

Ex-post evaluation

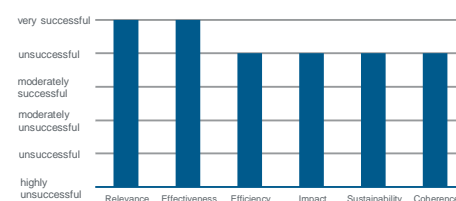
Eco-corridors, South Caucasus

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|---|--|------------------------------|------|
| Title | Promotion of eco-corridors in the South Caucasus | | |
| Sector and CRS code | Biodiversity 41030 | | |
| Project number | 2012 36 561 | | |
| Commissioned by | Federal Ministry for Economic Cooperation and Development (BMZ) | | |
| Recipient/Project-executing agency | WWF Caucasus Programme Office | | |
| Project volume/ Financing instrument | EUR 8.53 million / budgetary grant (8.0) and counterpart contribution WWF Germany (0.53 million) | | |
| Project duration | 5 June 2013 – 17 March 2021; six years and nine months | | |
| Year of report | 2023 | Year of random sample | 2023 |

Objectives and project outline

The objective at outcome level was to promote ecologically sustainable land use in eco-corridors that serve to network and biologically stabilise nature conservation areas. At impact level, this was intended to contribute to the preservation of biodiversity in Armenia, Azerbaijan and Georgia, without causing income loss for the rural population. Essential services included the conclusion of nature conservation agreements with 20 municipalities, extensive training measures, as well as the financing of community projects and annual compensation payments for the implementation of resource conservation measures.

Overall rating:
successful



Key findings

The project has been rated “successful” for the following reasons:

- The project pursued an innovative approach and played a pioneering role in the region with the expansion of nature conservation beyond state-owned conservation areas with close involvement of the local communities.
- A key success factor was the Financial Participatory Approach. It was able to break down the original scepticism on the part of the municipalities towards executing agencies and project objectives and build trust, as well as to strengthen awareness of environmental concerns and personal responsibility.
- The objectives at outcome and impact level were achieved at a reasonable cost and within the planned time schedule.
- The project contributed to improving local living conditions and the state of the ecosystem, as well as to an increase in wildlife populations. It thus impressively demonstrates how promotion of the local economy and environmental protection can be successfully combined by closely aligning with the target group.
- Exchange rate fluctuations and inflation led to devaluation of the compensation payments for municipalities, some of which could have been avoided by financing in local currency.
- The sustainability of the project beyond the term of the nature conservation agreements is not secured due to the lack of legal recognition of the areas protected by the municipalities.

Conclusions

- Intensive involvement of the target group and consistent alignment of the design with local needs and capacities is time-consuming and resource-intensive, but highly relevant for the success of the project.
- The Financial Participatory Approach is a promising instrument for promoting environmental awareness and self-determination, as well as for identifying particularly motivated communities.
- Payments for ecosystem services at community level are an effective instrument for promoting rural development and climate and environmental protection.

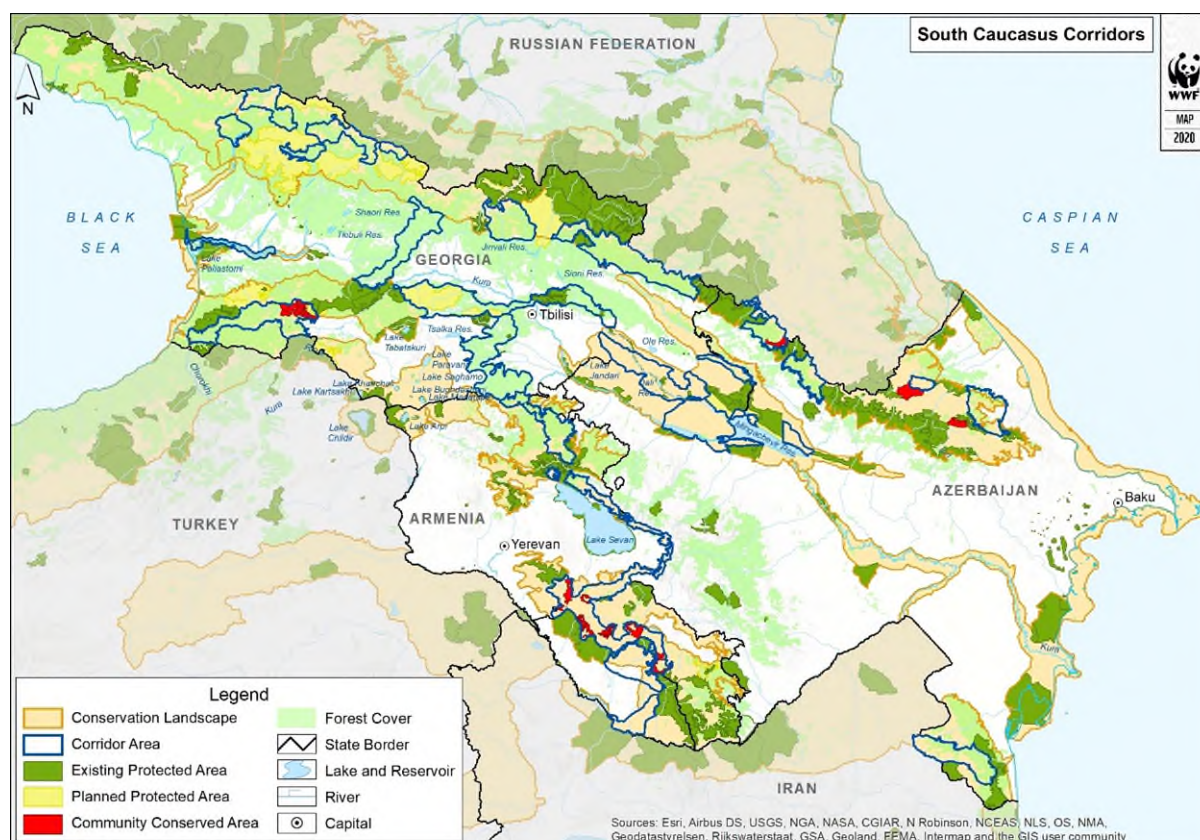
Ex post evaluation – rating according to OECD-DAC criteria

Brief description of the project

As part of the cross-border project “Promotion of eco-corridors in the South Caucasus”, the project-executing agency *World Wide Fund for Nature Caucasus Programme Office* (WWF CauPo) set up a financing instrument with the *Ecoregional Corridor Fund* (ECF), through which financial funds are still being provided to the benefit of environmentally sustainable land use for participating communities in selected eco-corridors in Georgia, Armenia and Azerbaijan. These eco-corridors serve the regional connection of natural areas and thus contribute to the biological stabilisation of conservation areas.

The aim of the project was to contribute to the preservation and sustainable use of biodiversity without reducing the incomes of the local rural population. This was achieved by concluding long-term “nature conservation agreements” with local communities (primary target group). The contracts have a maximum term of ten years, are based on jointly developed land use plans and define land and resource protection measures chosen by the communities themselves, for the implementation of which the communities receive annual compensation payments from ECF. A total of 20 community-based organisations have concluded nature conservation agreements, 19 of which are currently being implemented. The project is divided into a five-year setup phase and a ten-year implementation phase. At the time of the evaluation, the project is in the implementation phase, in which the communities receive annual payments for the implemented conservation and landscape maintenance measures.

Map/satellite image of the project country including project areas



Breakdown of total costs

| | Inv. (planned) | Inv. (actual) |
|---|-------------------|------------------|
| Investment costs (total) EUR million | 8.3 | 8.53 |
| Counterpart contribution EUR million | 0.3 | 0.53 |
| Debt financing EUR million | 8.0 | 8.0 |
| <i>Of which budget funds EUR million</i> | 8.0 | 8.0 |

Rating according to OECD-DAC criteria

Relevance

Policy and priority focus

The Caucasus is one of the most species-rich and at the same time most endangered eco-regions on earth and is thus one of the most important biodiversity hotspots in the world.¹ No other region in the temperate area of the northern hemisphere has a higher proportion of endemic species.² However, biodiversity in the Caucasus is being lost at an alarming rate. Large parts of the natural landscapes are destroyed, fragmented or threatened with destruction. In addition to climate change, this is primarily due to anthropogenic factors, in particular the overuse of natural resources caused by poverty. The focus of German development cooperation (DC) in this region on the conservation and protection of biodiversity while promoting rural development is therefore considered to be relevant.

International experience with biodiversity conservation shows that conservation concepts can only work sustainably if they ensure a balance of interests between nature conservation and economic development opportunities for the local population. In line with the now prevailing nature conservation paradigm³ of “protection through sustainable use”, the project to be evaluated provides for close involvement and promotion of the local population. In the context of contractual nature conservation, municipal conservation areas should be set up on community land and receive financial compensation for restrictions on use. Through the intended changes in land use, the project is also intended to make a positive contribution to climate action. It thus meets German DC’s aspiration to combine climate and environmental protection and has the potential for a triple-win situation. The project’s approach and objectives correspond both to the goals of German DC at the time and today (BMZ 2030; BMZ Position Paper on Biodiversity) and to the international development goals of the 2030 Agenda and the Convention on Biological Diversity.⁴

Although environmental and species protection in Azerbaijan (AZ), Armenia (AM) and Georgia (GE) continues to play a subordinate role compared to other policy areas, the project objectives and the approach harmonise with the current objectives of the national ministries of the environment. Support within the framework of international DC is also understandable and justified due to the global importance of preserving biodiversity as a global public good.

Focus on needs and capacities of participants and stakeholders

A pre-selection of the eco-corridors to be supported was already made during the design phase. The chosen corridors are located in regions identified as priority areas for biodiversity conservation and key ecosystem services in the current version of the Ecoregional Conservation Plan (ECP). The project’s **target group** is the

¹ Myers et al., 2000, Biodiversity hotspots for conservation priorities. Nature 403, 853–858.

² Around 25% of the plant species found there and 14% of mammal species are endemic (ECP 2020).

³ See Büscher & Whande, 2007, Whims of the winds of time? Emerging trends in biodiversity conservation and protected area management. Conservation and Society, 5, 22–43.

⁴ The BMZ Policy Paper “In Biodiversität investieren – Überleben sichern” (BMZ, 2020) is particularly relevant for DC in Germany.

population living in the corridors. Most of them are poor and particularly dependent on natural resources to generate their livelihoods. The selection of project locations is relevant and expedient from an ecological and economic perspective.

Already in the design phase, it was correctly recognised that the project approach can only be successful with the close involvement and participation of the local population and that a high level of trust on the part of the population is indispensable for this. This was to be achieved with the help of the community-based approaches of Rapid Rural Appraisal and the Financial Participatory Approach (FPA). The FPA is an innovative and highly participatory approach. Communities are supported in recognising their own interests and taking control of their socio-economic development in line with nature conservation. One of the key principles of the FPA is that all initiatives come from the target group and that the role of project staff is limited to promoting the process. With the help of competitions on various environmental and development-related topics, ideas for development projects and approaches to environmental problems are to be developed by the community members themselves. The best ideas are to be rewarded and their implementation is to be supported financially from ECF funds.

The design also included the involvement of the local population in the preparation of land use plans and the content-related design of nature conservation agreements, as well as the financing of small investment measures chosen by the communities. The participatory nature of the project should in principle enable all parts of the target group to participate. In summary, it can be stated that the project design envisaged close involvement of the local population in all relevant implementation steps and was consistently geared towards local needs and capacities.

The concept did not provide for explicit promotion of gender equality, for example by setting quotas for filling positions, or by targeted promotion of activities traditionally carried out by women in the project regions (e.g. dairy production). The project regions have a patriarchal character and traditional gender roles, and gender-specific division of tasks is quite prevalent. Most of the activities affected by the nature conservation agreements – such as hunting, livestock farming or firewood extraction – are traditionally carried out by men in the project region. Based on these context factors and in view of the pioneering nature of the project and the associated uncertainty as to whether the project approach would even be accepted by the target group, it is understandable from the perspective of the evaluators that an ambitious objective to promote gender equality was abandoned during the design phase.

Appropriateness of design

Key threats to biodiversity include overgrazing, firewood extraction, poaching, water pollution and other unsustainable exploitation practices (core problems). These problems and the associated loss of habitat for wild animals were to be counteracted by sustainably managing land and partially decommissioning land in ecological corridors set up for this purpose (module objective). Eco-corridors are used to connect conservation areas and to ecologically stabilise larger landscapes. They allow wildlife species to migrate and spread along their natural habitats, thus helping to increase the gene pool and stabilise wildlife populations.

The main cause of the environmental problems described was identified during the appraisal as the widespread rural poverty in the region and the associated pressure to use natural resources. Other causes include (1) a lack of professional experience with modern, sustainable land use practices on the part of communities and responsible government agencies, (2) weak ecological awareness, (3) a lack of long-term land use rights and (4) a lack of land use plans or the lack of consideration of nature conservation aspects and corresponding incentive mechanisms in the few existing plans.

The conclusion of long-term nature conservation agreements with local communities was intended to address these causes and achieve sustainable management and the protection of designated areas. The intent was to base contracts on jointly developed land use plans and define land and resource conservation measures for the implementation of which communities should receive annual compensation payments from a financing mechanism set up for this purpose (Ecoregional Conservation Fund, ECF). Performance-based payments should cover the opportunity costs of biodiversity-preserving land use and thus provide material incentives for environmental protection. In addition, the income situation of the participating communities was to be improved by financing small-scale projects. The FPA was also intended to raise awareness of local environmental problems and promote responsibility for environmental protection and the communities' own socio-economic development, thereby reinforcing empowerment and providing intangible incentives for the sustainable use of resources. At an overarching level, the project aims to use the chosen approach to help preserve and sustainably

use biodiversity without reducing the incomes of the local rural population. Figure 1 shows the project's theory of change (ToC) reconstructed as part of the evaluation. The project's target system is formulated realistically and the underlying results logic is coherent and comprehensible. Due to its holistic approach, climate adaptation and mitigation effects could also have been explicitly included in the target system.

The project's objective can only be achieved if local people change their behaviour and apply environmentally sustainable land use practices in the long-term. It can take a long time for people to discard learned habits and internalise new behaviours. The planned project term of up to 15 years – divided into a five-year setup phase and a ten-year implementation phase – is therefore sensible and appropriate.

It is noted that the calculation of compensation payments based on opportunity costs provided an insufficient buffer for price increases. Given the long term, price increases should have been anticipated more and taken into account. Due to a lack of a local currency mechanism, ECF was funded in euros, while the agreed payments to the communities were set in the respective local currency. This disbursement modality entails the risk of a devaluation of funds with potentially adverse effects on the implementation of nature conservation measures. As the modality is tied to the structural conditions of interbank business and there are generally no alternatives, the procedure is nevertheless rated as appropriate.

