CEPF FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: Conservation Strategy Fund

Project Title (as stated in the grant agreement): Infrastructure Integration and Biodiversity Conservation in Mesoamerica

Implementation Partners for this Project:
The Nature Conservancy (TNC)
Alianza para la Conservación y el Desarrollo (ACD)
Asociación ANAI
Wildlife Conservation Society (WCS)
Trópico Verde
MadreSelva
ProNatura Chiapas
ProNatura Peninsula de Yucatán
Naturalia-Parkswatch
Fundación Defensores de la Naturaleza (FDN)
Nicholas School of the Environmental and Earth Sciences, Duke University
Unidos para la Conservación (UPC)
INCAE Central American Business School
Conservation International

Project Dates (as stated in the grant agreement): 10/1/2004-03/31/2007

Date of Report (month/year): 07/27/2007

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.
All objectives have been fully accomplished. The communication of results is still in progress and will need to be carried on by local organizations. While this project has contributed to addressing infrastructure-related threats to biodiversity in Mesoamerica, much remains to be done. The region is going though an accelerated process of building new infrastructure, some of which does not meet citizens' needs and will destroy what is left of conserved natural spaces. More local capacity is needed, fuller communication of research results is needed, attention is required for cumulative effects of infrastructure investments, and more projects need to be subjected to in-depth analysis. In short, donors concerned with conservation in Mesoamerica will need to make a long-term commitment to technical and policy engagement on this issue if they are to effectively address it.

III. ACHIEVEMENT OF PROJECT PURPOSE

Project Purpose*: Mesoamerican countries make economically and environmentally sound infrastructure investments.*

Planned vs. Actual Performance

Indicator	Actual at Completion
Purpose-level:	

1. *Analyses of four infrastructure projects result in the projects being scrapped entirely, replaced with benign alternatives, or accompanied by mitigation or compensation that addresses their indirect impacts.*	*Analyses of four infrastructure projects: result in the reevaluation of the Panamanian Dams, and the effects of the other 3 analysis are yet to be seen. Presentations, related to the roads analysis results in the Selva Maya and Mayan Biosphere Reserve, were given at the World Bank, with CFE authorities in Mexico and to the Guatemalan president*

Describe the success of the project in terms of achieving its intended impact objective and performance indicators.

In general we expected this project to help Mesoamerican countries make economically and environmentally sound infrastructure investments. To achieve this goal we have made information available to the general public regarding infrastructure projects that might be unsound. We have also trained 29 professionals in the region that now have the economic tools to question investments in infrastructure. And, finally, we have carried out with local partners four infrastructure analyses with potential to change the projects in question, while demonstrating how economic analysis can be used to stop environmentally unsound projects.

All the performance indicators were fully achieved except effective communication of results. The dissemination of results of 3 of the 4 analysis results has only occurred partially. Three of the analyses have just been published and resources are needed to support this dissemination process. A database of infrastructure projects in Mesoamerica with geographical information was assembled within the first 6 months of the project. Also a list of 20 infrastructure projects (some "good," some "bad") was assembled in a consultative process with conservation organizations from the region. 29 participants (9 more than planed) from a cross-section of relevant institutions received 100 hours of training within the first 9 months of the project. Participants rated the course an average "4" on a 1-5 scale. Four policy reports were completed. Where they involved cost-benefit analysis, they are done to the standards of Belli et al's "Economic Analysis of Investment Operations."

Were there any unexpected impacts (positive or negative)?
NO

IV. PROJECT OUTPUTS

Project Outputs*:*
Output 1: Infrastructure Inventory: The infrastructure inventory will include basic data on most major energy and transportation projects with potential conservation impacts in Mesoamerican hotspots. The inventory will entail preliminary ranking of projects according to economic and environmental criteria.

Output 2: Conservation Economics and Policy Course: A 10-13 day course will be delivered to a group of 20-25 participants representing conservation NGOs and government officials from environmental and non-environmental agencies. The course will include sessions on resource and environmental economics, policy negotiation, environmental valuation, environmental impact assessment, cost-benefit analysis and strategic communication. More details on the course are in the LOI, and in the sample course schedule, sent separately.

