Evaluation Report Executive Summary

IKI Mid-Term Evaluation

For the project:

Strengthening the Blue Economy of the Western Indian Ocean through integration of ecosystem services and effective biodiversity conservation

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Overview of the project

The IKI project **'Strengthening the Blue Economy of the Western Indian Ocean through integration of ecosystem services and effective biodiversity conservation'** (hereinafter "the project") is implemented by a **consortium** of two organisations: **The Nature Conservancy (TNC)** and the **Commonwealth Scientific and Industrial Research Organisation (CSIRO)**, with TNC acting as consortium lead. The project has a duration of five years (from 04/2021-03/2026) and a total budget of EUR 9,752,431. The project was to be implemented in four countries of the Western Indian Ocean region: Kenya, Mauritius, Tanzania and the Seychelles. As the project did not receive political endorsement in Mauritius, implementation remained limited to Kenya, Tanzania and the Seychelles. However, in the current proposal, targets and indicators still include results in the four countries.

The **project objective** is that by 2026, Blue Economies in Mauritius, Kenya, Tanzania and Seychelles improve the conservation of marine resources.

The objective is to be achieved through **four outputs:**

- **Output 1**: is to advance **Marine Spatial Planning (MSP) processes**.
- Under **output 2**, **fishery management** is to be improved using tools like FishPath - a decision tool applied to coastal fisheries - for small scale coastal fisheries, **on-board electronic monitoring** for industrial and semi-industrial tuna vessels, and the management of Fish Aggregating Devices (FAD).
- **Output 3** addresses **mangrove rehabilitation** to improve mangrove growth and survival rates as well as faunal biodiversity metrics in mangrove forests.
- **Output 4** is focused on cross-country exchanges to share good practices and lessons learnt.

Not all outputs are implemented in every country. Output 1 on MSP is implemented in Kenya and Tanzania. Output 2 on fisheries is implemented in Kenya and the Seychelles and Output 3 on mangroves is implemented only in Kenya.

Background and objectives of the Mid-Term Evaluation

The M&E system of the **International Climate Initiative (IKI**) subjects all IKI projects from Thematic and Country Calls to a **Mid-Term Evaluation** (MTE). The **main objective** of this evaluation type is **learning**, a contribution to IKI's and the implementing partners' knowledge management, and support for **evidence-based decision making**. The implementing organisations will use the learning for improving the **steering** of the project and to revise and adjust the **project design** for the second project phase in the context of the **change offer process**. A third objective of the MTE is enhancing transparency and accountability by publishing evaluation summaries.

Evaluation design and methodology

The project is assessed on the basis of **IKI's standardised evaluation criteria** and **evaluation questions (EQ)** to ensure comparability. In addition, **project specific learning questions** (LQ) were raised by evaluation stakeholders. The evaluation team applied a **theory-based evaluation approach** based on a **contribution analysis** to credibly assess cause-and-effect relationships in complex contexts. It applied the following **evaluation methods**: 1) document analysis, 2) reconstruction of the Theory of Change (ToC) as a basis of the contribution analysis, 3) project team reflections throuh reflection workshops and a self-evaluation matrix, 4) semi-structured interviews, 5) focus groups discussons and 6) mapping exercises integrated in stakeholder reflection workshops. The

combination of methods and sources allowed for a **method and data triangulation** for all evaluation criteria. Country visits were conducted in three out of the four project countries: **Kenya, Tanzania and the Seychelles.**

Main findings

Relevance

The project is well **in line with the interests and priorities of political stakeholders and institutions in Kenya, Tanzania and the Seychelles**. The governments' aim to develop the Blue Economy for a sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of marine ecosystems. However, the **Government of Mauritius has not prioritised the project** to the extent that political stakeholders would have provided a political endorsement. Consequently, the project is implemented only in three of the four countries originally planned for. The project demonstrates a very good alignment with the **Paris Agreement** and the **Convention on Biological Diversity** (CBD) and is deeply rooted in the **Sustainable Development Goals** (SDGs).