Response to changes/adaptability

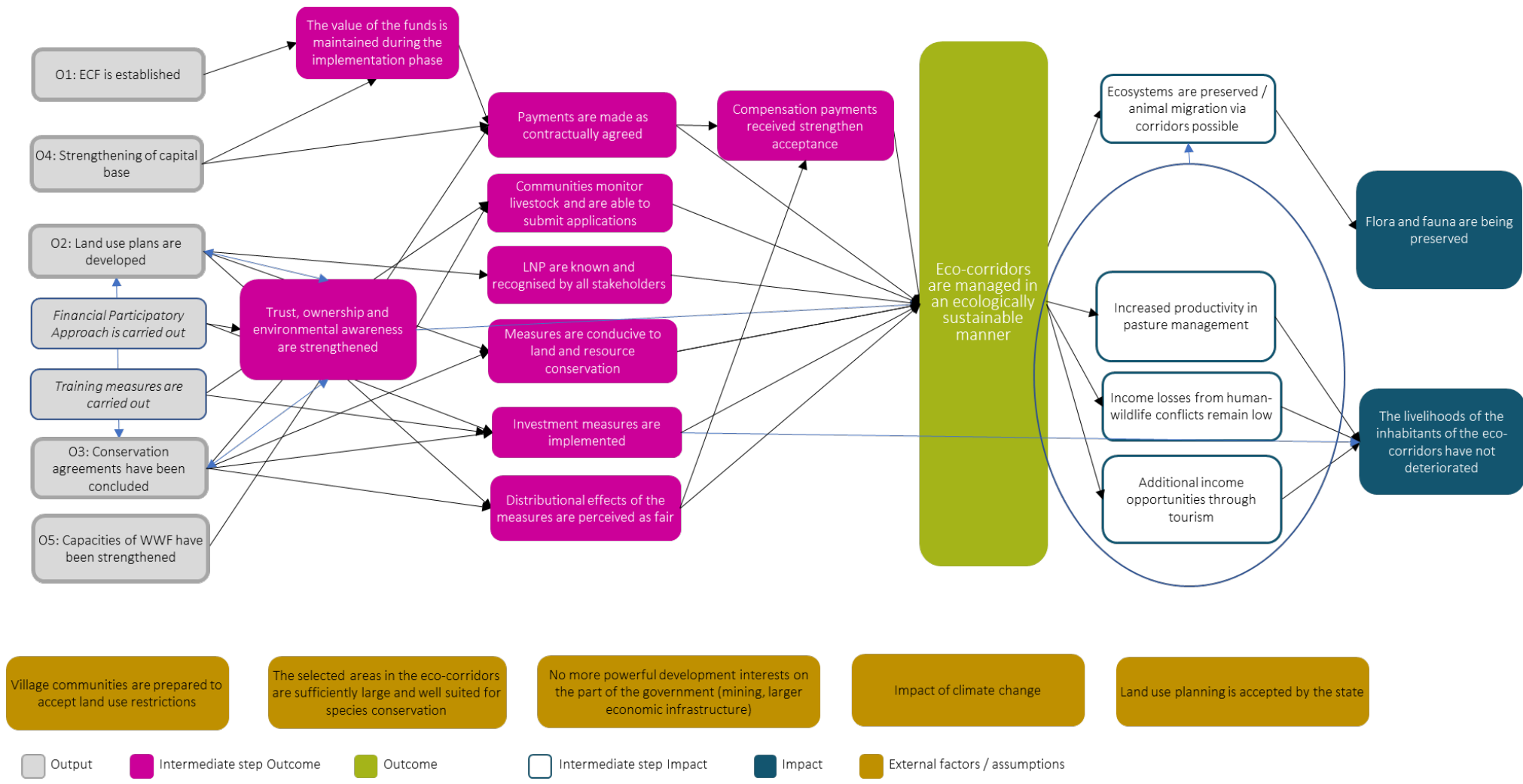
Despite the outbreak of the COVID pandemic and the war between Russia and Ukraine, no significant adjustments were needed.

Summary of the rating

The project pursues an innovative approach. With the expansion of nature conservation beyond state-owned nature conservation areas and the independent implementation of nature conservation measures by the local communities, it plays a pioneering role in the region. The holistic project approach appears to be very well suited to adequately addressing the correctly identified core problems for protecting biodiversity in the Caucasus region. It offers great potential to combine the often conflicting objectives of species conservation and socio-economic development in practice. The close involvement and participation of the local population in all relevant steps provided for by the FPA in the conception is particularly noteworthy – from the planning and content design to the implementation of the nature conservation agreements. This ensures a clear focus on people's needs in an exemplary manner. The underlying theory of change is plausible, the objective is ambitious but realistic given the novelty of the approach. We therefore consider the relevance of the project to be very high despite the above-mentioned reservations (ignoring the price increases).

Relevance: 1

Figure 1: Project's Theory of Change



Source: own data; remarks: LP is the abbreviation for land use plans

Coherence

Internal coherence

The German FC portfolio in the area of natural resource conservation in the South Caucasus, including the project to be evaluated (ECF), is based on four pillars: (1) Financing of ongoing operating costs in conservation areas and promotion of small-scale investments via the Caucasus Nature Fund (CNF), (2) Investments in equipment and infrastructure as well as planning and management instruments in selected nature conservation areas via bilateral FC projects, (3) and promotion of measures to harmonise environmental policy and cross-border cooperation between GE, AM and AZ within the framework of the Transboundary Joint Secretariat (TJS).⁵ With its focus on nature conservation and sustainable resource management *beyond* existing protected areas, the project complements CNF and the bilateral conservation area projects. By promoting eco-corridors, the project contributes to stabilising wildlife populations within and outside national conservation areas and thus generates direct synergies with the projects to promote protected areas.

The preparation and implementation of some components of ECF was specifically based on findings and inputs from the FC projects “TJS II” and “TJS III”, which resulted in further synergies within the FC portfolio. For example, the selection of eco-corridors was based on the ECP. This was written by experts from non-governmental and scientific organisations in the Caucasus region. The last revision of the ECP was financed from TJS III project funds. Furthermore, the FPA implemented in ECF was adapted to the local conditions of the project region in the second phase of the TJS and successfully piloted in the third phase in FC project areas in AM and GE. The TJS project also supported the financing of training measures, study trips and consultancy services.

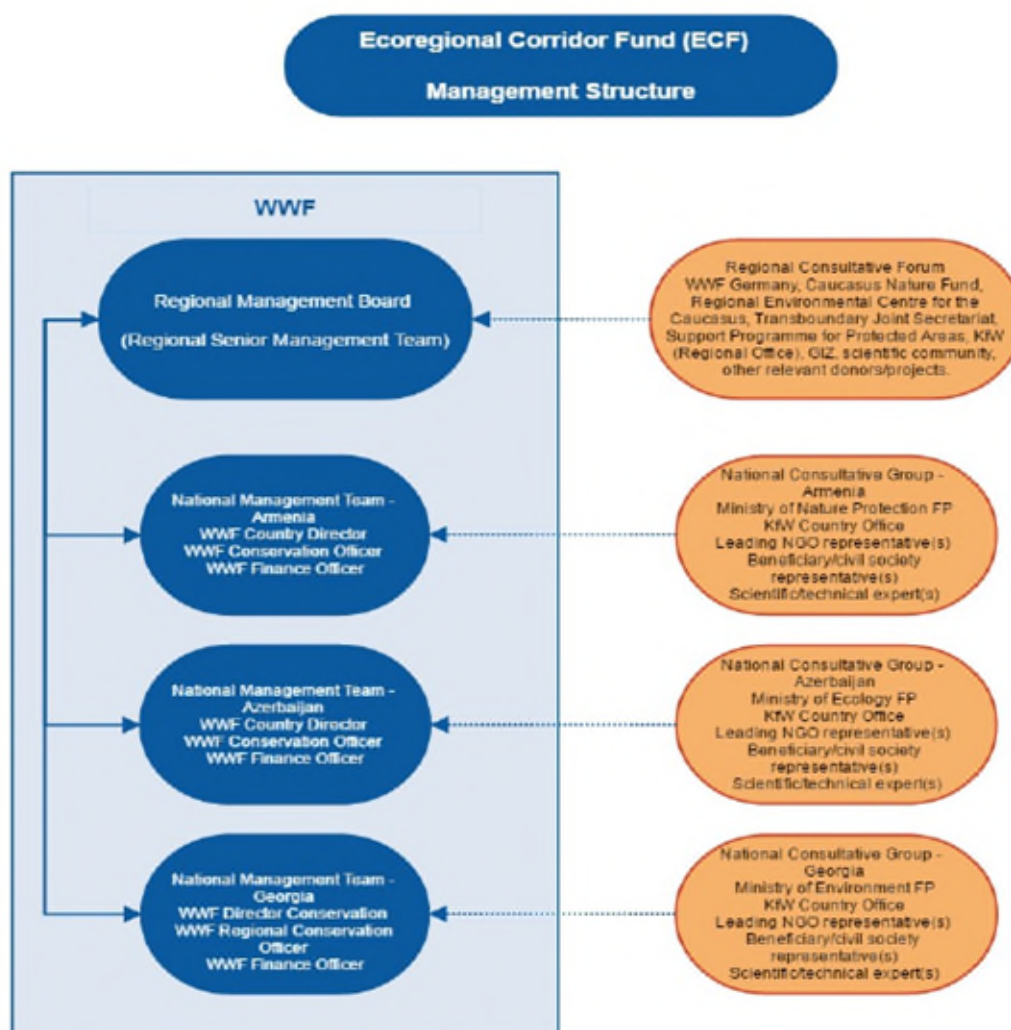
As part of the *Ecoserve* project, which has been running since 2019, TC in the South Caucasus is advising on the sustainable management of natural resources and the protection of key ecosystem functions. Direct content-related cooperation between TC and FC was limited to regular exchanges of experience as part of this and previous projects. More extensive synergy effects, which could possibly have resulted from TC-side advice with regard to the formal space and land use planning of those municipalities in which the ECF project communities are located, remained untapped.

The institutional setup of ECF promotes the involvement of relevant institutional stakeholders (KfW, WWF Germany, GIZ, CNF, TJS, and REC (*Regional Environmental Centre for the Caucasus*) via the *Regional Consultative Forum*, which meets annually, and contributes to coherence between the various activities of German DC in the region. The involvement of ministries is ensured by institutionalised exchanges between ministry representatives and WWF at country level within the *National Consultative Groups* (Figure 2).

The implementation of the project was consistent with international norms and standards. It promotes climate change adaptation and mitigation and is therefore in line with the Paris Agreement. The project also takes into account and promotes opportunities for participation, self-determination and the economic interests of the local communities and thus corresponds to the human rights protection approach of German DC.

⁵ These include the regional CNF projects (including BMZ no. 2013 659 56 and 2014 676 12) as well as the national conservation area projects in AM (2009 665 72), GE (2008 658 26) and AZ (2003 654 37; 2008 658 26).

Figure 2: Governance structure of ECF



Source: GOPA (2021).

External coherence

All three countries aim to promote ecotourism and sustainable resource management in rural areas. During on-site discussions with representatives of the national ministries of the environment in GE and AM, it became clear that a landscape approach that envisages the protection of biodiversity beyond formally designated national conservation areas with the involvement of the local population and provincial administration should become more important in the future. The project thus supports the efforts of the three partner countries and serves as a model for existing and planned domestic initiatives in the area of environmental protection and biodiversity conservation.

The establishment of *focal points* in the national ministries of environment and the participation of representatives of the three national ministries in meetings of the Regional Consultative Forum ensured their involvement in the project's implementation. In GE, the Ministry of Finance also made an important contribution to project implementation by enabling long-term lease agreements with the communities and thus legally securing the conclusion of nature conservation agreements.

Cooperation partners beyond German DC included WWF Germany as co-financer of the project, the German Savings Banks Foundation Caucasus, which supported the selection of banks for the established financing mechanism and carried out training measures on basic financial education and specific aspects of banking for the target group, as well as the Swiss Development Agency (SDC), *the Slovenian Centre for International*

Cooperation and Development (CMSR) and the *United Nations Environment Programme* (UNEP). In Artavan and Zangakatun (both AM), UNEP (GEF SGP) financed street lighting valued at EUR 91,000 with the NGO Strategic Development Agency (SDA). In Adigeni (GE), a co-financing agreement with CMSR to promote sustainable forest management amounting to EUR 536,000 was also concluded in 2019. Regular coordination took place with other international donors, but no direct cooperation took place.

At the same time as German involvement, the Asian Development Bank (ADB) and the World Bank are supporting the expansion of public supply infrastructure in rural areas and the promotion of the tourism sector in GE and AM. UNEP also supported rural development in AM, particularly in structurally weak regions, including tourism promotion. Whether closer cooperation with these actors could have achieved synergy effects for the project cannot be assessed on the basis of the available information.

Summary of the rating:

As the fourth pillar, the project complements the existing FC portfolio in the South Caucasus. With its focus on nature conservation and sustainable resource management beyond existing protected areas, it generates important synergy effects with CNF and bilateral protected area projects through ecological stabilisation and linking of the protected areas, and at the same time represents a strategic further development of the German FC commitment in the South Caucasus. At the same time, the project succeeds in incorporating the relevant institutional stakeholders of the South Caucasus into the project. Due to different focal points in terms of content, greater synergy effects with TC remain untapped – for example, with regard to the formalisation of the concluded nature conservation agreements and other international donors. However, since the latter aspect is not within the project’s sphere of influence, this only has a low weighting in the evaluation and is not classified as a deficiency. Overall, the project’s coherence is rated as successful.

Coherence: 2

Effectiveness

Achievement of (intended) targets

The module objective defined at outcome level during the appraisal was the promotion of ecologically sustainable land use in eco-corridors, which serve to regionally connect conservation areas and ecologically stabilise larger landscapes. The target is deemed to be achieved if at least 70% of the agreed conservation contracts are implemented.⁶ Twenty nature conservation agreements were signed with communities, 19 of which are actually being implemented. In one case (Kikibo municipality), the agreed contract could not be implemented due to differences of opinion among community members. The contract has now been terminated.⁷ With a resulting implementation rate of 95%, the target is currently being achieved and the target value has clearly been exceeded. The area designated for purposes of conservation is used as a further indicator for measuring target achievement.⁸ Overall, the project communities cover an area of almost 90,000 ha, of which 29,298 ha are designated as “core areas” or non-use zones with stricter protection regulations (see Table 1). The value also significantly exceeds the target value of 24,000ha.

⁶ At the time of the appraisal, “*The number of conflicts between the population and the administration of the conservation areas networked by the chosen eco-corridors does not increase compared to 2015*” was defined as a further outcome indicator. This became obsolete during the implementation phase, as the communities were not directly adjacent to protected areas. Project documents and on-site discussions showed that there was no increase in conflicts.

⁷ The new purpose for the released funds had not yet been determined at the time of the evaluation.

⁸ This indicator with a target value of 24,000ha was suggested by the responsible operating team as a further module objective indicator during the project’s setup phase and will be adopted for this EPE.

