



1. Project Data

Project ID

P126193

Project Name

REG: Wildlife Protection Phase 2: Bhutan

Country

South Asia

Practice Area(Lead)

Environment & Natural Resources

L/C/TF Number(s)

IDA-49830

Closing Date (Original)

31-Aug-2016

Total Project Cost (USD)

2,250,000.00

Bank Approval Date

17-Jun-2011

Closing Date (Actual)

31-Aug-2016

IBRD/IDA (USD)
Grants (USD)

Original Commitment

2,250,000.00

0.00

Revised Commitment

2,243,545.68

0.00

Actual

2,042,547.34

0.00

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2. Project Objectives and Components

a. Objectives

As an Adjustable Program Loan, the long-term vision of the regional program (PAD p. 9) was: “to stabilize and, if possible, increase the population and habitats of critically endangered animals in Asia. Since wildlife and habitats cross administrative boundaries and because knowledge and capacity vary widely across and within countries, a regional approach is needed to address cross-border issues, build synergies, share skills, knowledge and experiences and build regional collaboration for the conservation of critical habitats and ecosystems.”



The Project Development Objective (PDO) stated in the Financial Agreement (FA) was: “to assist the Recipient in building and/or enhancing shared capacity, institutions, knowledge and incentives to tackle illegal wildlife trade and other selected regional conservation threats to habitats in border areas.”

There were minor non-substantive differences between the PDO in the PAD and the FA.

This review will use the PDO in the FA to assess the extent to which the project achieved its objectives. This Bhutan project was the Second Phase of an APL that included the First Phase of the Adaptable Program Loan on Strengthening Regional Cooperation for Wildlife Protection in Asia Project covering Bangladesh and Nepal. For processing reasons the two ended up as separate projects. Given the coordination aim of the APL, and the original intent to package the three countries together, the two ICR Reviews overlap and some material from each is common to both.

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. Capacity Building for Addressing the Illegal Trans-boundary Wildlife Trade (Appraisal US\$0.08 million; Actual US\$0.08 million).

This component was to bring about regional harmonization and collaboration in combating wildlife crime. It included institutional strengthening in wildlife conservation as well as trade control and staff capacity building and training aimed at regional collaboration, mainly for field staff of the Department of Forests and Park Services (DOFPS).

Component 2. Promoting Wildlife Conservation in Asia. (Appraisal US\$2.04 million; Actual US\$2.16 million).

This component was to contribute to the building of national and regional capacities in wildlife research and promote demand driven investments in Protected Areas and reserve forests. It included a proposed Virtual Regional Center of Excellence (VRCE) for wildlife conservation intended to include a network of scientists and practitioners to expand research in wildlife conservation in order to develop a common and cooperative response to illegal wildlife trade within and outside the region. It also included support for the management of Protected Areas and Government Reserve Forests with regional conservation benefits. Under this, there were two funding Windows: Window 1 was for the development of PA management offices, rescue centers and information centers. Window 2 was for innovative pilot projects aimed at effective conservation of both national and regional levels including support for human wildlife conflict management identification and development of ecotourism opportunities, pilot programs in “greening” infrastructure; also pilot programs supporting endangered flagship species.

Component 3. Project Coordination and Communication (Appraisal US\$0.04 million; Actual US\$0.01 million).

This component was for project management and coordination of implementation using the regular staff of



the Wildlife Conservation Division. Coordination and operating costs were the government's contribution to the project. This funding was also used for regional coordination to coordinate regional illegal trade and cross-border activities among participating countries.

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

Project Costs. Proposed total project costs were US\$2.25 million; actual costs were the same.

Financing. The full cost of the project, US\$2.25 million, was financed by IDA but with in-kind government contribution, see below.

Borrower Contribution. No borrower contribution was expected at appraisal and none was directly provided. However, the borrower supported the project through the use of regular staff in the responsible government institutions. There were no cofinanciers.

Dates. The project became effective on October 19, 2011. The Midterm Review was held as scheduled October 27, 2014 and project closing was as scheduled on August 31, 2016.

