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PROGRAMME COMMITTEE

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**Evaluation of Strategy D2: Conservation, rehabilitation and
development of environments at the greatest risk**

Summary

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EXECUTIVE SUMMARY¹

1. Strategic Objective D2 “Conservation, Rehabilitation and Development of Environments at the Greatest Risk” is aimed to address conditions where environmental capacity and system integrity are critical constraints. Defined by habitat, D2 potentially concerns a significant portion of the Earth, in terms of resources and dependent populations. Its mandate covers four components: monitoring and assessing fragile ecosystems, and developing management criteria; enhancing institutional and planning capacity, and promoting use of social, economic and environmental costing into policies and programmes; promoting sustainable development, conservation and rehabilitation of fragile ecosystems and areas; and assisting in the implementation of international conventions and agreements, and of relevant chapters of Agenda 21.
2. The evaluation was carried out through in-situ appraisals of 32 projects and programmes in nine countries, a review of FAO normative programmes and a questionnaire to a range of stakeholders on FAO's visibility and effectiveness on D2 relevant actions, each addressing the three D2 ecosystems (drylands, mountains and coastal/marine).
3. A wide range of D2-related activities has been carried out at both normative and field programme levels, in each of the three major ecosystems. Though Regular Programme allocations were modest, ranging from 2.9 percent to 3.4 percent of the Medium-Term Plan, this was considerably extended using diverse funding sources. Very little of this was formally set out as a D2-targeted process, and there was limited recognition within or outside of FAO of any sense of focus with respect to D2 issues and strategic aims. The strategic objective was not reflected in operational structures and approaches and was rarely considered by FAO staff to be a specific point of reference for priorities and actions.
4. The strongest delivery was in the development of monitoring and methodologies, primarily in the context of broader resource assessments, management approaches, guidelines and information outputs. There was some capacity building, but only on specific topics without being set in a D2 context. The promotion of sustainable development was also noted, and a limited number of rehabilitation activities, but there was little to be distinguished from more generic action. Support for Agenda 21 was noted, and for international conventions and programmes, in some of which, such as CCRF, Land Degradation Assessment in Drylands programme (LADA) and Mountains Partnership (MoP), FAO showed particular influence.
5. The evaluation made six recommendations:
 1. FAO's engagement with D2 related issues is very important and will remain so, but unless it can create significant added value to FAO's delivery, it should not be kept separate. In a more comprehensive and operationally effective restructuring of strategic objectives, the functions of D2 should be absorbed into FAO's broader aims;
 2. A framework should be established for FAO and its partners to define priorities, establish goals and specify indicators in D2-related areas, as a basis for addressing these issues in partnership;
 3. Specific innovations relevant to D2 themes, such as work in economic valuation and in realisation of environmental values by local communities, should be given greater emphasis and extended across a wider range of systems;
 4. For environmental and sustainable development (D2 type themes), FAO should aim for longer-duration projects. TCPs should not be used for addressing these issues unless

¹ The full report in English can be found at PBEE website: <http://www.fao.org/pbe/pbee/en/index.html>.

their full requirements can be met, i.e. limited objectives or pilot activities with very strong assurance of up scaling;

5. In conjunction with partner agencies, FAO should look at defining more specific and effective long term criteria and measures for the stewardship of key systems and for developing sustainable and effective livelihood approaches; and
6. FAO's comparative advantages should be spelled out more clearly and used as a management tool to define and measure performance and to determine appropriate responses and priorities.

