



1. Project Data

Project ID

P115564

Project Name

Save Our Species Partnership (GEF)

Country

World

Practice Area(Lead)

Environment & Natural Resources

L/C/TF Number(s)

TF-99693

Closing Date (Original)

31-Dec-2015

Total Project Cost (USD)

4,900,000.00

Bank Approval Date

05-Apr-2011

Closing Date (Actual)

31-Mar-2016

IBRD/IDA (USD)
Grants (USD)

Original Commitment

4,900,000.00

4,900,000.00

Revised Commitment

4,900,000.00

4,900,000.00

Actual

4,900,000.00

4,900,000.00

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2. Project Objectives and Components

a. Objectives

The Project Development Objective for the Save our Species (SOS) project is the same in the Project Appraisal Document (PAD) and in the Grant Agreement (GA), and reads as follows: “to support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats” (PAD, para 19; GA, Schedule 1).

The Global Environment Objective is to improve the conservation status of globally threatened species or populations and their habitats (PAD, para 20).



As per IEG guidelines, the objective in the Grant Agreement will be used as the basis for assessing the achievements of this project.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

Component 1: Threatened Species Grants Program (appraisal estimate: US\$16.11 million, actual cost: US\$9.4 million). This component supported a competitive grants program for threatened species conservation by financing (a) grants to civil society individuals or organizations working on species needs, and (b) a small grants facility for early and rapid action.

Component 2: Species Action Strategies & Monitoring (appraisal estimate: US\$2.02 million, actual cost: US\$28 thousand). This component aimed at (a) developing species profiles and plans by the Special Survival Commission (SSC) specialist groups “provide a basis for determining appropriate investments to fill already identified gaps in conservation actions” (this component was later dropped); (b) funding the monitoring the success of SOS interventions and updating relevant threatened species *Red List* status (The Red List of Threatened Species is a globally recognized authority for assessing the threat status of species, and the Red List catalogues and highlights those plants and animals that are facing a higher risk of global extinction).

Component 3: Funding & Communications (appraisal estimate: US\$2.13 million, actual cost: US\$3.46 million). This component aimed at (a) fundraising from the private sector by funding the preparation of a strategy of targeted campaigns to encourage the private sector to support species conservation actions, and (b) promoting a communication and marketing campaign to secure public and private sector support.

Component 4: Project management, monitoring, and evaluation (appraisal estimate: US\$3.46 million, Final cost: US\$2.3 million). This component aimed at funding project administration and management, implementation and monitoring and evaluation.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost: At appraisal, the project total cost was estimated to be US\$23.73 million; actual cost was US\$13.08 million. The project team advised that donations from fundraising efforts came in later than expected, and this delay led to the partial disbursement by the project's close.



Financing: The Global Environment Facility (GEF) contributed US\$4.9 million as expected, the Development Grant Facility (DGF) contributed US\$3.9 million compared to a US\$5 million expected at appraisal, the French Global Environment Facility (FFEM) contributed US\$1.5 million as expected and fundraising efforts raised US\$2.97 million from the private sector, compared to a target of US\$10 million. At approval, the IUCN was expected to contribute US\$2.34 million in-kind support, but by project close there was no estimate available of the size of the in-kind support although the project team acknowledged that IUCN had supported the SOS Secretariat. The DGF fell short of US\$1.1m because the facility was terminated by the Bank in 2013. The amount raised from the private sector was US\$2 million; failure to raise the expected US\$10 million, as explained in the ICR, was due to an initial unrealistic target as well as unfavorable international economic conditions faced by the private sector as well as foundations and governments (ICR, page 8, Intermediate Indicator 3A). The actual use of project funds was 55% of total expected at appraisal (US\$13.08 million against US\$23.74 million) because of the above-mentioned delays in generating funds which led to only partial disbursements by project's end; the ICR states that the DGF and GEF funds were fully used (ICR, Annex 1b).

Borrower Contribution: The World Conservation Union (IUCN) was expected to contribute US\$2.34 million in kind, but by project close it is unclear how much IUCN had contributed (ICR, Annex 1, page 25). Despite this lack of clarity, the project team acknowledged that IUCN supported the SOS Secretariat.

Dates: The project was approved on April 5, 2011, and restructured in October and November 2015. The original closing date of December 31, 2015 was extended by 3 months to March 31, 2016 to allow for full disbursement of the available project funds.