3. Relevance of Objectives & Design

a. Relevance of Objectives

The project was broadly consistent at the time of appraisal with the Bhutan Country Program Strategy of FY11-14 which had a crosscutting theme of environmental sustainability. It remained relevant at the time of project closing, being consistent with the Country Program Strategy of FY15 – 19 in which there was a continued focus on environmental sustainability and “green development”. However, there was not a specific focus on illegal wildlife trade in the strategy. The project's objective included the statement “... to tackle wildlife trade ...”. This was a weak element of the drafting because the word “tackle” is imprecise, particularly for measurement purposes.

The project was also relevant to the wider regional cooperation being developed with Bank support on wildlife protection and conservation for South Asia as a whole, the project being a part of that regional strategy which included Bangladesh and Nepal as a first phase within the same APL.

The project was relevant to a number of international conventions, in particular the 1992 Convention on Biological Biodiversity, the 1981 Convention on International Trade in Endangered species, the 1971 Convention on Wetlands, and the 2010 St Petersburg Declaration on Tiger Conservation.

Rating
Substantial



b. Relevance of Design

The project was hastily designed. The project components were aimed at fostering regional cooperation in building the shared capacity to support wildlife management and address illegal trade but there were shortfalls in the Results Framework and weaknesses in design as noted also for the Bangladesh and Nepal First Phase project. In particular (ICR p. 14), the indicators did not adequately reflect the outputs and outcomes that the objectives suggested should be anticipated especially those at the regional level. Also, some of the country level activities could have been designed with less complexity. There were multiple government agencies. Hasty preparation contributed to these weak indicators and to limited relevant baselines. There was also a lack of identification of investments for the grant mechanism.

Allowing countries to join this cooperative effort as and when they were ready was considered by the ICR to be a novel feature. But it also presented some problems for an effort that, by its nature, called for coordinated, timely, cooperative efforts by multiple actors, particularly in the area of stopping wildlife products trade.

Rating

Modest

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

To assist the Recipient in building and/or enhancing shared capacity, institutions, knowledge and incentives to tackle illegal wildlife trade and other selected regional conservation threats to habitats in border areas. (While these objective elements are sufficiently complementary to be rated as a single objective, the three elements of capacity/institutions, knowledge, and incentives to halt wildlife product trade are separated below for ease of reference.)

Rationale

A. Building shared *capacity and institutions*, to tackle illegal wildlife trade. and other selected regional conservation threats to habitats in border areas.

- The regulatory framework in Bhutan was strengthened, enabling substantial increases in penalties for poaching and illegal wildlife trade. However, due to weak baselines and monitoring, the ICR could not present data that show attributable changes, for example, in number of poaching cases or number of confiscations of illegal wildlife products. The ICR asserts that the support for training and tracking crime could also contribute to increased fines. There was limited information on outcome progress on this issue although it would be unrealistic to expect early and easily quantifiable and attributable evidence.
- The project supported the strengthening of specialized agencies and systems, in particular the Forest



Protection and Surveillance Unit, however, no evidence is presented in the ICR for how their activities changed or what the achievements were on the ground. However, some of the coordinated activities reported in the ICR for the First Phase (Bangladesh and Nepal) gives more evidence on some of the joint efforts involving INTERPOL, CITES and SAWEN with significant success in apprehending poachers and tackling organized crime.

- More than 900 staff in forestry and environmental agencies received training on how to tackle illegal wildlife trade.
- A key project activity, in association with the other participating countries both within this phased Adaptable Program Loan e.g. Bangladesh and Nepal, and outside the project e.g. India, was the creation of SAWEN (the South Asia Wildlife Enforcement Network). This is now a formal intergovernmental platform for enhancing shared capacity to act on wildlife conservation and wildlife trade. It is too early to expect much significant attributable achievement from the SAWEN mechanism in terms of measurable changes in wildlife related crime on the ground within Bhutan and across the borders.