EXTENDED SUMMARY

Background

1. Strategic Objective D2 “Conservation, Rehabilitation and Development of Environments at the Greatest Risk” is aimed to address conditions where environmental capacity and system integrity are critical constraints. Strategic Objective D2, together with Strategic Objective D1 “Integrated Management of Land, Water, Fisheries, Forest and Genetic Resources”, are set out as the key elements for FAO’s engagement in environment-focused issues, part of its broader responsibilities and interactions in the international agenda for development and environment.
2. The mandate of SO D2 is articulated in four components:
 - monitoring and assessing the state of fragile ecosystems, developing criteria and indicators for their sustainable management and building capacity for environmental impact assessment and risk analysis;
 - enhancing institutional and planning capacity at the local, national, regional and international levels and incorporating consideration of the social, economic and environmental costs and benefits of natural resource use into policies and programmes, in order to respond to degradation and competition for natural resources in fragile ecosystems;
 - promoting the sustainable development, conservation and rehabilitation of fragile ecosystems and areas (dryland, mountain and coastal and marine ecosystems); and
 - assisting in the practical implementation of those chapters of Agenda 21, and of international conventions and agreements, relevant to fragile ecosystems (e.g. desertification, mountain development and responsible fisheries).
3. The evaluation was carried out over the period March 2005 to March 2006, and was led by Dr Dunstan Spencer (Sierra Leone). The team included several independent consultants who served as technical specialists and participated in the various regional missions: Dr Eduardo Fuentes (Chile - mountain zones, mission to Latin America); Dr James Muir (U.K. - aquatic systems, part of Asia and Near East missions); and Dr Bernard Toutain (drylands, Africa and Near East and part of the Asia mission). On behalf of FAO, the evaluation was managed by Mr Robert Moore, who participated in the Asia mission and Ms Tullia Aiazzi, who took part in missions to Latin America, Africa and the Near East.

Methodology

4. Defined by habitat, D2 potentially addresses issues concerning a significant portion of the Earth, in terms of resources (land for agriculture and livestock, water, forests, fisheries) and populations living in or using them. Drylands (arid, semi-arid and sub-humid) and mountains represent respectively 41 percent and 22 percent of the global land area, excluding Antarctica and Greenland; coastal systems include coral reefs, inter-tidal zones, estuaries, mangroves and sea-grass communities; some 40 percent of the world’s population live within 50 km of a coast, in nearly half the world’s cities of more than 500,000 people.
5. Within time and resources available, the methodology adopted had to be capable of attuning itself to the potential breadth and diversity of interaction, while at the same time focusing on sufficient detail to explore the relevance and quality of response.
6. The assessment was carried out using three methods, each addressing the three D2 ecosystems and the Strategic Objective components:
 - in-situ appraisals of 32 projects and programmes in nine countries;
 - a review of the normative programme carried out by FAO; and
 - a questionnaire to a range of stakeholders concerning FAO's actions relevant to D2.

7. The Evaluation Team held consultations with FAO stakeholders throughout the whole evaluation process, from initial scoping of the exercise and drafting terms of reference, through selection of projects and countries for country visits and identification and gathering of normative outputs, to comments on country reports and on an advanced draft report. Finally, an Independent External Peer Review Panel analysed the evaluation report, discussed with the evaluation team and FAO stakeholders, and delivered its own report, jointly presented to the PC. FAO management also prepared its response, which is presented to the Programme Committee under separate cover.

8. The assessment covers only the first six years (2000-2005) of an intended 15-year period from 2000-2015, and so represents just the first phase of FAO's action.

FAO work on D2

9. A wide range of D2-related activities was carried out at both normative and field programme levels, in each of the three major ecosystems. All technical major programmes contribute to D2, although Regular Programme allocations were modest, ranging from 2.9 percent to 3.4 percent of the MTP. Contributions of FAO work to D2 in fact come from many different funding sources and they cannot be identified with precision.

10. Normative outputs contributing to D2 include global regulatory frameworks, global and regional networks, international meetings and conferences, guidelines on ecosystem management, virtual platforms, economic and legislative studies, information and training materials and resource assessments. In many cases, these outputs are produced by FAO units in collaboration and partnership with other actors and stakeholders.

11. The analysis of project portfolios identified 102 D2-relevant field projects operational during the period analysed. This represents around 4 percent of the number of all projects implemented by FAO during the same period. By project funding type, TCPs represent 40 percent of the total number, GCPs represent 36 percent, UNDP-funded projects are 17 percent, 4 percent are GEF-funded projects, and 3 percent are Unilateral Trust Fund (UTF) projects. In financial terms, 68 percent of all project funds come from GCPs. UNDP follows with 20 percent. TCPs comprise only 8 percent of total funds and UTFs represent 3 percent of total funds. GEF, with less than 1 percent of total project funds, finances only regional projects.

