



UNITED NATIONS DEVELOPMENT PROGRAMME TERMS OF REFERENCE / INDIVIDUAL CONTRACT

I. Position Information

Position Title:	International Consultant/Mid-term Evaluator
Type:	Individual Contract
Project Title/Department:	UNDP/GEF PIMS 4175 "Transforming the Market for Energy Efficient Lighting"
Duration of the service:	25 working days within the period of 1 September – 15 November 2013
Duty station:	Home-based with one mission 10 days (tentatively during 8-19 October, 2013) to Ukraine
Reports to:	Head of Environment and Energy Unit, UNDP Ukraine

II. Background

1. Standard UNDP/GEF Monitoring and Evaluation Requirements

The Monitoring and Evaluation (M&E) policy at the project level in UNDP/GEF has four objectives: i) to monitor and evaluate results and impacts; ii) to provide a basis for decision making on necessary amendments and improvements; iii) to promote accountability for resource use; and iv) to document, provide feedback on, and disseminate lessons learned. A combination of tools should be used to ensure effective project M&E. These might be applied continuously throughout the lifetime of the project – e.g. periodic monitoring of indicators -, or as specific time-bound exercises such as mid-term review, audit reports and independent evaluations.

In accordance with UNDP/GEF M&E policies and procedures, all projects with long implementation period (e.g. over 5 or 6 years) are strongly encouraged to conduct mid-term evaluations. In addition to providing an independent in-depth review of implementation progress, this type of evaluation is responsive to GEF Council decisions on transparency and better access to information during implementation.

Mid-term evaluations are intended to identify potential project design problems, assess progress towards the achievement of objectives, 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 means of validating or filling the gaps in the initial assessment of relevance, effectiveness and efficiency obtained from monitoring. The mid-term evaluation provides the opportunity to assess early signs of project success or failure and prompt necessary adjustments.

This evaluation is to be undertaken taking into consideration the GEF Monitoring and Evaluation policy (<http://www.thegef.org/gef/node/4184>) and the UNDP/GEF Monitoring and Evaluation Policy (<http://www.undp.org/gef/monitoring/policies.html>).

2. Project Background and Overview

The lighting sector consumes significant amounts of energy, whereas substantial savings, from 75% to 90% compared with conventional practices, can be achieved through the use of new energy efficient technologies. At the national level, several OECD and developing countries have prepared and enacted Energy-Efficient Lighting (EEL) programs aimed at phasing-out incandescent lamps and other inefficient technologies. Such programs reduce energy use by 30% within 5 to 7 years, while quality and even quantity of lighting is enhanced.

Representatives of the leading lighting manufacturers announced their support for this ambitious market transformation calling for a coordinated effort among all countries worldwide.

Despite the fact that Ukraine offers one of the world's greatest potentials for energy savings and greenhouse gas (GHG) emission reductions in the lighting sector, the country has so far stayed outside of the global market transformation efforts in this field.

The implementation of the full-scale UNDP/GEF Project “Transforming the Market for Energy Efficient Lighting” started in summer 2011. The project is planned for 5 years. It is nationally executed by the Ministry of Ecology and Natural Resources of Ukraine. The total project budget is \$31,000,000 with GEF contribution of \$6,500,000.

The project build on, and leverage, partnerships with regional and municipal authorities, education institutions and the expert network developed under this initiative in Ukraine.

The project is innovative for Ukraine as most energy efficiency projects and programs focus on energy savings related to heating supply or for the heating insulation in buildings. Energy efficient lighting has been a GEF priority for over a decade and this project builds on GEF experiences while taking into account that the market for energy efficient lighting has become established in Ukraine. However, though it is an established market with many importers of products, it has not reached the same potential as in other European countries due to policy, cost barriers, and poor consumer experiences with “grey market” (low quality) products.

The objective is to help transform the market towards more EE lighting technologies by removing barriers which contributes to the goal of reducing GHG emissions.

The project will target five areas in order to accomplish its goals:

1. Residential/Consumer Lighting
2. Public Sector Lighting
3. Domestic Lighting Suppliers
4. Foreign Lighting Suppliers
5. Domestic Testing Facilities for Quality Control

These five areas will be targeted within five components designed to produce real and demonstrable results with outcomes that can be monitored. These components consist of actions to:

1. Improve the national policy framework for promoting energy-efficient (EE) lighting
2. Improve the national quality-assurance (QA) & quality-control (QC) systems for imported and produced lighting products in Ukraine
3. Improve the collection, recycling, and waste-handling schemes for EE lighting products, e.g. CFLs which contain mercury.
4. Design and implement energy-efficient (EE) lighting demonstrations in the municipal sector focusing on public schools
5. Improve EE Lighting product penetration in the Residential Sector
6. Disseminate and replicate and the project results

III. Objectives/Tasks / Key Outputs Expected

1. EVALUATION OBJECTIVES

This Mid Term Evaluation (MTE) is initiated by UNDP as the GEF Implementing Agency for this project and it aims to provide managers (at the Project Implementation Unit, National Implementing Partner – Ministry of Ecology and Natural Resources of Ukraine, UNDP Ukraine

and UNDP-GEF) with strategy and policy options for more effectively and efficiently achieving the project's expected results and for replicating the results. It also provides the basis for learning and accountability for managers and stakeholders.