B. Building *knowledge* to tackle illegal wildlife trade and other selected regional conservation threats to habitats in border areas.

Note that the main species threats in Bhutan are to tiger, elephant, snow leopard, and rhino.

- As noted in the Bangladesh/Nepal First APL ICR, the implementation of a key intermediate outcome element in this objective, the Virtual Regional Center of Excellence, had to be dropped reducing the possibility for collaborative research and networking across institutions. However, the ICR argues that the full operationalization of SAWEN should help to overcome this. The ICR does not make it entirely clear why SAWEN, as a shared agency, could not have carried out this task itself without the need for a second institution.
- An important achievement in the pursuit of this objective was the first scientific survey of snow leopards in Bhutan. It involved the development of a methodology for surveying snow leopard populations which called for the training of officers in collaboration with some specialized NGOs. The snow leopard survey contributed to data at the regional level providing supporting evidence for the need for transboundary cooperation.
- There was a number of important stock-taking meetings by members such as the 3rd Asia Ministerial Conference on Tiger Conservation that led to greater coordination between tiger range countries.
- The project provided training on the Spatial Monitoring and Reporting Tool (SMART), a tool that supports targeted patrolling aimed at the protection of habitats supporting flagship species of global relevance.
- Two wildlife rescue centers were established at Taba and Southern Gelephu, the two of them reported to have contributed to rescuing 210 animals at the time of the ICR.
- Awareness raising was achieved with the improvement of the visitor center at the Royal Botanical Park at Lampieri.
- About 158 km of electric fencing was installed to protect over 3,500 ha of cropland. It is reported in the ICR to have been assessed as effective as an imported design. However, the assessment did not take into account the cost of maintenance of the electric wires (ICR Datasheet page x). The ICR suggests that,



for these human/wildlife conflict reduction activities, a replication strategy and master plan would have been useful. IEG would add also the need for a cost effectiveness comparison between alternative techniques including simply organized guarding deterrence. There was also financial support for crop damage insurance provided to 15 new Gewog (group of villages) Environmental Conservation Committees. These committees participate in cooperative wildlife management and the prevention of human/wildlife conflict. Some combination of this and physical barriers seems likely to be the long run solution but cost effectiveness analysis of options is still needed.

C. Building *incentives* to tackle illegal wildlife trade and other selected regional conservation threats to habitats in border areas.

The main activities relevant to the creation of incentives were the financial support for crop and livestock insurance, incentives for appropriate responses to human/wildlife conflict, and the strengthening of regulations including the (negative) incentives of higher penalties. These raise the cost of illegal activities. However, it is worth noting the demand elasticity caution outlined in the PAD for the two APL Wildlife projects; this is that, as endangered species decline or as costs of obtaining them rise, the values of wildlife parts rises. There may be other demand shifts too. Recent evidence suggests that, in some areas in Asia, local communities are becoming more aware of, or persuaded of, both the value of endangered animal parts but also the purported curative value of them. This raises further challenges in responding to the local incentives.

Overall, the higher level coordination achievements in wildlife trade have not been without weaknesses, and there are still limited data due mainly to poor baselines from a poorly understood and changing international market. However, in this Review, IEG places considerable value on the creation of the coordination platform and the gradual building of skills to implement coordinated responses in association with other actors such as INTERPOL and CITES. On balance, therefore, achievement of objectives is rated Substantial.

Rating
Substantial

5. Efficiency

This section is largely a replica of the Efficiency section of the ICRR for the Regional Wildlife Protection Project for Bangladesh and Nepal (P121210) since the efficiency performance and the analysis is largely common to both. The final two paragraphs cover two specific in-country Bhutan investments.

Ex Ante Efficiency

One of the issues in evaluating the economics of the project both ex-ante and ex post is that, due to the prior



lack of cooperation between partners and the weak capacity within partners' countries, there has been insufficient data on poaching activity and arrests and on other measures against wildlife trafficking to serve as a baseline.

