

Terms of Reference

Title: International Mid Term Evaluation Consultant
Project: BiH Biomass Energy for Employment and Energy Security - BIOMASS
Cluster: Energy and Environment
Reporting to: GEF Project Manager
Duty Station: Srebrenica/Sarajevo/Banja Luka, BiH
Duration: November 2011 - February 2012. (maximum 20 working days)

BACKGROUND

a) Purpose

The scope of work encompasses midterm evaluation of the GEF project BiH Biomass energy for employment and energy security and shall identify potential project design problems, assess progress towards the achievement of objective, identify and document lessons learned (including lessons that might improve design and implementation of other UNDP-GEF projects), and to make recommendations regarding specific actions that might be taken to improve the project. It is expected to serve as a tool of validating or filling the gaps in the initial assessment of relevance, effectiveness and efficiency obtained from monitoring. The MTE provides the opportunity to assess early signs of project success or failure and prompt necessary adjustments.

b) Objective

The objectives of this project are to remove market barriers to the adoption of sustainable biomass energy services in rural areas of Bosnia and Herzegovina through market transformation, enhance job creation, community poverty reduction and local energy security, to increase market demand for biomass energy, to convince policy makers, financial sector, fuel and technology suppliers and niche markets on benefits and market opportunities for biomass energy and sustainable biomass fuel, to enhance advocacy capacities in biomass energy, to strengthen and expand sustainable fuel supply markets. The proposed project will enhance local experience and awareness of biomass energy providing a firm foundation for these issues to be addressed in the context of larger initiatives to address energy, forest and business policies and legislation. In the long run this specific activity, among others will ensure that inputs, activities, and expected results of the project are timely and effectively implemented, assess progress in establishing the information baseline, reducing threats, and identifying any difficulties in project implementation and their causes, recommend corrective course of action and assist in resolution of potential project implementation risks and similar issues.

c) Background Information

The UNDP Bosnia and Herzegovina (within the Energy and Environment Cluster) has, in cooperation with the Government of Republika Srpska, started implementing activities of the Global Environment Facility (GEF) medium-sized project on BiH Biomass Energy for Employment and Energy Security. The key project objective is the reduction of greenhouse gas emissions, by installing or retrofitting biomass boilers. Project activities aim to support such installations by creating sustainable markets for biomass energy. Domestic benefits include job creation, reduced emissions, and improved quality of heating. At the outset, the project is targeting the education sector (primary schools) in the three municipalities of Srebrenica region (Srebrenica, Bratunac, Milići).

The proposed project plans to enhance local experience and awareness of biomass energy providing a firm foundation for these issues to be addressed in the context of larger initiatives to address energy, forest and business policies and legislation.

DESCRIPTION OF RESPONSIBILITIES

Scope of work

1. The Mid Term Evaluation MTE is initiated by UNDP Country Office in BiH in line with the UNDP-GEF M&E guidelines in order to assess and rate potential project design issues and implementation approach including logical framework, outcomes, targets, activities, baselines, risks, monitoring and evaluation system, project management structure, adaptive management, progress towards the achievement of objectives, and to identify and document lessons learned (including lessons that might improve design and implementation of other UNDP/GEF projects), and to make recommendations regarding specific actions that might be taken to improve the project's implementation. It is expected to serve as a means of validating or filling the gaps in the initial assessment of relevance, effectiveness and efficiency obtained from monitoring. It also provides an opportunity to assess early signs of project success or failure and prompt necessary adjustments and the basis for learning and accountability for managers and stakeholders. This evaluation is to be undertaken taking into consideration the GEF Monitoring and Evaluation policy that can be downloaded from:
<http://thegef.org/MonitoringandEvaluation/MEPoliciesProcedures/mepoliciesprocedures.html>
as well as the UNDP-GEF Monitoring and Evaluation policy that can be downloaded from:
<http://www.undp.org/gef/05/monitoring/policies.html>
2. The evaluation will be undertaken by a team composed of an International Consultant (Evaluation Team Leader) and a Local Consultant. They will receive the support of UNDP Country Office and Project Management Team, and will be assisted by a translator/interpreter (when/if needed, even though the Local consultant can act as interpreter in most situations).
3. The international consultant is the team leader and will be responsible to deliver the expected output of the mission with the help of local consultant. Specifically, he/she will perform the following tasks:
 - Lead and manage the evaluation mission;
 - Design the detailed evaluation methodology and plan;
 - Conduct desk-reviews, interviews and site-visits in order to obtain objective and verifiable data to substantive evaluation ratings and assessments, including:
 - Verification and commenting of the Management Effectiveness Tracking Tool data, as collected and reported by the project;
 - Detailed assessment of risks which are listed in project document and updated in inception reports.
 - Draft the evaluation report and share with the key stakeholders for comments;
 - Finalize the evaluation report based on the inputs from key stakeholders.

