



United Nations Environment Programme

The Terminal Evaluation of the Economics of Ecosystems and Biodiversity

by

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UNEP Strategic Priority/Objective	Ecosystem Management and Resource Efficiency
Geographical scope	Global
Implementation	Internal, with cooperating organisations
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Budget (US \$)	
Starting budget, version November 2008 ²	US \$ 3,169,910
Actual budget as at 26 July 2011 ³	US \$ 5,248,102
UNEP financial contribution	US \$ 0
Co-financing	US \$ 5,921,487

¹ Provisional. This may change.

² Used instead of September 2008 Project Document version. For explanation see Annex 4

³ These figures have evolved several times. For explanation see Annex 4.

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Executive summary

1. The Economics of Ecosystems and Biodiversity (TEEB) has become a “shorthand” term for an increasingly recognised field of theory and practice. Its **origins** lie in a proposal developed by the European Commission and the German Environment Ministry in 2007, for a synthesis of existing knowledge on the global economic benefits of biological diversity, and on the costs of the loss of biodiversity and of the failure to take protective measures versus the costs of effective conservation. The proposal was adopted by the G8+5 Environment Ministers and became a study in the context of their “Potsdam Initiative”, which was later endorsed by the G8+5 Heads of State and Government.
2. The Conference of Parties to the Convention on Biological Diversity in 2008 welcomed “Phase I” of the TEEB study and noted continuing challenges in the science of valuation and in reaching relevant stakeholders. The already-envisaged “Phase II” of the study then addressed these issues, broadening into a multi-partner project, joined by additional government funders and by UNEP as an institutional host.
3. Thus although **this report** presents an evaluation according to the standard format for UNEP projects, TEEB is not a UNEP-“owned” project as such, but an independent study which came to be facilitated by UNEP. Several extensions of “Phase II” were agreed, and a further extension from 2011-12 is loosely referred to as “Phase III”. This report is the only evaluation planned, so has regard to all three phases and follows terms of reference that have elements of both a “mid-term” and a “terminal” evaluation.
4. The **overall project objective** (defined for Phase II) was *to make a credible economic case for policy-makers, businesses, and consumers to conserve, sustainably use and invest in biodiversity and ecosystems*; with the expected result that *policy-makers, local administrators, business executives, consumers and local communities’ representatives would support conserving, sustainably using, and investing in biodiversity and ecosystems*.
5. **Specific objectives** included synthesising knowledge on the value of ecosystem services; recommending valuation methods for different contexts; examining further the benefits of biodiversity conservation and the costs of biodiversity loss; developing guidance for policy makers, enabling access to information and tools for improved business practices; raising public awareness and indicating positive actions that can be taken by individuals. The emphasis in later stages has been on communication, outreach and stakeholder engagement.
6. The project has been extraordinarily successful in leveraging **funding** beyond expectations. “Phase II” expenditure from October 2008 to July 2011 totalled some US\$5.25M, while funding (including forward pledges) at July 2011 stood at \$6.22M, equivalent to nearly twice the budget quoted at the beginning of Phase II in 2008. The significant in-kind support received (unfortunately not fully quantified, but anecdotally reported to have at least matched the level of cash funding) is additional to this.
7. The decision to produce several **reports targeting different audiences** worked well. Good analyses have been compiled and a credible case has been presented, helping to make the benefits of ecosystems “more visible to [the world of] economics”. The core set of reports was accompanied by a suite of other types of output and activity, including summaries, overviews, case studies, two websites, downloadable chapters,

published book versions of the reports, press packs, events and presentations. These were generally of a high standard. In spreading investment across this variety, the benefits of reinforcement appear to have been greater than the risks of dilution, with multiple re-packaging having broadened the audiences and levels reached. It was important to the success of this that the definitive “primary” products (the main reports) were always identifiable as such, and were cross-referenced in the other materials.

8. The project has been praised for having given serious professional attention (more than many similar projects) to a broad mix of **communication and outreach** activities, and for the collective engagement in this across the project’s stakeholders. This paid off, with high levels of recognition, despite some gaps in planning and a somewhat scattered approach to the use of different media. TEEB got its basic case across well, and increased awareness and understanding among a variety of recipients. There had been a pre-existing trend in this direction, but TEEB significantly strengthened the ecosystems dimension of it. The project’s pedigree was more decisive in this than its content.
9. One or two consultees criticised TEEB’s perpetuation of UN-level assessment activity in ways that are insufficiently **relevant** to national implementation needs, but relevance to specific defined global agendas was high, and the project has been welcomed as extremely helpful in many circles, some citing its conceptual framework, others pointing to the case examples and the evidence-base. The practical guidance aspect had a mixed reception; the biophysical dimension was felt to be less well covered than the monetary; and developing country interests could perhaps have been better represented. Methods for judging the effectiveness of citizen responses are lacking.
10. The greatest **debates** about TEEB surrounded the role and scope of valuation. Revealing the magnitude of financially-defined values is often essential when seeking to sway policy-makers, but can be counterproductive for example when this partial representation of value implies a low return by comparison with the dollar value of competing interests. Some felt that overall the project exacerbated this risk: correct caveats were there in TEEB reports, but they appear not to have been prominent enough to convince everyone. The project also commendably covered other economic issues, such as regulation, incentives, ethical accounting frameworks and innovative trading in ecosystem services; but these tended to be paid less attention by audiences who often elided “economics” simply with valuation.
11. A more pointed criticism relates to TEEB’s bias towards a focus on ecosystem services at the potential expense of biodiversity. Resilience and insurance value may sometimes depend on diversity as such, and while these are covered in the reports, more attention could have been given to the whole dimension of risk in this context. TEEB’s arguments logically tend to lead to management strategies that support substitutability of biodiversity components as long as service delivery is maintained, thus potentially failing to curb the loss of species. Other critiques relate to issues that lie more in the way the project has been promoted and reported than with any basic flaws in its content (such as risks of TEEB’s business relationships being seen as corporate “greenwashing”, and risks of the “GDP of the poor” concept backfiring by reducing intangibles to a money analogue or even putting a value on poverty).
12. Overall, stakeholders have been equipped by TEEB to integrate economics more effectively into biodiversity conservation, and to mainstream biodiversity and ecosystems into economics. TEEB’s arguments have been incorporated (and attributed) in policies and projects worldwide. These represent enabling conditions rather than changed decision-making outcomes, and **impact** has mainly been in the

environment sector and among audiences predisposed to be supportive; but good forward linkages to desired broader and deeper impacts are evident.

13. **Replication** of the approach and methods developed by TEEB was an explicit project aim, and good results are already apparent in the examples given in section 3C of this report, including several global, regional, national, local and business sector assessments being undertaken by others on the TEEB model.
14. The project never fully overcame a moderate imbalance towards Europe and developed countries among its supporters, and some others persisted in seeing it as remote and UN-driven. Nonetheless, the process of undertaking the TEEB studies and generating the project products was strongly characterised by its breadth of **stakeholder engagement**, in respect of steering, authorship, peer-review and promotion. Stakeholders spoke warmly about the “open architecture” that allowed this, and the collegiate team spirit that prevailed, despite intense pressures. This breadth of engagement also contributed significantly to the project’s credibility. It involved sizeable teams of report coordinators, wider groups of authors and reviewers, an Advisory Board, a Coordination Group involving project funders, institutional providers of different executive functions and administrative hosting by UNEP’s Economics and Trade Branch in the Division of Technology, Industry and Economics, in collaboration with other UNEP Divisions. It has also had the added ingredient of an independent Study Leader who has functioned as a charismatic and high-profile ambassador for the TEEB vision.
15. **Delivery** was a complex marriage of technical consensus-building and public relations, and champions of each of these perhaps inevitably felt they were compromising for the other. Immense time-pressures, high ambition and much delegation sometimes affected quality, timeliness, completeness and consistency. UNEP decision-making was perceived by some as cumbersome; and running a project through a combination of systems in different offices added more complexity than was comfortable (now streamlined for Phase III).
16. The “core team” approach to producing the respective project deliverables was an appropriate model. These teams worked prodigiously and brought together a dynamic mix of players which strengthened the buy-in and legitimacy of the work. The project’s advisory and coordination bodies were active and very helpful, though some governance functions may have “fallen between stools”. Objectives were cogent and benefited from relevant planning inputs and lessons learned; but the overall evolving scheme of objectives and indicators was not very coherent. The communications strategy was too vestigial, and it followed events as much as it guided them. The lack of any documented user needs assessments or opinion/attitude surveys was also a weakness. Apart from satisfactory budgeting for evaluation, the monitoring & evaluation elements that have been visible to the present evaluation are judged to have significant shortcomings.
17. Considering the great complexities (some self-inflicted) and time-pressures of the project, and a range of resulting stresses and strains, TEEB has been **managed** satisfactorily, including adaptations to contingencies. Capacity overall however was stretched too far for comfort, with no-one seemingly wishing to restrain a shared sense of urgent opportunity. The project’s enthusiasm was bigger than its budget, and delivery relied very heavily on additional “good will” investments of time and energy on all fronts. Hopefully all concerned can be gratified by the great external respect and purchase that has been achieved by TEEB, and by the clear recognition that their phenomenal internal team effort was nothing short of heroic.
18. There are particular windows of **opportunity in 2011-12** for catalysing uptake of TEEB approaches, for example in National Biodiversity Strategies and Action Plans,

the Intergovernmental Platform on Biodiversity and Ecosystem Services, and initiatives on global environmental governance and the green economy, including notably the Rio 2012 conference. Efforts should also be made to secure formal adoption of TEEB findings and approaches beyond biodiversity-related constituencies.

19. “Phase III” should not be treated simply as a roll-forward of more outreach activity building from Phase II, but should allow a confident re-definition of purpose and mode of operation. Assessing and responding to demand for practical demonstrations and other support will be key to transforming the acceptance of TEEB’s theoretical case into a durable shift in mindsets and resulting behaviours; but this will require some bold shifts of emphasis. Hands-on capacity support is likely to stretch resources very thinly, and the best new added value of the project may lie instead in a smart network-connecting role, advising on global best practice and sources of knowledge, but otherwise mainly facilitating delivery by others.
20. Options for active maintenance of the vibrant stakeholder networks created by TEEB should be assessed, and it would be useful early in 2012 to agree a plan for implementing a favoured option for this. The greatest success for TEEB may be when its fruits are self-sustaining and a “project” is no longer required.

Ratings summary (see section 4)	
(a) Attainment of project objectives and results	Satisfactory
(b) Sustainability of project outcomes	Likely
(c) Catalytic role and replication	Highly satisfactory
(d) Stakeholder participation	Highly satisfactory
(e) Country ownership and drivenness	Satisfactory
(f) Achievement of outputs and activities	Satisfactory
(g) Preparation and readiness	Moderately satisfactory
(h) Implementation approach and adaptive management	Satisfactory
(i) Financial planning and management	Satisfactory
(j) Monitoring and Evaluation	Moderately unsatisfactory
(k) UNEP supervision and backstopping	Satisfactory

1. Background and introduction to the project

TEEB as an “independent study” and a UNEP project

21. The Economics of Ecosystems and Biodiversity (TEEB) has become a “shorthand” term for an increasingly recognised field of theory and practice. The formal title refers to an international initiative begun in 2007 to draw attention to the global economic benefits of biological diversity, and to the costs of the loss of biodiversity and of the failure to take protective measures versus the costs of effective conservation. This was characterised initially as a “study”, with the emphasis on communicating a synthesis of existing knowledge rather than undertaking original research. It has since become a broader multi-partner project and a collaboration network; one consultee in the present evaluation even describing it as a “movement”.
22. Although this report presents an evaluation according to the standard format used for UNEP projects, TEEB is not a UNEP “owned” project as such, but is an independent study which came to be hosted and facilitated by UNEP. This distinction, although not always grasped by some audiences, is a fundamental feature of TEEB. No previous evaluation of TEEB has been undertaken, so to the extent necessary, this report considers the initiative in its entirety rather than only the period of UNEP’s involvement.

The origins, and “Phase I”

23. In 2006, a comprehensive review of the economics of climate change was completed by former World Bank Chief Economist Sir Nicholas Stern, at the request of the UK Government. The review became an instant landmark in appreciation of the economic dimensions of environmental issues. In considering the findings of the Millennium Ecosystem Assessment, the Conference of the Parties to the Convention on Biological Diversity (CBD) at its 8th meeting in the same year highlighted the importance of understanding the economic aspects of biodiversity and ecosystem services (Decision VIII/9). An idea then developed within the European Commission (endorsed by Environment Commissioner Stavros Dimas) and the German Environment Ministry (endorsed by Minister Sigmar Gabriel) of commissioning an equivalent to the Stern report, to focus on biodiversity. Initial conceptual support for this idea was provided by the European Environment Agency and IUCN, among others.
24. A proposal was tabled by Minister Gabriel in March 2007 at a meeting in Potsdam, Germany of the Environment Ministers of the G8 countries together with those of Brazil, China, India, Mexico and South Africa (the G8+5), and it was adopted as part of the “Potsdam Initiative” on biodiversity which was launched at the meeting in the context of the global “2010 target” for reducing biodiversity loss. The Ministers envisaged a global study and process to analyse the benefits of biodiversity, the costs of its loss due to inaction and the costs of effective conservation, as support for actions in respect of the 2010 target. The proposal was subsequently endorsed by the G8+5 Heads of State and Government at their Summit in Heiligendamm in June 2007. As noted in section 3F of the present report, these origins made TEEB initially a highly “country-driven” endeavour. The European Commission and the German Federal Ministry for Environment, Nature Conservation and Nuclear Safety (BMU) took responsibility for initiating and resourcing the study, and in March 2008 appointed a senior banker, Mr Pavan Sukhdev, to lead it.
25. The 9th meeting of the CBD Conference of Parties (COP9), hosted by Germany in May 2008, was identified as a key destination for the study findings, and the period up to the conference is referred to as “Phase I” of TEEB. During this period, five

main background studies, illustrated particularly with examples relating to forest biodiversity, were compiled by several consultants into an Interim Report which was presented to the high-level segment of the COP. The report showed that significant global and local economic costs and human welfare impacts were attributable to the ongoing losses of biodiversity and degradation of ecosystems. Moreover there was seen to be a correlation with the persistence of poverty, and a set of ethical issues to consider in policy treatments of risk and uncertainty. Examples of compatibility between economic and environmental sustainability were given, and elements were outlined of a framework for analysing the benefits and costs of conserving biodiversity and ecosystems.

26. The high-level segment of the COP welcomed the report, while noting that major challenges remained to be addressed concerning valuation methods and input from the scientific community. Delegates also drew attention to importance of focusing the results on specific end-users, including policymakers, businesses, consumers and local communities. These aspects then formed the basis of the already-envisioned broader “Phase II” of the study.

“Phase II”: objectives, outputs and themes

27. With additional funders coming on board and UNEP joining as a host institution, TEEB Phase II was launched in the autumn of 2008 for a further two years, taking it (with a further short extension) up to CBD COP10. The objectives were defined in the formal UNEP Project Document as follows:

- **Overall objective:** “To make a credible economic case for policy-makers, businesses, and consumers to conserve, sustainably use and invest in biodiversity and ecosystems”.
- **Expected overall result:** “Policy-makers, local administrators, business executives, consumers and local communities’ representatives will support conserving, sustainably using, and investing in biodiversity and ecosystems with equitable sharing of benefits”.

28. Specific objectives (introduced more fully in section 3A) included synthesising knowledge on the value of ecosystem services; recommending valuation methods for different contexts; examining further the costs of biodiversity loss and the costs and benefits of response actions; developing guidance for policy makers, enabling access to leading information and tools for improved business practices; raising public awareness and indicating positive actions that can be taken by individuals.

29. In addition to the development of this thinking and technical content, Phase II has had a strong emphasis on communication, outreach and stakeholder engagement, hoping especially to reach audiences in the developing world. This approach took account of the views which had been expressed at the CBD COP, but it was also a response to lessons learned from the Millennium Ecosystem Assessment, and to an extent also the Stern review, which were felt by many to have underplayed these aspects and consequently to have missed opportunities for better impact. TEEB II therefore defined its target audiences at the outset, and organised its primary outputs as five main “deliverables” (referred to in TEEB parlance thereafter as the “D”s - D1, D2, etc) accordingly, as follows:

- TEEB ecological and economic foundations (D0)
- TEEB for national and international policymakers (D1)
- TEEB for local and regional policymakers (D2)
- TEEB for business and enterprise (D3)
- TEEB for citizens (D4).

30. Each of these was the focus of a separate report, with the exception of D4 which mainly took the form of web-based materials, for greater interactivity. Updated versions of D0-D3 have been/are being published in book form, with draft chapters being downloadable on-line; and summaries of D2 and D3 have also been produced (for details see annex 3).
31. Other products (in addition to brochures, webcasts, presentations, articles, press material and two websites) included:
 - A climate issues report, produced for the UN climate Framework Convention negotiations in December 2009
 - A TEEB synthesis report, produced for CBD COP10 in October 2010
 - TEEB for Cities, a manual produced in association with ICLEI - Local Governments for Sustainability
 - A report on the results of the TEEB Quantitative Assessment.
32. Many of the values of nature are indirect, and remain largely invisible in the day-to-day accounts of society. Failure to account for this fully has been a significant factor in the continuing loss and degradation of ecosystems and biodiversity. Market signals, influenced by subsidies, taxation, pricing and state regulation, as well as land tenure and use rights, make it profitable for some to overexploit natural capital, while the costs of doing so fall elsewhere, on society as a whole, on future generations, and often disproportionately on poor communities who depend directly on ecosystem resources and processes for daily survival.
33. Quantifying the costs and benefits of different scenarios and strategies is therefore only part of the story. The TEEB project is about “making an economics case” for conservation and sustainable use, which goes beyond the mere mechanics of valuation, and into ethical policymaking, structured incentives, innovative markets and much besides. The TEEB vision, espoused in the Synthesis Report, is for nature to be made “economically visible”, and for our society to become one that “that recognises, measures, manages and economically rewards responsible stewardship of its natural capital”. It seeks to support new ways of rewarding the unrecognised benefits of ecosystem services and taxing the uncaptured costs of their loss. Based on a three-pronged approach of “recognising value”, “demonstrating value” and “capturing value”, TEEB aims to show how “pro-biodiversity investment will be the logical choice for a much wider range of actors in the future”. The current failure of many traditional market mechanisms gives further reason for this to flourish.

Funding successes, project extensions and institutional approach

34. The timeframe and budget for TEEB has been re-defined on several occasions, generally for the happy reason that the project has continued to attract growing and renewed support from funders and partners. It has been extraordinarily successful in leveraging higher than expected co-financing (which accounts for all the financing, since UNEP itself was not a core funder). “Phase II” expenditure from October 2008 to July 2011 totalled some US\$5.25M, while co-financing (including forward pledges) at July 2011 stood at \$6.22M, equivalent to nearly twice the budget quoted at the beginning of Phase II in 2008. The significant in-kind support received is additional to this, and probably amounts to a comparable or even higher value.
35. Some of the co-financing contributions have been tied to particular activity areas, but most have been provided on an unrestricted basis, which testifies to a high level of confidence on the part of the funders concerned in the project team’s ability to manage and deliver. While seen by some as adding bureaucratic complexity to the process, UNEP’s role in TEEB has generally been welcomed as a significant extension of its “reach”, and a strengthening of its authority.

36. TEEB has been implemented through a notable “open architecture” multi-partner structure: the process was characterised perhaps above all by its breadth of stakeholder engagement, and consultees in the present evaluation generally spoke warmly about the collegiate team spirit that attended this. It involved sizeable core teams for each strand of work, sizeable teams of report and chapter coordinators, wider groups of authors and reviewers, an Advisory Board, a Coordination Group involving project funders, institutional providers of different executive functions and administrative hosting by UNEP. It has also had the added ingredient of an independent Study Leader who has functioned as a charismatic and high-profile ambassador for the TEEB vision.

“Phase III”

37. In February 2011 the TEEB Advisory Board recommended the extension of the project for at least another 18 months. 2012 will offer the “Rio+20” Earth Summit and a further CBD COP as potential destinations for new material, and a TEEB conference in Germany is planned. The nature of the activities in what is now being referred to as “Phase III” (2011-12) however will be different from those that have gone before. Secretariat functions have been streamlined and redistributed, and now that the primary studies have been published, the emphasis is shifting to facilitation, network servicing and provision of technical support to national and regional-level activities, for which external demand is increasing.

2. Evaluation scope, objectives and methods

38. This Evaluation was commissioned by the Evaluation and Oversight Unit (EOU) of UNEP, in order to examine the impacts of the TEEB project to date and to determine the likelihood of future impacts. It also assesses project performance and the implementation of planned activities and outputs. The process is designed to assist UNEP in establishing (a) whether the project accomplished what it set out to do, and deployed the resources provided appropriately, and (b) whether it has attributably made the intended net difference to global environmental conditions beyond what would have happened in its absence. It is also designed to provide feedback to project participants and stakeholders: lessons learned and recommendations are given in sections 5 and 6 of this report respectively.
39. The report sits in a chain of processes for auditing and giving assurance at different levels. Supervision by UNEP as well as project implementation is covered (see section 3I); the evaluation report is itself reviewed in turn, and then evaluations are used by UNEP's governance to assess effectiveness of the Programme.
40. The approach taken was framed by Terms of Reference (ToR) provided by the EOU and reproduced in annex 1 of this report. Explanations of the derivation of rating scores and other methodological issues are given there. The method for the "Review of Outcomes to Impacts" analysis (ROtI) which has helped to inform sections 3A, 3B and 3C is given in annex 5.
41. The ToR specified six principal questions as the focus of the evaluation, viz:
 - a) To what extent did the project substantiate and communicate the tangible contributions of biodiversity and ecosystems services to the economy through major economic, poverty alleviation and well-being indicators?
 - b) How widely and effectively has the project communicated to different stakeholders the project analytical tools and promotional products?
 - c) How well did the project seek to address the problem of continued, rapid decline of biodiversity and degradation of ecosystems by providing guidance on assessing the value of biodiversity and ecosystem services and suggesting policy options and actions to conserve, sustain and invest in biodiversity and ecosystems?
 - d) How has the project enabled easy access to leading information and tools relevant for the valuation of biodiversity and ecosystem services, and improved biodiversity-related business practice from the perspective of managing risks, addressing opportunities, and measuring impacts on ecosystems and biodiversity?
 - e) Did the project raise public awareness of the contribution of ecosystem services and biodiversity towards economic development and human welfare?
 - f) Has the project developed guidance for policy makers at international, regional and local levels in order to foster sustainable development and better conservation of ecosystems and biodiversity through economic analysis and valuation?
42. These effectively ask about evidence (a), awareness (e), uptake (b), solutions (c), and tools & capacity (d and f). The findings are discussed in section 3A.
43. The evaluation was undertaken by a single independent international consultant. It was commissioned to run over approximately 35 days spread between 28 July 2011 and 31 October 2011, with a report finalisation phase, as required, up to 2 December 2011.

44. This timeframe posed some challenges, partly in relation to the consultant's concurrent other commitments, but particularly in relation to the effect of the northern summer holiday month of August severely hampering efforts to arrange meetings and to secure a good spread of consultation responses. The dispersal of many key project players after report publication also had an effect on response rates. Ideally the evaluation might have been commissioned earlier so as to allow a less compressed period for consultation, analysis and writing, but in the event some good inputs were secured.
45. UNEP evaluations can typically be mid-term (half-way through the project) or terminal (at or shortly after the conclusion of the project). The present evaluation was initially conceived as a terminal evaluation, but as the project has been rolled forward it is more akin to a mid-term evaluation. Its Terms of Reference contain elements of both types and it is therefore in truth something of a hybrid type. Clearly, some project impacts may not be apparent until after its conclusion: hopefully the approach of the Review of Outcomes to Impacts analysis (annex 5) helps to anticipate what these might be, but a proper assessment of this dimension would fall to a terminal evaluation in due course.
46. TEEB is often loosely described as a project in three "phases", and although the scope of the present evaluation was initially described in relation to "Phase II" (from September 2008 to the several-times extended end date of June 2011), no other formal evaluation of the project has been undertaken; so it has made sense to have some regard to the project in its entirety (including "Phase I" from June 2007 to May 2008, and "Phase III" from July 2011 to June 2012, or possibly beyond).
47. For entirely positive reasons, the project has been extended, re-defined and re-financed on several occasions. This means that the process of evaluation has not been as simple as comparing outcomes with a fixed original expression of objectives or a fixed original budget, but has had to relate instead to a frequently shifting baseline.
48. Although the evaluation was commissioned by UNEP, it was funded by the project budget, which comes from non-UNEP sources. TEEB is an independent study hosted by UNEP rather than a UNEP project as such, and it was running for some time before UNEP became involved. The standard UNEP evaluation ToRs have had to be applied flexibly in this light. The ToRs cover issues on which UNEP would want information in respect of any of its own projects, but in this case the primary project funders (better described as such, rather than "co-funders", since UNEP did not finance the project) will be seeking to answer their own assurance questions at the same time, via UNEP's process. As one example, the European Commission, supported by the UK and Norway, have dedicated a significant tranche of Phase II funding to communications and outreach activities, and have a particular interest in evaluation findings on those aspects. The UNEP approach however is in general more cross-cutting, and needs to be followed for comparability with other evaluations.
49. The multiple methods used for gathering input included the following (for details see annex 2):
 - Desk review of project documents, web materials, reports and other published/broadcast materials, including minutes of meetings and correspondence (see annex 3).
 - Consulting approximately 130 project stakeholders by personal email, including Secretariat staff, project partners, collaborators and wider beneficiaries, and including individuals who were expected to be challenging critics of the project. Free comments were invited, but to assist further, a standard set of five key open questions was also provided, plus a longer list of 74 questions for those who

wished to have more. Nineteen substantive responses were received, from individuals in ten countries worldwide. Details of the questions and respondents are given in annex 2.

- Providing consultation invitations for posting on six relevant websites.
- Meetings in Geneva, London, Bonn, Peterborough and Brussels with a total of 18 project stakeholders from seven countries (not limited to Europe).
- Telephone or skype interviews with a further five consultees in five countries.

3. Project performance and impact

50. The evaluation criteria set by UNEP for project performance and impact (see annex 1) are divided into four categories, which are covered in the present report in the following way:

- | | |
|---|-------------------------------------|
| • Attainment of objectives and planned results | Section 3A |
| • Sustainability and catalytic role | Sections 3B, 3C |
| • Processes affecting attainment of project results | Sections 3D, 3E, 3F, 3G, 3H, 3I, 3J |
| • Complementarity with UNEP programmes and strategies | Section 3K. |

51. Ratings for those aspects requiring them are given in section 4.

A. Attainment of objectives and planned results

52. In line with the evaluation Terms of Reference, this section first discusses the *outputs* and activities of the project, before separately considering its *outcomes*, i.e. its effectiveness in achieving ultimate objectives, supported by the results of the *Review of Outcomes to Impacts* analysis in annex 5. The *relevance* of the objectives is also covered, and finally, reference is made to the *efficiency* with which this was all delivered. Much of the funding for the evaluation comes from budget-lines dedicated to communication and outreach, so these aspects are highlighted where appropriate within the more generic UNEP format.

Achievement of outputs and activities

Definition of TEEB's intended outputs

53. Three *expected outputs* were initially defined for TEEB, as follows (paraphrased from longer definitions in the principal Project Document):

- a widely and effectively communicated series of reports, substantiating the tangible contributions of biodiversity and ecosystem services to major economic, poverty and well-being indicators;
- widely and effectively communicated publications tailored to different stakeholders, offering tools and methods for improved attention to biodiversity/ecosystem impacts;
- widely and effectively communicated project promotional products.

