

‘Sustainable Energy Solutions for

Rural Livelihoods in DPRK’ Project

(SES)

**Mid-term Review**

*Draft Final Report*

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Contents

[Executive Summary 3](#_Toc522225917)

[Section 1: Introduction 8](#_Toc522225918)

[Project Overview 8](#_Toc522225919)

[Purpose and Scope of the Review 8](#_Toc522225920)

[Summary of Contents 9](#_Toc522225921)

[Section 2: Approach and Limitations of the Review 10](#_Toc522225922)

[Approach of the Review 10](#_Toc522225923)

[Challenges and Limitations to the Review 10](#_Toc522225924)

[UNDP Operational Context in DPRK 11](#_Toc522225925)

[Section 3: Analysis of Findings based on the OECD DAC for Development Evaluations 13](#_Toc522225926)

[Project Strategy: To what extent is the project strategy relevant to country priorities, country ownership and the best route towards expected results? 13](#_Toc522225927)

[Progress towards results: To what extent have the expected outputs of the project been achieved so far? 14](#_Toc522225928)

[Project Implementation and Adaptive Management 19](#_Toc522225929)

[Assessment of Cross-cutting Issues 23](#_Toc522225930)

[Section 4: Lessons Learned 25](#_Toc522225931)

[Section 5: Conclusions and Recommendations 26](#_Toc522225932)

[Overall Assessment of the Project 26](#_Toc522225933)

[Recommendations to Improve the Sustainability and Impact of Results 27](#_Toc522225934)

[Going Forward: Programming Scenarios 29](#_Toc522225935)

[Annexes 31](#_Toc522225936)

[1. Table of Urgent Points of Action and Recommendations 31](#_Toc522225937)

[2. Glossary and Acronyms 33](#_Toc522225938)

[3. Documents Reviewed 34](#_Toc522225939)

[4. Sites Visited, Interviews Conducted 35](#_Toc522225940)

[5. Final Questionnaire 37](#_Toc522225941)

[6. Analytical Framework with Proxy Indicators 39](#_Toc522225942)

[7. TORs and Consultant CV 41](#_Toc522225943)

[8. Signed UNEG Code of Conduct Form 52](#_Toc522225944)

[9. Signed MTR final report clearance form 53](#_Toc522225945)

[10. Quarterly Monitoring Report Template 54](#_Toc522225946)

# Executive Summary

**Overview**

The mid-term review (MTR) of the Sustainable Energy Solutions for Rural Livelihoods in DPRK (SES) project has been commissioned by UNDP in order to provide an independent assessment for the Project Steering Committee and UNDP on the progress of project’s delivery at the mid-point of the project, as well as identifying any changes that need to be made to the project’s strategy to ensure its continuing relevance, effectiveness and increased potential for sustainability. The MTR will further identify initial lessons learned that can be used to reinforce project activities going forward.

SES addresses the problem of rural energy access by drawing upon the lessons from the SRED and SWEDPRA experiences. The project focuses on the attainment of effective and sustainable local energy solutions that generate positive impact among rural beneficiaries, rather than involving in technology development. The project has four building block outputs supporting the following outcome: ‘Provide local rural communities in pilot areas with adequate, secure and reliable access to renewable energy resources, cost-effective energy efficiency and energy conservation solutions for meeting basic energy demands under appropriate operational modalities.’

The MTR was carried out using both inductive and deductive approaches, through four phases: desk review, data collection, analysis and drafting/finalization. A number of challenges emerged throughout the MTR process, including the limited data availability given the reduced access to community members due to poor weather. The MTR was also carried out simultaneously with the MTR for the CBDRM project, which added some logistical and data collection challenges where target communities overlapped. However, these challenges were planned for and managed throughout the MTR process.

**Findings**

Overall, the MTR found that the project is on track to meet most of its targets, with some significant delays in implementation due to operational and geopolitical challenges. A brief overview of the achievements is provided in Table 1.