The project serves a range of **target groups**, with the main target group being **government partners and state institutions**. This is reflected in the strategic approach of focusing on **technical assistance and capacity development** with an overall limited focus on affected populations at the MTE stage, apart from the community activities in Lamu and Tana in Kenya. These **communities** have provided **very positive feedback on the relevance of the conservation activities**. While communities are well addressed through sustainable resource management interventions in Kenya, currently, not sufficient attention is paid to their potential roles in decision-making processes. Thus, there are **risks that their needs and priorities are side-lined** and not sufficiently considered during the MSP processes in Kenya and Tanzania which might result in threats to their livelihoods.

Planning, Steering & Coherence

The **planning quality is adequate**, with a **solid Theory of Change**. However, **risk analysis was incomplete**, leading to a lack of risk mitigation strategies. Safeguards description was weak. Indicators for measuring outputs and outcomes were too general and lacked SMART criteria (specific, measurable, achievable, relevant and time-bound). Gender considerations were limited in the original planning.

Monitoring is **strong for activities** but **lacks a results-oriented monitoring system including risk monitoring**. This has resulted in a lack of baseline data for some indicators and inadequate reporting. Progress reports primarly describe activities and do not reflect project progress well.

The project uses a **matrix structure** with project management and technical leadership. While this structure provides **high-level technical expertise and access to experiences,** it requires substantial coordination and communication efforts and can lead to decision-making conflicts. Some staff noted isolated work and bypassing of project management structures, affecting communication and oversight. **Coordination with relevant actors is good**, with **visible synergies** at national and regional levels.

Effectiveness

Good progress is being made towards **planned milestones**. The project is on track to achieve activities and intermediate results. Several **success factors** contribute to this progress: Strong technical and political connections at all levels, highly engaged and skilled project staff and consultants, and a favourable global context with support from donors like the World Bank and the European Union for MSP development. However, the project navigates in a complex and constantly changing political context and has to manage a diplomatic balance. It relies on fostering strong governmental relationships while offering technical expertise, all while striving to serve as a vocal advocate for sustainable utilisation, conservation efforts, and the well-being of coastal communities.While initial planning lacked gender consideration, the project addresses gender strongly in implementation, particularly in working with coastal communities in Kenya, where women play key roles in mangrove restoration and octopus fishery.

Overall, **positive results are expected for all four outputs**, although not all indicators may be fully achieved. Achieving planned outcomes by the project's end is plausible, but constant risk monitoring is crucial to prevent negative outcomes against project objectives.

Transformational Impact & Sustainability

If the project achieves its expected outcomes, it will **likely contribute to climate and biodiversity impacts**. These outcomes **benefit marine and coastal biodiversity and ecosystem health**. Additionally, mangroves, coral reefs, and seagrass meadows promote **carbon sequestration**. However, challenges may arise if governments prioritise economic interests, potentially hindering climate and biodiversity goals, especially in Kenya and Tanzania.

The project aims for **social and economic co-benefits** like improved community organisation, women's empowerment, income generation, and sustainable fisheries management. Positive visible impacts, particularly in Kenya, include women's empowerment and diversified incomes. Nevertheless, transparency and inclusivity issues in MSP processes may favour influential stakeholders. Tanzania also faces challenges related to limited community participation in MSP scoping.

The project is integrated into a broader Theory of Change, fostering **transformational change** through MSPs and fisheries management. Ample scaling potential for tools like FishPath or Electronic Monitoring (EM) exists at national, regional, and international levels.

Stakeholder ownership is high due to alignment with existing interests and commitments. Governments express interest in sustaining achievements, but their future priorities remain uncertain, potentially depending on external funding availability. Despite challenges, the project holds **potential for positive impacts, transformation, and sustainability.**

Social & Environmental Safeguards

The evaluation team finds project **safeguards inadequate**, posing **potential reputation risks for implementing organisations and IKI**. Risks lack comprehensive assessment, safeguards measures are not spelled-out well, and documentation and reporting on safeguards are insufficient. While ongoing developments are documented, there are no clear markers to signal scenarios where the MSP approach might prioritise economic interests over marginalised groups or environmental objectives. While the project rightly points to the governments' hegemony on decision-making, it needs to ensure that it fulfills its advisory role also by assessing and pointing out potential environmental, social, and socio-economic risks of decisions and by providing recommendations on

risk minimisation. Accompanied by improved documentation and reporting, this would minimise the risk that IKI funding might be associated with processes that could be criticised for focusing on economic benefits to the detriment of environmental objectives and local populations' livelihoods.

