
Management Review of UNDP-GEF Biodiversity Projects in Nepal

Western Terai Landscape Complex Project Conservation & Sustainable Use of Wetlands in Nepal

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Introduction

The United Nations Development Program (UNDP) is implementing two conservation projects in Nepal with financing from its own budget, the Global Environment Facility (GEF), central Government and a number of other sources, including international conservation organisations.

The Western Terai Landscape Complex Project¹ (WTLCP) was started in 2006 with a life of 8 years, and the Conservation and Sustainable Use of Wetlands in Nepal project (CSUWN) started in 2008 with a life of 5 years. Both projects are relatively complex with multiple components and diverse objectives, and with numerous stakeholders engaged directly in activities or providing additional financing, technical support and/ or parallel activities.

Project:	<i>Western Terai Landscape Complex Project</i>
Purpose:	<i>To establish and develop effective management systems for conservation and the sustainable use of biodiversity in the western part of Nepal's Terai Arc landscape.</i>
Duration:	<i>2005 to 2012</i>
Budget:	<i>Total \$13.11million</i> <ul style="list-style-type: none"> • <i>UNDP and GEF \$5.33m</i> • <i>parallel funding \$5.17m(SNV, WWF, IPGRI, NARC, LI-BIRD)</i> • <i>Government in-kind contribution \$2.61m</i>
Execution:	<i>MFSC, Government of Nepal</i>
Implementation:	<i>District line agencies in collaboration with NARC, local authorities, NGOs, CBOs, and local community groups.</i>

UNDP Nepal introduced a new country programming format (CPAP) in 2008, linked to its global computerised project management and accounting system, ATLAS. Difficulties were encountered when preparing the two projects' 2008 work plans and budgets in line with the new CPAP and ATLAS requirements.

Project:	<i>Conservation & Sustainable Use of Wetlands</i>
Purpose:	<i>To strengthen national and local capacity in ecosystem management and sustainable use of wetland biodiversity in Nepal.</i>
Duration:	<i>2008 to 2012</i>
Budget:	<i>Total \$4.06 million</i> <ul style="list-style-type: none"> • <i>GEF \$1.96m</i> • <i>Government in-kind support \$1.14m</i> • <i>UNDP \$0.53m</i> • <i>IUCN \$0.42m</i>
Execution:	<i>MFSC, Government of Nepal</i>
Implementation:	<i>IUCN the World Conservation Union</i>

During project review meetings for the two projects in March 2008, it was decided that there was a need to review and revise project strategies, plans and arrangements for management, administration, monitoring and reporting for both projects. The reasons for undertaking such a review included the political and administrative changes that had occurred in Nepal since the time of the projects' conception and formulation.

¹ Review participants suggested changing the project title to: Western Terai Landscape Conservation Project

The project management review exercise

A participatory review exercise was organised in Kathmandu from 12 to 24 June 2008, involving the WTLCP and CSUWN project teams, their implementing and executing agencies and partners, and a management consultant, with the aim of resolving as far as possible the various project management and programming issues that had arisen.

The purpose of the exercise was for the two project teams to participate in a structured review to identify and recommend ways of strengthening the plans, logical frameworks, implementation arrangements, and monitoring, evaluation and reporting systems for the two UNDP-GEF biodiversity projects in Nepal, and their alignment with partners' and country programming of UNDP and the Government of Nepal, in the light of changes in Nepal since the projects were conceived and formulated.

A series of workshop sessions was used to re-appraise and discuss revisions to the project plans and management arrangements (refer to session schedule below). Throughout the review, emphasis was placed on strengthening the integrity of each project, and on streamlining and harmonising project management and administration arrangements, with a view to ensuring that implementation is able to be as efficient and effective as possible and that both projects produce impacts that are sustainable on their respective systems, of Terai landscape conservation and wetlands conservation.

The review sessions were organised as participatory workshops in order to strengthen the capacity of the project teams in strategic thinking, analysis and planning, and to ensure that suggested changes to the project framework or management arrangements were grounded in the reality of the projects and were understood and owned by the project team members. A list of the participants in the review process is in **Attachment 1**. The Powerpoint notes used in the de-briefing sessions towards the end of the project review exercise are in **Attachment 2**.

The workshops for the review of both projects took place over a period of one week followed by discussion of conclusions and recommended revisions. The short workshops did not allow sufficient time for each exercise to be completed before needing to move onto the next one, with the result that more work was required from each project team following the workshops. In particular, both projects' logical frameworks were revised further through subsequent interactions with the consultant, and both projects' problem maps/ root cause analyses were left for later completion as reference materials.

This report outlines the observations made on the two projects through the review exercise, and the recommendations developed by consensus among the workshop participants for changes to the projects' planning frameworks, implementation and execution arrangements, monitoring and reporting, and alignment with partners' and country programs.