Deliverables and timelines

The consultant is responsible for the following deliverables:

Deliverables (outputs)	Deadline
Inception Report: Desk review, development of methodology, updating time table, preparing mission program	November 15, 2011
In-country field visits, interviews	December 10, 2011
Drafting report	January 10, 2012
Draft report circulation	January 25, 2012
Finalization of report	February 15, 2012

Each document will be presented as a draft version, to be finalized after interactive participatory discussions and clearance.

Additional Annexes to these ToRs will be distributed to the incumbent (general information, specific reference documents, etc.).

COMPETENCIES

Core values

- Demonstrates integrity and fairness by modeling UN values and ethical standards.
- Demonstrates professional competence and its conscientious and efficient in meeting commitments, observing deadlines and achieving results.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.

Core competencies

- Results-Oriented: Plans and produces quality results to meet established goals, generates innovative, practical solutions to challenging situations.
- Quality of Work: Consistently ensures timeliness and quality of work.
- Communication: Excellent communication skills, including the ability to convey complex concepts and recommendations, both orally and in writing, in a clear and persuasive style tailored to match different audiences.
- Client orientation: Ability to establish and maintain productive partnerships with national partners and stakeholder. Ability to identify beneficiaries' needs, and to match them with appropriate solutions.
- Teamwork: Ability to interact, establish and maintain effective working relations with a culturally diverse team, both as a team member and as a team leader, to build trust, and to manage in a deliberate, transparent and predictable way.
- Building trust: Deals openly, honestly and transparently with issues, resources and people.

Qualifications

Education:	Advanced university degree in environmental field or related area
Experience:	<ul style="list-style-type: none">• Minimum 10 years experience and proven track record with policy advice and/or project development/implementation in biomass energy related projects in transition economies• Proven track record of application of results-based approaches to evaluation of projects focusing on biomass energy (relevant experience in the region and within UN system would be an asset);• Minimum 2 years of experience in monitoring and evaluation in environment field.• Familiarity with priorities and basic principles of protected area management, biodiversity and sustainable development and relevant international best-practices;• Knowledge of and recent experience in applying UNDP and GEF M&E policies and procedures;• Proven ability and practical experience in monitoring and evaluation of international projects
Language Requirements:	Excellent knowledge of English language.


Award Criteria: The award will be based on the:

- Lowest financial offer of the technically suitable candidates.

Applicants are required to submit an application including:

- Letter of interest/ Proposal;
 - Explaining why do you consider yourself the most suitable for the work
 - Provide a brief methodology, if applicable, on how you will approach and conduct the work
- Personal CV including past experience in similar projects and contact details (e-mail addresses) of referees
- Financial proposal indicating the breakdown of your consultancy fee with a lump sum (including travel expenses and all other applicable fees, depending on the nature and complexity of the assignment). It should be noted that transportation on the field (only within BiH) and accommodation costs within BiH will be organized and directly paid by the project (and should not be included in the consultant's fee).

SIGNATURES

Incumbent <i>(if applicable)</i>		
Name	Signature	Date
Supervisor		
Amila Selmanagic Bajrovic		
Name	Signature	Date
<div style="text-align: center;"> _____ TOR Approved by</div>		

Annexes

- Annex 1: GEF Terminology and Project Review Criteria
- Annex 2: Scope and Methodology of Evaluation
- Annex 3: Mid Term Evaluation Report Structure
- Annex 4: List of Documents to be Reviewed by the Evaluators
- Annex 5: Revised Project Logical Framework
- Annex 6: Rate Tables
- Annex 7: Co-financing Tables

Annex 1. GEF terminology and project review criteria

Implementation Approach includes an analysis of the project's logical framework, adaptation to changing conditions (adaptive management), partnerships in implementation arrangements, changes in project design, and overall project management.

Some elements of an effective implementation approach may include:

- The logical framework used during implementation as a management and M&E tool
- Effective partnerships arrangements established for implementation of the project with relevant stakeholders involved in the country/region
- Lessons from other relevant projects (e.g., same focal area) incorporated into project implementation
- Feedback from M&E activities used for adaptive management.