12. The major thrust for D2 was initially through the PAIA "Strengthening Capacity for Integrated Ecosystem Management" (ECOM) which initially concentrated on drylands and mountains with a view to producing inter-sectoral guidelines and policy advice. Strategy D was also supported through the PAIA "Integrated Management of Biological Diversity for Food and Agriculture", which had among its tasks "to operationalise the ecosystem management approach". Normative work on the economics of environmental sustainability was also to contribute, along with support to environmental agreements and promotion of integrated environmental planning.

13. Administrative and operational constraints were noted in a number of cases, both in normative and operational work, and were considered to impact negatively on FAO's performance.

Monitoring systems and models for assessment of trends, impacts and threats

14. Most of FAO's monitoring and modelling activities across D2 ecosystems have been related to trends, firstly in developing assessment tools and inventories, and secondly in establishing the means of measuring change. However, these rarely focused specifically on D2 issues. Issues of threats, apart from problems of definition and relating these to an ecosystem context, were rarely addressed, limiting defining of system impacts.

15. Much of FAO's work on monitoring and modelling systems included the D2 ecosystems, either explicitly or implicitly. Thus in some systems, particularly those for desertification, soil erosion in upland areas and mangroves, these were specifically identifiable processes and features

and could be linked to particular D2 concerns, while in others, such as land and water use mapping, fisheries stock assessments, and biodiversity, these were more generic: although broadly relevant, they did not produce definable D2 outcomes. Also, there appeared to be few examples of complete ecosystem approaches, particularly those incorporating human, community and societal interactions.

16. There was evidence of use and good effectiveness at a general level of the monitoring systems and tools made available through FAO's work, by national governments, through specific project interventions, and more broadly from publications and various guideline documents. Again, much of this applied generically rather than specifically to D2, though there were some exceptions, such as mangrove initiatives.

17. FAO contributed to the development of D2-related monitoring systems and models also through inter-organizational initiatives, often providing essential baseline data and information structures and frameworks. However, the focus on specific D2 issues and approaches was rarely distinguishable, and overall, it was difficult to discern significant impact.

18. In all cases therefore, achievement was compromised with respect to D2 targets by the absence of an operational, context-setting strategy in which goals and priorities for doing so were clearly established. This resulted in four main weaknesses:

1. The lack of a clear definition of D2 ecosystems, their distinction from other ecosystems, the implications of specific trends, and broader development relevance, particularly with respect to FAO's primary mandate;
2. The absence of specific focus on threats to such ecosystems, and communities associated with them, and hence on the consequence and implications and the potential mitigation methods;
3. A fragmented coverage and depth of response with respect to monitoring and modelling, in which D2 objectives were commonly incidental to broader themes and issues; and
4. Little coherence of approach for interaction, either within or across sectors, in developing and applying common approaches and standards for monitoring such ecosystems with potential partners or collaborators.

Capacity building

19. While normative work activities have contributed usefully to more generic capacity building and could be developed further to address issues related to D2, they have rarely done so. For example, a key area with a good potential for further D2-specific capacity building, at different levels and from different perspectives, would be the development of approaches to valuing environmental services.

20. Virtually all field projects have capacity building components, using a number of techniques and methods. By far the most common mechanism is the Farmer Field School (FFS), used in over half of the field projects visited. Also, capacity building on methodologies for participatory territorial planning and development (e.g. Participatory and Negotiated Territorial Development Approach, PNTD) at micro and meso level in Latin America, have met with high success and interest among national institutions.

