



**Government of Malaysia - United Nations Development Programme/
Global Environment Facility Funded Project
“Support to Capacity Building Activities on Implementing the Cartagena Protocol on Biosafety
in Malaysia”**

TERMS OF REFERENCE for TERMINAL EVALUATION

(PIMS 2182) Project ID 00034097

PROJECT SUMMARY

Project Title: Support to Capacity Building Activities on Implementing the Cartagena Protocol on Biosafety in Malaysia

GEF Project ID:	PIMS: 2182
UNDP Project ID:	00034097
Focal Area:	Biodiversity Conservation
GEF Strategic Priority:	SP 6: Building capacity for the implementation of the Cartagena Protocol on Biosafety Protected Areas
GEF Programming Framework:	Enabling Activity
GEF Agency:	UNDP
Country:	Malaysia
Duration:	3 years
Executing Agency:	Ministry of Natural Resources and Environment
Implementing Agencies:	Department of Biosafety
Approval Date:	May 6, 2006
Effective Date:	March 2007
Budget:	USD 911,389

1. Introduction

With the recent development of “new” biotechnologies, such as living modified organisms (LMOs), hope was raised that these would contribute greatly to an increase in world agricultural production and thereby help reduce hunger and diseases. However, the emergence of LMOs has also led to concerns about potential harmful effects on the environment and human health. These concerns were addressed through the Convention on Biological Diversity (CBD), which provided a framework to negotiate the Cartagena Protocol on Biosafety (CPB), which regulates international transfers of LMOs and aims to reduce risks for human health and the environment. The Protocol has only recently come into force and its provisions have not yet been fully implemented. Concern about the safety of new biotechnologies and their products continues and has led to heated debates among many stakeholders.

In November 2001, the GEF Council approved 12 proposals for projects to support countries with the implementation of their national biosafety frameworks (NBFs). Of these, eight (Bulgaria, Cameroon, China, Cuba, Kenya, Namibia, Poland, Uganda) were UNEP-executed and -operated as a follow up to the pilot projects. The World Bank and UNDP each executed two projects in countries that had not participated in the pilot but that had some experience with LMOs, namely Malaysia and Mexico (UNDP) and India and Colombia (World Bank). The project period was typically three years, and the GEF allocation to each country ranged between \$500,000 and \$1 million.

The UNEP NBF implementation projects have received more direct assistance (substantive as well as administrative) from the UNEP coordinators than was provided to the NBF development projects. The UNDP and World Bank projects, where operational, have been approached very differently. UNDP limited its role to administrative oversight in the two implementation countries for which it was responsible. By contrast, the World Bank has provided both administrative oversight and technical backstopping, including sending initial and mid-term expert missions to address substantive issues and decisions. UNDP has limited itself to an administrative project oversight role and has drawn on the capacity of the UNEP team for substantive technical backstopping. In the latest GEF Project Cycle (GEF 5), UNDP centrally decided not to develop technical capacity as UNEP, and opted out of the role in the GEF's biosafety program.

2. Project Background

The Government of Malaysia (GoM) has identified biotechnology as one of the new income sources of the nation and envisioned it as the engine of growth for knowledge based economy in the country. The National Policy on Biological Diversity (NPBD) which was launched in 1998 calls for the sustainable utilization of biological resources among others through biotechnology. This was further augmented with the establishment of The National Biotechnology Policy in 2005. This Policy provides a guideline for a conducive environment for R&D and industry growth through leveraging on country's existing strength and capabilities. The government's emphasis on the agriculture sector is seen in the Biotechnology Policy where it is placed as the first thrust of the policy. Furthermore under the 3rd National Agriculture Policy for 1998-2010 (NAP3), where the main goal is to enhance food security and wealth creation through increased food production, biotechnology was identified as one of the five core technologies to transform the country into a highly industrialized nation by 2020. The attractive biotechnology incentives given to new biotechnology companies are one of the many efforts by the government to encourage biotechnology development in the country.