54. In addition, Phase II of the project was expected to include a strong communication and stakeholder engagement process, especially in the developing world. The Project Document Supplement in April 2010 defines three different outputs, understood to be an amplification of communications and outreach aspects; while two documents for the extended 2011 period define respectively three and six further outputs; some repeating aspects of previous ones, some making them more specific, and others being more in the nature of activities. Sixteen (or in another version 15) *activities* were originally listed, plus four more (again with overlaps) for the 2011 extension. A more rationalised framework of intentions than this would have been better for monitoring and evaluation purposes. Some eventual products were delivered in ways that combined elements of the various output categories together.

55. Phase I addressed five main areas of study: “Scoping the science”; “Cost of Policy Inaction” (COPI); “Economic analysis and synthesis”; and case studies on ecosystem accounting in the Mediterranean and the economics of forestry. These were summarised in the “Interim Report” in 2008 and were followed up with a “Climate

Issues Update” in 2009. A traditional approach to Phase II might have developed further analyses according to particular biomes; but in its response to the Interim Report, the high-level segment of the 9th meeting of the Conference of Parties to the Convention on Biological Diversity (COP9) urged instead that future results be focused on specific end-users, citing policymakers, businesses, consumers and local communities. The TEEB Study Leader then proposed separate reports for each audience, which became referred to as the “deliverables” or “D”s, as follows:

- TEEB ecological and economic conceptual foundations (D0)
- TEEB for national and international policymakers (D1)
- TEEB for local and regional policymakers (D2)
- TEEB for business and enterprise (D3)
- TEEB for citizens (D4).

56. These were followed by three others:

- A TEEB synthesis report, produced for CBD COP10 in October 2010
- TEEB for Cities, a manual produced in association with ICLEI - Local Governments for Sustainability
- A report on the results of the TEEB Quantitative Assessment (QA).

Choices concerning targeting and approach

57. The split between national/international and local/regional (i.e. regional in the sub-national sense) appeared to work logically, and the overall structure of the “D”s was generally supported. It seems there was little debate about alternative options that might also have been valid, such as TEEB for young people/the education sector, TEEB for development assistance, TEEB for agriculture, TEEB for faith communities etc. Finer segmentation of each audience was also eschewed on the basis that the underpinning evidence was not consistently strong enough, and in order to limit costs and the number of publications. It was also felt that differences between more finely-divided categories might not be large, and that linking different contexts together in any case would help cross-fertilisation of ideas.

58. One evaluation consultee felt that D2 would have been better targeting *decision-makers* (e.g. on individual permits) rather than only *policy-makers* at local level. D3 was praised as pioneering in its active engagement of business (which included the finance and investment sectors). The Cities report was aimed at officer level rather than elected representatives, among whom receptive fora for biodiversity messages have been growing; but ICLEI felt that uptake by officers will itself be a route for targeting the political level. D4 did not particularly address itself to this level either; but in principle any of the deliverables might offer a basis for producing adapted versions for other audiences in the future.

59. The initial listing of D4 as a publication was sensibly re-scoped later to become a website (“TEEB4me”), with social media feeds and other add-ons, linked to the main TEEB website. There were differing views for quite some time on how this should work, ranging from an interactive tool-kit for individuals to a platform for a mass citizen movement; and it was not as synchronised with media work and with D0-D3 as it could have been (due more to overall coordination than the way D4 itself was delivered). Business sector consultees were positive about the D3 report, but were particularly keen on “practical tools” and extremely short briefing messages, including audio-visual material: it is possible that some opportunities were missed to cross-fertilise between the delivery methods for D3 and D4 in this respect.

60. Following the “Cost of Policy Inaction” study in Phase I, work was envisaged in Phase II to assess the evidence on costs and benefits of intervention scenarios. While TEEB’s funders were keen to generate figures on the global implications of change,

the project's partners in academia were extremely wary of the risks of misportrayal of such things, recalling controversies over publications such as Costanza et al. (1997). Originally to be in D0, the valuation matrix and scenario analysis forming the "Quantitative Assessment" (QA) was eventually produced separately (and later than planned, having been subject to additional levels of peer-review). The TEEB Advisory Board at its 6th meeting discussed whether or not to publish the QA as part of TEEB; and when duly produced without the TEEB logo in September 2011 it was styled as "a development of" the COPI study and as a "report to UNEP". At the time of writing, the way it will be used has not yet been decided.

The content of the products

61. TEEB's outputs have been well appreciated as a synthesis of information and approaches for economic valuation. They have undoubtedly made a great contribution to conceptual clarity and some intellectual advance (and support for policy - see under "effectiveness" below); though the extent and nature of this was cause for rich debate among consultees. TEEB's aim was to provide a convincing "business model for conserving biodiversity" by making the benefits of ecosystems "visible to economics", through "recognising, demonstrating and capturing value", in order to manage better. Where Phase I had expounded on problems, Phase II aimed to suggest solutions. Although there was an early hope by some for new data to update COPI, the project team is at pains to stress that TEEB is above all a synthesis, communication and "mainstreaming" exercise, and was not designed collect original data or to develop new theory and methods.
62. Consultees were positive about the breadth of methods and viewpoints encompassed in TEEB's outputs, though some felt that the biophysical dimension was less well covered than the monetary, and developing countries could perhaps have been better represented among the authors. The greatest debates surrounded the role and scope of valuation. Revealing the magnitude of financially-defined values is often essential when seeking to sway policy-makers, but can be counterproductive for example when this partial representation of value implies a low a return by comparison with the dollar value of competing interests. Efforts by TEEB reports to caution against "commodifying" biodiversity and making its components "tradeable" at the expense of intangible "inherent" values, to note that only some of the ways of understanding ecosystems are compatible with "stock" and "capital" analogies in economics, and to acknowledge that there are multiple theories of value, appear not to have been prominent enough to convince everyone.
63. The D0 report emphasises rightly that valuation is more useful for assessing marginal change or choices between options than expressing total value. It stresses that economic values are not a natural property of ecosystems but are culturally constructed, dependent on socioeconomic context, often functionally interlinked, and only meaningful for policy when spatially explicit in terms of where ecosystem services, their benefits and costs are all situated. TEEB's conceptual framework is cited by some as one of its key benefits, in re-distinguishing (after the Millennium Ecosystem Assessment) the roles and relationships of ecosystem structure, processes, functions, services, benefits and values. The importance of factoring-in tradeoffs between services, non-linear change, insurance value (resilience), uncertainty (especially regarding scaling-up of value estimates), ethical choices regarding use of discount rates, and distributional issues (e.g. private gain vs. public cost, global gain vs. local cost, present gain vs. future cost) are all commendably covered, although a few consultees would have wished to see more on issues of this kind.
64. TEEB itself is not as biased towards a fixation on valuation as much debate and most media coverage of it might suggest; and the project has addressed other economic issues including regulation, incentives, ethics and innovative trading in ecosystem

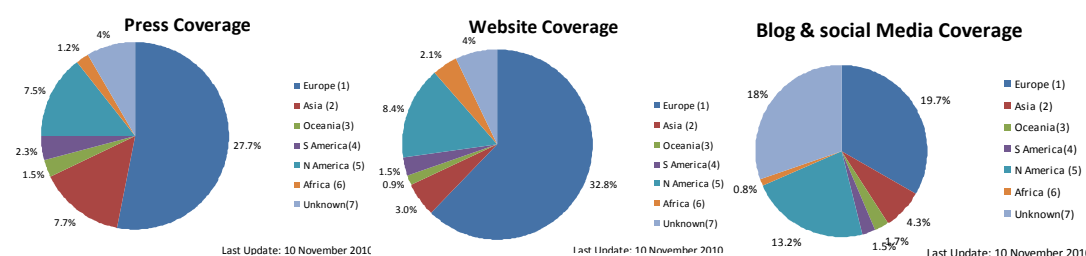
services. Some commentators more justly however criticise its bias towards a focus on ecosystem services at the potential expense of biodiversity. Resilience and insurance value may sometimes depend on diversity as such, and while these are covered in the Interim and D0 reports, more attention could have been given to the whole dimension of risk in this context. The bigger criticism concerns the way in which TEEB's arguments logically tend to lead to management strategies that support substitutability of biodiversity components as long as service delivery is maintained, thus potentially failing to curb the loss of species. Other critiques relate to issues that lie more in the way the project was promoted and reported than with any basic flaws in its content, and include risks of TEEB's business relationships being seen as corporate "greenwashing", and risks of the "GDP of the poor" concept backfiring by reducing intangibles to a money analogue or even putting a value on poverty.

Communications and outreach activities

65. TEEB has been universally praised for having given serious professional attention (more than many similar projects) to a broad mix of communication and outreach activities, and for the collective engagement in this across the project's stakeholders. This paid off, with high levels of recognition, despite some gaps in planning (see section 3D). Much energy went into promotion of the various reports, including numerous launch events around the world, often linked with relevant external platforms, including the Global Business of Biodiversity Symposium (for launch of D3), the Biodiversity Convention COP (for the Synthesis Report and book version of D0), and the EcoCity World Summit (Cities report). Much of this was made possible by support from national governments and organisations such as ICLEI, and some consultees felt that TEEB's own resource-allocation had been insufficient to meet the demands of organising such events. The D0 "Foundations" report was meant to be launched early on, logically to provide a basis for the rest; but this did not happen as planned and instead chapters were placed on the website and the report was then publicly "launched" towards the end of the sequence, at CBD COP10.
66. Awareness was reinforced by a range of public relations activities, which made good use of a variety of media, including press releases, interviews, briefings, factsheets, CD-ROMs, image-banks, social media feeds and presentations. Collaborators joined in providing supportive profile for TEEB, often contributing significant time from their own PR teams, including the European Commission, CBD Secretariat, ICLEI, and various business and NGO partners such as PWC, IUCN, WBCSD and WEF among others. The profile achieved by International Year of Biodiversity was felt to be helpful to these efforts in 2010. Outreach and capacity-building workshops, many of them focusing on the local level (D2), have been organised by TEEB or its partners in Argentina, Brazil, China, India, Peru, Russia, South Africa and Trinidad & Tobago (some on a regional basis, involving up to 25 countries at a time).
67. A particularly distinctive strand of TEEB communications has been the effort put in to lectures and presentations, especially by the Study Leader and by the D team coordinators. An initial aim of seeking as many invitations as possible had to switch to strict prioritisation in view of the overwhelming response, and over 80 keynote speeches were given in 2010 alone. Fora addressed include an international workshop on Innovative Financial Mechanisms, the World Economic Forum, the Climate Change and Biodiversity Convention COPs, UNEP's Governing Council/the Global Ministerial Environment Forum and the GEF General Assembly, as well as business and academic audiences and presentations to senior officials of individual governments.
68. Data on TEEB's press coverage, website hits and social media adherents were well documented and show impressive absolute figures, although contextual analysis of this performance (by comparison with anything else) is lacking (see section 3J).

Statistics have also been collected on coverage of TEEB by other websites and in the media, and analysis of these has for example allowed comparison of coverage in different regions (base data logged by country), as illustrated in Figure 3A-1.

Figure 3A-1. Illustration of monitoring data on media and website coverage of TEEB.



69. Capacity pressures led to a somewhat scattered approach to the use of these different media: the main website could have had more maintenance, there could have been more coherence between the two websites, a stop-start approach to intended newsletters was confusing, and the use of social media could have followed a more structured strategy (e.g. in terms of its articulation with mainstream media work and with the social media platforms of supporter organisations). Uptake was stronger in some regions (e.g. Europe) than others, and in terms of sectors it was better in biodiversity circles than in (for example) financial ones.

70. Despite the multi-media efforts described above and the varied packaging of “key messages”, a number of evaluation consultees felt that more attention should have been given to making TEEB’s primary material more user-friendly. This was not a knee-jerk reaction to the technical nature of the subject, but was a more thoughtful criticism about consistency, structuring and editing (though these improved later on). The accessibility of the main reports could have been better managed: the availability of full content vs. summaries and printed copies vs. website versions was difficult to follow, and the respective status of the Earthscan books, on-line draft chapters for the books and the original “D” studies was not well explained. Earthscan’s publishing of the TEEB reports as books was a commercial decision of their own, and has been advantageous in reaching new readers, for example in universities. Some consultees however were disturbed at the fact that full definitive versions of TEEB’s results are only available in this purchasable form, and feel that this has eroded the “open access” ethos of the project. On the positive side, the translation of D2 and summaries of the other reports into the six UN languages is a commendable step.

71. Beyond its meaning as the name of a project, the label “TEEB” is tending to be used as shorthand for the whole field of ecological economics, and in effect it has become a “brand”. Developments such as the launch of a “TEEB for Business Foundation” by a completely separate group in the UK are pleasing in terms of replicability (see section 3C), but raise issues of reputation management and brand integrity. The project had no particular policy stance on this other than a general pragmatic openness, but further thought is being given as Phase III moves forward, and while controlling the use of the brand is unrealistic, more conscious management of the brand’s *attributes* may be advisable (plus perhaps some parameters for the use of the logo, or an improved version of it, without copyrighted images).

Relevance

72. “Relevance” in this context is defined as consistency of the project with relevant policies and mandates. One or two consultees criticised TEEB’s perpetuation of UN-level assessment activity in ways that are insufficiently relevant to national implementation needs: this is covered more appropriately in sections 3C and 3F of

this report. Although independent of UNEP, with UNEP's involvement from Phase II, TEEB was seen as a response to calls from the Governing Council in 2001 and 2007 for UNEP to engage in the economic dimensions of sustainability. (Relevance to UNEP agendas is discussed further in section 3K). TEEB's objectives were defined in line with recommendations made by the Millennium Ecosystem Assessment Follow-Up Team. The project can also be seen as supporting the implementation of Article 11 of the Convention on Biological Diversity and its associated Programme of Work on incentive measures and valuation; and TEEB's comments on distributional issues have some relevance to CBD's access & benefit-sharing agenda. There are links with initiatives such as the Carbon Disclosure Project, Forest Footprint Project, Water Footprint Network, Principles for Responsible Investment and the proposed Green Development Initiative. Some references are made to the global agenda on biodiversity indicators and the 2010 target, but more could perhaps have been done to link TEEB's national accounting ideas with this. Comments on areas of future relevance are made in section 3B.

Achievement of objectives (effectiveness)

Definition of TEEB's intended outcomes

73. As set out for Phase II, the *overall objective* for TEEB was “to make a credible economic case for policy-makers, businesses and consumers to conserve, sustainably use and invest in biodiversity and ecosystems”; and the *expected overall results* were that “policy-makers, local administrators, business executives, consumers and local communities’ representatives would support conserving, sustainably using, and investing in biodiversity and ecosystems, with equitable sharing of benefits”. Five *specific objectives* were initially defined, as follows (paraphrased from longer definitions in the principal Project Document):

- to synthesize and present the latest ecological and economic knowledge and to recommend appropriate valuation methodologies;
- to examine the global economic costs and benefits of biodiversity;
- to develop guidance for policy makers;
- to enable easy access to leading information and tools;
- to raise public awareness.

74. The Phase II Project Document also listed four “accomplishments” that Phase II was expected to achieve (all concerning aspects of economics that stakeholders were expected to understand); though these do not appear in the project's logical framework. The Project Document Supplement in 2010 gives a different logframe, with outcomes described in terms of increasing knowledge, awareness and political will, and incorporation of economics in national biodiversity planning. Further details are given in annex 4 of the present report, which also notes the successive accumulation of (often overlapping) indicators defined for these various outcome statements. As with the outputs and activities discussed above, a more rationalised framework would have been better for monitoring and evaluation purposes. Those objectives that are described in terms of “synthesising knowledge” and “developing guidance” are in fact more in the nature of *outputs*, and to that extent they have been discussed above. The focus here is instead on *effectiveness* (e.g. outreach penetration, how helpful the project was in practice for its users, and what impact it had on their behaviour).

First level of impact: the penetration achieved by TEEB's communications and outreach

75. On the first of these (outreach penetration), uptake by the media has been mentioned above, and there was strong demand for follow-up stories and speaking engagements. Popular interest tended to fixate on valuation aspects rather than TEEB's other work.

At more professional levels there are examples of very positive receptivity to the project's material, and it undoubtedly had an impact in terms of awareness and profile for the issues. It is clear (although TEEB itself did not analyse baselines) that in many places there was already an underlying trend of increasing appreciation for the interdependence of environmental processes and global/national economies, but much of this related to issues such as carbon footprint, food security or trade relations, rather than necessarily having a focus on biodiversity. TEEB is regarded as having added new value in that respect.

76. It accomplished this mainly among audiences who might be regarded as predisposed to be receptive; i.e. the environment sector itself, and primary resource-users that have direct impacts, such as agriculture, forestry, energy and the extractive industries (though purchase was less in the water sector, and possibly also in fisheries). Some elements of the business community were well engaged, but TEEB impinged much less on some others that nonetheless have major impacts on biodiversity (notably small and medium-sized businesses and companies based in emerging economies). The UK, German and Swedish development assistance agencies were involved, and TEEB was featured at meetings of the Poverty Environment Partnership hosted by UNEP and by Austria, while the World Bank has also made links to TEEB; but some felt that deeper interest could have been stimulated in the development assistance community. There was an appreciable citizen response; but methods for judging the effectiveness of this are lacking.
77. In the circles where good levels of traction were achieved, consultees attributed this to two main things (differing in their respective importance according to the context): (i) the authority TEEB carried by virtue of its UN imprimatur (and to some extent also the European Commission's backing and the personal credentials of the Study Leader), and (ii) its broad multi-stakeholder nature (including for example the fact that business representatives themselves participated as co-authors of a study report). Interestingly, the depth of TEEB's scientific credentials was not cited as decisive in this regard, despite the major investment made there: in truth however this investment was probably very worthwhile, in the sense that any successful challenge to the science could have brought down the entire edifice. A tentative attack by a "climate-sceptic" blog in early 2010 was quickly confronted and defused.

Second level of impact: the added-value utility for end-users of TEEB's outputs

78. A second level of impact concerns the extent to which the project was found to be helpful in practice for its users. Its outputs have undoubtedly made stakeholders better equipped than they previously were to integrate economics into biodiversity conservation, and to mainstream biodiversity and ecosystems considerations into economics. In terms of the objectives on this therefore, good analyses have been compiled and a credible case has been presented, helping to make the benefits of ecosystems "more visible to economics".
79. The added value of the "credible case" as presented by TEEB appears to owe less to the case (most of which was not new) and more to its credibility. The levels of governmental, intergovernmental and stakeholder backing for the project were decisive in this regard; so as well as raising awareness, it built more consensus and triggered a new willingness to engage with the issues in places where awareness had already been high. At the same time, in a mutually reinforcing way, those in the biodiversity sector who had already been championing the case received a boost to their confidence and to the authority of their arguments.
80. Descriptions of this legitimising benefit have come from national governments (TEEB "adds to a growing and influential body of international evidence on the need to account better for the value of natural capital"); multilateral agreements (TEEB

“has demonstrated the policy usefulness of presenting economic arguments on the value of nature ... [helping to] communicate to some audiences that might otherwise overlook the importance of nature”); business (TEEB “has demonstrated that the loss of natural capital ... has direct and widespread negative effects on financial performance”); and other commentators (TEEB “has given a sense of scale to the economic risk of failing to meet ... commitments to halt the loss of biodiversity”, and “without TEEB, ... businesses and politicians would have greater excuses to ignore the ... support systems underpinning growth”).

81. The project to some extent allowed itself to give mixed messages about whether, in addition to demonstrating the issues, making the case and raising awareness, it was or was not aiming also to providing practical tools and guidance. The evaluation received a mixed picture as to whether audiences had reaped benefits of this kind: some consultees pointed to examples where TEEB was cited as a helpful source of guidance, but a greater number expressed disappointment that TEEB had not offered a “template system” or anything sufficiently accessible or applicable for their purposes in this regard; while some were even reported as feeling that it had failed to grasp the everyday realities of economic decision-making at ground level. The project could probably have managed expectations better on this, and explained its complementarity with other available tools such as the World Business Council for Sustainable Development’s Corporate Ecosystems Valuation Guide. Strong demand now from governments for capacity-building support from TEEB is hard to read in this context: this might be an appeal to make up for a shortfall in what Phase II provided, or it might be enthusiasm for adding further to what has already proved useful.

Third level of impact: changes in behaviour, and in environmental conditions

82. A third and final level of impact can be sought in (attributable) change in behaviour. Adoption of supportive policies is generally treated as evidence of this (although it should more properly be regarded perhaps as an enabling step towards real decisions and actions). In this enabling sense at least there have been good results, with TEEB’s arguments being picked up, incorporated and attributed in policy orientations and project initiatives worldwide.
83. The study outcomes were supportively acknowledged in the G8+ Environment Ministers’ “Carta di Siracusa” on Biodiversity in 2009, in the Leaders’ Declaration from the fifth meeting of the G20 Heads of Government in 2010, and fulsomely in several Decisions of the Biodiversity Convention COP in 2010 (in the latter case reportedly signalling not merely support but a detectable shift in the Parties’ thinking). The extent of interest in initiating “TEEB-style” studies at (for example) national level, among MEAs and in specialist sectors, is another indicator of the extent to which at least the principles espoused by TEEB (if not necessarily different “downstream” decision-making) have been embraced in policy circles (see section 3C of this report). The project’s language is increasingly reflected in Ministerial speeches, in strategic priorities of conservation agencies and NGOs, and in projects such as the World Bank’s “Wealth Accounting and Valuing of Ecosystem Services” project.
84. The European Union’s revised Biodiversity Strategy explicitly picks up TEEB (for example calling for national green accounting), as does the EC’s 2011 draft Resource Efficiency Roadmap. The Global Environment Facility has recently revised its advice and support for Payments for Environmental Services (PES) with reference to TEEB, a move which may come to have a significant influence on the thinking of GEF recipient countries and possibly on donors. The Netherlands Government changed its approach to the use of discount rates in cost-benefit analysis as a result of TEEB, and the Scottish Government has drawn on TEEB in setting strategic research

priorities. TEEB partners PWC have advised German sports clothing company Puma on what it claims is the world's first "environmental profit & loss account". The UK Government White Paper on the Natural Environment in England (2011) commits to "put[ting] natural capital at the centre of economic thinking and at the heart of the way we measure economic progress nationally", and to "expand[ing] markets and schemes in which payments are made by the beneficiary of a natural service to the provider of that service".

85. These developments are all likely to lead to decisions affecting biodiversity and ecosystems being better informed; although it must be said that this picture refers mainly to pro-environment policy arenas rather than sectors such as finance, industry and agriculture. No meaningful assessment of TEEB's impact on citizen or consumer behaviour is available. The key question is whether a better-informed policy and decision-making perspective will shift opinion among sceptics, opponents or competing interests, whether it will lead in practice to any greater *weight* being placed on the conservation and sustainable use of biodiversity and ecosystems, and whether a greater number of decisions will be taken in a direction which favours such conservation and sustainable use. The indications are positive (see next paragraph); but for now this remains in the realm of speculation.

Review of Outcomes to Impacts (ROtI)

86. The ROtI analysis for TEEB is presented in annex 5. Although some elements of the project's chain of causation are open to interpretation, explicit forward linkages to impact are evident, and positive ratings have been given; summarised in Table 3A-1. (The overall rating is probably best viewed as provisional, since this is not strictly a terminal evaluation).

Table 3A-1. Summary of ratings for overall likelihood of project impact achievement
- from Review of Outcomes to Impacts analysis (see annex 5).

Outcomes	Rating	Intermediate states rating	Impact Rating	Overall rating
1. A credible economic case is made for policy-makers, businesses and consumers to conserve, sustainably use and invest in biodiversity and ecosystems	A	A	-	AA = "highly likely"
2. Quality, completeness and relevance of information is improved (synthesised)	A	A		

Efficiency

87. The project generally made good use of synergies; did little abortive work; and was extraordinarily successful in adding to budgeted efforts with substantial leveraged contributions of support in kind. Good use was made of part-time positions and internships, and staff turnover was relatively low. Within the constraints of elements such as programme support costs being fixed by wider UNEP practices, and host government requirements in relation to the Bonn office, spending was well controlled; and the clear extent of overwork by individuals indicates no excessive staffing. (Other comments on budget proportionalities are made in annex 4). Some consultees felt that bureaucratic UN decision-making had a negative impact at times. The Geneva and Bonn offices each perceived inefficiencies in the other, but the likely truth is that running a project through both was the bigger inefficiency (now addressed for Phase III by consolidation in Geneva - see section 3G).

B. Sustainability

88. Sustainability is understood as the probability of continued long-term project-derived results and impacts (not activities) after external project funding and assistance ends. The Review of Outcomes to Impacts technique (ROtI) has particular relevance to this, and a ROtI analysis for TEEB is discussed in annex 5 of this report. Evaluations are asked to address four areas of risk to the persistence of benefits: financial, socio-political, institutional and (if applicable) environmental.
89. If this were a terminal evaluation at the end of the project, this section would discuss what self-sustaining legacy could be expected to continue afterwards, assuming no further project activity takes place (evaluation guidance does not specify any particular time-horizon). Viewed in terms of TEEB “Phase II”, part of the answer to this is apparent (and continuing to become more so, as plans evolve) in the further funding and rolling forward of (different) work into 2012, referred to informally as “Phase III”. To the extent that this continuation concerns activities as opposed to outcomes, aspects of it are more appropriately addressed in section 3C on catalytic role and replication. The distinction however is not clear-cut, as the nature of stakeholder engagement in Phase III in part is an indicator of outcomes and impacts of Phase II. Moreover, at the time of writing, priorities for Phase III are still being elaborated in the context of seeking a good legacy from TEEB. It is appropriate therefore to refer to this here, in combination with a consideration of post-2012 sustainability.

Sustaining the results and impacts of TEEB beyond 2011

90. Sustained results of TEEB would take the form of changed awareness, knowledge and behaviour among decision makers and the public. The intermediate stages between outcomes and impacts therefore revolve around uptake and “mainstreaming” of the information provided and the approaches espoused by the project. Achieving this durably will require **further communication and outreach efforts**; penetrating better among audiences in countries and sectors beyond those reached so far (especially finance and “big spending” ministries, universities etc); and gaining better purchase not only among the as-yet “unaware”, but also among sceptics and the as-yet “unconverted”.
91. The January 2011 communication strategy proposed for Phase III covers aspects of this. Other aspects stressed by evaluation consultees included the need for more case-testing of TEEB methods in new pilot areas, and further targeted “versioning” of the reports for specific sub-audiences.
92. A number of opportunities for promotion of mainstreaming are in view, and activities aimed at these will help to improve sustainability in the longer term. At global level they include discussions on the green economy and global environmental governance at the “Rio+20” UN Earth Summit in June 2012 and the World Conservation Congress in September 2012; although these (like CBD COP11 in October 2012) are fora that remain within the environment sector. It will be particularly important for TEEB and its legacy to feature as a priority in the work of the incipient Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES), which aims to enhance the interface on these issues between technical knowledge and policymaking in all relevant sectors. The achievement of several of the Aichi Biodiversity Targets will need to draw heavily on TEEB information, so they are an important driver for embedding it in policy. Efforts will also be required in fora such as the UN Food & Agriculture Organisation and the World Trade Organisation; and forward links should ultimately be made to the Millennium Development Goals.

