

Independent Mid-Term Review Final Report



Government of Tunisia

United Nations Development Programme

Global Environment Facility

PIMS 5182: NAMA Support for the Tunisian Solar Plan

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BASIC REPORT INFORMATION

Title of UNDP-supported GEF financed project: NAMA Support for the Tunisian Solar Plan

UNDP PIMS#: 5182

GEF project ID#: 5340

Mid-Term Review time-frame: December 2017 – May 2018

Date of Mid-Term Review report: 30 May 2018

Region and countries included in the project: Tunisia

GEF Operational Focal Area/Strategic Programme: Objective 3 of the GEF Climate Change Focal Area Strategy for GEF-5: Promote investment in renewable energy technologies

Executing Agency/Implementing Partner and other project partners: National Agency for Energy Conservation of Tunisia (Agence Nationale pour la Maîtrise de l'Energie, ANME)

MTR members (international consultant and national consultant): Mr. Robert Kelly, Mr. Clemens Ploechl (international consultants); national consultant not applicable.

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The MTR team hopes that this report will provide valuable inputs for the remaining lifetime of the project and contribute towards the successful implementation of Tunisia's Solar Plan.

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ACRONYMS AND ABBREVIATIONS

Term	Definition
ANME	Agence Nationale pour la Maitrise de l'Énergie
CEO	Chief Executive Officer
CO ₂	Carbon Dioxide
CSP	Concentrated Solar Power
CTA	Chief Technical Advisor
DREI	Derisking Renewable Energy Investment
ET	Evaluation Team
ETF	Energy Transition Fund
GEF	Global Environment Facility
GHG	Greenhouse Gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HQ	Headquarters
I	Interview
kW	Kilowatt
LFA	Logical Framework Approach
LR	Literature Review
M&E	Monitoring and Evaluation
MEMR	Ministry of Energy, Mines and Renewables
MoU	Memorandum of Understanding
MTR	Mid-Term Review
MW	Megawatt
NAMA	Nationally Appropriate Mitigation Action
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
OPF	Operational Focal Point
PEB	Project Executive Board
PIF	Project Identification Form
PIMS	Project Information Management System
PIR	Project Implementation Review
PM	Project Manager
PMU	Project Management Unit
PPG	Project Preparation Grant
PPP	Public Private Partnership
ProDoc	UNDP Project Document for "NAMA Support for the Tunisian Solar Plan"

Term	Definition
Project	The UNDP-implemented, GEF-financed project under review: “NAMA Support for the Tunisian Solar Plan”
PSC	Project Steering Committee
PV	Photovoltaic
RBM	Results-Based Management
RTA	Regional Technical Advisor
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
SME	Small and Medium Enterprise
STEG	Société Tunisienne de l'Electricité et du Gaz
ToR	Terms of Reference
TSP	Tunisian Solar Plan
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDAP	United Nations Development Assistance Plan
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
USD	United States Dollars

EXECUTIVE SUMMARY

1.1 PROJECT INFORMATION TABLE

Table 1: Project information table

Project Title	NAMA Support for the Tunisian Solar Plan		
UNDP Project ID (PIMS #):	5182	PIF Approval Date:	20 June 2013
GEF Project ID (PMIS #):	5340	CEO Endorsement Date:	19 November 2014
ATLAS Business Unit, Award # Proj. ID:	TUN10 00081769 00090941	Project Document (ProDoc) Signature Date (date project began):	6 January 2015
Country(ies):	TUNISIA	Date project manager hired:	1 September 2015
Region:	Arab States	Inception Workshop date:	8 September 2015
Focal Area:	Climate Change	Mid-term Review completion date:	22 May 2018
GEF Focal Area Strategic Objective:	CCM Objective 3 (GEF-5)	Planned planned closing date:	6 January 2020 (but a 9-month no-cost extension has been requested)
Trust Fund [indicate GEF TF, LDCF, SCCF, NPIF]:	GEF Trust Fund	If revised, proposed op. closing date:	
Executing Agency/ Implementing Partner:	National Agency for Energy Conservation of Tunisia (Agence Nationale pour la Maitrise de l'énergie ANME)		
Other execution partners:	NA		
Project Financing	at CEO endorsement (US\$)	at Mid-term Review (US\$)*	
[1] GEF financing:	3,522,968	3,522,968	
[2] UNDP contribution:	600,000	0	
[3] Government:	14,806,640	9,425,000	
[4] Other partners:	49,976,000	0	
[5] Total co-financing [2 + 3+ 4]:	65,382,640	9,425,000	
PROJECT TOTAL COSTS [1 + 5]	68,935,608	12,977,968	

1.2 PROJECT DESCRIPTION

The key focus of the UNDP-supported, GEF-financed project, **NAMA Support for the Tunisian Solar Plan** (hereafter, 'the Project'), is to capacitate Tunisia to implement the Tunisian Solar Plan (TSP) to its full potential – i.e. to achieve 30% renewable electricity generation by 2030 using photovoltaics (PV), wind and concentrated solar power (CSP). A traditional siloed, stand-alone approach, though useful, is not sufficient to achieve this ambitious target. Instead, the Project aims to put in place the institutional and policy frameworks necessary to coordinate and support the up-scaling of

renewable electricity in Tunisia, as well as developing an architecture for implementing these actions within a NAMA framework.

GEF funding is being used incrementally to create the appropriate institutional, policy and capacity environment in which the two identified (and enhanced) baseline investment projects are embedded, thereby enhancing their probability of successful implementation as supported NAMAs.

The Project consists of three components.

Component 1: *The enabling framework and methodologies are established to support implementation of the Tunisian Solar Plan.*

Component 2: *Architecture for NAMA development is established.*

Component 3: *Design and implementation of renewable energy NAMAs to demonstrate the transformational role of the Tunisian Solar Plan to reduce emissions.*

Within its duration, the Project aims to generate 16.9 GWh by a PV plant and 86.4 GWh by a wind farm, thereby reducing direct emissions of 218,900 tonnes of CO₂e between 2016 and end-2019.

The Project is being implemented by UNDP Tunisia and the executing agency is ANME. The day-to-day management of the Project is being carried out by a project management unit consisting of one full-time project manager and one full-time project assistant. The PMU is located in the premises of ANME.

1.3 MTR RATINGS & ACHIEVEMENT SUMMARY TABLE

Table 2: MTR ratings and achievement summary table

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	The objective of the Project is to transform Tunisia's energy sector to achieve large-scale emission reductions through the deployment of a Tunisian Solar Plan (TSP) NAMA. The Project's objective and outcomes or components are clear and practical but are not always feasible within the Project's time-frame. Due to continuing national efforts (partly attributable to Project support), the enabling environment for sustainable energy is becoming progressively more favourable and could potentially generate higher investments than expected in the Project document.
Progress Towards Results	Objective: Moderately Satisfactory	In general, the Project may meet the requirements of the original Project results framework but it is not strategically adapted to the (inter-) national changes in the Project environment: internationally, NAMAs are not officially mentioned in the Paris Agreement; nationally, the GoT has started various initiatives and regulatory approaches to incentivise investments in sustainable energy without the direct involvement of the Project.

		Adaptive management measures have been taken but without a strategy to optimise the impact of the Project.
	Outcome 1: The enabling framework and methodologies are established to support implementation of the Tunisian Solar Plan (TSP) NAMA. Moderately Satisfactory	Clear progress is observable on Outcome 1: an Inter-Ministerial Committee (Output 1.1) has been established and is now being operationalised (albeit in a form – the Project Steering Committee – that was not originally envisaged), and system dynamics modelling (Output 1.3) has been completed. However, there has been limited progress on economic and financial tools to support the TSP NAMA (Output 1.2), confined to preparation of a regulatory text relating to financial instruments to support the Energy Transition Fund). Given that the modelling under Output 1.3 was, in the original project design, intended to assess the cost-effectiveness of the tools identified under Output 1.2, the sequencing of Project activities has not been optimal.
	Outcome 2: Moderately Unsatisfactory	Work has not yet started on Outputs 2.1 and 2.2 (institutional strengthening of NAMAs), although this is understandable given the downgrading of the status of NAMAs in the international (UNFCCC) climate finance architecture. The creation of the Inter-Ministerial Committee should provide an administrative framework that will help in this respect. Sectoral technology action plans for PV, wind and CSP (Output 2.5) have not yet been developed. Support has been given to the Energy Transition Fund (Output 2.6), but it is not clear if this support will unlock the additional types of financial instruments that were envisaged in the Project document. The Territorial Performance-Based Mechanism (TPBM, Output 2.7) has not been designed or developed. Some Project results have been achieved, but by third parties without the direct involvement of the Project: notable examples include ordinances on the grid code and regulations for PPPs. Some new activities have been initiated under Outcome 2 in consultation with the PSC, notably support to restructuring ANME to enable ANME to better support the large-scale renewable energy investments needed under the TSP and support to a new electricity sector regulator.
	Outcome 3: Moderately Satisfactory	Overall Project targets will very probably be met in terms of installed renewable energy generation capacity. This is partially, but not fully, attributable to the Project, which is also benefitting from a proactive, parallel drive by the Government to increase renewables take-up. Both the Gabes 24 MW wind farm and the Tozeur 10 MW PV farm look likely to be developed: indeed, implementation of the Tozeur PV plant has already commenced and commissioning is scheduled for October 2018. Even if they are not, other renewable energy investments will almost certainly ensure the Project's 34 MW installed capacity target is exceeded, possibly by a wide margin.

		Nonetheless, the Project is clearly struggling to adapt to a changing environment, one in which the legislative/regulatory environment is now far more benign than when the Project was designed and in which technological advancements have weakened the need for the specific desert-adapted Project interventions that were originally envisaged. Financial delivery under Outcome 3 stands at just 17% (including expended and committed funds) and there is considerable potential to reorient the Project to directly support recent Government TSP actions and thereby solidify the Project's strategic relevance.
Project Implementation & Adaptive Management	Moderately Unsatisfactory	<p>Project management appears to be effective in relation to administrative and operational procedures (work plan, reporting, financial procedures, monitoring and evaluation) but lacks effectiveness related to achieving technical outputs (major current outcomes have been achieved without any significant contributions by the project; other outcomes have not yet been finalised).</p> <p>While adaptive measures have been taken in response to the changes of the Project environment, a clear strategy for adaptation and identification of opportunities is missing. No lessons derived from the adaptive management process have been documented or shared with key partners.</p> <p>Project management developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders only partially: e.g. the interaction with the Ministry of Energy appears to be limited to an exchange at the PSC.</p> <p>Public awareness (see also the assessment of communication under Section 4.3.7) of the Project appears to be low and therefore has to date not had any significant contribution to the achievement of Project objectives.</p>
Sustainability	Likely	No relevant risks related to the finance, social and institutional framework have been identified. With regard to environmental risk, it is not clear if the Ministry of Environment is working on a modification of its social and environmental guidelines for infrastructure projects.

1.4 CONCISE SUMMARY OF CONCLUSIONS

- The problems to be addressed by the Project's underlying assumptions and theory of change are clearly described in the Project document.

- High-level political commitment to the Tunisian Solar Plan, and to renewable energy more broadly, is demonstrated by the relevant stakeholders. The Project addresses country priorities, creates country ownership and is generally in line with national sector development priorities and development plans. Nonetheless, there is an apparent disconnect between the clear national support directed towards the TSP and the level of Government support directed towards the Project specifically: the Project is undoubtedly helpful to the Government but it has not yet established itself as the key instrument for channelling and/or augmenting Government support to the TSP.
- The Project's objectives and outcomes or components are clear and practical but are not always logically linked with each other.
- While the Project's underlying assumptions are still correct during project implementation (the support of the Government for the renewable energy agenda is demonstrated by legislative advancements, STEG is currently investing in the 10 MW Tozeur PV project as outlined in the Project document, etc.), there have been three major changes in the project environment which will affect the results as outlined in the Project document: i. the concept of NAMAs is not formally recognized in the Paris Agreement, ii. evolution of the national sustainable energy framework, and iii. technological progress relating to renewable energy under desert conditions.
- The Project is making progress in the sense that most of the expected outputs are being generated. However, a number of outputs have been delivered by external third parties (with and without support from other donors) without the direct involvement of the Project: e.g. modalities for public-private partnerships (PPPs) were established on 27th November 2015 with a by-law on contracts for PPPs and ordinances have been issued outlining rules on grid access.
- The current Project management is following rules and procedures on work planning, monitoring, reporting and reviewing (administrative, financial etc.) but is not ambitious in relation to adapting Project strategy, identifying opportunities for the Project (of which there are many) or communicating results.
- Sustainability appears to be likely since the overall enabling policy environment for renewable energy in Tunisia is evolving rapidly and all relevant stakeholders are determined to create a successful sustainable energy market.

1.5 RECOMMENDATION SUMMARY TABLE

Rec Nr.	Recommendation (SMART)	Entity Responsible
1	<p><u>All Outcomes: General strategy to adapt the Project to changes in the Project environment</u></p> <p>There have been major changes to the (inter-)national Project environment. These changes have a significant impact on each of the 3 components of the Project. While Project management has taken individual measures to adapt the Project accordingly, in the view of the reviewer a clear overall adaptation strategy – one that is proactive, not reactive – should be developed. The PSC is advised to actively engage</p>	PM/PSC

	in the formulation and implementation of the adaptation strategy, leaning on the Project Manager for guidance. The Project is planning to assist ANME to restructure so that it is better able to implement the Tunisian Solar Plan (including investor relations management and coordination of large-scale infrastructure investment). This assistance should, in turn, be leveraged to enable ANME to take a more central role in mobilising other key stakeholders, notably the Ministry of Energy and the Ministry of Finance.	
	Outcome 1: The enabling framework and methodologies are established to support the design and implementation of the Tunisian Solar Plan (TSP) NAMA	
2	<p><u>Position the Project within the Paris Agreement climate policy architecture</u></p> <p>The Paris Agreement (2015) does not directly refer to the concept of Nationally Appropriate Mitigation Actions (NAMAs), somewhat weakening the central position they occupied in the UNFCCC architecture when the Project was designed. The Project needs to be adapted to fully take into consideration the evolving national context, the latest national policies, strategies and measures to accelerate the deployment of large-scale renewable energy projects/programmes and to support the implementation of Tunisia's NDC under the Paris Agreement.</p> <p>Tunisia's NDC makes explicit reference to the TSP NAMA as a constituent element of the NDC. As the Project is designed to support the TSP NAMA, it already, by extension, supports the NDC. Nonetheless, the focus of the Project – both in terms of substantive work and stakeholder communications – needs to be reoriented around the NDC. This will mean greater attention in the Project design on the role of the TSP in the country's broader mitigation strategy, including issues associated with inter-sectoral linkages and broader MRV issues. And this, in turn, will require stronger coordination with, and outreach to, a broader range of stakeholders. Anchoring the Project in the framework of the NDC should also have the benefit of returning the Project to a more central role in Government policy-making. There are potential synergies with the Capacity Building Initiative for Transparency (CBIT) PIF that is currently under development, notably in the areas of energy-sector MRV and inventorisation.</p>	PM/PSC
	Outcome 2: Architecture for NAMA development is established	
3	<p><u>Start development of guidelines for environmental and social safeguards for large infrastructure projects</u></p> <p>In the opinion of the reviewer, the Project Document clearly mentions the support to the development of guidelines for environmental and social safeguards for energy / infrastructure projects in Tunisia.</p> <p>The PMU should immediately start to work on this task and support the Ministry of Environment in modifying the current framework for environmental / social impact analysis for energy / infrastructure projects.</p>	PM/PSC