Restructuring: The two level 2 restructuring were as follows:

- **October 2015:** Following a Donor Council meeting in April 2014. Sub-component 2A and its associated indicators (PDO indicator 2, Intermediate outcome indicator 2A) were dropped and the budget (US\$200,000) for these activities was reallocated and divided equally among sub-component 3A and component 4. As part of the restructuring the World Bank contribution of US\$4.9 million from the Development Grant Facility (DGF) was reduced to US\$3.9 million. (ICR, pages 4-5, 9).
- **November 2015:** The closing date was extended from December 31, 2015 to March 31, 2016 (ICR, page 9).

Although the October 2015 level two restructuring led to one of the PDO indicators to being dropped, the project objectives were not revised and the change to the results framework had no significant impact on the scope of the project's objectives. Therefore, a split evaluation was not prepared for this assessment

3. Relevance of Objectives & Design



a. Relevance of Objectives

As the ICR and the project team pointed out, there was no explicit definition of “a viable funding mechanism” in project documents. The ICR therefore assumed that the viable funding mechanism is: “an institution that provides a sustained flow of resources in support of conservation outcomes using a set of agreed principles to allocate resources” (ICR, page 14). This Review has accepted this interpretation of the PDO in the Grant Agreement.

The objective of the project to support the establishment of a viable funding mechanisms for the conservation of globally threatened species and their habitats was relevant at approval and continue to be relevant at project close as there are as many as 24,000 species considered to be threatened in a growing trend. As ICR also states, the SOS funding mechanism of local grant beneficiaries supports environmental conservation and socio-economic sustainability through capacity-building, network-building and employment generation, both of which are key elements across the Bank’s 2001 and 2012 Environment strategies (ICR, page 13).

At approval, the project was particularly relevant to the following sections of the 2001 Environment strategy of the World Bank: Enhancing Livelihoods under the Improving Quality of Live pillar, Supporting Sustainable Private Sector Development under the Improving Quality of Growth pillar, and Protecting the Quality of the Regional and Global Commons under the Quality of the Regional and Global Commons pillar (2001 Environment strategy, pages 7-13). At project close, the SOS Project’s objectives were also relevant to the new Bank’s Environment Strategy 2012-2022, for protecting biodiversity and ecosystem under the Green Agenda (2012-2022 Environment Strategy, pages 13-15, 47-48).

Conclusion: The project’s objective was highly relevant to the World Bank’s 2001 and 2012 environment strategies, and to the conservation of threatened species and their habitats.

Rating
High

b. Relevance of Design

The project’s activities at appraisal and as re-arranged through restructuring were only modestly relevant to achieve the project objective. The following shortcomings are noted:

- First, as discussed already, the project development objective was not clear, nor clearly defined.
- Second, the results framework did not provide a clear causal chain linking project activities to project outcomes. While the efforts to explicitly link each PDO and Intermediate Outcome indicator to the part of the PDO they are supposed to measure were commendable, the results framework did not provide an overall theory of change linking the PDO to project activities. Listing objectives, outcomes and their indicators as is done in the PAD’s results framework (Annex 3) does not help an understanding of the project’s theory of change.



- Third, many PDO indicators were not relevant to the PDO. Many of the other indicators were not directly or indirectly measurable.
- Fourth, most of the project's activities and financing were focused on funding conservation actions of globally threatened species and their habitats as well as monitoring rather than also focusing on activities supporting the viability of the funding mechanism, as well noted under Relevance of Design in the ICR (ICR, page 13).

Conclusion: The results framework in the PAD was an inadequate presentation of the causal chain linking project activities to the development objective. As the ICR notes the design of the project mainly focused on financing grants, and did not address adequately the viability of the design of the funding mechanism for the conservation of globally threatened species and their habitats

Rating
Modest

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

The project objective was to support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats.

Rationale

The extent to which the PDO has been achieved will be assessed against two distinct part of the PDO, namely:(a) the extent to which the project established a viable funding mechanism and (b) the focus of sub-grants on the conservation of globally threatened species. This section will assess the outputs and outcomes achieved considering that both the PAD and the Grant Agreement indicated that the objective should be reached through support from the private sector contributions and administered by a competent organization with global reach,

- **Raising of funds:** According to the ICR the project leveraged a total of US\$24.5 million mostly through foundations and development partners, of which €20 million was designated for tiger conservation to be managed jointly by SOS and Kreditanstalt für Wiederaufbau (KfW), but not to be attributed to SOS as requested by KfW (pages 8, 12, 16; Annex 2). The SOS marketing and fundraising also secured 10 partnerships from public and private sector actors (ICR, page 28, ICR, Intermediate Outcome Indicator 3A). At project close, the Secretariat was engaged in discussions to obtain another US\$20 million from the European Union and a private Geneva foundation (ICR, page 12).
- **Coverage of globally threatened species and habitats:** The project awarded 91 grants targeting more than 250 species and populations, of which 78 were implemented by end of project.
- **Private sector support:** The SOS secretariat raised only US\$2 million of the targeted US\$10 million and



only 4 targeted contributions from the private sector (ICR, page 8; ICR, PDO Indicator 3). However, Annex 1 shows private sector actual contribution of US\$2.97 million (ICR, page 25).