93. At national level, with capacity support from the CBD and others, countries are investing in updating National Biodiversity Strategies and Action Plans (NBSAPs) to reflect the Strategic Plan for Biodiversity 2011-2020. The timing of this offers a particular opportunity for embedding the outcomes of TEEB in longer-term national programmes, and outreach efforts in remaining phases should include attention to this.
94. No special targeting of young people or the education sector has featured in TEEB outputs so far, but some of the best prospects for long-term impact may lie there. In September 2011 the School of Forestry and Environmental Studies at Yale University in the US launched a graduate course in the economics of ecosystems and biodiversity, with the TEEB Study Leader leading the course and with several other TEEB authors among the lecturers. Linked support for such efforts elsewhere, and related input to schools curricula, could provide a good catalyst for an eventually self-sustaining legacy from the project.
95. A second area of potential is the provision of **advisory services and capacity support** for international organisations, national governments, local administrations, businesses and community groups who wish to act on economic issues concerning biodiversity and ecosystems in their own sphere. Having hitherto primarily transmitted material from providers to audiences, this would be a shift to a different mode of operation, involving the nurturing of self-driven activity within those audiences. The Phase II Project Document envisaged UNEP Regional Offices undertaking such a role post-project (“to enable countries to operationalise green economies”); but it has been discussed among TEEB stakeholders in recent months as an area of activity for the project itself, in Phase III.
96. No assessment of support needs has been undertaken, but requests are increasingly being received from developed and developing country governments. In one sense this indicates a spontaneous willingness by countries to broaden awareness and application of TEEB methods, which should bode well for sustainability. On the other hand, if it suggests that the TEEB outputs cannot be applied more broadly without central specialist support, that might not bode so well for the self-sustaining impact of the project. The assets created by the project include implied quality standards associated with the “brand”, a community of peers (see below) and an information exchange “hub”; all of which would require active maintenance if they were to contribute to the support being requested. There will also be choices to make about how much “hands-on” individual collaboration is appropriate, as opposed to production of generic guidance and web-based training tools; and how much support could be delivered by loosely-associated partners rather than by a central facility.
97. Interest in extending the suite of “TEEB for...” reports to cover additional sectors or target groups, either in collaboration with the existing UNEP coordination or more independently, has been expressed in relation to water and wetlands (via the Ramsar Convention), migratory species (via the Convention on Migratory Species), protected areas (via the European Union’s “Natura 2000” system), and the development assistance sector.
98. Opinions are divided on the need for **further research** in sustaining the impact of Phase II. Many TEEB collaborators are professional researchers who would continue to pursue their interests in this area if the project ended, which is positive in this sense. Some consultees however spoke of gaps which might not be addressed without additional initiatives (e.g. on employment implications of biodiversity action, and on links between biodiversity conservation and international trade policy). Some felt that strategic research agendas (e.g on valuation) needed guiding, while others suggested that foundations should be laid for a TEEB studies update, say after 5

years. TEEB partner UFZ is to host a conference in Germany in March 2012 which will explore these issues, so some follow-through on this is assured.

99. TEEB is bequeathing considerable “social capital” through the collaborations and networks it has generated. The current evolution of its infrastructure and dispersal of writing teams however makes it vulnerable at present to the risk of losing momentum and fracturing continuity. An investment in **servicing network connections** is therefore possibly overdue, and in any event is probably a useful direction for the future. New “facilitatory” functions for a secretariat, acting for a community of stakeholders in follow-up or TEEB-inspired initiatives would seem a logical step. Other self-sustaining networks exist in this subject-area, but TEEB’s particular cross-sectoral engagement of government, NGO, academic and private sector stakeholders could add unique value. Satellite networks, such as the proposed TEEB Business Coalition (another indicator of external interest in maintaining follow-through) would be linked in a coordinated way. TEEB might then be properly wound down as a properly time-bound “project”, but would be succeeded by an initiative, programme, centre, partnership, platform or other entity embodying this “facilitated network” concept.

Risk factors: sociopolitical

100. Much of the positive uptake of TEEB so far has been in terms of awareness and acceptance of the theoretical case being made. A durable shift in mindsets and resulting behaviours is harder to discern, and is likely to come at least as much from greater uptake in future of TEEB’s case study material as from its conceptual arguments. Risks of interrupted momentum have been mentioned above, but it must be noted that the energetic external ambassadorial work of the TEEB Study Leader continues seamlessly onwards, with no impression being given of a “task completed”: this is helping to foster a sense of motivation to continue. A lesson learned from the Millennium Ecosystem Assessment was that “post-delivery” outreach is key, as it takes time for audiences to work with what they have been given. Another risk is that the results of TEEB will travel no further than biodiversity-related constituencies. Efforts must be made (perhaps by returning to the G8+5 forum which gave birth to the project) to secure formal adoption by bodies that have broader mandates, particularly finance ministries. Other risks include reputation-risks from tailed-off maintenance of websites/social media, and supply of materials being mis-matched to demand as a result of inadequate user needs analyses. Moving to a “networking” or “facilitation” type of function will require not only an explicit shift in direction but also a different set of skills and systems: it is harder to achieve this as an evolution from an existing project than as a “fresh start”, so risks in this respect will need managing too.

Risk factors: financial

101. Some funding has already been received to support “Phase III” activities to mid-2012. This shows that TEEB continues to be regarded as a bankable prospect, but also underlines the fact that its continued operation is very dependent on external funding. As reported in annex 4, enthusiasm to participate led to most Phase II collaborators delivering far beyond their contracted terms, but at least one major one has decided that it cannot afford to be similarly generous in future phases, and its unpaid support would therefore reduce. It should also be noted that servicing a plethora of national activities and capacity needs could risk investment being spread too thinly for cost-effective impact; and a decentralised “facilitating agency” function could lose the economies of scale achieved by more centralised channelling of TEEB-relevant funds.

Risk factors: institutional

102. The first risk here is potential lack of clarity as to what “TEEB” represents and how the authority of the “brand” should be protected. The second is the challenge of balancing a “distributed” “open-source” operational model with the irreducible minimum need for direction, coordination, governance, network servicing, mediation of different views/difficult decisions and an inspirational unifying identity, all of which require a certain amount of centralised bureaucracy. A different mode of operation in future will require revised performance evaluation parameters too.

Risk factors: environmental

103. Environmental risk refers to factors in the physical environment which could jeopardise future flows of benefits from the project, and is mainly relevant to UNEP projects that may for example involve on-ground habitat management. In relation to the TEEB project there are considered to be no risks of this kind. If anything, the increased uncertainties associated with current environmental change phenomena strengthen the case for sustained interest in making good use of TEEB.

C. Catalytic role and replication

104. UNEP seeks to support activities which are innovative and lead to take-up by others, broadening ultimate impacts. The criteria by which this is evaluated are given in annex 1. A central purpose of TEEB is to catalyse changed behaviour by decision makers and others, by making economic perspectives and analysis methods more available, such that better measurement enables better management. The approach and methods developed by TEEB are already beginning to be replicated, and the project has contributed to a strengthening of the “enabling environment” that helps these benefits to be broadened and sustained in the longer term. The full extent of this will be better judged at some later date; but the analysis in annex 5 of the present report helps with anticipating what is likely.
105. Planned co-financing is excluded from the definition of catalytic effects in this context and is covered instead in section 3H and annex 4. The project may however be considered to have been catalytic in financial terms beyond this, in terms of its leveraging of successive additional tranches of funding from various quarters during Phase II, and Phase II’s catalysing of funding for Phase III; which together increased the budget by almost 100%. Linked initiatives by others, such as the Yale University graduate course (see section 3B) and the replication examples mentioned below, represent major additional catalysed investments.
106. Replication concerns project lessons and experiences that are replicated or scaled up in the design and implementation of other projects or initiatives. This was an explicit aim of TEEB’s communication effort, and good results are already apparent. A number of assessments modelled on TEEB have been initiated by national governments in 2011, in Brazil, Germany, India and Norway, while South Africa plans to do the same. France undertook a study in parallel with the development of TEEB guidance (i.e. not strictly as a consequence of it). The UK is undertaking case studies to apply TEEB principles to its strategic biodiversity plans, and Scotland’s government conservation agency cites TEEB as the stimulus for the development of its pioneering national Natural Capital Asset Index. At regional level (in the supra-national sense) the Nordic Council has established a TEEB platform for Nordic countries, and the European Commission is preparing EU-wide work.
107. Examples of plans for replication by interests at local level have been recorded in relation to five state governments in Brazil and a protected area in Germany. A related initiative based on a wetland programme in Canada was not directly

stimulated by TEEB, but is now seeking input from it. The TEEB Manual for Cities, produced by ICLEI - Local Governments for Sustainability in 2011, began as an initiative from this constituency who saw a need for an additional tailored product: to that extent it can be counted as replication, although it ultimately became adopted and funded as part of the TEEB project itself.

108. In the business sector, the World Business Council for Sustainable Development produced a report in 2010 on biodiversity policy and regulation, described as a “comprehensive business response to TEEB”; and followed this up in 2011 with a Corporate Ecosystems Valuation Guide, which operationalises TEEB recommendations for application by companies, and includes case studies of companies that have “road-tested” the approach. The organisation Business for Social Responsibility has also issued relevant material. Brazilian enterprises are producing their own “TEEB for Business” study, similar initiatives have been launched in Denmark, Finland and Sweden, and the Institute of Chartered Accountants in England & Wales (with others) has formed a “TEEB for Business Coalition”.
109. Finally, at global level, the on-going World Bank project “Wealth Accounting and Valuing of Ecosystem Services” (WAVES) builds explicitly on TEEB; the Convention on Wetlands (Ramsar Convention) has proposed a “TEEB for Water and Wetlands” study; the Convention on Migratory Species has expressed analogous interest; and the UN Convention to Combat Desertification has embarked on an “Economics of Land Degradation” initiative which, although not branded as a TEEB replicant, is nonetheless drawing on the project’s experience.

D. Preparation and readiness

110. As discussed elsewhere in this report, TEEB was an already-existing project when UNEP became involved; and different phases have grown somewhat organically out of each other. A UNEP “preparation and readiness” rating can therefore not be evaluated in relation to a single start-point quite in the way that it might with some other projects.
111. The scope of Phase II was already defined in the main report from Phase I. The timeframe was linked to the external milestone of CBD COP10 as a platform for showcasing findings. This set the delivery expectations at an ambitious level, even when the original COP date was put back by a few months. The ambition was not unrealistic in itself, but its achievement relied very heavily on additional “good will” investments of time and energy by staff, partners and collaborators, beyond what they were strictly programmed to deliver.
112. General objectives and assumptions at the inception of Phase II were reasonably clearly framed. There was vagueness in some areas however, and for example an early debate on whether to take an approach that focused mainly on “breadth” or “depth” (in the studies) was seemingly never resolved. The setting of performance indicators was not very coherent (see section 3J of this report).
113. The sign-off process for the Phase II Project Document included input from UNEP’s Project Approval Group; relationships with the UNEP Green Economy Initiative were considered (see section 3K of this report); lessons from previous experiences e.g. with the Millennium Ecosystem Assessment were also considered (see section 1); and a range of UNEP departments were lined up to contribute (section 3K). Funding and budgets were satisfactorily in place (section 3H and annex 4). Roles and

responsibilities were reasonably clear, although the rationale for appointment of institutional providers could have been more transparent, and some rules of engagement (such as the use of logos on reports) were only worked out later in the project (see section 3G).

114. A clear preparation weakness, particularly for a project so focused on communication tailored to end-users, was the lack of any user needs assessments or opinion/attitude surveys. Information from these would have provided a useful form of assurance for making and judging the cost-effectiveness of strategic choices about targeting of outputs; and would have been useful intelligence for monitoring and evaluation. In fact no descriptions of baseline states or assumed “without-project” trajectories (against which progress can be assessed) are given in the Project Document (see section 3J of the present report).
115. Another obvious preparation necessity for such a project is a communication strategy. Some evaluation discussions referred to a 150-page TEEB communications document produced by an external consultancy, but according to the coordination office this was an unofficial scoping study which had not been commissioned by TEEB and was not used for the strategy. Some reports to funders seen by the evaluation referred to an appended communication strategy, but those appendices were not seen. The evaluation was provided with two powerpoint presentations which had been given to the TEEB Advisory Board, in July 2009 and (revised) in April 2010; and it appears that these constitute the communication strategy for Phase II of the project. A separate, fuller document presents proposals for communication and outreach during April 2011 to October 2012 (i.e. essentially Phase “III”). The two presentations list communication tools, target audiences, activities and partners in a logical way, but they are rather skeletal to stand as a strategy, for example containing no real reasoning behind the choices and priorities involved. Of greater concern is the timing of their emergence. A communications professional was engaged by the project in March 2009, when some of the communications direction (and aspects such as the logo) had already been set (in Phase I). The first of the two Board presentations occurred 9 months in to the project. Not until the second (18 months in) were communication objectives stated; and not until the Phase III proposals (drafted 26 months in) were performance indicators brought to the Board.

E. Stakeholder participation and public awareness

116. The process of undertaking the TEEB studies and generating the project products was characterised, perhaps above all, by its breadth of stakeholder engagement. Over 500 professionals from around the world participated in the development of the various reports, and a wide circle of consultees was involved in peer-review of drafts. The core teams met face to face in writing workshops.
117. While obviously a range of perspectives featured in this and there was much cause for technical debate, consultees in the present evaluation generally spoke warmly about the collegiate team spirit that attended this process, with workload being shared appropriately, genuine engagement taking place and a focus being maintained on practical utility of products for end-users, rather than just intellectual advance. Atypically, some of the project’s funders were also actively involved in delivery of the work, giving them a “dual stake” in its success.
118. This multi-stakeholder model posed some coordination challenges, which are discussed in section 3G of this report. It is however also credited with being the key to the purchase TEEB had with some of its target audiences. It helped to make a reality of the “independent” status of the project, which in turn allowed various

partners to feel more of a sense of shared ownership. The comment which arose in discussion of the use of the “brand”, covered in section 3A, that “everyone thinks they own TEEB”, is positive in this sense. This was supported for example by decisions not to use institutional logos (including UNEP’s) on the reports, which made it easier for some partners to engage.

119. This approach also helped to capitalise on the complementary strengths of UN affiliation on the one hand, and involvement of practitioners (e.g. certain industry sectors) on the other, each helping the project to appeal to different audiences. There had initially been some wariness on the part of governmental funders about this, but the project’s inclusiveness is now cited in most quarters as one of its strengths.
120. One legacy of the project appears to be the creation of a degree of new “social capital”, in the form of better mutual understanding and new connections among individuals in different spheres of work who were brought into contact for the first time as stakeholders in TEEB. Whether or not this is likely to persist is an issue discussed in section 3B.
121. The Advisory Board was one key formal focus for stakeholder input, and its balance of representation and levels of engagement are discussed further in section 3G. An important point to echo here is that a spread of opinions was represented on the Board, and it contributed much constructive challenge rather than merely automatic endorsement. This level of internal testing strengthened the ultimate stakeholder appeal of TEEB’s outputs.
122. Communication and awareness was a primary purpose of the project, and as such is discussed in section 3A of this report rather than here. Reference is made to the structural approach of TEEB having been organised from an early stage according to defined target audiences, including at national and sub-national level, and the project is to be commended on this. Major efforts were made to reach non-technical “wider public” audiences through the “TEEB for Citizens” deliverable D4: the impact of this is not easy to judge, but it generated some good participation in interactive elements such as submission of videos. Uptake in the media has been good. Penetration beyond already sympathetic “biodiversity” constituencies remains a challenge, but there is evidence of progress for example in some business sectors.
123. Securing a global balance of engagement was also challenging, but efforts were made to enlist input from different parts of the world, to compile a spread of case studies and to translate reports into different languages. Comments on this are made in sections 3A and 3C. Although data on press coverage and website visits was collected, the lack of any systematic assessment of user needs and opinions was a weakness, discussed further in section 3J.

F. Country ownership and drivenness

124. UNEP-supported projects seek to be relevant to national development and environmental agendas, and to international agreements between countries on these agendas. The evaluation is therefore asked to assess the level of country ownership of the project, and specifically whether it has been effective in providing and communicating information on the economics of ecosystems and biodiversity that catalysed action to improve relevant decisions. It is also asked to assess the level of country commitment to the generation and use of relevant research, during and after the project.
125. As described in section 1 of this report, TEEB had its origins in an initiative of the European Commission and the federal government of Germany, and was launched after being endorsed by the leaders of the G8+5 countries at their summit in

Heiligendamm in 2007. It was politically situated in the “Potsdam Initiative” for biodiversity, created by the G8+5 Environment Ministers at their meeting in Potsdam earlier the same year. The project ran on this basis for a year before UNEP became involved, and in this sense therefore can be regarded as definitively “country-driven” at the start.

126. Also prior to UNEP’s involvement, the Contracting Parties to the Convention on Biological Diversity welcomed the TEEB study in Decision IX/6 of the 9th meeting of their Conference (COP9) in May 2008, in the context of their commitment in the same Decision to put more emphasis on, *inter alia*, “the assessment of the values of biodiversity and associated ecosystem services”, and on “studies on approaches to develop markets and payment schemes for ecosystem services”. The project may therefore be seen as part of a response to a consensus expression of shared priorities among a majority of countries in the world. Moreover, a high-level ministerial segment at the same conference welcomed the TEEB Interim Report, and emphasised the need for further work on “the global economic benefit of biological diversity and its ecosystem goods and services, the costs of the loss of biodiversity and the failure to take protective measures versus the cost of effective conservation”, to be presented to COP10 and to the UN. On the basis of these expressions of demand for TEEB’s work, “country ownership” of the project would be seen as high.
127. Several individual countries have invested significantly in TEEB, with support in kind as well as funding. Some evaluation consultees saw the project as having an imbalance towards Europe and developed countries in this respect. UNEP’s involvement from 2008 onwards helped to an extent to redress perceptions of global imbalance (although ironically creating at the same time a common misperception in some quarters that it was a “UN project” and remote from country priorities).
128. Good efforts were made to deliver products designed to meet country-level needs, for example with the specific reports targeted at national, local and regional policymakers, and the investment in language translations of written material.
129. UNEP approval of the project was on the basis that while global in scope it would include “at least ten country studies both to strengthen the global messages and to establish country-level relevance”. Over 80 summary case examples from around the world can be accessed via the TEEB website, but perhaps more relevant are the national and regional-level assessments of the economics of biodiversity and ecosystems which have recently begun to develop in a number of countries. These are more in the nature of spin-off initiatives catalysed by TEEB (see section 3C of this report) than components of the project itself, but the connection is explicit: this therefore constitutes another indicator of good country ownership, at least in respect of the modest number of countries involved so far.

G. Implementation approach and adaptive management

130. This section focuses on the management of the project and its responsiveness to events. Some relevant aspects are also covered in sections 3H (financial management), 3I (UNEP supervision) and 3J (monitoring and evaluation). The structures discussed here relate to the project phases that began in October 2008: arrangements prior to that were different.

Organisational structure

131. TEEB Phase II was managed by a Secretariat housed in an office in Bonn, facilitated by the German Federal Ministry for Environment, Nature Conservation and Nuclear Safety (BMU). The scientific coordination role was undertaken by a team in the

Helmholtz Centre for Environmental Research (UFZ), based in Leipzig. At the transition from Phase II to Phase III in 2011 the Bonn office was closed and administration also passed to ETB.

132. Development of the various studies (referred to in TEEB parlance as the “deliverables” or “Ds”) was undertaken by teams composed of coordinators, “core teams” (lead authors and advisors) and other contributors (contributing authors and reviewers). Guidance was provided by a “Coordination Group” involving funder representatives, scientific coordination representatives and senior Secretariat staff; and strategic oversight was provided by an Advisory Board.

The Secretariat

133. The Bonn office consisted of an office manager and communications officer, supported later (in 2010) by a coordinator in ETB and a communications assistant. Several evaluation consultees commented on the small size of the Secretariat for the task, the intense pressures it experienced, and the frequent need for staff to work beyond their formal remit. Up to five interns supported the Bonn office, with up to another five in Leipzig, and support on some tasks was given by UNEP, for example in regional offices. Overall however, many felt that staff resources were less than they should have been. This may have been partly due to under-budgeting at the start; but probably owes more to the burgeoning of the project’s ambition as time went on. Views differed on whether public relations and design work should have been contracted out, but with the help of different UNEP offices an adequate job was done (more cheaply) in-house.
134. At least some individuals overworked to a point just short of burnout: staff retention however was good, and levels of dedication reportedly very high. While this is of course commendable, it can sometimes allow governance and senior management to misperceive the underlying stresses. In TEEB’s case it seems that awareness at those levels was reasonably good: more of an issue perhaps was the near-universal sense of urgency to capitalise on opportunities.
135. The geographical split between Bonn, Leipzig and later Geneva reportedly posed no problems, and the personnel involved were skilled in such transboundary operations. Differences between the “working cultures” of the offices were more significant: marrying UNEP’s system to a new Bonn office was not without its tensions, and non-UN personnel needed more support in navigating the bureaucracy than would have been the case with an entirely internally-run UNEP project. Bringing UNEP in to the pre-existing TEEB mix, and later transferring line management to ETB, needed all the more sensitive handling because it had to be “hands-on” in this way. The Bonn staff were often frustrated by what they felt to be slow and tortuous administrative decision-making, e.g. on expenditure on external communications, when rapid adaptive responses were required. UNEP’s procurement tendering requirements were seen as over-engineered, and one consultee suggested that a “preferred supplier roster” could help to streamline this.
136. 3G.7 The project Coordinator had a line-management relationship to the ETB Chief and also a reporting-line to the TEEB Study Leader. No specific problem of “serving two masters” was cited, but in principle this added an inherent risk in the management structure.
137. The Bonn office was closed in June 2011 as part of the transition to Phase III: UNEP felt that the multi-office complexities had become too inefficient, so moved to consolidate TEEB’s administration within ETB’s offices in Geneva (possibly also to cement stronger linkage with other UNEP initiatives - see section 3K). BMU would have preferred to keep Bonn open until at least the end of 2011, and there is a

suggestion that the consultation and decision-making on this could have been better handled. The Bonn staff did not wish to relocate, and a round of recruitment in Geneva was said by some to have created a short discontinuity in network maintenance etc. at a critical time; but it is too soon to judge whether this will have any lasting impact. Politically and financially the German investment in the Bonn office represents a major enabling contribution to TEEB; but institutionally the stresses of managing the project through these two diverse offices were perhaps inevitable, and it may have been asking a lot of the new office simply to “plug in” to running a project through the UN system in this way.

138. Scientific coordination was undertaken by a dedicated team in UFZ. This team also assisted with more general Secretariat functions as well as providing coordination for the “D2” report. The contracted role included conceptualisation, design, planning, evidence-gathering, technical consultation and quality assurance of TEEB outputs. Peer-review of draft products is critical to the credibility of projects such as TEEB, and evaluation consultees tended to feel that this had been comprehensively provided for, including adequate inputs from sceptics and challengers. While UFZ devised some parameters for it, the reviewing itself was mainly the responsibility of the individual D coordinators and lead authors. There was/is less clarity about quality assurance processes for additional initiatives that were/are more or less loosely affiliated to TEEB, such as the “TEEB for Cities” report (see section 3C).
139. Some evaluation consultees expressed vague criticisms about instances of lower competence and instances of top-level management deficiency; but there was unanimity about the high-octane spirit of motivation in the team, and the helpfulness, patience and stamina of individual members. There was high praise also for the driven, businesslike focus on results; despite (as some saw it) the “ponderous” UN operating environment.

The Core Teams

140. The Core Teams of authors/editors for the report-based deliverables (D0-D3) were each led by a coordinator, generally contracted in phases according to tranches of donor funding. This provided an appropriate model, and the teams brought together a dynamic mix of players which strengthened the buy-in and legitimacy of the work. The teams operated with a degree of autonomy which one or two consultees felt bordered on a lack of cohesiveness and unevenness of standards; traded-off against the ability to deliver promptly and to enlist contributor engagement in a variety of ways. There was nonetheless good liaison between the coordinators, who held weekly conference calls including the Study Leader and UFZ. The work done by these teams included a very large component of *pro bono* time on the part of many individuals and institutions (see also annex 4), including the Institute for European Environmental Policy (IEEP), the Indian Institute of Technology, Bombay (IITB), the International Union for Conservation of Nature (IUCN), and the University of Liverpool: an approach which can only ever be sustained for a limited period.

The Coordination Group

141. The Coordination Group included the principal project funders (and thus it expanded over time), the Study Leader, Secretariat staff and UFZ. It gave very regular hands-on operational guidance, via weekly conference-calls (moving to fortnightly in 2011). This was an ambitious and atypical level of engagement to aim for, but was widely regarded as a successful strength of the project’s management. The considerable investment of time and effort in maintaining this discipline appeared to pay dividends in terms of iterative fine-tuning (important with evolving/novel issues) and stakeholder connectedness. Consultees praised the Group’s vibrancy, constructive commitment and collegiate spirit. Good continuity of membership during the project

also helped. It reportedly became more focused and outcome-oriented as it matured (implying an earlier looseness). Any audit-trail of decision-making appears to lie in ad hoc emails (the evaluator was due to see a sample of these but it did not materialise).

The Advisory Board

142. The 15-person Advisory Board was established at the end of TEEB Phase I, and began its guidance and oversight role at COP 9, meeting on 9 occasions during Phase II. Membership included economists and conservationists, among them the UNEP Executive Director and the CBD Executive Secretary. Consultees were complimentary about its wisdom, helpfulness, and ability to offer penetrating challenge on the project's theoretical rigour (members had been selected so as not to represent only one viewpoint). Its role varied somewhat according to need: adaptability is an asset, but there is some concern about the vagueness of the Board's terms of reference. Project documents made available to the evaluation fail to reveal any formal definition of the Board's role, the scope of its decision-making authority, its ability to delegate or the basis for appointments. For such a key component of TEEB's structure and direction, this is a weakness in the project's system for assurance on control, risk management and governance. (This is apparently being tightened up for Phase III). Minutes refer to an "ambassadorial" role for Board members on behalf of TEEB, and several of them represented TEEB at international events and helped to raise awareness of the project.

The Study Leader

143. Evaluations ordinarily would avoid commenting on the contribution of identified individuals, but in the case of TEEB, the appointment of a "figurehead" personality to lead the project's delivery and provide high-level external advocacy makes this one exception necessary. After considering several candidates at the start of Phase I, TEEB's founders (EC and BMU) appointed Pavan Sukhdev as Study Leader. (For Phase III, which is more about outreach than new studies, the position is re-titled "Chair of the Advisory Board"). In addition to his professional standing (which enhanced TEEB's credibility in the finance/business community in particular), as a senior international banker and the Founder-Director of an NGO-led green accounting initiative in India, Mr Sukhdev reflected TEEB's "independent" status, and helped to counterbalance its otherwise rather "Eurocentric" image.
144. The appointment was made as a P6/D1 half time staff position in UNEP. Direct supervision was low-key, and while formally there was a line-management relationship to the UNEP-DTIE Director, at the same time there was a direct link to the UNEP Executive Director. This, together with the issues raised above about the remit of the Advisory Board, creates some risk of insufficient clarity about the chain of authority and the locus for arbitration on "big decisions". Had there been major crises to resolve, this could have been problematic.
145. The roles of external champion and internal team director, when combined in one person, can be expected to compete for priority at times. According to several consultees, in TEEB's case it was the internal management that suffered. Availability to staff, decision-making on team appointments, having time to give credit where it is due and to be aware of the effects of accumulating pressures, were all cited as areas that would repay future attention.
146. The corollary was a unanimous tribute, internally and externally, for the impact achieved by the Study Leader as a charismatic and authoritative communicator; which was cited by one consultee as TEEB's greatest strength (although the same consultee questioned the wisdom of having only one such high-profile champion).