	Given the downgrade in the status of NAMAs in the UNFCCC architecture, Outputs 2.1 and 2.2 are no longer critical and can be dispensed with. The relevance of Output 2.7 – the development of a territorial performance-based mechanism (TPBM, a de facto feed-in tariff) – needs to be reconsidered in the context of the Government’s competitive tender process for renewable energy capacity. The TPBM could be reconfigured to support the Government’s regional development strategy, enhancing the financial attractiveness of renewable energy investments undertaken in particular regions of the country.	
	Outcome 3: Design and implementation of an energy sector NAMA to demonstrate the transformational role of the Tunisian Solar Plan to reduce emissions	
4	<p><u>Alternative use of remaining budget for Outcome 3</u></p> <p>Because of changes to the Project environment (progress in technologies for desert conditions, regulatory framework for sustainable energy investments), the Project is likely to significantly under-spend its budget for this Outcome. The PMU, in conjunction with the PSC, should therefore decide how best to disseminate the remaining grant budget (approximately US\$ 1.5 million) in a way that optimises benefits to the energy sector. This also provides an opportunity for the Project to re-establish itself as a key strategic partner for the Government.</p> <p>A key opportunity lies in the project providing financial and technical support to ANME to survey two potential concession sites to increase renewable energy (wind and PV) capacity by a further 300 MW. The Government is planning to launch a request for tender in October 2018, a timeline that will almost certainly fail to materialise without Project support to the site surveying. Such support would be fully aligned with the investment support focus of Outcome 3.</p> <p>Other potential areas of new support under Outcome 3 could usefully include elaboration of a medium- and small-scale renewable energy project portfolio; elaboration of a consolidated and updated grid code; development of a long-term energy strategy; support to the Government’s newly-established taskforce (to be coordinated by ANME) on acceleration of the TSP; and design of an energy transition strategy for Tozeur governorate, linked to the Government’s energy decentralisation strategy.</p>	PM/PSC
	Project implementation & adaptive management	
5	<p><u>Mobilise stakeholder support for the Project</u></p> <p>Realised co-finance currently stands at 14% of committed co-finance. Some shortfall in realised co-finance is to be expected from the investment projects (notably STEG’s Tozeur solar PV farm) due to the falling costs of renewable energy technology: this is not a poor reflection on the Project but is, rather, a welcome indication of the increasing cost-competitiveness of sustainable energy technologies. Nonetheless, the low realisation rate to date is a source of concern, particularly as UNDP itself has not provided any co-finance to date. It is strongly recommended that the Project management team and UNDP develop a strategy to unlock additional financial resources in</p>	PM/UNDP

	support of the Project. If the currently-listed co-financiers are unable to provide committed funds, alternative co-financiers should be sought.	
6	<p><u>Management arrangements – additional expertise within the PMU</u></p> <p>The Project is currently heavily reliant upon external consultants (partly because the PMU has limited capacity, partly because the expertise is missing within the PMU). A Communications Officer is currently under recruitment and a Monitoring & Evaluation Officer is planned to be hired (in a cost-sharing arrangement with another UNDP-GEF project). A new Project Manager is under recruitment as the current Project Manager has resigned (to take effect on 31 May 2018). These recruitments are required and welcome, but it may be beneficial if an additional technical expert is recruited. This could allow the PMU to react more rapidly to changes in the Project environment and to identify opportunities for the Project moving forward.</p>	PM
7	<p><u>Stakeholder engagement – private sector involvement / integration of all relevant ministries in the PSC</u></p> <p>The Project should occasionally include private sector entities (e.g. large private-sector project developers and associations such as the Wind Power Association) in PSC meetings since the Project's objective is to incentivise private sector investments. In the PSC, the private sector can effectively communicate its needs and advice for the set-up of an enabling regulatory framework. Bearing in mind that the PSC has also decided to serve as the NAMA Inter-Ministerial Committee, all relevant ministries should be integrated into PSC discussions and decision-making.</p>	PM/PSC
8	<p><u>Stakeholder engagement – relationship with Ministry of Energy</u></p> <p>The Ministry of Energy is the key ministry in charge of the implementation of the regulatory framework for the promotion of sustainable energy. It is also conducting a project on TSP implementation in conjunction with GIZ. Currently, it is primarily involved in the Project through participation in the PSC. It would be beneficial if there were to be regular additional meetings between the Project management team and the Ministry to align the Project strategy with the activities of the Ministry.</p>	PM
9	<p><u>Stakeholder engagement – coordination with other donors</u></p> <p>A number of other donors, notably GIZ and EBRD, are also supporting the Government of Tunisia to create a sustainable energy market. While there is currently some limited information exchange between the Project and these donors (including in the context of the 'BATTERIE' group of energy donors and technical partners in Tunisia), it is strongly advised to increase the number of meetings and exchanges with the aim of creating synergies with parallel on-going projects and to optimise the positive impacts of the Project.</p>	PM
10	<p><u>Communication</u></p> <p>Outreach, information dissemination, communications and awareness creation activities have not yet been taken up. Considering that such activities have a multiplier effect towards achievement of the Project objectives and results, it is recommended that dedicated efforts be made towards this element of the Project. A Communications Officer position is already under recruitment and consultants will be hired to design specific awareness campaigns. Nonetheless, it may prove</p>	PM

	necessary to recruit an additional project assistant for the implementation of the communication plan (which has yet to be prepared).	
11	<p><u><i>No-cost project extension</i></u></p> <p>In order to re-frame the Project in the context of the NDC, complete the ongoing and planned activities under Outcomes 1 and 2, and agree and initiate a set of new activities under Outcome 3, it will be necessary to extend the implementation lifetime of the Project by 9 months. With the agreement of the PSC, the UNDP Country Office should seek the relevant internal UNDP permissions for such an extension as a matter of priority.</p>	PM/UNDP Country Office/PSC

2 INTRODUCTION

2.1 PURPOSE OF THE MID-TERM REVIEW AND OBJECTIVES

In accordance with UNDP and GEF Monitoring and Evaluation (M&E) policies and procedures, all full-sized UNDP-supported, GEF-financed projects are encouraged to undergo a mid-term review. The MTR is conducted according to the guidance, rules and procedures established by UNDP and GEF, as reflected in the *UNDP Evaluation Guidance for GEF-Financed Projects*.

The objectives of the review are to assess the achievement of Project results, to consider adaptive management actions that may be required in the second half of the Project, to draw lessons that can improve the sustainability of benefits from the Project, and to aid in the overall enhancement of UNDP programming.

2.2 MID-TERM REVIEW METHODOLOGY, SCOPE AND LIMITATIONS

The MTR is based on the following **methodology**:

- The reviewer will first analyse key project documents. The list of project documents provided by the PMU is listed in Section **Erreur ! Source du renvoi introuvable.**
- During an on-site mission, the reviewer will conduct interviews with (i) UNDP staff and (ii) representatives of all key stakeholders involved in the project. The list of interviewees can be found in Section **Erreur ! Source du renvoi introuvable.**

The MTR aims to respect 4 **key principles**:

- Participative: the MTR will involve all relevant project stakeholders in the review activities;
- Constructive: the underlying aim of the MTR is to help project stakeholders to find ways to optimise the project, so project objectives can be achieved;
- Independence and neutrality: the MTR team has no interests in the project. The MTR's sole objective and interest is to report objectively on the project in order to support future optimisation;
- Evidence-based: all findings and conclusions are based on clear and balanced evidence collected during the MTR.

The MTR is undertaken in line and accordance with the guidance provided in "*Guidance for Conducting Mid-Term Reviews of UNDP Supported, GEF-Financed Projects*" (UNDP/GEF, 2014). In terms of scope, the MTR covers all aspects of the development and implementation of the Project, from the preparation of the PIF up until and including project implementation as of end-November 2017. According to the Terms of Reference (ToR) (see **Erreur ! Source du renvoi introuvable.**), the assessment covers the following four categories of project progress:

- Project strategy
- Progress towards results
- Project implementation and adaptive management
- Sustainability

The evaluative questions, indicators, sources of information and methods of review applied in the review can be found in the MTR evaluative matrix in Section **Erreur ! Source du renvoi introuvable.**

2.3 STRUCTURE OF THE MTR REPORT

This report contains the MTR report body, executive summary and an introduction to the report. The body of this report is structured around three main sections: a description of the Project and its context (section 3); the findings of the evaluation (section 4); and the conclusions and recommendations (section 5). The Annexes provide information on the terms of reference, mission details, information collected, evaluation questions, and the applicable rating scales for each measure assessed.

The Project description (section 3) presents a summary of Project facts, such as start date, duration, the context in which the Project started, its objectives and stakeholders.

Section 4 presents the findings of the report with respect to Project design, implementation, monitoring, risk management and reporting. It provides quantitative evaluation of a number of aspects of the Project, as required by UNDP guidelines.

Section 5 presents the conclusions, recommendations and lessons learned from the Project. These include actions that might be taken now to help ensure the sustainability and continuity of Project achievements, as well as steps that can be taken to help improve the design and implementation of future projects.

3 PROJECT DESCRIPTION AND BACKGROUND

3.1 PROJECT CONTEXT

Although Tunisia is an oil and gas producer, it is a net importer of fossil fuels. The energy bill represents approximately 14% of GDP and state subsidies on energy are the equivalent of 20% of total public expenditure. As electricity demand grows, so too does Tunisia's fiscal deficit: in the past ten years, spending on energy subsidies has quadrupled, exceeding the amount spent by the Government on social programmes for health and employment. In order to reduce its energy vulnerability, Tunisia has embarked on an energy transition plan. The Tunisian Solar Plan (TSP) aims to achieve a total renewable energy penetration target of 30% in the electricity mix by 2030.

The implementation of the TSP faces significant barriers that need to be overcome (e.g. technical, financial and policy environment), as described in the following chapter.

The fact that Nationally Appropriate Mitigation Actions (NAMAs) are under development in Tunisia, including in the energy sector, clearly demonstrates that the Government is committed to implementing a low-carbon development strategy within the larger context of sustainable development – i.e. mitigation actions that deliver economic, social and environmental co-benefits.

Because of the ubiquitous character of the power sector, this implies the coordination of emission reductions efforts across multiple sectors (e.g. buildings, appliances and industry). The rationale for selecting the power sector as the focus of the UNDP-implemented, GEF-financed project is as follows:

- The energy sector is the largest emitter of GHGs in Tunisia, accounting for 58% of the country's emissions according to the Second Biennial Update Report (2016). (In contrast, the next largest sector – Agriculture, Forestry and Other Land Use – accounts for less than one-quarter of emissions and industry accounts for just 12%).
- The power sector is also the most prepared from the perspective of NAMA- and MRV-enabling activities.

3.2 PROBLEMS TO BE ADDRESSED BY THE PROJECT

According to the Project Document, the central problem statement of the Project is:

Low levels of private investment in utility-scale renewable energy impede the implementation of the TSP. The Project's focus on private-sector investments is due to the fact that the very high levels of investment required to implement the TSP are beyond the means of public funding, and national strategy documents clearly mention that investments will be sourced largely from the private sector.

The Project Document lists the following specific **sub-problems (barriers/challenges)** which will be addressed by the Project:

- Current conditions do not provide the visibility for investors to invest in renewable energies on the scale required to achieve the ambitious goals of the TSP.
- In the absence of a coherent and integrated renewable energy policy and supporting policy instruments, there is no transparent and uniformly applicable system in place to allow Tunisia to embark on a low-emission development pathway. At best, renewable energy initiatives will remain ad hoc and piecemeal. Further, since the TSP seeks to engage a multitude of stakeholders, it will require high-level political support and effective coordination. The mechanisms for achieving this are not currently present.
- There are technical barriers related to each type of technology proposed under the TSP (e.g. current legislation does not require an Environmental Impact Assessment (EIA) permit for power plants with an installed capacity of less than 300 MW).
- There are significant financial barriers facing implementation of the TSP. The renewable energy technologies proposed by the TSP have high investment costs (relative to the baseline). There is also a lack of credible data concerning the best sites for installing solar technologies. There is currently little understanding of how climate finance schemes, such as sectoral crediting and NAMAs, can assist implementation of the TSP.

An important point to note is that while UNDP's Derisking Renewable Energy Investment (DREI) analysis was used in the design stage to substantiate the measures proposed in the UNDP-implemented, GEF-financed project (as Outputs), it is also included as a tool to be used in the further development of the TSP NAMA, including the technology-specific action plans that will serve to implement the NAMA.

3.3 PROJECT DESCRIPTION AND STRATEGY

The key focus of the UNDP-supported, GEF-financed project, **NAMA Support for the Tunisian Solar Plan**, is to capacitate Tunisia to implement the Tunisian Solar Plan (TSP) to its full potential – i.e. to achieve 30% renewable electricity generation by 2030 using photovoltaics (PV), wind and concentrated solar power (CSP). A traditional siloed, stand-alone approach, though useful, is not sufficient to achieve this ambitious target. Instead, the Project aims to put in place the institutional and policy frameworks necessary to coordinate and support the up-scaling of renewable electricity in Tunisia, as well as developing an architecture for implementing these actions within a NAMA framework.

The Project is structured across 3 components.

Component 1: *The enabling framework and methodologies are established to support the design and implementation of the Tunisian Solar Plan (TSP) NAMA.*

This technical assistance component addresses the institutional and policy frameworks that are required to implement the TSP. The specific activities/outputs to achieve this outcome are: (1) the establishment of a high-level inter-ministerial TSP NAMA committee, (2) the development and implementation of a system dynamics model of the energy sector and (3) the development of at least 4 policy/financial de-risking instruments using DREI analysis.

Component 2: Architecture for NAMA development is established.

This technical assistance component seeks to establish the necessary conditions to leverage financing to support a NAMA in the energy sector – i.e. the TSP NAMA. The specific activities/outputs to achieve this outcome are: (1) the development of design criteria for all NAMAs and environmental safeguard guidelines, (2) the approval of a grid code, (3) the establishment of public-private partnership (PPP) modalities, and (4) the Energy Transition Fund (ETF) is supported with at least 3 new financial instruments

Component 3: Design and implementation of an energy sector NAMA to demonstrate the transformational role of the Tunisian Solar Plan to reduce emissions.

The specific activities/outputs of this investment component are the implementation of: (1) a 10 MW PV plant at Tozeur and (2) a 24 MW wind plant at Gabes.

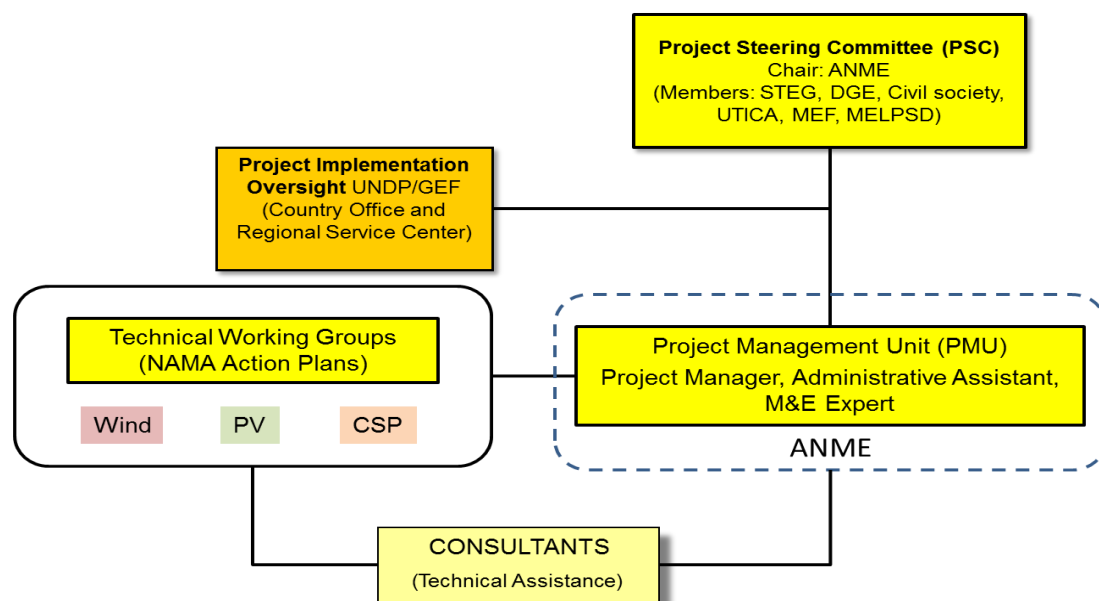
3.4 PROJECT IMPLEMENTATION ARRANGEMENTS

UNDP is the GEF **implementing agency** involved in the Project. Based on the Standard Basic Assistance Agreement (SBAA) between the Government of Tunisia and the United Nations Development Programme, signed by the parties on 25 April 1987, UNDP is cooperating with ANME in ANME's capacity as **executing agency**.

The **Project Steering Committee (PSC)** shall guide Project implementation and support the Project in achieving its listed outputs and outcomes. It consists of the major stakeholders in the Project and is chaired by ANME.

