park know how to manage funds and channel support of NGOs</p>	<p>Continue the support to consolidate protected areas, regulation of land use and use of natural resources, tourism etc.</p> <p>Set up a new tourism site in Machalilla to decrease pressure put on existing sites</p> <p>regulation of fishery sector and ministerial decree to regulate types of fishing gear permitted in the NP</p> <p>Establish an information system in Machalilla on tourism and fishery using GIS</p>

	<p>partners, participatory process</p> <p>Churute: Regulation of the fishery activities in the Reserve, proposal of zonification (currently reviewed by fishery sector), register of fishery sector (in process of approval), support with environmental education, support with planning of expenditures of the FAN resources, establishment of work plan</p> <p>El Salado: collection of information on fishery sector, work plan</p> <p>Galera San Francisco: Support with infrastructure, boat, components of the management plan, support for reunions with the management committee</p>					
Stakeholder coalitions	<p>Chachi Reserve: Coalition between KfW, Altrópico, MAE, SB and CB, lead by Altrópico and SB representatives</p> <p>Ayampe and Chongón Colonche: communities, CIIFEN, CB, MAE to support best management practices and SB incentive management</p> <p>Gulf of Guayaquil: Crab monitoring coalition between 26 associations and INP, initiated by CB, but now managed by INP Concessionaires of Mondragon cooperate</p>	<p>First stakeholder coalition in the Chachi Reserve with FECCHE, MAE, Rainforest Alliance: the work did not continue due to a change in MAE personal and a lack of interest</p>	<p>The Chachi Reserve Coalition was formed with the support of CB and Altrópico, support with organization of meetings, now lead by MAE</p> <p>Ayampe y Chongón Colonche: CB supports the MAE in the organization of the meetings, drafting reports and a strategy for the local forests</p> <p>Crab monitoring association: CB initiated the cooperation between INP and the concessionaires,</p>		<p>To include and strengthen the MAE in leading the coalitions, but their long-term sustainability will depend on the institutional interest</p> <p>Coalition in Ayampe and Chongón Colonche still needs the support of CB for organizational matters</p> <p>Coalition for crab monitoring is managed by the INP and thus will continue after the project ends</p> <p>Mondragon coalition still needs further support to strengthen organizational structure and working procedures</p>	<p>the Provincial Council and the Juntas should be included in the stakeholder coalitions</p> <p>To establish a budget of SB to support the mobilization of the coalition's presidents</p> <p>Create a fund for each coalition to be able to manage their expenses and work more effectively</p>

	concerning control and surveillance of the crab stocks which makes the activity cheaper		supported with the establishment of monitoring procedures and communication matters Mondragon: CB is still supporting because the coalition was established only recently, CB helps with establishing working procedures			
National policy/planning support	Development of a management model for protected areas Project of a national forest law, the law was changed to a book on forests in the framework of an environmental code National Analysis of Protected Forests		Research and development of the respective documents		The support was directly asked for by the MAE The personnel of the MAE are currently in training on the PA management model	
Provincial/Municipal policy/planning support	Management plan for the Chongon Colonche Protected Forest Municipalities of Jipijapa, Puerto Lopez and Pajan: support with an education campaign for better management of soils, water and forests Training to municipality technical staff in Jipijapa by Ecolex (territorial ordering, GIS etc.) Training to staff of the MAE in Santa Elena in forest management and management of NTFP	Support for environmental campaigns and territorial planning in Santa Elena due to lack of interest and participation Support for regional tourism development in Ayampe (training in service quality, site promotion, increase of tourism)	CB supported with communication material and radio programs		The municipalities want to continue with the campaigns, but lack financial resources to do it by themselves Personnel trained in the municipality Jipijapa is still working for the municipality, training other staff	Continue support to municipalities and provincial governments More integral management plans for provinces, municipalities and farms

Annex 7 Project goals, indicators and results reported

Primarily the revised PMP 2012 was used to identify the goals. Information was cross-checked with goals in annual work plans. Where data was different to annual work plans this was noted, with the exception of the work plan of 2011 that was not understandable regarding goals and numbers given. Year 2010 and 2011 planning was cross-checked in addition with the PMP 2010.

Results are taken from the semi-annual reports (October each year).

Strategic objective	Project intermediate results	Key result areas	Indicadores	Unit	Baseline	Goal FY 2010	Result FY 2010	Goal FY 2011	Result FY 2011	Goal FY 2012	Result FY 2012	FY 2013 (Work plan)	FY 2014
Improved Natural Resource Management, Trade and Competitiveness	Improved biodiversity conservation in critical habitats	1.1 Management strategies that address threats to biodiversity and harness opportunities for improved livelihoods	Indicator 1.1 Number of hectares in terrestrial areas of intervention under improved management.	Number of hectares	0	160,359 Ha	162,136 Ha	220,564 Ha	227,067 Ha	239,290 (PMP 2012) 220,564 Ha (Work plan 2012)	239,290	427,227 Ha	427,227 Ha
			Indicator 1.2 Number of hectares of coastal marine areas of intervention under improved management	Number of hectares	0	104,771 Ha	109,255 Ha	135,188 Ha	135,508 Ha	135,508 Ha (PMP 2012) 135,188 Ha (Work plan 2012)	185,468 Ha	291,560 Ha	297,648 Ha
		1.2 Capacity of	Indicator 1.3. Number of	Number of people	0	400	1,290	900	2,868	3000 (PMP)	3,657	3,200	3,250

