

ICR Review
Operations Evaluation Department

1. Project Data :		Date Posted : 06/29/2000	
PROJ ID : P001345 OEDID:			
OEDID : C2334		Appraisal	Actual
Project Name : Wildlife services		US\$M)	
project		Project Costs (US\$M)	143.0
Country : Kenya		Loan /Credit (US\$M)	
Sector, Major Sect .: Natural Resources		Loan/ US\$M)	60.5
Management, Environment		Cofinancing (US\$M)	51.5
L/C Number : C2334			44.3
		FY)	
Board Approval (FY)			93
Partners involved : KfW Trust Fund,		Closing Date	09/30/1997
12/31/1998			
Germany, Japan, the Netherlands, UK, USA, EU			

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2. Project Objectives and Components

a. Objectives

The original objectives were: 1. To halt the decline of the country's wildlife and its system of national parks . 2. To develop a sound foundation for environmentally sustainable wildlife -based tourism. and, 3. To develop a comprehensive policy framework for a second -phase project. In 1997 these objectives where somewhat re-articulated to better accommodate performance indicators and to include : 4. The promotion of wildlife conservation in critical areas outside Protected Areas by increasing the benefits to local communities and by reducing human/wildlife conflict.

b. Components

The main components were: (1) development of Kenya Wildlife Service's (KWS) institutional capacity, including technical assistance and training; (2) strengthening of KWS's planning capacity, including park development plans; (3) revitalizing KWS scientific research; (4) rehabilitation of park infrastructure including roads, offices, and housing; (5) establishment of a Community Wildlife Program to increase community benefits and limit animal damage and establishment of a wildlife education program; (6) maintenance of an effective Wildlife Protection Unit .

c. Comments on Project Cost, Financing and Dates

Many of the components were parallel financed by other donors . IDA financing was spread over all components .

3. Achievement of Relevant Objectives :

The achievement of the objectives listed above was mixed : 1. Wildlife management and park

management has improved somewhat, slowing down and in some cases halting the decline in the park system . The equipment and infrastructure have enhanced KWS operational capabilities and boosted staff morale . However, institutional development within KWS did not achieve its objectives and some of the organizational goals were abandoned . Financial management strengthening was not successful . The training component, although somewhat successful with respect to conservation training, was not successful in developing improved managerial skills . KWS is now facing a serious financial situation . . It is doubtful that the project "halted the decline in the countries overall wildlife resources" partly due to the lack of an effective land policy which has resulted in a loss of habitat and cover outside protected areas. However, it probably contributed to slowing the decline somewhat . 2. It partially contributed to "developing a sound foundationfor tourism". Visitor security has greatly improved and park facilities improved . 3. It failed in "developing a comprehensive policy framework " because there was a failure to bring to closure the new policy and legislative framework and a lack of clarity in the roles of KWS and government in policy making . While this objective was arguably too ambitious within the timeframe against the background of the overall country environment, it was also fundamental to sustained progress . 4. Some progress has been made with the "promotion of wildlife conservation outside protected areas " through the community involvement in conservation although it is too early to quantify the impact or assess sustainability .

4. Significant Outcomes /Impacts :

The most significant outcome overall is probably that, notwithstanding modest project performance, the conservation of wildlife in Kenya probably would have been considerably worse in the absence of the project . However, this counterfactual is difficult to establish definitively . It appears that wildlife populations have gone up inside gazetted areas and have gone down outside gazetted areas . There may have been some success in the community wildlife programs but data are limited. If the KWS estimate is correct that 2 million hectares of land has been effectively brought under community conservation, and if these programs can be sustained with positive impact on wildlife, then it would be a significant outcome .

5. Significant Shortcomings (including non -compliance with safeguard policies):

The most significant shortcomings were the following : (1) There was a failure to achieve the new legislation and policy. (2) There was a lack of clear terms of reference for the Board of KWS, and thus problems with guidance . (3) The scale of the project was beyond the institutional capacity of KWS and the institutional strengthening was only marginally satisfactory. (4) At appraisal, the Bank failed to properly analyze financial sustainability . While there was a decline in tourism due to security problems which impacted on otherwise rising revenues, even without that, financial

sustainability would have been questionable (financial sustainability was exacerbated by KWS embarking on what, in conservation terms, were commendable new directions in community participation and biodiversity outside the parks, but without the financial capacity to handle it, putting at risk the core program); (5) Improvement in the management of elephants was very limited due to failures in indigenous forest management (see forthcoming Kenya Forestry Audit for more on the governance aspects of forest management).

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Marginally Unsatisfactory	The ICR assesses outcome unsatisfactory due to failure to achieve objectives and due to uncertain sustainability. OED treats sustainability separately from outcome. The modest overall level of achievement of objectives and especially the failure to achieve the particularly important policy, legislation and institutional objectives are sufficient to warrant the Unsatisfactory category . However, we accept that the project still had some substantial results in a challenging environment and therefore rate marginally unsatisfactory - a rating not open to the ICR.
Institutional Dev .:	Partial Sustainability : Uncertain	Modest Unlikely	Same rating. While the position of tourism in the economy gives some hope for commitment and therefore for sustainability, the current financial state of KWS, the failure to put in place the policy and legislative framework and the lack of an effective land policy makes uncertain too optimistic a rating.
Bank Performance :	Deficient	Unsatisfactory	ICR rates identification highly sat . and preparation, appraisal, and supervision deficient. On balance we interpret this as deficient. While we would still rate unsatisfactory overall, evidence on unsatisfactory supervision is mixed . There was supervision vigilance but some weakness in watching the big picture . More pro-activity could be argued for, but if reflected in suspension, would have been a difficult call considering the irreversibility of biodiversity loss .
Borrower Perf .:	Not Rated	Unsatisfactory	Borrower performance is shown here as not rated by the ICR since the ICR gives no overall rating. It rates: preparation - highly satisfactory; covenant compliance - satisfactory; and implementation and operation deficient.
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

The main lessons are: 1. It is important to have in place any critical policy and legislation prior to making investments. 2. Accountability and transparency should be addressed at the project design stage . 3. For efficiency at the institutional level, investment in training needs to be matched with capacity to absorb and hold those skills .

8. Audit Recommended? Yes No

Why? There are some difficult judgement calls in the ratings with respect to what might have been better courses of action at the time, particularly with respect to supervision with arguably a highly environmentally negative outcome if suspension or cancellation had been pursued . There are also issues related to realism and level of achievement of objectives.

9. Comments on Quality of ICR :

Satisfactory and balanced . Good focus on outcomes of each component . While a commendable attempt, the economic analysis causality connections are very tenuous . With such difficult causality links the analysis is of debateable value. Too many lessons or a lack of prioritizing of lessons .