21. In most cases, capacity building components of visited field projects have been successful.

Promotion of sustainable development and ecosystem conservation and rehabilitation

22. A primary issue in this part of the assessment was to characterise "sustainable development, conservation and rehabilitation" in terms of agreed goals and measures for respective ecosystems. As practical proxies for these, field projects were assessed with respect to actual and potential impact on the environment, on sustainable agricultural development, on food security and on poverty alleviation. Taking the three criteria together, 26 percent of the projects were rated as good or very good and 43 percent were average or satisfactory. Best performance

was on environmental impact: 30 percent good or very good. These projects mostly addressed economically significant recommendation domains, and in many cases attempted to provide to target populations alternative income-generating activity that could be adopted, so that further depletion of resources could be prevented.

23. Impacts on the environment, sustainable agricultural development, food security and poverty alleviation were rated as poor or unsatisfactory in 31 percent of the projects, with poorest results in Africa. These were generally where social or economic conditions did not exist for widespread adoption of the technologies or systems being piloted, or where the recommendation domain had been of limited economic importance.

Partnerships

24. In each of FAO global activities a range of partners is usually involved, demonstrating in a positive sense the ability of FAO to engage in partnerships in these issues. The quality of these partnerships was likely to vary with the resources and shared commitment involved, and there were few indicators in place to determine these quality features.

25. While the Evaluation Team found general satisfaction with FAO as a partner, and no specific issues of dissatisfaction, it came to the same general conclusion as the recent partnerships evaluation, that FAO has greater difficulties in partnering at field level than at headquarters level. Moreover, the absence of a specific context for partnership, made it difficult to develop clear approaches and operational good practice.

Cross-cutting issues

Comparative advantage

26. The Evaluation Team considered that FAO has a comparative advantage if one or more of the following conditions could be observed, in that FAO: i) knows more; ii) has better connections; iii) is more efficient; iv) is more innovative; v) is more respected; or vi) is more influential.

27. FAO has considerable and recognisable strengths, which can be defined as comparative advantages. Many areas of its normative work related to the D2 objective exploit this, although they are of a general nature and not specifically designed. This advantage does not appear, however, in the design and implementation of D2-related field projects.

28. A further concern is that many of FAO capacities are specifically linked to individual professional capabilities and external programme resource opportunities. Thus, they are clearly at risk from staff changes and from uncertainties of budgetary and other resource allocations. This in turn increasingly tends to limit FAO's position to more of a secretarial role with respect to donor and government partnerships, rather than one in which it is actively stimulating and engaging in the development agenda.

29. Though FAO was able to offer specific strengths in a range of technical applications related to D2, there is also some element of comparative weakness in using this to enter dialogue in the crucially important resource and environment challenges being faced in some countries. The lack of strategic presence, whether or not explained by a reluctance to enter arenas that might be politically charged, is sometimes a serious constraint. In this context, though FAO is well respected, and still apparently trusted for its institutional memory, access to technical knowledge, and its neutrality, these alone will be insufficient in projecting courageous debate and implementing effective responses concerning major environmental challenges.

Scaling up of projects

30. Given the relatively short time frame of most D2-related projects, there is a clear need to associate those stakeholders likely to be interested in scaling up the pilot activity as early as possible in the project's life.

31. In several projects visited by the Evaluation Team, scaling up was successful but in many other cases, no follow-up initiatives stemmed after pilot projects' completion. The principal reasons for this were: lack of a convincing demonstration and/or lack of partner interest, usually because it was not sought. There often seemed to be an implicit assumption that the success of the project would spontaneously generate follow-up interest. This may happen in some types of projects, if the innovation is low-cost, accessible and results of the pilot exercise are clearly visible, but it seems to be the case only rarely, with interventions aimed at D2-type objectives.

The value and potential of Strategic Objective D2

32. The themes of D2 are important and interlink with core issues within FAO's mandate. It is clear that where people live in areas that are described as having fragile ecosystems, are engaged in food production and income generation, and are attempting to improve livelihoods in a sustainable manner, the provisions and approaches embodied in D2 are essential in achieving these aims. Moreover, where these ecosystems provide services to others, whether in rural or urban environments, the D2 engagement has the potential to generate highly important and often unrecognised multipliers. Thus, it is relevant for FAO to devote attention to the problems of fragile ecosystems, and potential impacts are great.