Malaysia together with Sweden played a key role in the early days (in 1991) of the CBD negotiation to introduce biosafety provisions. In 1997, Malaysia demonstrated its commitment to biosafety and proactively set up the Genetic Modification Advisory Committee (GMAC) to formulate the National Guidelines on the release of genetically modified organism (GMOs) into the environment.

Malaysia signed the CPB in the year 2000. Malaysia ratified the Protocol on the 3rd of September, 2003 and its entry into force was on the 2nd of December, 2003. Malaysia's recently passed Biosafety Act (11th July, 2007) states that before LMOs or its products can be imported, prepared, placed in the market, shall go through GMAC for scientific assessment before its approval by the National Biosafety Board (NBB). These LMOs will have to be exhaustively tested by the developer, independently evaluated for safety by scientists or experts in nutrition, toxicology, allergen city and other aspects of food science before approval can be obtained. It will also have to comply with the Ministry of Health's labeling provision that's being formulated.

Under the Act, the Ministry of Natural Resources and the Environment (NRE) is to establish a National Biosafety Board (NBB) as the national focal point on biosafety to implement and enforce the Biosafety Act. NRE and other government agencies are ill equipped to successfully implement the

Biosafety Act as there are insufficient capacities in risk assessment and risk management, administrative and regulatory implementation.

At present, GMAC assists the Ministry of NRE on Biosafety matters. Additionally, little attention seems to have been given to the study of the socio-economic impacts of risks and the potential adverse effects on biotechnology on the environment. This project will help Malaysia build capacity to undertake these tasks as well as to build channels for information dissemination and public participation. For effective implementation of the Biosafety Act, and to fulfill the obligations under the CPB for transboundary movement of LMOs, customs officials must have full knowledge of the LMOs that will be crossing the country's national boundaries. This will again require capacity building in LMO detection among these enforcement officers.

The Project Brief for this *Support to Capacity Building Activities on Implementing the Cartagena Protocol on Biosafety* in Malaysia was approved in 2002 but the preparation and finalization of this Project Document was delayed because the tabling of the Biosafety Bill to the Malaysian Cabinet was delayed as the inter-ministerial consultation on the Bill took more time than expected. The inter-ministerial consultations, an integral component in the process of drafting a piece of legislation on a subject matter which is new and cross-sectoral in nature had to be done effectively with full participation of all relevant ministries. Moreover, in 2004 a cabinet reshuffle saw some delay in finalizing the Project Document as the former Ministry of Science, Technology and the Environment was split into two separate ministries i.e. Ministry of Science, Technology and Innovations and Ministry of Natural Resources and Environment which will be the executing agency of this project.

3. Project Goal and Objectives

The overall goal of this project is to assist Malaysia to fully implement the obligations under the Cartagena Protocol related to the transboundary movement of LMOs. This includes the assessment, management and long term monitoring of the risks to the sustainable use of biodiversity and to human health potentially posed by the introduction of LMOs.

The objective of this project is that at the end of the three, there will be sufficient capacity in the country and effective coordination between the responsible agencies to assess and manage risks associated with the transboundary movement of LMOs. This will be achieved through the strengthening of the national biosafety framework with the necessary regulations, enhanced technical capacity and enforcement and monitoring capacities as well as a well managed information and coordination network.

4. UNDP-GEF M&E objective and purpose of terminal evaluation

The Monitoring and Evaluation Policy (M&E Policy) at the project level in UNDP/GEF has four objectives to:

- a) Monitor and evaluate results and impacts;
- b) Provide a basis for decision making on necessary amendments and improvements;
- c) Promote accountability for resource use; and
- d) Document, provide feedback on, and disseminate lessons learned.

A mix of tools is used to ensure effective Project Monitoring and Evaluation (M&E). These might be applied continuously throughout the lifetime of the project e.g. periodic monitoring of indicators through the annual Project Implementation Reports (PIR), Project Steering Committee meetings – or as specific and time-bound exercises such as Mid-Term Reviews (MTR), Audit Reports and Final

Evaluations (FE).