The Project Appraisal Document (PAD) discussed a wide range of benefits qualitatively and explored again the PAD theoretical underpinnings, attempting to show the additional economic value of regional cooperation. In discussing the theory (citing Sandler et al 2009 on an evaluation of counterterrorism), it highlighted the conceptual and efficiency problem that defensive measures have both downsides and upsides since they induce those under preventive attack to find targets in other countries or to find softer targets within the same country. It is commendable that the PAD laid this out clearly. However, the PAD also noted that offensive measures can indeed directly attack the root cause. It also noted parallels with the terrorist study quoted, suggesting that addressing illegal wildlife trafficking within each country individually ignores country-exogenous benefits that offensive measures within any one country confer on others. This means that sub-optimal investment in combating of the problem – a free rider issue - would be expected.

The PAD also pointed out another economic issue, that successful wildlife trafficking defense can be expected to raise the price of the products, increasing the incentive to engage in such illegal activities. For this reason, tackling the problem at the demand as well as the supply end is important.

The PAD noted that wildlife trade is associated with multinational criminal systems which have been spreading and growing in recent years. It also notes the benefits of cooperation particularly for the smaller faunal populations that are less likely to survive than larger populations where also transboundary connectivity of habitat allows them to regrow in size to the point of becoming less threatened and more resilient.

Notwithstanding the PAD articulation of a plausible theoretical base there were limited data to enable any quantitative projection beyond loosely extrapolating from East Asia data a total value of illegal wildlife trade in the region of between US\$2.6 billion in US\$3.0 billion.

Ex Post Efficiency

The analysis of economic efficiency in a project of this nature is very difficult. A project predominantly focused on building a coordination mechanism led by an institution that, once established, would support cross-border coordination, member legislation, institutional capacity to address poaching and wildlife trade, and knowledge of members, must be expected to be a slow process. Even if baselines had been good, there was little possibility that the strengthening proposed under this project would become measurable in terms of changes in wildlife trade within the project lifetime. Poaching for wildlife trade and the trade itself is deeply embedded and a moving target, changing all the time.

The ICR made a valiant attempt at approaching ex post efficiency analysis from several angles.

These included: (i) the PAD approach involving a breakeven form of sensitivity analysis looking at the amount of trade that would have to be prevented as a percentage of the uncertain scale of the total illegal trade in South Asia; (ii) a country case study with some data showing the changes in poaching in Nepal. Here there was a widely internationally reported 1,000 days of zero poaching of rhinoceros by January 2017 against an average of 11 a year over the prior six years (reported by the Bank project team); (iii) a sensitivity analysis testing percentages of reduction in international wildlife trade of between 0.5 % and 5% over 10 and 20 years against the appraisal assumption of a total trade value of US\$1billion. In these break-even analyses, benefits exceeded costs in most scenarios, the lower ones being the most plausible.



Coming at the efficiency analysis from a different angle to attempt triangulation, the ICR attempts to extrapolate from an analysis of tiger reserves in India (Economic Valuation of Tiger Reserves Study, Indian Institute of Forest Management, Bhopal, 2015). This study found a range of values between US\$777 per hectare to US \$2,956 per hectare. The ICR assumes that some share of similar values can be expected from the project toward the end of the project in areas where management was improved. A number of scenarios were used applying these tiger reserve study figures. However, without visitor data and entry fees, it is difficult to assess whether even the lowest 1% assumption of benefit flow increase is representative of Bangladesh or Nepal. Moreover, the benefit stream would not be the total per hectare value at some point in time but the incremental gains due to better management and better protection against poaching. Without park level data, this is difficult to even guess at.

Finally, triangulating with a different approach, the ICR compares the cost of similar projects in other countries. However, this analysis is also difficult to interpret because the costs of the projects used as comparators range from US\$1 million to US\$59 million and because there is no denominator provided that enables the scale of the costs to be related to the scale of the activities. It is therefore difficult to judge how this project at approximately US\$39 million, compares to these other cases.

