



<b>1. Project Data:</b>		<b>Date Posted :</b> 05/04/2002	
<b>PROJ ID :</b> P006868		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b> Natural Resource Management Program (NRMP)	<b>Project Costs (US\$M)</b>	65.34	45.3
<b>Country:</b> Colombia	<b>Loan/Credit (US\$M)</b>	39.0	23.62
<b>Sector(s):</b> Board: ENV - General agriculture fishing and forestry sector (50%), Sub-national government administration (23%), General education sector (17%), Central government administration (6%), Other social services (4%)	<b>Cofinancing (US\$M)</b>	0	6.47
<b>L/C Number:</b> L3692			
	<b>Board Approval (FY)</b>		94
<b>Partners involved :</b> Netherlands	<b>Closing Date</b>	12/31/1999	03/31/2001

<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
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## 2. Project Objectives and Components

### a. Objectives

The overall objective of the project was to develop policies and mechanisms that would contribute to arrest the ongoing degradation of natural renewable resources, as the first phase of a long term program . Its subsidiary objectives were: a) to help conserve the primary moist forest and its biodiversity in the Choco Region; and b ) to assist in halting and reversing forest conversion and degradation in the highland areas of the Western and Central Cordilleras.

### b. Components

The project had four major components:

1. Development of National Forest Policy, and of a Natural Resource Management Strategy for the Choco Region .
2. Watershed Protection and Rehabilitation
3. Management of National Parks and Buffer Zones
4. Forestry and Environmental Education, Training, Research, Project Management, and Monitoring & Evaluation .

### c. Comments on Project Cost, Financing and Dates

Actual IBRD financing was \$23.62 million, \$15.21 million from the Government and \$6.47 million from Netherlands. At SAR, the possibility of Dutch co-financing of \$8.7 million had been discussed. \$15.4 million of the original loan was cancelled by the Bank at the request of the Government in 1998 in the aftermath of the fiscal crisis. The original closing date of December 31, 1999, was extended to March 31, 2001.

## 3. Achievement of Relevant Objectives:

The project delivered most of its expected outputs but the ICR provides inadequate evidence in terms of the eventual outcomes, which were confirmed in follow-up discussions with the project team.

- It contributed to the strengthening of the policy and regulatory framework in the forest sector which was going through major reforms, through a wide range of studies, operational research and training . This included support to the newly formed Ministry of Environment (MMA) which took over policy definition and regulations for the management of the environment and natural resource use . However, the Regional Autonomous Corporations (CARs), which were either being created or restructured and had been delegated the actual responsibilities of managing all natural forests, received minimal support and remained with poor capacity .
- A National Forestry Policy was adopted, but without the benefit of input from several key studies provided for by the project.
- The project went beyond provision of an enabling environment for the titling of forest land to indigenous and Afro-Colombian communities, to the actual processing of 58 collective titles and 182 reserves. Altogether some

25,000 families were accorded legal land rights to approximately 2.7 million ha of forest land in the Choco Region.

- Biodiversity and forest conservation was facilitated by the preparation of detailed management plans for national parks and buffer zones, jointly with local communities. The National Parks Service benefited from increased staffing and technical training, but the long term funding for the protected areas is uncertain.
- Prevention of forest conversion and degradation in the highlands had limited success, covering less than half of the area envisioned at appraisal.

#### 4. Significant Outcomes/Impacts:

- The reform processes at national, regional and local levels benefited from the studies, operational research and technical training funded by NRMP. Formulation of the National Forestry Development Plan paved the way to integrating Colombia's forest sector into a strategic part of the national economy.
- The preservation of the rights of the indigenous and Afro Colombian peoples, via the awarding of titles to land they traditionally occupied, at the same time developing their capacity to participate in sustainable use and environmental monitoring and management of the forests and national parks.
- The program persevered in a difficult environment (five different environment ministers, a deteriorating security situation within NRMP sites and a fiscal crisis). The project's existence provided the basis for continuation of NRM-related activities, which may otherwise have been abandoned to the detriment of the sector.

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

- The project focused on outputs rather than outcomes.
- Capacity of CARs, charged with immediate environmental management responsibilities, was not strengthened.
- No full use made of all policy studies. Further, studies that would guide follow up projects, and to revise the Policy on Concessions to Natural Forest Areas were not carried out.
- Project lacked an M & E system. A baseline study, from which performance indicators were to be defined, the M & E system developed, and all implementing agencies (33) trained in its use, was of poor quality that nothing was accomplished. This is a major shortcoming for a first phase project of a long term program, as the impact of the many activities supported by the project on the ongoing degradation of natural resources cannot be established, which undermines the utility of the project as the basis for developing future interventions.
- Given the Colombian budget allocation and management system, this was an unusually complex project to execute. There were 33 implementing agencies. Implementation difficulties worsened during the fiscal crisis, when funds could not be released from MMA to "non- environment " entities.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Moderately Satisfactory	This rating was arrived at after weighing the shortcomings in section 5 against additional information about outcomes (not in ICR) provided by the project team which substantiated the contribution to project objectives from alternative activities.
<b>Institutional Dev.:</b>	Substantial	Modest	The ICR provides little evidence that the country's or the region's institutional capacity in the sector has been substantially strengthened by the project. As the ICR states, the impact on the Regional Autonomous Corporations was low
<b>Sustainability:</b>	Likely	Likely	
<b>Bank Performance:</b>	Satisfactory	Satisfactory	Project was overly complex and quality at entry was unsatisfactory, but this was offset by the quality and intensity of supervision.
<b>Borrower Perf.:</b>	Satisfactory	Satisfactory	
<b>Quality of ICR:</b>		Unsatisfactory	

**NOTE:** ICR rating values flagged with '\*' don't comply with OP/BP 13.55, but are listed for completeness.

#### 7. Lessons of Broad Applicability:

- The establishment, early in project, of a M & E system, with verifiable performance indicators which focus on outcomes, not outputs, is critical to any project. This is all the more important for projects designed to underpin major sector reforms, and for first phase projects whose results and their evaluation are needed as a basis for the development of future interventions.
- The successful conservation of natural resources depends critically on the support and participation of local

communities living within or adjoining the protected areas . Park management plans jointly developed with these communities engender a greater degree of community identification with the parks and thus higher participation in conservation activities.

**8. Assessment Recommended?** ● Yes ○ No

**Why?** To assess results on the ground for such a complex project, especially the conservation and sustainable management efforts achieved with the collective land titling to poor Afro-Colombian communities.

**9. Comments on Quality of ICR:**

The ICR did not provide adequate information required to rate the efficacy and outcome of the project . This was an unusually complex and difficult project to evaluate, all the more reason for ICR to be as clear as possible . It did not explain the reasons why many activities within sub components were not carried out, whether due to lack of counterpart funding, and/or a result of poor project management. Further, to what degree this impacted negatively on the policies and laws (which these sub components had been designed to influence ) adopted, could not be determined. No substantive issues were covered in discussion of MTR apart from the resolution of weak accounting practices. No discussion of how the Bank attempted to resolve the difficult situations that arose, nor Bank response to the number of activities that were not carried out. Slight inconsistencies also exist in the presentation of project costs and financing. Finally the ICR should also mention if comments have been sought from Co-financier.