Monitoring and evaluation in the Global Environment Facility (GEF) projects have the following overarching objectives:

- To promote accountability for the achievement of GEF objectives through the assessment of results, effectiveness, processes, and performance of the partners involved in GEF activities. GEF results are monitored and evaluated for their contribution to global environmental benefits.
- To promote learning, feedback, and knowledge sharing on results and lessons learned among the GEF and its partners, as a basis for decision-making on policies, strategies, program management, and projects, and to improve knowledge and performance.

The purposes of conducting evaluations includes the understanding of why and the extent to which intended and unintended results are achieved, and their impact on stakeholders. Evaluation is an important source of evidence of the achievement of results and institutional performance, and contributes to knowledge and to organizational learning. Evaluation should serve as an agent of change and play a critical role in supporting accountability.

In accordance, all full and medium-size projects supported by GEF are subject to a final evaluation upon completion of implementation. In addition to providing an independent in-depth review of implementation progress, this type of evaluation is responsive to GEF Councils' decisions on transparency and better access to information during implementation and on completion of a project.

Specifically, the Terminal Evaluation (TE) must provide a comprehensive and systematic account of the performance of a completed project by assessing its project design, process of implementation and results vis-à-vis project objectives endorsed by the GEF including the agreed changes in the objectives during project implementation. TEs have four complementary purposes as follows:

- To promote accountability and transparency, and to assess and disclose levels of project accomplishments;
- To synthesize lessons that may help improve the selection, design and implementation of future GEF activities;
- To provide feedback on issues that are recurrent across the portfolio and need attention, and on improvements regarding previously identified issues; and,
- To contribute to the GEF Evaluation Office databases for aggregation, analysis and reporting on effectiveness of GEF operations in achieving global environmental benefits and on quality of monitoring and evaluation across the GEF system.

5. Objectives of this Terminal Evaluation

This terminal evaluation (TE) is being carried out to provide a comprehensive and systematic account of the performance of the Support to Capacity Building Activities on Implementing the Cartagena protocol on Biosafety in Malaysia project by assessing its project design, the process of implementation and results and outputs as they relate to project objectives endorsed by the GEF and UNDP. Specifically, the Terminal Evaluation will undertake the following tasks:

- Assess overall performance and review progress towards attaining the project's objectives and results including relevancy, efficiency and effectiveness of the actions taken given the available funding and capacities for implementation;
- Review and evaluate the extent to which the project outputs and outcomes have been achieved

and provide rating employing the six-point rating scale (HS to HU);

- Assess the project results and determine the extent to which the project objectives were achieved, or are expected to be achieved, and assess if the project has led to any positive or negative consequences and provide a rating of project objective achievement on the six-point rating scale;
- Assess the extent to which the project impacts have reached or have the potential to reach the intended beneficiaries;
- Critically analyze the implementation arrangements and identify strengths and weaknesses in the project design and implementation and provide a rating of the project implementation, employing the six-point rating scale;
- Describe the project's adaptive management strategy – how have project activities changed in response to new conditions and have the changes been appropriate;
- Review the clarity of roles and responsibilities of the various agencies and institutions and the level of coordination between relevant players;
- Assess the level of stakeholder involvement in the project from community to higher Government levels and recommend on whether this involvement has been appropriate to the goals of the project;
- Describe and assess efforts of UNDP in support of implementation;
- Review donor partnership processes, and the contribution of co-finance;
- Describe key factors that will require attention in order to improve prospects for sustainability of project results achieved; and,
- Identify and document the main successes, challenges and lessons that have emerged.