The ICR also attempts a comparison of economic analysis case studies from selected projects looking at the rates of return of particular types of activity. Across four GEF-supported projects the range of ERRs/IRRs reported in three out of the four of them (one did not report an IRR/ERR) was huge, from 4% to 60%. However, the highest figure appears to have come from demonstration areas and the methodology of analysis in the cases reporting rate of return figures seem not to be comparable. It is therefore not useful for this case.

IEG concludes that, in this case, plausible cost benefit analysis yielding defensible rates of return are not possible. However, there are some pieces of the limited evidence that can indicate some level of cost effectiveness. Based on the ICR, on discussion with project staff, and on some additional internet search, IEG finds the following evidence to be the most persuasive : (i) the achieved reduction in poaching reported in Nepal, with 1,000 poaching-free days for rhino does appear to be attributable to the combination of an increased focus by government on the problem, some of which is attributable to the project, the strengthened country capacity (see below), and the support from the SAWEN platform; (ii) The INTERPOL PAWS II campaign with a well-coordinated poaching and illegal wildlife trade push in April and May 2015 which yielded, among other achievements: greater focus on 21 criminal groups under investigation, 9.3 tons of ivory recovered, 37 rhino horn, 879 bird parts, 305 arrests, 201 vehicles confiscated, 26 prosecutions succeeded, and 61 awaiting trial (INTERPOL data). INTERPOL's report on this acknowledged the support of SAWEN and the coordination between SAWEN members; (iii) other achievements that were arguably attributable to the project and were accomplished at reasonable cost include: numerous training activities; flagship species population surveys; the establishment of the Bangladesh Wildlife Crime Control Unit, the Bhutan (see separate ICR) Forest Protection and Surveillance Unit, and the Wildlife Crime Control Coordination Committee and Wildlife Crime Control Bureau in Nepal. These are all intermediate outcomes which appear to have already had some impact – see the poaching achievement in Nepal under (ii) above. These can be expected to have wider and extended impact but only provided they are sustained.

Beyond these predominantly intermediate level outcomes, others related to them were: (iv) the activities of SAWEN have, so far, been predominantly the establishment and management of the organization itself as a coordination platform and the arrangement of a considerable number of coordination meetings. These have not only been the annual meetings of members for overall coordination purposes, but more specific meetings and trainings including, for example, a 2016 training of Border Security Force professionals, a



meeting to coordinate action in support of the conservation of Snow Leopards, including the coordination of population counts and other skills and knowledge enhancing events; (v) SAWEN has been able to bring into the coordination meetings a quite impressive array of participants including representatives from CITES, INTERPOL, UNODC, WB, IUCN, TRAFFIC, WWF, USAID, GTZ and a number of other organizations supporting specific endangered species conservation including tigers, pangolins, birds and turtles. At this early stage it is difficult to put a value on this type of platform-led project activity and to separate the project attribution from that of other agencies such as INTERPOL and CITES, the latter two enlarging the reach outside South Asia. However, this review concludes that there has been sufficient achievement, including the establishment of the SAWEN platform, the inter-country coordination activities, the support for national legislation, the cooperation between SAWEN members, and the coordination with other international agencies such as INTERPOL, TRAFFIC and CITES, to suggest that a promising longer-term platform is being built and at reasonable cost compared to the high and rising value of lost wildlife and the ecosystems it depends on, although there are risks on the sustainability of these national and international activities.

Looking at the purely country level efficiency for the specific Bhutan activities, the wildlife fencing is difficult to assess although the local design and procurement is reported to have been cost effective relative to an international alternative. The price per km certainly seems to support that. Some approximate calculations by IEG, accepting the ICR assumed figure of about an 18% vulnerable crop (which seems a reasonable assumption), and assuming typical standing crop values suggests that the fence was probably cost effective although this would depend somewhat on annual maintenance and the cost of the next best alternative protection scenario, presumably paid night patrolling harassment.

The relatively modest cost of improving the Royal Botanic Park, Lamperi visitor center and the increased number of paying visitors, according to the ICR estimate giving a ten year repayment period, suggests an efficient investment.

