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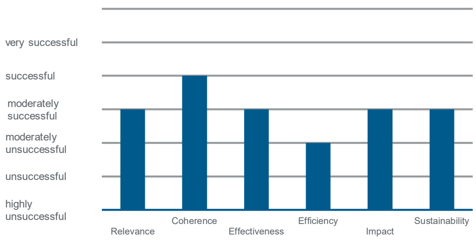
Ex post evaluation Cameroon, CAR, Republic of the Congo

Title	Sustainable forest management in the Congo Basin		
Sector and CRS code	Biodiversity 41030		
Project number	BMZ 2004 65 302, BMZ 2010 67 206, BMZ 2011 65 950		
Commissioned by	BMZ		
Recipient/Project-executing	Fondation pour le Tri-National de la Sangha (FTNS)		
Project volume/ financing instrument	EUR 5 million (2004 65 302), EUR 20 million (2010 67 206), EUR 3.6 million (2011 65 950)		
Project duration	12/2007-03/2019, 12/2011-09/2018, 12/2011-09/2017		
Year of report	2021	**Year of random sample**	2020

Objectives and project outline

The objective at outcome level was to ensure “the efficient management of the Lobéké, Dzanga-Sangha and Nouabalé-Ndoki protected areas as well as cross-border measures over the long term”. At impact level, the objective was to “contribute to the protection of biodiversity and forest resources in the Tri-National de la Sangha forest complex”. The three FC projects envisaged the payment of capital into an endowment fund. The investment income from this fund was to finance part of the operating costs for the protected areas. The sustainable financing mechanism is managed by the *Fondation pour le Tri-National de la Sangha (FTNS)*. The target group was the local population living near the protected areas.

Overall rating:
moderately successful



Key findings

The objectives at outcome level were partially achieved. At impact level, the available data indicate that the financed measures made a positive contribution to maintaining biodiversity. The project’s sustainability was rated as satisfactory overall, with positive points regarding financial sustainability and risks related to human rights issues. The overall rating of the project is satisfactory.

– The lack of sustainable financing for the operating costs is a core problem for many environmental projects. The endowment fund for nature conservation projects evaluated here attempts to solve this problem at a structural level by using annual payments from the fund’s investment income. The approach is innovative in this respect and creates a positive contrast to the many years of the status quo with non-sustainable financing in environmental protection.

– With regard to the specific financial requirements to cover the operating costs of the parks, some aspects of the existing projects are ambiguous, which is why the originally quoted capital need will increase in the medium term. Moreover, not all of the expenses paid from the fund’s investment income are clear or easy to comprehend. Low administrative capacities on the part of the executing agency and a lack of uniform standards in financial reporting are instrumental in the fact that the use of funds can only be better understood in the foreseeable future with annual audits.

– There have been repeated conflicts between the patrols and the local population since the project began in the FTNS protected areas. The generally difficult local security situation plays a large role in this. No complaint or monitoring mechanisms had been developed at the project appraisal, which meant problems remained undiscovered for a long time. However, patrol training reforms and focusing on human rights issues have improved the situation in recent years.

Conclusions

– A clear definition and an ex-ante estimation of operating costs should be created for CTFs. Park administrations must be qualified and required to issue consistent, detailed and high-quality financial reporting with regard to the use of funds, which donors should receive access to quickly and easily.

– Functioning complaints mechanisms are essential for protecting the local population and avoiding reputational risks for donors. To this end, obligatory *incident reporting* and long-term financing of local actors (if necessary, through CTFs) to educate the local population about their rights and obligations is necessary.

1 = very successful, 2 = successful, 3 = moderately successful, 4 = moderately unsuccessful, 5 = unsuccessful, 6 = highly unsuccessful

Rating according to DAC criteria

Overall rating: 3

Ratings:

Relevance	3
Effectiveness	3
Coherence	2
Efficiency	4
Impact	3
Sustainability	3

General conditions and classification of the project

The Dzanga Sangha Protected Areas complex (APDS in French) as well as the Nouabalé-Ndoki (PNNN) and Lobéké (PNL) national parks are located in the tri-border region of the Central African Republic (CAR), the Republic of the Congo and the Republic of Cameroon. Together they form the “Sangha Tri-National” transboundary conservation complex (TNS). On a total area of around 750,000 ha, the TNS is a habitat for endangered species of large mammals such as forest elephants, lowland gorillas, chimpanzees and bongos (antelope). Numerous tree species also thrive in this complex, many of which are dramatically affected by advancing deforestation in other places. The main uses exerting pressure on the natural resources are ivory poaching, safari hunting, non-sustainable logging in the buffer zone as well as the steady expansion of the road network[1]. Armed conflicts have increased in the protected areas for several years. Research organisations and NGOs refer to increasing militarisation of conservation in Central Africa. Rangers are threatened by the increasingly violent poachers and are forced to arm themselves in order to protect the natural resources and ensure their own safety[2].

To ensure sustainable financing of park operations within the TNS, an endowment fund was established in 2007[3] and that is managed by the “Sangha Tri-National Trust Fund” (FTNS). The intention is to cover the parks’ operating costs over the long term using investment income from the endowment fund. This evaluation covers three FC projects, all of which contributed to increasing the capital in the endowment fund. The focus is thus primarily on the activities financed from the investment income and the way this fund is designed and managed. There will be no evaluation of direct investment measures from project funds, which also took place in one of the three projects and partially financed complementary activities in the area of infrastructure and surrounding communities. Since the projects evaluated are investments in the equity capital of a fund with its own legal entity and in which other investors also hold shares, access to information is more restrictive in some regards than with conventional, exclusively FC-financed projects. The evaluation does not refer to the fund’s specific individual commitments, which in the context of a fund evaluation cannot be examined with the level of detail typical for evaluating individual FC projects. As defined in the guidelines for fund evaluations, the fund and its activities will be observed as a whole, so the ratings will apply to all tranches.