Table 1: Indicators and target value achievement at outcome-level

| Indicator | Status during PA | Target value PA | Actual value at final inspection | Actual value at EPE ⁹ |
|--|------------------|-----------------|----------------------------------|----------------------------------|
| (1) In the selected eco-corridors, 70% of the plans created for environmentally sustainable land use at local level were implemented. | 0 | 70% | 95% | 95% |
| NEW (2) Area in ha dedicated to habitat conservation in accordance with applicable environmental protection contracts with the communities as conservation areas. | 0 | 24,000ha | N/A | 29,298ha |

Contribution to achieving targets

The module objective was to be achieved through five outputs (see Table 2).

Table 2: Overview of output and outcome indicators

| Output | Indicator | Status at EPE |
|---|---|---------------|
| (1) ECF shall be established as an instrument to promote the sustainable use of natural resources in eco-corridors. | At least 40% of the project's funds were committed to the target group in the long-term as part of ECF to promote the sustainable use of natural resources. | Achieved |
| (2) The participatory creation of long-term ecologically sustainable land use plans was financed by ECF | All agreed measures are based on land use plans. | Achieved |
| (3) Concrete measures have been agreed and implemented on the basis of the land use plans | 70% of the measures defined in the nature conservation agreements have been implemented. | Achieved |
| (4) ECF's capital base has been strengthened | At least 10% of the funds available for ECF in 2017 do not come from the Federal Ministry for Economic Cooperation and Development (BMZ). | not achieved |
| (5) Measures to strengthen the executing agency have been implemented | no indicator formulated | Achieved |

Output 1: ECF was set up in the form of a sub-account with WWF CauPo and individual savings accounts for the communities. Possible alternatives would have been to set up an independent, central financing mechanism or a separate financing window at CNF. Compared to the chosen approach, this may have brought the advantage of higher interest income through a bundled investment, but would have been associated with higher establishment and administrative expenses as well as presumably also with lower transparency towards the beneficiary communities.

⁹ The actual values at the time of the EPE are taken from the WWF progress report for the 2021 implementation year. KfW had not yet received the progress report for 2022 at the time of the evaluation.

The financing mechanism is managed by the regional management board, which is made up of the three WWF country directors and the Regional Consultative Forum (see Coherence, Figure 2). In addition, national steering committees were set up for each of the three countries and support agreements were concluded with the responsible ministries of the partner countries. The decision-making procedures and management processes of ECF are defined in a manual, which was developed and adopted as part of the project.

Savings accounts were set up for the participating communities, to which the budgets agreed between WWF and the communities were paid at the beginning of the contract term.¹⁰ WWF has the option of stopping disbursements in the event of non-compliance with the contracts. The communities are represented by community-based organisations (CBOs), the establishment of which was promoted as part of the project.¹¹ On-site surveys of CBO members showed that payments are made transparently, on time and to the agreed extent.

In total, the participating communities (excluding the community of Kikibo) received commitments for payments in the amount of just under EUR 3.2 million in the nature conservation agreements that were concluded. Of this, around EUR 2.5 million is attributable to long-term compensation payments and the remaining approx. EUR 660,000 to initial investments. For the total ECF expenditure of EUR 5,027,452, it was thus possible to commit 51% of the available funds to the target group (also see Efficiency). The target of at least 40% for Output 1 was therefore significantly exceeded.

An important part of the institutional setup was the need-based capacity-building of WWF and state institutions (ministries, forestry authorities, authorities for protected areas) through training and the acquisition of equipment. The related activities include two training trips to Germany, financial support to forestry authorities in the three partner countries for the purchase of vehicles and firefighting equipment (AM and AZ), adjustment of forestry legislation (Adjara region, GE) and updating of management plans (AM). The measures were able to improve the capacities of relevant governmental cooperation partners and promote exchanges between the authorities and the project communities.¹²

In summary, for Output 1, ECF's structures and functions are efficient, transparent and effective, thus successfully creating the basic institutional and technical conditions for achieving the module objective.

Output 2 envisaged the participatory creation of long-term land use plans focused on environmental sustainability.

The project locations are located in the "Greater Caucasus" (AZ), "West Lesser Caucasus" (GE) and "East Lesser Caucasus" (AM) corridors, and were selected on the basis of ecological (ecological diversity, suitability of habitats, animal migration patterns, proximity to existing conservation areas) and social factors (land use pressure, land rights situation, motivation of communities). Specifically, remote sensing data and field observations were used to examine which areas within the corridors are currently or potentially inhabited by important indicator species and are therefore particularly worthy of protection from an environmental perspective. Domestic animal species (red deer, chamois, Caucasian Ibex, mouflon, brown bear and leopard – a maximum of four species per eco-corridor) were selected as the indicator species. These species naturally live in the respective natural landscapes and their presence allow conclusions to be drawn about the state of the ecosystem. This approach was intended to create a tangible link between environmental protection efforts and their long-term environmental impacts for the local population.

Existing forms of land use, land use rights and anthropogenic risk factors for wildlife were identified in the ecologically relevant target areas. In addition, as part of the Financial Participatory Approach (FPA), extensive training and trust-building measures were carried out¹³ in 100 communities with a total population of around 75,000 (see Output 3). As envisaged in the design, ideas for development projects and approaches to solving environmental problems were developed by the community members themselves using competitions (painting,

¹⁰ Due to different framework conditions, various settlement mechanisms were established in the countries on the recommendation of the Savings Banks Foundation.

¹¹ The CBOs are made up of representatives of the participating communities and at least one representative of the local government. The legal form of the CBOs varies depending on the country context: in AM, the CBOs are registered as non-governmental organisations, in AZ as limited liability companies. For reasons of simplification, the term CBO is used in the following for the municipal representations of all three countries.

¹² Due to time constraints, no discussions could be held during the evaluation trip with the local forestry authorities in Armenia and Azerbaijan benefiting from the project.

¹³ The FPA, originally from Latin America, was adapted for the project text. A detailed description of the approach and its key principles can be found in a manual prepared as part of the project (AHT 2015 "Financial Participatory Approach for Socio-Economic Development").

singing, storytelling and ideas competitions). At the same time, the exchange of knowledge and experience within the communities was promoted.¹⁴ The best ideas were rewarded and their implementation was financially supported by ECF funds. A total of EUR 406,000 of prize money and grants were paid out of ECF for smaller investment measures (e.g. street lighting, equipment for bee and poultry farming, animal troughs).

According to all stakeholders surveyed, the FPA is a key success factor of the project. The FPA activities and the associated financial grants made it possible to reduce the communities' initial scepticism¹⁵ towards executing agencies and project objectives and increase trust. In addition, awareness of local environmental concerns and personal responsibility was strengthened. The independent implementation of small investment projects also made it easy to determine which communities are committed and competent enough to enter into long-term cooperation.

Around 40 communities showed interest in long-term cooperation. However, only 20 communities were able to participate due to limited project funds.¹⁶ Joint land use plans were created with representatives of these communities – organised in CBOs – with the involvement of relevant state actors (local government, forestry authorities, nature conservation authorities). As a result, these are not formal land use plans that would have to meet high technical and legal standards, but rather action-oriented plans in which sustained land and resource protection measures as well as protected areas were identified. According to the executing agency and target group representatives, the process was guided by the principle of identifying a win-win situation between nature conservation and socio-economic development opportunities. For example, mainly more remote grasslands, which were already underutilised before the contract was concluded, were defined as protected areas. When determining the indicator species, the focus was also deliberately placed on those species that are generally known and considered popular.

The long-term land and resource conservation measures specified during land use planning were¹⁷ selected by the communities from a pre-prepared menu of measures. They cover the areas of “habitat management” (this includes, for example, the management of grazing and forestry areas) and “conservation management” (e.g. the employment of wildlife managers or the establishment of a compensation payment mechanism in the event of damage to livestock by predators as well as the identification of protected areas in which the use of resources is prohibited). The selection and specific content of a measure – e.g. a specific rotation pattern in the area of grazing management – was carried out by the respective municipality in a context-relevant manner. An integral part of all land use planning is the establishment of protected areas in which any use of resources is prohibited (no-use zones), as well as the employment of gamekeepers. Furthermore, all communities have established sustainable grazing management practices.

A total of 110 (or 103 without the municipality of Kikibo) measures were identified during land use planning, which were later recorded in the nature conservation agreements. The objective for Output 2 was thus achieved.

Output 3: Twenty nature conservation agreements were concluded between ECF and communities. The contracts specify the land and resource protection measures previously selected by the communities and the compensation payments provided for this purpose. Their term varies between seven and ten years. The amount of compensation is determined by the nature and extent of the measures agreed and takes into account the different natural and socio-economic conditions in the communities. Since 2020, the funds have been disbursed in regular, annual instalments over the agreed contract period.

In addition to the annually recurring payments, the participating communities received funds to finance small-scale investment measures. These were also part of the contractual agreements and were already implemented at the beginning of the contract term (short-term measures). The measures were proposed by community members as part of the FPA, and those with the greatest acceptance within the communities were implemented. Examples include the construction of drinking water and wastewater infrastructure, road paving and erosion control, waste management, tourism infrastructure, development of value chains based on local resources and

¹⁴ The competitions took place between individuals, families and communities on different overarching themes, mostly in the form of storytelling.

¹⁵ On-site discussions showed that many communities were worried that the intent was to take their land at the start of the project measures.

¹⁶ The final selection of the project communities was based on the following criteria: (1) suitability of the municipal areas for the protection of important indicator species, (2) ecological relevance of the municipal areas for corridor function, (3) the willingness of the communities to participate.

¹⁷ The catalogue was adapted to the respective country context and served to standardise and facilitate the subsequent contract negotiation process.

the purchase of agricultural machinery. The implementation of the measures was carried out independently by the communities, which provided their own services in the form of work input, materials and, in some cases, financial assistance.¹⁸ This, as well as the transparent and self-determined selection of investment measures, ensured that they are closely aligned with local needs and still provide a high level of benefit to this day.

Clarification of land law issues played a particularly important role in land use planning and contract design. In AM, land ownership is subject to municipal government. Accordingly, nature conservation agreements were concluded there in the form of three-page agreements between the local government, the CBOs and WWF. The agreements guarantee the communities the rights of use to the areas during the term of the contract. In principle, there was a risk in AM that nature conservation agreements would be terminated prematurely due to more profitable land use opportunities by, for example, commercial agricultural or mining. However, as the majority of nature conservation agreements cover grazing areas with comparatively low agricultural potential, this risk is rated as low at the time of the evaluation. In AZ, the pasture areas used by the communities are state-owned. As part of the conception of the contract, the (temporary) rights of use to the areas were in some cases purchased from previous tenants and transferred to the participating communities. The compensation payments to the original tenants required for this, as well as the annual lease fees to the provincial administration, are part of the nature conservation agreements of the communities concerned. In GE, the land is owned by the state. Use is in accordance with customary law without documented land titles. With the approval of the Ministry of Economic Affairs, it was possible to agree a lease of the areas to the communities for a term of 15 years at a symbolic price with the responsible municipal administration and to include them in the contracts. The project has therefore led to clarification and (temporary) securing of land use rights for the communities.

The contract conclusion process was accompanied by extensive training measures, the costs of which amounted to EUR 456,000. Initially, the focus was on measures that were directly related to the implementation of the FPA, such as workshops on the topics of project design and application. After the nature conservation agreements were concluded, training sessions on accounting and budget planning for members of the CBOs as well as on basic financial education and the establishment of a company were offered to generally interested community members and carried out by the Savings Banks Foundation *pro bono*. There were also specific training measures to promote socio-economic development (e.g. beekeeping and poultry farming). The training sessions were announced in advance at village meetings. Target group discussions showed that they were perceived as helpful and relevant and were met with a high degree of interest. Participation was generally possible for all social groups, but according to interview statements, men more often took advantage of these than women. Disaggregated participant numbers by gender or other characteristics are not available; further descriptive analyses are therefore not possible.

An integral part of capacity building and an important building block for the nature conservation objectives of the project was the programme for training local wildlife managers. This was aimed specifically at people who have very good knowledge of the area and communication skills and **who were noticed** during the FPA competitions due to their high level of commitment and interest in environmental protection. In addition to training in the use of technical equipment (use of camera traps and – in the case of Armenia – the EarthBeat app for recording wildlife sightings), the wildlife managers received uniforms, communication equipment and means of transport (horses, vehicles). Its tasks include regular inspection rounds in the designated protected areas and the enforcement of the agreed protective measures (e.g. ban on hunting, prohibition on grazing in forests), the documentation of wildlife sightings and the regular reading out of camera traps (biodiversity monitoring), raising awareness in the communities with regard to the agreed nature conservation measures, as well as the reporting of rule violations to the responsible authorities. They do not have a mandate for formal law enforcement. Surveyed wildlife managers in AZ and GE stated that they were satisfied with the training on offer overall. The programme also included training in the area of violence prevention. According to the target group and other project participants, there have not yet been any noteworthy conflicts between wildlife managers and residents inside or outside the communities

According to the 2020 and 2021 reports available so far, the output target has been achieved in both years. In 2021, the percentage of implemented measures in all countries and communities was significantly above 70% with an average value of 89.5%.¹⁹ Compared to 2020, the implementation rate increased by almost 6 percentage

¹⁸ During on-site discussions, representatives of an Azerbaijani municipality reported that the project grants stipulated in the agreement were not sufficient to complete a tea house and that a higher amount was required from community members' own funds than originally planned. However, this seems to have been an individual case; in the other communities visited during the evaluation trip, these kinds of problems were not reported.

¹⁹ WWF's reporting to KfW is both aggregated at country level and disaggregated for each municipality. Disaggregated reporting only lists measures that directly aim to achieve the project's ecological objectives (e.g. grazing and forest management measures, wildlife

points in the following year. At country level, the implementation status in 2021 was 92% in AM, 90.7% in AZ and 87.9% in GE. From the current perspective, the goal is therefore deemed to have been achieved.

Output 4 aimed to strengthen ECF's capital base, with the aim that at least 10% of the capital base comes from funds that do not come from the Federal Ministry for Economic Cooperation and Development (BMZ). To achieve this goal, a fundraising strategy was developed and the project approach was promoted at congresses, workshops and similar events. Despite the efforts made, it was not possible to attract other international donors as direct financiers or members of ECF's Steering Committee.

Instead, some project communities benefited from the co-financing of complementary measures (see Coherence). Up to the time of the evaluation, it was possible to mobilise additional funds worth EUR 627,000²⁰ via co-financing, which directly or indirectly benefit the project communities. However, the mobilisation of funds through co-financing has not led to a long-term strengthening of ECF's capital base. The strategy underlying the objective for Output 4 to replenish ECF with funds from other donors has therefore not been successful. One possible reason for the restraint of other donors may be the pioneering nature of the project and the lack of empirical values for the chances of success of such an approach. However, one more important reason is likely to be the preference of many international donors for direct programme financing within their strategic portfolio and their own project proposals, as this is associated with greater visibility and steering options. In addition, the clearly defined approach and the institutional connection of ECF to WWF – which is understandable for reasons of efficiency – give only limited scope for pooling the resources of various donors. In view of similar experiences with CNF and other nature conservation funds and foundations financed by KfW (where the targeted mobilisation of funds from other international donors often also fell short of expectations), these challenges could have already been anticipated during the design of the project and the objectives set for Output 4 could have been set in a correspondingly less ambitious manner.