Country Ownership/Driveness is the relevance of the project to national development and environmental agendas, recipient country commitment, and regional and international agreements where applicable. Project Concept has its origin within the national sectoral and development plans

Some elements of effective country ownership/driveness may include:

- Project Concept has its origin within the national sectoral and development plans
- Outcomes (or potential outcomes) from the project have been incorporated into the national sectoral and development plans
- Relevant country representatives (e.g., governmental official, civil society, etc.) are actively involved in project identification, planning and/or implementation
- The recipient government has maintained financial commitment to the project
- The government has approved policies and/or modified regulatory frameworks in line with the project's objectives

For projects whose main focus and actors are in the private-sector rather than public-sector (e.g., IFC projects), elements of effective country ownership/driveness that demonstrate the interest and commitment of the local private sector to the project may include:

- The number of companies that participated in the project by: receiving technical assistance, applying for financing, attending dissemination events, adopting environmental standards promoted by the project, etc.
- Amount contributed by participating companies to achieve the environmental benefits promoted by the project, including: equity invested, guarantees provided, co-funding of project activities, in-kind contributions, etc.
- Project's collaboration with industry associations

Stakeholder Participation/Public Involvement consists of three related and often overlapping processes: information dissemination, consultation, and "stakeholder" participation. Stakeholders are the individuals, groups, institutions, or other bodies that have an interest or stake in the outcome of the GEF-financed project. The term also applies to those potentially adversely affected by a project.

Examples of effective public involvement include:

Information dissemination

- Implementation of appropriate outreach/public awareness campaigns

Consultation and stakeholder participation

- Consulting and making use of the skills, experiences and knowledge of NGOs, community and local groups, the private and public sectors, and academic institutions in the design, implementation, and evaluation of project activities

Stakeholder participation

- Project institutional networks well placed within the overall national or community organizational structures, for example, by building on the local decision making structures, incorporating local knowledge, and devolving project management responsibilities to the local organizations or communities as the project approaches closure
- Building partnerships among different project stakeholders
- Fulfillment of commitments to local stakeholders and stakeholders considered to be adequately involved.

Sustainability measures the extent to which benefits continue, within or outside the project domain, from a particular project or program after GEF assistance/external assistance has come to an end. Relevant factors to improve the sustainability of project outcomes include:

- Development and implementation of a sustainability strategy.
- Establishment of the financial and economic instruments and mechanisms to ensure the ongoing flow of benefits once the GEF assistance ends (from the public and private sectors, income generating activities, and market transformations to promote the project's objectives).
- Development of suitable organizational arrangements by public and/or private sector.
- Development of policy and regulatory frameworks that further the project objectives.
- Incorporation of environmental and ecological factors affecting future flow of benefits.
- Development of appropriate institutional capacity (systems, structures, staff, expertise, etc.).
- Identification and involvement of champions (i.e. individuals in government and civil society who can promote sustainability of project outcomes).
- Achieving social sustainability, for example, by mainstreaming project activities into the economy or community production activities.
- Achieving stakeholders consensus regarding courses of action on project activities.

Replication approach, in the context of GEF projects, is defined as lessons and experiences coming out of the project that are replicated or scaled up in the design and implementation of other projects. Replication can have two aspects, replication proper (lessons and experiences are replicated in different geographic area) or scaling up (lessons and experiences are replicated within the same geographic area but funded by other sources). Examples of replication approaches include:

- Knowledge transfer (i.e., dissemination of lessons through project result documents, training workshops, information exchange, a national and regional forum, etc).
- Expansion of demonstration projects.
- Capacity building and training of individuals, and institutions to expand the project's achievements in the country or other regions.
- Use of project-trained individuals, institutions or companies to replicate the project's outcomes in other regions.

Financial Planning includes actual project cost by activity, financial management (including disbursement issues), and co-financing. If a financial audit has been conducted the major findings should be presented in the TE.

Effective financial plans include:

- Identification of potential sources of co-financing as well as leveraged and associated financing¹.
- Strong financial controls, including reporting, and planning that allow the project management to make informed decisions regarding the budget at any time, allows for a proper and timely flow of funds, and for the payment of satisfactory project deliverables
- Due diligence due diligence in the management of funds and financial audits.

Co-financing includes: grants, loans/concessional (compared to market rate), credits, equity investments, in-kind support, other contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries. Please refer to Council documents on co-financing for definitions, such as GEF/C.20/6.