Breakdown of total costs

The project to be evaluated with BMZ No. 2004 65 302 (Cameroonian part) included the deposit of EUR 5 million to support the PNL financing window in June 2010. Up to the time of the final review (2019), no investment income had been withdrawn for the PNL as project funds were deliberately used for this purpose to retain the investment income. Two further projects that also planned endowment capital

[1] IUCN 2020: https://worldheritageoutlook.iucn.org/node/1169 (last accessed on 4 October 2021)

[2] Financing weapons for rangers in the TNS is excluded from FC funds.

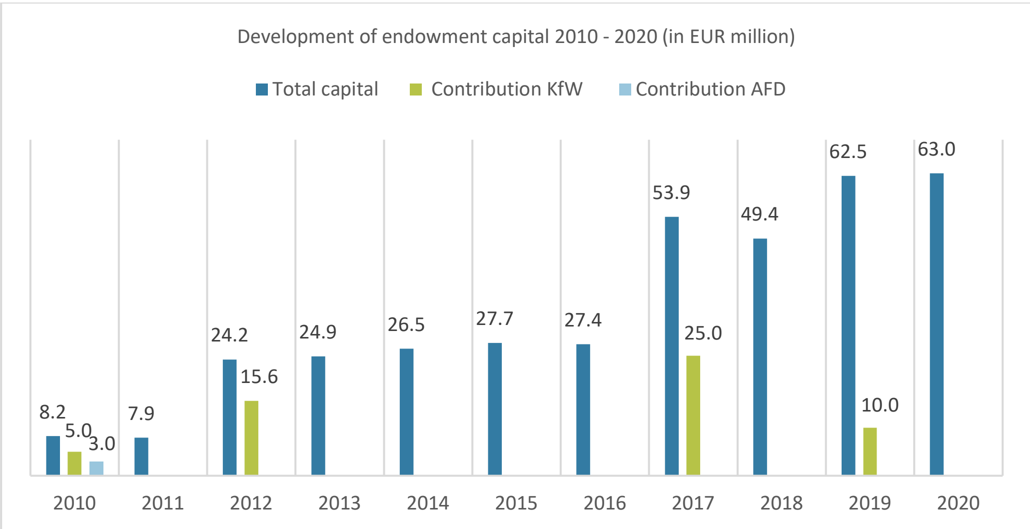
[3] An endowment fund is a financial holding that is usually held by a non-profit organisation. It contains the capital investments and associated earnings that are used to finance the non-profit organisation’s general functions.

deposits will be included in this evaluation. The total costs of the project with BMZ No. 2010 67 206 (the part for the Central African Republic and the Republic of the Congo) were approximately EUR 20 million in budget funds, of which EUR 12 million[4] were paid into the endowment fund in 2012 as an equity contribution. The remaining EUR 8 million in budget funds and a counterpart contribution amounting to approximately EUR 3 million[5] were spent on investment measures, operating costs and consulting services in the TNS (approximately EUR 11 million). Within the scope of the Congolese portion with BMZ No. 2011 65 950, around EUR 3.6 million were deposited into the endowment fund to benefit the PNNN in 2012. In the past, the endowment fund's four financing windows made it possible to deposit capital to support the respective country-specific national park and cross-border conservation activities. However, in May 2017, the decision was made to only attribute investment income to a single financing window in future to facilitate needs-based use of the investment income in the three parks. The total capital in the endowment fund in 2020 was around EUR 63 million.

		Total A (Planned)	Total A (Actual)	Total B (Planned)	Total B (Actual)	Total C (Planned)	Total C (Actual)
Investment costs	EUR million	5.00	5.00	23.00	19.6	3.58	3.58
Counterpart contribution	EUR million	0.00	0.00	3.00	0.00	0.00	0.00
Funding	EUR million	5.00	5.00	23.00	19.6	3.58	3.58
of which BMZ budget funds	EUR million	5.00	5.00	20.00	19.6	3.58	3.58

1) Total A: BMZ No. 2004 65 302, Total B: BMZ No. 2010 67 206, Total C: BMZ No. 2011 65 950

Figure 1: Development of FTNS endowment capital



Source: FTNS. FC Evaluation Department's own data.

Relevance

The lack of long-term financing for the ongoing park management costs of the adjacent APDS (CAR), PNNN (Republic of the Congo) and PNL (Cameroon) national parks was correctly identified as a core problem during the project appraisal. The selected approach was to promote a sustainable financing mechanism to cover the operating, management and equipment costs for the protected areas[6]. However,

[4] Both the APDS and PNNN received EUR 6 million.

[5] The counterpart contribution consists of EUR 1.5 million of funds from the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, EUR 0.5 million from budget funds, EUR 0.4 million from the European Union and EUR 0.6 million from the Congo Basin Forest Fund.

[6] The financing of larger investments (buildings and electrical/hydraulic systems) and the expansion of park manager and eco-guard capacities was still envisaged with the help of FTNS project funds.

as the rules and regulations of the FTNS do not clearly define “operating costs”[7], it remains unclear as to which specific partial costs are to be financed from the endowment fund’s investment income. Furthermore, the unclear definition of the operating costs makes it difficult to plan the amount of the total endowment capital needed to cover the corresponding costs. However, according to information from the parties responsible for the project, this open strategy was deliberately selected so that the endowment fund could purposefully finance aspects that would otherwise have insufficient backing, if any at all.