A **Project Management Unit (PMU)** under the overall guidance of the PSC carries out the day-to-day management of the Project. The PMU is based within ANME and coordinates its work with the PSC. The Project Manager (PM) reports to UNDP, the executing agency (ANME) and the PSC.

The organisational structure of the Project is shown in below. The reviewer has not identified any obvious deviation from the Project structure outlined in the Project document.

Figure 1: Organisational structure of the Project

3.5 PROJECT TIMING AND MILESTONES

The table below reflects the administrative, actual (PIF approval – date of inception workshop) and expected (expected date of MTR – original planned closing date) key dates of the Project.

Table 3: Overview of Project timing and milestones

Key Project Dates	
PIF Approval Date	Jun 20, 2013
CEO Endorsement Date	Nov 19, 2014
Project Document Signature Date (project start date)	Jan 6, 2015
Date of Inception Workshop	Sep 8, 2015
Expected Date of Mid-term Review	Dec 4, 2017
Actual Date of Mid-term Review	December 2017 – May 2018
Expected Date of Terminal Evaluation	Jun 6, 2019
Original Planned Closing Date	Jan 6, 2020
Revised Planned Closing Date	October 6, 2020 (if the Country Office request for a 9-month no-cost extension is approved)

There is **only limited information available on the concrete timelines for the technical outputs / deliverables**. For example, the Project document indicates that the investment activities would commence at the beginning of the Project, the set of guidelines for NAMAs should be developed by the end of the first year, and the set of social and environmental safeguard guidelines should be developed by the middle of Year 2. But there is no overall workplan/ Gantt chart showing exact

deadlines for each output. This situation makes it difficult to assess if deadlines have been met and if the Project is on track to produce its outputs as required.

3.6 PRINCIPAL STAKEHOLDERS

According to the Project document, the principal project stakeholders include:

Ministry of Energy, Mines and Renewables (former Directorate General for Energy (DGE) within the Ministry of Industry)

The Ministry of Energy is tasked with developing the overall energy policy of the Government. Renewable energy policy, including the TSP, is an integral part of the overall energy policy. There is a long history of collaboration between ANME and the Ministry of Energy.

National Agency for Energy Conservation (ANME)

ANME coordinated the stakeholder consultations during the preparation phase and is the Executing Agency of the Project. It hosts the Project Management Unit (PMU) and chairs the Project Steering Committee (PSC). It also implements projects with relevance to the Project such as: (1) capacity development for GHG inventory and MRV in Tunisia, and (2) the creation of a project team for the Tunisian Solar Plan.

Société Tunisienne de l'Électricité et du Gaz (STEG)

STEG has a quasi-monopoly in Tunisia on the generation, transmission and distribution of electricity. The Project was developed in close consultation with STEG. During project implementation, STEG is responsible for implementing the 10 MW PV project at Tozeur.

Ministry of Local Affairs and Environment (former Ministry of Equipment, Land Planning and Sustainable Development (MELPSD))

The GEF Operational Focal Point, the GCF National Designated Authority and the CDM Designated National Authority are all hosted within the Ministry of Environment. The Ministry was involved during the PIF and project preparation phases and has continued its involvement during project implementation.

Ministry of Finance (former Ministry of Economics and Finance (MEF))

The Ministry of Finance is involved in the establishment of climate financing mechanisms during Project implementation, especially with a focus on the operationalisation of the Energy Transition Fund (ETF).

Non-Governmental Organisations (NGOs)

While NGOs (e.g. Union Tunisienne de l'Industrie du Commerce et de l'Artisanat and the Tunisian Wind Energy Association) were involved in the design of the Project, their level of involvement in Project implementation could be improved.

Private Sector (project developers, investors)

Because of the prevailing barriers, there has only been limited private sector involvement in renewable energy in Tunisia. The most prominent private developer to date, UPC Wind/EnerCiel, was heavily involved in preparation of the Project. EnerCiel is also participating in the current call for PV and wind projects launched by the Government.

Gesellschaft für Internationale Zusammenarbeit (GIZ)

GIZ was consulted throughout all the stages of Project design because it implements similar activities with high relevance to the Project (e.g. GIZ support to a cement industry NAMA and a building sector NAMA). Since GIZ is also working in close collaboration with ANME, the Project document assumes that seamless coordination with activities implemented by GIZ will be ensured.

4 FINDINGS

4.1 PROJECT STRATEGY

4.1.1 PROJECT DESIGN

The **problems** to be addressed by the Project are clearly described in the Project document and summarised in Chapter 3.2. of this report. The underlying **assumptions** in the Project document primarily refer to:

- The continuous support and commitment of the Government of Tunisia;
- Support to renewable energy investment projects through a forthcoming renewable energy regulatory framework; and
- The involvement of key stakeholders and executing partners such as ANME and STEG.

While the assumptions remain valid during project implementation (the support of the Government to the renewable energy agenda is demonstrated by legislative advancements, STEG is currently investing in the 10 MW PV as outlined in the Project document, etc.), there have been three major changes to the project environment which will affect the Project's anticipated impacts:

- (i) Internationally, the concept of NAMAs is no longer formally recognised in the Paris Agreement. Instead, NAMAs are now commonly interpreted as being a sub-policy of Nationally Determined Contributions (NDCs).

This means that the NAMAs developed by the Project need to be:

- Designed in such a way that they can easily be embedded in the broader national climate change strategy, including the NDC.
- Strongly connected to a larger set of stakeholders (e.g. from other economic sectors, such as industry and transport).

- (ii) Nationally, the implementation by the Government of a set of renewable energy laws and by-laws (including a tender issuance on 210 MW of renewable energy, ordinances on the grid code and rules for public-private partnerships) has (partially) created the enabling environment for additional investments in sustainable energy without the direct involvement of the Project.

- (iii) (Inter-)national advancements in relation to technology and policy, which make the original GEF support to the specific technical solutions proposed in the Project design document (e.g. wind ablation technology for wind energy, anti-dust surfaces for PV panels) less necessary. For example, STEG has already tendered for the implementation of the Tozeur PV project, which will be realised by an international company and will include a performance guarantee at a lower price than was expected at the time of Project development.

The combined result of changes (ii) and (iii) is that the Project has surplus budget available (approximately US\$ 1.5 million) for additional activities benefitting the overall

development of a vibrant market for sustainable energy (see Section 5.2 for specific recommendations).

The Project is **clearly still relevant** for the country. This is indicated by the Government's continuing commitment to provide an enabling regulatory framework for renewable energy and by comments made by the stakeholders interviewed during the MTR mission. The Project strategy definitely provides an **effective route towards results** as it addresses the relevant problems and is based on a thorough analysis of potential de-risking instruments. The ultimate effectiveness of the Project will depend to a high degree on the commitment of the Government and other stakeholders, and it is therefore difficult at this stage to judge if the Project strategy is the **most effective approach**. With concerted Government and private-sector support, the Project could easily surpass its targets; with lukewarm support, it will struggle to do so. Nonetheless, it is possible to say with a high degree of confidence at this stage that the Project strategy is an effective approach. The Project Document has built on **lessons from various other Tunisian projects** such as "*sectoral NAMA initiatives*" (GIZ support to a cement industry NAMA and a building sector NAMA), "*NAMA enabling initiatives*" (the World Bank's Partnership for Market Readiness, GIZ capacity development for GHG inventory and MRV) and others.

Since the Project targets the country's undoubted problems / challenges relating to the energy sector and since high-level political commitment has been demonstrated, it is clear that the Project addresses **country priorities**, creates **country ownership** and is generally **in line with national sector development priorities** and development plans.

Decision-making processes during project preparation and implementation were / are clear, as described under Sections 3.4, 3.6 and 4.3. The implementing agency has involved all the **relevant stakeholders**, as described in Section 3.6 above.

Gender aspects were only raised in respect to the expected Gabes wind project in the Project document. Since the Gabes project has not yet materialised, the Project is not monitoring any gender aspects, although it should be noted that the UNDP Country Office has done some analysis on the gender aspects of energy poverty. With respect to the team closely involved in Project implementation, two out of five (40%) are women.

While there are no major concerns relating to the Project strategy, the strategy could certainly be improved in certain respects: see Section 5.2 for specific recommendations.

4.1.2 RESULTS FRAMEWORK

The Project's **log-frame indicators and targets** are generally clear and logical. The log-frame does not mention any specific mid-term targets. While the log-frame provided in the document '*PIMS 5182 – CCM – Tunisia – NAMA Support for the TSP – ProDoc – 27 August 2014 – final*' does not contain relevant specifics on the time schedule of any milestones or deliverables, Annex B ('Responses to Project Reviews') of the document '*PIMS 5182 CCM – Tunisia – NAMA Support for the TSP – CEO ER 19 September 2014 – final*' does provide some further indications on milestones and time schedule.

The Project's **objectives and outcomes or components** are clear and practical but are not always feasible within the implementation timeframe:

- Although the Project is scheduled to be implemented over 5 years, almost all the Outputs are scheduled for years 1 and 2.
- The two investment projects, which require detailed planning and which will serve as “demonstration” projects testing the Outputs of Project Components 1 and 2, are scheduled to be implemented in the first year of the Project.
- Since many Project outputs are related to decisions by the national Government (e.g. the timing of policy and regulatory changes), it is in general difficult to predict the exact timeline of some of the Outputs.

Due to continuing, sustained Government efforts, the enabling environment for sustainable energy is becoming increasingly robust and could potentially generate higher investments than envisaged in the Project document. Such investments could usefully be included in the **monitoring of Project results**, together with an attribution – perhaps using the GEF causality factor scoring system – of Project involvement in each case.

4.2 PROGRESS TOWARDS RESULTS

4.2.1 PROGRESS TOWARDS OUTCOMES ANALYSIS

4.2.1.1 OUTCOME 1: THE ENABLING FRAMEWORK AND METHODOLOGIES ARE ESTABLISHED TO SUPPORT THE DESIGN AND IMPLEMENTATION OF THE TUNISIAN SOLAR PLAN (TSP) NAMA.

According to the Project results framework, Outcome 1 consists of the following outputs:

A high-level Inter-Ministerial TSP NAMA Committee is established (Year 1)

On 27th November 2015, the PSC decided to take over the role of the high level Inter-Ministerial NAMA Committee. On 1st April 2016, the PMU hired 2 consultants to provide capacity development to the PSC / Inter-Ministerial NAMA Committee under the assignment, “*Mission d’accompagnement de la mise en place d’un comité interministériel sur les NAMAs en Tunisie, y compris la « NAMA d’appui au plan solaire tunisien »*” (Support to the implementation of an inter-ministerial committee on NAMAs in Tunisia, including the NAMA Support to the Tunisian Solar Plan). From April 2016 until December 2017, 4 workshop sessions were held on relevant topics, including the outcomes of the Paris Agreement, institutional governance of NAMAs in Tunisia, etc.).

According to the 2017 Project Implementation Review (PIR), the guidelines for the mandate of the Inter-Ministerial Committee should have been finalised by July 2017. However, at the time of the MTR mission in December 2017, the mandate was not yet available. The exact text of the decision implementing the NAMA Committee as well as the specifics of its mandate are missing.

A system dynamics model is developed and implemented for the energy sector (Year 1-2)

On 14th December 2016, the PMU hired a consulting company to carry out “system dynamics modelling (SDM)”, which will be used to study the cross-sectoral impacts of the TSP, including a scenario analysis of the cost-effectiveness of financial and economic instruments to promote renewable energy technologies. The software used is “Med Pro”. The first submission of the Med Pro model, accompanied by a training session, took place on 16 March 2017. The final version of the modified system was submitted in February 2018.

At least 4 policy and financial de-risking instruments have been developed using DREI analysis based on work initiated in the development of the project document (Year 1 and Year 2 (updated during project lifetime if necessary))

Under this Output, the DREI analyses that were conducted for the design of the Project should be further developed to propose the most comprehensive and optimal (from cost-benefit and cost-effectiveness perspectives) combination of policy and financial de-risking instruments to minimise the risks to private renewable energy investments. The developed instruments should be technology-specific and can include state-sponsored credit guarantees for IPPs, reduction of import duties on renewable energy hardware and other relevant measures.

The DREI analyses are part of the consultancy, “*Conception et développement de la NAMA PST*”. This consultancy was awarded on 7th March 2016 and was completed by the end of April 2018. The 2017 PIR assumes 100% progress (related to the DREI analyses and development of 4 policy and financial de-risking instruments) as of September 2017. However, the development and subsequent implementation of the proposed de-risking instruments will only be finalised in 2018 at the earliest.

4.2.1.2 OUTCOME 2: ARCHITECTURE FOR NAMA DEVELOPMENT IS ESTABLISHED.

According to the Project results framework, Outcome 2 consists of the following outputs:

A set of guidelines and design criteria is developed for all NAMAs by the end of Year 1; a set of social and environmental safeguard guidelines is developed for all utility-scale RE by the middle of Year 2 based on international standards

A set of 10 Sustainable Development criteria and 16 quantitative indicators (serving to measure these criteria) covering economic, social, environmental (climate change mitigation, land-use management), energy and strategic dimensions were developed as part of the consultancy, “*Conception et développement de la NAMA PST*”. These criteria and indicators were designed so as to be applied to energy sector NAMAs and, more broadly, as a basis for all NAMAs to be developed in Tunisia. It is planned to extend the set of sustainable development criteria and indicators to cover aspects relating to gender equality, empowerment of women and energy poverty in the context of the setting up of the information system (system dynamics model or equivalent) to monitor and evaluate the sustainable development dividends of energy transition and climate change mitigation policies in Tunisia. This should be finalised by end-March 2018 at the latest.

Regarding the set of social and environmental safeguard guidelines which should be developed for all utility-scale projects, the Project manager has expressed the opinion that this would fall under the authority of the Ministry of the Environment and should not be dealt with under the GEF-

financed Project. The Review team does not agree with this view because the results framework clearly identifies this item as an Output of the Project.

A grid code is approved by stakeholders and made publicly available by the end of Year 2

On 9th February 2017, the Ministry of Energy, Mines and Renewable Energies published the relevant ordinances related to rules on grid access as implementing instruments of Law 2015-12 on electricity generation from renewable energies. These ordinances mainly cover the following:

- Technical requirements of the grid connection and the evacuation of power generated from renewable energies plants connected to the low-voltage grid.
Arrêté de la ministre de l'énergie, des mines et des énergies renouvelables du 9 février 2017, portant approbation du contrat type d'achat par la STEG de l'excédent de l'énergie électrique produite à partir d'énergies renouvelables pour la consommation propre et livrée sur le réseau basse tension
- Technical requirements of the grid connection and the evacuation of power generated from renewable energies plants connected to the high-voltage/ medium-voltage grid.
"Arrêté de la ministre de l'énergie, des mines et des énergies renouvelables du 9 février 2017, portant approbation du contrat type de transport de l'énergie électrique produite à partir des énergies renouvelables pour la consommation propre, raccordée aux réseaux haute et moyenne tension et d'achat de l'excédent par la STEG."
- Standard Power Purchase Agreement (PPA) on the sale (to the public utility: STEG) of the electricity generated from renewable energy plants.
"Arrêté de la ministre de l'énergie, des mines et des énergies renouvelables du 9 février 2017, portant approbation du contrat type de vente à la société tunisienne de l'électricité et du gaz de l'énergie électrique produite à partir des énergies renouvelables soumis à l'autorisation."

The Project was not directly involved in this process.

The 2017 PIR mentions that, as an adaptive management measure, the Project supported STEG and ANME to work on the capacity of the public grid to absorb renewable energy. Such needs should be integrated in the *"Conception et développement de la NAMA PST"* by September 2017. However, by the time of the MTR mission in December 2017 these reports had not yet been finalised.

Modalities for PPPs are established in regulations, and the establishment of an Independent Energy Regulator (IER) is supported (Year 1-3)

Modalities for PPPs were established on 27th November 2015 with a by-law on contracts for PPPs. Additionally, on 14th October 2016, a Government Decree (n°2016-1185) on the modalities of work and the assignment of "The General Authority of the PPP" under the control of the Presidency was enacted.

The Project was not involved in the elaboration of these regulations.