There was high praise for the economic astuteness brought to bear on this (while highlighting that support from others was required on the science), and for the dogged willingness to challenge and transcend entrenched attitudes. It is notable too that following the publication of the studies and the closure of Phase II, the Study Leader's evangelical zeal to promote TEEB's messages remains undimmed: too many projects wind down their outreach at just this most crucial moment, and TEEB is to be commended for persisting in this way to consolidate the gains it has made.

Other management issues

147. TEEB had a distinctive structure, with a central leader and administration yet much of the content being generated by self-organising networks of authors, editors and reviewers, guided by several coordination entities. A strong sense of mandate, purpose and timeliness of the project led partners in this network to feel connected by shared motivation, and many consultees remarked on the culture of community and "open ownership" that was fostered both by this structure and by the general open and interactive style of management. Despite intense pressures and the quantities of unpaid time required, loyalties remained strong.
148. Notwithstanding the complexities of managing through a combination of UN and non-UN entities, and some sensitivity about the exact role of UNEP, consultees on all sides spoke of the advantages of having the combination of the influence, global reach and institutional capabilities brought by UNEP, as well as the breadth of partner engagement, operational flexibility and political neutrality brought by the project's independent status.
149. Risk assessment and contingency planning did not appear to be systematically built-in, to any great extent; but responsiveness to the unexpected in practice was good, thanks to the generally adaptive climate that prevailed. The main need in this respect related to the several budget revisions that were occasioned by successes in leveraging co-finance. There were some weaknesses in the monitoring and evaluation regime, which are discussed in section 3J. Given TEEB's complex architecture it could have been worth giving more attention to risk-preparedness on Intellectual Property Rights: contract examples seen by the evaluation refer merely to "consulting as appropriate" on IPR, which seems inadequate; and difficulties were experienced with music rights in relation to the D4 video competition.
150. One or two consultees with several roles in TEEB took the view that the project's governance was potentially too complex and had some weaknesses, and that if the project were being done again this aspect should be designed differently, including having greater representation from the business sector. Between the high-level occasional Advisory Board process and the Coordination Group process there was seen to be a gap in relation to on-going consistent intellectual leadership (as opposed to coordination, or advice), across the Deliverables; both to provide a governance context for the Study Leader's contribution on this in terms of the economics, and to strengthen it in terms of the science.

H. Financial planning and management

151. Annex 4 presents a summary of financial information for the TEEB project, including data on co-financing and on overall expenditure broken down by project activity type. Figures from July 2011 have been used, and have been related to the draft 5th budget revision which was in preparation at that time. UNEP contributed staff time and other in-kind support but no cash funding, so the "co-financing" category in fact accounts for the whole of the project's cash income. The draft 5th budget revision

quotes this income as \$5,921,487, while expenditure totals \$5,248,102, a difference of \$673,385. It is however not possible to conclude from this simply that the project has “underspent”, since its budget has consisted of a constantly moving window, which was moreover in the process of continuing to evolve during the time of the present evaluation. The difference may partially owe something to unsynchronised reconciliations of income and expenditure. With the data available it is difficult to make further comment on this aspect.

152. Total co-financing pledged for the project overall, including “Phase III” activities extending into 2012, stood at \$6,221,978 in July 2011. This is nearly twice the budget quoted at the beginning of “Phase II” in 2008, showing the success achieved by TEEB in leveraging additional support in a relatively short time. As discussed in section 3C of this report there has been significant attributable leveraging of investment beyond the project itself too, in respect of national assessments, conferences and other activities. Unfortunately no data on the amounts involved have been available to report here.
153. More notably absent from the finance data are any details of the value of direct in-kind contributions. One figure of \$620,000 was cited in the September 2008 Project Document as the in-kind (largely staff time) contribution from UNEP (across nine UNEP Divisions/initiatives). Such a figure would doubtless have changed many times subsequently with successive updates to the project; and this dimension remains otherwise unquantified. Since a characteristic of the project as a whole (on which many consultees remarked) was the extraordinary level of in-kind support which it managed to leverage, this is unfortunate. Annex 4 reports some anecdotal information obtained by the evaluation on a few examples, typically estimating that true inputs exceeded contracted inputs by approximately 100%.
154. It would have been illuminating for the evaluation to be able to compare actual expenditure on certain project components with the expectations and provisions for those components in early budgets. Constraints on time, and data, and the iterative revisions of the project’s financing plans have largely made this unrealistic. There will be several such figures for each component at different times over the project’s history. The reasons in each case will often include the arrival of extra approved income and approval of updated expenditure, as opposed to accidental overspends, so it is not easy to see where any such accidental overspends (or underspends) may have occurred.
155. In terms of managing provision to meet requirements, the project has been in the fortunate position of having a progressively expanding budget to work with. At the same time the repeated budget revisions have added a layer of complexity to the accounting process, including changes to timeframes and adjustments for fluctuating currency exchange-rates, as well as revising the matrix of individual budget-lines. The exchange-rate issue needs to be taken into account in particular in matching figures from different source documents, since not all inputs and outputs will look the same at different times of presenting budgets. It also accounted for some appreciable losses, which had it not been for the overall net increase in the budget due to expanding contributions, would have impacted on delivery.
156. Some evaluation consultees remarked on the slowness, complexity and (to their eyes) resulting inflexibility of UNEP financial management processes. Partners with different institutional backgrounds will inevitably see these things differently, but since some of these comments came from individuals who themselves operate within large bureaucracies, they may have some substance. If on the other hand they misperceive the truth of UNEP’s processes, then transparency of those processes may be an issue. Budget revisions included the roll-forward of a portion of the sums

budgeted for 2008, 2009 and 2010 into subsequent years due to delays in getting work started, which may be linked to this.

157. On the other hand there are aspects of TEEB's financial management which have been relatively flexible. Although some of the funders' contributions were provided under tightly-specified contractual conditions, others were made by means of a simple exchange of letters with minimal stipulations, and a creative solution was found in one case where the government concerned had already exceeded its limit for contributing to UNEP for the year concerned (see annex 4). A few contributions were tied to particular activity areas, but most were unrestricted. These factors helped significantly to simplify the management process. In principle they increased the risks for control and audit, but this was presumably judged to be balanced by the high levels of trust that existed between the funders concerned and UNEP.
158. Study coordinators were engaged under contracts let by UNEP, and contract examples examined by the evaluation included appropriate safeguards in the form of clauses for phased payments linked to delivery, return of unspent funds (with the contractee bearing the risk of exchange-rate consequences of any delay in doing so), submission by the contractee of certified financial reports, etc. Simplification featured here too however, in that such providers were appointed without a competitive tendering process, an approach which accepts a degree of elevated financial management risk in terms of assuring value for money.
159. It is not clear to what extent financial management and auditing processes were risk-based, in the sense of being linked to systematic organisational risk assessments. System controls and safeguards against fraud and error (such as segregation of duties, audit checks, cross-checking, authorisation and sign-off processes) appeared to be in place - not specifically instituted for TEEB, but pre-existing as part of accounting procedures in UNEP at a broader programme or department level. One financial audit of the Division hosting TEEB (DTIE) was completed during the time of the project, but it did not look specifically at TEEB. Day-to-day accounting appears to have been skilfully handled, although the evaluation became aware of some errors in early documents (when different personnel were involved).
160. Apart from these internal UNEP processes, and some post-hoc reporting to funders, there appears to have been no systematic financial oversight or accounting assurance built in to the governance structures of the project (see section 3G for details). The Advisory Board seems to have had no role in this - its judgements as to fitness for purpose of different activity areas, and on strategic course adjustments, were not linked in governance decision-making terms with the successive formal revisions to the budget. The Coordination Group included representation from key funders, but it is not apparent from materials made available to the evaluation that this Group played any part in financial oversight either.
161. Some questions concerning proportionality of allocations to different budget lines are alluded to in annex 4, but there is no good basis for the evaluation to draw conclusions on this. The ultimate cost-effectiveness of the different areas of expenditure may best be judged at a later date when the full uptake and impact of Phase II and realisation of Phase III can be assessed. In any event the present evaluation cannot serve as a value-for-money assessment (which would require a specialist audit).
162. Overall, while the basic funding structure of TEEB was straightforward, its financial management has been complicated by the need to revise the budget several times, though for the happy reason that the project was extraordinarily successful in leveraging higher than expected co-financing. The lack of quantification of support in kind however leaves a gap in the reported picture. There were apparent gaps in

governance oversight too, which under different circumstances (less cooperation, less funding) could well have been problematic.

I. UNEP supervision and backstopping

163. UNEP became involved in TEEB in 2008 as “host” for the independent study and a partner in its delivery, and not as a funder or in a “supervisory” position in the sense that would be more normally contemplated by this section of a project evaluation. Nonetheless there are several UNEP functions which are relevant here.
164. The first is UNEP’s provision of Secretariat oversight and financial management functions for the project, through the Economics and Trade Branch (ETB) of the Division of Technology, Industry & Economics (DTIE). In the latter stages of Phase II this role grew, providing greater support to the work of the Bonn-based TEEB administration and communications office, and ultimately taking over those functions when that office closed in June 2011. To the extent that this in general terms constitutes “supervision” of the project and of the activities of its various core delivery teams and collaborating partners (including financial aspects), it is covered in sections 3G (Implementation approach and adaptive management) and 3H (Financial planning and management) of this report rather than here.
165. Some members of those teams and partners commented to the evaluation on the conduct of this UNEP role, and although covered in section 3G, it may just be worth mentioning here that while the general tenor of this was positive in terms of dedication, effort and personal rapport, there was a specific criticism that institutional gratitude for the efforts of partners was not very forthcoming, and a general criticism that adding UNEP “bureaucracy” into the mix had a complicating and slowing effect.
166. Within UNEP itself, internal supervision of the Secretariat and financial management function was undertaken through normal work programming and staff line-management processes within ETB and DTIE. The evaluation was given to understand that for this reason, no separately-documented audit-trail of TEEB supervision progress-reporting and related decisions can be examined, and no “Supervision Plan”, “Activity Reports” or “Project Implementation Reports” (or ratings) were compiled. These matters were instead addressed by means of ad hoc daily email exchanges, and were recorded in the in-house electronic IMIS system usually as part of information on broader suites of programme activities, rather than specifically for TEEB. Other aspects of monitoring are covered in section 3J of this report.
167. The second role relates to the appointment of the Study Leader as a P6/D1 staff position in UNEP. This was logical as part of a “hosting” arrangement, but needed enlightened handling given the “independent” status of the project. Formally there was a necessary line-management relationship to the DTIE Director, but at the same time also an informal direct link to the UNEP Executive Director. Similarly the TEEB Coordinator had both a line-management relationship to the ETB Chief and a reporting-line to the TEEB Study Leader. Other than a general added complexity, no specific problems of “serving two masters” was cited in relation to these situations, but in principle they increased inherent risks in the management structure.
168. Finally, a number of Divisions, offices and initiatives of UNEP were identified as playing a role in providing technical and policy guidance to the project, and in facilitating links to other organisations and strands of work. The Division of Environmental Policy Implementation (DEPI) was named in particular because of its role in following up the Millennium Ecosystem Assessment. The Division of

Regional Cooperation and the Regional Offices made an input to regional/national capacity-building aspects, and the Division of Communications and Public Information was supportive on communications and outreach. Project documents also mentioned the Divisions of Early Warning and Assessment (DEWA), Environmental Law and Conventions (DELC) and Global Environment Facility Coordination (DGEF), but the evaluation has no information on any specific contributions made by them. (Complementarity with UNEP programmes is discussed further in section 3K).

J. Monitoring and evaluation

169. The Terms of Reference for evaluating the project's monitoring and evaluation (M&E) regime are given in annex 1. Evaluations are asked to assess the quality, application and effectiveness of this regime, against a background of any risks and assumptions identified in the project documents. Ratings are required for M&E design, M&E plan implementation, and budgeting for M&E activities.

M&E design

170. The principal Project Document for TEEB Phase II contains a section on "Monitoring and Reporting" which indicates that project monitoring will be carried out by the project manager, with partners being "requested to provide feedback and advice as appropriate". Reporting is proposed to include progress reports to funders, twice-yearly activity reports containing unspecified "monitoring and evaluation information on the project's component activities", and financial reports.
171. The project logframe gives four indicators for its expected results, based on relevant intentions being expressed in response to TEEB by its four main target audiences. The indicators are quantified, relevant, and ambitious while not in principle unattainable. "Expressing interest" and "declaring intentions" are however rather weak indications of impact; there could be some difficulty in measuring consumer groups' declared "intention to support biodiversity conservation", and no timeframes are specified; all of which means that the indicators are not fully "SMART" in the expected sense.
172. The project document supplement and third budget revision, in April and June 2010 respectively, contain a different set of four indicators. Only three of the four are quantified, only two specify a link to TEEB, there is no indicator relating to TEEB's fourth target audience (individual citizens), and the indicators that rely on governments or others "recognising ecosystem services" and "applying recommendations" would be hard to measure. These are also therefore not fully "SMART". The project document supplement from April 2011 adds four further indicators which are more focused and measurable. No timeframes are specified for these, but it might be inferred from the document overall that the timeframe for all four is the period from April 2011 to June 2012.
173. These documents do not make clear whether the different sets of indicators are additive (i.e. to be taken collectively as measures for the project as a whole), or alternatively whether later ones are intended to be revisions and substitutes for earlier ones. The structure and expression of their relationship to project outcomes is presented differently in each case too. It appears therefore that the project lacks a clearly unified scheme of M&E indicators.
174. The project appears to have made scant efforts to describe the baseline states or assumed "without-project" trajectories against which progress can be assessed. Particularly for a project so focused on communication tailored to end-users, it is

striking that no user needs assessments (see section 3D) or opinion/attitude surveys were carried out, and no external comparison data has been collected (for example on performance of the website). Doing so would have allowed comparisons to be made over time or with other initiatives, and for this to form another source of intelligence about project impact. Time pressures on other fronts were cited as a reason for this not being given priority. There could still be merit in a sample survey of target audiences at a future date.

175. Overall, the “M&E Plan” for TEEB consists of little more than a few lines in the Project Document on evaluation (see below) and on reporting. There are also weaknesses in some individual indicators, the indicator framework is not very coherent, and baseline descriptions/comparisons are absent. On all these grounds, while TEEB is not a huge project in budgetary terms, and while its funders’ expectations on M&E were not stringent, M&E design nevertheless fell below the level required to merit a satisfactory rating.

M&E plan implementation

176. The evaluation was able to inspect a sample of reports which had been submitted to funders. These were well written, though they consisted mainly of a summary of project achievements; so for the purposes of monitoring and evaluation they gave little account, for example, of how problems had been responded to. The “activity reports” foreshadowed in the Project Document were never produced, nor were any “Project Implementation Reports” (or ratings) compiled, seemingly on the basis that UNEP’s in-house financial recording (see section 3I) and management processes (at a broader programme level) substituted for these.
177. TEEB straddled the transition from UNEP’s IMIS (Integrated Management Information System) to the successor PIMS (Programme Information Management System): the latter allows more comprehensive tracking, but TEEB has in practice worked with a hybrid approach. In any event, due partly to the absence of discrete reports and partly to the levels of data aggregation involved, no monitoring information was available to the evaluation which could be related directly to the indicators described above. If there had been, an M&E audit trail might still have been hard to follow, given the somewhat fragmented indicator framework.
178. Statistics have been collected on website hits, which in principle can show trends over time and patterns of interest within TEEB’s own material; but no analyses have been made of how these figures compare to any target or reference standard, or to “competitor” performance, so their meaning is limited. Statistics have also been collected on coverage of TEEB by other websites and in the media, and analysis of these has for example allowed comparison of coverage in different regions (see section 3A).
179. While not overtly part of any M&E Plan for the project, mention should be made of the peer-review and other quality control processes which were built in to the production of TEEB study reports. These are discussed in context in sections 3A and 3G of this report, but they have some relevance here, since their layered and iterative nature added a form of monitoring, evaluation and correction in respect of the project’s draft technical material.

Budgeting and funding for M&E activities

180. No evaluation activities were provided for (or undertaken) in relation to Phase I of TEEB. The original budget for Phase II allocated €5,000 for evaluation, from the European Commission’s funding contribution. This was however clearly insufficient, so no evaluation activities were undertaken in the original timeframe, and this portion of the EC’s funding was never invoiced. It was agreed instead to undertake a proper

terminal evaluation at the end of Phase II. This end-point, as explained in section 1 of the present report, has rolled forward several times due to project extensions. When the process of formally commissioning an evaluation was initiated in July 2011, a further continuation of TEEB activities running into 2012 had already been agreed. If this continuation is regarded as a new “third phase”, then an evaluation in 2011 could be regarded as a terminal evaluation of Phase II. The situation is however not universally seen in this way, and it has made more sense to make the present process a somewhat hybrid one, more akin to a “late mid-term” evaluation of the whole of TEEB. Doing otherwise would have formally left no specific budget allocation for evaluating any aspects of Phases I and III.

181. After the non-use of the initial €5,000 allocation, subsequent revised budgets have allocated amounts varying from US\$10,000 to the most recent figure of \$30,000 (draft 5th budget revision, July 2011). Provision for this latest amount has been divided equally between the 2011 contribution from the UK and the special contribution from the EC for communications and outreach activities. It is an appropriate amount for the scope of evaluation now required (and in fact is likely to be underspent by approximately 10%), but it does not allow for any terminal evaluation at the end of Phase III; which should nonetheless be considered.

K. Complementarity with UNEP strategies and programmes

182. UNEP aims to undertake projects that are aligned with the UNEP Medium Term Strategy (MTS) and its Programmes of Work (POW). Since the Strategy is for 2010–13 and the Programmes are biennial (2010–2011 and 2012–2013), it is recognised that projects designed prior to the production of these documents would not necessarily be aligned with them, but that complementarity may exist nonetheless. Hence evaluations are asked to comment on complementarity with the MTS/POW, but this aspect is not included in the formal evaluation ratings (comments on “relevance” however are made in section 3A).
183. The TEEB project sits within UNEP’s Ecosystem Management Programme and is explicitly linked to the MTS cross-cutting thematic priority areas on ecosystem management and on resource efficiency, with relevance also to the area on environmental governance. Of the ten expected accomplishments defined under these three areas, TEEB has delivered outcomes of particular relevance to three, namely those on (i) integrating an ecosystem management approach into national/regional development and planning processes; (ii) national/regional capacity to utilise ecosystem management tools; and (iii) national and international stakeholder access to sound science and policy advice for decision-making. A fourth, on environmentally friendly consumer choice, has probably also benefited, but evidence of this is not available at this stage (see ROTI analysis in annex 5).
184. The Strategy refers also to the development of tailor-made outreach products for civil society and the private sector, and TEEB has contributed significantly to this. The Strategy further states that “UNEP will seek to help create an enabling environment for business to improve its own environmental performance and corporate responsibility”, inter alia “to support the implementation of related private and public policies”; and speaks of “catalysing multi-stakeholder processes to bring Governments, business and civil society together to develop and improve the implementation of legislative and voluntary measures and economic incentives, such as market policies relevant to environment and corporate practices”: this too has been central to what TEEB has delivered.
185. Linkages with many other strands of UNEP work (too many to list here) appear to have been well mapped-out, and an internal cross-Division Economics Working

Group was cited as one vehicle for ensuring coherence. As well as the Economics and Trade Branch (which has been hosting TEEB) located within the Division of Technology, Industry & Economics (DTIE), there is a separate Economics Branch within the Ecosystem Services Programme of the Division of Environmental Policy Implementation (DEPI), so specific steps to ensure this coherence (and avoid territoriality) have been important. Scope for overlap also existed with UNEP's Green Economy Initiative (the Initiative and TEEB have each been described at different times as encompassing the other). The distinction is that GE goes wider than TEEB's focus on ecosystems and biodiversity; and connectedness in this case has largely been assured by several senior TEEB personnel also having professional roles in GE. Some intended joint events between the two apparently did not occur quite in that way in practice, and some consultees expressed concerns about the power-balance between the two, but in general there seems to have been adequate complementarity. The relationship with the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) appears to be important for future stages, and this is touched on in section 3B.

186. The evaluation ToRs draw attention to “south-south cooperation” (for which TEEB's developing country capacity-building workshops and its contribution to a UNDP project have some relevance) and gender inequalities (which are touched on in TEEB's report discussions on the “GDP of the poor”) - see section 3A for details. They also raise the question of the project's alignment with UNEP's 2004 Strategic Plan for technology support and capacity-building (known as the Bali Strategic Plan): TEEB can be regarded as having made contributions to the Bali Plan's objectives for capacity on research and analysis (*a.iv*), capacity related to international agreements (*b*), and cooperation with multilateral bodies, institutions, civil society, the private sector, universities and other stakeholders (*i*).

4. Conclusions and rating

187. Project ratings in the table below are compiled according to the system prescribed by the UNEP Evaluation and Oversight Unit and explained in the Terms of Reference given in annex 1 of this report. According to EOU guidance, the overall rating for “attainment of objectives and results” may not be higher than the lower of the ratings for the “relevance” and “effectiveness” components of that criterion; the overall rating for “sustainability” may not be higher than the lowest of the ratings among all four components of that criterion; and the overall rating for “monitoring and evaluation” may not be higher than that for “M&E implementation”. The rating for “effectiveness” is informed by the ratings generated by the Review of Outcomes to Impacts analysis (see annex 5). Complementarity with UNEP strategies (report section 3K) is not included as it does not require a rating.
188. Other sections of this report discuss the evidence and conclusions on which the ratings for the TEEB project are based, and brief head-points are re-summarised in the “summary assessment” column below. Note that the sequence and letter codes for the criteria in the table are slightly different from the corresponding sections in the report: this is to facilitate comparison and aggregation of ratings across UNEP project evaluation reports.

Key:

Sustainability		Other criteria	
HL	Highly likely	HS	Highly satisfactory
L	Likely	S	Satisfactory
ML	Moderately likely	MS	Moderately satisfactory
MU	Moderately unlikely	MU	Moderately unsatisfactory
U	Unlikely	U	Unsatisfactory
HU	Highly unlikely	HU	Highly unsatisfactory

Criterion	Summary assessment	Rating
(a) Attainment of project objectives and results	Good analyses have been compiled and a credible case has been presented, helping to make the benefits of ecosystems “more visible to economics”. Stakeholders have been made better equipped to integrate economics into biodiversity conservation, and to mainstream biodiversity and ecosystems into economics. TEEB’s arguments have been picked up, incorporated and attributed in policies and projects worldwide. These represent enabling conditions rather than changed decision-making outcomes, and relate mainly to pro-environment arenas rather than other sectors; but good forward linkages to desired ultimate impacts are evident.	S
Effectiveness	TEEB got its basic case across well, and clearly raised awareness and understanding of the issues among a variety of audiences. There had been a pre-existing trend in this direction, but TEEB significantly strengthened the ecosystems dimension of it. (The project’s pedigree was more decisive in this than its content). Impact was mainly in the environment sector and among audiences predisposed to be supportive. Interest in valuation tended to eclipse other messages, and the practical guidance dimension had a mixed reception. Methods for judging the effectiveness of citizen responses are lacking. The project has however been welcomed as extremely helpful in many circles and has been effective in stimulating adoption of some influential policy orientations. Its catalytic effect (see below) is also a measure of this.	S
Relevance	Internationally, the project responded to a G8+5 request, and helped to satisfy UNEP Governing Council calls for UNEP to engage in economics. It addressed Millennium Ecosystem Assessment follow-up recommendations, and supported CBD’s programme on incentives. There are links with various	HS

	environmental footprint and green investment initiatives. Links to biodiversity indicators and relevance to field practitioner levels could have been stronger; but overall TEEB was very timely.	
Efficiency	The project generally made good use of synergies, did little abortive work, and was extraordinarily successful in leveraging support in kind. Within constraints of externally-fixed overheads spending was well controlled, and there was no over-staffing. UN decision-making was perceived by some as cumbersome; and running a project through a combination of UN and non-UN systems added more complexity than was desirable (now streamlined for Phase III).	S
(b) Sustainability of project outcomes	Uptake of TEEB's information is becoming well embedded in some quarters, and demand for more is strong. There are signs that this may lead to some durable "mainstreaming" of the approaches it has espoused, though securing this will require further demonstration of benefits, and penetration beyond the countries and sectors reached so far. A number of opportunities for this are in view. The project also created a network of collaborative connections, several of which are likely to persist.	L
Financial	Significant funding contributions have been pledged or are expected to support "TEEB Phase III", while co-funding for this is still being sought. TEEB clearly continues to be regarded as a bankable prospect, but also remains dependent on external funding. Partners may give less <i>pro bono</i> time than they did in Phase II; and a shift to a more "facilitatory" process will bring different cost-effectiveness risks.	L
Socio-political	Maintaining momentum on "post-delivery" outreach, reputation management, assessing and responding to demand for practical demonstrations and other support will be key to transforming the acceptance of TEEB's theoretical case into a durable shift in mindsets and resulting behaviours, hopefully beyond biodiversity-related constituencies. Phase III will require different skills and systems from those in Phase II. Motivation to continue in these directions currently appears very high, but the risk of "fading novelty" will need active management.	L
Institutional framework	Continuation into Phase III via a different (open-source, network-servicing) operational model will pose new challenges in balancing this ethos with a certain irreducible minimum need for centralised direction, coordination and governance. Some clear understanding about "TEEB as a brand" will also be required. Willingness by partner/potential partner institutions to engage in follow-through of Phase II seems generally good.	L
Environmental	Environmental risks to sustainability are not considered applicable.	n/a
(c) Catalytic role and replication	The full extent of changed behaviours will be better judged at a later date, but the project has clearly strengthened the enabling conditions for catalysing better management through better measurement. Replication of the approach and methods developed by TEEB was an explicit project aim, and good results are already apparent in the examples given in section 3C, including several global, regional, national, local and business sector assessments being undertaken by others on the TEEB model. Project co-financing was leveraged well beyond initially planned levels.	HS
(d) Stakeholder participation	The process of undertaking the TEEB studies and generating the project products was strongly characterised by its breadth of stakeholder engagement, in respect of steering, authorship, peer-review and promotion. Stakeholders spoke warmly about the "open architecture" that allowed this, and the collegiate team spirit that prevailed, despite intense pressures. This breadth of engagement also contributed significantly to the project's credibility. Active interest among recipient audiences was also good, though mainly confined to sympathetic "biodiversity" constituencies.	HS
(e) Country ownership and drivenness	TEEB was "country-driven" from the start, having its origins in an initiative of the federal government of Germany and the European Commission, endorsed by the G8+5 leaders. It also responded to demand from the Parties of the CBD, on which basis "country ownership" would also be seen as high. Several individual countries invested significantly in TEEB with support in kind as well as funding. Good efforts were made to deliver products that tried to meet country-level needs (including translation), although the project never fully overcame a moderate imbalance towards Europe and developed countries among its supporters, and some others persisted in seeing it as	S

	remote and UN-driven.	
(f) Achievement of outputs and activities	The decision to produce several reports targeting different audiences worked well. Delivery was a complex marriage of technical consensus-building and public relations, and champions of each of these perhaps inevitably felt they were compromising for the other. Immense time-pressures, high ambition and much delegation sometimes affected quality, timeliness, completeness and consistency. Overall however the outputs commanded great external respect, and the internal team effort was nothing short of heroic.	S
(g) Preparation and readiness	The context of Phase II was prepared by Phase I. Objectives were cogent and benefited from relevant planning inputs and lessons learned; but the overall evolving scheme of objectives and indicators was not very coherent. The communications strategy was too vestigial, and it followed events as much as it guided them. The lack of any user needs assessments or opinion/attitude surveys was also a preparation weakness. The project's enthusiasm was bigger than its budget, and delivery relied very heavily on additional "good will" investments of time and energy by all concerned, beyond what was planned.	MS
(h) Implementation approach and adaptive management	The organisational approach was commendably democratic in concept. Considering the great complexities (some self-inflicted) and time-pressures of the project, and a range of resulting stresses and strains, it was managed satisfactorily, including adaptations to contingencies. Capacity overall was stretched too far for comfort, with no-one seemingly wishing to restrain a shared sense of urgent opportunity (impressive; but not recommended). The advisory and coordination bodies were active and very helpful, though some governance functions may have "fallen between stools".	S
(i) Financial planning and management	Expenditures generally appear to have been proportionate and subject to adequate controls (though the project's governance played little part in this, which may be unwise). Co-financing successes gave the project a progressively expanding budget: very fortunate for delivery, but adding to accounting complexity, which was all handled skilfully (although the "moving goalposts" make any under/overspends vs. budget hard to discern). Finance data unfortunately do not quantify the significant in-kind contributions received.	S
(j) Monitoring and Evaluation	Some project M&E is covered by in-house UNEP processes at programme level; but apart from satisfactory budgeting for evaluation, the M&E elements that have been visible to the evaluation are judged to have significant shortcomings.	MU
M&E Design	The "M&E Plan" for TEEB consists of little more than a few lines in the Project Document on evaluation and reporting. The indicator framework is not very coherent, there are weaknesses in some individual indicators, and baseline descriptions/comparisons are absent.	U
M&E Plan implementation	Oversight mechanisms were in place but no monitoring information relating to the project's performance indicators has been available to the evaluation. Reports to funders were well written, but covered achievements rather than showing how problems had been responded to. Activity reports, implementation reports and ratings were never compiled, seemingly on the basis that UNEP's in-house processes (at a broader programme level) substituted for these. Media and website statistics were collected but have not been analysed by reference to any target, standard or comparator.	MU
Budgeting and funding for M&E activities	Phase I was not evaluated. An initially inadequate budget for evaluating Phase II was revised, and provision is now sufficient for the present hybrid "late mid-term" evaluation of the whole of TEEB; although no further provision for a terminal evaluation at the end of Phase III has been made.	S
(k) UNEP supervision and backstopping⁴	As "host" (from 2008) for the independent study, UNEP increasingly provided Secretariat oversight and financial management functions in Phase II. Consultees' views vary, but generally the diplomatic delicacy of this was handled reasonably well. No separately-documented audit-trail of within-UNEP supervision has been available to the evaluation (see M&E above), though it seems to have been adequate; and numerous UNEP departments were identified to contribute.	S

⁴ The template provided in the ToRs divides this section into "UNEP" and "UNDP"; but in the present case there are no relevant comments to make concerning any supervision or backstopping role of UNDP.