The target group (the local population) lives in mainly impoverished conditions. The indigenous “Ba’Aka” group is a particularly vulnerable section of the population. Their livelihood is based on traditional use of natural forest resources. As the usage restrictions in protected areas can have a negative impact on the living conditions of the surrounding communities, nature conservation efforts should always strive to strike a balance between conservation and the development of local communities. Only project No. 2010 67 206 included this by planning a few investment measures in the expansion of health infrastructure and awareness-raising measures for conservation issues. As disbursements from investment income were only intended to cover park operating costs, no long-term reconciliation of interests between the surrounding communities and protected areas was planned in the statutes of the fund. It is planned that conventional FC projects and other donor programmes continue to establish this balance in the future. This logic is plausible when we consider that operating costs cannot typically be covered using conventional investment projects, and it is precisely this financial gap that the fund intends to close in the long term.

In this context, however, it is more important to note that, at the time the endowment fund was established in 2007, no binding guidelines were defined to take human rights or environmental or social impacts (ESI) into account when awarding funds. Nor were any efforts made to create a complaints mechanism at an early stage, so possible conflicts between patrols and the surrounding communities were not documented systematically until 2015. An additional problem was that the local population had insufficient access to support for the legal prosecution of human rights violations and potential compensation within the scope of national legislation. This aspect was not taken into sufficient account during project planning either. The insufficient consideration of human rights aspects can be attributed to the fact that, at the time of project planning, KfW had not yet stipulated a conceptual anchor for these issues in its conservation projects. In an international context, human rights aspects have been part of the international standards for conservation projects for a long time[8].

According to the Theory of Change (ToC): depositing FC funds into the FTNS endowment fund contributed to the increase in the endowment capital (input). The withdrawal of the resulting investment income facilitated the financing of a portion of the operating costs for the protected areas (output), thus contributing to the efficient management of the PNL, APDS and PNNN and cross-border measures (outcome). At the impact level, this was intended to contribute to the protection of biodiversity and forest resources in the TNS.

The projects corresponded with the national strategies of the three partner countries, which had already committed to the joint promotion of a cross-border management system and the sustainable management of protected areas before the project appraisal when they signed The Yaoundé Convention.

From today’s perspective, the impact logic of the project is appropriate and contributes to solving the core problem. Limitations results from the unclear definition of operating costs to be financed from investment income. The fact that the target group’s needs were not taken adequately into account represents a further conceptual weakness, primarily with regard to risks and corresponding opportunities for conflict resolution. Thus, the project’s relevance is rated as satisfactory (rating of 3).

Relevance rating: 3

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[7] In general, nearly all the components of park operation fall under the term “operating costs”. This includes things like missions to secure the protected areas and to protect flora and fauna, eco-tourism activities, ecological research and monitoring, education and awareness campaigns, supporting community and environmental initiatives for the development and sustainable management of natural resources, joint security and cooperation initiatives between the three countries.

[8] The International Union for Conservation of Nature (IUCN) recognised the rights of traditional population groups to self-determination for the first time at the “World Parks Congress” (1982). In 2009, several of the most important non-governmental conservation organisations signed the “Conservation and Human Rights Framework”, which requires that human rights and collective rights of indigenous peoples be respected.

Coherence

Promotion of a sustainable financing mechanism for maintaining protected areas should contribute directly to achieving the Aichi Biodiversity Targets[9], SDG 15[10] and MDG 7[11]. The overarching DC programme "Sustainable forest management in the Congo Basin" and the "Forest and Environmental Sector Programme" (FESP) were also intended to contribute to strengthening the rights of disadvantaged population groups by means of a number of complementary FC/TC measures. The conceptual framework of the overall DC programme is consistent with the BMZ strategy paper "Human Rights in German Development Policy" published by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the "Leave no one behind" principle in the 2030 Agenda. However, for the projects evaluated here, there were deficits with regard to the issue of human rights, which were listed in the "Relevance" section.

The FTNS was registered as a non-profit trust and "company limited by guarantee" in the United Kingdom based on the treaty that established the Central Africa Forests Commission (COMIFAC). The FTNS has been based in Cameroon since 2010 to exercise its mandate to finance national and cross-border measures in the TNS[12]. The evaluated projects were embedded in COMIFAC's cross-border action programme (convergence plan[13]). According to this plan, sustainable financing for protected areas and their effective management are basic requirements for sustainable forestry in the Congo Basin. The FTNS and the three partner countries have Cooperation Agreements. However, recent developments in the Congo Basin have shown that policymakers in the three bordering countries are not prioritising conservation to a sufficient degree[14].

The FTNS statutes were defined within the scope of a working party which included representatives from KfW, the World Bank, GIZ, WWF and WCS. As the FTNS was only able to mobilise one other donor (AFD) aside from KfW to increase the endowment capital by the time of the evaluation, there was no comprehensive co-financing in this regard. The FTNS mobilises and manages further project funds to finance investment projects in the TNS as a complementary measure to the endowment capital. Before sufficient investment income was available, the operating costs of the parks were also partially financed by the FTNS using project funds. FTNS project funds are obtained from sources that include FC projects, projects by the Central African World Heritage Forest Initiative (CAWHFI) and the Maeva Foundation. All parks receive support for their administrative, technical and financial management from the Wildlife Conservation Society (WCS in the Republic of the Congo) and the World Wide Fund for Nature (WWF in Cameroon and CAR). The non-governmental organisations (NGOs) also provide funds to finance protected area management, which they handle themselves. Budgeted work plans allocate the planned annual expenses based on the corresponding sources of finance; the park managers forward these plans to the FTNS. Without the additional sources of financing from project funds, it would barely have been possible to reinvest the investment income over several years since there would otherwise have been a lack of funding to finance park operations.