A summary is made below (p. 5) of the main action points arising from the review exercise:

- For the Wetlands project (CSUWN), the review exercise forms part of the inception phase, which should be concluded in August 2008. The main recommended changes should therefore be confirmed by the project's Tri-Partite Review body to come into operation after that date.
- For the Western Terai project (WTLCP), the recommended changes should be confirmed by a TPR meeting convened for the purpose, and implemented as soon as practicable, so that they are in operation and adequately tested prior to the project's Mid-Term Evaluation, which is scheduled for some time in 2009.

Review exercise – workshop sessions

Dates	Session schedule
12 June, Thursday	<u>Review briefing</u>
13 June, Friday	<u>Joint project briefing:</u> Project review plan; WTLCP and CSUWN projects; the context for project review and development; presentations by project management, UNDP, GoN.
14 June, Saturday	<u>Project mapping (1 day):</u> Participatory development of up-dated situation analyses for the two projects; technical workshops run in parallel; to develop a detailed “problem map” for each project and its context.
15-16 June, Sunday-Monday	<u>Project planning (2 days):</u> CSUWN: Participatory review and revision of logical framework and project component strategies.
17-18 June, Tuesday-Wednesday	<u>Project planning (2 days):</u> WTLCP: Participatory review and revision of logical framework and project component strategies.
19 June, Thursday	<u>Project management, monitoring, reporting (1 day):</u> Joint session on project organisation, management arrangements, monitoring, information, reporting and evaluation.
20 June, Friday	<u>Organisation of Projects and programs (1 day):</u> Joint session identifying broader programming efforts beyond the projects. Alignment of the two project plans with UNDP and GoN programming. Review of project planning, financing, implementation and reporting in the context of partner activities and programs.
22 June, Sunday	<u>Debriefing on review findings and recommendations (0.5 day each project):</u> WTLCP and CSUWN, NPDs, key PSC members, UNDP Nepal, UNDP-GEF
23 June, Monday	<u>Wrap-up session with UNDP Nepal and UNDP-GEF</u> <u>Wrap-up session with CSUWN</u> : project implementation plan; execution arrangements; further logframe indicator related issues.
24 June, Tuesday	<u>Debriefing with DRR, UNDP Nepal</u> <u>Wrap-up session with WTLCP</u> : logframe, annual workplanning, budget planning and CPAP alignment.

Summary of Action Points arising from the Project Management Review

	Main Action Points for each Project	Refer²	Responsibility	Timing
(i)	Complete revision of the overall Project Logical Framework with emphasis on Output objectives, Indicators and Targets.	Rec. 3	PM and team Endorsement by TPR	July 2008
(ii)	Re-calculate the overall project implementation plan and Output budget for 5 years (CSUWN) or 8 years (WTLCP). Determine whether all planned Outputs are achievable with existing resources (time, human, money).	Rec. 5 Rec. 7	PM and team Endorsement by TPR	July 2008
(iii)	Prepare the Annual & Quarterly WorkPlans and Budgets for the remainder of 2008 and for 2009, based on the logical framework and in line with the UNDP Nepal CPAP.	Rec. 8	PM and team Endorsement by TPR	July 2008
(iv)	Use the logical framework as the principal planning and monitoring tool for the project duration. Prepare a clear strategy and detailed action plan for each Output. Progressively organise and implement the planned Activities for each Output. Use this Output focus as the basis for strengthening the continual process of monitoring, information, reporting, evaluation and adaptive management.	Rec. 4 Rec. 6 Rec. 16	Individual project officers	progressively each year
(v)	Confirm the membership and rules of procedure of the TPR as the project's formal supervisory body. Convene the TPR to endorse the changes to a) the project supervision and implementation arrangements; and b) the logical framework, overall project plan and Output budget, project staffing structure, and 2008 WorkPlan and Budget.	Rec. 9	GoN and UNDP Nepal TPR	July-August 2008
(vi)	Reform the Project Steering Committee, Advisory Committee and Outcomes Board to serve as a streamlined outreach and coordination mechanism for the projects and overall programs of Terai Landscape Conservation and Wetlands Conservation	Rec. 10	GoN and TPR	from September 2008
(vii)	For the CSUWN Project, revise the implementation arrangements so that the MFSC is the sole implementing agency, directly responsible for managing all project expenditure and activities through a unified project team (PMU and staff). Confirm IUCN Nepal's role on the TPR and as a potential contractee for specific project activities.	Rec. 13	CSUWN TPR GoN, UNDP, IUCN Nepal	from August 2008

² Each action point is referred to one or more of the numbered Recommendations in the following section of the report