5. Lessons learned

189. This section of the evaluation is designed to highlight a limited number of key lessons emerging from the project's practical experiences which could have wider application. Those on matters of detail have been addressed elsewhere in the text: the ones below are the more strategic issues. Lessons learned about an issue may arise *either* from TEEB discovering it had a weakness on that issue *or* by contrast that it modelled good practice: no inference either way should necessarily be drawn from what follows (see instead other report sections).

- (i) **Self-managing “constellation” team structures can be effective, but have special needs.** TEEB's multi-partner “open architecture”, with distributed offices and independent status, transcended political barriers and broadened stakeholder engagement. Creative “flat” management structures can foster commitment and creativity, though no one style will suit everyone, and the design is a question of tradeoffs. Despite how it may seem, such things do not “run themselves”: intensive investment in simply “oiling the wheels” is necessary somewhere in the system, and this must be adequately provided for in project staffing budgets. Such approaches, to function well on a basis of trust, also need governance and risk management machinery that is solid enough to inspire the levels of confidence required.
- (ii) **The biggest impacts don't necessarily come from the biggest areas of input.** In places, TEEB's pedigree (its politically high-level origins, figurehead leader, UN backing etc.) counted for more in achieving impact than its content. More use may be being made of summary arguments and basic tools than the deep evidence-base. User needs analyses would have helped to inform the balance of investment across project components; and they generally help a project to be driven by what leverage it wants to exert, rather than what it is most capable of delivering. Expressed demand is however not necessarily always followed by use, so such analyses need to look behind demand to make judgements about real *need*.
- (iii) **Use of multiple messaging-media works best when it is “joined-up” and mutually reinforcing.** Press coverage, websites, blogs, social media and publicity events do not operate as separate zones of audience attention, but feed dynamically off each another. Communications activity is most effective when it is designed in an integrated way to reflect this fact, for example by planned “cascades” of outputs for different platforms in a decided sequence (usually with uptake by the mainstream media as the first priority, providing a basis for interest elsewhere).

6. Recommendations

190. An evaluation at this stage of the project is expected to have few recommendations, which are defined in the Terms of Reference (annex 1) as proposals which are “feasible to implement within the timeframe and resources available”, on “how to resolve concrete problems affecting the project or the sustainability of its results”. Three are offered here.

- (i) **Boldly defining a new role.** TEEB “Phase III” (2011-12) should not be treated simply as a roll-forward of more outreach activity building from Phase II, but should allow a confident re-definition of purpose and mode of operation. Assessing and responding to demand for practical demonstrations and other support will be key to transforming the acceptance of TEEB’s theoretical case into a durable shift in mindsets and resulting behaviours; but this will require some bold shifts of emphasis. Hands-on capacity support is likely to stretch resources very thinly, and the best new added value of the project may lie instead in a smart network-connecting role, advising on global best practice and sources of knowledge, but otherwise mainly facilitating delivery (eg of tailored “TEEB for...” assessments) by others.
- (ii) **Seizing key opportunities for “mainstreaming”.** A structured plan should be developed for catalysing uptake of TEEB approaches via the particular windows of opportunity in 2011-12 on National Biodiversity Strategies and Action Plans, the Intergovernmental Platform on Biodiversity and Ecosystem Services, and initiatives on global environmental governance and the green economy. Crucially also, efforts must be made (perhaps by returning to the G8+5 forum which gave birth to the project) to secure formal adoption of TEEB findings and approaches beyond biodiversity-related constituencies, for example in the World Trade Organisation, OECD, and among ministers of finance.
- (iii) **Planning the post-project network legacy.** The greatest success for TEEB may be when its fruits are self-sustaining and a “project” is no longer required. Criteria for deciding appropriate “exit conditions” should be defined, and a further (terminal) evaluation should be considered. Non-“project” options for active maintenance of the stakeholder networks created by TEEB should be assessed, and a plan for implementing a favoured option for this should be agreed in the first quarter of 2012.

Annex 1 Evaluation Terms of Reference

Note: A factual summary of the project, included in the Terms of Reference for the evaluation, has been excluded from this Annex since the relevant details appear in the body of the report. The section of the original ToRs which describes the methodology used for Reviews of Outcomes to Impacts (ROtI) also does not appear here, but has been included instead in its context in Annex 5, which presents the ROtI analysis for the evaluated project.

1. Objective and scope of the evaluation

1. In line with the UNEP Evaluation Policy⁵ and the UNEP Evaluation Manual⁶, the mid-term evaluation of the Project “The Economics of Ecosystems and Biodiversity (TEEB) – Phase II” should be undertaken to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP, BMU and EC and other partners. Therefore, the evaluation will identify lessons of operational relevance for future project formulation and implementation. It will focus on the following sets of key questions, based on the project’s intended outcomes, which may be expanded by the consultants as deemed appropriate:
 - a) To what extent did the project substantiate and communicate the tangible contributions of biodiversity and ecosystems services to the economy through major economic, poverty alleviation and well-being indicators.
 - b) Determine how widely and effectively the project communicated to different stakeholders the project analytical tools and promotional products.
 - c) Assess how the project sought to address the problem of continued, rapid decline of biodiversity and degradation of ecosystems by providing guidance on assessing the value of biodiversity and ecosystem services and suggesting policy options and actions to conserve, sustain and invest in biodiversity and ecosystems.
 - d) How has the project enabled easy access to leading information and tools relevant for the valuation of biodiversity and ecosystem services, and improved biodiversity-related business practice from the perspective of managing risks, addressing opportunities, and measuring impacts on ecosystems and biodiversity?
 - e) Did the project raise public awareness of the contribution of ecosystem services and biodiversity towards economic development and human welfare?
 - f) Has the project developed guidance for policy makers at international, regional and local levels in order to foster sustainable development and better conservation of ecosystems and biodiversity through economic analysis and valuation?

⁵ <http://www.unep.org/eou/StandardsPolicyandPractices/UNEPEvaluationPolicy/tabid/3050/language/en-US/Default.aspx>

⁶ <http://www.unep.org/eou/StandardsPolicyandPractices/UNEPEvaluationManual/tabid/2314/language/en-US/Default.aspx>

2. Overall approach and methods

2. The mid-term evaluation of the Project “The Economics of Ecosystems and Biodiversity (TEEB) – Phase II” will be conducted by independent consultants under the overall responsibility and management of the UNEP Evaluation Office (Nairobi), in consultation with UNEP DTIE-ETB Office (Geneva) and the German Federal Ministry of Environment (BMU - Bonn) and the European Commission (EC).
3. It will be an in-depth evaluation using a participatory approach whereby key stakeholders are kept informed and consulted throughout the evaluation process. Both quantitative and qualitative evaluation methods will be used to determine project achievements against the expected outputs, outcomes and impacts.
4. The findings of the evaluation will be based on the following:
 - (a) A desk review of project documents⁷ including, but not limited to:
 - Relevant background documentation, inter alia UNEP, BMU and EC policies, strategies and programmes pertaining to the economics of ecosystems and biodiversity;
 - Project design documents; annual work plans and budgets or equivalent, revisions to the logical framework and project financing;
 - Project reports such as progress and financial reports from participating countries, from UNEP, BMU and EC; Steering Committee meeting minutes; annual reviews and relevant correspondence;
 - Documentation related to project outputs and relevant materials published on the project web-site.
 - (b) Interviews⁸ with:
 - UNEP project management (DTIE) and Fund Management Officer (Geneva); BMU, EC staff as appropriate;
 - Other relevant UNEP Divisions;
 - Leading authors of the TEEB studies;
 - Representatives of other multilateral agencies and other relevant organisations.

3. Key evaluation principles

5. Evaluation findings and judgements should be based on sound evidence and analysis, clearly documented in the evaluation report. Information will be triangulated (i.e. verified from different sources) to the extent possible, and when verification is not possible, the single source will be mentioned⁹. Analysis leading to evaluative judgements should always be clearly spelled out.
6. The evaluation will assess the project with respect to a minimum set of evaluation criteria grouped in four categories: (1) Attainment of objectives and planned results, which comprises the assessment of outputs achieved, relevance, effectiveness and efficiency and the review of outcomes towards impacts; (2) Sustainability and catalytic role, which focuses on financial, socio-political, institutional and ecological factors conditioning sustainability of project outcomes, and also assesses efforts and achievements in terms of replication and up-scaling of project lessons and good practices; (3) Processes affecting attainment of project results, which covers project preparation and readiness, implementation approach and management, stakeholder participation and public

⁷ Documents to be provided by the UNEP are listed in Annex 7.

⁸ Face-to-face or through any other appropriate means of communication

⁹ Individuals should not be mentioned by name if anonymity needs to be preserved.

awareness, country ownership/driven-ness, project finance, UNEP supervision and backstopping, and project monitoring and evaluation systems; and (4) Complementarity with the UNEP, BMU and EC strategies and programmes. The consultant can propose other evaluation criteria as deemed appropriate.

7. Ratings. All evaluation criteria will be rated on a six-point scale. However, complementarity of the project with the UNEP, BMU and EC strategies and programmes is not rated. Annex 2 provides detailed guidance on how the different criteria should be rated and how ratings should be aggregated for the different evaluation criterion categories.
8. In attempting to attribute any outcomes and impacts to the project, the evaluators should consider the difference between what has happened with and what would have happened without the project. This implies that there should be consideration of the baseline conditions and trends in relation to the intended project outcomes and impacts. This also means that there should be plausible evidence to attribute such outcomes and impacts to the actions of the project. Sometimes, adequate information on baseline conditions and trends is lacking. In such cases this should be clearly highlighted by the evaluators, along with any simplifying assumptions that were taken to enable the evaluator to make informed judgements about project performance.
9. As this is mid-term is leaning towards the end of the project, the evaluation should pay particular attention to learning from the experience. Therefore, the “why?” question should be at front of the consultants’ minds all through the evaluation exercise. This means that the consultants needs to go beyond the assessment of “what” the project performance was, and make a serious effort to provide a deeper understanding of “why” the performance turned out the way it did, i.e. of processes affecting attainment of project results (criteria under category 3). This should provide the basis for the lessons that can be drawn from the project. In fact, the usefulness of the evaluation will be determined to a large extent by the capacity of the consultant to explain “why things happened” as they happened and are likely to evolve in this or that direction, which goes well beyond the mere assessment of “where things stand” today.

4. Evaluation criteria

Attainment of Objectives and Planned Results

10. The evaluation should assess the relevance of the project’s objectives and the extent to which these were effectively and efficiently achieved or are expected to be achieved.
 - (a) *Achievement of Outputs and Activities:* Assess, for each component, the project’s success in producing the programmed outputs both in quantity and quality, as well as their usefulness and timeliness. Briefly explain the degree of success of the project in achieving its different outputs, cross-referencing as needed to more detailed explanations provided under Section 3 (which covers the processes affecting attainment of project objectives).
 - (b) *Relevance:* Assess, in retrospect, whether the project’s objectives and implementation strategies were consistent with the UNEP, BMU and EC mandates and policies at the time of design and implementation; strategic priorities and the relevant operational program(s).
 - (c) *Effectiveness:* Examine to what extent the project has achieved its main objective to draw attention to the global economic benefits of biodiversity, to highlight the growing costs of biodiversity loss and ecosystem degradation, and to draw together expertise from the fields of science, economics and policy to enable practical actions moving forward. Briefly explain what factors affected

the project's success in achieving its objectives, cross-referencing as needed to more detailed explanations provided under Section 3.

- (d) *Efficiency*: Assess the cost-effectiveness and timeliness of project execution. Describe any cost- or time-saving measures put in place in attempting to bring the project to a successful conclusion within its programmed budget and (extended) time. Wherever possible, compare the cost and time over results ratios of the project with that of other similar projects. Give special attention to efforts by the project teams to make use of / build upon pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other initiatives, programmes and projects etc. to increase project efficiency.
- (e) *Review of Outcomes to Impacts (ROtI)*: Reconstruct the logical pathways from project outputs over achieved objectives towards impacts, taking into account performance and impact drivers, assumptions and the roles and capacities of key actors and stakeholders, using the methodology presented in the GEF Evaluation Office's ROtI Practitioner's Handbook¹⁰ (summarized in Annex 8 of the TORs). Appreciate to what extent the project has to date contributed, and is likely in the future to further contribute to changes in stakeholder behaviour as regards: i) the contributions of biodiversity and ecosystems to poverty alleviation; ii) conserving, sustainably using and investing in biodiversity and ecosystems with equitable sharing of benefits to improve the well-being of women in particular given their unique roles in many societies in working in the field, fetching water, collecting firewood, cooking meals and using medicinal plants to care for their families; (iii) formulating and communicating policy messages by taking a differentiated approach by major segments of society such as rural and urban population, developed and developing countries, gender etc.

Sustainability and catalytic role

11. Sustainability is understood as the probability of continued long-term project-derived results and impacts after the external project funding and assistance ends. The evaluation will identify and assess the key conditions or factors that are likely to undermine or contribute to the persistence of benefits. Some of these factors might be direct results of the project while others will include contextual circumstances or developments that are not under control of the project but that may condition sustainability of benefits. The evaluation should ascertain to what extent follow-up work has been initiated and how project results will be sustained and enhanced over time. Application of the ROtI method will assist in the evaluation of sustainability.
12. Four aspects of sustainability will be addressed:
 - (a) Socio-political sustainability. Are there any social or political factors that may influence positively or negatively the sustenance of project results and progress towards impacts? Is the level of ownership by the main national and regional stakeholders sufficient to allow for the project results to be sustained? Are there sufficient government and stakeholder awareness, interests, commitment and incentives to execute, enforce and pursue the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project?
 - (b) Financial resources. To what extent are the continuation of project results and the eventual impact of the project dependent on continued financial support?

¹⁰ http://www.thegef.org/gef/sites/thegef.org/files/documents/Impact_Eval-Review_of_Outcomes_to_Impacts-RotI_handbook.pdf

What is the likelihood that adequate financial resources¹¹ will be or will become available to implement the programmes, plans, agreements, monitoring systems etc. prepared and agreed upon under the project? Are there any financial risks that may jeopardize sustenance of project results and onward progress towards impact? How financially sustainable are the regional activity centres?

- (c) Institutional framework. To what extent is the sustenance of the results and onward progress towards impact dependent on issues relating to institutional frameworks and governance? How robust are the institutional achievements such as governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. required to sustaining project results and to lead those to impact on human behaviour and environmental resources?
- (d) Environmental *sustainability*. Are there any environmental factors, positive or negative, that can influence the future flow of project benefits? Are there any project outputs or higher level results that are likely to affect the environment, which, in turn, might affect sustainability of project benefits?

Catalytic Role and Replication

13. The *catalytic role* of UNEP is embodied in its approach of supporting the creation of an enabling environment and of investing in activities which are innovative and showing how new approaches and market changes can work. UNEP, BMU, and EC also aim to support activities that upscale new approaches to a national, regional or global level, with a view to achieve sustainable global environmental benefits. The evaluation will assess the catalytic role played by this project, namely to what extent the project has:

- (a) *catalyzed behavioural changes* in terms of use and application by the relevant stakeholders of: i) technologies and approaches show-cased by the demonstration projects; ii) strategic programmes and plans developed; and iii) assessment, monitoring and management systems established at a national and sub-regional level;
- (b) provided *incentives* (social, economic, market based, competencies etc.) to contribute to catalyzing changes in stakeholder behaviour;
- (c) contributed to *institutional changes*. To what extent have the project activities contributed to changing institutional behaviour;
- (d) contributed to *policy changes* (on paper and in implementation of policy);
- (e) contributed to sustained follow-on financing (*catalytic financing*) from Governments, the BMU, EC or other donors;
- (f) created opportunities for particular individuals or institutions ("*champions*") to catalyze change (without which the project would not have achieved all of its results).

14. *Replication*, in the context of UNEP projects, is defined as lessons and experiences coming out of the project that are replicated (experiences are repeated and lessons applied in different geographic areas) or scaled up (experiences are repeated and lessons applied in the same geographic area but on a much larger scale and funded by other sources). What are the factors that may influence replication and scaling up of project experiences and lessons? In this particular case, the evaluation will assess how the project has made sure that plans, programmes, institutions, agreements and management systems developed are going to be put to good use in the subsequent project(s).

¹¹ Those resources can be from multiple sources, such as the public and private sectors, income generating activities, other development projects etc.

Processes affecting attainment of project results

15. *Preparation and Readiness.* Were the project's objectives and components clear, practicable and feasible within its timeframe? Were the capacities of executing agencies properly considered when the project was designed? Was the project document clear and realistic to enable effective and efficient implementation? Were the partnership arrangements properly identified and the roles and responsibilities negotiated prior to project implementation? Were counterpart resources (funding, staff, and facilities) and enabling legislation assured? Were adequate project management arrangements in place? Were lessons from other relevant projects properly incorporated in the project design? Were lessons learned and recommendations from Steering Committee meetings adequately integrated in the project approach? What factors influenced the quality-at-entry of the project design, choice of partners, allocation of financial resources etc.?
16. *Implementation Approach and Adaptive Management.* This includes an analysis of approaches used by the project, its management framework, the project's adaptation to changing conditions (adaptive management), the performance of the implementation arrangements and partnerships, relevance of changes in project design, and overall performance of project management. The evaluation will:
 - (a) Ascertain to what extent the project implementation mechanisms outlined in the project document have been followed and were effective in delivering project outputs and outcomes. Were pertinent adaptations made to the approaches originally proposed?
 - (b) Assess the role and performance of the units and committees established and the project execution arrangements at all levels.
 - (c) Evaluate the effectiveness and efficiency of project management by UNEP-ETB, UNEP DEPI and other relevant UNEP Divisions, BMU and EC; and how well the management was able to adapt to changes during the life of the project. How well did the relationship between UNEP, BMU, EC and other partners work?
 - (d) Assess the extent to which project management responded to direction and guidance provided by the Steering Committee and UNEP supervision recommendations.
 - (e) Identify administrative, operational and/or technical problems and constraints that influenced the effective implementation of the project, and how the project partners tried to overcome these problems.
17. *Stakeholder¹² Participation and Public Awareness.* The term stakeholder should be considered in the broadest sense, encompassing project partners, government institutions, private interest groups, local communities etc. The assessment will look at three related and often overlapping processes: (1) information dissemination between stakeholders, (2) consultation between stakeholders, and (3) active engagement of stakeholders in project decision making and activities. The evaluation will specifically assess:
 - (a) the approach(es) used to identify and engage stakeholders in project design and implementation. What were the strengths and weaknesses of these approaches with respect to the project's objectives and the stakeholders' motivations and capacities? What was the achieved degree and effectiveness of collaboration and interactions between the various project partners and stakeholders during the course of implementation of the project?

¹² Stakeholders are the individuals, groups, institutions, or other bodies that have an interest or stake in the outcome of the project. The term also applies to those potentially adversely affected by the project.

- (b) the degree and effectiveness of any public awareness activities that were undertaken during the course of implementation of the project; or that are built into the assessment methods so that public awareness can be raised at the time the assessments will be conducted;
 - (c) how the results of the project (studies, assessment frameworks, etc.) engage project users' communities and their institutions in improved valuation of biodiversity and ecosystem services.
- 18. The ROtI analysis should assist the consultants in identifying the key stakeholders and their respective roles, capabilities and motivations in each step of the causal pathway from activities to achievement of outputs and objectives to impact.
- 19. *Country Ownership and Drivenness.* This is the relevance of the project to national development and environmental agendas, recipient country commitment, and regional and international agreements. The evaluation will:
 - (a) Assess the level of country ownership. Specifically, the evaluator should assess whether the project was effective in providing and communicating information on the economics of ecosystems and biodiversity that catalyzed action to improve decisions relating to the conservation and management of biodiversity.
 - (b) Assess the level of country commitment to the generation and use of research related to the economics of ecosystems and biodiversity during and after the project, including in regional and international fora.
- 20. *Financial Planning and Management.* Evaluation of financial planning requires assessment of the quality and effectiveness of financial planning and control of financial resources throughout the project's lifetime. The assessment will look at actual project costs by activities compared to budget (variances), financial management (including disbursement issues), and co-financing. The evaluation will:
 - (a) Verify the application of proper standards (clarity, transparency, audit etc.) and timeliness of financial planning, management and reporting to ensure that sufficient and timely financial resources were available to the project and its partners;
 - (b) Appreciate other administrative processes such as recruitment of staff, procurement of goods and services (including consultants), preparation and negotiation of cooperation agreements etc. to the extent that these might have influenced project performance;
 - (c) Present to what extent co-financing has materialized as expected at project approval. Report co-financing to the project overall, and to support project activities at the national level in particular. The evaluation will provide a breakdown of final actual costs and co-financing for the different project components (see Annex 3).
 - (d) Describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective. Leveraged resources are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in-kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector.
- 21. *UNEP Supervision and Backstopping.* The purpose of supervision is to verify the quality and timeliness of project execution in terms of finances, administration and achievement of outputs and outcomes, in order to identify and recommend ways to deal with problems which arise during project execution. Such problems may be related to project

management but may also involve technical/institutional substantive issues in which UNEP has a major contribution to make. The evaluators should assess the effectiveness of supervision and administrative and financial support provided by UNEP including:

- (a) The adequacy of project supervision plans, inputs and processes;
- (b) The emphasis given to outcome monitoring (results-based project management);
- (c) The realism and candour of project reporting and ratings;
- (d) The quality of documentation of project supervision activities; and
- (e) Financial, administrative and other fiduciary aspects of project implementation supervision.

22. *Monitoring and Evaluation.* The evaluation will include an assessment of the quality, application and effectiveness of project monitoring and evaluation plans and tools, including an assessment of risk management based on the assumptions and risks identified in the project document. The evaluation will assess how information generated by the M&E system during project implementation was used to adapt and improve project execution, achievement of outcomes and ensuring sustainability. M&E is assessed on three levels:

- (a) *M&E Design.* Projects should have sound M&E plans to monitor results and track progress towards achieving project objectives. An M&E plan should include a baseline (including data, methodology, etc.). SMART indicators and data analysis systems, and evaluation studies at specific times to assess results. The time frame for various M&E activities and standards for outputs should have been specified. The evaluators should use the following questions to help assess the M&E design aspects:
 - Quality of the project logframe as a planning and monitoring instrument; analyse/compare logframe in Project Document, revised logframe and logframe used in Project Implementation Review reports to report progress towards achieving project objectives;
 - SMART-ness of indicators: Are there specific indicators in the logframe for each of the project objectives? Are the indicators measurable, attainable (realistic) and relevant to the objectives? Are the indicators time-bound?
 - Adequacy of baseline information: To what extent has baseline information on performance indicators been collected and presented in a clear manner? Was the methodology for the baseline data collection explicit and reliable?
 - Arrangements for monitoring: Have the responsibilities for M&E activities been clearly defined? Were the data sources and data collection instruments appropriate? Was the frequency of various monitoring activities specified and adequate? In how far were project users involved in monitoring?
 - Arrangements for evaluation: Have specific targets been specified for project outputs? Has the desired level of achievement been specified for all indicators of objectives and outcomes? Were there adequate provisions in the legal instruments binding project partners to fully collaborate in evaluations?
 - Budgeting and funding for M&E activities: Determine whether support for M&E was budgeted adequately and was funded in a timely fashion during implementation.

- (b) *M&E Plan Implementation*. The evaluation will verify that:
- the M&E system was operational and facilitated timely tracking of results and progress towards projects objectives throughout the project implementation period;
 - annual project reports and Progress Implementation Review (PIR) reports were complete, accurate and with well justified ratings;
 - the information provided by the M&E system was used during the project to improve project performance and to adapt to changing needs;
 - projects had an M&E system in place with proper training, instruments and resources for parties responsible for M&E.
- (c) *Budgeting and funding for M&E activities*. The evaluation should *determine* whether support for M&E was budgeted adequately and was funded in a timely fashion during implementation.