Output 3: Policy Analyses: Three to five policy analyses will be undertaken following the course. These "Groundwork" projects involve packages of technical and financial assistance delivered by CSF to graduates of the training. Analyses will address key

infrastructure development issues including assessment of financial viability, evaluation of economic and environmental impacts, critique of environmental impact assessments and communication of results to stakeholders and decision makers.

Planned vs. Actual Performance

Indicator	Actual at Completion
Output 1: ***Infrastructure Inventory: The infrastructure inventory will include basic data on most major energy and transportation projects with potential conservation impacts in Mesoamerican hotspots. The inventory will entail preliminary ranking of projects according to economic and environmental criteria.***	Same, Plus: The inventory consists of a report and a data base with geographical information. The Inventory Report is available to the public at: www.conservation-strategy.org People have been consulting this report and the results have been presented on various occasions and sent to many NGO's.
1.1 A list of 20 infrastructure projects, some "good," some "bad," assembled within the first 6 months of the project.	Same
Output 2: ***Conservation Economics and Policy Course: A 10-13 day course will be delivered to a group of 20-25 participants representing conservation NGOs and government officials from environmental and non-environmental agencies. The course will include sessions on resource and environmental economics, policy negotiation, environmental valuation, environmental impact assessment, cost-benefit analysis and strategic communication. More details on the course are in the LOI, and in the sample course schedule, sent separately.***	Same, Plus: 29 participants (9 more than planed) from a cross-section of relevant institutions received 100 hours of training Participants rated the course "4" on a 1-5 scale.
2.1 20 participants from a cross-section of relevant institutions receive 100 hours of training within the first 9 months of the project. Participants rate the course "4" on a 1-5 scale.	Same
Output 3: ***Policy Analyses: Three to five policy analyses will be undertaken following the course. These "Groundwork" projects involve packages of technical and financial assistance delivered by CSF to graduates of the training. Analyses will address key infrastructure development issues including assessment of financial viability, evaluation of economic and environmental impacts, critique of environmental impact assessments and communication of results to stakeholders and decision makers.***	Same Four policy reports were completed: 1. Análisis de costo beneficio de cuatro proyectos hidroeléctricos en la cuenca Changuinola-Teribe 2. Análisis ambiental y económico de proyectos carreteros en la Selva Maya, un estudio a escala regional 3. Análisis económico y ambiental de carreteras propuestas dentro de la Reserva de la Biosfera Maya 4. Tenosique: análisis económico-ambiental de un proyecto hidroeléctrico en el Río Usumacinta
3.1 At least three policy reports are completed within 27 months. Where they involve cost-benefit analysis, they are done to the standards of Belli et al's "Economic Analysis of Investment Operations," with the best available data and thorough sensitivity analysis of uncertain parameters. Where they involve critique of environmental impact assessments, they are done to the standards of the World Bank's "Safeguard Policies," with special emphasis on indirect impacts of infrastructure development.	Four policy reports were completed. Three of them took six extra months to complete.
3.2 Results of all policy analyses are effectively communicated to target audiences within 29 months. Depending on the political situation,	Changuinola Dam Analysis Results were effectively communicated and the dams are now being reevaluated. The dissemination of

communication indicators may include press releases, media coverage, private presentations with decision-makers, public forums and posting of information on the web. Plans are in place for continued communication and follow-up on the part of Groundwork implementers.	results of the other three analyses has just started as their reports have just been published. Resources are needed to support this dissemination process. Nevertheless, presentations related to the roads analysis results in the Selva Maya and Mayan Biosphere Reserve, were given to the World Bank, IDB, CFE authorities in Mexico and to the Guatemalan president.

Describe the success of the project in terms of delivering the intended outputs.

Outputs were delivered successfully and with higher quality in the case of the inventory and the analysis, and greater number of participants in the case of the course. The inventory was mapped using GIS and is available to the public. The studies were conducted successfully and were done with primary data, which makes the analysis more reliable. The course was rated "4" on a 1-5 scale by the 29 participants. The dissemination of results has not been completed for 3 of these reports, as they have just been published.

Were any outputs unrealized? If so, how has this affected the overall impact of the project?

The dissemination of results is starting for 3 of the 4 projects and needs more time and resources to be fully realized. It is critical that this communication phase be strategically and fully implemented to give the project its fullest impact.

V. SAFEGUARD POLICY ASSESSMENTS

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.

VI. LESSONS LEARNED FROM THE PROJECT

Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.