The 2017 PIR mentions that, as an adaptive management measure, the Project would take into account the opportunities of PPPs for the private sector in the *"Conception et développement de la*

NAMA PST” by September 2017. However, during the MTR mission this report had not yet been finalised.

On 24th August 2016 and 22nd March 2017, the Government of Tunisia published decrees related to the mandate and composition of a “Specialised Authority” in charge of the examination of issues relating to renewable energy projects.

The Project was not involved in the elaboration of these regulations.

According to various interviewed stakeholders (ANME, GIZ, etc.), the implemented regulations would need to be revised to make them acceptable for private sector investments. The Project is supporting ANME in drafting a regulatory text on the independent energy regulator based on a version prepared in 2014 by a UNDP-implemented, GEF-financed project on wind energy power generation.¹

The ETF is supported with at least 3 new financial instruments (Year 1-5)

According to the 2017 PIR, between January-June 2017 the Project prepared the regulatory text (decree) on the management, replenishment and use of resources in the Energy Transition Fund. This text is based on an original version which had been prepared in 2011 (*UNDP: Support to the Quadrennial (2008-2011) Programme on Energy Conservation in Tunisia*).

On 23rd June 2017, the Government adopted the proposed text and the decree was promulgated in the official Journal in September 2017. The ETF will include 3 additional financial instruments: loans, refundable grants and equity participation. It is not clear to the MTR reviewer if these instruments will support the capitalisation of the Fund (as it is the intention of the Project design) or if these instruments merely represent new channels for distributing funds to the final beneficiaries.

Additional activities

A number of new activities have been initiated under Outcome 2 in consultation with the PSC, notably (i) support to restructuring ANME to enable ANME to better support the large-scale renewable energy investments needed under the TSP and (ii) support to a new electricity sector regulator. Both reflect the recommendations stemming from a high-level conference held in December 2017 by the Ministry of Energy, Mines and Renewable Energies on how to accelerate renewable energy take-up in Tunisia. In the opinion of the MTR reviewer, these additional activities are fully consistent with the objective and modalities of the Project design, and serve to strengthen national ownership of the Project.

4.2.1.3 OUTCOME 3: DESIGN AND IMPLEMENTATION OF AN ENERGY SECTOR NAMA TO DEMONSTRATE THE TRANSFORMATIONAL ROLE OF THE TUNISIAN SOLAR PLAN TO REDUCE EMISSIONS.

According to the Project results framework, Outcome 3 consists of the following outputs:

¹ PIMS 2129, ‘Private-Sector Led Development of On-Grid Wind Power in Tunisia’.

8,954 tCO_{2e}/year from 10 MW PV plant at Tozeur (35,815 tCO_{2e} between 2016 and 2019)

The expected investment at the time of Project preparation for the 10 MW PV plant was approximately USD 16.5 million. During the MTR mission in December 2017, STEG informed the reviewer that the tender had resulted in an investment cost of approximately USD 11.5 million. This price drop reflects the general fall of prices of PV as well as the advancements of PV application under desert conditions. STEG has contracted a private PV technology provider which will build and operate the plant and will provide a performance guarantee for 3 years (2018-2021), after which STEG will take over the operation of the PV plant.

Additionally, on 17th July 2017 the PMU hired national and international consultants to provide technical assistance to STEG to identify, purchase, install and monitor equipment to improve the performance of the PV plant. The assignment is supposed to be finalised by 16th September 2018.

Since the Tozeur PV plant is not yet operating, it has not yet reduced any CO_{2e} emissions.

45,775 tCO_{2e}/year from 24 MW PV plant at Gabes (183,100 tCO_{2e} between 2016 and 2019)

Since the Government has now issued a legal framework for private sector participation in power generation, the private wind project developer decided to submit potential wind power projects to the Call for Projects (see <http://www.energymines.gov.tn/autorisation.htm>) published by the Ministry of Energy, Mines and Renewable Energy on 11th May 2017. In total, 69 projects from private-sector renewable energy developers are competing for a power purchase agreement. This demonstrates that the private sector is generally supportive of the legislative framework in Tunisia and is ready to test it. If the Gabes project submission is successful, it is likely to be commissioned in 2020.

The Project was not involved in the elaboration of the national tender procedure. Since none of the 69 projects in the Call for Projects (including the Gabes project) is operating yet, CO₂ emission reductions have not yet been achieved.

Table 4: Overview of Progress Towards Outcome

PROJECT GOAL: To transform Tunisia's energy sector for achieving large-scale emission reductions through the deployment of a Tunisian Solar Plan (TSP) NAMA								
Project Strategy	Indicator ²	Baseline Level ³	Level in 1 st PIR (self-reported)	Mid-term Target ⁴	End-of-project Target	Mid-term Level & Assessment ⁵	Achievement Rating ⁶	Justification for Rating
Objective: To transform Tunisia's energy sector for achieving large-scale emission reductions through the deployment of a TSP NAMA.	A NAMA developed for the TSP	No NAMA for the energy sector No MRV system for monitoring GHG emission reductions in the energy sector	17%		A NAMA developed for the TSP and submitted for registration with the UNFCCC NAMA Registry	A (preliminary) NAMA has already been submitted to the UNFCCC. The consultancy for additional design issues is supposed to be finalised in March 2018	MS	In general, the NAMA may meet the requirements of the Project's original results framework but it does not strategically adapt to the (inter-)national changes in the Project environment. Notably, NAMAs are not officially mentioned in the Paris Agreement and their prominence in the climate change institutional architecture is correspondingly diminished.

² Populate with data from the Logframe and scorecards³ Populate with data from the Project Document⁴ If available⁵ Colour code this column only⁶ Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

	<p>Quantity of renewable electricity generated by on-grid baseline projects (MWh/year)</p> <p>Quantity of direct GHG emissions resulting from the baseline projects and TSP NAMA (tCO₂/year)</p>	<p>Proposed Gabes and Tozeur RE plants become operational but with deficiencies (e.g. PV plant not designed for desert conditions; weak interface between RE plants and the national grid)</p>	0%		<p>16.9 GWh/yr is generated by 10 MW PV plant at Tozeur; and 86.4 GWh/yr is generated by 24 MW wind farm at Gabes</p> <p>Emission reductions:</p> <p>Total direct emission reductions of 218,900 tonnes CO_{2e} between 2016 and 2019</p>	<p>Implementation (turnkey contractor nominated) of the PV plant has started.</p> <p>Ministry of Energy has recently issued a call for renewable energy projects (wind 140 MW, PV 70 MW) but no projects are yet under operation.</p>		
Outcome 1: The enabling conditions, methodologies and tools are developed for de-risking the national policy environment for implementing the	Number of committees established and operational	No high-level Inter-Ministerial TSP NAMA Committee	50%		A high-level Inter-Ministerial TSP NAMA Committee is established	PSC has decided to act as the NAMA Committee (formal decision). Capacity development activities are supposed to be finalised in March 2018	MS	The PSC has decided to act as the de facto Inter-Ministerial NAMA Committee, which is logical since PSC member have the relevant institutional coverage and capacities to carry out such work. However, a clear mandate and rules of procedures are still missing.

Tunisian Solar Plan through a TSP NAMA	Energy sector system dynamics model developed and implemented	No cross-sectoral modelling tool exists to investigate the sustainable development dividends of the energy sector	0%		A system dynamics model is developed and implemented for the energy sector	Work on a system dynamic model is ongoing but not yet finished	S	On 14 th December 2016, the PMU hired a consulting company to carry out a "System dynamics modelling (SDM)" study which will be used to analyse the cross-sectoral impacts of the TSP, including a scenario analysis of the cost-effectiveness of financial and economic instruments to promote renewable energy technologies. The software used is "Med Pro". The first submission of the Med Pro model, accompanied by a training session, took place on 16 March 2017. The final version of the modified system was submitted in February 2018.
	Number of policy and financial de-risking instruments designed using DREI analysis and implemented	No methodology is used to quantify risks that hinder investments in RE, and to develop policy and financial de-risking instruments to promote large-scale private investments.	0%		At least 4 policy and financial de-risking instruments have been developed using DREI analysis based on work initiated in the development of the project document.	Work on DREI analysis is ongoing but only limited information available	MU	The DREI analysis has not yet been finalised and, consequently, nor have the 4 policy and financial de-risking instruments. Although there is sufficient time to finalise this process within the planned Project duration, it is unsatisfactory that (i) no more specific information on the performed work is available and (ii) no stakeholder consultation process has started which would allow the political implementation of any proposed instruments.

Outcome 2: A coherent climate finance framework is established for the development of the TSP NAMA to catalyse the transformational capacity of the TSP to generate large emission reductions.	Number of national guidelines	<p>No guidelines for NAMAs.</p> <p>Low institutional capacity of MELPSD to act as the coordinating body and quality assurer for NAMAs</p>	N/A		<p>A set of guidelines and design criteria is developed for all NAMAs by the end of Year 1; a set of social and environmental I safeguard guidelines is developed for all utility-scale RE by the middle of Year 2 based on international standards</p>	<p>The guidelines for NAMA criteria are almost finalised but work on social and environmental safeguard guidelines have not yet started</p>	U	<p>A set of 10 <u>Sustainable Development criteria</u> and 16 quantitative indicators (serving to measure these criteria) covering economic, social, environmental (climate change mitigation, land-use management), energy and strategic dimensions was developed as part of the consultancy "<i>Conception et développement de la NAMA PST</i>". It should be finalised by end-March 2018 at the latest.</p> <p>Regarding the set of <u>social and environmental safeguard guidelines</u> which should be developed for all utility-scale projects, the Project manager has expressed the opinion that this would fall under the authority of the Ministry of the Environment and should not be dealt with under the GEF Project. The Review team does not agree with this view because the results framework clearly mentions this item as an output of the Project.</p>
	Number of technical codes	<p>No grid code for RES is available publicly to project developers</p>	N/A		<p>A grid code is approved by stakeholders and made publicly available by the end of Year 2</p>	<p>Decrees for grid access are in place, regulatory framework for PPPs implemented, first regulations towards IPPs issued but without involvement of Project</p>	MS	<p>On 9 February 2017, the Ministry of Energy, Mines and Renewable Energies published the relevant ordinances related to rules on grid access as implementing instruments of Law n°2015-12 on electricity generation from renewable energies.</p> <p>The Project was not directly involved in this process.</p> <p>The 2017 PIR mentions that, as an adaptive management measure, the Project supported STEG and ANME to work on the capacity of the public grid to absorb renewable energy.</p> <p>While it is positive that this target is (partially) met, the planned adaptive measure (supporting STEG) seems ad hoc and is not justified. A general strategy on how to adapt the Project to the changing Project environment is missing.</p>

	Number of regulations	<p>PPPs for developing RE projects do not exist</p> <p>No energy regulator exists</p>			<p>Modalities for PPPs are established in regulations</p> <p>The establishment of an IER is supported</p>		MS	<p>Modalities for PPPs were established on 27 November 2015 with a by-law on contracts for PPPs. Additionally, on 14 October 2016, a Government Decree (n°2016-1185) on the modalities of work and the assignment of “The General Authority of the PPP” under the control of the Presidency was enacted.</p> <p>The Project was not involved in the elaboration of these regulations.</p> <p>The 2017 PIR mentions that, as an adaptive management measure, the Project will take into account the opportunities of PPPs for the private sector in the piece of work entitled “<i>Conception et développement de la NAMA PST</i>” by September 2017. However, during the MTR mission in December 2017 this report had not yet been finalised.</p> <p>On 24 August 2016 and 22 March 2017, the Government of Tunisia published decrees relating to the mandate and composition of a “Specialized Authority” in charge of the examination of issues related to renewable energy projects.</p> <p>The Project was not involved in the elaboration of these regulations.</p> <p>According to various interviewed stakeholders (ANME, GIZ, etc.), the implemented regulations will need to be revised to make them acceptable for private sector investments. The 2017 PIR mentions that, as an adaptive management measure, the Project is supporting ANME in drafting a regulatory text on the independent energy regulator based on a version prepared in 2014 by a UNDP-implemented, GEF-financed project on wind energy generation by the private sector in Tunisia. However, no additional information on these activities were available at the time of the MTR mission in December 2017.</p>
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								While it is positive that these targets are (partially) met (albeit without relevant inputs from the Project), the planned adaptive measures seem to be ad hoc and are not justified. A general strategy on how to adapt the Project to the changing Project environment is missing.
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	Number of financial instruments to capitalise the Energy Transition Fund	<p>FNME restructured into the ETF in January 2014 (Articles 67 and 68 of the Finance Law 2014).</p> <p>Diversified sources of capitalisation not sufficient to support the implementation of the TSP NAMA.</p> <p>Social and environmental safeguards are required under current legislation for projects with installed capacity below 300 MW</p>	N/A		The ETF is supported with at least 3 new financial instruments	Regulatory text for ETF prepared but not yet enacted	MS	<p>According to the 2017 PIR, between January-June 2017 the Project prepared the regulatory text (decree) on the management, replenishment and use of resources, which is based on an original version prepared in 2011 (<i>UNDP: Support to the Quadrennial (2008-2011) Programme on Energy Conservation in Tunisia</i>).</p> <p>On 23 June 2017, the Government adopted the proposed text and it was published as a formal decree in September 2017.</p>
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Outcome 3: The TSP is operationalised by demonstrating a proof-of-concept energy NAMA with quantified GHG emission reductions	Emission reductions from grid-connected wind and PV power	Baseline projects implemented with identified deficiencies No MRV protocol / system for TSP NAMA	0%		<p>8,954 tCO₂e/year from 10 MW PV plant at Tozeur (35,815 tCO₂e between 2016 and 2019)</p> <p>45,775 tCO₂e/year from 24 MW PV plant at Gabes (183,100 tCO₂e between 2016 and 2019)</p> <p>Number of households benefiting from renewable energy by end of project: 711,544 from PV; 50,016 from wind</p>	Implementation (turnkey contractor nominated) of the PV plant has started.	MS	<p>The expected investment at the time of Project preparation for the 10 MW PV plant was approximately USD 16.5 million. During the MTR mission in December 2017, STEG informed the reviewer that the tender resulted in an investment cost of approximately USD 11.5 million. This price drop reflects the general fall of PV prices as well as the advancements of PV application under desert conditions. STEG has contracted a private PV technology provider which will build and operate the plant and provide an adequate performance guarantee for 3 years (2018-2021), after which STEG will take over the operation of the PV plant.</p> <p>Additionally, on 17 July 2017 the PMU hired international and national consultants to provide technical assistance to STEG to identify, purchase, install and monitor equipment to improve the performance of the PV plant. The assignment is scheduled to be finalised by September 2018.</p> <p>While the overall target will be met, the support provided by the Project has been limited and relevance seems to be low. A clear strategy to adapt the Project to the changing Project environment is missing.</p>
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⁷ These targets assume that all electricity is fed into the national grid as opposed to self-consumption.

	Number of households benefiting from electricity generated by wind and PV plants (households/year)		0%			Ministry of Energy recently has issued a call for renewable energy project (wind 140 MW, PV 70 MW) but no project under operation. Project was not involved	MU	<p>Since the Government has now issued a legal framework for private sector participation, the Gabes private wind project developer decided to submit potential wind power projects to the Call for Projects published by the Ministry of Energy, Mines and Renewable Energy on 11 May 2017. In total, 69 projects from private renewable energy developers are competing for a power purchase agreement. This demonstrates that the private sector is generally supportive of the legislative framework in Tunisia and is ready to test it.</p> <p>The Project was not involved in the elaboration of the national tender procedure. A clear strategy to adapt the Project to the changing Project environment is currently missing, though the Project has initiated promising discussions with ANME and the Ministry of Energy, Mines and Renewable Energies in this regard.</p>
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4.2.2 REMAINING BARRIERS TO ACHIEVING THE PROJECT OBJECTIVE

There do not seem to be any insurmountable barriers to achieving Project objectives. It will, however, require a dedicated and focused effort to achieve the Outputs which at this point have not yet been achieved. At this stage, there are no specific successful aspects of the Project which could be further expanded.

4.3 PROJECT IMPLEMENTATION AND ADAPTIVE MANAGEMENT

4.3.1 MANAGEMENT ARRANGEMENTS

Project management appears to be **effective in relation to administrative and operational procedures**. Although UNDP procurement procedures appear to take a long time, this is a feature of all Country Office operations, not just the Project. However, project management **lacks effectiveness in relation to achieving technical outputs**: major outcomes to date have been achieved without any significant contributions by the Project management, and other outcomes have not yet been finalised.