Output 5 includes renovation work in WWF's office buildings in AM and GE, the acquisition of a hybrid-powered car for each of the country offices and the improvement of IT hardware and software. WWF employees also took part in some training sessions for community members in order to familiarise themselves with the project details and to promote contact and relationships between the executing agency and the target group. On-site discussions with the communities and representatives from WWF gave the impression that the cooperation between them is trusting and cooperative. WWF also received extensive consultancy services. The consultant's tasks included supporting WWF CauPo with regard to process engineering issues and developing concepts for the design, implementation and follow-up of nature conservation agreements, quality assurance, reporting, as well as financial and procurement management. In KfW's estimation, the consultant also played a key role in the operationalisation of ECF and the development of investment concepts with the local population.

Quality of implementation

The quality of management and implementation by the project-executing agency (WWF CauPo) and the implementation consultant was rated as very good by the communities and the responsible ministries. Upon request, members of the CBOs reported that they did not feel any pressure from the executing agency or implementation consultant during land use planning or contract negotiations and described the cooperation as collaborative, motivating and trustworthy.

The selection of WWF CauPo as the executing agency proved to be a good decision that was critical to the success. The implementation of the project in Azerbaijan benefited in particular from WWF CauPo's Azerbaijani political contacts in order to enable cooperation in the otherwise very restrictive political environment for NGOs.

The extraordinarily high level of commitment and enthusiasm shown by many participants during all visits and discussions on site is also worth highlighting. The selection of national coordinators, FPA facilitators and dedicated community representatives appears to have been very successful in many places. In view of this and the very good target achievement, we rate the quality of the implementation as very high.

Unintended consequences (positive or negative)

monitoring, anti-poaching control, measures to reduce human-wildlife conflicts). These measures are in turn divided into sub-measures, so that a total of 315 detailed measures are reported. The percentages reported here for target achievement refer to the implementation status of the detailed measures.

²⁰ WWF Germany's counterpart contribution of EUR 230,000 is not taken into account in this sum, as these funds were spent on financing environmental measures in eco-corridors in Turkey and Russia and are therefore not directly related to ECF's project areas.

Several interviewees highlighted the strengthening of self-organisation and the sense of community within the participating communities as an unintended positive impact of the FPA.

Negative, unintended environmental or social impacts as a result of the financed infrastructure measures and introduced restrictions on use are not known.

Summary of the rating:

The objectives at outcome level were exceeded. The related outputs and related objectives were fully achieved, with the exception of the fund mobilisation target. With the explicit promotion of community ownership and empowerment, the approach sets itself apart from many other (international) environmental projects in which target groups are often confronted with ready-made solutions. The project also succeeded in reinforcing trust and cooperation between the communities and the administration, as well as WWF. The project's high implementation quality is also impressive. Overall, effectiveness is rated as very successful despite a lack of target achievement for Output 4.

Effectiveness: 1

Efficiency

Production efficiency

At EUR 8.53 million, the total costs of the project were around 2.7% higher than the planned costs estimated at the appraisal. The financing of the ECF measures (Outputs 1–5) was provided by a disposition fund. For the cost categories, there were significant differences between the initial budgeting and the actual costs incurred, as well as significant shifts between the different outputs (see Table 3). In view of the pioneering nature of the project and the corresponding lack of empirical values from similar approaches, the reallocations are not seen as a sign of inadequate planning.

Actual expenditure for establishing ECF (Output 1) was 48.7% higher than initially estimated. The additional costs were used for partner organisations' capacity building measures (see Effectiveness) and covered by cost savings from Output 4. It should be noted that the originally budgeted EUR 0.39 million for Output 4 would have been in an unfavourable expense/income ratio to the set target (acquisition of additional funds of EUR 0.8 million) and the funds actually mobilised and that the reallocation of funds is therefore welcome for reasons of efficiency.

The highest deviation, both absolutely and relatively, between planned and realised costs resulted in significant cost savings for the creation of land use plans (Output 2). The project managers attribute this to the success of the FPA and the opportunity to make extensive use of local knowledge. WWF itself was thus able to carry out the majority of the underlying analyses. The funds freed up as a result were used in particular to increase the budget for nature conservation agreements (Output 3) and thus directly benefited the target group. In total, almost EUR 1 million was also spent on short-term and long-term compensation payments as well as prize money and investment measures. ECF spending on communities was almost equally distributed across the three partner countries, with just over EUR 1.4 million per country.

The chosen approach to determining the costs of compensation payments ensures that funds are allocated efficiently. The amount of payments for the specified measures was based on the respective opportunity costs in the market. The calculation was made either on the basis of full costs or incremental costs. The incremental cost approach was used for the promotion of income-enhancing measures, while the full cost approach was used for purely protective measures. The cost calculation was carried out together with the communities and was checked by an independent party before the contract was concluded. The fact that the supported investment measures were often implemented by the communities themselves and that significant internal contributions were made in the process also contributes to efficiency. However, the efficiency gains cannot be quantified. The application procedure for the disbursement of the annual compensation payments was described as straightforward and efficient by representatives of the CBOs interviewed.

Table 3: Overview of planned and actual costs

| Cost category | Planned costs | % of total costs | Actual costs | % of total costs | Total deviation | Percentage deviation |
|---|------------------|------------------|------------------|------------------|-----------------|----------------------|
| | Planned | | Actual | | Actual value | |
| Output 1: Establishing ECF as a financial instrument | 210,000 | 2.60% | 312,606 | 3.90% | 102,606 | 48.70% |
| Output 2: Development of land use plans | 1,650,000 | 20.60% | 151,793 | 1.90% | -1,498,207 | -90.80% |
| Output 3: Creation, conclusion and implementation of nature conservation agreements | 3,350,000 | 41.90% | 4,334,865 | 54.20% | 984,865 | 29.39% |
| Output 4: Strengthening of capital base | 390,000 | 4.90% | 81,360 | 1.00% | -308,640 | -79.13% |
| Output 5: Strengthening the executing agency | 150,000 | 1.90% | 146,828 | 1.80% | -3,172 | -2.11% |
| Consulting services | 1,620,000 | 20.30% | 2,279,710 | 28.50% | 659,710 | 40.73% |
| WWF project management | 630,000 | 7.90% | 693,500 | 8.70% | 63,500 | 10.08% |
| KfW total contribution | 8,000,000 | 100% | 8,000,662 | 100% | 662 | |
| WWF Germany contribution (including in-kind) | 530,000 | | 530,000 | | 0 | |
| Total costs of the project | 8,530,000 | | 8,530,662 | | 662 | |

At 28.5% of total expenditure, the share of costs for consultancy services is high compared to other projects in the nature conservation sector. Even during the setup phase, it turned out that the complexity of the project requires a more intensive consultancy service than originally planned. Accordingly, the amount in the contract was increased early, with the result that the actual expenditure was 41% higher than initially budgeted. Given the scope of services provided and the high quality of implementation and its importance for the success of the project (see Effectiveness), the additional costs for consultancy services still seem justified from an efficiency perspective. WWF's management fees were reasonable at 8.7% of total expenditure.

The project is divided into two phases: the setup phase and the implementation phase. The setup phase began in January 2015 and was completed in February 2020, a month later than originally planned. The implementation phase will last until 2028. Despite the outbreak of the coronavirus pandemic and the associated restrictions, the time schedule was successfully implemented with a negligible delay.

Allocation efficiency

The allocation efficiency cannot be quantified because there is no objective data on the income situation or the change in wildlife populations that could have been compared to the project costs. However, the available information shows that the project was also successful at impact level. In addition to the income and biodiversity impacts, the improved protection of pasture and forest areas also has a positive impact on the climate. This, as well as the fact that around 50% of the funds directly benefit the communities despite the primary environmental objective, contributes positively to allocation efficiency.

Summary of the rating:

The project succeeded in achieving the objectives at outcome and impact level at a reasonable cost and within the planned time schedule. Both production and allocation efficiency are therefore rated as good.

Efficiency: 2

Impact

Overarching developmental changes (intended)

The overarching objective of the project was to *"contribute to the preservation of biodiversity in Armenia, Azerbaijan and Georgia without the rural population having to suffer an income loss"*. Target achievement should be measured by the following indicator: *"The stock of indicator species in conservation areas that are networked through the selected eco-corridors does not decrease during the period up to 2028"*.²¹ As this indicator does not take into account the income dimension of the impact objective, the additional indicator *"The income situation in the village communities has not deteriorated since the nature conservation agreements were implemented up until their expiry"* was formulated for the EPE.

Objectively comprehensible, quantitative data is currently not available for the development of the indicator species as a proxy for the state of biodiversity, nor for the income situation and living conditions of the communities involved. A before/after comparison is therefore not possible. Comprehensive biodiversity monitoring measures were to be carried out in 2022 according to the original project plan, but have not yet been carried out and are now planned for 2024 (implementation is to take place as part of the successor project ECF II).²² According to experts and the statements of all stakeholders, the population sizes of the indicator species in the three countries have increased since the start of the project. According to the unanimous assessment of the target group surveyed, the income situation and general living conditions also improved.²³

Contribution to overarching developmental changes (intended)

The impacts of the project can only be assessed on the basis of limited data availability and plausibility considerations. These are based on qualitative interviews and focus group discussions with different groups and office holders in the 14 project communities visited as well as with representatives of the responsible ministries, the executing agency and the implementation consultant. A counterfactual analysis is not possible on the basis of the available data. In order to classify the evaluation, it must also be taken into account that the project is still in the implementation phase at the time of the evaluation. The majority of contracts have been in place for four years. The effects reported here must therefore be understood as a snapshot; both further improvement and deterioration (if, for example, motivation and euphoria subside over time) are possible until the contracts expire.

According to the information provided, the incidence of poaching has decreased in all project regions. The communities surveyed attribute this to the regular patrols of the wildlife managers. Even if no causal attribution is possible due to a lack of comparative data, the evaluators consider this assessment to be very plausible. Increasingly frequent wildlife sightings and the increase in human-wildlife conflicts are further signs of a recovery in wildlife populations. At the same time, it should be noted that the implementation consultant's final report from 2021 already records stabilisation tendencies for the selected indicator species during the setup phase of the project between 2015 and 2020 (i.e. before the nature conservation agreements came into force). It can therefore be assumed that the positive development in wildlife populations is not solely due to the project, but rather that it reinforces and potentially perpetuates the positive trend.

²¹ The indicator was adjusted from the original 2020 to 2028 at the time of the EPE with regard to the time horizon. The period defined during the project appraisal is only based on the setup phase in which the nature conservation agreements were largely not yet implemented or only recently implemented. Since most nature conservation agreements run until 2028 and have a term of ten years, significant stabilisation effects should be achieved by then.

²² Baseline surveys were carried out for the indicator species in the project regions in 2016 and 2017: Bezoar goat (AM): 20–100, mouflon (AM): 10–20, leopard (AM): 0, ibex (AZ): 50–600, chamois (AZ): 0–100, brown bear (GE): stable, red deer (GE): 0–50. (Source: GOPA's Final Report).

²³ Due to the security situation, on-site visits to the Armenian project communities were not possible during the evaluation trip. Virtual meetings took place with representatives of two Armenian communities. The target group's qualitative assessments of the project's socio-economic impacts are therefore largely based on discussions with communities in AZ and GE.

Establishing and following clearly defined rotation patterns for grazing areas prevents soil degradation, which should have a positive impact on plant diversity and CO₂ storage (data not available). The provincial administration of the project region in GE also reports a reduction in uncontrolled timber extraction in the state forests and less damage from livestock. This assessment is also shared by GIZ, which provides advice in the area of forest management. Both developments can plausibly be attributed to the forest conservation measures taken in Georgian communities.

The improvement in the income situation and general living conditions reported in all project communities visited can clearly be traced back to the project measures, although it cannot be ruled out that project-independent factors also influenced these developments (allocation gap) in this target dimension. In the Georgian and Armenian communities, the introduction of rotational grazing systems and, above all, the acquisition of tractors and other machinery have led to productivity increases and cost savings in livestock farming and corresponding income increases.²⁴ In AZ, investments in the water supply, road paving and erosion control improved local living conditions. Generally speaking, income effects there seem to be smaller than in GE and AM. In the Azerbaijani communities, income-generating investments focused more on promoting tourism (building tea houses, rehabilitating natural sources, creating hiking trails) instead of agricultural production.

In addition, the communities or individual community members benefit from the annual compensation payments they receive for the implementation of the agreed measures. These are mainly used for the salaries of the wildlife managers and herders²⁵, lease fees for grazing areas (especially in AZ) and operating and maintenance costs (fuel, minor repairs, feed for horses). On-site discussions showed that payments are valued and perceived as important. Due to exchange rate fluctuations and inflation, however, the real value of the compensation payments has fallen, which led to dissatisfaction, especially in the Azerbaijani communities. Salaries for the wildlife managers are below those for state-employed wildlife managers in AZ. Although the position remains attractive due to a lack of employment alternatives, the number of patrols has been reduced in order to offset the real wage losses. In two Azerbaijani communities, small budgets for petrol and feed as well as for the replacement of equipment (e.g. uniforms and horses) also received critique.

The project-financed initial investments and the regular compensatory payments have different distributional effects depending on the design. The vast majority of investments either benefited the entire municipality (for example, the construction of tea houses, toilet facilities and erosion control walls in Parsidan (AZ)) or large parts of the municipality (for example, the purchase of agricultural machinery benefits a large proportion of households in Georgian and Armenian communities). Few investments, such as the promotion of bee and poultry farming in some places, or the construction of a soft drink factory (Gonaghkend (AZ)), primarily benefit individuals or smaller groups of people. The same applies to salary payments to wildlife managers and herders. In some Georgian communities, the locations are rotated regularly so that all households have the opportunity to benefit directly from the annual compensation payments. From a distribution and acceptance point of view, this practice seems to be welcome. However, there is a risk of losses in knowledge and in quality for monitoring. Explicit compensation payments for any "losers" of land and resource protection measures (e.g. former poachers) at individual level are not provided for in the agreements. In summary, the communities surveyed are largely very satisfied with the investments made and their distribution impacts.²⁶

The communities' individual responsibility and their pride in the environmental successes achieved are noteworthy. During all on-site visits, the community members reported on the joy and satisfaction of the return of previously displaced wildlife – often on their own initiative without explicitly being asked. The successes have obviously strengthened the self-confidence of the communities. At the same time, it became clear that the FPA contributed to a change in environmental awareness.

²⁴ By purchasing tractors, the communities are now able to produce hay themselves in summer time and transport it to the villages instead of having to buy it from outside.

²⁵ In some Georgian communities, herders are also employed in addition to wildlife managers, who control grazing on the communal areas and compliance with the agreed rotation patterns.

²⁶ In the municipality of Khinalig (AZ), it was criticised that, in the project-financed construction of the drinking water supply in some villages, the distribution network could not be completed due to scarce resources, meaning that not all households received a drinking water connection. In addition, complaints were made that the two wildlife managers in the municipality only come from one village.