Leveraged resources are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in-kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector. Please briefly describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective.

¹ Please refer to Council documents on co-financing for definitions, such as GEF/C.20/6. The following page presents a table to be used for reporting co-financing.

Cost-effectiveness assesses the achievement of the environmental and developmental objectives as well as the project's outputs in relation to the inputs, costs, and implementing time. It also examines the project's compliance with the application of the incremental cost concept. Cost-effective factors include:

- Compliance with the incremental cost criteria (e.g. GEF funds are used to finance a component of a project that would not have taken place without GEF funding.) and securing co-funding and associated funding.
- The project completed the planned activities and met or exceeded the expected outcomes in terms of achievement of Global Environmental and Development Objectives according to schedule, and as cost-effective as initially planned.
- The project used either a benchmark approach or a comparison approach (did not exceed the costs levels of similar projects in similar contexts)

Monitoring & Evaluation. Monitoring is the periodic oversight of a process, or the implementation of an activity, which seeks to establish the extent to which inputs, work schedules, other required actions and outputs are proceeding according to plan, so that timely action can be taken to correct the deficiencies detected. Evaluation is a process by which program inputs, activities and results are analyzed and judged explicitly against benchmarks or baseline conditions using performance indicators. This will allow project managers and planners to make decisions based on the evidence of information on the project implementation stage, performance indicators, level of funding still available, etc, building on the project's logical framework.

Monitoring and Evaluation includes activities to measure the project's achievements such as identification of performance indicators, measurement procedures, and determination of baseline conditions. Projects are required to implement plans for monitoring and evaluation with adequate funding and appropriate staff and include activities such as description of data sources and methods for data collection, collection of baseline data, and stakeholder participation. Given the long-term nature of many GEF projects, projects are also encouraged to include long-term monitoring plans that are sustainable after project completion.

Financial Planning - Cofinancing

Cofinancing (Type/Source)	IA own Financing (mill US\$)		Government (mill US\$)		Other* (mill US\$)		Total (mill US\$)		Total Disbursement (mill US\$)	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
– Grants										
– Loans/Concessional (compared to market rate)										
– Credits										
– Equity investments										
– In-kind support										
– Other (*)										
Totals										

* Other is referred to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.

Leveraged Resources

Leveraged resources are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in-kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector. Please briefly describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective.

ANNEX 2: SCOPE AND METHODOLOGY OF EVALUATION

A. SCOPE OF EVALUTION

The evaluation will focus on the range of aspects described below. In addition to a descriptive assessment, all criteria marked with (R) should be rated using the following divisions: *Highly Satisfactory*, *Satisfactory*, *Marginally Satisfactory*, *Marginally Unsatisfactory*, *Unsatisfactory*, *Highly Unsatisfactory*. All ratings given should be properly substantiated:

1. Project concept/design, relevance and strategy

1.1 Project relevance, country ownership/drivenness (R): the extent to which the project is suited to local and national development priorities and organizational policies, including changes over time as well as the extent the activities contribute towards attainment of global environmental benefits:

- a. Is the project concept in line with the sectoral and development priorities and plans of the country?
- b. Are project outcomes contributing to national development priorities and plans?
- c. How and why project outcomes and strategies contribute to the achievement of the expected results.
- d. Examine their relevance and whether they provide the most effective way towards results.
- e. Do the outcomes developed during the inception phase still represent the best project strategy for achieving the project objectives (in light of updated underlying factors)? *Consider alternatives.*
- f. Were the relevant country representatives, from government and civil society, involved in the project preparation?
- g. Does the recipient government maintain its financial commitment to the project? Has the government approved policies or regulatory frameworks in line with the project's objectives?

1.2 Preparation and readiness:

- a. Are the project's objective and components clear, practicable and feasible within its timeframe?
- b. Were the capacities of executing institution and counterparts properly considered when the project was designed?
- c. Were lessons from other relevant projects properly incorporated in the project design?
- d. Were the partnership arrangements properly identified and the roles and responsibilities negotiated prior to project approval?
- e. Were counterpart resources (funding, staff, and facilities), enabling legislation, and adequate project management arrangements in place at project entry?

1.3 Stakeholder involvement (R):

- a. Did the project involve the relevant stakeholders through information-sharing, consultation and by seeking their participation in the project's design?
- b. Did the project consult and make use of the skills, experience and knowledge of the appropriate government entities, NGOs, community groups, private sector, local governments and academic institutions in the design of project activities?