33. However, this must be set against a basic question of what can be said to constitute a fragile ecosystem, and how in practice policy approaches and social and technical interactions should differ for these, from the broader and globally important issues of sustainable development. While the UNCED Agenda 21, 14 years ago, drew attention very rightly to mountains and drylands, development systems' thinking has understandably moved on. These "D2 systems" are highly significant and justify attention, but they cannot be isolated from others, nor be marginalised. Nor does a selective focus remove responsibilities for similar concerns in other global ecosystems, many of which are under greatly increased environmental stress, with massive implications for human welfare.

34. A further and related issue concerns the D2 sub-themes of "conservation, rehabilitation and development". At face value, these are almost mutually exclusive objectives. Conservation is classically a matter of protection, with minimal levels of human intervention, extended possibly to ecosystem-relevant levels of hunting, foraging or grazing, while some views propose zero intervention. Rehabilitation implies an objective of restoring habitats to some definable state. It might relate to an aim to restore a severely impacted and degraded system to some degree of ecosystem integrity and perhaps productive capability. Development normally implies deliberate alteration of habitats and ecosystems towards a productive aim. Although Strategy D overall, and D2 for fragile ecosystems, acknowledge the challenge posed by striking a balance between these three objectives, they do not define the criteria or approaches for doing so. Across a continuum of ecosystem vulnerability and human impact there could be various levels at which ecosystem functions, the delivery of resource-based goods and services, and the livelihoods of households, might be mutually achievable. However, this is not proposed, explored or developed, and leaves D2 without a convincing context.

35. The clarity of purpose in implementing D2 must also be questioned. Across the ecosystems defined, FAO responses are useful, but not notably coherent and more vitally, not significant in real impact. Clusters of small projects, each with limited focus and target grouping, with limited provision or potential for wider engagement, cannot make a strategic response. While the quality of specific interventions has at times been good, and the normative programme might offer valuable strategic tools, there is little thematic connection separating and distinguishing D2. This translates further into a lack of definable objectives, and a difficulty in establishing D2 specific normatives and measuring impact.

36. FAO has not had a notable position, apart from a small number of technical secretariat roles and contributions to synoptic resource assessments arising from FAO's generic normative functions. These have clearly been useful to underpin the identification of target areas, intervention options and the measurement of change. The development component of D2 is

perhaps most relevant to FAO, but distinctions between D2 environments and those in its wider aims are not clear enough for it to be pursued independently, or indeed justified to be separate.

37. Operationally, there appears to be very little practical support at departmental level for a separate D2 objective: technical units either have a more inclusive vision of a continuum of involvement in ecosystems of all types, or at other extremes, simply do not consider environmental goods and services to be a core remit. Staff engaged in emerging issues of global governance in natural resources may well have a sound sense of appropriate directions, and how best D2-type issues could be assumed within the FAO mandate. However, beyond general statements of the importance of these systems and the problems they face, there have not been any processes for these to be explored and set out.

38. We must also question if separation of D2 has added value to FAO's function, and whether the D2 issues are sufficiently relevant and well defined to be addressed with sufficient impact. This would not appear to be the case. Although D2 may have provided a degree of "recognition factor" asserting FAO's place at the table in dealing with these issues, delivery appeared to be either too indistinct or possessing insufficient impact. While FAO demonstrated a useful and apparently valued technical secretariat role in some areas, and was one of a number of recognised contributors to major generic products such as the Millennium Ecosystem Assessment, these did not necessarily require a separate D2 entity.

39. There is also the question of whether resources applied to D2, directly or indirectly, have generated sufficient benefits with respect to its themes, and whether this has enriched the Organization and its stakeholders. Outcomes are difficult to measure but show little striking evidence of impact. This is not to suggest that potential generic impacts, such as those through FAO's contributions to the Mountain Partnership, the Code of Conduct for Responsible Fisheries, or links with the UNCCD and others, are not notable and well valued. Such major intergovernmental initiatives are important, arguably essential, but not in themselves solutions to the underlying development challenges. The extent to which they mobilise action, promote change and deliver outcomes, particularly in a more complex institutional environment, requires vision, commitment and well focused practical intervention. There has simply been very little perception of achievement at a broader level, with respect to D2 aims, nor is this much evident amongst stakeholders.