The evaluation will play a critical role in the future implementation of the project by providing advice on: (i) how to strengthen the adaptive management and monitoring function of the project; (ii) how to ensure accountability for the achievement of the GEF objective; (iii) how to enhance organizational and development learning; and (iv) how to enable informed decision – making.

The evaluation will have to provide to the GEF Secretariat with complete and convincing evidence to support its findings/ratings. The evaluator should prepare specific ratings on specific aspects of the project, as described in section “Scope of the Evaluation” and ANNEX 3 of this Terms of Reference. Particular emphasis should be put on the current project results and the possibility of achieving the objective and outcomes in the established timeframe, taking into consideration the speed, at which the project is proceeding.

The evaluation is intended to provide a comprehensive overall assessment of the project and provides an opportunity to critically assess administrative and technical strategies issues and constraints associated with large international and multi-partner initiatives. The evaluation should also provide recommendations for strategies, approaches and/or activities to improve the potential of the Project to achieve expected outcomes and meet the objective within the Project timeframe. Findings of this evaluation will be incorporated as recommendations for enhanced implementation of the current project phase in the future years.

DESCRIPTION OF RESPONSIBILITIES / SCOPE OF WORK

- (i) To assess overall performance against the project objective and outcomes as set out in the Project Document, project's Logical Framework, and other related documents;
- (ii) To assess the effectiveness and efficiency of the project;
- (iii) To analyze critically the implementation and management arrangements of the project;
- (iv) To assess the progress to date towards achievement of the outcomes;
- (v) To review planned strategies and plans for achieving the overall objective of the project within the timeframe;
- (vi) To assess the sustainability of the project's interventions;
- (vii) To list and document initial lessons concerning project design, implementation and management;
- (viii) To assess project relevance to national priorities stated in, but not limited to Cabinet of Ministers “Ukrainian Energy Strategy till 2030”;
- (ix) To provide guidance for the future project activities and, if necessary, for the implementation and management arrangements;
- (x) To provide lessons learned for the future.

In particular, this evaluation will assess progress in establishing the information baseline, and identifying any difficulties in project implementation and their causes, and recommend corrective course of action. Effective action to rectify any identified issues hindering implementation will be a requirement prior to determining whether implementation should proceed.

Project performance will be measured based on Project's Logical Framework Matrix (see Annex 2), which provides clear performance and impact indicators for project implementation along with their corresponding means of verification. Success and failure will be determined in part by monitoring changes in baseline conditions. During the inception period the Logical Framework Matrix was updated, along with a number of indicators which were revised to render more clarity and rigidity to the system.

The evaluator is expected to work with key project stakeholders, including UNDP Ukraine, Ministry of Ecology and Natural Resources of Ukraine, Ukrainian national and local officials, academia. Private sector, civil society organisations.

The Report of the Mid-Term Evaluation will be stand-alone document that substantiates its recommendations and conclusions.

2. SCOPE OF THE EVALUATION

The evaluation should assess the range of aspects described below. The applicable rating criteria are as follows:

- 6: Highly Satisfactory (HS): no shortcomings
- 5: Satisfactory (S): minor shortcomings
- 4: Moderately Satisfactory (MS): moderate shortcomings
- 3: Moderately Unsatisfactory (MU): significant shortcomings.
- 2: Unsatisfactory (U): major problems
- 1: Highly Unsatisfactory (HU): severe problems

Ratings for **Sustainability** assessment are as follows:

- 4: Likely (L): negligible risks to sustainability
- 3: Moderately Likely (ML): moderate risks
- 2: Moderately Unlikely (MU): significant risks
- 1: Unlikely (U): severe risks.

Additional ratings where relevant:

- N/A: Not Applicable
- U/A: Unable to Assess

All ratings given should be properly substantiated.

Project Concept and Design: The evaluator will review the problem addressed by the project and the project strategy, encompassing an assessment of the appropriateness of the objectives, planned outputs, activities and inputs as compared to cost-effective alternatives. The executing modality and managerial arrangements should also be judged. The evaluator will assess the achievement of indicators and review the work plan, planned duration and budget of the project.

Project Implementation: The evaluation will assess the implementation of the project in terms of quality and timeliness of inputs and efficiency and effectiveness of activities carried out. Also, the effectiveness of management as well as the quality and timeliness of monitoring and backstopping by all parties to the project should be evaluated. In particular, the evaluation is to assess the Project team's use of adaptive management in project implementation.

Project outputs, outcomes and impact: The evaluation will assess the outputs, outcomes and impact achieved by the project as well as the likely sustainability of project results. This should encompass an assessment of the achievement of the immediate objectives and the contribution to attaining the overall objective of the project. The evaluation should also assess the extent to which the implementation of the project has been inclusive of relevant stakeholders and to which it has been able to create collaboration between different partners. The evaluation will also examine if the project has had significant unexpected effects, either of beneficial or detrimental character.