6. Scope of the evaluation

Three main elements to be evaluated are Delivery, Implementation and Finances. Each component will be evaluated using three criteria: effectiveness, efficiency and timeliness

Project delivery: The TE will assess to what extent the Support to Capacity Building Activities on Implementing the Cartagena Protocol on Biosafety in Malaysia project has achieved its immediate objectives. It will also identify what outputs, impacts and results have been produced and how they have enabled the project to achieve its objectives. The consultants are required to make assessment of the following issues under each priority area outlined below:

Institutional arrangement

- Preparatory work and implementation strategies
- Consultative processes
- Technical support
- Capacity building initiatives
- Project outputs
- Assumptions and risks
- Project related complementary activities

Outcome, results and impacts

- Efficiency of all project activities under the six components
- Progress in the achievement of the immediate objectives (include level of indicator achievement when available)

Partnerships

- Assessment of federal agencies' level involvement and perception
- Assessment of state level involvement
- Involvement of stakeholders like non-governmental organisations, private sectors and universities

Risk management

- Were problems/constraints, which impacted on successful delivery of the project identified at the project design stage and subsequently as part of adaptive management?
- Were there new threats/risks to project success that emerged during project implementation?
- Were both kinds of risk appropriately dealt with?

Monitoring and Evaluation

- Assess the extent, appropriateness and effectiveness of adaptive management at all levels of the project implementation
- Has there been a monitoring and evaluation framework for the project and how was this developed?
- Is the reporting framework effective/appropriate?
- Is this framework suitable for replication/continuation for any future project support?

Project Implementation

- Review the project management and implementation arrangements at all levels, in order to provide an opinion on its efficiency and cost effectiveness. This includes:
 - i. Processes and administration:
 - Project related administration procedures
 - Milestones(Log-frame matrix)
 - Key decisions and outputs,
 - Major project implementation documents prepared with an indication of how the documents and reports have been useful
 - ii. Project oversight and active engagement by UNDP and project steering committee
 - iii. Project execution: Ministry of Natural Resources and Environment
 - iv. Project implementation: Biosafety Department

Project Finances

How well and cost effectively have financial arrangements of the project worked? This section will focus on the following three priority areas:

1. Project disbursements
 - Provide an overview of actual spending against budget expectations
 - Critically analyse disbursements to determine if funds have been applied effectively and efficiently.
2. Budget procedures
 - Did the Project Document/Inception Report provide adequate guidance on how to allocate the budget?
 - Review of audits and any issues raised in audits and subsequent adjustments to accommodate audit recommendations;
 - Review the changes to fund allocations as a result of budget revisions and provide an opinion on the appropriateness and relevancy of such revisions
3. Coordination mechanisms
 - Evaluate appropriateness and efficiency of coordinating mechanisms between executing agencies, implementing agencies and UNDP

7. Expected output

The TE evaluators will be expected to produce:

A) An evaluation report, of approximately 35-40 pages, structured along the outline indicated in Annex 1.

A detailed record of consultations with stakeholders will need to be kept and provided (as part of the information gathered by the evaluators), as an annex to the main report.

If there are any significant discrepancies between the impressions and findings of the evaluation team and stakeholders these should be explained in an Annex attached to the final report.

B) A Power Point Presentation (circa 20-25 slides) covering the key points of the TE.

C) A presentation to the project stakeholders of initial finding at the end of in-country mission.

A draft of both A) and B) above should be submitted within two weeks of the end of the in-country component of the evaluators' mission, and a final copy within two weeks after receiving written comments on the drafts.

The draft and final versions of the products should be submitted to the Project Management Unit who will be responsible for circulating it to key stakeholders.

8. Methodology of evaluation approach

The evaluation will be conducted in a participatory manner through a combination of processes. It is anticipated that the methodology to be used for the TE will include the following:

A) Review of documentation including but not limited to:-

- Project Document and Project Inception Report;
- Project implementation reports (APR/PIR's);
- Quarterly progress reports and work plans of the various implementation task teams;
- Audit reports;
- M & E Operational Guidelines, all monitoring reports prepared by the project; and
- Financial and Administration guidelines.
- Minutes of the National Steering Committee and Project Management Unit meetings;

B) Interviews in the field with stakeholders shall include:

- UNDP staff who have project responsibilities;
- Executing and Implementing agencies (including MNRE, Economic Planning Unit, Prime Minister Department and Department of Biosafety)
- Project Steering Committee members
- The GMAC committee members
- National Biosafety Board members;
- Project stakeholders, to be determined at the TE inception meeting, including Federal line ministries, State governments, private sector and NGOs.