- **Competent organization:** While the IUCN and the SOS secretariat were recognized to have a technical expertise on the global conservation of species, they were not able to run the administrative process smoothly and comply with donors' requests and World Bank standards (ICR, pages 7-8, 14) The ICR highlights how limited staff resources hampered the ability of the Secretariat to engage in fundraising because a large proportion of the staff's time was spent on processing and approving project proposals, supervising a large number of projects, and reporting to donors and stakeholders (ICR, page 7).
- **Global Reach:** The Bank's project team advised that the SOS secretariat awarded grants to organizations in over 65 countries across 4 continents ranging from small (less than 10 staff) to large (more than 1000 staff) in size. The first three calls for proposals received over 700 applications (ICR, page 7; Intermediate Outcome Indicator 3B).

Outcomes:

- **Establishment of a viable funding mechanism:** The SOS Secretariat did not raise a significant amount of funding from any source. Hence in terms of the ICR's definition of a viable funding mechanism, this project failed to "provide a sustained flow of resources in support of conservation outcomes" (page 14).
- **Focus on globally threatened species and their habitats:** All subprojects addressed species defined as globally threatened by the IUCN Red List as this element was an eligibility criterion in the grant process.

Conclusion: The objective of establishing a viable funding mechanism for the conservation of globally threatened species and their habitats was not achieved. The achievement of the project's objective is therefore modest.

Rating
Modest

5. Efficiency

The efficiency analysis focuses on how efficiently the SOS supported the conservation of global species and their habitats. This analysis includes the grant process management and how efficiently the sub grants achieved their conservation objectives.

Efficiency of the grant process management: The ICR also provides no evidence to confirm the claim that the administration of the project can be considered cost efficient with regards to the review process of the



grant applications, as well as the selection of grants in respect to the strategic direction of the SOS Secretariat (ICR, page 15). In addition, findings of a short survey sent to 70 SOS grants recipients (64% response rate) highlight that reporting was considered to be “too bureaucratic and impacts were too difficult to report”, and that the Secretariat was not able to “effectively manage the portfolio size, bureaucratic procedure and pressure of finding additional funding” (ICR, page 18). IEG's interaction with the project team also suggested that managing these small grants was costly for the World Bank..

Cost and implementation issues: The Secretariat costs were US\$2.3 million or 18% of total activities. These costs included project as well as program management. Nevertheless, they represent a high proportion of total project costs given that the IUCN was also providing "in kind" contributions to the management of the project. There were several implementation issues which caused early implementation to be inefficient, namely: (a) the SOS Secretariat reached its full composition only in September 2011; (b) inadequate staffing, especially for fundraising, which did not take into account the relative inexperience of the Secretariat with Bank policies and GEF requirements as well as the time needed to manage the proposal assessment process and report to other donors; and failure of the World Bank to deliver on its DGF funding due to the cancellation of the fund (ICR, pages 7, 16).

Efficiency with which the money disbursed was used in sub-projects: The ICR states that: “Over the lifetime of the project, IUCN and SOS were unable to provide evidence of its contribution to the improvement in the conservation status of these species.” (ICR, page 14). The ICR estimates that the project contributed to the conservation of one percent of the total 23,928 species facing extinction, which is consistent with the 250 threatened species that the project addressed (ICR, page 16). This information does not indicate whether 250 species represent a significant or small achievement for the project, and the extent to which these species were protected. Furthermore, there is a lack of verifiable evidence because all the progress reports from the sub-grants are self-reported, as both the ICR and discussions with the project team pointed out. The ICR also reports that “60 species population and their habitats received improved protection and or management as a consequence”. That information has not been verified independently, nor is it reflected by a change in the client (IUCN) Red List, which actually shows increasing number of threatened species. Finally, the results and impact assessment report that the SOS Secretariat agreed to provide by end of project has not been submitted yet (ICR, page 14).