To determine the level of achievement of project outcomes and objectives following three criteria should be assessed according to the ratings provided above:

- (xi) **Relevance:** Are the project's outcomes consistent with the GEF focal areas/operational program strategies and country priorities?
- (xii) **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.
- (xiii) **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.

The evaluation will also cover the following aspects:

2.1. Progress towards Results

a. Changes in development conditions:

- (xiv) Are project outcomes contributing to national development priorities and plans in?
- (xv) How and why project outcomes and strategies contribute to the achievement of the expected results?
- (xvi) 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 project activities?

b. Measurement of change:

Progress towards results should be based on a comparison of indicators before and after (so far) the project intervention, e.g. by comparing current conditions for energy efficiency in lighting (legal and regulatory frameworks, results of energy efficiency and energy conservation activities, etc.) to the baseline ones.

The evaluation should specifically look into:

- (xvii) Adequacy of the level and proposed modes of enforcement of the regulatory and programmatic documents developed within the project for creation of an enabling environment for energy efficiency in lighting funded from the national budget;
- (xviii) Verification of compliance of the pilot project designs
- (xix) Adequacy and effectiveness of the developed project awareness raising products on energy efficient lighting:
- (xx) Project's web-site
- (xxi) Promo materials;
- (xxii) Awareness Campaign.

c. Project strategy:

- (xxiii) How and why outcomes (listed as outputs in the project document) and strategies contribute to the achievement of the expected results?
- (xxiv) Do the changes suggested during the inception phase still represent the best project strategy for achieving the project objectives (in light of updated underlying factors)?
Consider alternatives.

d. Sustainability:

- (xxv) 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
- (xxvi) 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 should 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 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.

Each sustainability dimension of the project outcomes should be rated as described above in application to Sustainability.

2.2 Project's Adaptive Management Framework

a. Monitoring systems

- Assess the monitoring tools currently being used:
(xxvii) Do they provide the necessary information?
(xxviii) Do they involve key partners?
(xxix) Are they efficient?
(xxx) 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:
(xxxi) Is the UNDP-GEF Risk Management System¹ appropriately applied?
(xxxii) 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-based²? 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.

¹ 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>

² RBM Support documents are available at <http://www.undp.org/geo/methodologies.htm>

- 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)?

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?

2.3 Contribution of Implementing and Executing Agencies

(xxxiii) Assess the role of UNDP and the Ministry of Ecology and Natural Resources of Ukraine against the requirements set out in the UNDP Programme and Operations Policies and Procedures³. Consider:

(xxxiv) Field visits;

(xxxv) Participation in Steering Committee meetings;

(xxxvi) Project reviews, PIR preparation and follow-up;

(xxxvii) GEF guidance;

(xxxviii) Operational support.

(xxxix) 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.

(xl) Assess the contribution to the project from UNDP and the Ministry of Ecology and Natural Resources of Ukraine in terms of "soft" assistance (i.e. policy advice & dialogue, advocacy, and coordination).

(xli) Suggest measures to strengthen UNDP's and Ministry's soft assistance to the project management.

2.4 Stakeholder participation, partnership strategy

(xlii) 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.

(xliii) 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?

(xliv) Consider the dissemination of project information to partners and stakeholders and if necessary suggest more appropriate mechanisms.

(xlv) Identify opportunities for stronger partnerships.

3. METHODOLOGY FOR EVALUATION APPROACH

The evaluator should seek guidance for his/her work in the following materials, which could be found at www.undp.org/gef:

(xlvii) UNDP Handbook on Monitoring and Evaluation for Results

(xlviii) UNDP Evaluation Policy kit

It is recommended that the evaluation methodology include the following:

(xlviii) Documentation review (desk study), to include Project Document, Inception Report, annual GEF Project Implementation Reports, Minutes of the Steering Committee

³ Available at <http://content.undp.org/go/userguide/results/project/>

- meetings, GEF quarterly project updates (for more details see ANNEX 4);
- (xlix) Interviews with Project Management Unit and key project stakeholders, including UNDP Ukraine, Ministry of Ecology and Natural Resources of Ukraine, State Agency of Environmental Investment of Ukraine, local officials, academia, private sector, NGOs;
- (l) In-country field visits, if necessary.

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 the project.

4.DELIVERABLES

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

- (li) Executive summary;
- (lii) Introduction;
- (liii) Findings and conclusions in relation to issues to be addressed identified under the *Scope of Evaluation* section of this TOR;
- (liv) Recommendations;
- (lv) Lessons Learned;
- (lvi) Annexes.

The draft and final report will be written in the format outlined in ANNEX 1 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 Ukraine within approximately **3 weeks** (will be agreed upon in the beginning of the consultancy assignment) 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.

The report will be submitted both electronically and in printed version, in English.

The report will be supplemented by rate tables (ANEX 3).