9. Attributes of the evaluation consultants

The TE Team will consist of one International Expert (IE) and one National Expert (NE). The IE will be the Team Leader. The team will be responsible for the delivery, content, technical quality and accuracy of the evaluation, as well as the recommendations.

IE should have the following attributes:

- Min 10 years of experience dealing with Biosafety issues, including capacity building;
- Master's of Phd in the field of biological sciences,
- Project/programme evaluation/assessment, specifically undertaking complex programmatic reviews.

NE should have the following attributes:

- Min 5 years of experience dealing with Biosafety issues, including capacity building;
- Master's or Phd in the field of biological sciences,
- Project/programme evaluation/assessment, specifically undertaking complex programmatic reviews.

The team should ideally also have the following competencies:

Some prior knowledge of the following would be ideal:

- GEF, UNDP and/or other GEF agencies' reporting frameworks;
- GEF principles and expected impacts in terms of global benefits;
- The Cartagena Protocol and CBD

Competency in the following is also required:

- Demonstrated experience in institutional analysis;
- Excellent English writing and communication skills. Demonstrated ability to assess complex situations in order to succinctly and clearly distil critical issues and draw forward looking conclusions;
- Ability to assess complex situations in order to succinctly and clearly distil critical issues and draw forward looking conclusions; and,
- Excellent facilitation skills.

10. Implementation Arrangements

The evaluation will be conducted for a period of 20 working days, with in-country mission to be within the period 26 May 2010 to 5th June 2012. UNDP Malaysia will recruit the consultants and coordinate the evaluation. The project management unit will be responsible for logistical arrangements in the field (setting up meetings and organizing travel).

The detailed TE methodology and actual evaluation schedule will be agreed as part of the contract finalisation process in May 2012 between UNDP, MNRE and the consultants.

The evaluation will start with an inception meeting with the TE Steering committee and the joint World Bank/ UNDP Mission and a review of the key project documentation including key reports and correspondence. It will include presentations from the various project components, visits to executing and implementing agency offices, interviews with key individuals both within the project, the government, and independent observers of the project and its activities, as well as project personnel.

Annex 1. Report Sample Outline

Terminal Evaluation Report – Sample outline

1. Executive summary

- Brief description of project;
- Context and purpose of the evaluation;
- Main conclusions, recommendations and lessons learned;

2. Introduction

- Purpose of the evaluation;
- Key issues addressed;
- Methodology of the evaluation;
- Structure of the evaluation.

3. The project(s) and its development context

- Project start and its duration;
- Problems that the project seek to address;
- Immediate and development objectives of the project;
- Main stakeholders;
- Results expected.

4. Findings and Conclusions

4.1 Project Formulation

- ✓ Implementation
- ✓ Stakeholder participation
- ✓ Replication approach
- ✓ Cost effectiveness
- ✓ Linkage of the project and other interventions within the sector
- ✓ Indicators

4.2. Project Implementation

- ✓ Delivery
- ✓ Financial management
- ✓ Monitoring and evaluation
- ✓ Execution and implementation modalities
- ✓ Management by UNDP
- ✓ Coordination and operational issues

4.3 Results to date

- ✓ Attainment of Objectives
- ✓ Sustainability
- ✓ Contribution to upgrading skills at National level

5.0 Lessons learned

6.0 Conclusions and recommendations, including overall rating of project implementation and the achievement of project outcomes and objective.

7.0 Evaluation report Annexes

- Evaluation TORs , Itinerary and list of persons interviewed
- Summary of field visits, including evaluators findings, issues raised and recommendations by different stakeholders
- List of documents reviewed
- Questionnaire used and summary of results if any
- Comments by stakeholders (only in case of discrepancies with evaluation findings and conclusions)

Annex 2. Tentative schedule for the evaluation

TBC

Annex 3: Explanation on Terminology provided in the GEF Guidelines to Terminal Evaluations

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/Drivenness 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/drivenness 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/drivenness 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-effectively 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)

Efficiency: Was the project cost effective? Was the project the least cost option? Was the project implementation delayed and if it was then did 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.