The participatory and inclusive project approach enabled the participation of all social groups. Nevertheless, it should be noted that women were not equally involved in the project activities and tended to benefit less directly from the project measures compared to men. Although women were also among the FPA winners, the majority of the prizes went to men (who also represented the majority of participants). With one exception, all project-financed wildlife managers and herders are also male. The CBOs also consist predominantly of men and, in many communities, exclusively of men. The project's potential impact on gender is therefore rated as low. Since the promotion of gender equality was not an explicit objective of the project, this does not have any adverse effects on the evaluation of the project.

The project has a pioneering nature in all three countries. For the first time, support is being provided to landscapes for the long-term preservation of biodiversity outside existing protected areas and under the administration of local communities. Despite the successes and positive assessment by the responsible ministries, similar approaches have not (yet) been supported by the partner countries' public budget funds. In addition, it is currently uncertain whether the communities will also receive follow-up financing after the nature conservation agreements have expired (see Sustainability). At the present time, it would therefore be premature to attribute a structural change effect to the project at macro level. However, with the ECF II successor project currently underway, the approach has been replicated and further expanding in the area. The positive impacts of the project have led to a sharp increase in demand from neighbouring communities. According to WWF and the implementation consultant, the number of participating communities significantly exceeds the available budget in ECF II. This can be seen as further evidence of the success of this approach and, at the same time, could further promote the opportunities for a paradigm shift in the area of landscape conservation in the partner countries. At the micro level, the project can therefore be confirmed as having a capacity-building effect.

Contribution to (unintended) overarching developmental changes

According to the executing agency and target group representatives, the project increased political attention for the project regions in all three countries. In the Gonaghkend municipality (AZ), two important road bridges were built on the occasion of the signing of the nature conservation agreement, as well as the reconstruction and paving of a main village connection road. Municipal members attribute the public investment to the increased interest of the responsible governor, and thus indirectly to the project.

Due to improved forest protection and the more sustainable management of the grazing areas, further positive environmental and climate impacts (e.g. increased CO₂ storage, improved erosion control and water balance) that are not mentioned in the project's target system can be plausibly assumed.

On-site surveys did not reveal any evidence of an increase in conflicts within the communities or between participating and non-participating communities, which could have resulted, for example, from a loss of benefit for former poachers or any clashes between wildlife managers and community members acting illegally. As there is no data on the incidence of poaching in the project regions and neighbouring regions, no statements can be made about any positive or negative transfer effects (e.g. increase in poaching in non-participating communities). However, human-wildlife conflicts have increased in particular in AM, so the increase in wildlife populations is perceived as a threat by some community members. Solidarity programmes to compensate citizens in the event of wildlife damage are implemented in four communities in GE, but not in AM and AZ. As part of successor project ECF II, solidarity funds to compensate for damage to livestock are provided for as an integral part of the contracts with the communities.

A formal complaint mechanism has not been established. Due to the close cooperation between the communities on the one hand and the employees of WWF and the implementation consultant on the other, the population's problems and complaints can still be expressed and addressed.

Negative environmental impacts from the investments made are unlikely. To avoid any diametrical environmental impacts, eligible investment areas and economic activities were defined in advance by the project.

Summary of the rating

Due to a lack of data, a quantitative assessment of the impact is not possible. Qualitative interviews with different stakeholders showed a consistent downturn in poaching, an increase in wildlife populations and an improvement in pasture and forest areas for all three countries. All communities visited also reported improved living conditions and income growth, which can be plausibly attributed to the project measures. With regard to socio-economic development, the project exceeded the objective of ensuring that the target group's income situation did not

deteriorate. However, it should be noted that, due to a lack of a comparison group and the large number of other factors that can influence both living conditions and wildlife populations, it is not possible to conclusively assess what proportion of the positive impacts can be attributed exclusively to the project. Due to the lack of quantitative figures to substantiate the qualitative success stories and the allocation gap described above, the developmental impact is rated as high (instead of "very high").

Impact: 2

Sustainability

Capacities of participants and stakeholders

Experience to date shows that the communities possess the necessary knowledge, funds and motivation to implement the agreed protection and care measures based on their own responsibility. The majority of the living and income situation in the participating communities has improved, and productive investments have been made in many cases, which have the potential to generate additional income even in the long term. According to the communities, spare parts for purchased machines are available locally and they are also able to carry out repair and maintenance work themselves.

According to WWF, it currently still has sufficient capacity to ensure the follow-up for nature conservation agreements. Continuous exchange with the communities and, if necessary, mediation between communities and authorities in the event of conflicts will also be of great relevance for the sustainability of the project. Due to WWF's excellent network with the relevant government agencies, as well as the successfully established relationship of trust between communities and WWF, the evaluation team believes that the conditions for this are currently met despite WWF's low staffing levels. Against this background, it is to be welcomed that the financing of a successor project (ECF II) continues to ensure regular visits and close exchange between communities and project staff. At the same time, the monitoring and reporting effort will increase significantly with the addition of further communities in the course of ECF II. According to the evaluation team, this will only be possible by increasing WWF's personnel capacity.

Contribution to supporting sustainable capacities

By financing the initial investment measures and recurrent compensation payments, the project has made a significant contribution to stabilising or improving the income situation in the long-term. With the training and equipment of local wildlife managers, monitoring capacities were built up at the level of the communities, which can also be maintained through internal knowledge transfer in the event of job rotation. However, it is critical to note that the nature conservation agreements provide for no or insufficient buffer for the replacement of wear parts (uniforms, other equipment) and the subsequent adjustment of compensation payments in the event of rising opportunity costs. Inflation and, in particular, the devaluation of the local currency against the euro have led to a reduction in the real value of the annual compensation payments, especially in AZ. Although the affected wildlife managers will continue to perform their tasks, this could be at the expense of motivation and protection efforts in future.

The project has succeeded in strengthening the self-confidence and individual responsibility of the communities. With the establishment of community-based organisations in AZ and GE²⁷ and the financed training measures of their members, the communities now have a functional representation of interests towards the relevant authorities and other stakeholders. As the CBOs are composed of community members and a representative of the responsible local government, the dialogue between the municipality and local government on environmental issues is institutionalised. At the same time, the project promoted exchange between communities and state authorities through joint workshops and training courses. Through experience in independent project implementation, monitoring and reporting, the communities have also built up skills that can also be used outside the project context for the acquisition of further projects and other forms of cooperation with third parties (and have already been successfully used, as the examples of SDC, CMSR and UNEP co-financing show).

As the executing agency of the project, WWF-CauPo is characterised by a high level of professionalism in the area of biodiversity conservation. Experience with ECF has promoted the institutional process of WWF-CauPo towards strong community involvement in nature conservation projects. Discussions with WWF's country

²⁷ Armenia already had a majority of community-based organisations registered as NGOs that were used as contractual partners.

directors have shown that community-based approaches have been given greater consideration in the development of new project ideas since the experience with ECF. In view of the fact that WWF is one of the key players in the area of biodiversity conservation in the South Caucasus, the project has thus made a significant contribution to promoting sustainable nature conservation concepts in this region.

Durability of impacts over time

The durability of the impacts cannot be conclusively assessed at this point in time, as the project is in the implementation phase and most of the nature conservation agreements are still running until 2028. The key parameters for the long-term sustainability of the project beyond the term of the contract are the legal recognition of the protection status of areas with particular ecological relevance, the material and intangible incentives for the continuation of land and resource conservation measures after expiration of the agreements and the more powerful development interests of the state.

Despite the current successes, some institutional stakeholders are sceptical about whether the incentives to continue the sustainability measures after the expiration of the agreements will be strong enough and whether it will be possible to sustain the achieved impacts.²⁸ The communities visited, on the other hand, were largely optimistic about this and seemed highly motivated.

The communities' experience to date with the application of ecologically more sustainable rotation principles for livestock farming on pastures has been consistently positive. They have increased feed availability and productivity in livestock farming and are therefore financially profitable (see Impact). Continuation of these measures is therefore in the material self-interest of the communities. However, with the improved feed availability, the herd sizes could grow in the future, and the number of livestock in the pastures could reach an ecologically unsustainable level. To prevent this risk, close monitoring of the populations was agreed with WWF. An active continuation of the purely protective measures – i.e. abandonment of use in designated protected areas and regular patrols by the wildlife managers – beyond the term of the contract is questionable due to the associated opportunity costs without ongoing compensation payments.

Nevertheless, the environmental impacts could be permanent. At present, it can be assumed that the agreed protective measures will continue to be implemented over the remaining term of the agreement and thus that the ecological situation in the project areas will continue to improve in the remaining years of the term of the agreement and that resilience (habitat recovery and stabilisation of wildlife populations) will increase. This in itself is already a great success in terms of the ecological objectives. In addition, this could have a beneficial effect on the potential for ecotourism and provide material incentives for the continuation of the conservation measures. It also seems likely that the long time horizon of the implementation phase will lead to permanent behavioural changes for the target group as a result of acclimatisation effects and a change in environmental awareness. The satisfaction expressed many times during the on-site discussions and the pride in the environmental successes achieved give rise to optimism that the project has contributed to a long-term paradigm shift for people and that they will not fall back into old usage patterns after the contracts expire.

At the time of the evaluation, the land use plans created and the protected areas designated therein are based on community and settlement plans without being integrated into the overarching space planning. It will therefore be crucial that the areas protected by the communities receive a legally established protection status if the ecological impacts are to be ensured over the long term. This would also minimise the risk that the environmental successes achieved would be jeopardised by more powerful development interests (including mining, road construction, energy infrastructure). In view of the international commitments to protect biodiversity (e.g. 30x30 goal of the Global Biodiversity Framework) and the lack of remaining areas that can be designated as national parks, the countries have an opportunity to designate the areas as “other effective area-based conservation measures (OECMs)” according to the logic of the new IUCN standard. So far, the legal framework conditions for this have not yet been met. This represents a sustainability risk. However, the lack of legal protection must also be evaluated in view of the fact that the project approach of community-based nature conservation is still completely new for the region and, based on experience, is only available to policy makers for a relatively short implementation period of just four years. There is still enough time until the first contracts expire to gather further experience and, if necessary, to create the necessary legal basis. At least in Georgia and Armenia, legislative reforms are already being considered. This, as well as the prospect of promotional projects under the EU

²⁸ This information is taken from an external interim evaluation report of the setup phase (GOPA, 2019, Evaluation of ECF Start-up Phase. Draft Report), in which interviews were conducted with a larger number of institutional stakeholders than was possible during the evaluation team's on-site trip for the present evaluation.

partnership agreements, which may also enable the continuation of compensation payments to the communities for biodiversity protection, make long-term safeguarding of the environmental impacts seem realistic.

Summary of the rating:

The project succeeded in reinforcing the target group's environmental awareness and sense of personal responsibility, and in providing incentives for the sustainable application of ecologically more sustainable management methods. According to the current status, it can be assumed that the environmental and social impacts already achieved will remain in place during the term of the contract. The long term of the nature conservation agreements helps to consolidate sustainable forms of land use and agriculture, and it seems likely that sustainable grazing management measures will be practised beyond the term of the contract. To date, the long-term protection of ecologically prioritised areas (currently designated as non-use zones) by governments through legal recognition of the conservation status and continued payment of wildlife conservationists after the end of the contract has not been ensured. This represents a relevant risk to the sustainability of the impacts. From the point of view of the evaluators, however, it seems realistic at the present time that the necessary legal foundations will be created in the remaining years by the time the nature conservation agreements expire. Despite the existing risks, sustainability is therefore still rated as successful.

Sustainability: 2

Overall rating: 2

The project pursues a highly relevant and innovative approach that successfully combines the objectives of species conservation and socio-economic development. The close focus on people's needs and their contribution to promoting the individual responsibility and self-empowerment of participating communities is exemplary. At the same time, the capacities of relevant environmental authorities were strengthened and dialogue between them and the communities was promoted. With the FPA, a new approach was implemented for the region and FC, which is one of the key success factors of the project.

The objectives set at outcome and impact level were almost completely achieved. In some cases, the target achievement is above expectations. Even if the data situation does not allow for causal inference at impact level, it can be plausibly demonstrated that the project has made a relevant contribution to increasing wildlife populations and improving the income and living situation. The funds earmarked for target achievement were used efficiently.

The project complements the already existing FC activities in the South Caucasus. It has a pioneering character in all three countries. For the first time, support is being provided to landscapes for the long-term preservation of biodiversity outside existing protected areas and under the administration of local communities. Due to the 30x30 objective of the Global Biodiversity Framework and the lack of remaining "unused" land that can be designated as national parks or conventional protected areas, these kinds of approaches will become even more important in the future. The project laid the foundation for a possible paradigm shift in the South Caucasus.

Due to the long term of the contract, a further recovery of protected areas and wildlife populations is to be assumed based on the current state of knowledge. The project is therefore expected to contribute to the conservation of biodiversity at least in the medium term. The durability of the effects beyond the term of the agreement is uncertain. The lack of legal recognition of protection status and the lack of long-term financing of compensation payments for the communities are the main risks for the long-term sustainability of the impacts achieved. It seems realistic that these risks can be solved in the remaining years of the contract term. Especially if the successes already achieved are confirmed in ECF II. At the time of the evaluation, however, this is not secured.

Overall, we rate the project as successful (good, 2). The limitations presented in the assessment of sustainability and the overarching developmental impacts narrowly prevent the best rating for an overall very successful project that sets a good example.

Contributions to the 2030 Agenda

The implementation of the project is in line with the principles of the 2030 Agenda and makes a direct contribution to the achievement of several Sustainable Development Goals (SDGs). A large part of the direct target group is poor and particularly dependent on natural resources to support their livelihoods. With the annual compensation payments and the investments made, the project has contributed to improving the living and income situation and thus directly contributes to SDG 1 (No poverty). By establishing eco-corridors and improving the protection of wildlife and habitats, the project also makes a direct contribution to SDG 15 (Protect, restore and promote sustainable use of terrestrial ecosystems). Increased income and sustainable management as well as the protection of natural resources increased the climate resilience of the population and ecosystems, which contributes to the achievement of SDG 13 (Climate action). It can be assumed that the conservation measures for forest and pasture areas make a positive contribution to CO₂ storage and climate reduction.

Shared responsibility: It complements the existing FC portfolio in the Southern Caucasus and is a pioneer in the region by strengthening nature conservation beyond state-protected nature reserves and actively involving the local population. When selecting the project locations and implementing the FPA, it draws on existing development plans and piloted approaches. Cooperation with other donors takes place on a selective basis, but common systems for follow-up, learning and accountability are not used. We currently assess the potential for this as low due to the different content approaches of international donors.

Interaction of ecological, economic and social development: The project is a model example of a holistic and highly participative approach that explicitly aims to combine environmental, social and economic development dimensions and minimise any conflicts of objectives. There is no evidence of intentional or unintentional negative interactions between the three dimensions.

Inclusiveness/leave no one behind: The project enabled the target group to participate in all relevant decision-making processes (land use planning, design of nature conservation agreements, independent implementation of measures) and promoted individual responsibility for the protection and use of natural resources. The underlying approach of the FPA was inclusive. There are no signs of negative effects on specific (vulnerable) groups. In summary, it can be stated that the project complies with the “No one left behind” principle of the 2030 Agenda .