IV. Tentative timeframe

The evaluation mission in Ukraine will take place in October - November 2013. The total duration of the assignment will be 25 working days during the calendar period of 2.5 months (1 September – 15 November 2013). The following tentative timetable is recommended for the evaluation, however, the final schedule will be agreed upon in the beginning of the consultancy assignment:

Desk review,	
development of methodology	4 days (tentatively during 1-5 October, 2013)
In-country field visits, interviews	10 days (tentatively during 8-19 October, 2013)
Drafting report	3 days (tentatively during 22-24 October, 2013)
Draft report circulation	5 days (tentatively during 29 October-2 November, 2013)
Finalization of report	3 days (tentatively during 8-15 November, 2013)

Prior to approval of the final report, a draft version shall be circulated for comments to the stakeholders and project management. UNDP and the stakeholders will submit comments and suggestions within 5 working days (within the calendar period agreed) after receiving the draft. All comments and suggestions (if any) shall be addressed and the report will be considered as the final deliverable as soon it is accepted by UNDP.

The final version of the evaluation report should be submitted in electronic format (MS Word) to UNDP Ukraine no later than **November 15, 2012**.

No	Deliverable	Timeframe
1.	Desk review, development of methodology	4 days
2.	Mission to the Ukraine, including briefings for evaluators by project	10 days

	management and UNDP Ukraine, in-country field visits, interviews, de-briefings for UNDP CO	
3.	Drafting of the evaluation report	3 days
4.	Draft report circulation for comments and other types of feedback mechanisms	5 days
5.	Finalization of the evaluation report (incorporating comments received on first draft)	3 days

V. Payment Conditions

This is a lump sum contract that should include costs of consultancy and international travel costs (in-country travel cost will be covered by the project), accommodation and meal costs (DSA or per diems in Kiev and Ukraine) required to produce the above deliverables. Payment will be released in 3 installments (as stated in IV. Tentative timeframe):

- First installment (40% of total contract amount) to be made upon achievement of Deliverables 1.
- Second installment (30% of total contract amount) to be made upon achievement of Deliverables 2, 3.
- Third installment (30% of total contract amount) to be made upon achievement of Deliverables 4, 5.

V. Qualification requirement

The mid-term evaluation will be undertaken by an individual consultant, who will be assisted by a translator/interpreter (provided when needed by the Project) and will receive the support of UNDP Ukraine and Project Management Team.

The evaluator is expected to work with key project stakeholders, including UNDP Ukraine, Ministry of Ecology and Natural Resources of Ukraine, Ukrainian national and local officials, academia. Private sector, civil society organisations.

The evaluator selected should not have participated in the project preparation and/or implementation and should not have conflict of interest with project related activities.

Education:	Advanced university degree in economics, energy, or related area
Experience:	<ul style="list-style-type: none"> • Extensive (at least 5-year) experience and proven track record with policy advice and/or project development/implementation in energy efficiency; • Proven track record of application of results-based approaches to evaluation of projects focusing on energy efficiency (relevant experience in the CIS region is a requirement, Ukrainian experience is an advantage; relevant experience within UN system would be an asset); • Familiarity with energy efficiency principles and relevant international best-practices; • Knowledge of and recent experience in applying UNDP and GEF M&E policies and procedures
Language Requirements:	Excellent English communication and writing skills, knowledge of Russian would be an asset
Others:	Demonstrable analytical skills

VI. Documents to be included when submitting the proposal

Applicants shall submit the following documents:

Required

- ☒ Financial proposal
- ☒ List/examples of previous analytical papers
- ☒ CV/P-11

VII. Evaluation criteria

UNDP will use a two-stage procedure for evaluating applications with an evaluation of the technical proposal being completed prior to any price proposals are compared. The technical part will be evaluated through desk review on the basis of its responsiveness to the Terms of Reference (ToRs). The following criteria will be rated as indicated below:

- Extensive (at least 5-year) experience and proven track record with policy advice and/or project development/implementation in energy efficiency; - max 20 points (5 years – 7 points; 7 years – 15 points; 10 years – 20 points)
- Proven track record of application of results-based approaches to evaluation of projects focusing on energy efficiency (; and relevant experience within UN system would be an asset); - max 20 points (at least one application - 5 points; more than two applications - 10 points; more than five application - 20 points)
- Experience in CIS region – max 10 points (CIS experience - 5 points; Ukraine experience -10 points)5 points
- Familiarity with energy efficiency principles and relevant international best-practices (if yes – 10 points);
- Knowledge of and recent experience in applying UNDP and GEF M&E policies and procedures (if yes – 10 points)

Maximum available technical score - 70 points. Evaluation method: Cumulative analysis Contract award shall be made to the incumbent whose offer has been evaluated and determined as:

A) responsive/compliant/acceptable, and

B) having received the cumulative highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

* Technical Criteria weight: 70%

* Financial Criteria weight: 30%

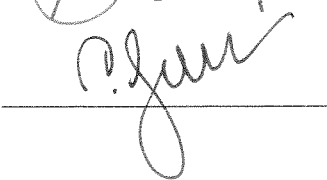
Only candidates obtaining a minimum 70% from the maximum available technical score would be considered for the Financial Evaluation

The maximum number of points assigned to the financial proposal is allocated to the lowest price proposal and will equal to 30. All other price proposals will be evaluated and assigned points, as per below formula:

$$30 \text{ points} [\text{max points available for financial part}] \times [\text{lowest of all evaluated offered prices among responsive offers}] / [\text{evaluated price}].$$

The proposal obtaining the overall cumulatively highest score after adding the score of the technical proposal and the financial proposal will be considered as the most compliant offer and will be awarded a contract.