As mentioned above, there have been **3 major changes** to the project environment which affect the results as outlined in the Project document:

- Internationally, the concept of NAMAs is no longer formally recognised in the Paris Agreement. Instead, NAMAs are now commonly interpreted as being a sub-policy of Nationally Determined Contributions (NDCs).

This means that the NAMAs developed by the Project need to be:

- Designed in such a way that they can easily be embedded in the broader national climate change strategy, including the NDC.
 - Strongly connected to a larger set of stakeholders (e.g. from other economic sectors, such as industry and transport).
- Nationally, the implementation by the Government of a set of renewable energy laws and by-laws (including a tender issuance on 210 MW of renewable energy, ordinances on the grid code and rules for public-private partnerships) has (partially) created the enabling environment for additional investments in sustainable energy without the direct involvement of the Project.
 - (Inter-)national advancements in relation to technology and policy, which make the original GEF support to the specific technical solutions proposed in the Project design document (e.g. wind ablation technology for wind energy, anti-dust surfaces for PV panels) less necessary. For example, STEG has already tendered for the implementation of the Tozeur PV project, which will be realised by an international company and will include a performance guarantee at a lower price than was expected at the time of Project development.

The Project has taken the **following adaptive measures**:

Component 2 – Grid code: The Project is supporting STEG and ANME to work on the capacity of the public grid to absorb renewable energy.

Component 2 – ANME restructuring: The Project is supporting ANME to reposition itself to be better able to engage with and support private sector power investors. This repositioning process involves (i) the establishment and operationalisation of a help desk / one-stop shop (“un guichet unique”) to which investors can turn with questions, permitting requirements, etc., and (ii) organisational change management within ANME to build its internal capacity to coordinate large-scale energy investments. It is possible that ANME may also seek Accredited Entity status with the Green Climate Fund (GCF).

Component 2 – PPP and IER: The Project will take into account the opportunities of PPPs for the private sector in the piece of work entitled “*Conception et développement de la NAMA PST*”, which was actually finalised in September 2017 but which now needs to be updated to take into account new developments in RE policy instigated by the Government in December 2017. It is also supporting ANME in drafting a regulatory text on the independent energy regulator, based on a version prepared in 2014 by a UNDP-implemented, GEF-financed project, *Private-Sector Led Development of On-Grid Wind Power in Tunisia*. However, no additional information on these activities was available at the time of the MTR mission.

Component 3 – investment projects: On 17 July 2017, the PMU hired a team of consultants to provide technical assistance to STEG to identify, purchase, install and monitor equipment to improve the performance of the Tozeur PV plant. The assignment is scheduled to be finalised by mid-September 2018.

Component 3 – ongoing discussions with GoT: The Project is in discussions with ANME on providing support to survey two potential concession sites to increase Tunisia’s renewable energy (wind and PV) capacity by a further 300 MW. The Government is planning to launch a request for tender in October 2018, a timeline that will almost certainly fail to materialise without Project support to the site surveying. Such support would be fully aligned with the investment support focus of Outcome 3 and, in the view of the MTR reviewer, would assist the Project in re-establishing its strategic usefulness in the eyes of the Government. Other potential areas of new support under Outcome 3 that are under discussion include elaboration of a medium- and small-scale renewable energy project portfolio and design of an energy transition strategy for Tozeur governorate. It seems likely that Component 3 will under-spend on its current commitments by approximately US\$ 1.5 million. This will be sufficient to support some, but not all, of the new activities under discussion, so a prioritisation process will need to be established promptly so as to re-orient the Project.

Generally, detailed information on the adaptive measures (justification, exact work plan, tasks, involved stakeholders, etc.) and an overall strategy of how to adapt to the changes of the Project environment are missing.

Reporting lines and responsibilities are clear and **decision-making** seems to be transparent: procedures are implemented as described in the Project Document and decisions are made by Project management in a timely manner, as documented by their meetings and their minutes of the PMU/PSC.

The **quality of execution of the executing agency** is good: it is coordinating well with stakeholders, has strong links to the Ministry of Energy and has technical expertise, but ANME could be more ambitious in identifying strategic opportunities to optimise the positive impact of the Project. Additionally, the Project would benefit from the stronger participation of the private sector (including industry associations) and the Ministry of Finance. ANME should also adopt a more proactive role in coordinating between different technical partners and stakeholders for the successful implementation of the TSP.

Quality of support provided by UNDP is good (relating to formal operation of the Project) but it could also be more ambitious in identifying strategic opportunities to optimise the positive impact of the Project.

See Section 5.2 for specific recommendations on **improvements**.

4.3.2 WORK PLANNING

The Government of Tunisia **signed the Project Document on 6 January 2015**. The inception workshop took place on 8 September 2015 after UNDP had finalised the hiring process for the Project Manager. There was an 8-month gap between the formal project start and the operational commencement. While there is no solution to remedy these past delays, it is important to identify possibilities to accelerate general procurement processes within the Country Office, so that Project management can focus more on the technical content of the Project.

The PSC has met six times:

- 3 September 2015
- 27 November 2015
- 25 October 2016
- 28 December 2016
- 9 November 2017
- 1 February 2018

The PSC approves annual work plans proposed by the PMU which (partially) breaks down the required outputs of the overall Project into smaller work packages. The PSC has also defined additional indicators, such as – for Outcome 1 – training for the PSC on NAMAs, South-South cooperation and organising a conference on TSP financing and – for Outcome 2 – developing a communication plan for the TSP. The Project management has clearly used the Project document results framework as a management tool by preparing periodic (annual) project implementation reviews. The reviewer has not identified any obvious changes to the Project document logical / results framework.

In response to the three significant changes to the Project environment at an international and national level which directly impact the Project outcomes and outputs, the PMU has taken specific adaptive actions but a general strategy on how the Project should be modified to create synergies with the new environment is missing.

4.3.3 FINANCE AND CO-FINANCE

According to the 2017 Project Implementation Review (PIR), the Project had disbursed only 12.8% of the total approved budget by 30 June 2017. Cumulative disbursement was somewhat higher, at 31%, by 31 December 2017. On the one hand, this shows a **certain degree of efficiency**, as some results – such as (i) the publication of five ordinances relating to rules on grid access and (ii) the issuance of rules for the implementation of Public Private Partnerships – have been achieved with very limited use of funds. On the other hand, it also demonstrates a **certain degree of inactivity** in identifying adaptive measures to accelerate project progress and address new areas of concern not originally envisaged in the Project Document.

Component 1:

- Cumulative disbursement by 31 December 2017: US\$ 286,924 (72% of Component budget)
- Committed funds in 2018: US\$ 108,020 (the total remaining 28% of Component budget)

Component 2:

- Cumulative disbursement by 31 December 2017: US\$ 618,490 (51% of Component budget)
- Committed funds in 2018: US\$ 479,000 (40% of total remaining Component budget)

Component 3:

- Cumulative disbursement by 31 December 2017: US\$ 157,928 (9% of Component budget)
- Committed funds in 2018: US\$ 151,000 (8% of Component budget)

The Project has used considerably less financial budget than estimated in the Project Document. Such under-delivery is concerning in the sense of placing more pressure on the Project to over-spend in its second half of implementation. Although some of the under-spend is attributable to changes to the Project environment (primarily the fact that grid access regulations and public-private partnerships legislation have been put in place without the direct involvement of the Project) rather than neglect by the Project, this is nonetheless in itself suggestive that the Project has lost some of its centrality and relevance and is in need of substantive – *proactive, not reactive* – adaptive management.

According to the Project management team, there have **not been any changes to fund allocations** as a result of budget revisions and no such revisions are currently foreseen.

The Project **has appropriate financial controls**: it applies UNDP standards such as UNDP procurement procedures, Atlas project management, etc. The PIR contains a section about the overall budget, disbursements to date and remaining budget, etc. Additional information about specific external consultancies is also documented and available.

Co-Finance

The project has received **co-financing commitments** from ANME, the MELPSD, STEG, UNDP and the private sector, totaling US\$ 65,935,608. The following table provides an overview of co-financing commitments and co-financing materialized as of 1st December 2017. The table was prepared by the UNDP Country Office and provided to the reviewer. The UNDP Country Office has further detailed the co-financing of ANME, referring mainly to 4 other donor-financed projects whose project duration fell within the duration of the GEF-financed Project and which cover topics of

relevance to the GEF-financed Project: Support to the Development of the Solar Market in Tunisia (DMS) – Euros 4 million; Strengthening the Solar Market in Tunisia (RMS) – Euros 2 million; Capacity Development for Greenhouse Gas Emission Inventories and MRV (Measuring, Reporting and Verification) systems in Tunisia – Euros 2 million; and the Partnership for Market Readiness (PMR) proposal – USD 350,000.

However, no information was available explaining the exact amounts of co-financing specified in the table below. It should also be noted that, since implementation of the 10 MW Tozeur solar PV plant has commenced (commissioning is scheduled for October 2018), materialised STEG co-finance is certainly not zero, as is stated in the table below. However, the Country Office had no information on the amount of STEG co-financing that has been mobilized to date.

Table 5: Overview of co-finance

Sources of Co-financing	Name of Co-financer	Type of Co-financing	Amount Confirmed at CEO endorsement (US\$)	Actual Amount Contributed at stage of Mid-term Review (US\$)	Actual % of Expected Amount
National Government	ANME	Grant	14,506,640	9,305,000	64%
National Government	ANME	In-Kind	200,000	80,000	40%
National Government	MEMR	In-Kind	100,000	40,000	40%
GEF Agency	UNDP	Grant	600,000	0	0%
Private Sector	Enerciel	Grant	33,476,000	0	0%
National Government	STEG	GRANT	16,500,000	0	0%
TOTAL			65,935,608	9,425,000	14%

According to these figures, realised co-finance currently stands at 14% of committed co-finance. Some shortfall in realised co-finance is to be expected from the investment projects (Enerciel and STEG) due to the falling costs of renewable energy technology: this is not a poor reflection on the Project but is, rather, a welcome indication of the increasing cost-competitiveness of sustainable energy technologies. Nonetheless, the low realisation rate to date is a source of concern, particularly as UNDP itself has not provided any co-finance to date. It is strongly recommended that the Project management team and UNDP develop a strategy to unlock additional financial resources in support of the Project. UNDP, for example, is currently in the process of finalising a new project on energy transition in governorates: this could provide the co-finance that was committed to the GEF. If the currently-listed co-financiers are unable to provide committed funds, alternative co-financiers should be sought.

4.3.4 PROJECT-LEVEL MONITORING AND EVALUATION SYSTEMS

Existing monitoring tools such as the PIR, annual workplans, inception report, minutes of meetings of the PSC and PMU, and project reports clearly provide the **necessary information** enabling members of the PSC and PMU to make qualified management decisions. The monitoring plans are mainly based on the Project indicators (including baseline and target values) described in the Project results framework submitted to the GEF.

As per UNDP standards, monitoring tools **involve all the key partners** (such as the GEF Operational Focal Point, the project implementing partner, etc.). Monitoring tools **use existing information**; no new information needs to be created.

In the view of the MTR reviewer, the general **monitoring tools are only partially efficient** because they lack a clear connection to deliverables and results over the project lifetime: notably, there are no mid-term targets / milestones defined for the Project. No additional tools are required and those that are in use are participatory and inclusive.

In line with the standard practice for GEF projects, provisions were made in the project design for a mid-term review and a terminal evaluation. Provisions were also made for periodic financial audits. The main M&E activities planned at the design stage meet GEF and UNDP requirements and standard practices. Financial monitoring and evaluation of the project is carried out using the ATLAS tool of UNDP, which generates reports such as the CDR to gauge the level of delivery across all the outcomes of the Project. As the details of co-financing are not captured and entered in the ATLAS Tool, the CDR does not provide any information regarding co-financing. It is suggested that the co-financing aspect of the Project be monitored and reported regularly – and, as stated in Section 4.3.3 above, addressed promptly to increase the co-financing realisation rate.

UNDP is represented on the Project Steering Committee to ensure its overall accountability for the project results. UNDP has fulfilled its oversight and supervision responsibilities. The **monitoring and evaluation budget** provisions in the project are adequate.

4.3.5 REPORTING

As mentioned above, the Project has experienced 3 major changes of the Project environment, which affect all 3 components of the Project.

However, the PIRs and other reports provide only limited information on how Project management intends **to adapt the Project to these changes**. The 2017 PIR (pages 14 and 31) does mention some minor changes to Project design (such as organising a national conference on accelerating the TSP, held in December 2017), but such adaptive changes appear to be fairly minor and ad hoc in nature. A more active, and less reactive, approach is required.

In general, **planning and management decisions** are taken in accordance with standard UNDP management arrangements (see also Section 4.3.1). While formal **GEF reporting requirements** are in general met, the documentation lacks information about modifications of the Project design. Therefore, there are **no lessons derived** from the adaptive management process documented and shared with key partners.

4.3.6 STAKEHOLDER ENGAGEMENT

Stakeholders are mainly engaged in the Project by participating in the meetings and activities of the PSC and through bilateral contacts with the PMU. From time to time, the PMU arranges additional meetings with a broader set of stakeholders (e.g. April 19th 2016, a national conference in December 2017, etc.) when interim results of certain tasks are presented. However, Project management has

developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders only partially. One notable example of this is that interaction with the Ministry of Energy appears to be limited to exchanges at the periodic PSC meetings.

The goal and objectives of the Project are clearly in line with the development goals of the country. **Government stakeholders support these objectives** within the Project (as evidenced, for example, by the PSC showing commitment to act as the national NAMA Committee) and outside the Project (through implementation of renewable energy laws and associated regulations). Indeed, Tunisia's current Five-Year Plan explicitly mentions the goal of the Tunisian Solar Plan to produce 12% renewable electricity by 2020. Government stakeholders continue to have an **active role** in the Project, participating in decision-making that supports effective and efficient Project implementation.

Public awareness (see also the assessment of communications under Section 4.3.7) of the Project appears to be inadequate and therefore has not had any significant contribution to the achievement of Project objectives.

4.3.7 COMMUNICATIONS

Internal project communication with stakeholders is in general **regular and effective** and **no key stakeholders are left out of communication**. There are regular meetings of the PMU (at intervals of every 2-3 months) and the PSC (every 3-4 months). The UNDP Country Office Programme Officer meets the National Project Director on a monthly basis to discuss the Project. .

The Project Manager and Project Assistant have their office in the facilities of ANME, allowing easy communication between the Project Manager (hired by UNDP) and the National Project Coordinator and Director (both staff of ANME). This kind of communication also provides for the possibility to receive immediate feedback from stakeholders and partners. This regular communication contributes to the awareness of stakeholders of Project activities and outcomes and long-term sustainability of the Project.

External project communication is currently very limited. The 2017 PIR refers to a couple of press clippings and to the Facebook site of UNDP Tunisia but a clear communication plan describing target groups, messages, communication channels as well as specific activities is missing.

Overall project management is effective to a limited extent only because: (i) it has failed to articulate a strategic – as opposed to reactive, ad hoc – adaptive management plan in response to the changing Project environment; (ii) its connection with stakeholders appears to be passive (no active interaction); and (iii) external communication is limited. Responsibilities and decision-making procedures are transparent and are generally undertaken in a timely manner.

4.4 SUSTAINABILITY

4.4.1 FINANCIAL RISKS TO SUSTAINABILITY

The likelihood of financial and economic resources not being available once the GEF assistance ends is considered to be **low** because there is no funding of any Project activities that needs to be continued after the end of the Project.

On the contrary, the main goal of the Project is to create the enabling environment (including policies and funds) which will support the long-term success of the Tunisian Solar Plan and incentivise investments in small- and large-scale renewable energy projects. The enabling environment is improving over time, partly driven by Project actions and partly driven by separate Government actions, and seems set to continue improving after the end of the Project. Private-sector investment in renewable energy is in the process of being unlocked by a Government-issued tender process.

Although *post*-Project financial sustainability seems likely, there is a question mark surrounding Project financing during the Project implementation period. Only 14% of committed co-finance has been realised to date and no additional leveraged finance has been reported.