The evaluation of relevancy, effectiveness and efficiency will be as objective as possible and will include sufficient and convincing empirical evidence. Ideally the project monitoring system should deliver quantifiable information that can lead to a robust assessment of project's effectiveness and efficiency. Since projects have different objectives assessed results are not comparable and cannot be aggregated. To track the health of the portfolio project outcomes will be rated as follows:

Highly Satisfactory (HS): The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Satisfactory (S): The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Satisfactory (MS): The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Unsatisfactory (MU): The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Unsatisfactory (U) The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Highly Unsatisfactory (HU): The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Relevance and effectiveness will be considered as critical criteria. The overall outcome rating of the project may not be higher than the lowest rating on either of these two criteria. Thus, to have an overall satisfactory rating for outcomes a project must have at least satisfactory ratings on both relevance and effectiveness.

The evaluators will also assess positive and negative actual (or anticipated) impacts or emerging long term effects of a project. Given the long term nature of impacts, it might not be possible for the evaluators to identify or fully assess impacts. Evaluators will nonetheless indicate the steps taken to

assess project impacts, especially impacts on local populations², local environment (e.g. increase in the number of individuals of an endangered species, improved water quality, increase in fish stocks, reduced greenhouse gas emissions) and wherever possible indicate how the findings on impacts will be reported to the GEF in future.

Assessment of Sustainability of project outcomes

The GEF Monitoring and Evaluation Policy, 2006, specifies that a TE will assess at the minimum the “likelihood of sustainability³ of outcomes at project termination, and provide a rating for this.” 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. Following four dimensions or aspects of sustainability will be addressed:

- **Financial resources:** Are there any financial risks involved in sustaining the project outcomes? What is the likelihood that financial and economic resources will not be available once the GEF assistance ends (resources can be from multiple sources, such as the public and 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)?
- **Sociopolitical:** Are there any social or political risks that can undermine the longevity of project outcomes? What is the risk that the level of stakeholder ownership 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 any threat to the continuation of project benefits? While assessing on this parameter also consider if the required systems for accountability and transparency, and the required technical know-how is in place.
- **Environmental:** Are there any environmental risks that can undermine the future flow of project environmental benefits? The TE should assess whether certain activities in the project area will pose a threat to the sustainability of the project outcomes. For example, construction of dam in a protected area could inundate a sizable area and thereby neutralizing the biodiversity related gains made by the project.

On each of the dimensions of sustainability of the project outcomes will be rated as follows.

Likely (L): There are no risks affecting 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.

² Impacts are positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended. *Glossary of key terms in evaluation and results based management*. OECD, Development Assistance Committee. For the GEF, environmental impacts are the main focus.

³ Sustainability will be understood as the likelihood of continued benefits after the GEF project ends.

All the risk dimensions of sustainability are critical. Therefore, overall rating for sustainability will not be higher than the rating of the dimension with lowest ratings. For example, if a project has an Unlikely rating in either of the dimensions then its overall rating cannot be higher than Unlikely, regardless of whether higher ratings in other dimensions of sustainability produce a higher average.

Project monitoring and evaluation system will be rated as follows on each of the dimensions:

Highly Satisfactory (HS): There were no shortcomings in the project M&E system.

Satisfactory(S): There were minor shortcomings in the project M&E system.

Moderately Satisfactory (MS): There were moderate shortcomings in the project M&E system

Moderately Unsatisfactory (MU): There were significant shortcomings in the project M&E system

Unsatisfactory (U): There were major shortcomings in the project M&E system

Highly Unsatisfactory (HU): The Project had no M&E system.

“M&E plan implementation” will be considered a critical parameter for the overall assessment of the M&E system. The overall rating for the M&E systems will not be higher than the rating on “M&E plan implementation