There is no uniform process in Mesoamerican countries to develop and promote infrastructure projects. Government institutions are unable to analyze related projects jointly to determine cumulative impacts or the best alternative among a set of investment options. The entities in charge of EIA approval have neither the power nor training to evaluate projects and make independent decisions. Hydropower is regarded by energy policymakers as the best alternative to thermal plants in the context of rising oil prices. Most of the big projects are developed by foreign companies. Information is not publicly available on many infrastructure projects. There are many more projects planned - particularly hydroelectric dams and roads - than we previously thought.

Stakeholder consultation process has underscored the need to strengthen communication strategies of analysis results, in order to influence decision making; and the need to strengthen the negotiating power of NGOs, in order to have a greater effect on the projects being analyzed.

It is important to understand the political landscape in the various countries, and to negotiate partnerships carefully as some NGOs have a complex history with one another.

When a project involves donor input in course participant and sub-grant selection, there must be an agreed process by which the donor will take part in decisions, for example a formal selection committee which meets and reaches decisions according to well-understood ground rules. We had difficulties in the selection process of students attending the course and choosing the

organizations to work with in the analyses projects, as there was no process agreed upon by which CEPF/CI was going to provide input. We received different opinions on these topics from different people. For course selection in the future, we would suggest the selection process used by our Brazilian partner, the International Institute for Education in Brazil.

We have discovered that the personal security of the people affected by projects and those involved in the project analysis might be at risk. We have informed people about the risks and how they can be mitigated. For exampled, Groundwork implementers have helped communities present official complaints against persecution, and people who are involved in the analyses have avoided going to the field during certain periods of time.

Project Design Process: (aspects of the project design that contributed to its success/failure)

The project was designed in phases that contributed to its success. First, the most relevant infrastructure projects were identified. Then key people in the region were trained. Finally, the most relevant infrastructure projects were ranked by the course participants.

The project was designed assuming the analysis projects only required technical and financial support from CSF. That was a mistake. The projects required those things but also a vast amount of coordination, actual hands-on analytical work, writing, editing and preparing documents for publication on the part of CSF's lone staff person in the region. She received support from CSF staff from Brazil and the US far beyond that foreseen in our budget.

Project Execution: (aspects of the project execution that contributed to its success/failure)

Success was enhanced by CSF's constant communication with all stakeholders and really getting involved in the projects by devoting more staff time.

VII. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

Donor	Type of Funding*	Amount	Notes
TNC	A	$23,000	US$ 8,000 Mapping of the Infrastructure Inventory, coordination of meetings and space in their office for 8 months. Printing of Documents (5,000 Panamá, 2,500 Usumacinta, 2,500 Roads Regional) & 5,000 Events in Panamá
Friends of Calakmul	A	$2,500	Printing Roads Selva Maya
WCS	A	$2,500 + uncounted staff time	Printing Roads RBM
FDN	A	$3,450	Printing Usumacinta and document distribution

CSF	A	20,000	Contribution of unrestricted funds to cover project shortfall.

Additional funding should be reported using the following categories:

- ***A*** *Project co-financing (Other donors contribute to the direct costs of this CEPF project)*
- ***B*** *Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*
- ***C*** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*
- ***D*** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.

CSF is seeking resources in order to continue to work on economics-based strategies to reduce threats and increase incentives for conservation in the region. We have no more funds to work on infrastructure issues there at the moment. In terms of partners, ACD continues to work on strengthening the organization of indigenous people in the Changuinola basin, while UPC, WCS, TV, TNC and ProNatura are dedicated to fighting damaging infrastructure projects in the Selva Maya.

VIII. ADDITIONAL COMMENTS AND RECOMMENDATIONS

We recommend that CEPF clarify the chain of authority and division of labor between its DC-based staff and in-region Coordinating Units. Grantees need to respond to one program officer and no more. Other than that program officer, CI's staff needs to play the role of non-funding partners doing all they can to further the success of, but not interfere in the internal decisions of the project.

We also recommend that requests for project extensions or further supplemental funding be handled within one month of submission to avoid excessive grantee time spent on such petitions. This was the case in our project, when an impending shortfall was identified and a request for additional funds submitted in October 2006. After substantial time was spent explaining and modifying the request, we abandoned it four months later.

VIII. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, www.cepf.net, and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

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