Prepared by  Sergii Varga, Project Manager

Approved by  Sergei Volkov, UNDP Senior Programme Manager

Annex 1. OUTLINE OF MID-TERM EVALUATION REPORT

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

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

- Project execution
- Project implementation
- Project administration
- Project planning
- 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's Impact
- Prospects for sustainability

5. Conclusions and recommendations

- 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
- Co-financing and leveraged resources (see Table 1 attached)
- Comments by stakeholders (only in case of discrepancies with evaluation findings and conclusions)

8. Other relevant materials

Table 1. CO-FINANCING AND LEVERAGED RESOURCES

Co financing (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/Concession al (compared to market rate)										
- Credits										
- Equity investments										
- In-kind support										
- Other types ***										
<i>Totals</i>										

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

** Planned stands for co-financing proposed at CEO endorsement

*** Please briefly describe other types of co-financing identified

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. REVISED LOGICAL FRAMEWORK

	Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
OBJECTIVE To transform the Ukrainian market towards efficient lighting technologies and the phase-out of inefficient lighting	Estimated quantity of energy saved and corresponding GHG reductions from the project activities.	Approximately 26.04 TWh/yr electricity used for ILs	To reduce this to 21.08 TWh/yr by phasing-out and replacing non-EE with EE Technology	Data/Monitoring from EE lighting dissemination projects and sales figures from lighting sector	1) EE lighting promotional policies will be enacted by the Gov't 2) A micro-credit facility and other measures will lower price barriers for EE technology for consumers
OUTCOME 1: Improve the National policy framework for promoting EE lighting	Passing of new EE promoting legislation	Current legislation	National Road-map for EE lighting & market transformation is accepted by the Gov't	Official decrees	That project policy documents will be formally recognized and acted upon by officials
Output 1.1: Develop and submit a national road-map for EE lighting market transformation	National Road-map for EE lighting & market transformation is developed	Energy Strategy for 2030 and NEA decrees	To develop an EE lighting specific road-map that is integrated with overall Ukraine Gov't priorities for energy security & savings	Official acceptance protocols & minutes from relevant committees	That project policy documents will be formally recognized and acted upon by officials
Output 1.2: Develop and prepare for governmental acceptance draft legislation for improving the electricity supply for Ukrainian consumers	Draft legislation is prepared and submitted	Current legislation	To improve the rights of consumers vis a vis Oblenergos and to provide enforcement of electricity supply standards	Official acceptance protocols & minutes from relevant committees	1) That project policy documents will be formally recognized and acted upon by officials 2) Lobbying efforts from Oblenergos hinder efforts
Output 1.3: Develop and submit for governmental acceptance an energy efficient lighting scheme that is harmonized with European standards and norms for EE lighting and the usage of such products	Draft legislation is prepared and submitted	Current legislation	To improve the rights of consumers vis a vis Oblenergos and to provide enforcement of electricity supply standards	Official acceptance protocols & minutes from relevant committees	That project policy documents will be formally recognized and acted upon by officials
Output 1.4: Improve waste-handling directives for lighting products	Draft legislation is prepared and submitted	Current legislation which lacks specific regulations for CFLs, etc.	To properly classify and promote programs to recycle/dispose of CFLs and other mercury containing lighting equipment	Official acceptance protocols & minutes from relevant committees	That project policy documents will be formally recognized and acted upon by officials

Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
<p>OUTCOME 2: Improved Quality-Assurance & Quality Control systems for imported and produced lighting products in Ukraine</p> <p>Decrease in supply/availability and/or demand of sub-standard EE lighting products in Ukraine</p> <p>Increase in product quality/price ratios (i.e. product life, lumens, spectral output, etc.)</p>	Needs to be established by project through sampling & product supply statistics	Increase in EE lighting product standards in the market, and a marked decrease in grey market products	<p>Random sampling from retail outlets, Customs records, & records from testing laboratories</p> <p>Published standards</p> <p>Evaluation of standards program by independent expert.</p> <p>Certifications and labels issued</p> <p>Evaluation of certification and labeling program.</p>	That enforcement of new standards will take place and impact companies delivering low-quality products
Output 2.1: Support the development of improved environmental, energy-efficiency and quality standards and norms for lighting products.	New Standards for EE lighting are developed for Dehrstandard	An incentive scheme is implemented for products & a penalty scheme is implemented for sub-standard products	<p>Official decrees</p> <p>Evaluation of standards program by independent expert.</p>	<p>1) That project policy documents will be formally recognized and acted upon by officials</p> <p>2) Lobbying efforts from "Grey-market suppliers" hinder efforts</p>
Output 2.2: Improve the Ukrainian institutional capabilities for auditing and assessing the quality of imported EE lighting products.	<p>Equipment delivered to selected testing facility.</p> <p>2) Independent testing of EE lighting samples in stores allowed in Ukraine</p>	<p>Testing and certification of products is started and maintained.</p> <p>At least one IL manufacturer has new EE lighting product line</p>	<p>Agreements, laboratory protocols, accreditation audits, and certificates</p> <p>Minutes of meetings, business plans, investor commitments</p>	<p>1) Laboratories will successfully be accredited.</p> <p>2) Enforcement scheme for non-conforming products and labs is implemented</p> <p>The business rationale is against investing in new product lines due to strong competition already in the market.</p>
Output 2.3: Support for local development of production of EE lighting equipment & modernization of national lighting industry	<p>1) Workshops held at interested lighting manufacturers</p> <p>2) Technical assistance for selected companies</p> <p>A new municipal system for CFL collection, recycling, and/or disposal is launched.</p>	Lack of current systems that is sustainable is developed from best practices in other countries.	System is in place. Municipal records and decrees. Audits of companies performing services.	Funding for the system is devised. That project policy documents will be formally recognized and acted upon by officials

	Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
OUTCOME 3: Implement efficient lighting demonstrations in the municipal sector	1) Interior lighting systems for municipal schools and other municipal objects are upgraded to new EE lighting systems 2) Energy-savings are monitored and reported.	Baselines will need to be established during the project for participating institutions.	50 objects in at least 7 municipalities have the lighting systems upgraded with EE lighting systems.	Audits at schools are performed by an independent and accredited organization(s). Ideally as part of a JI POA effort.	Co-financing for the projects is established for the participating municipalities.
Output 3.1: Provide bankable municipal projects for co-financing by existing credit facilities.	Municipalities receive co-financing/credit lines to support EE lighting projects developed by the project.	Different options exist but most Ukrainian municipalities are typically not seen as strong counterparties for lines of credit.	Municipalities that need co-financing for EE lighting projects can receive it on a case by case basis and/or programmatic basis from World Bank, NEFCO, Ukreximbank, etc.	Minutes of meetings, project implementation records, etc.	1) A facility exists, or can be modified/developed, to provide loans to municipalities. 2) Carbon finance can be leveraged to assist these projects.
Output 3.2: Design and implement pilot demonstration projects in at least 7 participating municipalities.	Number of projects with successful upgrading/refurbishment of lighting systems. Energy savings per object.	Baselines for energy-savings will need to be established during the project for participating institutions.	50 objects in at least 7 municipalities have the lighting systems upgraded with EE lighting systems.	Project records & minutes. Independent audits performed.	1) At least 7 municipalities will be interested and able to participate. 2) Monitoring & reporting systems are properly implemented at each object.
Output 3.3: Provide independent performance audits of the pilot projects	1) Number of audits performed. 2) All audit non-conformities are resolved satisfactorily.	Zero audits	50 audits at 50 objects, i.e. at least once per object per project lifetime.	Audit reports & any follow-up activities to close-out non-conformities	Owners/officials will allow audits to take place and cooperate with them.
OUTCOME 4: Improve EE Lighting product penetration in the Residential Sector	1) Increase in residential EE lighting sales delivered via the project. 2) Corresponding energy-savings caused by the Project's activities	Current market statistics for growth in EE lighting sales in Ukraine. Baselines for -savings will need to be established during the project for participating institutions.	To double the market growth rate of EE lighting equipment in Ukraine (currently 10-15% year on year) To disseminate at least 40 million additional EE light bulbs to residences.	1) Production, import, and market share data from EE lighting companies. 2) Residential consumer awareness surveys and energy-saving audit activities by the project.	1) Campaigns are effective at raising consumer awareness and interest. 2) Technological "lock-in" resulting in new EE lighting not being promoted by the project, e.g. new LED technology. 3) Micro-credit program for consumers is established.

	Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
Output 4.1: Design and implement the EE light bulbs dissemination program for residential consumers	1) Establishment of retail chain EE lighting promotion program 2) Amount/volume of EE lighting purchased via the program	No dissemination program exists. Annual trends for residential market-share growth of EE lighting technology prior to project. Consumer awareness survey to be conducted by the project to establish the baseline level of awareness for EE lighting technologies.	Establishment of retail chain EE lighting promotion program available for most consumers. Target 2 municipalities initially and spread to top 5 population centers by the end of the project. Increase in awareness & positive attitudes toward EE lighting technology by consumers.	Agreements with project partners. Project records & minutes. Data (units, amount of credit) provided by the institutions providing the finance for EE lighting. Follow-up sampling and surveys of residential households participating in the program. Surveys on consumers EE awareness level	Suitable partners can be identified and persuaded to provide the micro-finance program to residential consumers. Barriers for entry to the program are low.
Output 4.2: Introduce EE lighting and Green Light Label component in educational curricula	Creation of the educational material. Number of institutions accepting the educational curricula throughout Ukraine.	To be established by the project.	Educational materials created and passed for inclusion in educational programs	Data from joint UNDP/Ministry of Education project regarding dissemination of material and incorporation into school curriculum.	Schools will accept the material and incorporate it into the classroom curriculum for the students.
Output 4.3: Design and implement municipal PR campaigns on EE lighting	Scope of the PR Campaign (i.e. how many cities, outlets, and media-types?) Effectiveness of the PR Campaign (as measured by baseline and follow-up awareness surveys from 4.1).	Currently no other PR campaigns are known to be planned but this will be re-confirmed by the project.	Campaign visible in the top 10 municipalities in Ukraine by population. A measurable increase of 20% in awareness by consumers in the municipalities.	Project records Agreements with project partners. Results from surveys performed in 4.1	Ukrainian celebrities can be engaged to promote the issue of EE lighting so that it is perceived as “cool” and trendy. Market surveys are performed by professional organizations with the proper capacity.
Output 4.4: Tailor selected global EE lighting promotional activities to Ukrainian consumers	Scope of the PR Campaign (i.e. how many cities, outlets, etc.) Volume of sales data for the targeted products.	To be established by the project.	Increase in sales of EE lighting products by 20% at the participating outlets.	Agreements with project partners. Meeting minutes and protocols. Sales data supplied by outlets.	EE lighting companies and relevant consumer outlets will partner with UNDP. Sales data will be collected and supplied by participating outlets.

Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
OUTCOME 5: Dissemination and Replication of the Project Results	<p>Information publications & training workshops for municipality staff.</p> <p>Expansion/replication of the EE lighting school projects to new municipalities.</p> <p>New EE lighting projects co-funded by carbon finance.</p>	<p>Various publications exist regarding EE Lighting but little which show successful projects in Ukraine.</p> <p>Currently no EE lighting projects in Ukraine have been started using JI & carbon finance.</p>	<p>At least 2 information publications for municipalities.</p> <p>At least 10 training workshops in different municipalities not targeted previously by this project.</p> <p>Expansion/replication of the EE lighting school projects to 20 new municipalities.</p>	<p>Project has successful outcomes with lessons learned which can be used for publication & training purposes.</p> <p>Project partners & program(s) providing municipal co-financing are willing to expand to new municipalities in Ukraine.</p> <p>Additional/alternative financing means are developed during the project lifetime for the new EE lighting school projects.</p>
Output 5.1: Implement project website	Website up and maintained regularly	<p>No website</p> <p>Website updated with historical, current, and planned project activities & progress</p> <p>Knowledge base developed for Ukraine and International Practitioners</p>	<p>Online Website</p>	<p>Content is maintained regularly</p> <p>Content is interesting and easy to locate</p>
Output 5.2: Design the second stage of demonstration project covering at least 20 municipalities across Ukraine	<p>Municipal applications to participate in the new projects/program.</p> <p>Selection results from the application process selecting 100+ schools.</p> <p>Initial lighting site-audits at the participating schools.</p>	<p>Currently similar projects of such scale do not exist in Ukraine.</p> <p>During the project lifetime the pilot projects in Component 3 will assist with establishing average lighting & energy usage baselines at the schools.</p>	<p>Minutes from meetings.</p> <p>Applications from municipalities.</p> <p>Project planning documents, calls for tenders, & contracts for EE lighting school projects to 20 new municipalities.</p>	<p>Project partners & program(s) providing municipal co-financing are willing to expand to new municipalities in Ukraine.</p> <p>Lessons learned & knowledge from the pilot projects are successfully transferred & applied to the new projects/program.</p> <p>Additional/alternative financing means are developed during the project lifetime for the new EE</p>

Indicator	Baseline	Targets	Sources of Verification	Risks & Assumptions
				lighting school projects.
Output 5.3: Support and work with local organizations that focus on energy efficiency in the public sector	The number of and type of organizations which cooperate with GEF/UNDP project.	<p>Cooperate and support at least 2 regional/national organizations (i.e. offices & staff in several locations).</p> <p>Cooperate with at least 1 organization in the 12+ pilot municipalities (Component 3.2 & Component 4.1)</p>	<p>MoUs or agreements with the organizations.</p> <p>Participation by organizations at GEF/UNDP training workshops.</p> <p>Minutes and protocols from meetings.</p> <p>Periodic interviews and answers from questionnaire/survey results sent to the organizations by the project.</p>	<p>Local and regional organizations will have the willingness and capacity to work with the project.</p> <p>If no appropriate organization exists locally, then UNDP efforts can support the creation of a new one or the expansion of an existing one.</p>
Output 5.4: Develop and conduct seminars for municipal governments regarding EE projects and opportunities for leveraging carbon finance, and other alternative finance	<p>Development of the training program.</p> <p>Number of seminars.</p> <p>Participants at the seminars</p> <p>New project ideas & financing proposals developed as the outcome from seminars.</p>	<p>At least 10 seminars in 10 municipalities.</p> <p>At least 2 new projects developed & implemented as a result of the seminars.</p>	<p>Seminar minutes/protocols.</p> <p>Attendee lists of the seminars.</p> <p>New project ideas & proposals from the seminars.</p> <p>Successful implementation of carbon co-financed EE lighting projects.</p>	<p>That carbon financing will still be viable after 2012, i.e. follow-up treaties & mechanisms to the Kyoto Protocol will exist.</p> <p>Municipal gov't attendees will be prepared enough to actively submit project ideas/proposals.</p>