40. These reservations also apply to the potential for identifying, making use of or developing FAO's comparative advantages. For D2 related issues, FAO has shown a better position in sub-regional and regional activities than for national activities, but at neither level was there a strong sense of FAO being able to define, use or build on its comparative advantages. Further, the D2 Strategic Objective would appear to have offered little by which FAO could clearly distinguish itself, nor had it been a gathering point for innovation in development.

Conclusions

41. FAO's delivery to D2 was variable in performance and quality. This partly reflects a difficulty of defining and applying a clear context and objectives, operationalising D2 in a systematic manner. It also reflects a generally low or declining level of performance of FAO in a number of related themes, evidence of a drift away from leadership.

42. The D2 Strategic Objective was not reflected in operational structures and approaches and was rarely considered by FAO staff to be a specific point of reference for priorities and actions. Thematic approaches were present only to a limited degree, and there were no centres of action specific for D2.

43. Normative outputs were sometimes relevant to D2, and though some were useful in generic terms, there was little specific analytical approach to the nature of resource use and development interaction, system resilience, etc. in D2 environments. Synoptic inventory tools and methodologies, generic initiatives such as the Mountain Partnership and the Code of Conduct for

Responsible Fisheries (CCRF), and functional tools such as livelihoods approaches and the valuation of environmental goods, were well recognised and widely regarded, but were rarely specifically focused on D2.

44. The field programme was disconnected, with too many weak projects, little innovation and limited impacts. There was limited evidence of scale-up, and partnerships were variable but often ineffective and rarely extending beyond the life of specific projects.

45. With respect to specific elements of the D2 Strategic Objective, the strongest delivery was seen in the development of monitoring and methodologies, primarily in the context of broader resource assessments, management approaches, guidelines and information productions. There was some capacity building, but rarely focusing explicitly on D2 issues, or only on specific topics without being set in a D2 context. The promotion of sustainable development was also noted, and a limited number of rehabilitation activities, but there was little to be distinguished from more generic action. Support for Agenda 21 was noted, and for international conventions and programmes, in some of which, such as CCRF, Land Degradation Assessment in Drylands programme (LADA) and Mountains Partnership (MoP), FAO showed particular influence.

46. Comparative advantages for FAO in D2 issues were poorly defined and developed, though a small number of good examples occurred of this being demonstrated and applied. In other cases, it appeared that advantages were either failing to be realised, or were becoming lost, particularly where FAO entered project level service function roles without maintaining higher-level national or regional engagement.

47. FAO's performance in terms of defining and leading the D2-related agenda was very modest; with only limited exceptions, there was little evidence of strategic leadership, even when technical capability and prior standing would have provided opportunity. This was partly due to the absence of an operational framework for D2 but also reflects limited strategic priority setting.

48. Finally, though the D2 issues are clearly important in global terms and are, in the strict sense, becoming mainstream drivers in development as more of the biosphere becomes more critically impacted and potentially less resilient, D2 did not function effectively as a strategic objective. No specific advantage could be discerned in maintaining a separate D2 objective as currently structured. It has been, and will continue to be, important to ensure that D2 issues and themes clearly feature in FAO's resource allocations, capability and actions, but a stronger and more coherent approach is needed.

Recommendations

49. **Recommendation 1:** While the immediate performance related to D2 needs to be addressed by better operational focus and more rational strategic methodologies, as set out in the following recommendations, the separation of D2 within FAO's strategic objective framework needs to be questioned. Distinctions between fragile or endangered ecosystems and any others are becoming increasingly difficult to make in simple geographical terms, and an artificial divide may obscure rather than focus appropriate actions and responses related to human needs and impacts. FAO's engagement with D2-related issues is very important and will remain so, but unless it can be shown to create significant added value to FAO's delivery, it should not be kept separate. In a more comprehensive and more operationally effective restructuring of its strategic objectives, the functions of D2 should be absorbed into the broader aims of FAO.