(viii)	Review the project team's capacities against the modified logical frameworks and plans, and strengthen as required, through a) recruitment and b) staff capacity development.	Rec. 12	PM and team	from September 2008 onwards
(ix)	For WTLCP especially, resolve the issue of co-financing and parallel financing, by all donors contributing to a single budget and project administration mechanism. Recognise that any donor not contributing to the single mechanism, i.e. providing parallel financing, is not part of the specific project (WTLCP) but is implementing its own separate project, which is not the responsibility of the WTLCP project team or TPR.	Rec. 14	GoN, UNDP and project donors	from September 2008
(x)	Strengthen the project's system for Monitoring, Information, Reporting and Evaluation, by building on the implementation plan for each Output. Gather Baseline data for each Output specifically, at the start of implementing the Output Activities.	Rec. 15 Rec. 16 Rec. 17	PM and team Individual project officers	from August 2008 progressively throughout the project

Review findings and recommendations for the WTLCP and CSUWN Projects

Review process and findings

A. *Problem mapping.*

Both project teams prepared a diagram of the scope of the issues being tackled by the project and of those surrounding the project, and started to analyse the underlying causes or drivers of each of these issues. Guidance materials used for problem-solution mapping in the review session are in **Attachment 3**.

The problem mapping will be completed by each project subsequent to the review exercise; the partial results from the workshop are summarised in **Attachment 4**.

The session highlighted two important lessons: first, the range of substantive issues facing each of these projects is broad and complex; second there is a lack of clarity in the project teams over the strategies to be used by the projects for tackling the main sets of issues.

B. *Project logical framework plan.*

Both teams have been frustrated with their logical frameworks and had started to consider changes prior to the review.³ In both project teams there was evidence of confusion, not understanding and being overwhelmed by the logical frameworks they had been given. There was clearly lack of ownership and lack of use being made of the frameworks.

Each team reviewed in detail its project (logical) framework and

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1. Each project team should complete preparation of a problem-solution map covering each whole sector of concern, and on this map should identify the overall “strategic area of interest” of the project, and of other projects and activities. The two broad problem-solution maps illustrate the broad programmatic approach required, to deal respectively with:

- *Conservation and sustainable use of Nepal’s wetlands, catchments and waterways; and*
- *Conservation and sustainable development in the Terai region of Nepal and its border with India.*

The management teams of both projects need to ensure that they are comfortable with the scope and level of ambition behind each project, and have adequate capacities within the project and support from outside the project for the tasks.

2. Problem-solution mapping may be used also to analyse and plan in more detail actions to address any specific part of the projects, at Activity, Output or Outcome level.

3. Completion of the logical framework revision: During the review exercise, both teams revised their project logical frameworks. While the main structures of the two frameworks – Project and Outcome level Objectives – were taken as givens and not altered, revisions were made to address the problems identified (B. opposite). Most attention was given to improving the wording and focus of **Outputs and Output Indicators**, as this should be considered the key level for describing the planned results

³ It was noted that despite WTLCP being in its third year, no formal changes to the project logical framework had been proposed or endorsed to date.

Review process and findings

the implementation strategies described for each component in the project document. A variety of problems were identified, including:

- Missing, incorrect use or placement and poor wording of the main LF elements required: Project Objective; Outcome (Component); Output; Activity; Indicator; Target; Baseline; Assumption/ Risk.
- WTLCP had no complete log frame; different parts of a log frame were contained in the 15-page Results Framework plus a 10-page Logical Framework Matrix. In the LF Matrix there were 40 Indicators (the majority were Output statements not Indicators) at the Objective or Outcome level, for just 4 Outcomes; there were no Output level objectives or Indicators, and no Targets.
- The CSUWN log frame was not usefully structured: 13 pages long, it included for instance 23 sets of Indicators and 23 Targets at the Outcome level, for just three Outcomes; at Output level there were 82 Indicators for 13 Outputs, with the majority being Activity statements not Indicators; there were no Baselines or Targets below Outcome level.
- Overall, neither project team had a readily understandable or usable project logical framework.
- An additional concern for CSUWN was that there were major discrepancies between the Project Document narrative and the logical framework statements, with no indication in the latter of the scope or extent of what was described in the former.

For reference, the original logical frameworks from both project documents are in **Attachment 5** to this report, together with the revised versions developed during and immediately after the review exercise.

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from these complex projects, between the high, broad Outcomes and the specific narrow Activities levels. The two revised project frameworks suggest 8 or 9 Outputs each, rather than the original 0 (WTLCP) and 13 (CSUWN). It is important for both projects to focus clearly and constantly on achieving these planned Outputs.

Completion of the editing work continued after the review workshops, with revision of the Baseline, Means of Verification and Assumptions columns, drawing on the original log frames. The revised project logical frameworks – see **Attachment 5** – are significant improvements on the original versions, in terms of being understood, usable and owned by the project teams as well as more clearly expressing the intended plan for each project. Following the review exercise, the revised frameworks need to be finalised by the two project teams and approved by the TPRs. The project management should also use the revised logical frameworks to prepare and reconcile an overall (5 or 8 year) project plan and budget (see D. below), the annual and quarterly WorkPlan and Budget (E. below) for the remainder of 2008, and the project's system for monitoring, information, reporting and evaluation (G. below). The supervisory body (TPR) for each project should be briefed by project management on the proposed logical framework, WorkPlan and budget revisions, in order to approve the changes and instruct the projects to proceed.