The internal coherence was positive, as demonstrated by the embedding in the overarching DC programme and the associated FC/TC cooperation in line with the international standards to which German DC is committed. The conceptual weaknesses with regard to human rights aspects were already evaluated in the "relevance" section. Although the promotion of FTNS generally fit together well with the national strategies of the partner countries, these countries often prioritise projects that run counter to conservation (e.g. mining, agriculture and infrastructure). However, since this lack of internal political coherence can usually be found in many countries, this aspect is assigned only little weight in the

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9 With regard to Aichi Target 20 in particular: the mobilisation of financial resources from all sources for the maintenance and sustainable use of biodiversity and ecosystems.

10 SDG 15: Life on Land. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, as well as halt and reverse land degradation and halt biodiversity loss.

11 MDG 7: Ensure environmental sustainability.

12 The WWF Country Programme Office in Yaoundé had previously taken over accounting responsibilities for the FTNS as the legal situation of the endowment was unclear until the end of 2009.

13 The intervention approaches are: 1) harmonising forestry and environmental policy, 2) sustainably managing and using forest resources, 3) maintaining and sustainably using biodiversity, 4) combating the impacts of climate change and desertification, 5) socio-economic development and participation of multiple interest groups and 6) the sustainable financing of protected areas.

14 Awarding forest concessions north of the APDS and the improvement of road infrastructure to the east of the PNNN played a role in the increase of poaching pressure in the protected areas.

evaluation. The close cooperation between FTNS and park management (including local NGOs) and the harmonisation of donor funds can be rated as positive (external coherence). Overall, the coherence is rated as good (rating of 2).

Coherence rating: 2

Effectiveness

The goal at outcome level is to ensure the efficient management of the Dzanga-Sangha, Nouabalé-Ndoki and Lobéké protected areas as well as cross-border measures over the long term.

The target achievement at outcome level is summarised in the table below.

Indicator	Status PA, target EPE	Ex post evaluation
(1) The average annual target return of the endowment capital is achieved	Status 2004: FTNS not yet established. Target: achieving an average annual return of around 4 % in the period 2010–2020.	Partially achieved: The average returns for 2010–2020 were around 3.41 %.
(2) Financing for the three national parks' operating costs is ensured in the long term by the investment income from the endowment fund	Status 2004: FTNS not yet established. Target: starting in 2016, the annual pay-out was a maximum of 3 % of the average endowment capital from the previous three years to cover needs-based operating costs for the protected areas.	Temporarily achieved: 2016: 2.41 % (EUR 0.6 million) 2017: 2.57 % (EUR 0.7 million) 2018: 0 % 2019: 3.21 % (EUR 1.4 million) 2020: 2.71 % (EUR 1.5 million)
(3) Cross-border measures are financed using the investment income	Status 2004: FTNS not yet established. Target: starting in 2016, up to 10 % of the investment income paid out was spent on cross-border conservation measures.	Only partially achieved. 2016: 0.93 % (around EUR 6,000) 2017: 2.43 % (around EUR 17,000) 2018: 0 % 2019: 3.84 % (around EUR 53,000) 2020: 0.42 % (around EUR 6,000)

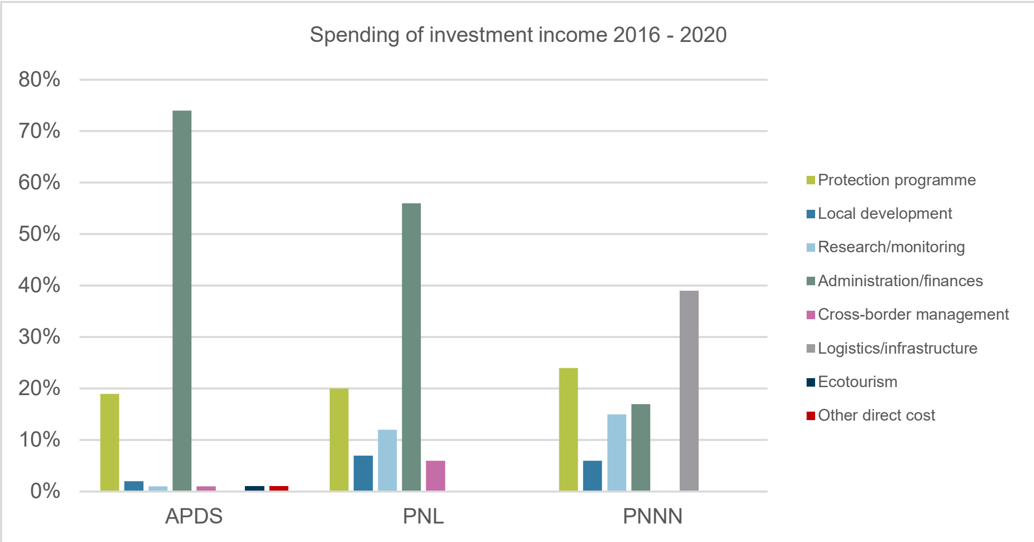
1) The outcome-level indicators defined at the time of the EPE reflect the development of the endowment fund's financial capacities. Beyond that, they provide purely mathematical information about the level of the amounts spent (investment income) for the intended purpose (covering the protected areas' operating costs). However, based on the indicators, no clear statement can be made with regard to 1) the extent to which the financed operating costs were actually used for activities that reasonably contribute to the substantial needs of the parks, and 2) how effectively the park administration manages the protected areas. Attribution is not possible here as other investment projects took place in the parks at the same time. Furthermore, it was difficult to find consolidated and consistent information about the actual use of the resources from the fund. This hampers the independent evaluation of how the funds were used.