On balance, therefore, efficiency is rated Substantial, although with some reservations with respect to precise attribution across a number of stakeholders.

Efficiency Rating

Substantial

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 objectives is rated Substantial but design is rated Modest for the same reasons noted for the First Phase for Bangladesh and Nepal - the design and the indicator weaknesses. These weaknesses were mostly later corrected during implementation. Enhancing coordination on wildlife management, particularly illegal trade, was relevant for the region and consistent with strategies and particularly international agreements. On the achievement of objectives, the counterfactual is likely to have been a continuation of ad hoc coordination in pursuit of specific poaching cases but with no overarching platform to build on and weaker links and capacity to work with agencies such as CITES and INTERPOL. On balance, achievement of the objective is rated Substantial but not without very significant sustainability questions. Efficiency is difficult to estimate at this early stage of platform development and institution-building but is rated, on balance, Substantial largely on qualitative grounds and acknowledging the extent of very important coordination action and legislation that built on earlier initiatives such as the Tiger Initiative.

In summary, the project's achievements have minor shortcomings and its overall outcome is therefore rated Satisfactory.

a. Outcome Rating

Satisfactory

7. Rationale for Risk to Development Outcome Rating

The ICR finds that the risk of being unable to sustain the institutions created or strengthened under the project is moderate. However the ICR evidence raises questions about this. The ICR argues that the regional harmonization and collaboration intended has already reached an advanced stage. SAWEN, the key coordination agency, is now a formal intergovernmental organization. Bhutan is in the process of ratifying it. The government budget is expected to continue support for the Bhutan Forest and Wildlife Enforcement Database, the Forest Protection and Surveillance Unit, and the wildlife rescue centers.

However, on significant capital expenditures within Bhutan such as the wildlife electric fence, there appears to be some significant risk. The ICR reports that an independent consultant raised the issue of the maintenance of such assets. The ICR notes that addressing this could take time, suggesting that the operation of the assets is at risk. Since most wildlife initiatives in the past have been small-scale and have been largely funded by donors, and since a number of the ecotourism activities are remote and only seasonally accessible, profitability and a self-sustaining income appears very uncertain.

There are also many questions about the sustainability of SAWEN itself. Although this goes beyond the responsibility of Bhutan alone, it is fundamental to sustaining a coordinated regional program against illegal wildlife products supply and trade.

Given these operation and maintenance questions for the program as a whole, particularly the core coordination agency SAWEN, risk is rated High.



a. Risk to Development Outcome Rating

High

8. Assessment of Bank Performance

a. Quality-at-Entry

Considerable Bank expertise was applied but project preparation was rushed, with less than three months between the concept paper and Board approval. This resulted in risky shortcuts. The rushed preparation was particularly challenging for a project where coordination across potential cooperating countries was essential to accord with the overarching APL project strategy.

Most of the project investments on the ground were not fully designed. They were packaged within the proposed competitive grant funding windows provided under the second component. This left a lot of field level preparation work for subprojects to be done during implementation. As a result, there were delays in processing proposals.

In any case, the concept of this window funding approach, particularly in a country like Bhutan with a relatively undeveloped contracting sector, was questionable. In the event, seven of the nine proposals funded were implemented by the government through the Wildlife Conservation Division which itself had the Project Coordination Unit. As should have been expected given the weak capacity, there was little competition, suggesting that the component was not well-grounded in the country capacity realities.

Preparation was complicated by the fact that it needed to be coordinated across all the anticipated participating countries in the region although, in the end, some countries, including the largest, India, did not join the APL. In Bhutan, the Bank preparation team faced the problem that there was no dedicated existing institution at the time with responsibility for illegal wildlife trade across borders. This presented particular problems for a rushed preparation.

As noted already, there were significant weaknesses in the Results Framework and the selection and design of indicators. This left no easy way for measuring the achievements, even the intermediate outcomes that would contribute to the reduction of wildlife product trade. Some of the original indicators were adjusted during implementation.