4. The project logical framework should be used constantly by the project team throughout the project's life, to serve as the summary plan for project implementation, and for organising and guiding work planning, monitoring, reporting and evaluation. The revised logical frameworks should be subject to annual review and revision as required, as an integral part of annual reporting, review and adaptive management.
5. The opportunity should be taken, especially by the **CSUWN** project in its inception phase, to recalculate the overall project budget, against the revised Outputs. As noted during the review, the original CSUWN log frame did not accurately portray the plan to include a series of major project actions – awareness raising, educational curricula development, wetland survey and planning, information centre, indigenous knowledge,

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management capacity needs assessment and others, all at national scale. It is important for CSUWN management to determine if all or any of these actions are feasible with the funds, human resources and time that are available. The project management should then advise the TPR accordingly, as part of its Inception Report; the TPR may need to decide whether to curtail some parts of the project plan or to seek additional resources.

C. *Project Component Strategies.*

Both the Western Terai and Wetlands projects are complex undertakings. Each covers a diverse range of types of activity – from national to local level and from “livelihoods” and practical site conservation works, to organising and facilitating research, planning, policy development and institutional development. Both projects are structured around three (CSUWN) or four (WTLCP) Outcomes, delivering respectively “Policy”, “Institutions” and “Field-site” results for biodiversity conservation and sustainable livelihoods and development.

The main strategic approaches that the project will organise were not readily apparent from the problem mapping or logical framework reviews and project team discussions. One reason is as mentioned above (B.): neither project plan had adequately determined or prepared operational strategies for the specific planned Outputs under each Outcome. A further difficulty stems from using Policy, Institutions, and Field-sites as the project’s main strategies: work on these areas needs to be in conjunction with one another rather than as discrete components: there is considerable overlap in the types of activities being carried out under the three Outcomes.

6. Based on the detailed thinking and team-work that has gone into the revision of the logical frameworks, both projects should develop the strategic management skills of their technical and field management staff. The overall Project Strategy described in the project document should be reviewed, discussed, understood and further developed as required, by the project team and TPR. The project managers and directors should also be mindful of the various mechanisms by which the projects will work with and influence the surrounding institutional environment, policy and regulatory frameworks – for Terai landscape conservation and for Wetlands conservation.

A specific plan should be prepared in reasonable detail for each project Component and each set of Output Activities. The best way to do this is to make use of – to “operationalise” – each line of the logical framework: Objective -Indicator -Target -Baseline -MoV -Risks/ assumptions. The problem-solution mapping technique may be used for this purpose, as noted above (A.) It may be useful for each project unit, as part of its operational planning and communications strategy, to write and publicise its own descriptions – perhaps in Nepalese and English – of each main Component and major Output, and how they will be organised and implemented.

Review process and findings

Project management and administration arrangements

The main elements of each project's management, administration and finances were reviewed, including the following:

- Overall project implementation plan
- Annual and quarterly WorkPlans & Budgets
- UNDP CPAP
- Project supervision and execution arrangements
- Project Monitoring, Information, Reporting, Evaluation.

D. *Overall project implementation plan:*

Neither project has developed an overall project implementation plan, indicating the budget allocation to each project Component Outcome and Output over the 5 or 8 years of project duration.

Both projects are faced with preparing complicated workplans, budgets and reports, and have not established simple straightforward procedures for doing so without much re-formatting and re-wording at each stage.

E. *Annual and Quarterly WorkPlans & Budgets and CPAP*

One of the main areas examined by the review was the procedure and format for the project to produce annual and quarterly work plans and budgets. These have to be prepared each year in advance, in order to enter the project into each

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Because of the projects' complexity, the management and administration arrangements for project implementation, monitoring and reporting need to be organised as efficiently as possible. The principle should be to safeguard project integrity, and protect the project team from duplicated or overly-bureaucratic procedures that increase costs and reduce efficiency and effectiveness.

7. As a first step in implementation, it is important for each project to prepare an overall project implementation plan/ workplan and budget in reasonable detail for the whole project and duration. It should be based directly on the revised logical framework, and should indicate the estimated cost of each planned Output for each year of the project.

The overall project plan and budget should be used as the basis for preparing the annual work plan and budget in advance each year. In this way, the substantive details of Outcomes, Outputs and Activities in the logical framework should flow easily – without changes to the logical structure or basic wording – into the overall work plan and budget, the annual work plan and budget, the quarterly work plan and budget, and subsequently into each project report, without being re-formulated at each stage.