50. **Recommendation 2:** The operational issues related to D2 need to be clearly considered, with the aim of specifying them closely and integrating these effectively to meet current and anticipated development challenges. A comprehensive and structured approach should be employed to set production, resources, vulnerability and risk into context, from global to local levels, thereby establishing a framework for FAO and its partners to define priorities, establish goals and specify clear indicators. This should specifically enable the vulnerable features of the present D2 systems to be well defined and effectively addressed, while at the same time, in an

increasingly fragile global environment, creating an effective basis for FAO's mainstream production and food security aims to be well secured within a sound development rationale. Opportunities should be sought for donor support in bringing this into being and developing strong and positive implementation partnerships. By doing so, this should also provide FAO with the means to demonstrate clear leadership in contemporary challenges.

51. **Recommendation 3:** Specific innovations relevant to D2 and related themes, such as work in economic valuation and in the realisation of environmental values by local communities, should be given greater emphasis and extended across a wider range of systems. This should be linked closely with related themes and applications amongst other agencies. By linking in and building on the in-house experience in resource management, this could become a valuable part of FAO's delivery.

52. **Recommendation 4:** For environmental and sustainable development (D2 type themes), FAO should aim for longer duration projects. TCPs should not be used for addressing these issues unless their full requirements can be met, i.e. limited objectives or pilot activities with very strong assurance of up scaling. This implies that FAO should also be much more rigorous in its ex-ante analyses to ensure that the conditions exist or can be created for adoption of the approaches being proposed, i.e. closer collaboration with agencies, financial institutions, etc., to better ensure that all of the conditions for successful adoption and up scaling of its field projects are present.

53. **Recommendation 5:** Following from Recommendation 2 and in conjunction with public, private and civil society partner agencies, FAO should look at defining more specific and effective long-term criteria and measures for the stewardship of key systems and for developing sustainable and effective livelihood approaches, capable of being applied to meet future challenges at major system and local action level. Working with partners, and agreeing on respective roles, an integrated approach should be taken in setting major goals, defining advocacy issues, investment needs and management approaches.

54. **Recommendation 6:** The evaluation highlighted deficiencies in specifying how FAO's comparative advantages could be defined, and hence where these exist and why. For D2-related aims and others, this should be spelled out more clearly and used as a management tool to define and measure performance and to determine appropriate responses and priorities. Areas where FAO already shows leadership or has the potential to do so should be clearly defined and developed, noting also that strategic leadership may require FAO to pass on and build up capacity amongst other agents. Pathways of development process should be set out, moving from pioneering concepts, testing and scaling up, negotiating and developing partnerships, transferring skills and responsibilities for longer-term engagement, and maintaining a strategic role in monitoring system function and delivery of welfare. Such an approach would define FAO more clearly and permit its function and performance to be more clearly recognised and valued.

REPORT OF THE EXTERNAL PEER REVIEW PANEL

on the:

Evaluation of FAO Strategic Objective D2 Draft Report “Conservation, Rehabilitation and Development of Environments at Greatest Risk”