Overall, the evaluated projects played an important role in increasing the total capital of the endowment fund. In the period between 2010 and 2020, an average real interest rate of 3.41 % (adjusted for inflation) was achieved, which made it possible to use the investment income to partially finance the APDS in 2016 and 2017. Overall, however, the long-term yield development was lower than expected. All three parks received needs-based partial financing from investment income for the first time in 2019. A positive external factor also played a role in the satisfactory development of the investment income, namely the deposit of additional FC funds into the endowment fund amounting to EUR 25 million (2017) and EUR 10 million (2019).

The investment income was used to cover administration, financing and logistics costs for the parks' administrative bodies in particular. The prioritisation of primarily administrative operating costs is reasonable from an evaluation perspective as it is seldom possible to mobilise further financing sources (especially project funds) for this purpose. Furthermore, a majority of the returns were used to finance conventional conservation activities (e.g. organisation, equipment and posting national patrols). It should also be noted that the endowment fund did not create reserves for the implementation of larger maintenance and construction work; it only retained a safety margin before the investment income was disbursed.

Only a small share of the investment income spent contributed to financing cross-border conservation activities. Nevertheless, the number of bi- and tri-national patrols posted increased from 3,252 (people/day) in 2015 to 4,209 (people/day) in 2019. The investment income played a significant role here as it amounted to around 50 % of the total costs for the cross-border conservation programme in the APDS and over 90 % in the PNL. The investment income also facilitated the payment of performance-based premiums[15] to eco-guards in order to ensure appropriate income and thus increase the rangers' motivation for their work[16]. In 2020, hardly any cross-border activities were financed due to the COVID-19 pandemic as the patrols' movements were very restricted (due to factors that included lockdowns).

Table 2: Percentage allocation of expended investment income according to programme



Source: annual financial reports from the APDS, LNP, NNNP protected areas. FC Evaluation Department's own data.

The operating costs have been financed since 2016 through the increased endowment capital and sufficient yield development; it would not otherwise have been possible to ensure cost coverage in the long term. Despite the low expenses for financing cross-border measures, the sustainable financing mechanism contributed towards the efficient management of the protected areas and covered a significant financial gap. The effectiveness is therefore assessed as satisfactory (rating of 3).

Effectiveness rating: 3

Efficiency

The FTNS operating costs were around EUR 340,000[17] in 2020 and have been financed with project funds since the endowment fund was established. The FTNS operating costs were lower than average by

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[15] This refers to bonuses for confiscated weapons, traps and ivory.

[16] See Spira et al. (2019): Understanding ranger motivation and job satisfaction to improve wildlife protection in Kahuzi-Biega National Park, eastern Democratic Republic of the Congo. https://doi.org/10.1017/S0030605318000856 (last accessed on 21 October 2021)

[17] Composition: 45 % wage costs, 24 % professional services, 16 % other direct costs, 9 % travel expenses for the Executive Board and 5 % costs for Supervisory Board meetings.

international standards[18]. The intention is to fully cover these costs in the long term using investment income; the endowment fund's strategy stipulates partial cost coverage by 2024. The planned operating costs of the FTNS are around EUR 430,000 for 2021. The international standard for trust funds stipulates that administrative expenses should not exceed 15 % of the investment income. In the case of the FTNS, the operating costs are around 24 % of the investment income. Due to the tri-national nature of the endowment fund, it cannot be assumed that it is possible to reduce the costs further. Consultant support for the FTNS was financed separately using project funds. The consultant's services proved necessary to compensate for the lack of capacity and qualifications of the FTNS Executive Board. When project funds are no longer available, this support will be eliminated as no financing from investment income was allocated for this purpose. The costs for the Asset Manager are 0.25 % p.a. of the current share capital. The costs for the financial consultant are 0.2 % p.a. of the share capital, which is appropriate in view of the satisfactory consulting services and the profits generated since 2015.

At the time the FTNS was established, the total capital envisaged to ensure the long-term financing mechanism was around EUR 35 million. The existing management plans were used during project planning to estimate the operating costs for park operations. At the time of the project appraisal, the annual running costs of park operations in the PNL were estimated at around EUR 440,000 (EUR 210/km^2); the intention is to finance around 50 % of these costs from investment income in the long term. In the APDS and PNNN, the estimated annual operating costs were around EUR 750,000 (EUR 200/km^2) each at the time of the appraisal; the intention was to cover around 60 % of each park's costs from the fund's investment income. However, according to the information available, these costs have increased many times over and are now estimated at around EUR 1 million in the PNL (EUR 459/km^2), EUR 1.5 million in the APDS (EUR 1,230/km^2) and EUR 2.5 million in the PNNN (EUR 586/km^2) each year. Based on these figures, it was possible to finance around 40 % of the operating costs in the PNL, 43 % in the APDS and 18 % in the PNNN from investment income in 2020. The initial estimate of the operating costs was too low, indicating high planning uncertainty during the project appraisal. At this point, it should be noted that there is no uniform information about how high the actual annual costs of the protected areas are, or to what extent the total operating costs are ultimately covered by investment income.

The use of investment income to finance the majority of administrative, financing and logistics costs and to cover costs of the conservation programme was aimed towards ensuring basic park management functions. The allocation of funds was therefore also well suited to playing a role in protecting biodiversity and forest resources in the TNS by improving protected area management. The decision in May 2017 to allocate all investment income to a loose financing window was also reasonable from today's perspective. Due to large differences in park management[19] and with regard to the available financing sources for the protected areas, it is appropriate to use investment income for financing that is as flexible as possible.