Given these design weaknesses, including the issues with the Results Framework, performance in ensuring quality at entry is rated Moderately Unsatisfactory.

Quality-at-Entry Rating

Moderately Unsatisfactory

b. Quality of supervision

The project was regularly supervised by Bank staff with strong skill sets. There is evidence of considerable pro-activity by the team, necessitated partly by the weaknesses from the rushed preparation and appraisal. The ICR notes that fiduciary aspects were well-managed based on strong technical support from Bank teams. This was particularly important given the weakness of the borrowers capacity in this area.

The restructuring somewhat improved the indicators in the Results Framework but, coming four years after effectiveness, came very late. The ICR reports that this delay was due to the capacity constraints which had



held up implementation to the point that, even late in the project, the Wildlife Conservation Division was still untried. It is not clear why such capacity issues should have delayed restructuring and the changes in indicators.

The ICR also argues that, throughout implementation, the risks were assessed accurately by the Bank teams. However, IEG's risk assessment under the Section on Risk to Development Outcome raises questions about several aspects of sustainability.

Overall, with the exception of the delayed restructuring, supervision was well handled with strong technical support from the Bank. On balance, it is rated Satisfactory.

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. Assessment of Borrower Performance

a. Government Performance

The government gave high priority to the project and the Ministry of Agriculture and Forests were supportive. However, mainly due to capacity issues which were known at the time of appraisal, problems with project management were slow to be resolved. There were three changes of Project Coordinator over the first two years. There were also delays in procurement.

The Project Implementation Steering Committee did not meet for the first two years and five months over the five years of implementation and over a critical first period for the project with a number of emerging issues to be resolved. The ICR reports low technical and operational capacity, particularly below the mid-level civil servants.

Government Performance Rating

Moderately Satisfactory

b. Implementing Agency Performance

Overarching responsibility lay with the Ministry of Agriculture and Forests, but, within this ministry, it lay with the Wildlife Conservation Division (WCD). Using regular staff, WCD acted as the Project Management Unit. The ICR reports (p.22) that some of the constraints to implementation were not the fault of WCD but came from delays at higher levels within government.

The ICR reports a good network of field units and active support for activities in remote locations and challenging terrain. The WCD provided progress reports on time and, as agreed, commissioned the midterm and end-term independent evaluations. The Midterm evaluation particularly influenced pro-activity and improved the monitoring of results.



Implementing Agency Performance Rating

Moderately Satisfactory

Overall Borrower Performance Rating

Moderately Satisfactory

10. M&E Design, Implementation, & Utilization

a. M&E Design

M&E design was poor at the outset. As noted earlier, indicators did not capture the PDO, particularly changes in wildlife crime although there were baseline limitations that had not been sufficiently resolved during preparation. In 2015, the three countries involved in the APL including Bhutan agreed on indicator changes which provided some improvement.

b. M&E Implementation

Reportedly, the collection of country-specific data for indicators, as opposed to the program wide regional indicators, were easier to address but still not all were adequately tracked.

In Bhutan, a visitor satisfaction survey was completed and was competently done according to the ICR. Data on fund transfer to communities for crop insurance for wildlife damage was monitored.

A mid-term and final evaluation by an independent third party was complete. This captured some of the social impacts.

c. M&E Utilization

Utilization and reporting was weak earlier but better after the revision of indicators. There was also use of reports from contractors and consultants to track performance. Some of the M&E data was used for selection of sub-projects funded under the two windows. The ICR reports that the World Bank team was able to obtain results from the Wildlife Conservation Division especially after the PMU had been strengthened. The ICR also reports that the Bank was able to discuss the substance of the Results Framework achievements on each mission.