4.4.2 SOCIO-ECONOMIC RISKS TO SUSTAINABILITY

The level of socio-political risks that may jeopardise the sustainability of project outcomes is considered to be **low**.

Tunisian stakeholders and the Government are demonstrating strong national ownership in regard to the implementation of the Tunisian Solar Plan. Other donors, such as GIZ and EBRD, recognise such ownership and are simultaneously supporting activities similar to the Project. In interviews with the MTR reviewer, key stakeholders have clearly signalled their interest that the Project benefits continue to flow after its termination. And there are strong macroeconomic pressures on the Government, not least the growing trade deficit in energy and the increasing fiscal burden of fuel subsidies, that represent strong incentives to continue promoting renewable energy.

4.4.3 INSTITUTIONAL FRAMEWORK AND GOVERNANCE RISKS TO SUSTAINABILITY

The level of institutional framework and governance risk is expected to be **low**.

No legal frameworks or policies have been identified by the MTR which, in the opinion of the reviewer, could jeopardise the sustainability of Project outcomes. On the contrary, there are various simultaneous activities (e.g. the tender for the deployment of 210 MW of renewable energy power, further development of a bankable Power Purchase Agreement, etc.) that provide the necessary legal framework for additional investments in sustainable energy.

The required systems / mechanisms for accountability, transparency and technical knowledge transfer (e.g. independent grid operator, environmental safeguards, etc.) are also being developed by the Project in coordination with projects conducted by GIZ and EBRD.

4.4.4 ENVIRONMENTAL RISKS TO SUSTAINABILITY

The risk that there are environmental factors that could undermine and reverse the Project's outcomes and results is expected to be **medium**.

Large-scale renewable energy activities may impose substantial impacts on the local / regional environment. Therefore, the Project document defines the development of

environmental safeguard guidelines for all utility-scale RE by the middle of Year 2 based on international standards

as one of the relevant outputs of the Project. However, the Project Manager has expressed the opinion that the preparation of environmental safeguard guidelines would fall under the authority of the Ministry of the Environment and should not be dealt with under the Project. It is not clear if the Ministry of Environment is already working on revisions of its environmental safeguard guidelines. This is an issue that should be clarified by the Project as a matter of priority.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSIONS

- The problems to be addressed by the Project's underlying assumptions are clearly described in the Project document.
- High-level political commitment to the Tunisian Solar Plan, and to renewable energy more broadly, is demonstrated by the relevant stakeholders. The Project addresses country priorities, creates country ownership and is generally in line with national sector development priorities and development plans. Nonetheless, there is an apparent disconnect between the clear national support directed towards the TSP and the level of Government support directed towards the Project specifically: the Project is undoubtedly helpful to the Government but it has not yet established itself as the key instrument for channelling and/or augmenting Government support to the TSP.
- The Project's objectives and outcomes or components are clear and practical but are not always feasible within the Project's implementation time-frame.
- While the Project's underlying design assumptions remain valid during project implementation, there have been three major changes to the project environment which affect the results outlined in the Project document: i. the concept of NAMAs not being formally recognised in the Paris Agreement; ii. the development of a new, supportive renewable energy framework in parallel with, but outside the framework of, the Project; and iii. technological progress related to renewable energy under desert conditions.
- The Project is making progress in the sense that most of the expected Outputs have been or are being delivered. However, a number of outputs have been delivered by external third parties (with and without support from other donors) without the direct involvement of the Project: e.g. modalities for public-private partnerships (PPPs) were established on 27 November 2015 with a by-law on contracts for PPPs and ordinances have been issued outlining rules on grid access.
- The current Project management is following rules and procedures on work planning, monitoring, reporting and reviewing (administrative, financial, etc.) but is not sufficiently ambitious in relation to adapting Project strategy, identifying new opportunities for the Project or communicating results.
- Sustainability appears to be likely since the overall enabling policy environment for renewable energy in Tunisia is improving rapidly and all relevant stakeholders are determined to create a successful renewable energy market.

5.2 RECOMMENDATIONS

Rec Nr.1: All outcomes: General strategy to adapt the Project to changes in the Project environment

There have been major changes to the (inter-)national Project environment. These changes have a significant impact on each of the 3 components of the Project. While Project management has taken individual measures to adapt the Project accordingly, in the view of the reviewer a clear overall adaptation strategy – one that is proactive, not reactive – should be developed. The PSC is advised to actively engage in the formulation and implementation of the adaptation strategy, leaning on the Project Manager for guidance. The Project is planning to assist ANME to restructure so that it is better able to implement the Tunisian Solar Plan (including investor relations management and coordination of large-scale infrastructure investment). This assistance should, in turn, be leveraged to enable ANME to take a more central role in mobilising other key stakeholders, notably the Ministry of Energy and the Ministry of Finance.

Rec Nr.2: Outcome1: Position the Project within the Paris Agreement climate policy architecture

The Paris Agreement (2015) does not directly refer to the concept of Nationally Appropriate Mitigation Actions (NAMAs). The heart of the Paris Agreement is the concept of the “Nationally Determined Contribution” (NDC). The NDC is submitted by every Party every five years to the UNFCCC Secretariat, with the next round of NDCs being submitted by 2020. Each of these climate plans reflects a country’s ambition to reduce emissions, taking into account its domestic circumstances and capabilities. Guidance on NDCs is currently being negotiated under the Paris Agreement.

Tunisia’s NDC makes explicit reference to the TSP NAMA as a constituent element of the NDC. As the Project is designed to support the TSP NAMA, it already, by extension, supports the NDC. Nonetheless, the focus of the Project – both in terms of substantive work and stakeholder communications – needs to be reoriented around the NDC. This will mean greater attention in the Project design on the role of the TSP in the country’s broader mitigation strategy, including issues associated with inter-sectoral linkages and broader MRV issues. And this, in turn, will require stronger coordination with, and outreach to, a broader range of stakeholders. Anchoring the Project in the framework of the NDC should also have the benefit of returning the Project to a more central role in Government policy-making. There are potential synergies with the Capacity Building Initiative for Transparency (CBIT) PIF that is currently under development, notably in the areas of energy-sector MRV and inventorisation.

Rec Nr.3: Outcome 2: Start development of guidelines for environmental and social safeguards for large infrastructure projects

In the opinion of the reviewer, the Project Document clearly mentions support to the development of guidelines for environmental and social safeguards for energy / infrastructure projects in Tunisia.

The Project should immediately start to work on this task and support the Ministry of Environment in modifying the current framework for environmental / social impact analysis for energy / infrastructure projects.

Given the downgrade in the status of NAMAs in the UNFCCC architecture, Outputs 2.1 and 2.2 are no longer critical and can be dispensed with. The relevance of Output 2.7 – the development of a territorial performance-based mechanism (TPBM, a de facto feed-in tariff) – needs to be

reconsidered in the context of the Government's competitive tender process for renewable energy capacity. The TPBM could be reconfigured to support the Government's regional development strategy, enhancing the financial attractiveness of renewable energy investments undertaken in particular regions of the country.

Rec Nr.4: Outcome 3: Alternative use of remaining budget for Outcome 3

Because of changes to the Project environment (progress in technologies for desert conditions, regulatory framework for sustainable energy investments), the Project is likely to significantly under-spend its budget for Outcome 3, by approximately US\$ 1.5 million. The PSC should, therefore, agree how to disseminate the remaining grant budget in a way that maximally benefits the Tunisian sustainable energy sector.

A key opportunity lies in the project providing technical and financial support to ANME to survey two potential concession sites to increase renewable energy (wind and PV) capacity by a further 300 MW. The Government is planning to launch a request for tender in October 2018, a timeline that will almost certainly fail to materialise without Project support to the site surveying. Such support would be fully aligned with the investment support focus of Outcome 3. Other potential areas of new support under Outcome 3 could usefully include elaboration of a medium- and small-scale renewable energy project portfolio; elaboration of a consolidated and updated grid code; development of a long-term energy strategy; support to the Government's newly-established taskforce (to be coordinated by ANME) on acceleration of the TSP; and design of an energy transition strategy for Tozeur governorate, linked to the Government's energy decentralisation strategy.

Rec Nr.5: Co-finance: Mobilise stakeholder support for the Project

Realised co-finance currently stands at 14% of committed co-finance. Some shortfall in realised co-finance is to be expected from the investment projects (notably STEG's Tozeur solar PV farm) due to the falling costs of renewable energy technology: this is not a poor reflection on the Project but is, rather, a welcome indication of the increasing cost-competitiveness of sustainable energy technologies. Nonetheless, the low realisation rate to date is a source of concern, particularly as UNDP itself has not provided any co-finance to date. It is strongly recommended that the Project management team and UNDP develop a strategy to unlock additional financial resources in support of the Project. If the currently-listed co-financiers are unable to provide committed funds, alternative co-financiers should be sought.

Rec. Nr.6: Management arrangements – additional expertise within the PMU

The Project is currently heavily reliant upon external consultants (partly because the PMU has limited capacity, partly because the expertise is missing within the PMU). A Communications Officer is currently under recruitment and a Monitoring & Evaluation Officer is planned to be hired (in a cost-sharing arrangement with another UNDP-GEF project). A new Project Manager is under recruitment as the current Project Manager has resigned (to take effect on 31 May 2018). These recruitments are required and welcome, but it may be beneficial if an additional technical expert is recruited. This could allow the PMU to react more rapidly to changes in the Project environment and to identify opportunities for the Project moving forward.

Rec. Nr.7: Stakeholder engagement – private sector participation / integration of all relevant ministries in the PSC

The Project should occasionally involve private sector entities (e.g. important private project developers or associations such as the Wind Power Association) in PSC meetings since the Project's

objective is to incentivise private sector investments. In the PSC, the private sector can effectively communicate its needs and advice for the design of an enabling regulatory framework. Bearing in mind that the PSC has also decided to serve as the NAMA Inter-Ministerial Committee, all relevant ministries should be integrated into PSC discussions and decision-making.

Rec. Nr.8: Stakeholder engagement – relationship with Ministry of Energy

The Ministry of Energy is the key ministry in charge of the implementation of the regulatory framework for the promotion of sustainable energy. It is also conducting a project on TSP implementation in conjunction with GIZ. At the moment, it is primarily involved in the Project through participation in the PSC, which meets only every 3-4 months. It would be beneficial if there could be regular additional meetings between the Project management team and the Ministry to align the Project strategy with the activities of the Ministry, particularly in the context of the Ministry's strategy to meet the targets set out in the Nationally Determined Contribution.

Rec. Nr.9: Stakeholder engagement – coordination with other donors

Various other donors, notably GIZ and EBRD, are also supporting the Government of Tunisia to create a sustainable energy market. While there is already a certain degree of information exchange between the Project and these donors (including in the context of the 'BATTERIE' group of energy donors and technical partners in Tunisia), it is strongly advised to increase the number of meetings and exchanges with the aim to create synergies with simultaneously on-going projects and to optimise the positive impacts of the Project. This should also assist the Project in carving out a revised role in the second half of the implementation period in light of the changing policy and technology environment in Tunisia.

Rec. Nr.10: Communication – step up outreach, dissemination

Outreach, information dissemination, communications and awareness creation activities have not yet been taken up. Considering that such activities have a multiplier effect towards achievement of the Project objectives and results, it is recommended that dedicated efforts be made towards this element of the Project. A Communications Officer position is already under recruitment and consultants will be hired to design specific awareness campaigns. Nonetheless, it may prove necessary to recruit an additional project assistant for the implementation of the communication plan (which has yet to be prepared).

Rec. Nr.11: No-cost Project extension

In order to re-frame the Project in the context of the NDC, complete the ongoing and planned activities under Outcomes 1 and 2, and agree and initiate a set of new activities under Outcome 3, it will be necessary to extend the implementation lifetime of the Project by 9 months. With the agreement of the PSC, the UNDP Country Office should seek the relevant internal permissions for such an extension as a matter of priority.

6 ANNEXES

6.1 MTR TOR (EXCLUDING ANNEXES)

UNDP-GEF Midterm Review Terms of Reference

1. INTRODUCTION

This is the Terms of Reference (ToR) for the UNDP-GEF Midterm Review (MTR) of the *full-sized* project titled *NAMA Support for the Tunisian Solar Plan* (PIMS 5182) implemented through the *National Agency for Energy Conservation of Tunisia* (*Agence Nationale pour la Maîtrise de l'Energie, ANME*), which is to be undertaken in *September 2017*. The project started on *6 January 2015* and is in its *third* year of implementation. In line with the UNDP-GEF Guidance on MTRs, this MTR process was initiated before the submission of the second Project Implementation Report (PIR). This ToR sets out the expectations for this MTR. The MTR process must follow the guidance outlined in the document *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* ([http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance_Midterm%20Review%20 EN_2014.pdf](http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance_Midterm%20Review%20EN_2014.pdf)).

2. PROJECT BACKGROUND INFORMATION

The UNDP-implemented, GEF-financed project (Total GEF funding = US\$3,552,968) to be implemented over the period 2015-2019, was designed to support the Government of Tunisia in the development and implementation of a Nationally Appropriate Mitigation Action in the energy sector, namely a NAMA for the Tunisian Solar Plan (TSP). The project will contribute to the achievement of the energy mitigation targets established voluntarily by the Government of Tunisia, which aim to achieve a contribution of 30% of electricity produced from wind energy, PV and CSP by 2030.

The project is structured in the three following components:

- ☐ Component 1: The enabling conditions and methodologies are established to support the design and implementation of the TSP NAMA.

Expected outcomes: The enabling conditions, methodologies and tools are developed for de-risking the national policy environment for implementing the TSP through a NAMA.

GEF funding: US\$394,945

Co-financing: US\$790,000 (ANME: US\$190,000; UNDP: US\$600,000)

This technical assistance component will address the institutional and policy frameworks that are required to implement the TSP. It seeks to establish high-level political support and coordination mechanisms that will be invaluable for advocating for, and coordinating, mitigation actions across several sectors.

- ☐ Component 2: Architecture for NAMA development is established.

Expected outcomes: A coherent climate finance framework is established for the development of NAMAs to catalyse the transformational capacity of the TSP to generate large emission reductions.

GEF funding: US\$1,212,200

Co-financing: US\$13,876,308 (ANME: US\$13,776,308; Ministry of Equipment, Land Planning and Sustainable development: US\$100,000)

This technical assistance component seeks to establish the necessary conditions to leverage financing to support a NAMA in the energy sector – i.e. the TSP NAMA. This component also addresses regulatory and technical barriers that exist in the baseline and which act to constrain private investment.

- Component 3: Design and implementation of an energy sector NAMA to demonstrate the transformational role of the TSP to reduce GHG emissions.

Expected outcome: The TSP is operationalised by demonstrating a proof-of-concept energy NAMA with quantified GHG emission reductions.

GEF funding: US\$1,776,634

Co-financing: US\$47,477,200 (Société Tunisienne de l'Electricité et du Gaz (STEG): US\$15,675,000; EnerCiel (private company): US\$31,802,200)

This investment company of the project will mainly achieve the following impacts: (1) the reliability of renewable electricity generation from the two baseline projects (the 10 MW Tozeur solar plant and the 24 MW Gabes wind farm) will be enhanced, thereby ensuring enhanced GHG emission reduction capabilities; and (2) the two baseline projects will be implemented as part of the TSP NAMA, with appropriate MRV of emissions reductions.

Regarding the management arrangements, the project is nationally implemented (NIM) by ANME for the Government of Tunisia. UNDP is accountable for the disbursement of funds and the achievement of the project goals, in accordance with the approved work plan.

A Project Steering Committee (PSC) has been established in 2015 to monitor project progress, to guide project implementation and to support the project in achieving its outputs and outcomes. In addition, a Project Management Unit (PMU) was established to carry out the day-to-day management of the project.

1. OBJECTIVES OF THE MTR

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on-track to achieve its intended results. The MTR will also review the project's strategy, its risks to sustainability.

2. MTR APPROACH & METHODOLOGY

The MTR must provide evidence based information that is credible, reliable and useful. The MTR consultant will review all relevant sources of information including documents prepared during the preparation phase (i.e. PIF, UNDP Initiation Plan, UNDP Environmental & Social Safeguard Policy, the Project Document, project reports including Annual Project Review/PIRs, project budget revisions, lesson learned reports, national strategic and legal documents, and any other materials that the consultant considers useful for this evidence-based review). The MTR consultant will review the baseline GEF focal area Tracking Tool submitted to the GEF at CEO endorsement, and the midterm GEF focal area Tracking Tool that must be completed before the MTR field mission begins.