Overall, **no negative impacts** through project activities have been observed so far.

Standard Indicators

Reporting on IKI's standard indicators (SI) is inadequate. The project should report on three SI, but to date SI reporting was lacking (SI 2 and SI 4) or incomplete (SI 3). This indicates the project's difficulties understanding the SI reporting for IKI. Some project staff mentioned that IKI could have communicated SI requirements better.

The project's SI **target values appear excessively low** and lack ambition compared to the project's scope. There are indications that some results are **underreported**, suggesting that the project may be achieving more than it reports. This could be due to a narrow interpretation of SI. Additionally, there seems to be a weakness in consolidating information from countries and workstreams. Given the low planned results, it is highly likely that some results have already far exceeded expectations.

Conclusions

The evaluation team assesses the project as **very relevant** regarding existing social and ecological challenges in the context of marine resources and coastal populations. Project interventions are based on a **solid ToC** with high potential for outcomes and impact. The evaluation team sees **room for improvement** mainly regarding **project management and steering aspects**, mainly on internal communication, monitoring and reporting.

Also, the project is entering into a sensitive phase in which **power relations between stakeholders** have to be considered to avoid risks for vulnerable groups. Therefore, the project needs to strengthen its **safeguards and risk mitigation to minimise potential reputation risks** for the implementing organisations as well as for IKI. In the next phase, **more efforts** are required to address **community participation by empowering local communities** and provide them with opportunities to be part of **decision-making processes** and **co-management approaches**.

Recommendations

Recommendations to the project

1) **Project steering and communication:** The project needs to improve its project steering, communication and monitoring & evaluation (M&E) in the following areas:
    a. **M&E:** Increase project resources and expertise for results-oriented monitoring.
    b. **Reporting:** Define clear reporting responsibilities within the project team. Increase backstopping on report quality.
    c. **Project management set-up:** Strengthen the "working as a project" logic to mitigate the workstream silo limitations. This should include strengthening the roles of the project coordinator and country focal points.
    d. **Internal communication:** Redefine internal communication formats to strengthen project communication across workstreams while considering efficiency aspects.

e. **TNC liaison** should come in more strongly to ensure TNC projects fully understand all IKI requirements and should back-stop projects on fulfilling IKI requirements.

2) **Safeguards:** The project needs to strengthen safeguards at different levels:
   a. Improving the alignment with IKI safeguards requirements;
   b. Defining its own safeguards strategy, particularly with a view on defining "red lines" for the project in the context of the MSP processes; and
   c. Explore options for technical assistance/capacity development for governments on safeguards in the context of the project's activities, particularly on safeguards requirements for MSP processes.

   It is key that the project clearly defines what its contribution to the MSP process is. This is to ensure no reputation risks arise neither for the consortium nor for IKI.

3) **Adaptation of project strategy: Participation of vulnerable groups** in political decisions making processes needs to be supported more strongly in the upcoming project phase, particularly in the MSP process.

4) **Change offer process:** The project should use the change offer process to address MTE recommendations, in particular:
   a. The project should utilise the change offer process for a complete and comprehensive revision of the original proposal.
   b. The project should use funds partly to strengthen **social/cultural/political science expertise** in the project.

Recommendations to IKI

To Zukunft-Umwelt-Gesellschaft (ZUG)

5) **Clarify expectations from IKI**:
   a. Hold an **online clarification workshop** to provide more explanations and discuss IKI's/ZUG's expectations for the next project phase.
   b. Provide **guidance** to the project's process for strengthening its **safeguards** through ZUG safeguards responsible and **follow-up** its implementation.
   c. Improve **communication on IKI's requirements** by offering general regular workshops to project and liaison staff of recipients' organisations

6) **More timely information**, e.g., on project approval and on upcoming evaluations would allow organisations and projects to better prepare for the upcoming tasks.

7) Support more **direct face-to-face communication of ZUG project managers with projects** through the opportunity to **visit projects** at least once in addition to the project preparation phase.

To the German Federal Ministry (Bundesministerium für Umwelt, Naturschutz, nukleare Sicherheit und Verbraucherschutz, BMUV)

8) **Project continuation:** The evaluation team recommends that the BMUV **authorises the second project phase** and a **fund reallocation** of the funds foreseen for Mauritius to strengthen/extend the activities in the other three project countries.