Table 1. MTR Ratings & Achievement Summary Table for the SES Project

|  |  |  |
| --- | --- | --- |
| **Measure** | **MTR Rating** | **Achievement Description** |
| **Project Strategy** | N/A | This project is both extremely relevant to the current humanitarian context of DPRK, as well as to the priorities of the government to promote the use of renewable energy technologies, particularly in rural and remote areas which have had their energy access negatively impacted by the numerous extreme weather events. During the project design phase, it was assumed that energy interventions would benefit men more than women as improved livelihoods was a major focus of the project. However, the project has evolved over time to accommodate the shifting geopolitical landscape and a need to implement activities that are more traditionally humanitarian in nature. Therefore, the project has resulted in more impacts for woman and children than initially presumed, which will be important in terms of longer term humanitarian impacts. The RRF was very well designed, with a clear objective and outputs which build upon each other in order to present a strong chain of results. Activities are clearly defined, although some have been prioritized over others, including public buildings over households and less focus on improved biomass management. An important aspect of the project is that it builds from the SWEDPRA and SRED programmes, focusing only on proven RE and EE technologies that are accepted by the government based on the success of the two previous projects, as well as within the terms of acceptable goods for import within the sanctions regime currently imposed on the country. |
| **Progress Towards Results** | Output 1 Achievement Rating: 6 | All targets for this output have been achieved and have been essential for identifying the energy gap (both electricity and thermal), suitable technologies in the local context, providing the enabling environment to proceed with the procurement and installation of RE and EE technologies |
| Output 2 Achievement Rating: 5 | There is mixed progress against targets for this output, with no progress being made in relation to improving biomass use in target communities. However, the lack of progress related to biomass activities does not undermine the impacts of the other activities under this output in terms of capacity building and planning |
| Output 3 Achievement Rating: 5 | Targets under this output have been achieved or are very likely to be achieved, which greatly improves local ownership and the likelihood of the sustainability and longer term humanitarian and livelihood impacts in the target communities |
| Output 4 Achievement Rating: 5 | While three of the four targets under this output have been achieved or are likely to be achieved, the delays in procurement related to the installation of RE technologies is a drawback. However, this does not overshadow the significant impacts made by the installations already completed, particularly in the health and education sectors. |
| **Project Implementation & Adaptive Management** | Achievement Rating: | While the project team has contingency plans for adjusting the annual work plans based on delays in procurement and RE installation, the continued delays which unduly impact the ability of the project team to deliver its activities indicate that the project has a high tolerance for uncertainty before changes in the work plan are implemented. The project team has been extremely capable at managing its resources and adjusting planning in order to ensure that the project makes the most efficient use of its time and money in light of the procurement challenges it has been facing. However, the project team is faced with many constraints, not least the issue of the banking channel, which impact how quickly it can access funds. The project team also makes good use of the in-kind contributions of communities related to structural works. It is evident that the project team are systematic in using field monitoring to identify issues and challenges – and any changes in project risks – and preparing detailed follow-up actions which are tracked in the field monitoring reports. Based on the management responses to issues and changes in risks, the project team, supported by the Country Office, rely heavily on field monitoring to ensure that the project is being implemented to the greatest extent possible given the operating environment, and use the information to determine how any changes to the project need to be made and when. |
| **Sustainability** | Rating: 3 | Given the nature of RE and EE, the benefits of the project to date will be very sustainable in the short term, mostly sustainable in the medium term, and likely sustainable in the long term of county-level technical knowledge and energy planning and management capacities are improved and consolidated over the remainder of the project. An important aspect of this project is that the set-up of the NTDCs to support RE and EE installation and maintenance at the county-level also serves as an appropriate institution for the handover of responsibilities at the county level, which is a reasonable exit strategy for UNDP in light of the operational uncertainty that the Country Office is currently facing. However, while SES has put in place a number of processes (training, energy management plans, NTDCs) which would allow the counties to carry on with implementation should the SES project have to close due to operational constraints, there are a few issues which the project should plan for. The ongoing issue of delayed procurement due to sanctions issues will impact the finalization of RE and EE installations, as well as impact environmental sustainability of RE in that it undermines the ability of the project to support the application of fast rotation crops for agro-forestry, supporting both renewable energy options and disaster reduction in terms of reducing soil erosion and the risk of landslides. |

The SES project builds on 10 years of UNDP programming in renewable energy, and benefits from the knowledge, leadership and commitment of line ministries. It is evident that knowledge and skills transfer has been successful in as far as the necessary technical skills to install, operate and maintain RE technologies, and to identify and install appropriate EE technologies based on the installation verification process undertaken by the project manager.