The MTR consultant is expected to follow a collaborative and participatory approach¹ ensuring close engagement with the Project Management Unit, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), UNDP-GEF Regional Technical Advisers, and other key stakeholders.

¹ For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see [UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results](#), 05 Nov 2013.

Engagement of stakeholders is vital to a successful MTR.² Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to members of the Project Steering Committee (PSC), members of the Project Management Unit (PMU), officials from executing agencies and private sector investors, key experts and consultants in the areas of energy and climate change.

The final MTR report should describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review.

1. DETAILED SCOPE OF THE MTR

The MTR consultant will assess the following four categories of project progress. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for extended descriptions.

i. Project Strategy

Project design:

- ☐ Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.
- ☐ Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?
- ☐ Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?
- ☐ Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?
- ☐ Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.
- ☐ If there are major areas of concern, recommend areas for improvement.

Results Framework/Logframe:

- Undertake a critical analysis of the project's logframe indicators and targets, assess how "SMART" the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and indicators as necessary.
- Are the project's objectives and outcomes or components clear, practical, and feasible within its time frame?
- Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e. income generation, gender equality and women's empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.
- Ensure broader development and gender aspects of the project are being monitored effectively. Develop and recommend SMART 'development' indicators, including sex-disaggregated indicators and indicators that capture development benefits.

ii. Progress Towards Results

² For more stakeholder engagement in the M&E process, see the [UNDP Handbook on Planning, Monitoring and Evaluating for Development Results](#), Chapter 3, pg. 93.

Progress Towards Outcomes Analysis:

- Review the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and following the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*; colour code progress in a “traffic light system” based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as “Not on target to be achieved” (red).

Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)

Project Strategy	Indicator ³	Baseline Level ⁴	Level in 1 st PIR (self-reported)	Midterm Target ⁵	End-of-project Target	Midterm Level & Assessment ⁶	Achievement Rating ⁷	Justification for Rating
Objective:	Indicator (if applicable):							
Outcome 1:	Indicator 1:							
	Indicator 2:							
Outcome 2:	Indicator 3:							
	Indicator 4:							
	Etc.							
Etc.								

Indicator Assessment Key

Green= Achieved	Yellow= On target to be achieved	Red= Not on target to be achieved
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In addition to the progress towards outcomes analysis:

- ☐ Compare and analyse the GEF Tracking Tool at the Baseline with the one completed right before the Midterm Review.
- ☐ Identify remaining barriers to achieving the project objective in the remainder of the project.
- ☐ By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

i. Project Implementation and Adaptive ManagementManagement Arrangements:

- ☐ Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
- ☐ Review the ownership and the quality of execution of the Executing Agency/Implementing Partner(s) and recommend areas for improvement.
- ☐ Review the quality of support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.

Work Planning:

- ☐ Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.

³ Populate with data from the Logframe and scorecards

⁴ Populate with data from the Project Document

⁵ If available

⁶ Colour code this column only

⁷ Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

- ☐ Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results?
- Examine the use of the project's results framework/ logframe as a management tool and review any changes made to it since project start.

Finance and co-finance:

- ☐ Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
- ☐ Review the changes to fund allocations as a result of budget revisions done so far and assess the appropriateness and relevance of such revisions.
- ☐ Review the multi-year budget revision document prepared by the Project Management Unit for the remaining project duration and assess its relevance/feasibility;
- ☐ Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
- ☐ Informed by the co-financing monitoring table to be filled out, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Project-level Monitoring and Evaluation Systems:

- ☐ Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?
- ☐ Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?

Stakeholder Engagement and ownership:

- ☐ Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
- ☐ Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
- ☐ Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?

Reporting:

- ☐ Assess how adaptive management changes have been reported by the project management and shared with the Project Board.
- ☐ Assess how well the Project Management Unit and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
- ☐ Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

Communications:

- ☐ Review internal project communication with stakeholders: Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?

- ☐ Review external project communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)
- For reporting purposes, write one half-page paragraph that summarizes the project's progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.

i. Sustainability

- ☐ Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
- ☐ In addition, assess the following risks to sustainability:

Financial risks to sustainability:

- What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project's outcomes)?

Socio-economic risks to sustainability:

- ☐ Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long-term objectives of the project? Are lessons learned being documented by the Project Management Unit on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

Institutional Framework and Governance risks to sustainability:

- ☐ Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

Environmental risks to sustainability:

- ☐ Are there any environmental risks that may jeopardize sustenance of project outcomes?

Conclusions & Recommendations

The MTR consultant will include a section of the report setting out the MTR's evidence-based conclusions, in light of the findings.⁸

Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report's executive summary. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for guidance on a recommendation table.

The MTR consultant should make no more than 15 recommendations total.

⁸ Alternatively, MTR conclusions may be integrated into the body of the report.

Ratings

The MTR consultant will include its ratings of the project's results and brief descriptions of the associated achievements in a *MTR Ratings & Achievement Summary Table* in the Executive Summary of the MTR report. See Annex E for ratings scales. No rating on Project Strategy and no overall project rating is required.

Table. MTR Ratings & Achievement Summary Table for NAMA Support for the TSP Project

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	
Progress Towards Results	Objective Achievement Rating: (rate 6 pt. scale)	
	Outcome 1 Achievement Rating: (rate 6 pt. scale)	
	Outcome 2 Achievement Rating: (rate 6 pt. scale)	
	Outcome 3 Achievement Rating: (rate 6 pt. scale)	
	Etc.	
Project Implementation & Adaptive Management	(rate 6 pt. scale)	
Sustainability	(rate 4 pt. scale)	

1. TIMEFRAME

The total duration of the MTR will be approximately 30 days over an estimated period of 12 weeks starting 11th of September 2017, and shall not exceed five months from when the consultant is hired. The tentative MTR timeframe is as follows:

TIMEFRAME	ACTIVITY
15 August 2017	Application closes
25 August 2017	Select MTR consultant (contract issued)
11 September 2017	Prep the MTR consultant (handover of Project Documents)
25-28 September 2017 (4 days)	Document review and preparing MTR Inception Report
13 October 2017 (1 day)	Finalization and Validation of MTR Inception Report- latest start of MTR mission
17-26 October 2017 (12 days including days of travel)	MTR mission: project stakeholders' meetings and interviews.
26 October 2017	Mission wrap-up meeting & presentation of initial findings-earliest end of MTR mission
30 October-8 November 2017 (10 days)	Preparing draft report
20-21 November 2017 (2 days)	Incorporating audit trail from feedback on draft report/Finalization of MTR report (note: accommodate time delay in dates for circulation and review of the draft report)
27-28 November 2017	Preparation & Issue of Management Response
	Concluding Stakeholder Workshop (not mandatory for MTR Consultant)
4 December 2017	Expected date of full MTR completion and second mission to Tunisia to present the results to the steering committee members

1. DUTY STATION

This assignment is home-based and requires the consultant to travel to Tunis, Tunisia twice to (1) meet the needs of the MTR mission and (2) to present the findings of the MTR. The proposed duration of the MTR mission is from the 16 October 2017 to 26 October 2017. The proposed date for the presentation of the MTR findings in Tunis, Tunisia is the 4th of December 2017.

2. MIDTERM REVIEW DELIVERABLES

#	Deliverable	Description	Timeframe	Responsibilities
1	MTR Inception Report in French	MTR consultant clarifies objectives and methods of Midterm Review, including sharing questionnaire to use during interviews with the project stakeholders	No later than 2 weeks before the MTR mission: (28 September 2017)	MTR consultant submits to the Commissioning Unit and project management Unit
2	Presentation in French	Initial Findings to be presented at the end of the first mission to Tunisia	End of MTR mission: (26 October 2017)	MTR consultant presents to project management Unit, UNDP CO and the Commissioning Unit
3	Draft MTR Report in English	Full report (using guidelines on content outlined in Annex B) with annexes	Within 3 weeks of the MTR mission: (8 November 2017)	Sent to the Commissioning Unit, reviewed by RTA, UNDP CO, project management Unit, GEF OFP
4	Final Report in English + Summary of the report in English and French	Revised report with audit trail detailing how all received comments have (and have not) been addressed in the final MTR report	Within 1 week of receiving UNDP comments on draft: (21 November 2017)	Sent to the Commissioning Unit
5	PPT presentation on the main findings of the MTR in French and mission to Tunis, Tunisia	conduct a visit to Tunis, Tunisia to present the MTR findings to the Project Steering Committee	4 th of December as per the timeframe	Sent to the Commissioning Unit

3. MTR ARRANGEMENTS

The principal responsibility for managing this MTR resides with the Commissioning Unit. The Commissioning Unit for this project's MTR is the UNDP Tunisia Country Office.

The Project Management Unit will be responsible for liaising with the MTR consultant to provide all relevant documents and set up stakeholder interviews.

1. REQUIRED QUALIFICATIONS OF THE MTR CONSULTANT

An international independent consultant or a national independent consultant with relevant international experience will conduct the MTR. The consultant cannot have participated in the project preparation, formulation, and/or implementation (including the writing of the Project Document) and should not have a conflict of interest with project's related activities.

The selection of consultant will be aimed at maximizing the overall qualities in the following technical qualifications: 70% of points will be awarded for the technical qualifications and 30% for the financial bid.

10.1. Required academic qualifications:

Post graduate degree (minimum Master's degree or equivalent degree) in energy, energy studies engineering, environmental science or management, climate change, economics or other closely related field.

10.2. Qualifications regarding the years of experience and the area of expertise:

At least 7 years of work experience in the areas related to climate change mitigation and/or energy efficiency / renewable energies.

10.3. Additional technical qualifications:

- ☐ Relevant experience with result-based management evaluation methodologies and/or applying SMART indicators and reconstructing or validating baseline scenarios;
- ☐ Experience working with the GEF or GEF-evaluations;
- ☐ Project evaluation/review experiences within United Nations system will be considered an asset;
- ☐ Excellent communication skills;
- ☐ Demonstrable analytical skills;
- ☐ Fluent French in speaking, reading and writing;
- ☐ Excellent English reading and writing skills to be able to draft the MTR report in English.

2. EVALUATION METHOD

The offers of individual consultants will be evaluated based on the combined scoring method:

- ✓ Technical qualifications (100 points max.) weight: 70%
- ✓ Financial bid (100 points max.) weight: 30%

A two-stage procedure will be utilised in evaluating the offers, with the evaluation of the technical qualifications being completed prior to any financial bid being compared. Only the financial bids of the offerors who passed the minimum technical qualifications score of 70 points will be evaluated.

Criteria for evaluation of technical qualifications score:

#	Technical evaluation criterion	Highest technical score possible qualifications
1	Relevant work experience in the areas related to climate change mitigation and/or energy efficiency / renewable energies: <ul style="list-style-type: none"> - 7 years (minimum required): 10 points - More than 7 years but less than 10 years: 15 points - 10 years and more: 20 points 	20 points
2	Relevant experience in projects evaluation/review based on result-based management evaluation methodologies and/or applying SMART indicators and reconstructing or validating baseline scenarios: <ul style="list-style-type: none"> - 1 project (minimum required): 10 points - 2 projects: 20 points - 3 projects and more: 30 points <p>If the relevant experience (associated to criterion 2) does not exceed 2 projects and only in the case where at least one of these projects was conducted within United Nations system, additional 10 points will be added to the score related to this criterion.</p>	30 points
3	Relevant experience working with the GEF or GEF-evaluations: <ul style="list-style-type: none"> - 1 specific experience (minimum required): 20 points - 2 specific experiences and more: 30 points 	30 points
4	Brief description of approach to work/technical proposal	20 points
TOTAL		100 points

Only the offerors who have attained a minimum technical qualifications score of 70 points will be considered as technical qualified offerors.

a) Financial bid score:

- Only the offers which attained a minimum technical qualifications score of 70 points will be qualified for financial bid comparison.
- Among these qualified offers, the score of 100 points will be attributed to the offer with lowest financial bid. The score of any other qualified offer is calculated using the following formula:
Financial bid score of the offer = (lowest financial bid / financial bid of the offer) * 100

b) Selection method and award criteria

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

- Responsive/compliant/acceptable, and;

- Having received the highest score out of a pre-determined set of weighted technical qualifications and financial bid specific to the solicitation. The total score for each offeror will be calculated using the following formula: Total score = Technical qualifications score*70% + Financial bid score*30%

1. PAYMENT MODALITIES AND SPECIFICATIONS

20% of payment upon approval of the final MTR Inception Report

30% upon submission of the draft MTR report

30% upon finalization of the MTR report

20% upon the presentation in Tunis, Tunisia of the main findings of the MTR

2. APPLICATION PROCESS⁹

Recommended Presentation of Proposal:

- Letter of Confirmation of Interest and Availability** using the [template](#) annexed to the Terms of Reference;
- CV or Personal History Form** ([P11 form](#)¹⁰) including past experience in similar assignments and at least 3 references;
- Brief description of approach to work/technical proposal** of why the individual consultant considers him/herself as the most suitable for the assignment, and a proposed methodology on how he/she will approach and complete the assignment;
- Financial Proposal** using the “**Breakdown of Costs Supporting the All-inclusive Financial Proposal**” template attached to **Letter of Confirmation of Interest and Availability template**. The financial proposal shall be “all-inclusive” and expressed in a lump sum for the total duration of the contract. The term “all-inclusive” implies all costs: professional fees, travel costs, living allowances, etc. If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

Applications (containing the completed electronic documents specified in the above-mentioned paragraphs a), b), c) and d)) should be submitted by email at the following email address ONLY: procurement.sap-tunisia@undp.org **no later than 15 August 2017 at 3 pm Tunis local time**. In the subject of the application email, please indicate “Application for MTR – NAMA support for the TSP”. Incomplete applications will be excluded from further consideration.