8. Clearly, each of the UNDP-GEF projects is a broad, multi-faceted initiative that will contribute to several or many of UNDP Nepal's CPAP Outputs and Outcomes. It would be valuable if UNDP, GoN and other partners were able to identify, track and report on these contributions from the

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donor agency's project management and financial administration system. A key issue for project managers and administrators is that the procedures and formats vary between donors, with the result that WTLCP management for example has to prepare one AWP&B for UNDP Nepal Country Office (for UNDP and GEF funds) and another overall version to secure its co-financing (from GoN, WWF, SNV) and parallel financing (WWF). If the AWP&B is not done for each partner and donor – whether providing direct, parallel or in-kind funds and support – there will be a discrepancy between the overall project and budget as stipulated in the formal inclusive project document and the sum of all the workplans and budgets.

UNDP's introduction of a new programming system (CPAP) linked to its project administration software, ATLAS, has caused additional confusion and delays for the two UNDP-GEF Projects. In preparing the A&Q WorkPlans and Budgets, each project team has been required to laboriously re-formulate its planned annual results and quarterly milestones in order to match with and contribute to the series of CPAP Outputs and Targets planned for the year by UNDP Nepal. Because they are re-formulated, the "CPAP Planned Activities" in these WorkPlans and Budgets do not match or link with the project logical framework, and thus become an additional, separate tool for project monitoring and management useful only to the UNDP CO.

A further problem has been caused by the stipulation that each (GEF-funded) project should be entered under only one CPAP Output. This is apparently because the ATLAS system treats activities for one project entered under separate Outputs as separate ATLAS projects for accounting purposes. Both WTLCP and CSUWN projects were entered under two CPAP Outputs,

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projects to the program. However, the conclusion from the review exercise is that the various contributions from the project to the program cannot be expressed in the current CPAP framework without re-distributing the project's planned results (Outcomes and/ or Outputs) across several CPAP Outputs, to the extent that the project would become unrecognisable. This option is highly worrisome to the project management and is not likely to be acceptable to a donor, concerned about the integrity of 'its' project.

It is recommended that the project A&Q WorkPlans and Budgets should be prepared by the project management in "bottom-up" fashion, i.e. based on the project logical framework and overall (multi-year) project plan and budget (E. above). It is not useful or practicable to require re-formulation of the project AWPs in order to fit them into the CPAP structure, which has been prepared in a "top-down" manner.

The UNDP CO should not try to use the CPAP-ATLAS system to micro-manage the projects. For the time being at least, management, monitoring and supervision of a GEF project are best achieved by using the project logical framework and its monitoring and information recording system to compile the annual Project Implementation Review (PIR). The CPAP-ATLAS system should be used only for broad budget tracking, funds disbursement and accounting.

The procedure recommended from this review exercise for entry of each of these two GEF projects into the CPAP – ATLAS system is as follows:

- UNDP should first determine whether to enter the 3-4 Project Outcomes or the 8-9 Project Outputs into the CPAP Planned Activities column⁴.
- Either way, the entire project – all Outcomes or all Outputs – should be entered into this column, under just one CPAP Output⁵, using the exact wording from the logical framework (and noting

⁴ This determination should be made based on what has become the practice for other GEF projects, plus what is most useful for both project administration and CPAP analysis; it may be preferable to enter the lower level, more detailed 8-9 Project Outputs rather than very broad 3-4 Outcomes.

⁵ According to UNDP-GEF2005 Advisory Note on entering UNDP-GEF projects into ATLAS, one CPAP Output is equivalent to one ATLAS Award and one GEF Project.

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and as a consequence to date 2008 funds have been released for each project under just one Output.

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the LF numbering).

- Of the 3-4 Outcomes or 8-9 Outputs, one should be entered against each of the two given CPAP Annual Targets; the remaining 1-2 Outcomes or 6-7 Outputs should be entered “below the line”; with an Additional Target inserted for each.

Unfortunately, if the CPAP Output is as specific as those used by Nepal in 2008, this option of inserting the whole of a project under a single CPAP Output will not allow the project’s contributions to the program to be properly tracked or accounted for; most of the project’s Outputs will not be contributing to the single CPAP Output under which they have to be aligned⁶. A third option is for UNDP to keep its GEF projects outside the CPAP⁷. Again unfortunately this would not enable the projects’ contributions to the country program to be expressed or tracked.