Beyond the programmatic results achieved by the project to date, it is important to note the quality of project management. The commitment of the team to see activities implemented to the benefit of target communities was evident both in interviews with the project team, as well as in the feedback and observations of the communities visited during this MTR. While both communities and government partners are frustrated in the lengthy delays in procurement related to RE technologies, there is nonetheless a deep appreciation for what the project team has done to date. Moreover, given the significant operational constraints faced by the project in all aspects of implementation, capacities for adaptive management are well-developed and are one of the main reasons the project is able to move forward, particularly in terms of soft interventions. The bundling of activities for more efficient implementation, resulting in outputs exceeding their targets, is one such example.

The SES project makes a significant contribution to UNDP’s long-standing energy access portfolio, building on the achievements and lessons of SWEDPRA and SRED – using proven, locally available technologies which do not place a heavy burden on county stakeholders in terms of operations and maintenance. Moreover, SES is an excellent demonstration of the Country Office’s willingness to learn and adapt its project approach based on the results of previous projects – in this case, using the lessons collected from the SRED project to refocus RE and EE installations on public buildings in order to have a wider and more equitable reach among community members.

Overall, the results achieved by the project to date are highly satisfactory and largely sustainable, particularly in terms of the impacts of EE technologies. RE technologies have had a substantial impact in relation to the reliability and quality of health and education service provision but will necessitate the consolidation of technical capacity gains among decision makers and engineers at the county level in order to ensure that any maintenance issues are quickly dealt with, and that replacement materials (i.e.: backup batteries) are planned and budgeted for in a timely manner.

**Recommendations**

Contingency planning for RE activities. It is recommended that the project develop a contingency plan whereby no RE activities can be implemented, refocusing on wider implementation of EE installations and consolidating knowledge gains among engineers and decision makers at the provincial and county level in order to prepare for (eventual) scale-up of the initiative by the government, including supporting such activities as in-country study tours, and bringing together national partners, including NTDCs to discuss and share lessons and areas for intervention.

Data collection on users of public buildings. In order to better understand the direct humanitarian impact of the project, it is recommended that the project team work closely with county-level stakeholders (i.e.: managers of public buildings and national consultants) to improve their data collection on how many people (disaggregated by sex, age, disability) access services, and the impacts that the RE and EE improvements have had on particular humanitarian outcomes, particularly health.

Improved qualitative data collection at the output level. Because the project engages in substantial capacity building of the enabling environment and individual technical capacity, it is critical that the project team monitor results of capacity building at the output level, beyond demonstrating the successful implementation of capacity building activities. Suggestions for qualitative output indicators have been provided.

Standardized monitoring tools. It is recommended that instead of having joint reports following field visits, whether or implementation and monitoring purposes, team members should submit individual BTORs, with project and programme aspects kept separate. A standardized quarterly monitoring report should be used to consolidate data from the BTORs on a quarterly basis only, providing ease in data analysis. This also provides a clear delineation between the role of the project and programme in monitoring and reporting at the project level.

Communication of project results. With the inclusion of more qualitative indicators at the output level, it is hoped that more meaningful analysis of the humanitarian importance of the project will be captured, and it is recommended that the UNDP Country Office put significantly more effort into communicating these results within the wider UN system in order to reinforce why UNDP’s presence in DPRK is essential.

Exit Strategy. It is recommended that the project team prepare a strategy for the formal handover of tools and information that would be useful for future roll-out/scale-up to the six NTDCs which it is supporting.