1.4 Underlying factors/assumptions:

- a. Assess the underlying factors beyond the project's immediate control that influence outcomes and results. Consider the appropriateness and effectiveness of the project's management strategies for these factors.
- b. Re-test the assumptions made by the project management and identify new assumptions that should be made.
- c. Assess the effect of any incorrect assumptions made by the project.

1.5 Management arrangements (R):

- a. Were the project roles properly assigned during the project design?
- b. Are the project roles in line with UNDP and GEF programming guidelines?
- c. Can the management arrangement model suggested by the project be considered as an optimum model? If no, please come up with suggestions and recommendations.

1.6 Project budget and duration (R):

- a. Assess if the project budget and duration were planned in a cost-effective way?

1.7 Design of project M&E system (R):

- a. Examine whether or not the project has a sound M&E plan to monitor results and track progress towards achieving project objectives.
- b. Examine whether or not the M&E plan includes a baseline (including data, methodology, etc.), SMART indicators and data analysis systems, and evaluation studies at specific times to assess results and adequate funding for M&E activities.
- c. Examine whether or not the time frame for various M&E activities and standards for outputs are specified.

1.8 Sustainability:

- a. Assess if project sustainability strategy was developed during the project design?
- b. Assess the relevance of project sustainability strategy

2. Project implementation

2.1 Project's adaptive management (R):

- a. Monitoring systems
 - Assess the monitoring tools currently being used:
 - Do they provide the necessary information?
 - Do they involve key partners?
 - Are they efficient?
 - Are additional tools required?
 - Assess the use of the logical framework as a management tool during implementation and any changes made to it.
 - What impact did the retro-fitting of impact indicators have on project management, if such?
 - Assess whether or not M&E system facilitates timely tracking of progress towards project's objectives by collecting information on chosen indicators continually; annual project reports are complete, accurate and with well justified ratings; the information provided by the M&E system is used to improve project performance and to adapt to changing needs.
- b. Risk Management
 - Validate whether the risks identified in the project document and PIRs are the most important and whether the risk ratings applied are appropriate. If not, explain why.
 - Describe any additional risks identified and suggest risk ratings and possible risk management strategies to be adopted.
 - Assess the project's risk identification and management systems:
 - Is the UNDP-GEF Risk Management System² appropriately applied?
 - How can the UNDP-GEF Risk Management System be used to strengthen the project management?
- c. Work Planning
 - Assess the use of routinely updated work plans.
 - Assess the use of electronic information technologies to support implementation, participation and monitoring, as well as other project activities.
 - Are work planning processes result-based³? If not, suggest ways to re-orientate work planning.
- d. Financial management
 - Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions. (Cost-effectiveness: the extent to which results have been delivered with the least costly resources possible.). Any irregularities must be noted.
 - Is there due diligence in the management of funds and financial audits?
 - Did promised co-financing materialize (please fill out the co-financing form provided in Annex 1)?

² UNDP-GEF's system is based on the Atlas Risk Module. See the UNDP-GEF Risk Management Strategy resource kit, available as Annex XII at <http://www.undp.org/gef/05/monitoring/policies.html>

³ RBM Support documents are available at <http://www.undp.org/eo/methodologies.htm>

- e. Reporting
 - Assess how adaptive management changes have been reported by the project management.
 - Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.
- f. Delays
 - Assess if there were delays in project implementation and what were the reasons.
 - Did the delay affect the achievement of project's outcomes and/or sustainability, and if it did then in what ways and through what causal linkages?

2.2 Contribution of Implementing and Executing Agencies:

- a. Assess the role of UNDP and RS Ministries (Ministry of Agriculture, Forestry and Water – management, Ministry of Education and Culture, Ministry for Industry, Energy and Mining, Ministry for Spatial Planning, Civil engineering and Ecology) against the requirements set out in the UNDP Programme and Operations Policies and Procedures⁴. Consider:
 - Field visits
 - Participation in Steering Committees
 - Project reviews, PIR preparation and follow-up
 - GEF guidance
 - Operational support
- b. Consider the new UNDP requirements outlined in the UNDP Programme and Operations Policies and Procedures, especially the Project Assurance role, and ensure they are incorporated into the project's adaptive management framework.
- c. Assess the contribution to the project from UNDP and RS Ministries (Ministry of Agriculture, Forestry and Water – management, Ministry of Education and Culture, Ministry for Industry, Energy and Mining, Ministry for Spatial Planning, Civil engineering and Ecology) in terms of "soft" assistance (i.e. policy advice & dialogue, advocacy, and coordination).
- d. Suggest measures to strengthen UNDP's soft assistance to the project management.