In the past there were issues particularly with cooperation between the park administrative bodies and the FTNS. In particular, insufficient attention was paid to following prescribed procedures[20] when using the funds, and the park management was late in providing proof of annual expenses, which led to high transaction costs. The situation has improved in the meantime. At the time of the annual audit in March 2020, justification had been provided for around 70 % of the transactions documented in the financial reports for 2019 in line with the FTNS procedure. For 2016 expenses this figure was still 50 %.

Given the uncertainty with regard to financial planning and the severely underestimated needs of the protected areas, the production efficiency can no longer be assessed as satisfactory. The allocation efficiency is satisfactory due to the needs-based financing of the protected areas and positive impacts on

[18] The operating costs for the "Fondation por les Aires Protégées et la Biodiversité de Madagaskar" (FAPBM) are around EUR 400,000. The operating costs for the "Fundação para a Conservação da Biodiversidade" (BIOFUND, Mozambique) are around EUR 370,000.

[19] In the LNP (Cameroon), park employee wages are covered by state funds. In the APDS (CAR) and NNNP (Republic of the Congo), wage costs are the most significant expenses covered by the FTNS as there are hardly any state contributions. Personnel costs in the APDS were around EUR 330,000 in 2017.

[20] Procedures for awarding contracts and relevant documentation, approvals for the implementation of measures or the transfer of budget resources, prompt evidence of travel costs.

climate and biodiversity. There were limitations due to the high transaction costs and the previously incomplete recording of transactions. The resulting overall efficiency is rated as no longer satisfactory (rating of 4).

Efficiency rating: 4

Impact

The objective at impact level was to contribute to protecting biodiversity and forest resources in the TNS protected areas complex.

Target achievement at the impact level is summarised in the table below:

Indicator	Status PA, target EPE	Ex post evaluation
(1) Development of endangered species' populations in the TNS	Status PA: 1) Elephant population: PNL: 2,091 (2002)**** APDS: 869 (2004)**** PNNN: 2,324 (2011)*** 2) Primate population: PNL: 6,360 (2002)**** APDS: 2,310 (2012)**** PNNN: no data Target: the populations of endangered species in the TNS have remained constant since 2016.	1) Elephant population* target largely achieved PNL: 1,029 (2016); 960 (2018) APDS: 711 (2016); 820 (2020) PNNN: 1,695 (2016); more recent data not available 2) Primate population* target largely achieved PNL: 2,844 (2016); 3,880 (2018) APDS: 2,412 (2016); 2,702 (2020) PNNN 2016: 8,732 (2016); more recent data not available
(2) Development of forest cover in the TNS	Status PA: 1) TCL in the TNS**: 2001–2004: Ø 16.5 ha (total: 66 ha) Target: the average annual Tree Cover Loss (TCL) in the period 2016–2020 is not higher than 2005–2015.	1) TCL in the TNS**: target achieved 2005–2015: Ø 68.0 ha (total: 748 ha) 2016–2020: Ø 28.8 ha (total: 144 ha) 2) TCL in other protected areas**: 2005-2015: Cameroon: Ø 825.5 ha (total: 9.08 kha) CAR: Ø 2,518 ha (total: 27.7 kha) Republic of the Congo: Ø 6,854 ha (total 75.4 kha) 2016-2020: Cameroon: Ø 1,268 ha (total: 6.34 kha) CAR: Ø 3,220 ha (total: 16.1 kha) Republic of the Congo: Ø 12,380 ha (total: 61.9 kha)

*Source: FTNS. Biomonitoring in the APDS, PNL and PNNN primarily means setting camera traps in forest clearings. Supplemental methods include the phenological monitoring of fruit trees which produce the fruit consumed by apes during each production period (PNL), evaluating the GPS data of chipped elephants (APDS) and localising shots fired using special technical equipment (PNNN).

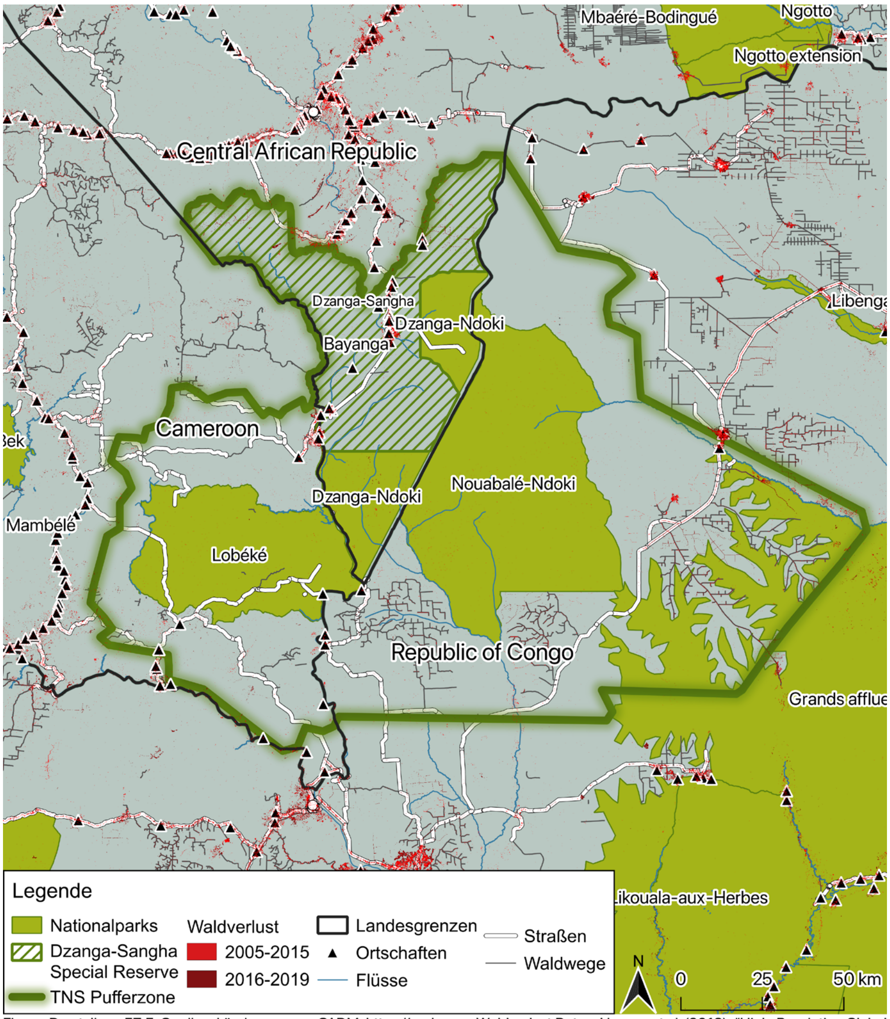
**Source: Hansen et al. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." Science 342 (15 November): 850–53. Data available online from: https://glad.earthengine.app/view/global-forest-change. Accessed through Global Forest Watch on 26 October 2021. www.globalforestwatch.org