Conclusion: The actual cost of project administration, not accounting for the "in kind" contribution by the IUCN, was considerable. There is also no direct evidence in the ICR on the efficiency with which the grant funds were used in the approved sub-projects. This Review therefore rates the project's efficiency as modest.

Conclusion: In light of weak evidence to support the claim that grant money or processing was managed efficiently, the efficiency of this project is rated modest.

Efficiency Rating

Modest



a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Relevance of objective was high, and relevance of design was modest because it was overly focused on conservation activities while not adequately addressing the main objective of this project (supporting a viable funding mechanism). The achievement of the main objective (to support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats) was rated modest because a viable funding mechanism was not established. Efficiency was rated modest because there was no evidence to support the claims that improved protection for globally threatened species and their habitats was achieved and weak and contrasting evidence to support the claim of efficient grant process management.

Conclusion: Given the substantial shortcomings of this project, the outcome is rated Unsatisfactory.

a. Outcome Rating

Unsatisfactory

7. Rationale for Risk to Development Outcome Rating

The risk to Development Outcome is rated substantial because (a) the SOS Secretariat still faces inherent risks to fundraising despite continuing into a second phase, and (b) risks to the conservation of globally threatened species and their habitats still persist.

- **Financial risks to fundraising:** Although it continued in a second phase, the Secretariat still faces substantial risks and uncertainty regarding the establishment of a viable funding mechanism. These issues were only partly addressed during the project (ICR, page 19). The diversification of the donor base to bilateral donors, foundations and individuals - rather than depending solely on the private sector - produced only limited results because incentives to donors to contribute were not strong. To further limit this risk, the Secretariat could have established its own endowment (revolving fund), which, if successful, could ensure sustainability
- **Risks to conservation of globally threatened species:** As the ICR states: "the risks to threatened



species and their habitats and the drivers contributing to the decline of species and habitats across the globe still remain” as shown by the fact that the IUCN Red List is actually increasing (ICR, page 19; IUCN Red List).

a. Risk to Development Outcome Rating

Substantial

8. Assessment of Bank Performance

a. Quality-at-Entry

Despite the high relevance of the project's objective (Section 3a) and the incorporation of lessons from previous projects, Quality at Entry is rated unsatisfactory due to the following major shortcomings:

- Despite the fact that the project incorporated lessons from the Critical Ecosystem Partnership Fund (CEPF), the project failed to address issues stemming from the complex CEPF structure at the design stage (ICR, page 19). The ICR states: “the World Bank underestimated that the global scope and the 3-tier institutional setup of the CEPF provided for a complex structure which may pose a challenge for the efficient and effective delivery of grants to beneficiaries in support of biodiversity conservation outcomes.” (page 6)
- The project design was overly focused on conservation activities compared to the core objective of establishing a viable funding mechanism (already mentioned in Section 3b of this Review).
- High turnover of financial management and project staff who were inexperienced at project effectiveness, together with an unrealistic original disbursement schedule, contributed to a disbursement lag of 13 months by February 2013 (ICR, page 11).
- The design of M&E was inadequate as it envisioned measuring outcomes that were not fully aligned with the project development objective as it tried to measure conservation outcomes instead of assessing the requirements of a viable funding mechanism.
- The limited capacity of IUCN in managing a complex grant system was not anticipated, despite knowing in advance that IUCN had little experience managing such projects. In addition, the ICR also states that there was a mismatch between funds available to the Secretariat, adequate staff resources and growth objectives despite the substantial project management costs, at 18% of total costs (page 19).

Quality-at-Entry Rating

Unsatisfactory

b. Quality of supervision

Quality of Supervision is rated unsatisfactory for the following reasons:



- According to the ICR, the World Bank carried out only seven field supervision missions during the implementation period of 5 years, which then resulted in inadequate oversight in respect to financial management, fundraising and lack of staffing, especially at the project onset (ICR, page 9). During consultations with IEG, the project team explained that for these kind of trust fund projects there has been typically less stringent supervision requirements than for standard lending operations. Despite this, greater supervision would probably have been instrumental in achieving higher quality documentation of performance and better project management (ICR, pages 19-20).
- According to the Borrower's comment on the Bank's draft ICR, "the degree of technical support drastically declined during the second phase of the project. It became more and more difficult to get hold of the Team Task Leader." (ICR, Annex 7, page 37)

Quality of Supervision Rating

Unsatisfactory

Overall Bank Performance Rating

Unsatisfactory

9. Assessment of Borrower Performance

a. Government Performance

There was no government involved with this project, rather the recipient of the grant was the IUCN. The ICR highlights that the IUCN and the SOS were not proactive in their communications with the World Bank. This was particularly problematic in light of their inexperience with Bank procedures (ICR, page 20). The project team confirmed this finding, and also pointed out to IEG that the SOS and IUCN were often not responsive to and did not fully comply with requests for financial management details and updated M&E results from indicators. There were delays in release of final payments because the IUCN and SOS did not adhere to adequate monitoring procedures of grantees' reports. Hence there were disbursement lags that the ICR attributed to inadequate staffing and competing IUCN mandates for other responsibilities (ICR, page 20).