F. *Project supervision and implementation arrangements:*

In the review exercise, an organisational chart was made of each project in its institutional setting. Subsequent discussion highlighted several areas of complexity and confusion:

- There is no clear delineation of a unified project implementation team, with a single, dedicated full-time Manager and straightforward lines of responsibility and reporting. It was not clear for either project where the project starts and ends; which bodies are within the project team, which are outside partners carrying out their own, separate activities and which are carrying out project activities responsible to the project management.
- Neither project has defined and convened a clear, simple project supervisory arrangement – a Tri-Partite Review. Both have large Project Steering Committees and other advisory

9. It is recommended that a compact formal supervisory body – the **TPR** comprising senior representatives from only the main donor and government partners – should be convened straightaway for each of the two projects, as specified in the project documents. It should meet at least annually to review the project’s technical and financial performance and approve future work plans and budgets.
10. The roles and procedures of the various other committees established around each of the projects should be reduced and streamlined. It is important to differentiate clearly between the TPR’s project supervisory function and that of other committees such as a Project Steering Committee, which is larger, broader and more advisory in nature. The principle should be to enable the project to proceed efficiently by minimising the amount of micro-management and -administration. The PSC may be linked to or the same as an Outcomes Board, whose principal

⁶ UNDP Pakistan have apparently followed this practice of entering all GEF projects under just one CPAP Output, but have done so by specifying a very broad Output, concerned with the country’s implementation of the MEAs to which it is a party.

⁷ UNDP India has apparently followed this third option.

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and partner mechanisms tending to overlap into supervisory roles.

- In both projects, outside parties (e.g District or village committees, CBOs, NGOs, line agencies) are relied upon to implement activities on behalf of the project. However, it is not clear what arrangements are made for this to happen in accordance with the project's requirements.
- For the **WTLC**P, the parallel financing from WWF and co-financing from SNV and GoN are integral to the overall project, but are not accounted for in UNDP's CPAP – ATLAS project administration mechanism. The project office is obliged to operate several sets of separate WorkPlans & Budgets and generate several sets of reports, to accommodate each donor and partner. This is not efficient use of project office resources, and does not enable the project to be managed as a single integrated initiative. In the case of WTLC P at present, there is dis-connect between what was intended and planned – in the Project Document, logical framework and resource framework – and what is being implemented, using separate work plans, budgets, accounts, field management, monitoring systems and reports. This situation is inefficient and will reduce the effectiveness and impact of the WTLC P.
- In the case of **CSUWN**, it is apparent that during the planning stage, the idea was for the CSUWN project to be implemented by IUCN and not by MFSC. The Project Document (pages 35-38) states: (a) "...the major components of the programme will be implemented by... IUCN Nepal, which will be responsible to the Executing Agency, MFSC, for programme implementation and achieving outputs and

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role may be seen as "outreach", to link and replicate the project Outcomes with mainstream sectors of activity, and with the numerous line agencies and broader stakeholders involved. For increased efficiency and effectiveness, the two projects' TPRs and PMUs may establish a single Outcomes Board for both projects, recognising the overlapping nature of their Outcomes.

11. Both projects are working in complex institutional environments and therefore should facilitate establishment of an **overall program-level body** – such as a National Wetlands Council and a Terai Conservancy Authority – charged with championing, developing and coordinating the overall initiative, which would comprise all stakeholders's projects and actions over the long-term.⁸ Such bodies would, in turn, strengthen the two projects by taking on the key role of replicating the Outcomes from the project across the broader and longer-term program.
12. Each project should establish a clear and straightforward **project team structure**, specifying the internal lines of authority and accountability, and the leadership role of a single Project Manager. Both projects should review – and plan to modify as required – the size and **capacities** of their project teams in the light of the revised and clarified project logical frameworks, re-aligned with the project budgets. From the review exercise it is apparent that both projects may need to recruit additional technical capacity to their teams.
13. In the case of **CSUWN**, the current arrangement between IUCN, GoN and UNDP is inappropriate for a nationally executed project, as well as being inefficient and not cost-effective, with both IUCN Nepal and MFSC supervising half-teams to implement project activities. There is no justification for IUCN Nepal office to take on and charge for project management or administrative functions that are better carried out by the PMU directly. The essential point is that a project is principally an opportunity for Nepal to develop capacity – in this case for wetlands conservation and program management – and that the primary

⁸ An overall program-level authority could be developed from the existing focal person, in the case of the WTLC P, or by strengthening the mandate of the envisaged National Wetlands Committee, in the case of the CSUWN project. In both cases, the project (through Outcome 2) could serve as interim secretariat for the program body.

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outcomes. The IUCN Nepal will also provide overall technical guidance to the programme.” (b) “A national Programme Management Unit (PMU) will be established in Kathmandu under the guidance of the National Programme Director and the management of the National Programme Manager (both MFSC nominees). The PMU will also house the IUCN Technical Team, under the supervision of a national Chief Technical Advisor. (c) “IUCN Field teams” will be established at the two project sites, where “programme activities... will be facilitated and technically supported by IUCN and implemented by local partners (government and non-government)...”. Apparently, these arrangements were discussed and changed somewhat at project inception, amid concerns by GoN and UNDP that it is essential for the national and local government offices involved to gain as much as possible from the project in terms of capacities for program management and wetlands conservation, but that this will not occur if the project is implemented primarily by the NGO, IUCN.