2.3 Stakeholder participation, partnership strategy (R):

- a. Assess whether or not and how local stakeholders participate in project management and decision-making. Include an analysis of the strengths and weaknesses of the approach adopted by the project and suggestions for improvement if necessary.
- b. Does the project consult and make use of the skills, experience and knowledge of the appropriate government entities, NGOs, community groups, private sector, local governments and academic institutions in the implementation and evaluation of project activities?
- c. Consider the dissemination of project information to partners and stakeholders and if necessary suggest more appropriate mechanisms.
- d. Identify opportunities for stronger partnerships.

2.4 Sustainability:

- a. Assess the extent to which the benefits of the project will continue, within or outside the project scope, after it has come to an end; commitment of the government to support the initiative beyond the project.
- b. The evaluators may look at factors such as mainstreaming project objectives into the broader development policies and sectoral plans and economies.
- The sustainability assessment will give special attention to analysis of the risks that are likely to affect the persistence of project outcomes. The sustainability assessment should also explain how other important contextual factors that are not outcomes of the project will affect sustainability. The following four dimensions or aspects of sustainability will be addressed:
 - *Financial resources*: Are there any financial risks that may jeopardize sustenance of project outcomes? What is the likelihood of financial and economic resources not being available once the GEF assistance ends (resources can be from multiple sources, such as the public and

⁴ Available at <http://content.undp.org/go/userguide/results/project/>

private sectors, income generating activities, and trends that may indicate that it is likely that in future there will be adequate financial resources for sustaining project's outcomes)?

- *Socio-political*: Are there any social or political risks that may jeopardize sustenance 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?
- *Institutional framework and governance*: Do the legal frameworks, policies and governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems for accountability and transparency, and the required technical know-how are in place.
- *Environmental*: Are there any environmental risks that may jeopardize sustenance of project outcomes? The terminal evaluation should assess whether certain activities will pose a threat to the sustainability of the project outcomes.
- On each of the dimensions of sustainability of the project outcomes will be rated as follows:
 - *Likely (L)*: There are no or negligible risks that affect this dimension of sustainability.
 - *Moderately Likely (ML)*: There are moderate risks that affect this dimension of sustainability.
 - *Moderately Unlikely (MU)*: There are significant risks that affect this dimension of sustainability.
 - *Unlikely (U)*: There are severe risks that affect this dimension of sustainability.

3. Project results (outputs, outcomes and objectives)

3.1 Progress towards achievement of intended outputs, outcomes/measurement of change:

Progress towards results should be based on a comparison of indicators before and after (so far) the project intervention.

- To determine the level of achievement of project outcomes and objectives following three criteria should be assessed:
- *Relevance*: Are the project's outcomes consistent with the focal areas/operational program strategies and country priorities?
- *Effectiveness*: Are the actual project outcomes commensurate with the original or modified project objectives? In case the original or modified expected results are merely outputs/inputs then the evaluators should assess if there are any real outcomes of the project and if yes then whether these are commensurate with the realistic expectations from such a project.
- *Efficiency*: Is the project cost effective? Is the project the least cost option? Is the project implementation delayed and if it is, then does that affect cost-effectiveness? Wherever possible, the evaluator should also compare the cost-time vs. outcomes relationship of the project with that of other similar projects.
- Outcomes and the whole project should be rated as follows for relevance, effectiveness, efficiency:
- *Highly Satisfactory (HS)*: The project has no shortcomings in the achievement of its objectives.
- *Satisfactory (S)*: The project has minor shortcomings in the achievement of its objectives.
- *Marginally Satisfactory (MS)*: The project has moderate shortcomings in the achievement of its objectives.
- *Marginally Unsatisfactory (MU)*: The project has significant shortcomings in the achievement of its objectives.
- *Unsatisfactory (U)*: The project has major shortcomings in the achievement of its objectives.
- *Highly Unsatisfactory (HU)*: The project has severe shortcomings in the achievement of its objectives.

B. EVALUATION METHODOLOGY

An outline of an evaluation approach is provided below; however it should be made clear that the evaluation team is responsible for revising the approach as necessary. Any changes should be in-line with international criteria and professional norms and standards (as adopted by the UN Evaluation Group⁵). They must be also cleared by UNDP before being applied by the evaluation team.