Government Performance Rating

Unsatisfactory

b. Implementing Agency Performance

The SOS Secretariat performance was unsatisfactory. While it spent significant efforts to develop a funding architecture, successfully identified projects to be awarded grants and raised enough funds to continue to a second phase, it suffered from significant shortcomings in basic project management. For example:

- Responses to World Bank requests were often late and incomplete (ICR, page 20-21).
- A significant share of M&E activities was shifted to sub-grantees without any type of verification by the Secretariat or another independent organization to validate results (ICR, page 20-21).



- The Secretariat was unable to provide basic end of project documents, such as lessons learned or impacts/results of funded activities (ICR, page 20-21).
- Results from a short survey of a sample of seven grant recipients highlighted that the Secretariat was not able to “effectively manage the portfolio size, bureaucratic procedure and pressure of finding additional funding.” (ICR, page 18)

Implementing Agency Performance Rating

Unsatisfactory

Overall Borrower Performance Rating

Unsatisfactory

10. M&E Design, Implementation, & Utilization

a. M&E Design

According to the PAD, the SOS Secretariat was designed to have the responsibility for all project monitoring activities (PAD, Annex 3, para 2). The project included self-reporting by sub-grantees on a bi-annual bases for financial reports and on a more regular basis for detailing progress. The Secretariat was also responsible for a participatory assessment of the project conducted together with grantees and other stakeholders at the project midterm. Key indicators are outcome based, and the effort to link PDO and intermediate indicators to the section of the PDO that they support is useful and appreciated. Despite this positive note, the M&E design suffered from issues of relevancy as follows:

- Many indicators did not measure activity results relevant to the PDO (for example, PDO Indicator 2, 5 and 6). Many indicators focused on conservation aspects of the projects, and did not provide evidence to support “the establishment of a viable funding mechanism”, which is the main objective of the project (ICR, page 9).
- The indicators that were relevant did not provide much information on fundraising for phase 2 or the longer term viability of the project, but only enumerated the grants approved (PDO indicator 1) or the amount raised from the private sector (PDO indicator 3).
- Some indicators did not track change in measurement, and their description does not help understanding how the results were managed (see for example PDO Indicator 1).
- Finally, some indicators were unrealistic. Typically they were too optimistic in their expectations (e.g. PDO indicator 3).

b. M&E Implementation

The ICR does not explicitly refer to the extent data collection was carried out and whether the SOS secretariat met its M&E responsibilities effectively and efficiently. Given that, as the project team and the ICR advised, all M&E was self-reported by grantees, it is understandable that complete information is unavailable.

Nevertheless, the ICR suggests that M&E was well tracked and helpful to the SOS Secretariat despite the



lack of evidence provided to substantiate this claim (ICR, page 10).

The ICR points out that there were two elements monitored under the grant portfolio: progress at the individual grant level through the analysis of self-reported information by grantees, and monitoring of conservation outcomes at the portfolio level through a portfolio classification scheme. The reliability of the indicators that collected impacts of conservation activities is dubious as these values are based solely on information provided by sub-grantees and not verified by the SOS, the World Bank or any other development partner, and their information is not reflected in substantial change in the status of the species in the IUCN Red List (ICR ???).

c. M&E Utilization

The M&E utilization suffered from significant shortcomings:

- While the data collected were used for reporting purposes, the ICR stated that there is no evidence that any corrective action was taken using the data collected (ICR, page 10).
- The indicators were not substantially re-structured to better reflect the PDO, and therefore remained a design shortcoming until project end.

M&E Quality Rating

Modest

11. Other Issues

a. Safeguards

The project was classified as category B in terms of environmental risk and triggered the following safeguard policies: Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Involuntary Resettlements (OP/BP 4.12), Indigenous People (OP/BP 4.10) and Forests (OP/BP 4.36). The project team advised that all subprojects were in compliance with these safeguard policies.