- The review exercise also discussed these issues of CSUWN project implementation at length and concluded that the current arrangements are unnecessarily complicated and confusing, and amount to having two half implementing agencies, which will lead to inefficiencies and loss of effectiveness and impact. Under the current arrangement the bulk of the project (GEF and UNDP) funds would flow from the GEF implementing agency (UNDP) to the project office (PMU) managed by the MFSC, and out again to IUCN before coming back into the project in the form of specific activities. The PMU would have little ability to manage the

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stakeholders to be involved in co-management of wetlands – the government offices and local communities – should be the main recipients of capacity building. It is important to recognise that the project brings with it the capacity – resources – for its implementation, to whichever agencies are responsible.

It is recommended that the situation should be resolved by the TPR giving the **CSUWN PMU** the authority over the entire budget for direct management of all project expenditure and activities. Additional PMU staff may be required to support these implementation responsibilities. The Project Manager’s decisions will be based on a single approved integrated Annual WorkPlan & Budget and overall Project Implementation Plan. Under this recommended arrangement, IUCN is not the project implementing agency and a portion of the budget would not pass automatically to the IUCN office for disbursement. IUCN Nepal would have two functions: first, as a donor providing co-financing⁹ to the project, IUCN Nepal should be represented on the TPR, helping to supervise the project with GoN and UNDP. Second, the project WorkPlan includes some activities that could be undertaken under specific separate sub-contracts to a technically-competent organisation such as IUCN Nepal. Such sub-contracts would be determined, administered and supervised by the PMU on an activity-by-activity basis. These amended arrangements should be put in place formally as soon as practicable by decision of the GoN and UNDP Nepal with IUCN Nepal.

14. For both the WTLCP and CSUWN projects, the issue of **co-financing** and **parallel financing** should be resolved, in order to avoid the inefficiency and ineffectiveness of having one project implemented as two or more separate “sub-projects” – as currently practised by WTLCP, which places significant extra administrative workload on the project management team and thus reduces their capacity to get on with project implementation. The principle should be to have a single project, single

⁹ IUCN is scheduled to provide \$0.42m to the CSUWN project, although this is apparently “in kind and in cash”: these resources and when and where they are to be provided should be made explicit and placed at the disposal of the PMU. It is important to avoid any tendency for IUCN Nepal to form a separate sub-project, not contributing adequately to the PMU’s efforts.

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project activities and would be reduced to an administrative role, endeavouring to “coordinate” the complex set of project activities being carried out by IUCN.

- All of the CSUWN project staff are keen to be part of a unified team comprising PMU management and technical staff and field staff, able to work together under single direction and supervision, rather than be split into the MFSC staff and IUCN staff as at present. A particular concern is that it will not be effective to have a PMU managed by MFSC and Field Teams managed separately by IUCN.

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WorkPlan and budget, and a single set of project accounts and reports. For the WTLCP, this could be achieved by all donors (GEF, UNDP, GoN, WWF, SNV, BI) delivering their contributions through a single project management mechanism, such as the UNDP CPAP - ATLAS system¹⁰. UNDP would have to determine whether and at what level to recover its costs for administering the system on behalf of each donor. If this is not an acceptable arrangement to one or more donors, it is recommended that the overall “WTLCP” described in the current Project Document and logical framework should be managed as separate projects, by separate project offices using the different sources of funds and meeting their donors’ various workplan, budgeting and reporting requirements. If this arrangement is adopted, the overall initiative to conserve the Terai landscape should then be managed as an over-arching **program** involving multiple projects, each delivered by a program partner.¹¹ Even though overall efficiency and effectiveness might be reduced, this compromise option would be preferable to the current situation of having the WTLCP project office having to juggle several sources of funds and separate sets of plans, activities and reports. It would require strengthening an overall program-level body – such as the Terai Conservancy Authority suggested under Recommendation 23. above.

G. **Project Monitoring, Information, Reporting, Evaluation**

The review exercise examined each project’s approach to monitoring and evaluation, and concluded that there is scope for strengthening the procedures used, with the aim of establishing a more efficient overall system. Some of the problems observed are as follows:

15. As noted throughout the review, the logical framework is the key project management tool, and it should be used as the principal guide for both planning the project and for **monitoring and reporting** on the project’s implementation and achievements. All workplans and all progress and evaluation reviews and reports (including GEF PIR and Mid-term and Final Evaluation Reports) should flow from and be linked clearly and

¹⁰ This is the practice in other UNDP-GEF projects in other countries: virtually all GEF projects are planned deliberately with multiple partners and donors providing support, and for all it is important during project formulation to negotiate and resolve the question of co-financing, and to establish a single project budget.

¹¹ In the case of WTLCP at present, this compromise could lead to MFSC implementing the WTLCP Project with UNDP, GEF, SNV and GoN funds flowing through a single budget and set of accounts, while WWF decides to keep its funds separate and implements separate WWF project activities. The two projects would be linked only at the program level, not as part projects both under the responsibility of the current WTLCP project team.