***Source: Maisels et al. 2012. Great ape and human impact monitoring training, surveys, and protection in the Ndoki-Likouala Landscape, Republic of Congo. (p. 69). Republic of Congo: USFWS

****Source: WWF Biomonitoring Report 2017. The status of Forest Elephant and Great apes in Central Africa priority sites.

The primate population within the TNS remained largely constant, whereas the number of elephants decreased dramatically. Poaching increased due to a geographical displacement of elephants from the TNS buffer zone into the more remote parts of the protected areas. This can lead to a temporary increase in the number of individuals in the protected areas (see indicator 1 for APDS). In the long term, it must be assumed that poaching in the three protected areas will continue to increase and the elephant population will continue to decline. The constantly growing informal sector is one of the main drivers for illegal logging in the Congo Basin, which has a market share of up to 40 % of the overall timber trade in the Republic of the Congo and around 50 % in Cameroon[21]. On a positive note, the annual forest loss of around 68.0 ha per year (2005–2015) in the TNS decreased to around 28.8 ha per year (2016–2020). Although this may possibly be related to the conservation activities of the past years, it is not possible to prove a direct causal link. By comparison, the average forest loss in other protected areas in the region has increased significantly since 2016.

Map 1: Forest loss in the Sangha Tri-National Transboundary Forest Complex



Eigene Darstellung FZ E. Quellen: Ländergrenzen: GADM: https://gadm.org; Waldverlust Daten: Hansen et al. (2013): "High-Resolution Global Maps of 21st-Century Forest Cover Change." Science 342 (15 November): 850–53. Accessed through Global Forest Watch on 26/10/2021 www.globalforestwatch.org; Schutzgebiete: UNEP-WCMC and IUCN (2021): Protected Planet: The World Database on Protected Areas (WDPA) and World Database on Other Effective Area-based Conservation Measures (WD-OECM) [Online], October 2021, Cambridge, UK; Straßen/Ortschaften/Waldwege/Flüsse: Open Street Map (OSM)

[21] Piabuo et al. (2021): Illegal logging, governance effectiveness and carbon dioxide emission in the timber-producing countries of Congo Basin and Asia. Environ Dev Sustain 23, 14176–14196. https://doi.org/10.1007/s10668-021-01257-8 (last accessed on 24 October 2021)

Overall, the data indicates that the conservation activities in the TNS since 2016 have had a positive impact on maintaining forest cover, and that species development is stable. Attributing these impacts only to the project evaluated here is not possible as further investment projects were being implemented at the same time. However, it is quite plausible that this project contributed to these impacts.

Both in the TNS and in other protected areas in the Congo Basin, there have been conflicts between eco-guards and local communities since the early 2000s. The accusations included random use of violence by eco-guards within the context of their patrolling activities. A study published in 2019[22] indicated that ambiguous rights of use in the PNL buffer zone may possibly foster conflicts. Furthermore, critics of the performance-based incentive system for eco-guards speculate that the payment of premiums increases rangers' propensity for violence and contributes to raids being performed without well-founded evidence[23.] As the complaints mechanism in the TNS was not established at an early stage, relevant incidents prior to 2015 were not systematically documented or forwarded to the FTNS by the parks' administrative bodies. In connection with unclear reporting duties on environmental and social standards, this could have contributed to the late discovery of conflicts within the project environment and their late communication to KfW.

To avoid violent incidents as best as possible, the FTNS has - with help of the consultant - ensured compliance with IFC Performance Standard 7 (protecting indigenous peoples) and 4 (use of security personnel) since 2017 by promoting training and education to raise eco-guards' awareness of human rights aspects. Furthermore, park administrative bodies cooperated with other state and non-state actors to establish complaints mechanisms for the local population. Human rights centres in Bayanga (2015) and Mambélé (2019) fall under the management of local NGOs[24] and provide the opportunity for peaceful conflict resolution. In the case of human rights violations, the claimants receive support in bringing their cases to court. According to statements from the staff at the human rights centres, this led to significant improvements in recent years. The behaviour of the eco-guards has improved significantly due to comprehensive training and awareness-raising measures. Public awareness due to past problems has also led to the issue being taken very seriously by all participants. Based on the available information, the last time there was a human rights violation in the PNL was in 2020. However, the park management immediately reported this case to the FTNS and it was communicated to KfW. According to the report, four indigenous people were detained overnight against their will by eco-guards. It is assumed that physical violence was used. It is not possible to fully reconstruct these particular events; however, the fast reaction is a sign that the complaint mechanisms work. The incident was handled with disciplinary action.