1. Under the overall management responsibility of the FAO Evaluation Service, an evaluation of FAO’s organizational Strategic Objective (SO) D2 “Conservation, Rehabilitation and Development of Environments at the Greatest Risk” has been undertaken. The SO D2 is part of FAO’s Strategic Framework and is intended ‘to assist the global community in addressing natural resources management and conservation issues through the implementation of Agenda 21, and in particular through the promotion of sustainable agricultural and rural development’.
2. Part of FAO’s methodology for evaluations is the convening of an External Peer Review Panel (EPRP). The EPRP was comprised of Mr. Paolo Bifani (EPRP chairman; Consultant on environment and development, Italy), Mr. Stein Hansen (Nordic Consulting Group AS, Norway), Mr. R. Norberto Fernandez (UNEP, Nairobi, Kenya), Mr. Joachim Gratzfeld (IUCN, Gland, Switzerland) and Mr. Umid V. Abdullaev (Ministry of Agriculture and Water Management, Uzbekistan). The Panel met at FAO Headquarters in Rome, Italy, 24-27 April 2006.
3. The EPRP held detailed discussions with the Evaluation Team: Dr. Dunstan Spencer (Evaluation Team Leader), Dr. James Muir, an independent consultant and member of the evaluation team; Mr. Robert Moore and Ms. Tullia Aiazzi of the FAO Evaluation Service (PBEE). The EPRP also held meetings with FAO staff (see footnote)².
4. The EPRP was asked to vet and provide comments on the draft report produced by the Evaluation Team on SO D2 (April 2006 draft report).
5. The EPRP considers that the Evaluation Team has conformed with the methodology given to them in the Terms of Reference, and that it has carried out a systematic, transparent and professional process.
6. The EPRP would have preferred to receive documentation earlier (including copies of the country reports, and copies of the written comments/replies from the different sections of FAO on the draft of the report) in order to analyse the draft report in-depth. This would also have contributed to fully capitalise on the insights of the staff involved in the evaluation process. While the EPRP acknowledges that in an evaluation as this one not all views will be exactly reflected, receiving the comments from the sections/division/departments in advance, would have helped the EPRP to make more informed questions and better understand the accuracy of the methodology and evaluation process.
7. The EPRP agrees in general with the Evaluation Team’s report and recommendations. Taking into account the strategic relevance of this report for FAO, the EPRP decided to focus its analysis on the report’s conclusions and recommendations section.
8. The EPRP noticed that Recommendation 1 is the most contentious. During the meetings with FAO staff members, the EPRP noted a clear divergence of opinions concerning maintaining a separate SO D2 or not.

² SDRN: Jeff Tschirley, Alemneh Dejene, Dominique Lantieri; AGAL: Tom Wassenaar, Vincent Castel; AGLW: Sasha Koo, Freddy Nachtergaele; AGST: Josef Kienzle; ESA: Prabhu Pingali, Leslie Lipper; FIR: Serge Garcia; FORC: Jose Antonio Prado, Douglas McGuire

9. It is the opinion of the EPRP that keeping the SO D2 could play a catalytic role in financial resource mobilization from both multilateral as well as bilateral institutions.
10. The report highlights that there is no observable evidence that SO D2 has added value to FAO's delivery. The external panel nevertheless has reservations on removing SO D2 as it could reduce the value of the efforts of FAO in the field of sustainable development and food security.
11. The EPRP believes that keeping such an objective will add visibility and thus enhance the ability of FAO to demonstrate the food security – environment nexus, in line with the Millennium Development Goals and the recommendations of Agenda 21.
12. The EPRP concurs with Recommendation 2 of the Evaluation Team.
13. The EPRP supports Recommendations 3 to 6. In particular, the EPRP agrees with the report on the need to enhance work on economic valuation and to extend these efforts across a wide range of FAO activities and to link these efforts with related themes amongst other agencies.
14. The EPRP suggests that SO D2 should be operationalised through more precise targeting and to make best use of FAO's comparative advantages.
15. The EPRP considers that sustainable development and environmental sustainability is a central issue and that FAO should engage in these topics further. Towards this aim, the EPRP agrees with the Evaluation Team that it will be essential to clearly define "fragile ecosystems/environment at greatest risk".
16. The EPRP identifies the Ecosystem Approach as a primary instrument for addressing integrated natural resource management and cross-cutting issues, particularly in the case of fragile ecosystems and environments at greatest risk. Therefore, the EPRP recommends promoting the Ecosystem Approach at a range of practical/operative levels.
17. The EPRP concurs with the recommendations of the report in terms of capacity building, and emphasises the importance of doing so in close collaboration with national authorities and communities, and international organizations.

Rome, Italy, 27 April 2006