Annex 3: RATE TABLES

Table 1. STATUS OF OBJECTIVE / OUTCOME DELIVERY AS PER MEASURABLE INDICATORS

OBJECTIVE	MEASURABLE INDICATORS FROM PROJECT LOGFRAME	MID TERM TARGET	RISKS AND ASSUMPTIONS	MEANS OF VERIFICATION	STATUS OF DELIVERY*	RATING**
OUTCOMES	MEASURABLE INDICATORS FROM PROJECT LOGFRAME	MID TERM TARGET	RISKS AND ASSUMPTIONS	MEANS OF VERIFICATION	STATUS OF DELIVERY	RATING
Outcome 1						
Outcome 2						
Outcome 3						
Outcome 4						

* STATUS OF DELIVERY:

GREEN /	= Indicators show successful achievement
COMPLETED	= Indicators show expected completion by end of Project
YELLOW	= Indicators show poor achievement - unlikely to be completed by end of Project
RED	

** For RATING see Table 2.

Table 2. PROJECT RATINGS

Project Component or Objective	Rating
Ratings of Relevance, Efficiency and Effectiveness* (6 - Highly Satisfactory, 5 - Satisfactory, 4 - Marginally Satisfactory, 3 - Marginally Unsatisfactory, 2 - Unsatisfactory, 1 - Highly Unsatisfactory)	
Project Formulation	
Overall Project Formulation (Relevance)	
- Conceptualization/design	
- Stakeholder participation	
Project Implementation	
Implementation Approach (Efficiency)	
- Use of the logical framework	
- Adaptive management	
- Use/establishment of information technologies	
- Operational relationships between the institutions involved	
- Technical capacities	
Monitoring and Evaluation	
Stakeholder Participation	
- Production and dissemination of information	
- Local resource users and NGOs participation	
- Establishment of partnerships	
- Involvement and support of governmental institutions	
Project Results	
Overall Achievement of Objective and Outcomes (Effectiveness)	
- Objective	
- Outcome 1	
- Outcome 2	
- Outcome 3	
- Outcome 4	
Sustainability Ratings** (4 - Likely, 3 - Moderately Likely, 2 - Moderately Unlikely, 1 - Unlikely)	
Sustainability	
- Financial sustainability	
- Institutional sustainability	
- Socio-economic sustainability	
- Ecological sustainability	
Overall Project Achievement and Impact	

* Evaluations pertaining to the relevance, effectiveness and efficiency of the project to be evaluated using the six ratings recommended by GEF:

6: Highly Satisfactory (HS)	The project has no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency
5: Satisfactory (S)	The project has minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency
4: Moderately Satisfactory (MS)	The project has moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency
3: Moderately Unsatisfactory (MU)	The project has significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency
2: Unsatisfactory (U)	The project has major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency
1: Highly Unsatisfactory (HU)	The project has severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency

** Evaluations pertaining to the sustainability of the project to be evaluated using a using the four ratings recommended by GEF:

4: Likely (L)	There are no or negligible risks that affect this dimension of sustainability
3: Moderately Likely (ML)	There are moderate risks that affect this dimension of sustainability
2: Moderately Unlikely (MU)	There are significant risks that affect this dimension of sustainability
1: Unlikely (U)	There are severe risks that affect this dimension of sustainability

Additional ratings where relevant:

N/A: Not Applicable

U/A: Unable to Assess

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
- GEF focal area strategic program objectives

Project documentation

- GEF approved project document and Request for CEO Endorsement
- Project Inception Report
- Annual work plans
- Annual GEF Project Implementation Reports for 2010 and 2011
- CDRs
- Financial audit reports
- GEF Quarterly Reports
- Project Steering Committee minutes
- Updated risk log

Other relevant documentation

- Federal Law of the Russian Federation #261 on *Energy Conservation and Energy Efficiency Improvement* of 11.11.2009
- Decree #602 *On Approval of the Requirements to Lighting Devices, Electric Lamps Used in Alternating-current Circuit for Illumination and on Introduction of Changes into Regulatory Documents of Russian Federation* of 20.07.2011
- Russian Federation State Programme *Energy Conservation and Energy Efficiency Improvement for the Period till 2020* (approved by Government Decree #2446-r on 27.12.2010)
- SNIIP 23-05-59* (SP 52.13330.2011)
- Report on market monitoring of lighting products
- Communication and promotion strategy
- Promotion materials
- Press articles

Annex 5. 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/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 financing⁴;
- 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 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.

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

⁴ 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.

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.