Complementarities with the UNEP strategies and programmes

23. UNEP aims to undertake funded projects that are aligned with its own strategies. The evaluation should present a brief narrative on the following issues:

- (a) *Linkage to UNEP's Expected Accomplishments and POW 2010-2011*. The UNEP MTS specifies desired results in six thematic focal areas. The desired results are termed Expected Accomplishments. Using the completed ROtI analysis, the evaluation should comment on whether the project makes a tangible contribution to any of the Expected Accomplishments specified in the UNEP MTS. The magnitude and extent of any contributions and the causal linkages should be fully described. Whilst it is recognised that UNEP projects designed prior to the production of the UNEP Medium Term Strategy (MTS)¹³/ Programme of Work (POW) 2010/11 would not necessarily be aligned with the Expected Accomplishments articulated in those documents, complementarities may still exist.
- (b) *Alignment with the Bali Strategic Plan (BSP)*¹⁴. The outcomes and achievements of the project should be briefly discuss in relation to the objectives of the UNEP BSP.
- (c) *Gender*. Ascertain to what extent project design, implementation and monitoring have taken into consideration: (i) possible gender inequalities in access to and the control over natural resources; (ii) specific vulnerabilities of women and children to environmental degradation or disasters; and (iii) the role of women in mitigating or adapting to environmental changes and engaging in environmental protection and rehabilitation. Appreciate whether the intervention is likely to have any lasting differential impacts on gender equality and the relationship between women and the environment. To what extent do unresolved gender inequalities affect sustainability of project benefits?
- (d) *South-South Cooperation*. This is regarded as the exchange of resources, technology, and knowledge between developing countries. Briefly describe any aspects of the project that could be considered as examples of South-South Cooperation.

¹³ <http://www.unep.org/PDF/FinalMTSGCSS-X-8.pdf>

¹⁴ <http://www.unep.org/GC/GC23/documents/GC23-6-add-1.pdf>

5. The consultants' team

24. For this evaluation, an expert in biodiversity and ecosystems management, environmental economics, and project evaluation is required. The evaluator will conduct the entire evaluation including data collection and analysis and preparation of the main report and ensure that all evaluation criteria are adequately covered.
25. By undersigning the service contract with UNEP/UNON, the consultant certifies that (s)he has not been associated with the design and implementation of the project in any way which may jeopardize his/her independence and impartiality towards project achievements and project partner performance. In addition, they will not have any future interests (within six months after completion of their contract) with the project's executing or implementing units.

6. Evaluation deliverables and review procedures

26. The main evaluation report should be brief (no longer than 35 pages – excluding the executive summary and annexes), to the point and written in plain English. The report will follow the annotated Table of Contents outlined in Annex 1. It must explain the purpose of the evaluation, exactly what was evaluated and the methods used (with their limitations). The report will present evidence-based and balanced findings, consequent conclusions, lessons and recommendations, which will be cross-referenced to each other. The report should be presented in a way that makes the information accessible and comprehensible. Any dissident views in response to evaluation findings will be appended in footnote or annex as appropriate.
27. Review of the draft evaluation report. The consultant will submit the zero draft report on 1 November 2011 to the UNEP Evaluation Office and revise the draft following the comments and suggestions made by the Evaluation Office. The Evaluation Office will then share the first draft report with the UNEP DTIE-ETB Office, and other relevant UNEP Divisions for review and comments. The UNEP DTIE-ETB office will forward the first draft report to the other project stakeholders. Stakeholders may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. Comments would be expected within three weeks after the draft report has been shared. Any comments or responses to the draft report will be sent to the UNEP Evaluation Office for collation. The Evaluation Office will provide the comments to the consultant for consideration in preparing the final draft report. The consultant will submit the final draft report no later than 2 weeks after reception of stakeholder comments. The consultant will prepare a response to all comments that contradict the findings of the evaluation and could therefore not be accommodated in the final report. This response will be shared by the Evaluation Office with the interested stakeholders to ensure full transparency.
28. Consultations will be held between the consultant, Evaluation Office staff, the UNEP DTIE-ETB and key members of the project execution team. These consultations will seek feedback on the proposed recommendations and lessons.
29. *Submission of the final evaluation report:* The final report shall be submitted by email to:

Segbedzi Norgbey, Head
 UNEP Evaluation Office
 P.O. Box 30552-00100
 Nairobi, Kenya
 Tel.: (+254-20) 762 3387
 Email: segbedzi.norgbey@unep.org

The Head of Evaluation will share the report with the following persons:

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30. The final evaluation report will be published on the UNEP Evaluation Office web-site www.unep.org/eou and may be printed in hard copy.
31. As per usual practice, the UNEP EO will prepare a quality assessment of the zero draft and final draft report, which is a tool for providing structured feedback to the evaluation consultants. The quality of the report will be assessed and rated against UNEP criteria as presented in Annex 5.
32. The UNEP Evaluation Office will also prepare a commentary on the final evaluation report, which presents the Evaluation Office ratings of the project based on a careful review of the evidence collated by the evaluation team and the internal consistency of the report.

7. Resources and schedule of the evaluation

33. This final evaluation will be undertaken by an international evaluator contracted by the Evaluation Office, UNEP. The contract for the evaluator will begin on 18 July 2011 and end on 2 December 2011 covering 7 weeks spread over 20 weeks (Desk Review, Report writing and field visits to Geneva, Switzerland, Brussels, Belgium and Bonn, Germany). The evaluator will submit a draft report on 1 November 2011 to UNEP Evaluation Office and the Chief of the Evaluation Office will share the draft report with the UNEP DTIE-ETB office, UNEP/DTIE Project Manager, and key representatives of the executing agencies. Any comments or responses to the draft report will be sent to UNEP Evaluation Office for collation and the consultant will be advised of any necessary revisions by 18 November 2011. Comments to the final draft report will be sent to the

consultant by 28 November 2011 after which, the consultant will submit the final report no later than 2 December 2011.

34. The evaluator will, after an initial telephone briefing with Evaluation Office and the UNEP Project Manager, conduct initial desk review work and later travel to Geneva to meet with project staff.

8. Schedule of payment

35. The evaluator will receive an initial payment covering the costs for travel upon signature of the contract. A further 40% will be paid upon acceptance of the draft report. A final payment of 60% will be made upon satisfactory completion of work. The fee is payable under the individual Special Service Agreement (SSA) of the evaluator and is inclusive of all expenses such as travel, accommodation and incidental expenses.
36. In case, the evaluator cannot provide the products in accordance with the TORs, the timeframe agreed, or his products are substandard, the payment to the evaluator could be withheld, until such a time the products are modified to meet UNEP's standard. In case the evaluator fails to submit a satisfactory final product to UNEP, the product prepared by the evaluator may not constitute the evaluation report.

Appendix A: Evaluation ratings

The evaluation will provide individual ratings for the evaluation criteria described in section II.D. of these TORs. Some criteria contain sub-criteria which require separate ratings (i.e. sustainability and M&E). Furthermore, an aggregated rating will be provided for Relevance, effectiveness and efficiency under the category “Attainment of project objectives and results”.

Most criteria will be rated on a six-point scale as follows: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU). Sustainability is rated from Highly Likely (HL) down to Highly Unlikely (HU).

In the conclusions section of the report, ratings will be presented together in a table, with a brief justification cross-referenced to the findings in the main body of the report. Please note that the order of the evaluation criteria in the table will be slightly different from the order these are treated in the main report; this is to facilitate comparison and aggregation of ratings across UNEP project evaluation reports.

Criterion	Summary Assessment	Rating
A. Attainment of project objectives and results		HS → HU
1. Effectiveness		HS → HU
2. Relevance		HS → HU
3. Efficiency		HS → HU
B. Sustainability of project outcomes		HL → HU
1. Financial		HL → HU
2. Socio-political		HL → HU
3. Institutional framework		HL → HU
4. Environmental		HL → HU
C. Catalytic role		HS → HU
D. Stakeholders involvement		HS → HU
E. Country ownership / driven-ness		HS → HU
F. Achievement of outputs and activities		HS → HU

Criterion	Summary Assessment	Rating
G. Preparation and readiness		HS → HU
H. Implementation approach		HS → HU
I. Financial planning and management		HS → HU
J. Monitoring and Evaluation		HS → HU
1. M&E Design		HS → HU
2. M&E Plan Implementation		HS → HU
3. Budgeting and funding for M&E activities		HS → HU
K. UNEP Supervision and backstopping		HS → HU
1. UNEP		HS → HU
2. UNDP		HS → HU

Rating of Attainment of project objectives and results. A compound rating is given to the category based on the assessment of relevance, effectiveness and efficiency. This aggregated rating is not a simple average of the separate ratings given to the evaluation criteria, but an overall judgement by the consultants. Relevance and effectiveness, however, will be considered as critical criteria. This means that the aggregated rating for Attainment of objectives and results may not be higher than the lowest rating on either of these two criteria.

Ratings on sustainability. According to the UNEP Office of Evaluation, all the dimensions of sustainability are deemed critical. Therefore, the overall rating for sustainability will not be higher than the lowest rating on the separate dimensions.

Ratings of monitoring and evaluation. The M&E system will be rated on M&E design, M&E plan implementation, and budgeting and funding for M&E activities (the latter sub-criterion is covered in the main report under M&E design) as follows:

- Highly Satisfactory (HS): There were no shortcomings in the project M&E system.
- Satisfactory (S): There were minor shortcomings in the project M&E system.
- Moderately Satisfactory (MS): There were moderate shortcomings in the project M&E system.
- Moderately Unsatisfactory (MU): There were significant shortcomings in the project M&E system.
- Unsatisfactory (U): There were major shortcomings in the project M&E system.
- Highly Unsatisfactory (HU): The Project had no M&E system.

M&E plan implementation will be considered critical for the overall assessment of the M&E system. Thus, the overall rating for M&E will not be higher than the rating on M&E plan implementation.

Appendix B: Quality Assessment of the Evaluation Report

All UNEP evaluation reports are subject to a quality assessment by the Evaluation Office. The quality assessment is used as a tool for providing structured feedback to the evaluation consultants. The quality of the draft evaluation report is assessed and rated against the following criteria:

UNEP Report Quality Criteria	UNEP EO Assessment	Rating
A. Did the report present an assessment of relevant outcomes and achievement of project objectives in the context of the focal area program indicators if applicable?		
B. Was the report consistent and the evidence complete and convincing and were the ratings substantiated when used?		

C. Did the report present a sound assessment of sustainability of outcomes?		
D. Were the lessons and recommendations supported by the evidence presented?		
E. Did the report include the actual project costs (total and per activity) and actual co-financing used?		
F. Did the report include an assessment of the quality of the project M&E system and its use for project management?		
G. Quality of the lessons: Were lessons readily applicable in other contexts? Did they suggest prescriptive action?		
H. Quality of the recommendations: Did recommendations specify the actions necessary to correct existing conditions or improve operations ('who?' 'what?' 'where?' 'when?'). Can they be implemented? Did the recommendations specify a goal and an associated performance indicator?		
I. Was the report well written? (clear English language and grammar)		
J. Did the report structure follow EOU guidelines, were all requested Annexes included?		
K. Were all evaluation aspects specified in the TORs adequately addressed?		
L. Was the report delivered in a timely manner		

$$\text{Quality} = (2*(0.3*(A + B) + 0.1*(C+D+E+F)) + 0.3*(G + H) + 0.1*(I+J+K+L))/3$$

The Totals are rounded and converted to the scale of HS to HU

Rating system for quality of Evaluation reports: A number rating between 1 and 6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1.

Appendix C. Documentation list for the evaluation to be provided by the UNEP Project Manager

- Project design documents
- Project supervision plan, with associated budget
- Correspondence related to project
- Supervision mission reports
- Steering Committee meeting documents, including agendas, meeting minutes, and any summary reports
- Project progress reports, including financial reports submitted
- Cash advance requests documenting disbursements
- Annual Project Implementation Reports (PIRs)
- Management memos related to project
- Other documentation of supervision feedback on project outputs and processes (e.g. comments on draft progress reports, etc.).
- Extension documentation. Has a project extension occurred?
- Project revision documentation.
- Budget revision documentation.
- Project Terminal Report (draft if final version not available)

Annex 2 Consultations undertaken

An overview of the methods used for the evaluation is given in section 2 of this report. The present annex gives further details of standard consultation questions, consultees, respondents and interviews.

Main email consultation

Over 130 project stakeholders were contacted by personal email, including Secretariat staff, project partners, collaborators and wider beneficiaries (deliberately including some with only scant acquaintance with TEEB, to test its impact at that level too). The list included all of those in the “core teams” for each of the four project deliverables D0-D3 (no team as such was constructed for D4), the core team for the Quantitative Assessment, the project Coordination Group, the Scientific Coordination team and the Advisory Board, as well as wider stakeholders and audiences. Details of a small number of email addresses which had become inoperative and “bounced back” were fed back to the Secretariat. Some consultees suggested further names and these were also contacted.

Approaches involved a mixture of generic messages and individually tailored ones, but in every case an identical set of core questions was offered (see below). For the main consultation list, recipients saw only their own name in the address line of the email, and were generally not made aware of who else was being contacted. A different approach was taken in the case of four clusters of recipients around whom meetings were to be organised in, respectively, Geneva, Bonn, Brussels and the UK (see below). Individuals in each of these clusters received a tailored email proposing meeting(s) in person, and these recipients were made aware of the other names in their respective cluster, so as to assist in coordination of dates and logistics for meetings.

Consultation questions - short version

The short consultation emails explained the basic scope and purpose of the evaluation and invited free comments in response. To assist further, a standard set of five key open questions was also provided. The brevity of this list of questions was designed to be more appealing to consultees than something appearing to be “yet another questionnaire”, and thereby hopefully to produce a better response. It was also kept short so that the email could encourage recipients to provide quick instinctive responses, which sometimes better crystallise what people really think. At the same time, the questions addressed “big issues” and were posed openly, so respondents were free to provide as much information as they wished. This approach requires more time for analysis than a “multiple choice” questionnaire, and allows mainly qualitative rather than quantitative findings; but hopefully offers a chance for deeper insights.

The five questions were as follows:

1. Which aspects of the TEEB project do you think represent the biggest step forward compared to how things would have been without it; and why?
2. What evidence can you point to, if any, that shows changes in people’s perceptions and behaviour resulting directly from TEEB’s information and advice on economics and ecosystems/biodiversity? (Please specify whether the people you are referring to are decision-makers, the business community, private citizens or some other group).
3. If you are able to, please name at least (a) one strength and (b) one weakness in the way the project has been organised and managed. (Elaborate as much as you wish).
4. Apart from doubling the budget (!), can you suggest any ways in which the communications and outreach activities undertaken by TEEB could have been more effective?
5. As further TEEB activity rolls forward, what should it focus on now, and why? (And where?).

The email gave a deadline and the evaluator's contact details, invited responses by email, telephone or skype (and in the case of the "clusters" mentioned above, a meeting in person), and also offered the option of a more in-depth response according to a separately-available structured "long list" of 74 further questions, in cases where respondents were interested in doing so. (Several duly took up this option). The "long list" of questions is reproduced at the end of the present annex.

Advertising the consultation opportunity

The email circulation was reinforced by word-of-mouth encouragement from the project Secretariat and others to relevant contacts, inviting their input. In addition a brief announcement about the opportunity to make an input to the evaluation was posted on the websites of the Ecosystem Service Partnership (<http://www.fsd.nl/esp/77671/5/0/30>) and the European Society for Ecological Economics (<http://www.euroecolecon.org/page/4/>). Reader numbers for these websites are not known.

The same text was sent to the webmaster of the International Society for Ecological Economics, but ultimately not published there (the news pages of the International Society's website appear to be less fully and frequently maintained than the other two mentioned above). An announcement was also prepared for inclusion in the TEEB network's own newsletter ("TEEBrief"), but delays in the production of the newsletter meant that this also did not ultimately go out, nor did it prove to be possible for the announcement to appear on the TEEB website or blog. A similar posting was made on the on-line discussion forum of the Scientific and Technical Review Panel of the Convention on Wetlands (where wetland-specific interests in TEEB have been cultivating over the past year), and was circulated within the Secretariat of the Convention on Migratory Species (where similar interests were beginning to develop) - these were seen as examples of the Multilateral Environment Agreement target audience. The chair of the IUCN Commission on Environmental, Economic and Social Policy was invited to circulate the consultation invitation within that Commission, but no feedback was received on whether this happened.

In all these cases the message made clear that the evaluation was being undertaken for UNEP by an independent consultant, that it was aiming for a broad range of stakeholder input, to distil the most important lessons arising and to influence future directions. Wherever dialogue was entered into, assurances were also given as to respect of confidences and anonymity of attribution.

Responses

All replies to any of the approaches above were individually and promptly responded to. In some cases additional emails were exchanged on particular issues.

Substantive responses were received from the following (nine of whom were also interviewed in more depth) ("former" affiliations are mentioned where they are relevant to the individual's engagement with the TEEB project):

Edward Barbier	University of Wyoming, TEEB Advisory Board
Deanna Donovan	UK Joint Nature Conservation Committee
Guy Duke	Independent; formerly European Commission
Max Finlayson	Charles Sturt University, Australia
Johannes Förster	UFZ, TEEB scientific coordination
Annelisa Grigg	Formerly FFI, TEEB D3 core team
Salman Hussain	Scottish Agricultural College, TEEB Quantitative Assessment core team
Chris Knight	PricewaterhouseCoopers, TEEB D3 core team
Ritesh Kumar	Wetlands International
Georgina Langdale	TEEB Secretariat
Hugh Laxton	UK Nature & Landscape Office, Brussels
Joan Martinez-Alier	Universitat Autònoma de Barcelona, TEEB Advisory Board
Rob McInnes	Consultant to UN-Habitat

Ladislav Miko	European Commission, TEEB Advisory Board
Andrea Pauly	Convention on Migratory Species
Ben Simmons	TEEB Secretariat
Achim Steiner	UNEP Executive Director and UN Under-Secretary-General, TEEB Advisory Board
Douglas Taylor	Consultant to GEF STAP
Frank Vorhies	Earthmind, TEEB D3 core team

Meetings

Meetings were arranged with groups and individuals in five locations. Two participants cancelled at the last minute, and the remainder who were met were as follows:

Geneva, 5 August 2011	
Nicolas Bertrand	TEEB Secretariat
Joshua Bishop	Formerly IUCN, TEEB D3 coordinator
Cornis Lugt	UNEP, TEEB D3 core team
Ben Simmons	TEEB Secretariat
London, 30 August 2011	
Chris Knight	PricewaterhouseCoopers, TEEB D3 core team
Bonn, 4 and 6 September 2011	
Kobie Brand	ICLEI Local Governments for Sustainability, TEEB for Cities
Marlene Laros	ICLEI Local Governments for Sustainability, TEEB for Cities
Andre Mader	ICLEI Local Governments for Sustainability/CBD Secretariat
Leanne Raymond	ICLEI Local Governments for Sustainability, TEEB for Cities
Mark Schauer	GIZ, formerly TEEB Secretariat
Peterborough, 20 September 2011	
Deanna Donovan	UK Joint Nature Conservation Committee
Brussels, 29 September 2011	
Guy Duke	Independent; formerly European Commission
Sonja Gantioler	IEEP, TEEB D1 core team
Hugh Laxton	UK Nature & Landscape Office
Ladislav Miko	European Commission, TEEB Advisory Board
Aude Neuville	European Commission, TEEB Coordination Group, D0/QA core teams
Patrick ten Brink	IEEP, TEEB D1 coordinator
Heidi Wittmer	UFZ, TEEB scientific coordination, D1/D2 core teams

Telephone interviews

Additional interviews were conducted with six consultees by telephone or skype, as follows:

Johannes Förster	UFZ, TEEB scientific coordination
Salman Hussain	Scottish Agricultural College, TEEB Quantitative Assessment core team
Georgina Langdale	TEEB Secretariat
Stefan Leiner	European Commission
Aude Neuville	European Commission, TEEB Coordination Group, D0/QA core teams
Pavan Sukhdev	TEEB Study Leader

Expanded list of indicative consultation questions

A framework of over 70 questions, structured according to the evaluation Terms of Reference (and the sections of the present report), was formulated primarily as an aide mémoire for the evaluator to assist in the consultation process. As mentioned above it was also offered to those consultees who expressed an interest in responding in more depth; and it was sent in advance to participants in the consultation meetings, as optional additional background. All recipients were invited to use the framework merely as a “menu” from which to select any particular issues on which they wished to make further comment, and were reassured that that

they were not being asked to work through the whole of it like a questionnaire - unless they wanted to!

The list of questions is reproduced below.

1. Achievement of outputs and activities

- Do you have any views on strengths/weaknesses in the arguments developed and put forward in the reports?
- Was the division of reports/audiences into “international & national” then “local & regional” the best way to divide things/spend resources? Any comments on overlap/duplication between these?
- Could there have been reports aimed at other target audiences, for example the education sector?
- What about younger people generally - are some attitudes to the “business case for biodiversity conservation” age/generation-specific, and worth targeting in that way?
- What are your thoughts on whether and to what extent the project looked into Corporate Social Responsibility agendas as a motivating force for the private sector, and examined how this is linked to perceived bottom line (including eg avoided litigation etc)?
- What are your thoughts on whether and to what extent the project explored rights-based issues or other legal dimensions of the distributive aspects of incentives & regulations etc?
- In what ways has the project been successful in building partnerships in developing countries? Has this included “south-south cooperation”, and can you give examples of that?
- Are you satisfied that there was an adequate communications strategy?
- What are your thoughts on the decisions the project made in respect of engaging professional capacity for marketing, design and public relations?
- How were decisions about language translations made, and how much of a difference has that investment made?
- Any comments on the cost-effectiveness of the Earthscan books component? What market research has there been on the demand for these vis-à-vis the downloadable reports? How have the ones completed so far (Foundations, National/International policymakers) been going?
- Who has the main responsibility for communicating the project’s results - the project Secretariat? Partners and collaborators?
- Any views on the presentational activity at CBD COP10 in Nagoya in October 2010, and its impact?
- All comments on the two TEEB websites (*teebweb.org* and *bankofnaturalcapital.com*)...
- How well have the interactive/social media components been maintained and kept active?
- Has the project done enough to secure publication in the peer-reviewed academic literature, and has it done it well?
- All comments on other communications products/events...
- How well does the material for citizens give individuals practical things they can do, and do you have any evidence of behaviour being modified as a result?

2. Effectiveness

- Is it apparent how TEEB has changed the discourse in the economics literature?
- The project aimed for the same level of traction as the Stern report on the economics of climate change. Has it achieved that? On what can such a judgement be based?
- Which of the outputs was the biggest step forward/the biggest new contribution?
- Which report has been the most successful in terms of uptake and impact? How is this question being assessed?
- How much impact did the Climate Issues report have on the climate constituency, particularly at the time of the Copenhagen negotiations?

- Comment on the assumption that better information leads to better decisions (eg in the costs & benefits context).
- What efforts are being made to track how people at different levels may be using TEEB as a basis for policy reforms, assessment initiatives etc?
- What evidence is there of changes in decision making behaviour as a result of TEEB's findings and reports?
- Have you personally seen the influence of the project on the adoption of new policies or legislation? (Specify).
- How much of the flowering of the economics dimension would have happened anyway, ie without TEEB, amongst the various constituencies?
- What assessment do you make of how much worse without the TEEB project people's attempts would have been (a) to undertake and act on valuation of biodiversity and ecosystems, and (b) to develop and implement other economics-based tools for biodiversity conservation?
- Where and to what extent do you see relevant policy decisions being taken on a basis of global figures, and how useful is it to calculate things in that way?
- To what extent have you witnessed approaches at national level or in the business sector following TEEB's methodological recommendations/guidance? Where else could such things be catalysed?
- What is your opinion about the relative weight put (a) by the TEEB project (b) by its audiences on "valuation" issues versus other dimensions of economics (incentives, regulation, PES, other innovative markets for ecosystem services, offsets etc)?

3. Relevance

- To what extent has TEEB's attention to fair distribution of costs & benefits been linked with or helped to advance the Access & Benefit Sharing agenda under CBD?
- How well has TEEB related to activities elsewhere that have been designed to follow up on the Millennium Ecosystem Assessment?
- To what extent has the TEEB agenda been linked up with agendas on global biodiversity targets and indicators, for example in the context of national ecosystem accounting? Have efforts been successfully made to ensure compatibility of conceptual frameworks etc?
- How well is TEEB feeding in to the evolving agenda for the Intergovernmental Platform on Biodiversity & Ecosystem Services (IPBES)?
- Any other points on consistency with existing relevant policies and mandates?

4. Efficiency

- Do you have any comments on the best and worst of the project's governance and management, in respect of its cost-efficiency?

5. Sustainability

- What should happen with the project after June 2012? What's the best way of making that happen?
- "Sustainability" in this context means the probability of continued long-term project-derived results and impacts after all project funding and assistance ends. What assessment do you make about the prospects for this?

6. Catalytic role and replication

- "Replication" in this context refers to lessons and experiences coming out of the project that are replicated in other projects in a different geographic area or scaled up and funded by other sources within the same geographic area. Comment on uptake at different levels, and on actual or potential replication of TEEB beyond the project's own activities.
- How is building of real capacity featuring (as opposed to "outreach"), and how is the impact/effectiveness of that being judged?

7. Preparation and readiness

- What kinds of user needs assessments were done, for any part of the project?
- Comment on the extent to which and the ways in which “Phase II” was envisaged at the outset of “Phase I”.
- Comment on the extent to which assumptions made in the course of the project’s planning and evolution have been clear.
- Comment on strategic choices that had to be made: what dilemmas were faced? what balances had to be struck? what choices were made?

8. Implementation approach and adaptive management

- Any views on quality/effectiveness of the management of the process.
- The best and worst of the project’s governance and management in respect of adaptation to unforeseen contingencies; and appreciation of risk factors.
- To what extent did Phase II match the plan for it that was published in the Phase I report?
- Views on the role and work of the Advisory Board.
- Views on the role and work of the Project Coordination Group.
- Views on effectiveness of meetings.
- How were all the authors found, and were they the right leading experts, and a balanced representative mix of the best thinking? What strategy was there on this? What was it that mainly attracted them/clinched their involvement?
- Comment on cohesions/tensions within the collective effort - the nature and handling of them, the future prognosis for relationships within the “TEEB community”, and good ideas about managing this side of things.
- Comment on the 2011 change in team and office/people’s locations; and views on the move to a “distributed secretariat” concept for Phase III.

9. Stakeholder participation and public awareness

- Have you been receiving a good supply of project updates, newsletters, reports etc, and have you felt sufficiently well informed about how things were going?
- Has the composition and operation of the Advisory Board represented an adequate breadth of stakeholder interests?
- What high points and low points can you point to in respect of TEEB presentations and events at conferences etc?
- Either as a respondent or as an interpreter of their results, comment on whatever stakeholder needs assessments have been made.
- Comment on the extent to which the project has built new networks, partnerships, or a new community of practitioners in any other sense.
- How well-known is the project/how well used are its products among your colleagues? (Specify the context you work in).
- How far have the storylines and key messages resulting from TEEB penetrated beyond the biodiversity world and into other sectors?

10. Financial planning and management

- Any comments on the best and worst of the project’s financial planning, management and controls.

11. UNEP supervision and backstopping

- Views on the role of relevant parts of UNEP; its input to the project as host and partner, and the quality of supervision, feedback, guidance and support.

12. Monitoring & evaluation design

- How well were baseline assumed trajectories described at the outset of the project?

13. Monitoring & Evaluation Plan implementation

- Views on peer review/other quality control of inputs to the studies.
- Views on peer review/other quality control of synthesised products, eg papers in journals.

14. Complementarity with UNEP programmes and strategies

- How coherent is the relationship between TEEB and UNEP's Green Economy Initiative?