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- Each project has tended to regard “M&E” separately from planning and reporting, rather than as an integral part of the management process.
- As noted above (B.), both projects’ logical frameworks needed to be revised in order to be more useful for the project teams to plan and monitor their work.
- In relation to monitoring and evaluation, the original log frame had indicators only against the main Component Outcomes, not for Outputs or Activities.
- The projects were not confident about how to organise “adaptive management”.
- Neither project has adequate understanding of the Baseline situation prior to commencement of the project or individual Output Activities. Baseline data need to be gathered, but this should be organised in a highly practical, targeted manner. Both projects should avoid the temptation to conduct major Baseline research.

Recommendations

straightforwardly with the logical framework. Each Activity, Output and Outcome should be planned with the following elements: a specific Objective and more precise Target; an understanding of the pre-project or pre-Activity situation (the Baseline); a simple Indicator of progress or success¹²; and an assessment of the Risks of external factors affecting the project.¹³ To strengthen these elements of the project’s logical framework plan, it is suggested that the relevant project team member should develop them for each Activity and Output in turn, i.e. horizontally across the log frame (Indicator, Target, MoV, Baseline), rather than trying to compile each LF column in turn, vertically.

Monitoring, reporting and evaluation should be based directly on these Output plans: using the relevant MoV, measure and record progress each quarter and annually towards each Target, Indicator and Output, away from the Baseline. It is good practice to measure the Baseline situation specific to a planned Activity, as part of “operationalising” the Activity prior to its implementation. This ensures that Baseline data remain highly practical and relevant to each specific Activity and Output. It avoids the danger of becoming distracted from the priority task of planning and carrying out each Activity, by trying to organise a major series of Baseline studies at one time.

16. It is recommended that each of the two projects should organise an integrated information system to form the hub around which the project activities can be planned, results monitored, and reports generated. The information system should include:
 - (a) data required for each aspect of managing the project – planning, implementation, budget, expenditure, monitoring, reporting, evaluation.
 - (b) the substantive data describing the socio-economic and ecological situation that the project seeks to influence.

¹² These detailed Activity plans should not all be included at the outset in the overall project logical framework. However they should all be developed during implementation, prior to each Activity being started. Between them, the Objective, Target and Indicator should be SMART (Specific, Measurable, Achievable/Appropriate, Realistic and Timebound).

¹³ In common with other agencies that use a logical framework for project planning, UNDP and GEF have introduced an additional tool for determining risks and their management more systematically and fully – refer to UNDP-GEF Resource Kit No.6 Risk Management Strategy (April 2006).

Acronyms and abbreviations

AWP&B	Annual WorkPlan & Budget
ARR	(UNDP) Assistant Resident Representative
BI	Biodiversity International
BZ	Buffer Zone
CBD	Convention on Biological Diversity
CBO	Community-based organisation
CO	(UNDP) Country Office
CPAP	(UNDP) Country Programme and Action Plan
CSUWN	Conservation & sustainable use of wetlands in Nepal - Project
DDC	District Development Committee
DNPWC	Department of National Parks & Wildlife Conservation
DRR	(UNDP) Deputy Resident Representative
FACD	(Ministry of Finance) Foreign Aid Coordination Division
GEF	Global Environment Facility
GGLC	Ghoda Ghodi Lake Complex
GLOF	Glacial lake outburst flood
GoN	Government of Nepal
HH	Household
IAS	Invasive alien species
IPGRI	International Plant Genetic Resources Institute
IUCN	International Union for Conservation of Nature
KTWR	Koshi Tappu Wildlife Reserve
LF	(Project) Logical Framework
LI-BIRD	Local Initiatives for Biodiversity Research & Development
M&E	Monitoring & Evaluation
MEA	Multi-lateral Environment Agreement
MIRE	Monitoring, information, reporting, evaluation
MFSC	Ministry of Forests and Soil Conservation
MoV	(LF) Means of Verification
NARC	Nepal Agricultural Research Council
NGO	Non-government organisation
NPD	National Project Director
NTFP	Non-timber forest product
NWC	National/ Nepal Wetlands Committee
NWRC	Nepal/ National Wetlands Resource Centre
OB	Outcomes Board
PM	Project Manager
PMU	Project Management Unit
PRA	Participatory Rural Assessment
PSC	Project Steering Committee
RF	(Project) Resources Framework
SNV	(Netherlands Development Organisation)
TAL	Terai Arc Landscape
TPR	Tri-Partite Review
UNDP	United Nations Development Programme
VDC	Village Development Committee
WR	Wildlife Reserve
WTLCP	Western Terai Landscape Complex/ Conservation Project
WWF	World Wide Fund for Nature
Yr	Year

ATTACHMENTS

1. Project management review participants
2. Project review presentation notes, 22 June 2008
3. Problem-solution Mapping – guidance notes
4. Problem Mapping – preliminary drafts for WTLCP and CSUWN
5. Project Logical Frameworks – WTLCP and CSUWN – Revised and Original