Project-specific strengths and weaknesses as well as cross-project conclusions and lessons learned

The project had the following strengths and weaknesses in particular²⁹:

- The project has a pioneering nature in all three countries. For the first time, support is being provided to landscapes for the long-term preservation of biodiversity outside existing protected areas and under the administration of local communities. Due to the 30x30 objective of the Global Biodiversity Framework and the lack of remaining “unused” land that can be designated as national parks or conventional protected areas, these kinds of approaches will become even more important in the future. The project laid the foundation for a possible paradigm shift in the three countries.
- The project’s objective and selected approach are highly relevant. Through the participation of the local population in all relevant steps and close consideration of the needs of the target group, the project succeeded in combining the frequently conflicting objectives of species protection and socio-economic development.
- The selection process for the project locations was transparent and goal-oriented based on objectively verifiable criteria with the help of scientific methods.
- With the promotion of community-based nature conservation beyond nature conservation areas, the project complements the existing FC portfolio in the South Caucasus and expands it in terms of content and strategy.
- The Financial Participatory Approach, including direct financing of project ideas, is a key success factor of the project. With the FPA, the project has succeeded in reducing initial mistrust in the project approach and building a solid basis of trust between communities and the implementation team. Furthermore, the FPA has contributed to strengthening environmental awareness and ownership and motivated neighbouring communities to participate in comparable sustainable land use programmes in the future.
- Another strength of the project is the close involvement of local authorities, the strengthening and institutionalisation of cooperation between communities and local administration.

- A technically competent, highly networked and motivated executing agency was selected when WWF was chosen. The project's implementation quality is rated as very high and is another success factor of the project. Discussions with representatives of the implementation consultant, NGOs and participating communities gave the impression that the FPA approach itself promoted motivation and enthusiasm (which in turn could have had a positive impact on the quality of implementation).
- The objectives at outcome and impact level were achieved at a reasonable cost and within the planned time schedule. The project contributed to improving local living conditions and the state of the ecosystem, as well as to an increase in wildlife populations.
- Exchange rate fluctuations and inflation led to a devaluation of compensation payments for communities, which could have been avoided by financing in local currency and a larger financial buffer.
- The sustainability of the project beyond the term of the nature conservation agreements is not secured due to the lack of legal recognition of the areas protected by the communities.
- Another weakness of the project is the lack of quantitative data on income development and the development of wildlife populations, which underpin the qualitative success stories. Quantifiable impact data could be useful both for discussions with government representatives on the continuation of compensation payments after termination of the agreement and a legal anchoring of the protection status, as well as for the acquisition of further funds from international donors.
- Conclusions and lessons learned:
 - The intensive involvement of the target group and the consistent alignment of the concept to local needs and capacities is time-consuming and resource-intensive, but highly relevant for the success of the project and has an exemplary character for environmental and resource conservation projects.
 - The Financial Participatory Approach was successfully adapted to the different framework conditions and is a promising instrument for the promotion of environmental awareness and self-determination, as well as for the identification of particularly motivated communities. However, successful implementation also requires a high level of commitment on the part of those carrying out the work.
 - Payments for ecosystem services to communities for environmentally sustainable land and resource conservation measures are an effective instrument for environmental protection and rural development.
 - The establishment of compensation mechanisms for human-wildlife components reduces socio-economic risks for the target group and promotes the acceptance of environmental protection measures.
 - Joint training measures for members of local communities and employees of local environmental authorities can promote dialogue between these actors and reduce potential conflicts.
 - In order to keep the risks of exchange rate fluctuations for the target group as low as possible, compensation payments to communities in local currency can be agreed and disbursed.
 - When designing nature conservation agreements with a term of several years, it is advisable to provide a sufficient buffer for any price increases and increased opportunity costs of conservation.

Evaluation approach and methods

Methodology of the ex post evaluation

The ex post evaluation follows the methodology of a rapid appraisal, which is a data-supported qualitative contribution analysis and constitutes an expert judgement. This approach ascribes impacts to the project through plausibility considerations which are based on a careful analysis of documents, data, facts and impressions. This also includes – when possible – the use of digital data sources and the use of modern technologies (e.g. satellite data, online surveys, geocoding). The reasons for any contradicting information are investigated and attempts are made to clarify such issues and base the evaluation on statements that can be confirmed by several sources of information wherever possible (triangulation).

Documents:

internal project documents, secondary specialist literature, strategy papers, context, country and sector analyses, comparable evaluations.

Data sources and analysis tools:

on-site data collection, partner monitoring data

Interview partners:

Project executing agency, implementation consultant, former and current KfW project managers, NGO, GIZ, environmental ministries of the three countries, provincial administration, target group (CBOs, normal community members, women's groups, wildlife managers)

The analysis of impacts is based on assumed causal relationships, documented in the results matrix developed during the project appraisal and, if necessary, updated during the ex post evaluation. The evaluation report sets out arguments as to why the influencing factors in question were identified for the experienced effects and why the project under investigation was likely to make the contribution that it did (contribution analysis). The context of the development measure and its influence on results is taken into account. The conclusions are reported in relation to the availability and quality of the data. An evaluation concept is the frame of reference for the evaluation.

On average, the methods offer a balanced cost-benefit ratio for project evaluations that maintains a balance between the knowledge gained and the evaluation costs, and allows an assessment of the effectiveness of FC projects across all project evaluations. The individual ex post evaluation therefore does not meet the requirements of a scientific assessment in line with a clear causal analysis.

The following aspects limit the evaluation:

In order to classify the evaluation, it is important to take into account that the project is still in the implementation phase at the time of the evaluation and that the majority of the contracts were in the fourth year of implementation. The effects reported here must therefore be understood as a snapshot.

A lack of quantitative data on the development of wildlife populations and the income development of the communities as well as a lack of an alternative control group limit the assessment of target achievement at impact level. The target group's qualitative assessments of the project's socio-economic impacts at impact level are mainly based on discussions with communities in Azerbaijan and Georgia. Due to the security situation, on-site visits to the Armenian project communities were not possible for the evaluation team.

Methods used to evaluate project success

A six-point scale is used to evaluate the project according to OECD DAC criteria. The scale is as follows:

- Level 1** very successful: result that clearly exceeds expectations
- Level 2** successful: fully in line with expectations and without any significant shortcomings
- Level 3** moderately successful: project falls short of expectations but the positive results dominate
- Level 4** moderately unsuccessful: significantly below expectations, with negative results dominating despite discernible positive results
- Level 5** unsuccessful: despite some positive partial results, the negative results clearly dominate
- Level 6** highly unsuccessful: the project has no impact or the situation has actually deteriorated

The overall rating on the six-point scale is compiled from a weighting of all six 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 ("impact") and the sustainability are rated at least "moderately successful" (level 3).

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List of annexes:

Target system and indicators annex

Risk analysis annex

Project measures and results annex

Recommendations for operation annex

Evaluation questions in line with OECD DAC criteria/ex post evaluation matrix annex

Target system and indicators annex

| Project objective at outcome level | | Rating of appropriateness (former and current view) | | | |
|--|---|---|------------------|-----------------------------------|----------------------|
| <p>During project appraisal: Promotion of environmentally sustainable land use in eco-corridors for regional networking and biological stabilisation of conservation areas</p> | | <p>The objective is appropriate and expedient – eco-corridors serve to link protected areas and have the potential to promote animal migration and genetic diversity. Ecologically sustainable land use has the potential to contribute to the protection of biodiversity while preserving livelihoods and stabilising the income situation. Ecologically unsustainable land use was a major cause of biodiversity loss. The project approach was generally suitable to counteract problems associated with overuse.</p> <p>Due to the FPA and financing period of ten years, medium-term (up to ten years) stabilisation effects appear appropriate, as changes in behaviour beyond the disbursement period associated with the FPA can be expected.</p> | | | |
| During EPE (if target modified): | | | | | |
| Indicator | Rating and rationale of appropriateness (appropriate; partially appropriate; not appropriate) | PA target level Optional: EPE target level | PA status (2012) | Status at final inspection (2020) | Status at EPE (2023) |
| <p>In the selected eco-corridors 70% of the plans drawn up locally for environmentally sustainable land use were implemented</p> | <p>Indicator suitable for measuring the achievement of module objectives, as implementation of the land and resource conservation measures lead directly to environmentally more sustainable management.</p> <p>Correct target level.</p> <p>Indicator meets the criteria “specific”, “measurable”, “achievable” and “realistic”. There is no clear “timed” factor. The year 2023 is chosen as the time dimension for the EPE – at this point in time, the conservation contracts have already been concluded for at least three years, so a certain routine has been established and implementation should take place.</p> | 70% | 0% | 100% | 95% |
| <p>The number of conflicts between</p> | <p>No longer relevant, as no nature conservation agreements are to be concluded with communities</p> | | | | |

| | | | | | |
|---|---|-----------------|------------|---------------|---------------|
| <p>the population and the administration of the selected eco-corridors connected to protected areas is not increasing compared to 2012.</p> | <p>that neighbour conservation areas (source: 2018 reporting)</p> <p>The number of conflicts between the conservation area administration and the municipalities can be interpreted as a proxy for the incidence of environmentally unsustainable practices (hunting, overgrazing, illegal timber extraction) as the cause of conflict, but only provides indirect information about it. Conflicts could also increase as a result of more intense conservation efforts by the communities or have other causes unrelated to land use. The indicator is therefore not a perfect fit.</p> <p>SMART: The indicator is measurable, achievable and realistic. However, baseline values for the number of conflicts are missing.</p> | | | | |
| <p>NEW: Area in ha dedicated to habitat conservation as protected areas in accordance with valid environmental protection contracts with the municipalities</p> | | <p>24,000ha</p> | <p>0ha</p> | <p>31,216</p> | <p>29,298</p> |

| <p>Project objective at impact level</p> | <p>Rating of appropriateness (former and current view)</p> |
|---|---|
| <p>During project appraisal: Contribution to the preservation of biodiversity in Armenia, Azerbaijan and Georgia, without loss of income for the rural population</p> | <p>The objective is appropriate in terms of content and at the correct impact level. By agreeing on conservation contracts and providing incentives to comply with them, it can be plausibly assumed that the project makes a direct contribution to the conservation of biodiversity in the eco-corridors and associated protected areas. The explicit consideration of the income situation of the rural population in the objective is appropriate and relevant, as conservation can only function in the long term if a good balance can be achieved between conservation and local development. No modification required as part of the EPE.</p> |
| <p>During EPE (if target modified):</p> | |

| Indicator | Rating of appropriateness (appropriate; partially appropriate; not appropriate) | Rationale of appropriateness (for example, regarding impact level, accuracy of fit, target level, smart criteria) | Target level PA / EPE (new) | PA status (year) | Status at final inspection (year) | EPE status (year) |
|--|--|---|--|---|--|---|
| <p>The population of indicator species in conservation areas connected by the selected eco-corridors will not decrease over the period up to 2020</p> <p>Adjusted at EPE: “Measured over the period up to 2028, the population of indicator species in conservation areas connected by the selected eco-corridors will not decrease”</p> | <p>Partially appropriate: The development of animal population sizes is appropriate for mapping the ecological objectives of the project. However, the selected time horizon is not appropriate.</p> | <p>The indicator is a perfect fit for measuring the ecological objective and is at the correct impact level.</p> <p>Objective of offsetting any loss of income not covered by the indicator</p> <p>Defined time period is only based on the setup phase and is not appropriate. The materialisation of the impacts of the implemented measures can only be determined during or at the end of the implementation phase and should therefore be set to the period between 2020–2030.</p> | <p>No quantitative data available</p> | <p>No quantitative data available. Interim survey during:</p> | <p>No quantitative data available</p> <p>According to the qualitative expert estimates, populations have increased</p> | <p>No quantitative data available at the aggregated level.</p> <p>According to the qualitative expert estimates, populations have increased</p> |
| <p>NEW: The income situation in the village communities has not deteriorated since the implementation of the conservation agreements up until the time they expire</p> | <p>appropriate</p> | <p>There is no reliable baseline data on the income situation, so quantitative target achievement is not possible. Instead, changes in income are determined using semi-structured interviews and focus group discussions as part of the EPE. If this method is used, any self-reported changes in</p> | <p>No quantitative data available.</p> | <p>No quantitative data available.</p> | <p>No quantitative data available.</p> | <p>According to the available qualitative evidence, the target was achieved.</p> |

| | | | | | | |
|--|--|--|--|--|--|--|
| | | income since the implementation of the conservation contracts cannot be attributed causally, but only through plausibility considerations, to the application of the conservation contracts and thus the project intervention. | | | | |
|--|--|--|--|--|--|--|

Risk analysis annex

| Risk | Relevant OECD-DAC criterion |
|--|----------------------------------|
| Ex ante and ex post: The limited duration of nature conservation agreements and the lack of legal recognition of the status of protected areas for priority habitats outside national conservation areas pose a risk for long-term safeguarding of the achieved environmental impacts. | Sustainability |
| Ex post: Exchange rate fluctuations and inflation reduce the real value of compensation payments for municipalities and reduce the motivation and effectiveness of monitoring | Effectiveness and sustainability |
| An ex ante identified risk of scepticism and a lack of trust on the part of the target group (and thus a lack of willingness to participate) initially occurred, but was successfully mitigated by the Financial Participatory Approach. | Relevance, effectiveness, impact |

Project measures and their results annex

- An overview in table form and detailed description of the project services can be found in the main section under Effectiveness.

Recommendations for operation annex

- The funds released from the cancellation of contract with the municipality of Kikibo were intended to benefit already participating municipalities in order to safeguard the project impacts. Possible uses would include a) extending compensation mechanisms to mitigate human-wildlife conflicts to those communities in Georgia that have not yet introduced such a mechanism, b) increasing compensation payments for wildlife managers, c) additional budgets for projects that promote women in particular.
- For successor projects, it is recommended that a more generous buffer for any price increases be taken into account when budgeting compensation payments to the municipalities and that an extra budget be set up for the replacement of important consumables (replacement of horses and equipment for wildlife managers), which could be allocated to other purposes to be determined by the municipalities if not used. In addition, it is recommended that ECF payments to sub-accounts for municipalities be made in local currency in the future (or give them the choice between payments in euros and local currency) in order to protect them from exchange rate fluctuations.
- In the case of successor projects, it is also recommended that in-depth or refresher courses be offered for wildlife managers during the implementation phase.
- The current practice in most Georgian communities to rotate wildlife conservation and shepherding tasks within the community is welcome from a distribution and acceptance perspective. Refresher courses are available to prevent any loss of knowledge (see above).
- The project approach has the potential to contribute to the promotion of gender equality. After the successful piloting of the approach in ECF I, it is recommended that women be promoted in a targeted manner in the successor project. Discussions in the Georgian communities showed that investments aimed at facilitating milk production (e.g. through the purchase of electric milking machines and associated solar panels) could have significant additional gender impacts. The FPA could also carry out targeted topic-based competitions for the promotion of gender equality.
- An effective monitoring system that provides information on climate impacts in all project areas has not yet been established or could be expanded with regard to the systematic recording of wildlife population figures in Georgia and Azerbaijan (exception: EarthBeat system for the recording of wildlife sightings in Armenia) and should be anchored more structurally in subsequent phases.
- A risk to the sustainability of the project is the lack of legal protection status for the areas protected by the municipalities. In discussions with government representatives, it is advisable to point out the relevance of the formalisation process and to work towards its swift implementation.