		local stakeholders to implement best practices in natural resource management strengthened	people trained in BMP for natural resources and in BMP along value chains.							2012) 1700 families (Work plan 2012)			
			Indicator 1.4. Number of initiatives co-financed	Number of initiatives	0	6	8	14	16	20	20	25	30
	Local livelihoods improved	2.1 Markets matched with environmentally responsible producers	Indicator 2.1 Number of producer's organizations linked to new markets	Number of organizations	0	3	6	8	7 (?)	16	16	20 (PMP 2012) 16 (Work plan 2013)	22
Project Goal		2.2 Best practices applied along key value chains	Indicator 2.2 Number of households/people** with increased economic benefits	Number of households/people**	0	500/2500	594 households	900/4500	1,153 households	8,500 people	11,120	10,000 people (PMP 2012) 1700 people (Work plan 2013)	12,500
To conserve		2.3 Sustainability	This point has no related	?		400 produc	?	1000 produc	?	1650 produc	?	/	?

biodiversity and benefit residents in coastal Ecuador by establishing long-term partnerships with local organisations		ty and replication of environmentally responsible markets strengthened	indicator, only in the work plan 2010 there are goals mentioned that could be referred to this point, but no report on achievement can be found			ers trained in best management practices along value chains (Work plan 2010)		ers trained in best management practices along value chains (Work plan 2010)		ers trained in best management practices along value chains (Work plan 2010)			
	Partnerships formed for ongoing support for biodiversity conservation	3.1 Flow of public and private investment to support biodiversity conservation increased	Indicator 3.1 Private and/or public investment leveraged	US Dollars	0	700,000	6,235,546	1,700,000	13,665,731	13,800,000 (PMP 2012) 2.600.000 (Work plan 2012)	14,825,853	14,600,000	15,000,000
		3.2 Enabling environment for sustainable management	Indicator 3.2 Number of coalitions and alliances created and/or strengthened	Number of coalitions and alliances		0	4	5	5 (PMP 2012) 8 (PMP 2010)	9 (Results 2011) 5 (Results 2012)	5 (PMP 2012) 12 (Work plan 2012)	5	5
		nt at the local and regional levels improved	4.1 Number of policies, laws, agreements, or regulations that promote	Number of policies, laws, agreements, or	/	/	/	3	3	1 (PMP 2012) 4 (Work plan	9,677,418 (?)	1 (PMP 2012) 5 (Work	1 (Total 5?)

			conservation and sustainable use of natural resources (This indicator was added in 2012 and neither goals nor results coincide in the different documents)	regulations							2012)		plan 2013)	
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Annex 8 Evaluation Team and Responsibilities

The evaluation team was comprised of three consultants, two of whom are full-time employees of Mentefactura: José Galindo, the general manager of Mentefactura and conservation finance specialist, and Carolin Planitzer, coastal conservation specialist. The team was completed by evaluation specialist Dean Pallen, an associate of Mentefactura. Combined, the team possessed a wide range of skills, including evaluation experience, expertise in biodiversity conservation, protected area management, public policy and eco-tourism, as well as experience in and knowledge on the project sites.

Mr. Pallen and Ms. Planitzer completed the bulk of the field work, while Mr. Galindo divided his responsibilities between field work in the Gulf of Guayaquil and conducting high level interviews with key stakeholders in Quito and Guayaquil. The team shared responsibilities for producing the draft and final versions of the evaluation report.

Annex 9 USAID Principles for effective biodiversity programs

USAID has identified several principles for effective biodiversity conservation that should be integrated into USAID programs. USAID hopes that this will be a useful checklist for program design. Information on how to implement these concepts is found throughout the Guide.

- Programs should apply threats-based conservation. Conservation programs should clearly identify the threats (at all scales) to biodiversity and delineate a threat abatement plan. Programs should implement activities that reduce, eliminate or mitigate threats and their underlying root causes.
- Programs should be adaptive. While the initial design of program activities should be sound, conservation needs are complex and constantly evolving. Programs should be structured in such a way that they monitor their progress, generate timely information for management, and adapt the program as needed.
- Programs should focus on priority sites for biodiversity conservation. USAID programs should conserve biodiversity of global, regional, or national priority as appropriate.
- Programs should be results oriented. Programs should clearly articulate their underlying assumptions, rationale, and methods for achieving planned results. They should also describe how program impacts on biodiversity will be measured and monitored. Efforts to measure habitat quantity or quality are encouraged where appropriate.
- Programs should foster sustainability. Programs should (1) focus on how conservation achievements will be sustainable beyond the end of the activity lifetime, and (2) seek to identify continued financing for ongoing activities. For programs that include resource extraction activities, managers should examine the likelihood that extractive activities will be ecologically, socially, and economically sustainable; how overharvesting will be controlled; and how extractive use will contribute directly to biodiversity conservation.
- Programs should be participatory. Programs should incorporate the equitable and active involvement of stakeholders in all stages of program design and implementation. Particular consideration should be given to the inclusion of traditionally marginalized stakeholders, such as women, indigenous peoples, and the poorest of the poor.
- Programs should strengthen in-country capacity. To increase the sustainability of conservation interventions, strengthening in-country capacity is key at both the human and institutional levels. Institutional strengthening may be needed for both government and nongovernmental organizations (NGOs).

- Programs should include a learning component and disseminate lessons learned. Analysis of program results and dissemination of lessons learned should be part of program activities, particularly programs at multiple sites or larger scales.
- Programs should either complement other conservation and development activities or fill specific crucial gaps. In particular, programs should examine how they will complement activities of USAID, other donors, host-country governments, the private sector, non-profits, and other institutions.