M&E Quality Rating

Modest

11. Other Issues

a. Safeguards

The project was Category B rated, triggering: Environmental Assessment (OP/BP 4.01), Natural Habitats



(OP/BP 4.04), Forests (OP/BP 4.36), and Involuntary Resettlement (OP/BP 4.12). The ICR reports no serious non-compliances. Safeguards were rated satisfactory for the entire project period. The achievements of the Gewog Environmental Conservation Committee on crop insurance for wildlife damage promoted inclusiveness and equity. The project team noted the significance of this cooperative program as a learning experience.

b. Fiduciary Compliance

There were some early issues with project financial management and procurement but these improved. No unresolved issues remained at project closing. There were staffing delays at the Ministry of Finance that affected implementation capacity. Ratings for fiduciary management were generally in the Satisfactory range but at some stages were Moderately Unsatisfactory. The Bank's Delhi office financial management staff played an important role, as they often have, in providing assistance.

c. Unintended impacts (Positive or Negative)

Some unintended impacts are reported by the ICR. Particularly mentioned is regional cooperation and the level of fines, but these seem to be impacts that the project intended, at least in general, even if they may not have been stated explicitly in the objectives.

d. Other

12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	---
Risk to Development Outcome	Modest	High	Mainly because of the risk of not sufficiently sustaining SAWEN in the future by the members as a whole and questions about O&M of Bhutan investments.
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	---
Borrower Performance	Moderately Satisfactory	Moderately Satisfactory	---
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

The following lessons are adapted from the ICR with some adjustment of language.

- 1. Regionally shared goals across a group of countries that include country specific investment opportunities for participants can provide incentives for collaboration in addressing transboundary conservation challenges provided there is strong and sustained commitment by participating governments.** In this case, there was no possibility of dealing with illegal wildlife trade with uncoordinated or poorly coordinated individual actions. Tracking the trade and shifting supply and demand pressures in illegal wildlife products inevitably requires coordination and cooperation across boundaries. An institution such as SAWEN was essential to broaden the scope and scale of regional cooperation and, once established, to sustain it.
- 2. Regional projects focusing on global public goods need substantial time to prepare because they are difficult to design and implement and require strong prior analysis of participants' capacities and commitment and of participants' coordination.** In this case, a hastily prepared project resulted in initial implementation delays that took time to rectify with an inevitable impact on the project's early progress.
- 3. Projects piloting novel approaches to cooperation on transboundary wildlife issues need to have measurable indicators from the outset that will trace at least intermediate outcomes if not, where feasible, outcomes in terms of changes in illegal trade.** In this case, indicators were not well formulated and there was a risk of not demonstrating success early enough and consequently losing meaningful country participation and engagement. Such indicators initially may reach only to intermediate outcome levels, leading later to the measurement of true outcomes in reduced illegal wildlife trade and regional cooperation.
- 4. In projects addressing transboundary conservation, including illegal wildlife trade, a sustainable approach can only be built on the establishment of institutional capacities across and between participating countries and in the development of cooperation processes.** In this case, a less ambitious alternative would have been to merely strengthen the training of borrower staff to enhance capacity to tackle activities aimed at conservation and prevention of illegal trade but this would have been a half measure with little prospect of sustainability or growth of sustained cross boundary coordination.

14. Assessment Recommended?

No



15. Comments on Quality of ICR

As with the Bangladesh and Nepal First Phase ICR, this ICR was well-prepared and open about the early design weaknesses. It identified the issues and was informative about the institutional issues.

It made a strong effort to offer some quantification of economic efficiency including comparators from other projects but, in the end, most of this was of somewhat peripheral relevance to the actual efficiency of this particular project that was attempting a first stage of platform building with limited baseline data on illegal wildlife trade. In this case of Bhutan there was some efficiency analysis of two particular activities.

Again, the ICR use of a split rating was certainly arguable although IEG concluded, on balance, that it did not merit a split.

As noted for Bangladesh and Nepal, a deeper exploration of the impact and effectiveness of SAWEN would have been helpful, and of the prospects for sustainability. Again, more reporting of the views of other agencies on the impact of the project on coordination would have been helpful with respect to both efficacy and efficiency.

a. Quality of ICR Rating

Substantial