Severe violations of human rights were not reported during the period of investment income disbursements from the fund; current information indicates that such violations were limited to a time prior to this period. During that period, German FC also provided financial support for the park through conventional investment projects. These projects are, however, not the subject of this evaluation. For the evaluation period under consideration, it can be assumed that the human rights situation improved due to the reforms introduced.

Overarching developmental impact rating: 3

Sustainability

In general, the project addressed one of the core problems (sustainable financing) in environmental protection and made a significant contribution to reducing the financial gap in the TNS by increasing the FTNS endowment capital. One risk for the sustainability of the financing mechanism remains the average real interest rate, the development of which has remained below expectations until now. To achieve the

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[22] Lambini et al. (2019). Conflicts, participation and co-management in protected areas. Humboldt University of Berlin https://doi.org/http://dx.doi.org/10.18452/20025

[23] See WWF (2020): Embedding Human Rights in Nature Conservation: From Intent to Action. https://wwfasia.awsassets.panda.org/downloads/independent_panel_report___embedding_human_rights_in_conservation.pdf (last accessed on 21 October 2021)

[24] In the CAR (Bayanga) the human rights centre is managed by MEFP (Maison de l'Enfant et de la Femme Pygmées). In Cameroon (Mambélé) the responsible organisation is CEFAID (Centre pour l'Education, la Formation et l'Appui aux Initiatives de Développement au Cameroun).

FTNS's total capital target of EUR 100 million as quickly as possible, the endowment fund should further diversify its fundraising strategy and increase its visibility, also among international donors.

Important steps have already been taken to handle human rights issues between FTNS, KfW and other stakeholders. To avoid long-term reputational risks for donors, the possibility of anchoring human rights aspects into the framework of the endowment funds should be considered. If it is not possible to retroactively change the statutes, compliance with environmental and social impact standards and the regulation of complaints mechanisms should be ensured by defining and complying with relevant criteria for the use of funds in the FTNS manual of procedures.

From the perspective of the evaluation, due to the partial financing of the protected areas (and the patrol work in particular) and of the cross-border measures, FTNS and its donors have partial responsibility for human rights aspects. However, taking into account the context of civil-war-like situations in the partner countries and the lack of a state monopoly on the use of force, it would be unrealistic to expect that violent conflicts can be completely avoided in the foreseeable future. The FTNS has already made a contribution to minimising the risks by financing awareness-raising measures for eco-guards. Nonetheless, the sustainable promotion of effective complaints mechanisms is critical to ensure conflict resolution as well as prosecution and sanctioning when human rights are violated, and to effectively prevent potential abuse of power by patrol personnel. However, according to statements from staff members, the long-term continued existence of human rights centres is not sufficiently ensured due to inadequate sources of financing. The main sources of financing are currently the local NGOs and the WWF. Further financial support is received from the EU, the German Federal Ministry for Economic Cooperation and Development (BMZ) and GIZ on a project basis. We recommend considering whether long-term financing of the human rights centres can also be provided from fund payments. This could minimise a potential risk if project-based financing runs out or declines at some point, and cases of human rights violations remain undiscovered.

Convocation of an expert advisory body (e.g. human rights committee) by the FTNS Board of Supervisory Directors would also be an opportunity to anticipate potential environmental and social impact risks early on and ensure appropriate risk management. In any case, it is advisable for the FTNS to evolve as an institution and it should be provided with personnel over the long term to process human rights aspects and other cross-cutting issues. The additional costs as a result could possibly reduce efficiency, but given the urgency of the issue and the complexity of the situation in the project regions, it would be appropriate. Other funds in this context make specific functional differentiations and define relevant responsibilities with regard to social safeguards and risk management.

Conservation can only be successful over the long term with support from local communities as they have a deep understanding of the forests and local conditions[25]. The communities can be allies in protected areas, but also represent a potential threat for maintaining flora and fauna. Up to now, the local development programme in the TNS has mainly been financed using project funds which would not have been sufficient to significantly improve the socio-economic conditions of the local communities or provide appropriate compensation for usage restrictions in the protected areas[26]. A binding quota for the financing of development measures among local communities from the fund’s investment income could therefore be considered by the donors, and incorporated into the rules and regulations the next time capital is increased. Findings from other evaluations indicate that regular, long-term payments for environmental services can increase acceptance of conservation among the local population, and align their behaviour with regulations, which also prevents possible conflicts.

The endowment fund is a sustainable financing mechanism that has set itself apart in an exemplary fashion from the decades-long status quo of investment measures, which are often characterised by low sustainability. Even though the available income for the protected areas depends on yield development and a further increase in endowment capital, it can be assumed that the existence of the fund is ensured for the long term. To increase transparency with regard to use of the funds, annual independent audits should continue. Furthermore, the parks’ financial reporting should be standardised and there should be a

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[25] Walters, G., Sayer, J., Boedhihartono, A.K. et al. Integrating landscape ecology into landscape practice in Central African Rainforests. Landscape Ecol 36, 2427–2441 (2021). https://doi.org/10.1007/s10980-021-01237-3 (last accessed on 25 October 2021)

[26] Source: GFA Rapport Final: Services de consultance en appui organisationnel et gestion à la FTNS (Novembre 2012–Décembre 2017)

comparison between the reports from the parks and the audits to facilitate transparent monitoring of the use of funds.

Overall, the sustainability of the project is rated as “satisfactory”.

Sustainability rating: 3

Notes on the methods used to evaluate project success (project rating)

Projects are evaluated on a six-point scale, the criteria being **relevance, coherence, effectiveness, efficiency, overarching developmental impact** and **sustainability**. The ratings are also used to arrive at a **final assessment** of a project's overall developmental efficacy. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least "satisfactory" (level 3).