15. Lessons learned

- What key "lessons learned" from or about the project (either positive or negative) do you think should be captured in the evaluation report?
- How should these lessons be applied?
- What are the particular problems and rewards of a project done by a big collective effort like this, and one which is a fairly free-standing "study" with a multi-partner institutional "home"?
- What would you do differently if you were starting again?

16. Recommendations

- What main recommendations would you want the evaluation report to make?
- The stated objective of Phase III (2011-12) is to "mainstream TEEB beyond the biodiversity policy sphere while ensuring scientific credibility". What views do you have on this?

Annex 3 List of documents

The following documents were consulted for this evaluation.

Principal project documents

- The Economics of Ecosystems and Biodiversity - Phase II. UNEP Project Document, ref CP/4050-08-02 (CPL 3728). October 2008.
- The Economics of Ecosystems and Biodiversity - Phase II. UNEP Project Document Supplement, ref CP/4050-08-02 (CPL 3728). April 2010.
- The Economics of Ecosystems and Biodiversity - Phase II. UNEP Project Document Supplement, ref CP/4050-08-02 (CPL 3728). April 2011.
- UNEP TEEB Phase II budget revision document CP/4050-08-02/Rev.1 (CPL 3728). November 2008.
- UNEP TEEB Phase II budget revision document CP/4050-08-02/Rev.2 (CPL 3728, NFL 2999). September 2009.
- UNEP TEEB Phase II budget revision document CP/4050-08-02/Rev.3 (CPL 3728, CPL 3832, NFL 2B58, CPL 3816, CPL 3827, CPL 3832). June 2010.
- UNEP TEEB Phase II budget revision document CP/4050-08-02/Rev.4 (CPL 3728, NFL 2B58, CPL 3816, CPL 3827, CPL 3832, CPL 3828, NFL 2C30). February 2011.
- (Raw data for TEEB 5th budget revision viewed for the present evaluation in September 2011, prior to their inclusion in an authorised revision document).
- TEEB Communications Strategy: basic elements. July 2009. (Powerpoint presentation).
- TEEB Communications Strategy. March 2010. (Powerpoint presentation).
- TEEB communications and outreach proposal, April 2011 – October 2012. 20pp.

TEEB Study reports

- TEEB (2008). The economics of ecosystems and biodiversity: an interim report. European Commission, Brussels. May 2008.
- Markandya, A, Nunes, PALD, Bräuer, I, ten Brink, P, Kuik, O and Rayment, M (2008). The Economics of Ecosystems And Biodiversity – Phase 1 (scoping) economic analysis and synthesis. Report for the European Commission.
- Balmford, A, Rodrigues, ASL, Walpole, M, ten Brink, P, Kettunen, M, Braat, L and de Groot, R (2008). The Economics of Biodiversity and Ecosystems: scoping the Science. Report for the European Commission.
- Braat, L and ten Brink, P (eds) (2008). The Cost of Policy Inaction: the case of not meeting the 2010 biodiversity target. Report for the European Commission.
- TEEB (2009). TEEB climate issues update. TEEB, September 2009.
- TEEB (2009). The economics of ecosystems and biodiversity for national and international policy makers - summary: responding to the value of nature. TEEB, November 2009.
- TEEB (2010). The economics of ecosystems and biodiversity for local and regional policy makers. Report chapters at www.teebweb.org. (Book edited by Heidi Wittmer and Haripriya Gundimeda due to be published by Earthscan in 2012)
- TEEB (2010). A quick guide to the economics of ecosystems and biodiversity for local and regional policy makers. TEEB, September 2010.

- TEEB (2010). The economics of ecosystems and biodiversity report for business: executive summary. TEEB, July 2010.
- TEEB (2010). The economics of ecosystems and biodiversity in business and enterprise. Report chapters at www.teebweb.org. (Book edited by Josh Bishop due to be published by Earthscan in late 2011).
- TEEB (2010). The economics of ecosystems and biodiversity: mainstreaming the economics of nature: a synthesis of the approach, conclusions and recommendations of TEEB. TEEB, October 2010.
- TEEB (2010). The TEEB reports. Brochure, TEEB, October 2010.
- TEEB (2010). The economics of ecosystems and biodiversity: ecological and economic foundations. Edited by Pushpam Kumar, published by Earthscan. (Viewed for the present evaluation as draft chapters at www.teebweb.org).
- TEEB (2011). The economics of ecosystems and biodiversity in national and international policy making. Edited by Patrick ten Brink, published by Earthscan. (Viewed for the present evaluation as draft chapters at www.teebweb.org).
- TEEB (2011). TEEB manual for cities: ecosystem services in urban management. TEEB, with ICLEI - Local Governments for Sustainability, July 2011.
- Hussain, S, McVittie, A, and Brander, L (eds) (2011). The Economics of Ecosystems and Biodiversity: the Quantitative Assessment. Final Report to UNEP.

Coordination contracts (examples)

- UNEP Small Scale Funding Agreement with Helmholtz Zentrum für Umweltforschung (UFZ), for TEEB Phase II, focusing on support for the scientific coordination of the project in the “production phase” of the TEEB reports. October 2009, 12pp; and addendum July 2010, 3pp.
- UNEP Small Scale Funding Agreement with IUCN, for TEEB Phase II, focusing on the “finalisation phase” of work on the TEEB D3 report (TEEB for Business). July 2010, 12pp.

Funder contracts/agreements (examples)

- Contract conditions for European Commission Service Contract with UNEP 07.0307/2008/517477/SER/B2 for The Economics of Ecosystems and Biodiversity - Phase II. December 2008, 21pp.
- Contract conditions for European Commission Contribution Agreement 21.0401/2009/551995/SUB/B2 on Disseminating the Findings of TEEB. December 2009, 21pp.
- Government of Switzerland, Federal Office for the Environment, terms of funding contribution to UNEP for TEEB phase II. December 2010, 2pp.
- Government of Switzerland, Federal Office for the Environment, terms of funding contribution to UNEP for TEEB phase III. June 2011, 2pp.
- Government of the United Kingdom, Department for International Development, Memorandum of Understanding with UNEP for funding contribution for TEEB phase II. August 2009, 3pp.
- Government of Germany, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Agreement with UNEP for funding contribution for TEEB phase II. October 2008, 2pp.
- Government of The Netherlands, Ministry of Agriculture, Nature and Food Quality, terms of funding contribution to UNEP for TEEB phase II. October 2009, 2pp.

- Government of The Netherlands, Ministry of Agriculture, Nature and Food Quality, Agreement with UNEP for further funding contribution for TEEB phase II. March 2010, 5pp.

Progress reports to funders (examples)

- TEEB Secretariat (December 2010). Progress report to European Commission on activities carried out under EC Contribution Agreement 21.0401/2009/551995/SUB/B2 on Disseminating the Findings of TEEB, January - December 2010. 19pp.
- TEEB Secretariat (December? 2010). Final report to European Commission on activities carried out under EC Service Contract 07.0307/2008/517477/SER/B2 on The Economics of Ecosystems and Biodiversity - Phase II. 25pp.

Advisory Board meeting minutes (examples)

- Minutes of the 3rd meeting of the Advisory Board, Bonn, 10 March 2009.
- Minutes of the 6th meeting of the Advisory Board, Monaco, 31 March 2010.
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Annex 4 Finance information

This annex presents a summary of relevant financial information for the TEEB project, as specified in the Terms of Reference for the evaluation. The ToRs ask for data on co-financing, and on overall expenditure broken down by project activity type. Comments on financial planning and management are not given here but in report section 3H instead.

Total budget and co-financing

The project budget has been formally revised several times, as new contributions have been made and other project adjustments have been approved, including extensions of the project timeframe. Two types of totals are cited in the project documents: (i) firmly committed funding only (referred to here as “actual” totals); (ii) firmly committed funding plus strong indications of funding (referred to here as “expected” totals).

On each occasion of a revision being made, currency exchange rates were different from those applying to the previous budget, so this needs to be taken into account in matching figures from different source documents, and it means that not all inputs and outputs will look the same at different times of presenting budgets.

Totals are presented here in relation to the main milestone revision-points. The latest figures used are those dating from July 2011 (expenditure) and September 2011 (income), but the position continued to evolve during the time of the evaluation and will have moved on again since these data were compiled.

Where applicable, totals include the defined additional percentage for Programme Support Costs (PSC).

Table A4-1. Total project budget

<i>(Figures in US\$)</i>	UNEP allocation	Actual co-financing, inc PSC	Total
Phase II project document, September 2008 (With original co-financing from EC and Germany)	0	2,678,210	2,678,210
First budget revision, October 2008 (To reflect a new contribution from the UK, an increased contribution from the EC, and various other adjustments)	0	3,169,910	3,169,910
Second budget revision, September 2009 (To reflect a new contribution from Norway, and various other adjustments)	0	3,256,309	3,256,309
Third budget revision, June 2010 (To reflect additional contributions from the EC and UK (DFID), a new contribution from The Netherlands, exchange rate losses and other adjustments. Project extended to March 2011)	0	4,825,209	4,825,209
Fourth budget revision, February 2011 (To reflect additional contributions from the UK (Defra), Norway and Germany, a new contribution from Switzerland, exchange rate losses and other adjustments. Project extended to June 2012).	0	5,480,747*	5,480,747 ^a
Draft fifth budget revision, July 2011 (Various adjustments, but the bottom-line total remains as in the fourth revision).	0	5,480,748	5,480,748
“Expected” total for phase II, September 2008 (As in Phase II Project Document)	-	-	3,571,428
“Expected” total for phases II and III, September 2011	-	-	6,221,978 ^b

^a (Shown in Project Document Supplement April 2011 as \$5,480,748 - the difference of \$1 in the independently-derived 4th revision figure here is due to rounding).

^b Although in the Project Document Supplement dated 12 April 2011 the “expected” total at that time was given as \$6,780,748, the latest informal figure available, derived from data sent to the evaluator by the UNEP Project Secretariat as at 14 September 2011, is less, at \$6,221,978. (A difference of \$2 between the derived figure and the cited total of \$6,221,976 in the 14 September documentation is due to rounding (\$1) and seemingly to an addition error (\$1)).

Table A4-2. Co-financing contributions

<i>(Figures in US\$)</i>	Phase II TEEB production	Communications & Outreach (Phases II and III)	Phase III^a (excluding funds carried into Phase III from the 2 columns to left)	Total
EC (TEEB production)	1,264,489	-	-	2,555,572
EC (TEEB outreach)	-	1,291,083 ^c	-	
Germany	1,239,697	-	274,725	1,514,422
UK DEFRA	200,000	307,592	162,000	669,592
UK DFID	140,000	-	-	140,000
Sweden	137,985	-	108,000	245,985
Norway	100,000	126,126	400,000	626,126
Netherlands	269,815 ^b	-	-	269,815
Switzerland	76,453	-	124,013	200,466
Total	3,428,439	1,724,801^d	1,068,738	6,221,978^e

^a Note that “Phase III” is an unofficial term of convenience only, at this stage

^b \$53,891 of this still to pay, as at 14 September 2011

^c \$246,600 of this still to pay, as at 14 September 2011

(The figures cited in notes (b) and (c) above have been used as the basis for the difference between “expected” and “actual” figures in Table A4-3 below. The overall “expected” figure is anticipated to rise further in future, and all figures here are therefore merely a snapshot through a moving window).

^d \$1 difference from the table provided to the evaluation due to rounding.

^e \$2 difference from the table provided to the evaluation due to rounding (\$1) and seemingly to an addition error (\$1).

Some of the co-financing contributions have been provided on an unrestricted basis, while others have been earmarked for specific purposes or project phases. In particular, in addition to its other contributions, the European Commission funded a related Contribution Agreement entitled “Disseminating the findings of TEEB” for the support of communications and outreach activities, including the organisation of national and regional events in developing countries, between September 2009 and March 2011. Norway and the UK (Defra) then in turn made additional contributions specifically as counterpart funding for these outreach activities. The second of two tranches of funding from the Netherlands Ministry of Agriculture, Nature and Food Quality was to support quantitative assessment work. Germany’s funding in 2008-2010 included the costs of the Bonn office and staff.

The first tranche of the general Service Contract contribution from the EC for Phase II activities from December 2008 to August 2010 included provision for €5,000 for project evaluation, but since no other allocation for evaluation had been made at that time and since this was an inadequate amount for carrying it out, the activity did not proceed and this amount was subtracted from the invoice that was eventually submitted (see section 3J of this report for further details).

Notably absent from the finance data are any details of the value of in-kind contributions. The summary figures presented here therefore speak only to the cash component of the

budget. Since a characteristic of the project as a whole (on which many consultees remarked) was the extraordinary level of in-kind support which it managed to leverage, it is unfortunate that this cannot be quantified.

The September 2008 Project Document cites a figure of \$620,000 as the in-kind (largely staff time) contribution from UNEP (across nine UNEP Divisions/initiatives); a figure which doubtless would have changed many times subsequently with successive updates to the project. Otherwise this dimension remains unquantified. The evaluation managed to obtain anecdotal information on a few examples. To consider just one of the TEEB reports (D3), collaborating organisation IUCN funded the attendance of the staff member who had coordinated this report at the CBD Conference in Japan in 2010, valued at c\$5,000, and contributed staff time to the whole report production process which they valued at c\$100,000. PricewaterhouseCoopers gave staff time to the same report worth an estimated \$100,000. Other writing, editing and administrative inputs to D3 were estimated to be worth a further \$250,000. In-kind co-funding to this one report therefore totalled some \$455,000, representing over half of the costs of its production. Similar stories were told by other collaborators, such as IEEP and ICLEI, who both indicated that true inputs exceeded contracted inputs by approximately 100%. The commercial HAVAS communications group is now also agreeing to provide *pro bono* time to TEEB on Phase III communications.

Some forms of support probably fall in a grey area between (a) in-kind co-funding for the TEEB project itself and (b) catalysed initiatives best regarded as leveraged funding for other projects. ICLEI for example produced the TEEB for Cities report with TEEB funding but as an extra product catalysed by the process, while paying from its own funds for a report launch event in Canada. UFZ is funding the conference in Germany in 2012 on future challenges for science and implementation on mainstreaming TEEB. Earthscan is funding the production of the Earthscan TEEB books as a commercial proposition, which includes provision of 50 free copies to the TEEB project team, and the project has agreed to buy back 200 additional copies for distribution to key partners.

In addition, some government funding has been provided directly to other organisations to support TEEB implementation, for example Norway provided NOK 2,000,000 direct to UFZ for the TEEB for Local and Regional Policy Makers report (D2) because it had already exceeded its limit for contributing to UNEP for the year concerned. This amount appears to be additional to the TEEB budget totals reported here. As another example, Japan provided approximately \$240,000 for translation of reports into Japanese and to support events at CBD COP10, and this amount too appears to be catalysed additional funding which is not counted in the project budget.

The evaluation Terms of Reference suggest a table for summarising co-financing information. This is shown below, completed as far as it is feasible to do so with the data obtained during the evaluation.

Table A4-3. Co-financing breakdown

Co financing (Type/ Source)	IA own Financing (US\$)		Government (US\$)		Other ^a (US\$)		Total (US\$)		Total disburse d (US\$)
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	
Grants	0	0	3,666,406	3,612,515	2,555,572	2,308,972	6,221,978	5,921,487	5,248,102
Loans	0	0	0	0	0	0	0	0	0
Credits	0	0	0	0	0	0	0	0	0
Equity investments	0	0	0	0	0	0	0	0	0
In-kind support	(Not quantified) ^b								
Other	0	0	0	0	0	0	0	0	0
Total	0 ^b	0	3,666,406	3,612,515	2,555,572	2,308,972	6,221,978	5,921,487	5,248,102

^a This refers to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries. In the present case this category reflects contributions from the European Commission.

^b See explanation of support in kind in the text above.

The “total disbursements” figure in Table A4-3 above is matched to the “Project expenditure by activity” table (A4-4) below as it stood at 26 July 2011. Although the total disbursed (\$5,248,102) is \$673,385 less than the “actual” total contributed at that time (\$5,921,487), it is not possible to conclude from this simply that the project has “underspent”, since its budget has consisted of a constantly moving window, which was moreover in the process of continuing to evolve during the time of the present evaluation. The difference may partially owe something to unsynchronised reconciliations of income and expenditure. With the data available it is difficult to make further comment on this aspect.

The totals in these tables include the Programme Support Cost element, or PSC (= UNEP overhead), which accounts for the difference between these figures and the figures quoted in some other sources as the net funder contributions. The standard UNEP PSC is set at 13% of the contribution, but certain individual countries have negotiated different percentages (not specifically for this project, but as a standing arrangement for the UN as a whole), for example 7% for EU Member States (and countries stating that their contribution constitutes co-financing for European Commission contributions) and 8% for Norway.

Project Costs

Table A4-4 below shows project expenditure according to categories of activity. These figures are based on the 5th budget revision dated 26 July 2011. With the constantly evolving budget profile it may be misleading to draw quick conclusions from differences between the “planned” and “actual” figures as presented here, since there will be several such figures for each component at different times over the project’s history. The reasons in each case will often include the arrival of extra approved income and approval of updated expenditure, as opposed to accidental overspends, so it is not easy to see where any such accidental overspends (or underspends) may have occurred.

Table A4-4. Project expenditure by activity

Component	Initial budget revision, 2008) ^a	planned (1 st Nov 2008) (in US \$)	Actual budget as at 26 July 2011 ^b (in US \$)
Staff salaries	937,837		934,504
Consultant fees	20,000		234,421
Staff Travel	97,500		339,561
WCMC support for team leader (50%)	120,000		274,423
Technical coordination (UFZ)	210,000		262,006
Advisory Board meetings	76,953		69,874
Project Coordination Group	43,047		2,964
Overview study (D0)	410,000		250,000
Guidance policymakers (D1)	310,000		546,612
Guidance administrators (D2)	310,000		110,000
Guidance industry (D3)	160,000		285,000
Guidance consumers (D4)	105,000		57,000
SAC, IVM and FSD - Quantitative Assessment	-		230,843
Report printing	30,000		285,837
Report translation			104,685
Other design, production, communication and media costs	42,015		271,580
National workshops	-		54,990

Regional workshops	-	282,410
UNDP LAC events	-	92,593
Expert/stakeholder workshop	28,781	73,721
Six ad-hoc workshops (communications)	-	21,693
Office equipment & supplies	26,400	14,587
Office IT maintenance	25,000	-
Office rent	-	37,907
Evaluation	10,000	30,000
Project Support Costs (= UNEP overhead charge)	207,377	380,891
Total	3,169,910	5,248,102^c

^a As elsewhere in this report, the base budget used is that in the first budget revision dated November 2008, which first organised expenditure categories on a basis that was comparable thereafter, and which corrected at least one error in the original Project Document budget dated September 2008.

^b The correspondence between categories for “initial” and “actual” as given here is approximate/assumed in some cases.

^c This figure, independently derived from the data, is \$2 less than the total in the tables provided to the evaluation on 14 September 2011, as a result of rounding. It is \$232,648 less than the July 2011 “budget” of \$5,480,748. The reason for this cannot be the reliance of the latter on the “expected” contribution total, since that figure is identified separately, so it may or may not simply be a function of tables awaiting alignment with each other in a further budget update.

The “staff salaries” line above reflects UNEP staff, and staff salaries in collaborating organisations (eg UFZ) are included in other expenditure lines. The comment was made internally within UNEP, at project approval stage, that the overall staff component in the budget (close to 50%) seemed high; but it was explained that this had been constrained by pre-negotiation with Germany as a key funder, bound up with the hosting agreement for the project office in Bonn. Some salary provisions were in any event subsequently reduced.

The ultimate cost-effectiveness of some of these allocations may best be judged at a later date when the full uptake and impact of Phase II and realisation of Phase III can be assessed. At present for example the allocation for the Quantitative Assessment appears possibly high, but it has only just been completed and its reception is yet to be assessed.

It would have been illuminating for the evaluation to be able to compare actual expenditure on certain project components with the expectations and provisions for those components in early budgets. Constraints on time, and data, and the iterative revisions of the project’s financing plans have largely made this unrealistic. Developing the individual studies and regional/national capacity building cost more than originally budgeted, but this is as likely to be due to a progressively expanding appreciation of what was becoming possible than to any underplanning or overspending.

Overview

While the basic funding structure of this project was very straightforward, its financial management and evaluation have been relatively complex as a consequence of the many revisions to the work plan and budget (largely for positive reasons, ie additional funding contributions and project extensions). Fluctuating exchange rates for contributions in non-dollar currencies also added complexity, and led to some unavoidable losses.

Record-keeping could have been clearer and more complete, and in particular the general lack of quantification of support in kind leaves a gap in the reported picture.

Particularly if the support in kind dimension is included, a striking feature of the TEEB project overall is its extraordinary success in attracting levels of co-financing which significantly exceeded initial expectations, its repeated re-commitment from funders, and the substantial leveraged contributions of extra-contractual time and money on both core delivery and associated supporting activities.

Annex 5 Review of Outcomes to Impacts analysis

This Annex reviews the project’s “impact pathways” and its “theory of change” or “intervention logic”, according to the methodology known as the “Review of Outcomes to Impacts” or ROTI analysis, as devised by the Evaluation Office of the Global Environment Facility. The methodology, designed to evaluate “the overall likelihood of impact achievement”, is given as an annex in the present evaluation’s Terms of Reference, but instead of including it with the body of the ToRs in Annex 1 of the present report, it is reproduced below (adapted very slightly for the context). The application of this analysis to the TEEB project is then described.

Extract from evaluation ToRs: Introduction to the theory of change/impact pathways, the ROTI method and the ROTI results scoresheet

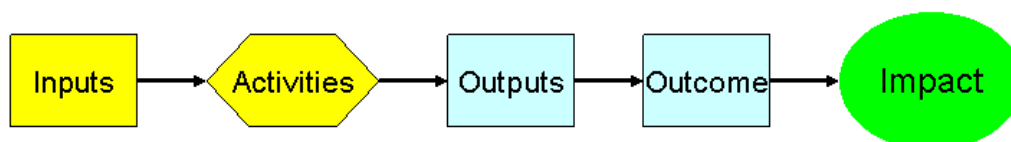
Terminal evaluations of projects are conducted at, or shortly after, project completion. At this stage it is normally possible to assess the achievement of the project’s outputs. However, the possibilities for evaluation of the project’s outcomes are often more limited and the feasibility of assessing project **impacts** at this time is usually severely constrained. Full impacts often accrue only after considerable time-lags, and it is common for there to be a lack of long-term baseline and monitoring information to aid their evaluation. Consequently, substantial resources are often needed to support the extensive primary field data collection required for assessing impact and there are concomitant practical difficulties because project resources are seldom available to support the assessment of such impacts when they have accrued – often several years after completion of activities and closure of the project.

Despite these difficulties, it is possible to enhance the scope and depth of information available from the evaluation on the achievement of results **through rigorous review of project progress along the pathways from outcome to impact**. Such reviews identify the sequence of conditions and factors deemed necessary for project outcomes to yield impact and assess the current status of and future prospects for results. In evaluation literature these relationships can be variously described as ‘Theories of Change’, Impact ‘Pathways’, ‘Results Chains’, ‘Intervention logic’, and ‘Causal Pathways’ (to name only some!).

Theory of Change (ToC) / impact pathways

Figure A5-1 shows a generic impact pathway which links the standard elements of project logical frameworks in a graphical representation of causal linkages. When specified with more detail, for example including the key users of outputs, the processes (the arrows) that lead to outcomes and with details of performance indicators, analysis of impact pathways can be invaluable as a tool for both project planning and evaluation.

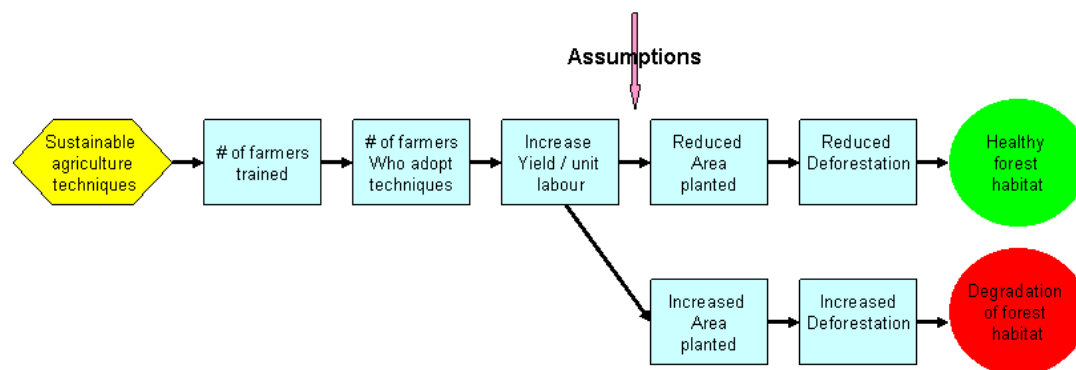
Figure A5-1. A generic results chain, which can also be termed an ‘Impact Pathway’ or Theory of Change.



The pathways summarise casual relationships and help identify or clarify the assumptions in the intervention logic of the project. For example, in the Figure A5-2 below the eventual impact depends upon the behaviour of the farmers in using the new agricultural techniques they have learnt from the training. The project design for the intervention might be based on the upper pathway assuming that the farmers can now meet their needs from more efficient management of a given area therefore reducing the need for an expansion of cultivated area and ultimately reducing pressure on nearby forest habitat, whereas the evidence gathered in

the evaluation may in some locations follow the lower of the two pathways; the improved farming methods offer the possibility for increased profits and create an incentive for farmers to cultivate more land resulting in clearance or degradation of the nearby forest habitat.

Figure A5-2. An impact pathway / TOC for a training intervention intended to aid forest conservation.



The GEF Evaluation Office has recently developed an approach that builds on the concepts of theory of change / causal chains / impact pathways. The method is known as Review of Outcomes to Impacts (ROtI)¹⁵ and has three distinct stages:

- a. Identifying the project's intended impacts
- b. Review of the project's logical framework
- c. Analysis and modelling of the project's outcomes-impact pathways

The **identification of the projects intended impacts** should be possible from the 'objectives' statements specified in the official project document. The next stage is to **review the project's logical framework** to assess whether the design of the project is consistent with, and appropriate for, the delivery of the intended impact. The method requires verification of the causal logic between the different hierarchical levels of the logical framework moving 'backwards' from impacts through outcomes to the outputs; the activities level is not formally considered in the ROtI method¹⁶. The aim of this stage is to develop an understanding of the causal logic of the project intervention and to identify the key 'impact pathways'. In reality such process are often complex; they often involve multiple actors and decision-processes and are subject to time-lags, meaning that project impact often accrue long after the completion of project activities.

The third stage involves analysis of the 'impact pathways' that link project outcomes to impacts. The pathways are analysed in terms of the '**assumptions**' and '**impact drivers**' that underpin the processes involved in the transformation of outcomes to impacts via **intermediate states** (see Figure A5-3). Project outcomes are the direct intended results stemming from the outputs, and they are likely to occur either towards the end of the project or in the short term following project completion. **Intermediate states** are the transitional conditions between the project's immediate outcomes and the intended impact. They are necessary conditions for the achievement of the intended impacts and there may be more than one intermediate state between the immediate project outcome and the eventual impact.