Evaluation questions in line with OECD-DAC criteria/ex post evaluation matrix annex

Relevance

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / 0 / +) | Reason for weighting |
|---|--|---|--------|-----------------------|--|
| Evaluation dimension: Policy and priority focus | | | 2 | 0 | |
| Are the objectives of the programme aligned with the (global, regional and country-specific) policies and priorities, in particular those of the (development policy) partners involved and affected and the BMZ? | Is the objective of preserving biodiversity while maintaining or improving socio-economic living conditions in line with the core objectives of German DC, international development goals and those of the three partner countries? | MP, project completion report Discussions with partner countries' environmental ministries | | | |
| Do the objectives of the programme take into account the relevant political and institutional framework conditions (e.g. legislation, administrative capacity, actual power structures (including those related to ethnicity, gender, etc.))? | Did existing institutional framework conditions have to be adjusted for the project? Did the existing land rights allow municipalities to conclude land use contracts within their municipal borders and exclude external actors from land use? | Discussions with GIZ, national ministries, executing agencies | | | |
| Evaluation dimension: Focus on needs and capacities of participants and stakeholders | | | 1 | + | Experience from existing evaluations shows that the success/sustainability of environmental protection measures depends decisively on the involvement of the local population and consideration of capacities. The project places great emphasis on the involvement of the population. |

| | | |
|--|--|--|
| <p>Are the programme objectives focused on the developmental needs and capacities of the target group? Was the core problem identified correctly?</p> | <p>Core problems From the point of view of the target group and the responsible ministry, what are the main causes of the biodiversity loss?</p> <p>To what extent do the measures address the problems of uncertain land rights and collective action?</p> <p>Needs/capacities Can the planned compensation payments be considered appropriate ex ante and potentially sufficient to be able to compensate for any loss of income (compliance with the opportunity cost principle)?</p> <p>To what extent should the direct target group consisting of the selected, interested village communities benefit from the objectives of the measure?</p> <p>What criteria should be used for the final selection of the participating village communities?</p> | <p>Discussions with target group, executing agency, consultant, ministries</p> <p>Documents: MP, project completion report, consultant's final report</p> |
| <p>Were the needs and capacities of particularly disadvantaged or vulnerable parts of the target group taken into account (possible differentiation according to age, income, gender, ethnicity, etc.)? How was the target group selected?</p> | <p>Was land use planning carried out in a participative manner and involving all relevant stakeholders? How was it ensured that everyone's interests were taken into account?</p> <p>To what extent did the objective of the measure take into account the needs of the poor rural population, women and indigenous peoples? What role did the FPA (Financial Participatory Approach) play in the integration of minorities?</p> <p>Was the target group selected on the basis of the degree of coverage, urgency or need? And to what extent does the selection parameter appear to be appropriate</p> | <p>Discussions with target group, executing agency, consultant, NGO Toleranti</p> <p>Documents: MP, project completion report, consultant's final report</p> |

| | | | | |
|---|---|--|---|---|
| | from the point of view at the time and today? | | | |
| Would the programme (from an ex post perspective) have had other significant gender impact potentials if the concept had been designed differently? (FC-E-specific question) | Have gender-specific aspects been taken into account in the preparation of land use plans (is there a gender-specific division of tasks in land management, which is changed by new contracts)? | Discussions with the target group (especially focus group discussion with women in AZ and GE) Documents: Interim evaluation report | | |
| Evaluation dimension: Appropriateness of design | | | 1 | + The approach chosen to implement the objectives of sustainable resource conservation in line with the socio-economic interests of the target groups had a pilot character in the countries where the intervention took place, Armenia, Georgia and Azerbaijan. The implementation approach, which may be time-consuming but absolutely targeted and expedient with direct involvement of the target group, is rated as exceptional and demonstrates reproducible character for the region. |
| Was the design of the programme appropriate and realistic (technically, organisationally and financially) and in principle suitable for contributing to solving the core problem? | To what extent was the approach of contractual nature conservation in eco-corridors appropriate from the perspective at the time and today to ensure/improve sustainable management and the conservation of biodiversity in the intervention areas? | Documents: MP and project completion report, international specialist literature Discussions with executing agency, ministries, GIZ | | |
| Is the programme design sufficiently precise and plausible (transparency | Is it plausible to assume that there is compliance with the nature conservation | Project documents / WWF project progress reports | | |

| | | |
|---|---|---|
| <p>and verifiability of the target system and the underlying impact assumptions)?</p> | <p>agreements (based on land use plans created in a participatory manner) and that their compliance promotes environmental sustainability in the corridors?</p> | |
| <p>Were the selected indicators and their value allocation appropriate in their entirety (select one of the following to answer: indicators and values were appropriate / partially appropriate / not appropriate)? The rationale is differentiated according to indicators in Appendix 1. (FC-E-specific question)</p> | <p>Refer to the report</p> | |
| <p>Please describe the results chain, incl. complementary measures, if necessary in the form of a graphical representation. Is this plausible? As well as specifying the original and, if necessary, adjusted target system, taking into account the impact levels (outcome and impact). The (adjusted) target system can also be displayed graphically. (FC-E-specific question)</p> | <p>See presentation of the Theory of Change in report</p> | |
| <p>To what extent is the design of the programme based on a holistic approach to sustainable development (interplay of the social, environmental and economic dimensions of sustainability)?</p> | <p>Does the design take due account of the balance between environmental and socio-economic objectives?</p> <p>Are local needs taken into account?</p> <p>Are any income losses due to the planned nature conservation measures taken into account and is there adequate compensation for this?</p> | <p>MP, project completion report, international specialist literature</p> |
| <p>For projects within the scope of DC programmes: is the programme, based on its design, suitable for achieving the objectives of the DC programme? To what extent is the impact level of the FC module meaningfully linked to the DC programme (e.g. outcome impact or</p> | <p>Not relevant</p> | |

| | | | | | |
|---|--|--|--|--|---|
| output outcome)? (FC-E-specific question) | | | | | |
| Evaluation dimension: Response to changes/adaptability | | | | | No significant adjustments were necessary |
| Has the programme been adapted in the course of its implementation due to changed framework conditions (risks and potential)? | <p>Was the measure adjusted during its implementation due to the COVID pandemic, the outbreak of war or other factors?</p> <p>Why was there deviation from the original idea of institutional anchoring of the financial instrument?</p> | <p>Documents: Feasibility study, ongoing reporting, project completion report</p> <p>Conversations with executing agency</p> | | | |

Coherence

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / o / +) | Reason for weighting |
|---|--|--|--------|-----------------------|--|
| Evaluation dimension: Internal coherence (division of tasks and synergies within German development cooperation): | | | 2 | + | <p>Germany by far the most important donor, coherence within German DC is therefore particularly relevant.</p> <p>Synergies between TC and FC partially untapped.</p> <p>The project complements the existing FC portfolio with major synergies.</p> |
| To what extent is the programme designed in a complementary and collaborative manner within the German development cooperation (e.g. integration into DC programme, country/sector strategy)? | Is the programme designed in a complementary and collaborative manner within the German development cooperation? | <p>Documents: MP, ongoing reporting, project documents on CNF and the TJS</p> <p>Discussions with GIZ, project manager, country office, executing agency</p> | | | |

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| <p>Do the instruments of the German development cooperation dovetail in a conceptually meaningful way, and are synergies put to use?</p> | <p>FC/TC: What are GIZ's priorities? How does cooperation with GIZ take place in this sector?</p> <p>FC/FC: To what extent do synergies arise between ECF and CNF (does CNF also promote local community measures?) Could CNF have been used to process municipal disbursements? What synergies arise between ECF and the TJS (e.g. when implementing the "FPA")?</p> | <p>Documents: MP, ongoing reporting, project documents on CNF and the TJS</p> <p>Discussions with GIZ, project manager, country office, executing agency</p> | | |
| <p>Is the programme consistent with international norms and standards to which the German development cooperation is committed (e.g. human rights, Paris Climate Agreement, etc.)?</p> | <p>Is the programme consistent with international norms and standards to which the German development cooperation is committed (e.g. human rights, Paris Climate Agreement, etc.)?</p> | <p>Documents: MP, project completion report; BMZ position paper on biodiversity</p> <p>Meeting with project manager</p> | | |
| <p>Evaluation dimension: External coherence (complementarity and coordination with actors external to German DC):</p> | | | | |
| <p>To what extent does the programme complement and support the partner's own efforts (subsidiarity principle)?</p> | <p>Does the project influence local/regional policy initiatives?</p> <p>Why is there no co-financing from the local authorities for the compensation payments to the municipalities? Are these planned for the future?</p> | <p>Discussions with ministries</p> <p>Documents: project completion report and interim evaluation report for setup phase</p> | | |
| <p>Is the design of the programme and its implementation coordinated with the activities of other donors?</p> | <p>Which other donors are active in the region? Was there coordination with UNEP, Slovenia, Switzerland and the World Bank?</p> | <p>Documents: project completion report, cross-sectional evaluation of the FC foundation portfolio</p> <p>Discussions with GIZ, ministries and executing agencies</p> | | |
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| | <p>For what reasons are other donors not willing to contribute to ECF?</p> <p>Are similar measures by other donors already in place?</p> | |
| <p>Was the programme designed to use the existing systems and structures (of partners/other donors/international organisations) for the implementation of its activities and to what extent are these used?</p> | <p>Was built on existing systems/structures during the implementation of the project activities (e.g. ECP for selection of corridors; FPA from TJS II or III)</p> | <p>Documents: GOPA's final report and interim evaluation of the setup phase</p> <p>Discussions with ministries and executing agencies</p> |
| <p>Are common systems (of partners/other donors/international organisations) used for monitoring/evaluation, learning and accountability?</p> | <p>Which monitoring instruments are used in the project?</p> | <p>Documents: GOPA's final report, project completion report</p> <p>Discussions with ministries and executing agencies</p> |

Effectiveness

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / 0 / +) | Reason for weighting |
|---|--|---|--------|-----------------------|----------------------|
| Evaluation dimension: Achievement of (intended) targets | | | 1 | 0 | |
| <p>Were the (if necessary, adjusted) objectives of the programme (incl. capacity development measures) achieved? Table of indicators: Comparison of actual/target</p> | <p>Have the concluded nature conservation agreements of at least 70% (14 out of 20) of the municipalities been implemented? –</p> | <p>Documents: WWF progress reports</p> <p>Discussions with project manager, executing agency and target group</p> | | | |
| Other evaluation question 1 | <p>How large is the area to be protected or sustainably managed by the contracts?</p> <p>What is the share of the area covered by the contracts out of the total area of the eco-corridor?</p> | <p>Documents: GOPA's final report, WWF progress reports</p> | | | |

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| <p>Evaluation dimension: Contribution to achieving objectives:</p> | | | 1 | 0 | |
| <p>To what extent were the outputs of the programme delivered as planned (or adapted to new developments)? <i>(Learning/help question)</i></p> | <p>Was/were a) ECF established (Output 1), b) land use plans prepared (O2); c) the contract negotiations conducted (O3), d) at least 10% of ECF's financial resources acquired from sources other than the funds from the Federal Ministry for Economic Cooperation and Development (BMZ) (O4) and e) executing agencies strengthened (O5)?</p> | <p>Documents: project completion report, WWF progress reports, GOPA's final report, interim evaluation report</p> <p>Interviews: executing agency and implementation consultant</p> | | | |
| <p>Are the outputs provided and the capacities created used?</p> | <p>Is there compliance with land use plans, and are ECF disbursements made regularly? How exactly is the disbursement made when the money goes to the NGO's accounts?</p> <p>What content was conveyed during the capacity building measures? What are the benefits for the participants?</p> | <p>Documents: WWF progress reports, project completion report, GOPA's final report</p> <p>Conversations with wildlife managers, CBOs, focus group discussions with women</p> | | | |
| <p>To what extent is equal access to the outputs provided and the capacities created guaranteed (e.g. non-discriminatory, physically accessible, financially affordable, qualitatively, socially and culturally acceptable)?</p> | <p>Was it possible for all community members to participate in the capacity building measures and the FPA?</p> <p>Do all members of the community benefit from the compensation payments?</p> <p>Do the agreed conservation agreements put some groups at a disadvantage compared to others? (possible, e.g. that extremely poor households are particularly dependent on hunting) // if necessary, under Impact</p> | <p>Discussions with CBOs, women's groups, wildlife managers, ordinary community members, GOPA</p> <p>Documents: GOPA's final report, interim evaluation of setup phase</p> | | | |

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| <p>To what extent did the programme contribute to achieving the objectives?</p> | <p>To what extent have FPAs, the establishment of ECF, the preparation of land use plans and capacity building measures contributed to environmentally sustainable land use in the eco-corridors?</p> | <p>Discussions with target group representatives, executing agency, implementation consultant, project managers</p> <p>Documents: project completion report, GOPA's final report and interim evaluation of setup phase</p> |
| <p>To what extent did the programme contribute to achieving the objectives at the level of the intended beneficiaries?</p> | <p>Have livestock and feed availability changed as a result of the measures? (see Impact)</p> <p>Does compliance with land use plans result in additional time expenditure for families with livestock and those who need to collect firewood?</p> | <p>Discussions with target group representatives and executing agencies</p> <p>Documents: interim evaluation of setup phase</p> |
| <p>Did the programme contribute to the achievement of objectives at the level of the particularly disadvantaged or vulnerable groups involved and affected (potential differentiation according to age, income, gender, ethnicity, etc.)?</p> | | <p>Interviews: focus group discussions with women, NGO Toleranti, representatives of ethnic minorities in Azerbaijan, GOPA</p> |
| <p>Were there measures that specifically addressed gender impact potential (e.g. through the involvement of women in project committees, water committees, use of social workers for women, etc.)? (FC-E-specific question)</p> | <p>Were women able to take part in the training measures on an equal footing?</p> <p>Do certain land and resource conservation measures have a particular impact on women?</p> <p>Did women have the same opportunities as men to participate in the "Care-taker" programme? Are they represented in CBOs?</p> | <p>Documents: interim evaluation of setup phase,</p> <p>Interviews: focus group discussions with women, GOPA (national coordinators)</p> |
| <p>Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended objectives of the programme? (<i>Learning/help question</i>)</p> | <p>What was the importance of the FPA and/or the close involvement of the municipalities in land use planning and concluding contracts for the acceptance and compliance with the contracts?</p> | <p>Interviews with executing agency, implementation consultant, project managers, ministries, target group</p> <p>Documents: project completion report, GOPA final report, interim evaluation of setup phase, project document/FPA manual</p> |