The evaluation must provide evidence-based information that is credible, reliable and useful. It must be easily understood by project partners and applicable to the remaining period of project duration.

Evaluators should seek guidance for their work in the following materials, which could be found at (www.undp.org/gef):

- UNDP Handbook on Monitoring and Evaluation for Results
- UNDP/GEF M&E Resource Kit
- Measuring Results of the GEF Biomass Projects

It is recommended that the evaluation methodology include the following:

- Documentation review (desk study), to include Project Document, Project CEO Approval Document, Inception Report, GEF Project Implementation Reviews, Minutes of the Project Steering Committee meetings, GEF quarterly project updates;
- Interviews with Project Management Unit and key project stakeholders, including UNDP Country Office in BiH, GEF Regional Coordination Unit in Bratislava, relevant ministries, project local management unit and other stakeholders, as necessary;
- In-country field visits.

⁵ See <http://www.uneval.org/>

ANNEX 3: Mid-Term Evaluation Report Structure

The core product of the Mid-Term Evaluation will be the Mid-Term Evaluation Report that includes:

- Findings with the rating on performance;
- Conclusions drawn;
- Recommendations for improving delivery of project outputs;
- Lessons learned concerning best and worst practices in producing outputs;
- A rating on progress towards outputs.

The report is proposed to adhere to the following basic structure:

1. Executive summary
 - Brief description of project
 - Context and purpose of the evaluation
 - Main conclusions, recommendations and lessons learned
2. Introduction
 - Project background
 - Purpose of the evaluation
 - Key issues to be addressed
 - The outputs of the evaluation and how will they be used
 - Methodology of the evaluation
 - Structure of the evaluation
3. The project and its development context
 - Project start and its duration
 - Implementation status
 - Problems that the project seeks to address
 - Immediate and development objectives of the project
 - Main stakeholders
 - Results expected
 - Analysis of the situation with regard to outcomes, outputs and partnership strategy
4. Findings and Conclusions
 - 4.1 Project formulation
 - Project relevance
 - Implementation approach
 - Country ownership/Driveness
 - Stakeholder participation
 - Replication approach
 - Cost-effectiveness
 - Sustainability
 - Linkages between project and other interventions within the sector
 - Management arrangements
 - 4.2 Project implementation
 - Financial management
 - Monitoring and evaluation
 - Management and coordination
 - Identification and management of risks (adaptive management)
 - 4.3 Results
 - Attainment of outputs, outcomes and objectives
 - Project Impact
 - Prospects of sustainability
5. Conclusions and recommendations
 - Findings
 - Corrective actions for the design, duration, implementation, monitoring and evaluation of the project
 - Actions to strengthen or reinforce benefits from the project
 - Proposals for future directions underlining main objectives
 - Suggestions for strengthening ownership, management of potential risks

6. Lessons learned

- Good practices and lessons learned in addressing issues relating to effectiveness, efficiency and relevance

7. Annexes

- Evaluation TOR
- Itinerary
- List of persons interviewed
- Summary of field visits
- List of documents reviewed
- Questionnaire used (if any) and summary of results
- Comments by stakeholders (only in case of discrepancies with evaluation findings and conclusions)
- Management Effectiveness Tracking Tool

The Report will be supplemented by Rate Tables, attached in Annex 6 of this TOR.

The Report will include a table of planned vs. actual project financial disbursements, and planned co-financing vs. actual co-financing in this project, according the table attached in Annex 7 of this TOR.

The expected length of the report is around 50 pages in total. The first draft of the report is expected to be submitted to the UNDP Country Office in BiH within 2 weeks of the in-country mission for subsequent circulation to the key project stakeholders for comments. Any discrepancies between the interpretations and findings of the evaluator and the key project stakeholders will be explained in an annex to the final report.