Impact drivers are defined as the significant factors that if present are expected to contribute to the realization of the intended impacts and **can be influenced** by the project / project partners & stakeholders. **Assumptions** are the significant factors that if present are expected

¹⁵ GEF Evaluation Office (2009). ROtI: Review of Outcomes to Impacts Practitioners Handbook. http://www.gefweb.org/uploadedFiles/Evaluation_Office/OPS4/Roti%20Practitioners%20Handbook%2015%20une%202009.pdf

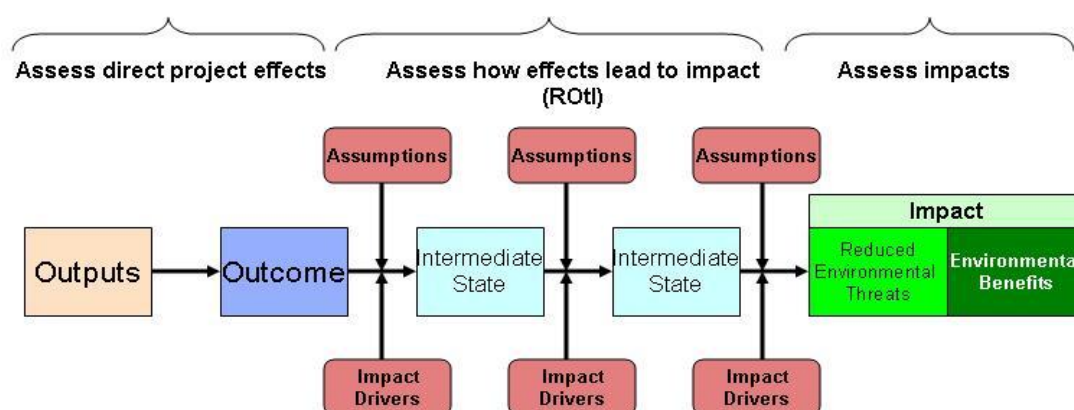
¹⁶ Evaluation of the efficiency and effectiveness in the use of resources to generate outputs is already a major focus within UNEP Terminal Evaluations.

to contribute to the realization of the intended impacts but are largely **beyond the control of the project** / project partners & stakeholders. The impact drivers and assumptions are ordinarily considered in Terminal Evaluations when assessing the sustainability of the project.

Since project logical frameworks do not often provide comprehensive information on the **processes** by which project outputs yield outcomes and eventually lead, via ‘intermediate states’ to impacts, the impact pathways need to be carefully examined and the following questions addressed:

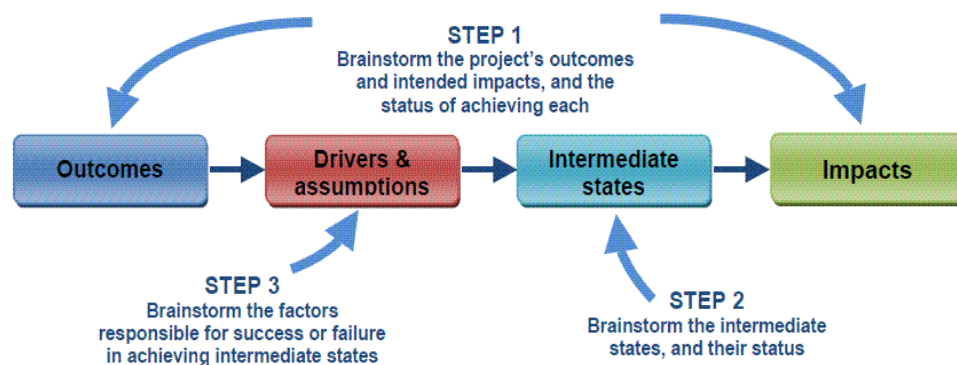
- Are there other causal pathways that would stem from the use of project outputs by other potential user groups?
- Is (each) impact pathway complete? Are there any missing intermediate states between project outcomes and impacts?
- Have the key impact drivers and assumptions been identified for each ‘step’ in the impact pathway.

Figure A5-3. A schematic ‘impact pathway’ showing intermediate states, assumptions and impact drivers (adapted from GEF EO 2009).



The process of identifying the impact pathways and specifying the impact drivers and assumptions can be done as a desk exercise by the evaluator or, preferably, as a group exercise, led by the evaluator with a cross-section of project stakeholders as part of an evaluation field mission or both. Ideally, the evaluator would have done a desk-based assessment of the project’s theory of change and then use this understanding to facilitate a group exercise. The group exercise is best done through collective discussions to develop a visual model of the impact pathways using a card exercise. The component elements (outputs, outcomes, impact drivers, assumptions intended impacts etc.) of the impact pathways are written on individual cards and arranged and discussed as a group activity. Figure A5-4 below shows the suggested sequence of the group discussions needed to develop the ToC for the project.

Figure A5-4. Suggested sequencing of group discussions (from GEF EO 2009).



Once the theory of change model for the project is complete the evaluator can assess the design of the project intervention and collate evidence that will inform judgments on the extent and effectiveness of implementation, through the evaluation process. Performance judgments are made always noting that project contexts can change and that adaptive management is required during project implementation.

The ROTI method requires ratings for outcomes achieved by the project and the progress made towards the ‘intermediate states’ at the time of the evaluation. According to the GEF guidance on the method; “*The rating system is intended to recognize project preparation and conceptualization that considers its own assumptions, and that seeks to remove barriers to future scaling up and out. Projects that are a part of a long-term process need not at all be “penalized” for not achieving impacts in the lifetime of the project: the system recognizes projects’ forward thinking to eventual impacts, even if those impacts are eventually achieved by other partners and stakeholders, albeit with achievements based on present day, present project building blocks.*” For example, a project receiving an “AA” rating appears likely to deliver impacts, while for a project receiving a “DD” this would seem unlikely, due to low achievement in outcomes and the limited likelihood of achieving the intermediate states needed for eventual impact (see Table A5-1).

Table A5-1. Rating scale for outcomes and progress towards ‘intermediate states’.

Outcome Rating	Rating on progress toward intermediate states
D: The project’s intended outcomes were not delivered	D: No measures taken to move towards intermediate states.
C: The project’s intended outcomes were delivered, but were not designed to feed into a continuing process after project funding	C: The measures designed to move towards intermediate states have started, but have not produced results.
B: The project’s intended outcomes were delivered, and were designed to feed into a continuing process, but with no prior allocation of responsibilities after project funding	B: The measures designed to move towards intermediate states have started and have produced results, which give no indication that they can progress towards the intended long term impact.
A: The project’s intended outcomes were delivered, and were designed to feed into a continuing process, with specific allocation of responsibilities after project funding.	A: The measures designed to move towards intermediate states have started and have produced results, which clearly indicate that they can progress towards the intended long term impact.

Thus a project will end up with a two letter rating e.g. AB, CD, BB etc. In addition the rating is given a ‘+’ notation if there is evidence of impacts accruing within the life of the project. The possible rating permutations are then translated onto the usual six point rating scale used

in all UNEP project evaluations in the following way (a + score moves the double letter rating up one space in the 6-point scale).

Table A5-2. The way in which ratings for ‘achievement of outcomes’ and ‘progress towards intermediate states translate to ratings for the ‘overall likelihood of impact achievement’ on a six point scale.

Highly Likely	Likely	Moderately Likely	Moderately Unlikely	Unlikely	Highly Unlikely
AA AB BA CA BB+ CB+ DA+ DB+	BB CB DA DB AC+ BC+	AC BC CC+ DC+	CC DC AD+ BD+	AD BD CD+ DD+	CD DD

The ROTI method provides a basis for comparisons across projects through application of a rating system that can indicate the expected impact. However it should be noted that whilst this will provide a relative scoring for all projects assessed, it does not imply that the results from projects can necessarily be aggregated. Nevertheless, since the approach yields greater clarity in the ‘results metrics’ for a project, opportunities where aggregation of project results might be possible can more readily be identified.

Scoring Guidelines

The achievement of **Outputs** is largely assumed. Outputs are such concrete things as training courses held, numbers of persons trained, studies conducted, networks established, websites developed, and many others. Outputs reflect where and for what project funds were used. These were not rated: projects generally succeed in spending their funding.

Outcomes, on the other hand, are the first level of intended results stemming from the outputs. Not so much the number of persons trained; but how many persons who then demonstrated that they have gained the intended knowledge or skills. Not a study conducted; but one that could change the evolution or development of the project. Not so much a network of NGOs established; but that the network showed potential for functioning as intended. A sound outcome might be genuinely improved strategic planning in SLM stemming from workshops, training courses, and networking.

Examples:

Funds were spent, outputs were produced, but nothing in terms of outcomes was achieved. People attended training courses but there is no evidence of increased capacity. A website was developed, but no one used it. (Score – D)

Outcomes achieved but are dead ends; no forward linkages to intermediary stages in the future. People attended training courses, increased their capacities, but all left for other jobs shortly after; or were not given opportunities to apply their new skills. A website was developed and was used, but achieved little or nothing of what was intended because users had no resources or incentives to apply the tools and methods proposed on the website in their job. (Score – C)

Outcomes plus implicit linkages forward. Outcomes achieved and have *implicit forward linkages* to intermediary stages and impacts. Collaboration as evidenced by meetings and decisions made among a loose network is documented that should lead to better planning. Improved capacity is in place and should lead to desired intermediate outcomes. Providing implicit linkages to intermediary stages is probably the most common case when outcomes have been achieved. (Score - B)

Outcomes plus explicit linkages forward. Outcomes have *definite and explicit forward linkages* to intermediary stages and impacts. An alternative energy project may result in solar panels installed that reduced reliance on local wood fuels, with the outcome

quantified in terms of reduced C emissions. Explicit forward linkages are easy to recognize in being concrete, but are relatively uncommon. (Score A)

Intermediate stages:

The **intermediate stage** indicates achievements that lead to Global Environmental Benefits, especially if the potential for scaling up is established.

“Outcomes” scored C or D. If the outcomes above scored C or D, there is no need to continue forward to score intermediate stages given that achievement of such is then not possible.

In spite of outcomes and implicit linkages, and follow-up actions, the project dead-ends. Although outcomes achieved have *implicit forward linkages* to intermediary stages and impacts, the project dead-ends. Outcomes turn out to be insufficient to move the project towards intermediate stages and to the eventual achievement of GEBs. Collaboration as evidenced by meetings and among participants in a network never progresses further. The implicit linkage based on follow-up never materializes. Although outcomes involve, for example, further participation and discussion, such actions do not take the project forward towards intended intermediate impacts. People have fun getting together and talking more, but nothing, based on the implicit forwards linkages, actually eventuates. (Score = D)

The measures designed to move towards intermediate states have started, but have not produced result, barriers and/or unmet assumptions may still exist. In spite of sound outputs and in spite of explicit forward linkages, there is limited possibility of intermediate stage achievement due to barriers not removed or unmet assumptions. This may be the fate of several policy related, capacity building, and networking projects: people work together, but fail to develop a way forward towards concrete results, or fail to successfully address inherent barriers. The project may increase ground cover and or carbon stocks, may reduce grazing or GHG emissions; and may have project level recommendations regarding scaling up; but barrier removal or the addressing of fatal assumptions means that scaling up remains limited and unlikely to be achieved at larger scales. Barriers can be policy and institutional limitations; (mis-) assumptions may have to do with markets or public – private sector relationships. (Score = C)

Barriers and assumptions are successfully addressed. Intermediate stage(s) planned or conceived have feasible direct and explicit forward linkages to impact achievement; barriers and assumptions are successfully addressed. The project achieves measurable intermediate impacts, and works to scale up and out, but falls well short of scaling up to global levels such that achievement of GEBs still lies in doubt. (Score = B)

Scaling up and out over time is possible. Measurable intermediate stage impacts achieved, scaling up to global levels and the achievement of GEBs appears to be well in reach over time. (Score = A)

Impact: Actual changes in environmental status

“Intermediate stages” scored B to A.

Measurable impacts achieved at a globally significant level within the project life-span. . (Score = ‘+’)

ROtI analysis for the TEEB project

At the time of the present evaluation, the TEEB project continues in being, and currently (whether considered as “extended Phase II” or “Phase III”) it is not expected to terminate until some time during 2012. While this is therefore not a mid-term evaluation, is it not a

terminal evaluation either, and a full ROtI analysis of ultimate impacts will only be possible at a later date.

In the meantime the impact logic can be described by reference to the project documents. In the original “Phase II” logical framework, the “overall objective” of the project was described as being “to make a credible economic case for policy-makers, businesses and consumers to conserve, sustainably use and invest in biodiversity and ecosystems”. The “expected overall results” were described as being that “policy-makers, local administrators, business executives, consumers and local communities’ representatives would support conserving, sustainably using, and investing in biodiversity and ecosystems, with equitable sharing of benefits”.

Indicators for these “expected overall results” are given as:

1. National policymakers in at least 25 countries announce - as a result of the project - to reinforce their efforts to implement CBD Article 11 (“Incentive measures”) and subsequent decisions on the use of economically and socially sound incentive measures for biodiversity conservation.
2. Administrators at sub-national levels in at least 25 countries express interest - as a result of this project - to apply environmental inclusive economics in making decisions on publicly funded projects that are likely to affect conservation and sustainable use of biodiversity and ecosystems.
3. At least 25 companies decide - as a result of this project - to report on their biodiversity and ecological footprint regularly.
4. Consumer groups or communities in at least 25 countries declare - as a result of this project - their intention to support biodiversity/ecosystem conservation and sustainable use through changes in their consumption patterns or production methods.

The Project Document for Phase II lists certain “accomplishments” that Phase II was expected to achieve, although these do not appear in the logical framework. They are:

1. Various economic values of biodiversity and ecosystem services understood and acknowledged by stakeholders.
2. Relationships between ecosystem services and the various constituents of human well-being for different stakeholders understood and recognised by stakeholders.
3. Tradeoffs between ecosystem services made explicit and understood by stakeholders.
4. Economic consequences of MA scenarios understood by stakeholders.

Reference to one particular assumption is made in a passage which states: “For this project to succeed, developing countries, which host the world’s most significant biodiversity and ecosystems, need to have a genuine interest in this project”, and in another which states: “Developing countries’ substantive involvement in this action is indispensable if it is to achieve world-wide effects”.

Reference to one particular risk, associated with this assumption, is made in a passage which states: “A major risk is the lack of genuine interest and participation of developing countries in this project. The focus on conserving and sustainably using biodiversity and ecosystems for equitable sharing of benefits can be easily perceived as the attempt of Northern groups to impose restrictions on the Southern countries’ rights to development”.

The Project Document Supplement drawn up in April 2010, and the third budget revision document dated June 2010, contain a different logical framework, with the project outcome stated as “Countries incorporate an economic rationale into their planning to reduce biodiversity loss”. A new set of indicators is presented, as follows:

1. The number of national development planning processes that recognise and consider ecosystem services as a component for development increases.
2. The number of government statements at regional and international economic and trade fora that indicate their commitment to incorporating the economic implications of biodiversity loss into their policymaking processes (target: 10 statements).
3. The number of countries adopting national plans or programmes that reflect economic rationale for reducing biodiversity loss based on recommendations from the TEEB reports (target: 4 countries).
4. The number of governments, UN agencies, IGOs, NGOs, academic institutions and private sector organisations applying recommendations and tools outlined in the TEEB reports (target: 50 agencies/institutions).

(A number of questions are implied by these indicator definitions, concerning the arrangements and methods by which they might be monitored and assessed, and the timing of

when they might be most appropriately assessed - see section 3J of this report on Monitoring & Evaluation for further comments on these aspects).

The same two 2010 revision documents also include a new outcome statement relating specifically to the project strand on communications and outreach, funded by the European Commission with co-funding from the UK and Norway, as follows: “To build the political will to reduce the rate of global biodiversity loss ... by increasing knowledge and awareness in both developed and developing countries about the global economic benefits of biological diversity, the costs of biodiversity loss and the costs and benefits of effective conservation”. Additional indicators were presented in association with this, as follows:

1. Development of new policies that incorporate accounting for natural capital.
2. Development of valuation tools.
3. TEEB findings on agendas of intergovernmental dialogues.

Reference to one particular assumption is made in a passage which states: “This [ie the new statement of outcome] is in the expectation that greater understanding amongst the key stakeholders would generate policy changes at the policy level in the same way that the Economics of Climate Change Report has done for climate change.”

It has been repeatedly stressed by the project team that the TEEB project was predominantly concerned with better communication and uptake of information and advice, rather than origination of new research or new theories. This is important to any consideration of what constitutes an “outcome” or an “impact” of TEEB. The Project Document itself states (in a section on poverty alleviation and gender, but the point applies more widely): “as a policy research and communication project, [TEEB’s] positive impacts ... will be indirect (as real impacts will have to come from expected government policy actions)”.

Note that reference above to policymakers and administrators refers not only to those in the biodiversity community, but governments and local administrations acting on behalf of all sectors, and also to policymakers in the other individual sectors themselves.

A typical view among consultees in the present evaluation was that at this stage it is too early to assess the impact of TEEB, and the main thing that it is possible to examine (as a potential proxy) is the level of interest, meaning in practice the uptake of project outputs. It will be noted from Table A5-4 below that this is a state that occurs near the beginning of the sequence of intermediate states, and that judgements based on later states would approach closer to good proxies for ultimate impact.

Another strand of comment is aptly summed up by the following quotation from a paper by Polasky et al (in press), viz: “The future is always uncertain, but with global change it is highly uncertain. Dynamic elements of social–ecological systems under global change, such as biophysical relationships, human preferences and behaviour, and feedbacks among system components, are poorly understood. Additional uncertainty in global change arises with the vast spatial and temporal scales involved and the often limited data available. The future of complex social–ecological systems under global change, and how that future might be influenced by alternative decisions, is subject to considerable uncertainty. Although classical decision theory brings a powerful set of tools to bear on problems of decision-making under uncertainty, it is not directly applicable to the analysis of global change because it requires a fully specified set of future potential states and probabilities of their occurrence, an understanding of how states and actions combine to yield outcomes, and an understanding of the net benefits of each potential outcome.” The same paper provides what is effectively an “impact driver” statement of particular relevance to TEEB, viz: “Collaborative approaches that generate trust and common understanding improve the chance of successful joint governance”.

While the thrust of the TEEB project’s objectives (making an economic case for biodiversity conservation and sustainable use, leading to better support for such conservation and

sustainable use) is entirely appropriate, the ultimate (“development”) and proximate (“immediate”) objectives for the project, its planned outcomes and outputs, as well as the indicators, assumptions and limitations applying to each of these, could have been more coherently expressed and unified in the project documents. An updated and consolidated complete logical framework at each major project revision might have been the most appropriate way of doing this.

Tables A5-3 and A5-4 below attempt to substitute for this with a condensed and re-ordered summary of the ingredients described above, plus some additional suggested expressions of elements which appear *de facto* to be part of the project’s intervention logic.

Finally, following the methodology described above, the ratings for outcomes achieved by the project and the progress made towards the “intermediate states” at the time of the evaluation are given in Table A5-5.

According to the methodology described, the overall rating of “AA” for the TEEB project translates on the six point scale of ratings for “overall likelihood of impact achievement” to a rating of “Highly Likely”.

Had the judgement about TEEB’s deliverables been made purely on a basis of whether policy and behavioural change could be attributed to the information provided by the project, then a rating of “B” would probably have been given for the intermediate states relating to outcome 2, since it is not clear how much redundancy there might be in some of the content that has been produced, in relation to actual users’ needs. As noted in Table A5-5 however, the apparent developing demand from users for practical tools and guidance allows a higher rating to be given.

The evaluation Terms of Reference refer to a number of issues which should be borne in mind when conducting the ROTI analysis, and these have been taken into account. The available data have however not allowed any meaningful conclusions to be drawn at this stage on one of the areas mentioned, namely the extent to which the project is contributing to objectives concerning gender issues and the well-being of women in particular.

Although explicit forward linkages to ultimate impact are evident, this impact was defined by the project in terms of policymakers and others “supporting” conservation, sustainable use and investment in biodiversity and ecosystems, rather than in terms of the condition of the biodiversity and ecosystems themselves. A stricter interpretation of the ROTI scoring method might therefore have produced a lower overall rating; but the rating given here is judged to be appropriate in the context of what the project was setting out to do.

It should be noted however that there is scope for ambiguity in the way that “support” is understood: it could refer merely to a supportive attitude which in practice is overridden by other considerations, or it could refer to dogged defence of decisions made in favour of conservation. The former interpretation would set the bar very low for achieving a high ROTI rating, so a more demanding interpretation has been assumed here.

An overall rating has been suggested in Table A5-5, but since this is not strictly a terminal evaluation and the project has not yet concluded, this is probably best viewed as a provisional rating at this stage.

Table A5-3. Review of Outcomes to Impacts – intervention logic for the TEEB project: outcomes, impacts, assumptions and drivers.

Outcomes	Intermediate States	Impact
<p>(Project overall objective): A CREDIBLE ECONOMIC CASE IS MADE for policy-makers, businesses and consumers to conserve, sustainably use and invest in biodiversity and ecosystems.</p> <p>(Deduced): Quality, completeness and relevance of INFORMATION IS IMPROVED (synthesised).</p>	<p>→ <i>[(i)-(vi): See Table A5-4 on next page]</i> →</p>	<p>BETTER BIODIVERSITY/ECOSYSTEM CONDITIONS (Project expected overall results): Policy-makers, local administrators, business executives, consumers and local communities' representatives support conserving, sustainably using and investing in biodiversity and ecosystems, with equitable sharing of benefits.</p>
Assumptions	<ul style="list-style-type: none"> - Widespread consensus and confidence in the synthesised information and the methodological tools can be achieved - Those who become favourably disposed towards the information provided also have the power to use it relevantly - TEEB's positive impacts will be indirect, as real impacts will have to come from expected government policy actions - Greater understanding among key stakeholders will generate policy changes in the same way as the Economics of Climate Change Report did in respect of climate change - Developing countries' substantive involvement in the project is indispensable for it to achieve world-wide effects - Developing countries will have a genuine interest in the project 	
Impact drivers	<ul style="list-style-type: none"> - Direct provision of information, syntheses, digests; improved web/social media access; language translations - Information tailored and matched to defined target audiences - Information tailored and matched to specific identified policy choices and decision-points - Information tailored and matched to whatever incentivises given decision-makers and citizens to use it - Creation of confidence, assurance and peer-endorsement - Creation of collaborative climate of trust and common understanding - Overcoming any potential perception by some that a focus on conserving and sustainably using biodiversity and ecosystems is an attempt by Northern groups to impose restrictions on Southern countries' rights to development 	

Table A5-4. Review of Outcomes to Impacts – intervention logic for the TEEB project: intermediate states.

Intermediate States											
Outcomes CREDIBLE ECONOMIC CASE MADE ; INFORMATION IMPROVED	(i) COMMUNICATION, PROMOTION The economic case for conserving, sustainably using and investing in biodiversity and ecosystems, and relevant tools, is communicated and promoted.	→	(ii) UPTAKE (- of project outputs, information and advice). Target audiences have easier access to the information they need for better decisions. Target audiences have positive perceptions of the improved information provided, and then make use of it. (From additional 2010 project indicators): TEEB findings are on agendas of intergovernmental dialogues.	→	(iii) UNDERSTANDING AND RECOGNITION (From Project Document accomplishments) Stakeholders understand and recognise: economic values of biodiversity and ecosystem services; relationships between ecosystem services and human well-being; tradeoffs between ecosystem services; and economic consequences of MA scenarios.	→	(iv) POLITICAL WILL FOR CHANGE (Project outcome - communications & outreach - revised April-June 2010): The political will is built to reduce the rate of global biodiversity loss ... by increasing knowledge and awareness in both developed and developing countries about the global economic benefits of biological diversity, the costs of biodiversity loss and the costs and benefits of effective conservation. (From project indicators): Consumers and communities declare intention to support conservation through changes in consumption or production methods.	→	(v) NEW POLICIES Increased number of relevant decisions taken with the intention and likelihood of benefiting biodiversity. (Project outcome, revised April-June 2010): Countries incorporate an economic rationale into their planning to reduce biodiversity loss. (From additional 2010 project indicators): New policies developed, incorporating accounting for natural capital.	→	(vi) BETTER IMPLEMENTATION OF POLICIES (From project indicators): Reinforced national implementation of CBD Article 11 on incentive measures for biodiversity conservation. Environmentally inclusive economics used in sub-national decisions on publicly funded projects. National development planning processes consider ecosystem services as a component for development.
Impact BETTER BIODIVERSITY/ECOSYSTEM CONDITIONS											

Table A5-5. Ratings for outcomes and progress towards intermediate states.

Outcomes	Rating	Intermediate states	Rating	Impact	Rating	Overall rating
1: A credible economic case is made for policy-makers, businesses and consumers to conserve, sustainably use and invest in biodiversity and ecosystems Comments: Separate deliverables were tailored and targeted to policymaking, business and consumer audiences. Implicit forward links to policy and attitude changes were provided by strong peer-review and iterative testing of the case being made. This, together with unique status and recognition of TEEB, gave sufficient credibility to ensure explicit links to intermediate states (i)-(iv). A broad strengthening of practitioner networks, at least during the project and potentially on a more sustainable basis thereafter, has supported these links and the onward ones leading further towards impact.	A	Comments: The degree of technical consensus (not universal, but notable) represented in the TEEB materials has been generally sufficient to enhance the authority with which policymakers, business and consumers have been able to rely on the economic case in making decisions in support of the intended impact, demonstrated for example in the CBD, and to some extent beyond biodiversity circles too eg in parts of the business community. A strong indicator of forward links to realisation of actual impact is the extent of replication already beginning to be catalysed at different geographical scales (particularly national) and in some sub-sectors; though evidence of attributable behaviour change among citizens and consumers is lacking.	A	Comments: ("Impact" would be given a rating of "+" if there had been measurable changes in actual environmental status at global level as a result of the project and during its life-span. It is inherent in the nature of the TEEB project that it should enable other processes to achieve such impacts, and over a longer timescale, rather than directly producing them itself within the life of the project).		AA
2: Quality, completeness and relevance of information is improved (synthesised) Comments: Field-leading synthesis achieved, with relevance to specified end-user fora designed in from the outset, providing a basis for links to intermediate states (i)-(ii).		Comments: The profile achieved for the existence of TEEB information has been very good, and indications are that awareness is high and responses are positive. Data are lacking however on the actual levels of penetration and use, and on whether particular policy and behavioural changes are attributable to specific TEEB product content, as opposed to the project's more general attitudinal messages. Apparent developing demand from users for practical tools and guidance allows this nonetheless to be rated A.				

Annex 6 Evaluator CV

Dave Pritchard is an independent consultant in both the environment and culture sectors. He has worked for almost 30 years in national and international policy and law with bodies including UNESCO, the UN Environment Programme, the Foundation for International Environmental Law & Development, the Ramsar Convention, Convention on Migratory Species and BirdLife International, and has been a non-executive Director of both Wetlands International and the UK Government's Joint Nature Conservation Committee, in which he has chaired Programme & Science and Audit & Risk Management Committees respectively. As one of the longest-serving members of the Ramsar Convention's Scientific & Technical Review Panel, he currently chairs its working group on assessment, monitoring and reporting, and has originated much of the Convention's technical guidance on these subjects, as well as editing the Convention's 4th edition guidance Handbooks. Dave has authored or edited several books, and in 2008 he was awarded the Wetland Conservation Award.

Dave also serves on the Ramsar Convention's Culture Working Group and the IUCN Specialist Group on Cultural and Spiritual Values of Protected Areas. In the UK he chairs the Arts & Environment Network, is a Trustee of the Centre for Contemporary Art & the Natural World, an arts adviser to the Forestry Commission, an Arts Council England Assessor, formerly Vice-Chair of Bedford Creative Arts, and a collaborator with the Research in Art, Nature & Environment Group at University College Falmouth.

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