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| | <p>How was it possible to overcome the distrust of the population towards state authorities in the context of the project?</p> <p>Which other internal factors besides the FPA were decisive for achieving the target?</p> | | | |
| <p>Which external factors were decisive for the achievement or non-achievement of the intended objectives of the programme (also taking into account the risks anticipated beforehand)? <i>(Learning/help question)</i></p> | <p>What role do unresolved questions with regard to land use rights play in the success of the project?</p> | <p>Discussions with executing agency, implementation consultant, project managers, ministries, target group, GIZ</p> <p>Documents: project completion report, GOPA final report, interim evaluation of setup phase</p> | | |
| <p>Evaluation dimension: Quality of implementation</p> | | | 1 | 0 |
| <p>How is the quality of the management and implementation of the programme to be evaluated with regard to the achievement of objectives?</p> | <p>How well did WWF CAU PO succeed in persuading the municipalities with regard to the approach and gaining their trust?</p> <p>How well did municipalities feel involved in this process and were their needs adequately taken into account?</p> <p>How high is the confidence of the municipalities in WWF that WWF's contracts will be monitored and adhered to in an objectively verifiable manner?</p> | <p>Interviews with executing agency (self-assessment, target group, project manager, ministries)</p> <p>project completion report, interim evaluation</p> | | |
| <p>How is the quality of the management, implementation and participation in the programme by the partners/sponsors evaluated?</p> | <p>Do women equally participate in the compensation payments / investment measures through the compensation payments? (if necessary, under Impact)</p> | <p>Interviews with project manager and ministries</p> | | |
| <p>Were gender results and relevant risks in/through the project (gender-based violence, e.g. in the context of infrastructure or empowerment projects) regularly monitored or otherwise taken into</p> | <p>Do women equally participate in compensation payments / investment measures through compensation payments? (if necessary, under Impact)</p> | <p>project completion report, interim evaluation</p> <p>Interviews with CBOs, focus group discussion with women</p> | | |

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| <p>account during implementation? Have corresponding measures (e.g. as part of a CM) been implemented in a timely manner? (FC-E-specific question)</p> | | | | | |
| <p>Evaluation dimension: Unintended consequences (positive or negative)</p> | | | 1 | 0 | |
| <p>Can unintended positive/negative direct impacts (social, economic, ecological and, where applicable, those affecting vulnerable groups) be seen (or are they foreseeable)?</p> | <p>Were there conflicts between the municipalities and the protected area administration, within the municipalities or with neighbouring communities during the course of the contract negotiations or subsequently, which can be attributed to the resulting changes in land use?</p> <p>Leakage effects: Do the measures lead to increased use of pasture and forestry areas of neighbouring communities with which no contracts exist?</p> <p>Do “solidarity schemes” with regard to HWC lead to misplaced incentives for cattle herders? (if necessary, under Impact)</p> <p>Does the project provide compensation payments for any “losers” in the context of the protection contracts? (if necessary, under Impact)</p> | <p>Interim evaluation, GOPA final report, project completion report</p> <p>Interviews with target group, in particular herders, wildlife managers, possibly former hunters</p> | | | |
| <p>What potential/risks arise from the positive/negative unintended effects and how should they be evaluated?</p> | | | | | |
| <p>How did the programme respond to the potential/risks of the positive/negative unintended effects?</p> | | | | | |

Efficiency

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / o / +) | Reason for weighting |
|---|--|--|--------|-------------------------|----------------------|
| Evaluation dimension: Production efficiency | | | 2 | 0 | |
| How are the inputs (financial and material resources) of the programme distributed (e.g. by instruments, sectors, sub-measures, also taking into account the cost contributions of the partners/executing agency/other participants and affected parties, etc.)? (Learning and help question) | How are the expenditures distributed across the various measures? | Final report and interim evaluation of consultant, MP and project completion report | | | |
| To what extent were the inputs of the programme used sparingly in relation to the outputs produced (products, capital goods and services) (if possible in a comparison with data from other evaluations of a region, sector, etc.)? For example, comparison of specific costs. | <p>What are the ongoing ECF costs for the project and the disbursement recipients?</p> <p>Does an appropriately high amount reach the actual target group?</p> <p>How complex is the monitoring verification and application process for the municipalities?</p> <p>What are the reasons for the strong deviations from the plan in the expenditure for the implementation consultant and the reallocations between the outputs?</p> | <p>Final report and interim evaluation of consultant, MP and project completion report</p> <p>Interviews with CBOs and regular community members</p> | | | |
| If necessary, as a complementary perspective: To what extent could the outputs of the programme have been increased by an alternative use of inputs (if possible in a comparison with data from other evaluations of a region, sector, etc.)? | Could the measures also have been achieved through a less extensive consulting assignment? | Interviews with implementation consultant and executing agency | | | |

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| <p>Were the outputs produced on time and within the planned period?</p> | <p>Was ECF set up and land use planning and conservation agreements completed on time?</p> <p>To what extent were all defined project outputs achieved within the setup phase?</p> <p>Have the compensation payments been made to the CBOs since 2021?</p> | <p>Final completion report, GOPA's final report, WWF progress reports on the implementation phase</p> <p>Interviews with the CBOs</p> | | | |
| <p>Were the coordination and management costs reasonable (e.g. implementation consultant's cost component)? (FC-E-specific question)</p> | <p>Was a cost share of 37.3% for consulting (28.5%) and project management (8.7%) necessary and justified?</p> | <p>Comparison with other projects</p> | | | |
| <p>Evaluation dimension: Allocation efficiency</p> | | | <p>2</p> | <p>0</p> | |
| <p>In what other ways and at what costs could the effects achieved (outcome/impact) have been attained? (<i>Learning/help question</i>)</p> | <p>Is the established disbursement mechanism effective and efficient?</p> <p>Could the environmental and economic objectives have also been achieved without the previous participatory approach through standardised disbursements linked to generally formulated conditions?</p> | <p>Interviews with target group, ministries, executing agencies</p> <p>Feasibility study</p> | | | |
| <p>To what extent could the effects achieved have been attained in a more cost-effective manner, compared with an alternatively designed programme?</p> | <p>Was the resource- and time-consuming FPA necessary for the success of the project?</p> <p>From an ecological point of view and for reasons of efficiency, would it have been more sensible to focus the project measures on an eco-corridor and cover the entire corridor with this?</p> | <p>Interviews with target group, ministries and executing agencies</p> | | | |
| <p>If necessary, as a complementary perspective: To what extent could the positive effects have been increased with</p> | | | | | |

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| the resources available, compared to an alternatively designed programme? | | |
| Note: If PSP (Private Sector Participation; see Inpro under 1.11) was issued for the project or there is generally cooperation with private actors (commercial banks, companies, professional NGOs) in the implementation of FC (private sector as an instrument), the following evaluation question must be taken into account: | | |
| In what respect was the use of public funds financially additional? | | |

Impact

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / o / +) | Reason for weighting |
|---|--|--|--------|-------------------------|---|
| Evaluation dimension: Overarching developmental changes (intended) | | | 2 | 0 | No weighting, "only" rating 2 as very positive impressions cannot be proven with objective data |
| Is it possible to identify overarching developmental changes to which the programme should contribute? (Or if foreseeable, please be as specific as possible in terms of time.) | <p>How have the population sizes of the indicator species changed since the start of the implementation phase?</p> <p>In general, how have population sizes developed in the region?</p> | <p>Monitoring data is not available as monitoring planned for 2022 was postponed to 2024.</p> <p>Therefore, qualitative assessment required: GOPA's final report (expert assessment), interviews with target group</p> | | | |
| Is it possible to identify overarching developmental changes (social, economic, environmental and their interactions) at the level of the intended beneficiaries? (Or if foreseeable, please be as specific as possible in terms of time) | <p>Has the income situation for the municipalities changed since the start of the implementation phase?</p> <p>Has cohesion in the communities changed?</p> <p>Has environmental awareness changed among the population?</p> | <p>Interviews with target group</p> | | | |

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| <p>To what extent can overarching developmental changes be identified at the level of particularly disadvantaged or vulnerable parts of the target group to which the programme should contribute? (Or, if foreseeable, please be as specific as possible in terms of time)</p> | <p>Has the income situation for particularly disadvantaged groups changed since the implementation phase?</p> | <p>Interviews with target group</p> | | | |
| <p>Evaluation dimension: Contribution to overarching developmental changes (intended)</p> | | | <p>2</p> | <p>0</p> | <p>No weighting, “only” rating 2 as the project’s share of positive development in the number of animals cannot be determined (attribution gap). The attribution gap also applies to the income dimension, but the project’s direct impact on positive income development can be checked for plausibility even more clearly here.</p> |
| <p>To what extent did the programme actually contribute to the identified or foreseeable overarching developmental changes (also taking into account the political stability) to which the programme should contribute?</p> | <p>Can any changes in the indicator species or income situation be plausibly attributed to the project? Is there compliance with land and resource conservation measures?</p> <p>Are there reliable baseline data? Can they be used to measure the associated changes and the contribution of the measure?</p> | | | | |
| <p>To what extent did the programme achieve its intended (possibly adjusted) developmental objectives? In other words, are the project impacts sufficiently tangible not only at outcome</p> | <p>Did the measure contribute to ecologically sustainable use and thus to the preservation of biodiversity without impairing the income situation of the local population?</p> | | | | |

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| <p>level, but at impact level? (e.g. drinking water supply/health effects)</p> | <p>Can further changes in the target groups be observed through the pursuit of objectives (species conservation, income preservation)? (e.g. improved erosion control, water availability or similar changes in the municipalities)</p> | |
| <p>Did the programme contribute to achieving its (possibly adjusted) developmental objectives at the level of the intended beneficiaries?</p> | <p>What impact do the project's compensation payments and other support measures have on any changes in living conditions?</p> <p>Does the project have non-financial positive impacts (e.g. satisfaction with the return of rare species; feeling of self-empowerment through a participatory approach; empowerment of municipalities to better address their concerns to the administration)?</p> <p>Does the changed grazing management result in changes in the yield from livestock farming?</p> | |
| <p>Has the programme contributed to overarching developmental changes or changes in life situations at the level of particularly disadvantaged or vulnerable parts of the target group (potential differentiation according to age, income, gender, ethnicity, etc.) to which the programme was intended to contribute?</p> | <p>Does the project lead to changes for vulnerable groups? Were any particularly vulnerable groups dependent on hunting before the conclusion of the contract or do the restrictions on use notably affect certain groups?</p> | |
| <p>Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)</p> | <p>How decisive were a) the implementation by non-governmental executing agencies, b) the FPA, c) initial project financing before the contract was concluded, d) cooperation with NGOs, e) support in clarifying open land rights issues, f) independent monitoring, g) design of the financing mechanism, h) amount of compensation payments for any changes in living conditions and animal populations?</p> | |

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| <p>Which external factors were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)</p> | <p>Were there economic policy decisions in the partner countries (e.g. infrastructure promotion, mining) that run counter to target achievement?</p> <p>What effects does conservation area management have on the population development of relevant indicator species in the neighbouring eco-corridors?</p> <p>What role did the structure of land use rights play in the success of the project?</p> | |
| <p>Does the project have a broad-based impact?</p> <ul style="list-style-type: none"> - To what extent has the programme led to structural or institutional changes (e.g. in organisations, systems and regulations)? (Structure formation) - Was the programme exemplary and/or broadly effective and is it reproducible? (Model character) | <p>Does the measure have structure-forming effects in the partner countries – is the expansion of the approach from public funds also envisaged? Is there a stronger consideration of environmental concerns in other policy decisions?</p> <p>To what extent were there subsequent phases and was the project approach replicated 1:1 in these or were there adjustments?</p> <p>How does the responsible ministry assess the project approach – is anyone thinking about implementing this kind of approach in other regions as well?</p> <p>Are institutional reforms planned/initiated in the partner countries aimed at strengthening (participatory and integrated) environmental protection in the regional and local government?</p> | |
| <p>How would the development have gone without the programme? (developmental additionality)</p> | | |
| <p>Other evaluation question 1</p> | <p>Will it be possible to prevent owners of large livestock herds living outside the municipality from overexploiting the target regions?</p> | <p>Azerbaijan municipalities</p> |

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| <p>Evaluation dimension: Contribution to (unintended) overarching developmental changes</p> | | | 2 | 0 | |
| <p>To what extent can unintended overarching developmental changes (also taking into account political stability) be identified (or, if foreseeable, please be as specific as possible in terms of time)?</p> | <p>Has the extent of the degradation of pastures changed since the start of the setup phase of ECF I until the time of the evaluation? Has it increased in unprotected zones?</p> <p>How has the settlement density in the intervention areas developed since ECF I was imposed? Is there any sign of emigration, immigration or constant settlement?</p> <p>How has ecotourism developed in the eco-corridors? Will any increase in tourism figures lead to positive or negative changes in the local situation?</p> | | | | |
| <p>Did the programme noticeably or foreseeably contribute to unintended (positive and/or negative) overarching developmental impacts?</p> | | | | | |
| <p>Did the programme noticeably (or foreseeably) contribute to unintended (positive or negative) overarching developmental changes at the level of particularly disadvantaged or vulnerable groups (within or outside the target group) (do no harm, e.g. no strengthening of inequality (gender/ethnicity))?</p> | <p>Have any unintended effects (e.g. increase in HWC, restrictions on use, certain acquisitions financed from compensation payments) led to changes at the level of particularly vulnerable groups?</p> | | | | |

Sustainability

| Evaluation question | Specification of the question for the present project | Data source (or rationale if the question is not relevant/applicable) | Rating | Weighting (- / 0 / +) | Reason for weighting |
|--|---|---|---|-------------------------|----------------------|
| Evaluation dimension: Capacities of participants and stakeholders | | | No evaluation relevance in this context | | . |
| Are the target group, executing agencies and partners institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time (after the end of the promotion)? | | | | | |
| To what extent do the target group, executing agencies and partners demonstrate resilience to future risks that could jeopardise the impact of the programme? | | | | | |
| Evaluation dimension: Contribution to supporting sustainable capacities: | | | 2 | 0 | |
| Did the programme contribute to the target group, executing agencies and partners being institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time and, where necessary, to curb negative effects? | | | | | |
| Did the programme contribute to strengthening the resilience of the target group, executing agencies and | | | | | |

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| partners to risks that could jeopardise the effects of the programme? | | | | | |
| Did the programme contribute to strengthening the resilience of particularly disadvantaged groups to risks that could jeopardise the effects of the programme? | | | | | |
| Evaluation dimension: Durability of impacts over time | | | 3 | + | Long-term financing/validation of the success of the project is a decisive factor in payments for ecosystem services; national framework legislation is relevant for the long-term institutional anchoring of the conservation status of the intervention areas and thus critical for the success of the impacts' sustainability |
| How stable is the context of the programme (e.g. social justice, economic performance, political stability, environmental balance)? (<i>Learning/help question</i>) | | | | | |
| To what extent is the durability of the positive effects of the programme influenced by the context? (<i>Learning/help question</i>) | | | | | |
| To what extent are the positive and, where applicable, the negative effects | | | | | |

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| of the programme likely to be long-lasting? | | |
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