ToR ANNEX A: List of Documents to be reviewed by the MTR Consultant

- PIF
- UNDP Initiation Plan
- UNDP Project Document
- UNDP Environmental and Social Screening results
- Project Inception Report
- All Project Implementation Reports (PIR's)
- Quarterly progress reports and work plans of the various implementation task teams
- Audit reports
- Finalized GEF CCM Tracking Tool at CEO endorsement and midterm

⁹ Engagement of the consultants should be done in line with guidelines for hiring consultants in the POPP: <https://info.undp.org/global/popp/Pages/default.aspx>

¹⁰ http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc

6.2 MTR EVALUATIVE MATRIX

Evaluative Questions	Indicators	Sources	Method	Comment
Project Strategy				
Project design				
What is the problem addressed by the project and what are the underlying assumptions? Is it clear? Have any incorrect assumptions or changes to the context affected the project results as outlined in the project document?	Clear and coherent descriptions	Approval documents, minutes of PB meetings	LR, I	
Is the project relevant? Does the project strategy provide the most effective route towards expected/intended results? Were lessons from other relevant projects properly incorporated into the project design?	Alignment to national/stakeholder priorities, clear and coherent descriptions	Approval documents	LR, I	
Does the project address country priorities? Is there country ownership? Is the project concept in line with the national sector development priorities and plans?	Alignment to national/stakeholder priorities, evidence of engagement and commitment, evidence of consultation	Approval documents	LR, I	
What are the decision-making processes? Were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?	Evidence of clear, logical and consultative planning processes and decision-making in the project	Stakeholders. PB members and minutes. Project management reports.		
Were gender aspects raised in project design? Are gender aspect being monitored effectively?	Evidence of gender aspects being raised in project design and being monitored	Approval documents, project reports, stakeholders	LR, I	
Are there major areas of concern, recommended areas for improvement?	Concerns and recommendations raised	Stakeholders	I	
Results Framework/Logframe				
Is the project's logframe, indicators and targets clear and logical? How "SMART" are the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound)?	Clear and logical framework, SMART indicators	Approval documents	LR, backed up by I	
Are the project's objectives and outcomes or components clear, practical, and feasible within its time frame?	Clear and logical and realistic project strategy and implementation framework	Approval documents	LR, backed up by I	

Can progress so far or future progress catalyse beneficial development effects that should be included in the project results framework and be monitored?	Beneficial development effects identified	Stakeholders	I	
Progress Towards Results				
What is progress of the log-frame indicators towards the end-of-project targets using the Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects; colour code progress in a “traffic light system” based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as “High risk of not being achieved” (red).	Use of project indicators (assuming they are ‘SMART’), evidence of actual impact	Project reports, consultations with project management	LR, I	
How does the GEF Tracking Tool at the baseline compare to the one completed right before the MTR?	Indicators in tracking tool	GEF Tracking tool at Baseline and before MTR	LR	
Are there barriers remaining to achieving the project objective in the remainder of the project?	Remaining barriers	Stakeholders, project reports, approval documents	LR, I	
How can successful aspects of the project be further expanded?	Successful aspects	Project reports, stakeholders	LR, I	
Project Implementation and Adaptive Management				
Management Arrangements				
How is overall effectiveness of project management? Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? What are recommended areas for improvement?	Reporting/ decision making processes clearly described Indicators met Examples for adaptive management	Project management, stakeholders, reports	LR, I	
What is the quality of execution of the Executing Agency/Implementing Partner(s)? What are recommended areas for improvement?	Indicators met Positive feedback from stakeholders	Project management, stakeholders, reports	LR, I	
What is the quality of support provided by the GEF Partner Agency (UNDP)? What are recommended areas for improvement?	Indicators met Positive feedback from stakeholders	Project management, stakeholders, reports	LR, I	
Work Planning				
Have there been delays in project start-up and implementation? What are the causes? What are proposed solutions?	Evidence of meeting time targets	Approval documents, progress reports, project management	LR, I	
Is work-planning results-based?	Evidence of logical, transparent and results oriented planning process	Progress reports, project management	LR, I	
Has the project document logical/results framework been used as a management tool and have there been any changes since project	Evidence of logical and transparent planning process, using adaptive management	Approval documents, progress reports	LR, I	

start? (Ensure any revisions meet UNDP-GEF requirements and assess the impact of the revised approach on project management).				
Finance and co-finance				
How is the financial management of the project, with specific reference to the cost-effectiveness of interventions	Evidence of clear, transparent reporting, evidence of cost effective processes and purchases	Financial reports, project reports	LR, backed by I	
Have there been changes to fund allocations as a result of budget revisions? How were these decided? Have they been appropriate and relevant?	Evidence of reallocation based on clear, logical transparent decision processes	Project reports, budgets	LR, backed by I	
Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allowed for timely flow of funds?	Evidence of effective financial controls and management	Project reports, financial reports	LR, backed by I	
Is the co-financing mobilized efficiently? Is co-financing being used strategically to help the objectives of the project? Are project teams meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?	Evidence that co-financing is in line with approval documents, evidence of monitoring of co-financing, evidence of co-financers involvement/engagement in project.	Co-financing report, project reports	LR, I	
Project-level Monitoring and Evaluation Systems				
Do monitoring tools provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?	Evidence of efficient and cost-effective monitoring	Approval documents, project reports	LR, I	
Are sufficient financial resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?	Budget used for monitoring	Project reports	LR, I	
Reporting				
Have adaptive management changes been reported by the project management and shared with the Project Board? How are planning and management decision taken?	Evidence that monitoring is actively and effectively supporting project planning and decision-making, with appropriate role of all stakeholders.	Project reports, project management	LR, I	
How well has the Project Team and partners fulfilled GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)	Meeting reporting requirements	Project reports	LR	
Have any lessons derived from the adaptive management process been documented and shared with key partners and internalized by partners?	Evidence of this happening	Project reports, project management	LR, I	
Stakeholder Engagement				

Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?	Evidence of interaction with stakeholders	Project reports, stakeholders	LR, I	
Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?	Evidence of active participation of stakeholders	Project reports, stakeholders	LR, I	
Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?	Contribution of stakeholder involvement and public awareness toward project progress	Project reports, stakeholders	LR, I	
Communications				
Internal project communication with stakeholders: Is communication regular and effective? Are key stakeholders left out of communication? Are feedback mechanisms for communication? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and long-term investment in the sustainability of project results?	Evidence of internal communication and of it being strategic, effective and efficient	Project reports, project stakeholders, project management	LR, I	
External project communication: Are proper means of communication established or being established to express to the public the project progress and intended impact (is there a project website for example)? Did the project implement appropriate outreach and public awareness campaigns?	Evidence of external communication and of it being strategic, effective and efficient	Project outputs, projects materials and media, project reports.	LR, I	
Overall, is the project management effective? Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner?	Evidence of clear, fair decision-making processes and results, evidence of participation from stakeholders and co-financiers.	Project plans, project reports, project stakeholders, project management	LR, I	
Sustainability				
Are the risks identified in the Project Document, the most important and are the risk ratings applied appropriate and up to date?	Usefulness of risk analysis and associated tools	Project approval documents and reports	LR, backed by I	
Overall, how is risk management of sustainability factors - in terms of risks to motivations, capacity, and resources? Does the project have sustainability benchmarks built into the project cycle?			LR, I	
Financial Sustainability: What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and	Evidence that an assessment of options has been undertaken/is planned, and that a complete and realistic upscaling or exit strategy exists or is being prepared.	Project reports, budget reports, minutes of project board	LR, I	

other funding that will be adequate financial resources for sustaining project's outcomes)?				
Socio-political Sustainability: Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long term objectives of the project? Are the lessons learned are being documented by the project team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?	Evidence that socio-political risks to sustainability have been assessed and any mitigation measures taken.	Project reports, budget reports, minutes of project board, project management	LR, I	
Institutional and Governance Sustainability: Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place	Evidence that institutional/governance risks to sustainability have been assessed, that a full consultation process has taken place/is planned, that potential mitigation measures have been identified/are planned, and that a clear strategy for ensuring sustainability is in place/under preparation	Project reports, budget reports, minutes of project board, project management	LR, I	
Environmental Sustainability: Are there any environmental risks that may jeopardize sustenance of project outcomes? The MTR should assess whether	Evidence that any environmental risks to sustainability have been assessed and any mitigation measures taken.	Project reports, budget reports, minutes of project board, project management	LR, I	

6.3 RATING SCALES

Ratings for Progress Towards Results: (one rating for each outcome and for the objective)		
6	Highly Satisfactory (HS)	The objective/outcome is expected to achieve or exceed all its end-of-project targets, without major shortcomings. The progress towards the objective/outcome can be presented as “good practice”.
5	Satisfactory (S)	The objective/outcome is expected to achieve most of its end-of-project targets, with only minor shortcomings.
4	Moderately Satisfactory (MS)	The objective/outcome is expected to achieve most of its end-of-project targets but with significant shortcomings.
3	Moderately Unsatisfactory (HU)	The objective/outcome is expected to achieve its end-of-project targets with major shortcomings.
2	Unsatisfactory (U)	The objective/outcome is expected not to achieve most of its end-of-project targets.
1	Highly Unsatisfactory (HU)	The objective/outcome has failed to achieve its midterm targets, and is not expected to achieve any of its end-of-project targets.

Ratings for Project Implementation & Adaptive Management: (one overall rating)		
6	Highly Satisfactory (HS)	Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as “good practice”.
5	Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for only few that are subject to remedial action.
4	Moderately Satisfactory (MS)	Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action.
3	Moderately Unsatisfactory (MU)	Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action.
2	Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management.
1	Highly	Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management.

	Unsatisfactory (HU)	
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Ratings for Sustainability: (one overall rating)		
4	Likely (L)	Negligible risks to sustainability, with key outcomes on track to be achieved by the project's closure and expected to continue into the foreseeable future
3	Moderately Likely (ML)	Moderate risks, but expectations that at least some outcomes will be sustained due to the progress towards results on outcomes at the Midterm Review
2	Moderately Unlikely (MU)	Significant risk that key outcomes will not carry on after project closure, although some outputs and activities should carry on
1	Unlikely (U)	Severe risks that project outcomes as well as key outputs will not be sustained

6.4 MTR MISSION ITINERARY

Date	Time	Organization	Persons
26/11/2017	15.00	PMU	Mr. Fadhel Imed
27/11/2017	09.00	PMU	Mr. Fadhel Imed Mr. Khaldi Mohamed Aymen
	14.00	ANME	Mr. Harrouche Hamdi Ms. Sahli Hamdi
	15.30	Ministry of Energy	
	17.00	GIZ	Mr. Schweinfurth Arne
28/11/2017	09.00	Acting UNDP RTA	Mr. Rasool Dominik
	16.30	ALCOR and UPC Tunisia - Enerciel	Mr. Missaou Rafik Mr. B.Hassine Bey Omar
29/11/2017	09.00	PMU	Mr. Fadhel Imed Mr. Khaldi Mohamed Aymen
	10.30	ANME	Ms. Sahli Hamdi
	11.00	Tunisian Wind Energy Association	Mr. Baccari Nafaa
	19.30	UNDP CO	Ms. Touil Jihene
30/11/2017	09.00	STEG	Mr. Arab Afif Ms. Balj Emna Mr. Bannour Afef Mr. BEN MOUSSA Moehiedine Mr. Ibrahim Abdeljelil Mr. ZORGATI Mohamed Chaker
	11.30	UNDP Consultant	Mr. Osman Nejib
	13.30	PSC	Mr. Moatemri Wissam Ms. Trifa Amal Mr. Dahmani Kabil Mr. Moni Yalich Mr. Nasri Haithem Mr. Mezghani Chokri Ms Dridi Jihene
	14.30	Ministry of Finance	Ms. Trifa Amal Mr. Dahmani Kabil

6.5 LIST OF PERSONS INTERVIEWED

Name (surname, first name)		Institution/ Position
Mr. Khaldi	Mohamed Aymen	UNDP CO Tunisia, project assistant
Mr. Khalfullah	Abdelhamid	Ministry of Energy, director department of energy management
Mr. Schweinfurth	Arne	GIZ Tunisia, coordinator cluster energy and climate
Mr. Harrouche	Hamdi	ANME, national project director
Ms. Sahli	Rym	ANME, national project coordinator
Mr. Fadhel	Imed	UNDP CO Tunisia, project manager
Ms. Dridi	Jihene	Ministry of Development Investment and International Cooperation
Mr. Moatemri	Wissam	Ministry of Foreign Affairs
Ms. Trifa	Amal	Ministry of Finance
Mr. Dahmani	Kabil	Ministry of Finance
Mr. Moni Yalich	Mohamed	Ministry of Energy
Mr. Nasri	Haithem	Ministry of Environment
Mr. Mezghani	Chokri	Ministry of Environment
Mr. Zorgati	Mohamed Chaker	STEG
Mr. Ibrahim	Abdeljelil	STEG
Mr. Moehiedine	BEN MOUSSA	STEG
Mr. Arab	Afif	STEG
Ms Balj	Emna	STEG
Mr. Bannour	Afef	STEG
Ms Touil	Jihene	UNDP CO
Mr. Baccari	Nafaa	Tunisian Wind Energy Association
Mr. Osman	Nejib	Independent project consultant
Mr. Missaou	Rafik	ALCOR
Mr. B.Hassine Bey	Omar	UPC Renewables/ Enerciel

6.6 LIST OF DOCUMENTS REVIEWED

In alphabetical order

Document	Document type
2017-PIR-PIMS5182-GEFID5340	PDF
CDR 2015 Signed	PDF
CDR 2016 Signed	PDF
CDR (2017 T1 et T2)	PDF
CR COPIL Projet NAMA PST 28.12.2016	PDF
Livable_1_NAMA_PST VF	PDF
Livable 2_NAMA_PST VF	PDF
Livable 3 V1	PDF
Livable 4	PDF
Minutes-UGP-NAMA PST-20-05-2016	Word
Minutes-UGP-NAMA PST-02-06-2016	Word
Minutes-UGP-NAMA PST-10-10-2016 IF	Word
Minutes-UGP-NAMA PST-06-09-2016	Word
Minutes-UGP-NAMA PST-09-12-2016	Word
Minutes-UGP-NAMA PST-16-02-2017	Word
Minutes-UGP-NAMA PST-28-04-2017	Word
Minutes-UGP-NAMA PST-14-06-2017	Word
PIMS 5182 – CCM – Tunisia – NAMA Support for the TSP – ProDoc - Signed	PDF
PV Copil 03.09.2015	PDF
PV COPIL 27.11.2015	PDF
PV COPIL 25.10.2016	PDF
Rapport Annuel 2015	PDF
Rapport Annuel 2016	PDF
TSP_NAMA_InceptionReport 18.08.2016	PDF

6.7 SIGNED UNEG CODE OF CONDUCT FORM

Evaluators/Consultants:

1. Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded.
2. Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.
3. Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and respect people's right not to engage. Evaluators must respect people's right to provide information in confidence, and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals, and must balance an evaluation of management functions with this general principle.
4. Sometimes uncover evidence of wrongdoing while conducting evaluations. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.
5. Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.
6. Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/or oral presentation of study limitations, findings and recommendations.
7. Should reflect sound accounting procedures and be prudent in using the resources of the evaluation.

MTR Consultant Agreement Form

Agreement to abide by the Code of Conduct for Evaluation in the UN System:

Name of Consultant: ROBERT KELLY

Name of Consultancy Organization (where relevant): DEVELOPMENT CONTOURS LTD.

I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.

Signed at OPTON, UK on 25 JANUARY 2018

Signature: Robert Kelly

6.8 SIGNED MTR FINAL REPORT CLEARANCE FORM**Midterm Review Report Reviewed and Cleared By:****Commissioning Unit**

Name: _____

Signature: _____ Date: _____

UNDP-GEF Regional Technical Advisor

Name: _____

Signature: _____ Date: _____

6.9 SEPARATE FILE: AUDIT TRAIL FROM RECEIVED COMMENTS ON DRAFT MTR REPORT

6.10 GREENHOUSE GAS EMISSION REDUCTION CALCULATIONS

Direct Emission Reductions

The Project document envisages direct emission reductions stemming from the two investment projects to be supported by the Project: the Tozeur 10 MW PV plant and the Gabes 24 MW wind farm.

Tozeur 10 MW PV Plant

- *Expected emission reductions: 8,954 tCO_{2e}/year (35,815 tCO_{2e} between 2016 and 2019)*
- *Actual emission reductions to date: 0*

STEG has contracted a private PV technology provider which will build and operate the plant and will provide a performance guarantee for 3 years (2018-2021), after which STEG will take over the operation of the PV plant. Additionally, in July 2017 the Project hired national and international consultants to provide technical assistance to STEG to identify, purchase, install and monitor equipment to improve the performance of the PV plant.

The expectation is that the Tozeur plant has a high probability of realisation before the end of the Project. However, since the Tozeur PV plant is not yet operating, it has not yet reduced any CO_{2e} emissions.

Gabes 24 MW Wind Farm

- *Expected emission reductions: 45,775 tCO_{2e}/year (183,100 tCO_{2e} between 2016 and 2019)*
- *Actual emission reductions to date: 0*

The Gabes wind project has been submitted to the Call for Projects published by the Ministry of Energy, Mines and Renewable Energy on 11th May 2017. In total, 69 projects from private-sector renewable energy developers are competing for a power purchase agreement.

There is therefore a possibility that the Gabes plant will proceed, and the project developer is certainly pushing for it to succeed. The Call for Projects is for 210 MW, so the Gabes plant represents a relatively small fraction of that total – which presumably increases its probability of being included in the selected portfolio of projects. However, since the Gabes wind project is not yet operating, it has not yet reduced any CO₂ emissions.

Indirect Emission Reductions

The implementation by the Government of a set of renewable energy laws and by-laws – including ordinances on the grid code and rules for public-private partnerships – has certainly created some of the building-blocks of the enabling environment for investment in renewable energy in Tunisia.

The role of the Project in catalysing these Government actions has not always been clear-cut or direct but at least some partial attribution is warranted. In other words, when utility-scale renewable energy investment commences in Tunisia, the Project will be able to claim some 'causality' – and hence a fraction of indirect emission reductions.

Nonetheless, at the current time no such investment has taken place and hence no indirect emission reductions can be claimed.

Total Emission Reductions

At the time of the Mid-Term Review, no direct or indirect emission reductions can be attributed to the Project. Nonetheless, there is strong reason to believe that the project will achieve its emission reduction targets – direct and indirect – by the end of the Project.

6.11 SEPARATE FILE: RELEVANT MID-TERM TRACKING TOOL