Safeguard implementation improved and was assessed in the last ISR as Satisfactory despite significant issues with safeguards highlighted by the ICR during project implementation (page 11). Some of these issues included:

- No consistent follow up field visits and confirmation of safeguard compliance. The project team advised that safeguard compliance was addressed during sub-project screening and approval process by SOS.
- Inadequate information in the sub-project proposals on how they would manage various safeguards during implementation.

The project included the following actions to mitigate these issues:



- SOS developed a new subproject proposal template that included more information on safeguard compliance. Processes included scrutinizing sub-projects safeguard procedures, a review of the final sub-project included an assessment of the implementation measures for potential safeguard issues (ICR, page 11).
- According to the ICR project proposals that impacted indigenous people's territories needed broad community support and documentation prior to approval, but there was no indication of compliance with OP4.10 (page 11). The ICR went on to state that "even after the close of the second call for proposals, there was no consistent follow-up field visits and confirmation despite there being a SOS Secretariat screening of projects for restricted access to legally designated protected areas. Moreover, the proposals themselves did not often have enough information to correctly manage for various safeguards. This reflected the need for both the World Bank and the SOS Secretariat to enhance field supervision of grants and provide greater safeguard oversight" (page 11).
- Nevertheless, the project team confirmed to IEG that all subprojects were in compliance by project end.

b. Fiduciary Compliance

Financial Management. The project had inadequate financial management of project grants and required significant support from the Bank, despite several trainings held during missions or via videoconference. The financial management shortcomings were due to a shortage and high turnover of financial management and project staff, as well as SOS Secretariat prioritization to other donor compliance request and an unclear understanding of the WB grant fiduciary compliances (ICR, page 11). Training in financial management as well as procurement and safeguards policies were provided by end of 2011. Additional training was provided during the first financial management mission to IUCN in August 2013.

According to the ICR, all audit reports were consistently unqualified because they "were only concentrating on financial accounting and auditing standards." (ICR, page 11).

Procurement. The ICR reports that there were no issues surrounding the procurement process because they were carried out according to WB guidelines (ICR, page 12).

c. Unintended impacts (Positive or Negative)

According to the ICR, there were positive and negative unexpected impacts. On the positive side new species were described and new or better than expected habitats were discovered. On the other hand, there was loss of staff capacity in IUCN/SOS, lack of additional income, exposure to new risks for species and other issues (ICR, page 18). There was, however, no substantial evidence to assess these claims.

d. Other



12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Unsatisfactory	Unsatisfactory	---
Risk to Development Outcome	Modest	Substantial	There continue to be considerable uncertainties related to establishing a viable funding mechanism.
Bank Performance	Unsatisfactory	Unsatisfactory	---
Borrower Performance	Unsatisfactory	Unsatisfactory	---
Quality of ICR		Substantial	---

Note

When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.

The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons

Summary of Lessons from the ICR:

The ICR suggested that nine lessons could be drawn from the project. Some of these lessons had no or limited basis in terms of evidence in ICR and others were narrowly focused on the project. The following is a summary of lessons from the ICR that had a general application and were evidence based:

- **Beneficiaries of programs that rely on self-reporting need to understand they will not be penalized for disclosing difficulties and failures.** The experience of the SOS Secretariat confirms that, once grantees understood that they would not be penalized, beneficiaries were more willing to ask for advice and transparently report lessons learned. While not discussed in the ICR, the lessons stated that "the SOS secretariat made concerted efforts at promoting a culture of transparency, allowing grantees to report failures as long as lessons learned were described." (ICR, page 22)
- **The organizations that administer a funding mechanism should be managerially as well as technically competent.** As this project shows, governance and management capacity had to be adequate to administer the project portfolio, and choosing a recipient institution based on technical competence alone was a mistake. The IUCN and SOS Secretariat were examples of technically sound organizations that needed to build management capacity over the project period.
- **A sound fundraising strategy needs to be diversified and flexible to change as needed.** Designing and focusing a strategy on one sector or one donor type is a major challenge. There was no evidence in the ICR that the IUCN or SOS made an assessment of the incentives for potential donors to contribute to



financing the cost of conserving species.

Further lessons identified in this review:

- **Self-reporting of results needs to be based on a random sample of participants.** An evaluation of information from participants based on a random sample can provide strong evidence and could have provided substantially better information the less than complete self-reporting provided by grantees.

14. Assessment Recommended?

No

15. Comments on Quality of ICR

The ICR was clear, concise, comprehensive and very candid about the project's weaknesses and achievements.

a. Quality of ICR Rating

Substantial