ANNEX 4 LIST OF DOCUMENTS TO BE REVIEWED BY THE EVALUATORS

General Documentation

- UNDP Programme and Operations Policies and Procedures
- UNDP Handbook for Monitoring and Evaluating for Results
- GEF Monitoring and Evaluation Policy

Project Documentation

- Project Document
- Project CEO Approval Document
- Inception Report
- Annual Project Reports
- Project Implementation Review
- Quarterly Reports
- Steering Committee Meeting Minutes
- Management Effectiveness Tracking Tool (METT midterm)

ANNEX 5

G. REVISED LOGICAL FRAMEWORK MATRIX

Project Strategy	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Project Objective			
The overall project goal is a sustainable reduction of GHG emissions through a transformation of the biomass energy market in Bosnia and Herzegovina.	End-term targets: schools with retrofitted or new biomass boilers totaling 5,200 tCO ₂ e in direct emissions reductions	Annual reports from PMU (giving investment programme status, retrofitting progress, and reductions in tones CO ₂) submitted to UNDP office. Midterm and terminal evaluations of use undertaken via user survey to assess experience and technology performance	Political and ethnic stability in Bosnia and Herzegovina continue to develop in a positive manner. Financial regulations in Bosnia and Herzegovina stay conducive to business expansion in both entities Positive macroeconomic indicators; inflation rate stays below 10%. Local governments recognize the project as an opportunity for themselves and for their communities Scale-up of appropriate business models to other regions in Bosnia and Herzegovina is viable and introduces additional competition into the market.
Outcome 1: Market demand for biomass energy is increased	End-term targets: 10 schools with retrofitted or new biomass boilers totaling 5,200 tCO ₂ e in direct emissions reductions Business model (heat service contracting) replicated in at least 2 other regions Mid-term targets: 10 new small scale biomass energy projects under advanced planning (engineering design stage) / construction in the project area	PMU reports	Procurement processes successfully enable cost reduction & municipalities actively participate

<p>Outcome 2: Sustainable biomass fuel supply markets strengthened and expanded</p>	<p>End-term targets: 250 tones (approx 900 m3) per year of sustainably sourced (certified) biomass fuelwood (chips or logs) supplied to project boilers at a competitive price Perceptions of fuel supply risk reduced by 50% based on 'consumer confidence' survey. Competition in fuel supply for the 20 biomass boilers exists, signified by supply offers covering 150% of needs Mid-term targets: Wood-processing companies in the project area show real interest in wood fuel supply to local markets, with MOUs covering 200% of fuel required by demonstration projects, with at least 5 companies participating</p>	<p>PMU reports Survey reports Reports from Energy Service companies on the status of fuel supply PMU reports, copies of MOUs</p>	<p>Stakeholders in the wood-processing sector in the project area participate in SRRP project activities Ongoing support from government and concerned stakeholders</p>
<p>Outcome 3: Policy makers, financial sector, fuel and technology suppliers and niche markets are convinced of benefits and market opportunities for biomass energy</p>	<p>End-term targets: Survey shows high level of awareness, including use of project outputs, and increased capacities. "Biomass energy awareness and capacity score" tripled in project area (see Output 3.3) Mid-term targets: Survey shows improving awareness and capacities of users - "biomass energy awareness and capacity score" doubled in project area over start of project baseline</p>	<p>Survey reports</p>	<p>Ongoing support from government and concerned stakeholders</p>

ANNEX 6: RATE TABLES

Table: Status of objective / outcome delivery as per measurable indicators

OBJECTIVE	MEASURABLE INDICATORS FROM PROJECT LOGFRAME	END-OF-PROJECT TARGET	STATUS OF DELIVERY*	RATING**
Objective:				
OUTCOMES	MEASURABLE INDICATORS FROM PROJECT LOGFRAME	END-OF-PROJECT TARGET	STATUS OF DELIVERY	RATING
Outcome 1:				
Outcome 3:				
Outcome 3:				

* Status of delivery colouring codes:

Green / completed – indicator shows successful achievement

Yellow – indicator shows expected completion by the end of the project

Red – Indicator show poor achievement - unlikely to be complete by end of Project

** Ratings codeas are detailed in Annex 2.

ANNEX 7: CO-FINANCING

Cofinancing (Type/Source)	IA own Financing (mill US\$)		Government (mill US\$)		Other Sources (mill US\$)		Total Financing (mill US\$)		Total Disbursement (mill US\$)	
	Proposed	Actual	Proposed	Actual	Proposed	Actual	Proposed	Actual	Proposed	Actual
Grants										
Loans										
Credits										
Equity										
In-kind										
Non-grant Instruments										
Other Types										
Totals										

* Other Sources refer to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector etc.

* “Proposed” co-financing refers to co-financing proposed at CEO endorsement.

* Describe “Non-grant Instruments” (such as guarantees, contingent grants, etc):
Source/amount/in-kind or cash/purpose

* Explain “Other Sources of Co-financing”:
Source/amount/in-kind or cash